**Results of the activities**

**of the INTOSAI Task Force on procurement contract audit**

**at the 7th meeting of the Steering Committee**

**of INTOSAI Committee on Knowledge Sharing and Knowledge Services**

**(Washington, USA, October 15 - 16, 2015)**

Dear colleagues,

***(slide 1)*** Let me briefly inform you on the results of activities of the INTOSAI Task Force on Procurement Contract Audit headed by the Accounts Chamber of the Russian Federation.

***(slide 2)*** The Task Force was established in 2013 and the idea was based on the mutual initiative of the Accounts Chamber of the Russian Federation and the US Government Accountability Office. The Task Force creation was approved at the 64th Governing Board meeting and XXI INCOSAI.

The main objective of the Task Force is to develop under the authority of INTOSAI universal approaches and procedures for the performance of public procurement audit.

It should be noted that the idea has sparked interest in the audit community and many supreme audit institutions are wishing to be more informed on the activities of the new Task Force of INTOSAI.

***(slide 3)*** The representatives of ten SAIs from all regions of the world have come to attend the first meeting. At present a total of 13 Supreme Audit Institutions are members of the Task Force, and more 11 SAIs expressed their desire to take part in the activities of the Task Force. The functions of the Secretariat of the Task Force are fulfilled by the Accounts Chamber of the Russian Federation.

***(slide 4)*** The first meeting of the Task Force was held on June 25, 2014 in Moscow and it was of great importance for the Task Force members. During the meeting we have not only exchanged views on the problems facing SAIs in sphere of carrying out procurement audit but also approved the Terms of Reference, the Work Plan for 2014 – 2016 and the structure of the Task Force web-page.

***(slide 5)*** Between the meetings the Task Force has reached the following main results.

The information of the Task Force activities (in Russian and English) is available on the web-page which is being updated regularly.

The draft structure for the Practical Guidelines on carrying out public procurement audit and the draft INTOSAI glossary pertaining to public procurement audit have been prepared.

In order to plan implementation of the pilot projects the Task Force has analyzed all the proposals received from the SAIs of member countries on carrying out the public procurement audit.

As we want to provide the most pragmatic nature to the activities of the Task Force the preparation of practice guidelines for carrying out the procurement audit is considered one of our principal goals.

For this reason we definitely need to generalize experience of our colleagues, to perform pilot audits in the area of public procurement, to agree the structure of practical guidelines as well as the use of unified terms based on the developed glossary.

***(slide 6)*** The second meeting of the Task Force with the participation of the SAIs of 9 countries took place in the Russian Federation on June 24, 2015.

At the meeting the order of implementation of the pilot projects on public procurement audit has been finally agreed by the members of the Task Force. The pilot projects will be carried out as the parallel audit of validity of changes made in the concluded public contracts in the course of their performance (SAIs of Portugal and Slovenia), the comprehensive audit of public procurement in the area of electric power industry (SAI of Zambia) as well as carrying out audits with independently selected themes (other SAIs - members of the Task Force).

***(slide 7)*** In order to share the experience the members of the Task Force have made the decision to send brief summaries of the results of performed audits of mutual interest in the recommended format to the TF Secretariat for further allocation on the web-page of the Task Force. Based on the results of the discussion the members of the Task Force have accepted the draft INTOSAI glossary pertaining to public procurement audit and the draft structure for the Practical Guidelines on carrying out public procurement audit as the basis. The generalization of the proposals, comments and supplements received from the members of the Task Force is under way now. We plan to finish this work till the end of 2015.

At the meeting we have reached a preliminary arrangement concerning the place for the next meeting in 2016. Our colleagues from Azerbaijan have kindly proposed to host the next meeting of the Task Force on public procurement audit in Baku, the Republic of Azerbaijan.

In general the activity and a keen interest of the member countries of the Task Force to the public procurement audit matters shown during all two meetings that have been held demonstrate the prospects of this work and relevance of its results.

I would like to note especially that in general the activity of the Task Force is performed in accordance with the approved Terms of Reference and the Work Plan for 2014 - 2016. That is why I would like to thank all countries participating in this work. I have no doubts that all activities planned by the Task Force will be performed in the prescribed timeframe and in full.

***(slide 8)*** Thank you for your attention.