

Minutes of the Eighth ECOSAI Governing Board Meeting Tehran – Iran 09, June, 2003

The Eighth ECOSAI BoG meeting was held on 09th of May, 2003 in Tehran, Islamic Republic of Iran. The following members attended the meeting as Heads of delegations.

- Mr. Seyed Kazem Mirvalad, President of the Supreme Audit Court of Iran and Chairman of ECOSAI.
- Mr. Mohammad Yunis Khan, Auditor General of Pakistan and General Secretariat of ECOSAI.
- Mr. Mehmet Damar, President of the Turkish Court of Accounts.
- Mr. Abbas Allahverdiev, Deputy of the Chairman of the Chamber of Accounts of Azerbaijan.
- Mr. Alybek Madeliev, Auditor of the Accounts Chamber.
- Mr. Soner Vehbi, President of the Court of Audit of Muslim Community of Northern Cyprus attended the meeting as an observer.

Complete list of participants is at Annex I.

1. Opening of the meeting

The meeting started with a recitation from the holy Quran. Thereafter the President of the Supreme Audit Court of the Islamic Republic of Iran and ECOSAI, Mr. Seyed Kazem Mirvalad, formally inaugurated the meeting and welcomed the delegates. He said that he was hopeful about the meeting being productive and useful as well as being a positive step towards improving performance of ECOSAI and resolving its problems. The inaugural speech of the President is in Annex II. The Speech was followed by adoption of the Agenda.

2. Discussion on of the Agenda points

a) Activity Report by the Secretary General

The Auditor General of Pakistan and Secretary General of ECOSAI presented the Activity Report. He mentioned that although ECOSAI had made progress, it still had a long way to go. He spelled out the need to activate the non-active members. He was of the opinion that ECOSAI should continue as an autonomous entity and may not become a subgroup of ASOSAI or INTOSAI. This matter needs to be considered carefully by all members of ECOSAI. The report of the Secretary General is at Annex III.

b) Presentation and approval of the annual accounts for the year ended 31.12.02

Mr. Mohammed Mohsin Khan, Deputy Auditor General, SAI of Pakistan, while presenting the accounts of ECOSAI for the financial year ending on 31.12.03 stated that ECOSAI's auditors viz. Azerbaijan Republic and Kyrgyz Republic had certified accounts covering a period from 1.1.99 to 1.4.03 whereas the accounts presented in the meeting needed to be certified on the basis of financial year ending 31.12.03. Since the Audit could not be conducted in Pakistan at the ECOSAI Secretariat, such issues could not be clarified with the auditors period.

The auditors had given an unqualified certificate however they needed to visit Pakistan for audit relating to the period referred to above. The need to conduct audit in Pakistan for the 2002 accounts was also supported by the Azerbaijan and Kyrgyz Republics.

The Auditor-General of Pakistan (AGP) proposed that Iran and Turkey should serve as auditors by rotation. The proposal was supported by all the members.

Decision: It was agreed that:

- i) *The auditors from Azerbaijan and Kyrgyz Republics shall visit Pakistan to audit the accounts for the financial year ending on 31.12.03. Their expenses shall be borne by the ECOSAI Secretariat out of the funds of the organization*
 - ii) *Starting with 2003, Turkey and Iran shall serve as auditors of ECOSAI by rotation*
- c) Reviewing the membership dues and action taken in this regard.

The Auditor-General of Pakistan mentioned the amounts due against the members and the amount deposited so far by the five members. President TCA informed that they are trying to locate the details of the remittance reported as not received in Pakistan in ECOSAI's accounts. A discussion followed on the need to activate the non-active members. President Court of Audit of the Islamic Republic of Iran mentioned that Kazakhstan and Afghanistan have shown keen interest to become active members. The President proposed that in order to encourage the non-active members the Board may consider waiving off the outstanding dues against all non-active members including Afghanistan.

Decision: To encourage the non-active members to participate, all past dues will be exempted.

- d) Presentation and approval of the Training Committee Report.

Mr. Arif Mansur, Deputy Auditor General, SAI of Pakistan, presented the report of the Training Committee that also met on the 9th of June 2003 (see Annex IV for the report), which was discussed at some length.

Decision: While adopting the Report of the Training Committee, it was decided that the Calendar of courses of the ECOSAI would be revised and a new Calendar drawn up by the Secretariat taking into account the changes made by the SAIs of Iran, Pakistan and Turkey on the basis of the recommendations of the Training Committee made in their Report. The Revised Calendar will be presented in the next meeting of the BoG of the ECOSAI for approval.

- e) Report on the Publication of the ECOSAI Circular by SAI of Turkey.

The President of the TCA highlighted the salient features of the ECOSAI Circular printed by it. The Auditor General of Pakistan, while complementing Turkey, for issuing the latest Circular, proposed that his SAI being the ECOSAI Secretariat is ready to publish the Circular at its expense. Issues including lack of contribution

by member countries were also discussed. ECOSAI President emphasized on the need to convert PERFORMIT, a journal being published by the SAI of Pakistan, into an ECOSAI journal. The Auditor General of Pakistan stated that ECOSAI journal should not be country specific.

Decision: ECOSAI journal will be published by Iran in 2003. Beyond 2003, the matter will be considered in the next BoG.

f) Report of the SAI of Turkey on the latest developments in the establishment of ECOSAI website.

SAI of Turkey reported that it has set up a website of ECOSAI within the website of the Turkish SAI. The website is in English. President ECOSAI observed that the website needs to be an independent site for which cost estimates may be developed by the Secretariat.

Decision: Cost of developing an independent website for ECOSAI should be worked out by the Secretariat and the matter brought up before the Board.

g) Report of the Interim Audit Committee on audit of ECOSAI accounts to be presented by SAIs of Azerbaijan and Kyrgyz Republic

As the topic of this item was already discussed under item 4 it was decided that the decision taken under item 4 of the Agenda may be implemented.

h) Selection of the new ECOSAI President.

President of ECOSAI was of the view that as per Article 6.1 a) selection of the President is linked to the venue of the session of the Assembly. As the Assembly Session could not be held despite efforts by him as well as the Secretary General the head of SAI of Iran will continue as the President till such time as the Assembly meets next time. The Auditor-General of Pakistan proposed that he was willing to host the next BOG meeting in Islamabad and effort can be made to hold an extra-ordinary session of the Assembly. In case Turkey wanted to hold this meeting the SAI of Pakistan is willing to withdraw in their favour. Discussions ensued and the President of the TCA suggested that both the meetings (extra-ordinary meeting and the Ordinary meeting) can be held in Turkey.

Decision: The next meeting of the BoG and an extra-ordinary session of the Assembly will be held in Pakistan in late 2003. Venue of the next meeting shall be decided in that meeting.

i) Other matters

a) The important issue that was taken up under the heading other matters related to the request of the TRNC to be given full membership of ECOSAI. The issue was discussed in considerable detail keeping in view the provisions of Articles 1, 4, 5 & 12. The president of the TRNC stated that ECOSAI remained seized with the Turkish Cypriot request until it could be considered in the next BoG. The President and the Secretary General expressed the view that they would like to accommodate their Turkish Cypriot brothers but were constrained due to provision of the Charter. Head of Turkish SAI

made a strong plea for according full membership to TRNC on the grounds that ECOSAI was a non-political organization and a technical forum.

Decision: It was decided that ECOSAI would not form a committee to discuss the issue but necessary information would be collected by the SAIs and will be processed by the Secretariat for consideration in the next meeting of the BoG.

b) SAI of Pakistan, while presenting the proposed Budget for the years 2003, 2004 and 2005, pointed out that activities need to be planned in order to estimate any expenditure to be incurred.

c) Regarding the printing of Directory of ECOSAI members, SAI of Pakistan pointed out that as soon as the new Turkish law was approved and the required material from other members became available the Directory would be published.

Decision: It was agreed that the Directory should be published after the required information was available for inclusion in the Directory.

The meeting ended with of thanks to the Chair.

Mr. Seyed Kazem Mirvalad, President of the Supreme Audit Court of Iran and Chairman of ECOSAI.

Mr. Mohammad Yunis Khan, Auditor General of Pakistan and General Secretariat of ECOSAI

Mr. Mehmet Damar, President of the Turkish Court of Accounts.

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