

AUDIT OFFICE OF THE
INSTITUTIONS OF BOSNIA AND HERZEGOVINA
2000 - 2020

20 YEARS

supporting the work
of the Institutions of
Bosnia and Herzegovina



"The liberties of a people never were, nor ever will be, secure, when the transactions of their rulers may be concealed from them."

Patrick Henry

Foreword by the Auditor-General



It gives me an immense pleasure to present to you this brochure commemorating the twentieth anniversary of the Audit Office of the Institutions of Bosnia and Herzegovina.

Although a young institution, I am confident that the significant professional achievements are behind us. At the very beginning of our work we faced a chaotic and disorganized system of public administration that has just stepped into the reform process. The absence of criteria in the form of legal regulations, rules and operational procedures, made the auditors' work extremely challenging.

Initially, our financial, and later our performance audits, and recommendations resulting from them, significantly contributed to establishing a legislative framework for the institutions of Bosnia and Herzegovina and a financial management and control system, to a more active approach of the institutions of Bosnia and Herzegovina in the fight against corruption, to improving transparency and compliance in the use of public funds, and to many other important segments of public administration. Personally, we may sometimes feel displeased with the degree of implementation of our recommendations because we are aware of the potential they have to improve the situation. However, we are aware that society and habits change slowly and thus we are able to find gratification in looking back to see a significant number of issues that improved greatly throughout the years of our work.

We measure our success by achieved improvements and the level of recommendations implemented by our auditees, but also by the way the society perceives us as an independent and professional institution. I believe that, over the past twenty years of auditing in specific circumstances, we have managed to maintain a high level of confidence in our work, independence and professionalism. This is my personal opinion, however, a line of various independent studies measuring the trust of society in public institutions confirm this as a fact as well.

Such a trust could only be achieved through a high level of commitment of those who managed our Office for the past 20 years and through the exceptional commitment and professionalism of the audit and other staff to the development goals. The Swedish National Audit Office has played a key role in this process, providing us with much-needed professional support since our very establishment.

No less important was the contribution of our external stakeholders, primarily the relevant parliamentary committees. During the past years, we have developed a high quality cooperation with these committees, while at the same time developing such a cooperation with, the institutions of Bosnia and Herzegovina as our auditees, as well as the representatives of civil society organizations and the media.

I take this opportunity to congratulate all of my colleagues on the 20th anniversary of their successful work and wish them health and strength to continue to contribute to the improvements in governance and the performance of the public sector in the future.

Hrvoje Tvrković
Auditor General



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Our Management



Hrvoje Tvrtković
Auditor General

Born 1970 in Kreševo

Graduated from the Faculty of Economics of the University in Mostar.

For almost the entire first decade of his career he worked in the private sector, in the field of road construction and infrastructure.

During 2005 and 2006, he ran the Business Center of Kreševo Municipality, that was part of the project of the Regional Development Agency of the Sarajevo Economic Region- SERDA.

Has been working with the SAI since the end of 2006 performing the duties of a financial auditor, a performance auditor and a senior performance auditor-team leader. For the last four years, he has been heading the Performance Audit Department.

The Parliamentary Assembly of Bosnia and Herzegovina appointed him Auditor General in October 2020.

Born 1959 in Sarajevo.

Graduated from the Faculty of Economics in Sarajevo. Worked in the Republic Administration of Social Revenues of the Executive Council of the former Federal Republic of Bosnia and Herzegovina. Performed the function of Deputy General Director of the Republic Administration of Public Revenues of the Republika Srpska.

In the Republika Srpska Ministry of Finance, he was the Assistant Minister of Finance for Budget and Public Finance.

Was a member of the Procurement Review Body of Bosnia and Herzegovina from among the public procurement experts.

The Parliamentary Assembly of Bosnia and Herzegovina appointed him Deputy Auditor General in November 2015.

Born 1980 in Sarajevo.

Graduated from the Faculty of Law of the University in Sarajevo. Completed his postgraduate studies in European Public Law (LLM) in Bristol, UK. Passed the bar exam and is a certified internal auditor.

Worked as a civil servant in the Parliament of the Federation of Bosnia and Herzegovina, as the Head of the Department for Normative and Legal Affairs in the Police Support Agency, and as the Head of the Cabinet of the Minister of Security of Bosnia and Herzegovina.

Appointed Director of the Police Support Agency of Bosnia and Herzegovina in 2013.

The Parliamentary Assembly of Bosnia and Herzegovina appointed him Deputy Auditor General in March 2016.



Ranko Krsman
Deputy Auditor General



Jasmin Pilica
Deputy Auditor General

Two decades



in the SAI



„I am honored and pleased to have been working in the SAI from its establishment until today. The beginning of my work was marked by a transition period when the situation in BiH was somewhat chaotic, without effective control over the use of public money and the management of public property. I have come to love audit because it provides an opportunity to improve the operations of institutions without repressive measures, by giving appropriate recommendations and opinions. I believe that, together with my colleagues, I have contributed to an increased regularity of operations in the institutions of Bosnia and Herzegovina, as well as to strengthening the financial discipline in the use of public money.“

Munevera Baftić, Head of Financial Audit Department 2

„It is with great pleasure that I have been working as a financial auditor for many years. Together with my colleagues, I tried to identify irregularities and weaknesses in the work of the institutions of Bosnia and Herzegovina, and considered materiality from the aspect of propriety in the public sector. In our work, we not only critically observed the weaknesses found, but also sought to take a preventive approach and direct our work to improve the overall operations of the institutions. I am convinced that we have made a great contribution to the development of the system of financial management and control, to the regularity and transparency of operations, increased financial discipline, establishment of a better legislative framework, and more appropriate behaviour and attitude towards the use of public money.“



Miro Galić, Head of Financial Audit Department 1



„Auditing is a profession that has always attracted me and I have been into it almost my entire career. We have made a notable contribution to improving the public finances and the use of public money at the level of the institutions of Bosnia and Herzegovina. I can responsibly say that it is our audit work that is directly credited with an increased financial discipline, internal control systems development, adopting numerous spending rules and procedures, and a greater degree of compliance in the auditees' operations. There are, undoubtedly, many more challenges to be faced on this path while building both good cooperation with other institutions and trust in our work.“

Dragoljub Ković,
Head of Development, Methodology and Quality Control of Financial Audit

„Ever since I started working with the SAI as an intern, when I was 24, I have considered it to be my professional home where I, sort of grew-up and advanced into an experienced auditor. Along with my more experienced colleagues, who readily shared their knowledge and experience, using the training and support of the Swedish National Audit Office, but also through daily contacts and work with our auditees, I gained significant and invaluable experience and knowledge not only as an auditor, but also as a human being. Now, as an audit team leader, I can say that it is a great honor and pleasure, but also a responsibility to work with SAI and carry out its mission on a daily basis, thus contributing to the development of the institutions of Bosnia and Herzegovina and the environment we live and work in.“



Nataša Avdalović, Senior Financial Auditor



„I was lucky to be one of the first to join our SAI and to witness the way we grew up and professionally developed together. I have been, from the very beginning, aware of my own responsibility with respect my tasks and duties, which is why I, in line with my professional and personal ethics, have been professionally building my knowledge in financial audit and related services. With no false modesty, I believe that my personal contribution to the SAI's growth and development has been significant and that I represent both myself and the SAI in a dignified manner in line with the highest standards of the audit profession. Through all these years of my work I have always sought to, in particular, be responsible towards myself, but also towards the SAI's management and prove worthy of the trust placed in me.“

Nermin Hamzagić, Senior Auditor for Quality Control

Establishment and Development of the SAI

Bosnia and Herzegovina (BiH), as a country in transition, did not have an external public sector audit tradition established prior to 2000. There was, however, control performed within the former Social Accountancy Service which, in a way, is a forerunner of modern-day understanding of external control carried out by supreme audit institutions.

The foundation of modern public sector audit was laid in 1977 in Lima, Peru, when the Lima Declaration was adopted at the Congress of the International Organization of Supreme Audit Institutions, which established the fundamental principles of operations of supreme audit institutions and government auditing in general. The main objective of the Lima Declaration was to call for the establishment of a supreme public sector audit institution in each country whose independence should be constitutionally and legally guaranteed.

With the enactment of the Law on Audit of Financial Operations of Institutions of Bosnia and Herzegovina in 1999, the Office for Audit of Financial Operations of Institutions of Bosnia and Herzegovina (SAI) was established as an independent institution in charge of external audit of the operations of the Institutions of Bosnia and Herzegovina.

In accordance with the mentioned Law, the Presidency of Bosnia and Herzegovina appointed the first members of the SAI's management: Ivan Miletić, Auditor General, and Dragan Kulina and Samir Mušović, as Deputy Auditors General.

„It was an honor to have been part of the establishment of the Audit Office of the Institutions of Bosnia and Herzegovina and to be its first Auditor General. We had been building the first Supreme Audit Institution in Bosnia and Herzegovina based on democratic principles of oversight of the financial operations of the Executive, while following the postulates of the International Organization of Supreme Audit Institutions regarding independence, impartiality and professional judgment. After 20 years, it is a pleasure to see the SAI become a trusted institution, a respectable and equal partner within the international community of supreme audit institutions.“

Ivan Miletić



The first Law on Audit allowed for the first audits to be conducted, and the SAI published its first reports on financial audits of the operations of the institutions of Bosnia and Herzegovina in 2001. The fact that, out of nine reports on audits of 2000 final accounts, the SAI expressed only one unqualified opinion, while in two institutions, due to insufficient documentation and a number of other reasons, it was not able to express an opinion at all, best illustrates the urgency of the need to start getting public finances in order.

Over the next years, as awareness and knowledge of the role of public sector auditing grew, it became clear that the original Audit Law needed fundamental changes. First of all, it was necessary to strengthen the independence of the SAI itself, to define the position and manner of appointing the Auditor General as well as the position and status of its staff. It was necessary to additionally emphasize other forms of the SAI's activities, apart from the audit of financial operations.

During 2004 and 2005, the project group, consisting of the SAI's representatives, colleagues from other two audit offices in BiH, colleagues and mentors from the Swedish National Audit Office, and international experts engaged in public administration reforms in BiH, prepared and proposed amendments to the Law on Audit of Financial Operations of Institutions of Bosnia and Herzegovina and laws on audit of institutions at the level of the Entities in BiH. The amendments were comprehensive and, as such, required adoption of a completely new law on audit, adapted to the needs, experiences and environment in BiH, and at the same time modern and fully harmonized with European standards. A new law, the Law on Audit of Institutions of Bosnia and Herzegovina, was adopted in 2006.

The legislative framework development went hand-in-hand with organisational development and staffing. The absence of government auditing tradition in BiH made the job of recruiting appropriate staff more difficult. Therefore, the SAI's management opted for a combined approach, creating audit teams out of a smaller number of experienced economists with certificates in accounting and auditing and rich work experience, and a larger number of young people with newly acquired diplomas, who were given the opportunity to specialize in auditing and shape their careers in the SAI.

Financial Audit Development and Impact

Immediately upon its establishment, the SAI, in accordance with the Law on Audit of Financial Operations of the Institutions of Bosnia and Herzegovina, began conducting its first financial audits. In 2000, three teams (a total of nine financial auditors and one IT auditor) completed nine financial audits, while in 2003, all budget users were subjected to audit, i.e. a total of 33 audits were conducted.

At the beginning of their work, financial auditors were facing numerous challenges in their work. The situation they encountered in some of the audited institutions even prevented them from expressing the auditor's opinion. The disorderly system reflected itself in:

- Non-existing or disorganized legislation ✓
- Absence of uniform accounting policies and procedures ✓
- Absence of a uniform chart of accounts and financial reporting procedures ✓
- Insufficiently developed financial management and control system ✓
- Absence of internal auditing functions ✓
- Keeping separate ledgers and transaction records ✓
- Overrun in the budget resources available ✓
- Lack of annual and strategic work plans and programs ✓
- Non-transparent reporting on the work and use of public funds ✓
- Absence of uniform rules and procedures for certain categories of public expenditures and processes ✓
- Weaknesses in revenue and expenditure planning ✓

The result of such a disorderly system was a very low degree of control over the operations of public institutions and the use of public resources.

Today, after 20 years of work, the SAI employs 25 financial auditors who perform financial audits of 74 budget users- the institutions of Bosnia and Herzegovina, financial audit of the execution of the consolidated annual budget, and special audits at the request of the Parliament.

The methodology of financial audit has been developing since the very establishment of the SAI, and has been improved to a large extent by the establishment of the Department for Development, Methodology and Quality Control of Financial Audit in 2010. Audit quality control is ensured through mandatory steps in the audit process, which are supported by the methodology of financial audit work. All procedures are constantly being aligned with the INTOSAI Professional Pronouncement Framework (IFPP) and, within it, the International Standards of Supreme Audit Institutions (ISSAI).

During the past 20 years of financial auditing, the SAI has made a significant contribution to improving the operations and financial discipline of public sector institutions, increasing the transparency of their financial information, and establishing an institutional framework for preventing and fighting corruption.

By reporting on irregularities in the work of the institutions, both individual and systemic in nature, by publishing audit reports in line with the International Auditing Standards, and providing specific findings and recommendations, the SAI has made a significant contribution to:

- establishing a legislative framework for the operation of the institutions of Bosnia and Herzegovina (adoption of laws and bylaws such as the Law on Salaries and Remunerations in the Institutions of BiH, the Law on Public Procurement, the Law on Internal Audit, uniform rules and procedures for expenditures by budget items)
- establishing and applying the uniform treasury operations system and the financial management and control system
- amending the regulations governing labour and employment matters
- developing the Public Internal Financial Control System
- improving transparency and regularity in the use of public resources
- a more active approach to fighting corruption, fraud and nepotism
- improving IT systems and developing IT-related strategies

Furthermore, the IT audits carried out as part of our financial audits had a prominent role to play in improving and increasing the transparency of the operations of the institutions, introducing more efficient and more effective IT and telecommunication solutions, improving software licencing process and increasing the information systems security.



10
Auditors



9
Audits

2000



2020

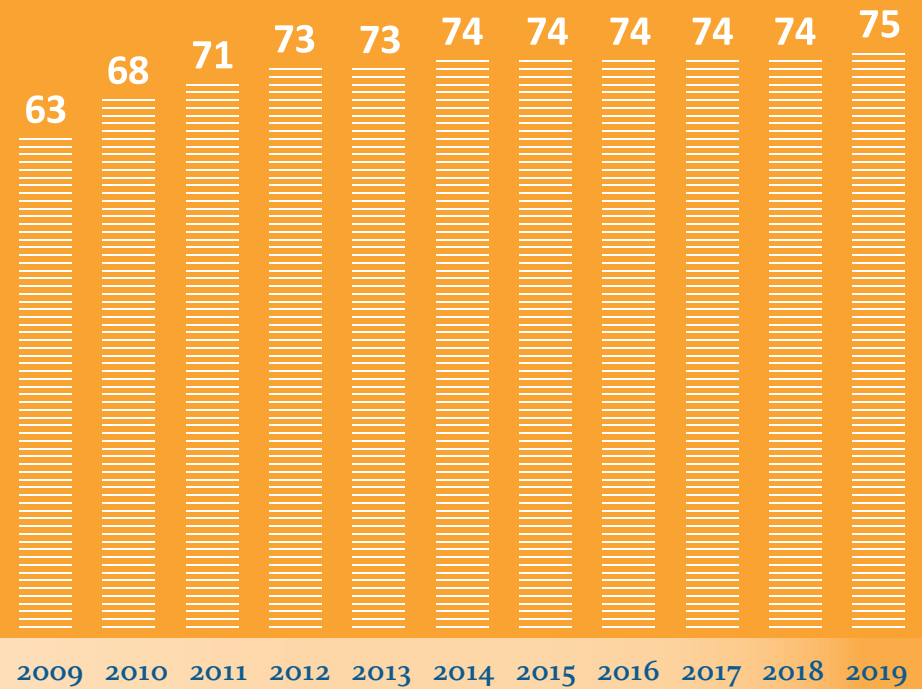
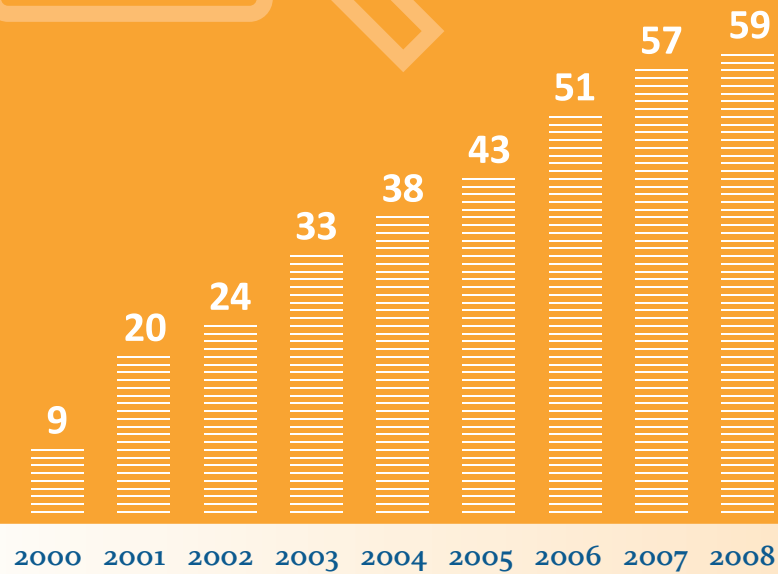
74
Audits



25
Auditors



NUMBER OF FINANCIAL AUDIT REPORTS



Performance Audit Development and Impact

First activities to introduce the performance audit profession in BiH began with the very establishment of public sector audit offices in Bosnia and Herzegovina in 2000, by defining performance audit as one of the strategic development goals.

The first step to establish the performance audit function was made in July 2005 when, with the support of the Swedish National Audit Office (SNAO), a full-day performance audit seminar was organized in Vlačić. Apart from the representatives of BiH audit offices, the seminar was also attended by the representatives of the parliaments and governments of all levels in BiH. The participants were, for the first time, fully introduced to the concept and practices of performance auditing in the world. The general conclusion of the seminar was that this concept of audit is a necessary element for the improvement and development of the public sector in BiH.

Shortly afterwards, the necessary laws were adopted and other necessary preconditions were created for the audit offices to start developing this new audit discipline.

After the Vlačić seminar, the first employees- performance auditors- were recruited and performance audit teams were formed who started work on pilot performance audits. The first SAI's performance audit report was published in 2009. The audit addressed the process of civil servants recruitment in the institutions of BiH. The audit was performed under the mentorship of SNAO experts and attracted great attention of the public, the Parliament and other stakeholders, because it was a new perspective of observing the problems in public administration management.

The initial performance audits were very demanding, both for the SAI and the auditors who performed them, as well as for the institutions that were subject of the audits. It was a completely new auditing approach, and there was a widespread lack of understanding by the institutions that were accustomed to regular financial audit procedures. However, as the number of audits grew, it became clearer what the performance audit was doing and what could be expected from the report. This significantly increased the understanding of the institutions, enabling us to easier access the appropriate audit related individuals and documentation.

Today, we have 13 performance auditors of which five are team leaders. By the end of 2020, we have published 50 performance audit reports addressing various areas of public administration at the level of the Institutions of BiH, with over 360 recommendations given.

2009 •



1st performance
audit report

Performance audit offered a completely new look at the functioning of the public administration. We informed the public about weaknesses found in the activities of the institutions in terms of economy, efficiency and effectiveness. Certain topics have been brought about and thus put in the focus of the public. Reports have become useful material for the institutions, the Parliament, NGOs and other interested readers, and often a principle source for initiating and drafting new laws and bylaws. Good cooperation has been established with the BiH Parliament in terms of them obliging the institutions to report on the implementation of performance audit recommendations or produce an action plan to implement performance audit recommendations.

Implementation of performance audit recommendations is, however, not as well as expected. Depending on the topic, implementation rate varies. Despite the challenges, we can be proud of some of the significant changes achieved in certain areas.

Improved transparency of the institutions, use of performance audit findings to draft a new Law on Public Procurement, considerable progress in more efficient use of data transmission capacities, improved management of customs terminals, are just some of the tangible effects of our work.

Each domain we addressed in our performance audits has shown a certain level of improvement, including some savings in public money.

We believe performance auditing will gain importance in the future, so we are fully committed to maintaining the achieved level of quality of the reports and have them further improved. This is why we, in 2016, established a new Performance Audit Quality Control Department. By taking action and strengthening performance audit quality control procedures, we seek to ensure that the messages we send through performance audit reports are up-to-date, with the ultimate goal of making the public administration and public money management more accountable taking into due account the principles of economy, efficiency and effectiveness.

2020 •

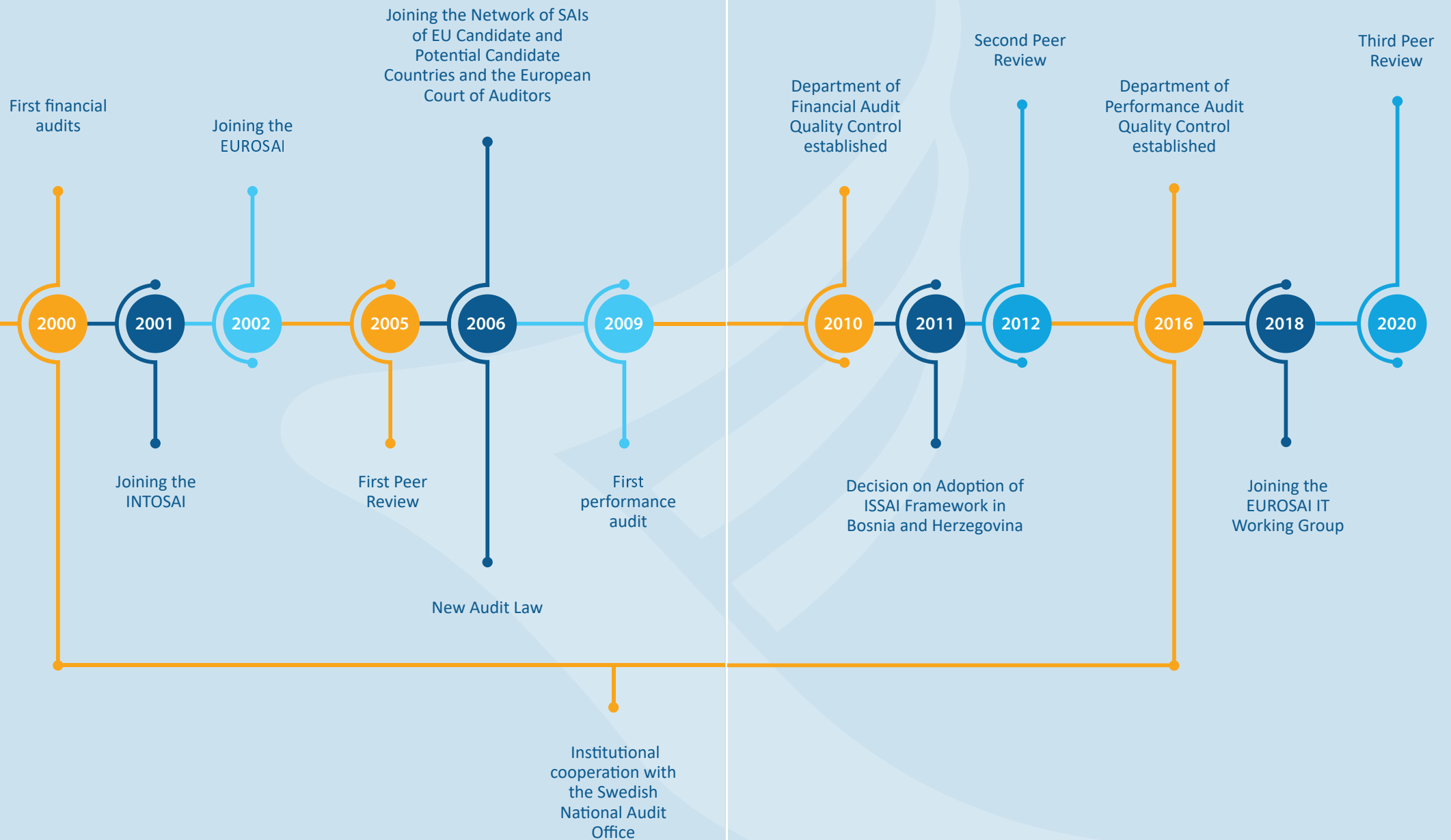


50
performance
audit reports



360
recommendations

Key Milestones



Management and Staff



Auditors-General



Deputy Auditors-General

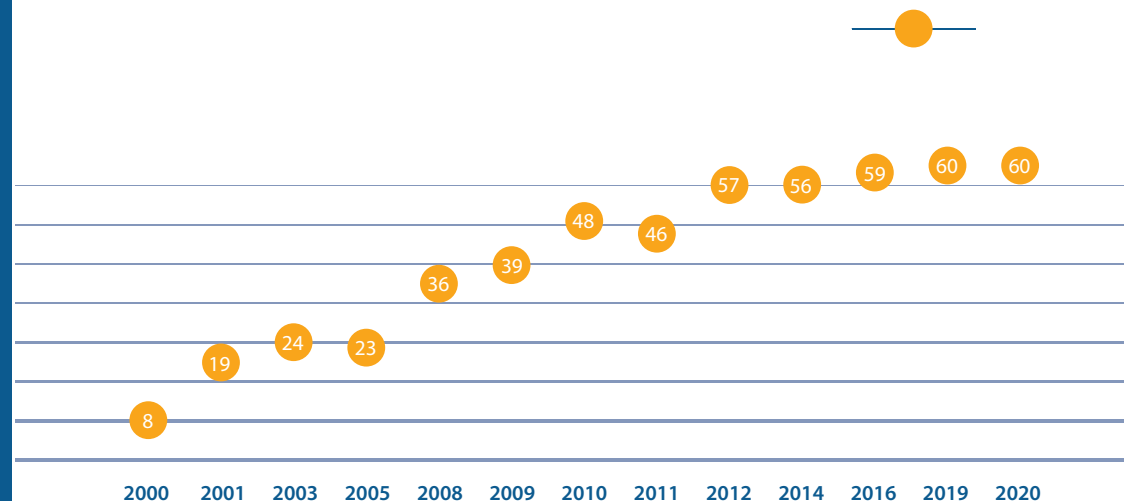
„I headed the SAI at a time of very intensive development of public sector auditing profession, during which the auditors and the entire SAI's staff grew into outstanding professionals. I am very proud of that fact and it was a pleasure to have been running such an institution for 11 years. Of course, much of the credit for such a development belongs to the Swedish National Audit Office whose support created the conditions for a self-sustaining audit institution that has been a regional leader in terms of its development.“

Milenko Šego



2000 -2020

NUMBER OF STAFF



A significant role in our development was played by our colleagues off to a well-deserved retirement

Fadila Ibrahimović

Borislav Matić

Vlatko Malbašić

Damir Budimir

Ivica Perić

Our Team



Nataša Avdalović



Enver Isanović



Fatima Mehanović



Davorka Lučić



Adnan Muharemagić



Lutvija Šrndić



Edis Fočo



Jasmina Galijašević



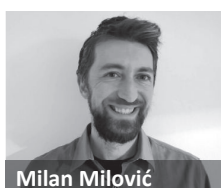
Anisa Jusić



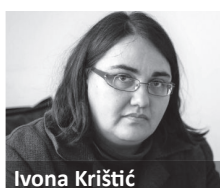
Nedžad Hajtić



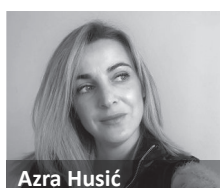
Ivona Beus



Milan Milović



Ivona Krištić



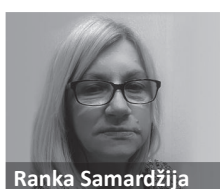
Azra Husić



Snježana Baštinac



Miro Galić



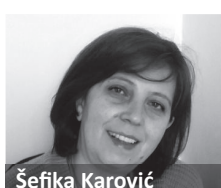
Ranka Samardžija



Nermin Hamzagić



Nadžida Delihasanović



Šefika Karović



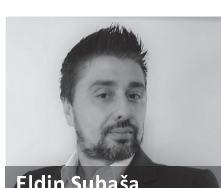
Danijel Jozić



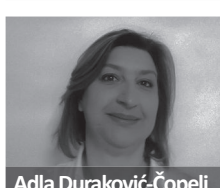
Nataša Timotija



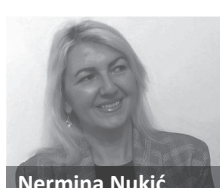
Nevena Bugarin



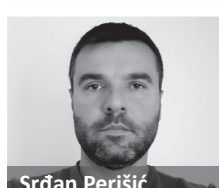
Eldin Subaša



Adla Duraković-Čopelj



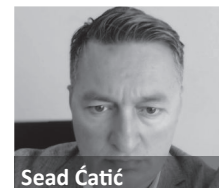
Nermina Nukić



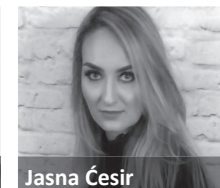
Srđan Perišić



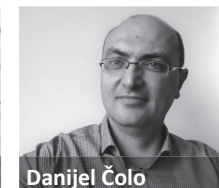
Ivana Jurčević



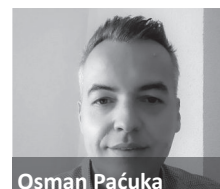
Sead Čatić



Jasna Česir



Danijel Čolo



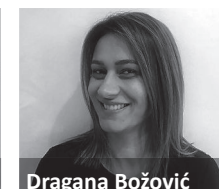
Osman Pačuka



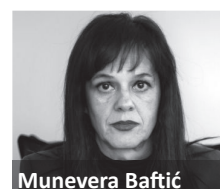
Branislava Čečar



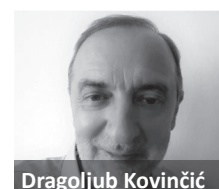
Nerman Velić



Dragana Božović



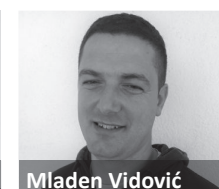
Munevera Baftić



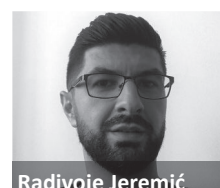
Dragoljub Kovinčić



Mirsada Sijamić



Mladen Vidović



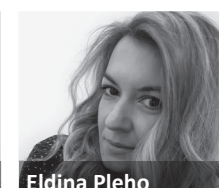
Radivoje Jeremić



Jelena Andrić



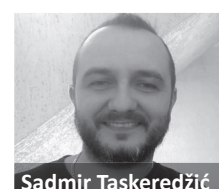
Enes Alić



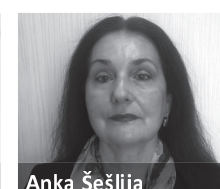
Eldina Pleho



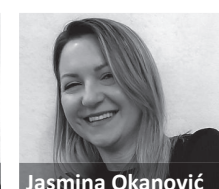
Nataša Pavlović



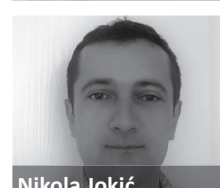
Sadmir Taskeredžić



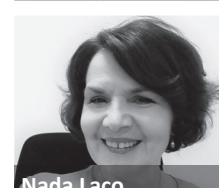
Anka Šešlija



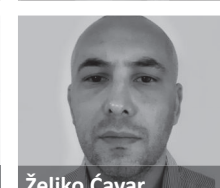
Jasmina Okanović



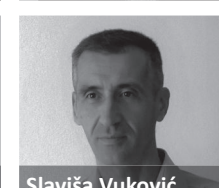
Nikola Jokić



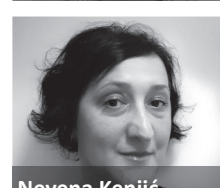
Nada Laco



Željko Čavar



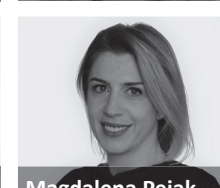
Slaviša Vuković



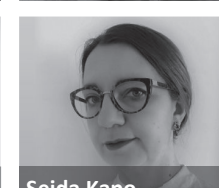
Nevena Kenjić



Srđan Krajišnik



Magdalena Pejak



Seida Kapo

Institutional Cooperation with the Swedish National Audit Office

The Swedish National Audit Office (SNAO) had been providing professional support to our SAI since the very beginning of our work. Therefore, we can justly say that the current level of development of the SAI, which is often assessed remarkable as compared to the development of the profession regionally, is directly related to the support of our Swedish colleagues that lasted for more than 15 years.

In January 2000, SNAO signed an agreement with the Swedish International Development Agency (Sida), making it an institutional partner to the supreme audit institutions in Bosnia and Herzegovina. During the period from June 2000 to May 2002, the first phase of the institutional capacity building project was implemented. Its goal was to lay the foundations for building modern European audit institutions in Bosnia and Herzegovina, which would, in the transition and EU integration process, serve as an example to other institutions in the country. During this stage, the needs for institutional development were assessed and areas for improvement identified. Consequently, a project document was made and SNAO established an equal partnership with all three audit institutions in BiH. The SNAO Office was opened in Sarajevo in order to provide for the implementation and management of project activities.

While preparing the development plan, the first trainings of financial auditors were conducted as part of this first project phase. Their aim was to equip the audit offices to perform public sector audits in accordance with INTOSAI standards.

The second stage of the project implementation started in June 2002. This phase had a broader goal- to strengthen and build the capacities of the audit offices in all areas of development defined in the first phase. This primarily referred to financial audit, and other functions supporting financial audit.

Signing of the Memorandum of Understanding with the Swedish National Audit Office



„Congratulations on your twentieth anniversary!“

The Swedish National Audit Office has supported the Supreme Audit Institution of Bosnia-Herzegovina since the very first day of its establishment in 2000. Twenty years of development journey resulted in your institution playing a key role in supporting the transparency and accountability of public sector operations in Bosnia-Herzegovina. We are proud to have been part of this achievement and wish you a continued success in the future! “

*Helena Lindberg
Auditor General
Swedish National Audit Office*



During 2004, the Project activities were mainly related to the work on amending the audit laws for all three audit institutions in BiH and the changed focus of support in financial audit. This is the period that was also marked by preparatory activities for introducing the performance audit in BiH.

The Project activities in 2005 and 2006, in addition to those related to financial audit, were mostly focused on the introduction of performance audit and training of performance auditors for conducting the pilot performance audit project.

The third phase of the project commenced in 2007. A Memorandum of Understanding and a project document for institutional capacity building and self-sustainable development were signed. Among other issues, these documents referred to the development of strategic development plans for the three audit offices to cover to period until 2012. In order to ensure high quality implementation of the project tasks and best possible contribution to the project objectives, working groups for each of the development areas were established. The working groups consisted of relevant staff from the three audit institutions and SNAO advisers.

The institutional cooperation, in line with the signed project documents and memorandum of understanding, continued for next two project periods: 2010-2012 for the area of performance audit, and 2013-2016 for the areas of performance audit and financial audit together with compliance audit.

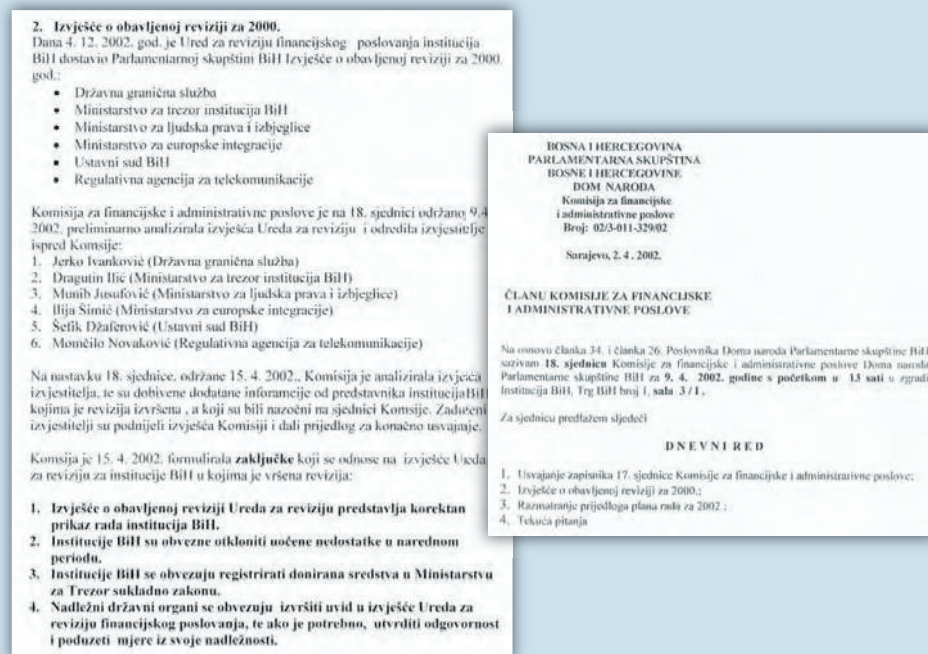
With this, the long-term project of institutional support of SNAO to the audit offices in BiH and the SAI itself was successfully concluded. The cooperation that followed takes place within the Network of Supreme Audit Institutions of Candidate and Potential Candidate Countries and the European Court of Auditors, as well as through ad hoc bilateral and regional projects.

Cooperation with the Parliamentary Assembly of Bosnia and Herzegovina

Our SAI is organized in accordance with the so-called Westminster or parliamentary model of public audit that is intrinsically tied to a system of parliamentary accountability in which the relationship between the Parliament and the SAI is crucial. Therefore, a key role in improving transparency and public accountability is played by the relevant parliamentary committees which support the efforts of supreme audit institutions and help build public sector accountability by insisting and following up on the implementation of SAI's recommendations.

The Parliamentary Assembly of Bosnia and Herzegovina, through its relevant parliamentary committees established at the level of both Houses, has been monitoring the work of the SAI from the very beginning and discussing reports on financial audit and, later, performance audits as well.

The first reports on financial audits of the institutions of Bosnia and Herzegovina for the 2000 accounts were tabled in 2002, at the 18th session of the Committee for Financial and Administrative Affairs of the House of Peoples of the Parliamentary Assembly.



The Agenda and the Minutes from the 18th session of the Committee for Financial and Administrative Affairs of the House of Peoples of the Parliamentary Assembly of Bosnia and Herzegovina held on 9 April 2002 (source: website of the Parliamentary Assembly of BiH)



Members of the Finance and Budget Committees of the House of Representatives and the House of Peoples of the Parliamentary Assembly of Bosnia and Herzegovina, visiting the SAI, 2016

In the period from 2000 to 2008, the Finance and Budget Committees of the both Houses of the Parliamentary Assembly regularly reviewed our audit reports, but their procedures differed in the content and implementation schedules. In order to improve the efficiency of processing of SAI reports and to improve the capacity of the Parliamentary Assembly in this domain, a new methodology model for analyzing and reviewing audit reports was adopted in 2008 in the form of Guidelines for Review and Analysis of Audit Reports. This activity was implemented with the support of the UK Government Department for International Development (DFID).

The Guidelines and the new methodology made the handling of the SAI reports much more efficient and fit into the annual budgeting cycle.

A clear indicator of the intensive focus of the work of the Parliamentary Assembly of BiH on the reports of the SAI is the fact that in the last five years (since we have been keeping our internal records of the sessions of the Parliamentary Assembly), over 100 items on the agendas of the plenary sessions and almost 200 items on the agendas of the relevant parliamentary committees referred to the materials and reports of the SAI.

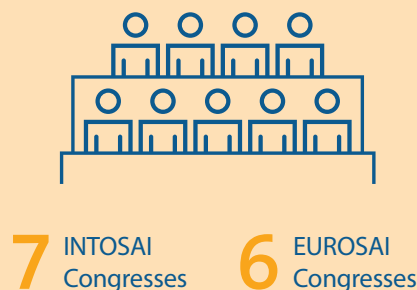


On an annual basis, the SAI submits to the Parliamentary Assembly of BiH over 80 reports on performed audits. Over the last 20 years, over 1000 reports on financial and performance audits have been submitted to the Parliamentary Assembly.

International Cooperation

The international cooperation of the SAI takes place primarily through memberships in international professional organisations and activities within these organisations.

We have been a member of the International Organization of Supreme Audit Institutions (INTOSAI) since 2001 and the European Organization of Supreme Audit Institutions (EUROSAI) since 2002, actively participating in their work and activities (congresses, training programs, seminars, conferences, working groups) aimed at improving public sector auditing and strengthening cooperation between SAIs worldwide. So far, we have participated in 7 INTOSAI Congresses and 6 EUROSAI Congresses.



Visit of Dr. Franz Fiedler, Secretary General of INTOSAI, Sarajevo, 2003



We hosted the international IDI and EUROSAI Workshop on the "3i Management: the Implementation of ISSAI Standards", 2013

Cooperation between Supreme Audit Institutions of EU Candidate and Potential Candidate Countries takes place within the framework of the Network of Supreme Audit Institutions of Candidate and Potential Candidate Countries and the European Court of Auditors in which we participate as an active member.

Significant support for the activities of the Network is provided by SIGMA, a joint initiative of the European Union and the Organization for Economic Cooperation and Development (OECD). Since 2006, when we became an active member of this Network, we have hosted several events organized within the work program of this Network.

Our SAI is an active observer within the Contact Committee of Supreme Audit Institutions of the European Union.

We have been also successfully exercising bilateral cooperation with other SAIs through joint seminars, study visits, and exchange of experience, knowledge and information.

In addition to the cooperation with other SAIs and professional organisations, the SAI continuously maintains cooperation with other international institutions and organizations, such as the World Bank, USAID, SIGMA, GRECO, etc.

Our SAI undertakes about 20 international activities annually.

We hosted a regional workshop on parallel performance audit on energy efficiency, 2014



Roundtable on Independence of Supreme Audit Institutions held in 2016 in Sarajevo, as part of the work program of the Network of Supreme Audit Institutions of Candidate and Potential Candidate Countries and the European Court of Auditors; the event was hosted by the Audit Office of the Institutions of Bosnia and Herzegovina and hosted by our SAI



Study visit to the SAI of Finland, Helsinki, 2019



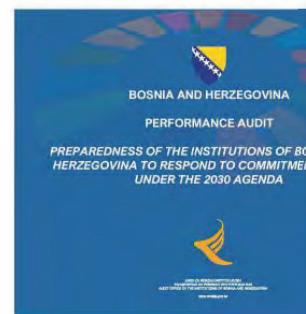
Study visit of the representatives of the SAIs of Serbia and Montenegro, Sarajevo, 2016



Our SAI in international professional publications:



International Journal of Government Auditing, the official publication of INTOSAI, 2020



Peer Review

The quality of the SAI's work over the past 20 years has been subject to regular independent external reviews. These independent reviews are conducted by international public sector audit experts gathered within SIGMA.

The first such peer review of the work of the audit offices in BiH was conducted in 2005, and it covered the period since the establishment of the audit offices. One of the conclusions of this review is:

„The three Supreme Audit Institutions of Bosnia Herzegovina have achieved very significant results in a complicated environment and with very limited resources. To a large extent this was the result of the very close cooperation with the Swedish National Audit Office, but remains primarily, the merit of the individuals who made these bodies operating. Indeed, to establish and develop the concept of external audit of the public sector in a context politically loaded like the one of Bosnia-Herzegovina is not a small achievement.“

The second report on the peer review of the work of the audit offices in BiH followed in 2012, in which, among other things, the following was stated:

„The SAIs in Bosnia and Herzegovina are relatively mature public institutions compared to many of the institutions that they have to audit. The quality of external audit in the country is quite high. The management of the SAIs are also very committed to securing further institutional and professional development, which is demonstrated by the regular updating of the Strategic Development Plan under the auspices of the CB and by the request of a peer review in 2004 and again in 2011 .“

¹ A joint initiative of the EU and OECD with an aim to support public administration reforms of EU accession countries.

The audit offices in BiH have been subject to the third peer review by SIGMA in 2020. The evaluation covered a seven-year period since the last peer review report, i.e. 2013-2019. In this latest report, SIGMA pointed out, inter alia, the following:

„The Audit Offices have continued to develop and are now generally in a position where they are relatively mature institutions and well place to build on their achievements. They have been clearly developing their practices in line with the expectations of the IFPP to build independent and credible institutions, delivering audit work that is of a reasonably high quality. The Audit Offices have undertaken a lot of work to develop their audit practices, including the development and implementation of sound audit manuals and methodologies and quality control guidance. From a regional perspective, they are leaders in developing and delivering audits compliant with the standards espoused in the IFPP.“

“SIGMA would like to congratulate you on your twentieth anniversary. The Audit Office of the Institutions of Bosnia and Herzegovina has achieved a lot over the last twenty years and developed into a leading audit institution in the region. SIGMA has supported the Audit Office on this journey, and we are pleased to have played a small part in your development and achievements. We are sure that you will continue to go from strength to strength and we wish you every success in the future.”

Alastair Swarbrick
Senior Policy Advisor – OECD/SIGMA



Coordination Board

The Coordination Board of Supreme Audit Institutions was established by the Law on Audit of Financial Operations of Institutions of Bosnia and Herzegovina, and its function and activities were confirmed by the existing Law on Audit. It consists of Auditors General and Deputy Auditors General of the Audit Offices of the Institutions of Bosnia and Herzegovina, Republika Srpska and the Federation of Bosnia and Herzegovina.

The legal functions of the Coordination Board are:



The constitutive meeting of the Coordination Board took place on 5 January 2001. The beginning of its work was marked by the adoption of harmonized International Auditing Standards and the INTOSAI Code of Ethics for Public Sector Auditors.

2001 – 2020



106
meetings

Others about us...

*„We are a democratic country and we should have respect for that, and each of us must know that we are subject of accountability and that we have a quite responsibility, each in their own area, and that **these reports of the Audit Office are an extraordinary asset** that we, as politicians and as all institutions, can use to act on the basis of evidence, and yet such policies represent the essence of democracy in any society.“*

from the transcript of the 72nd session
of the House of Representatives of the
Parliamentary Assembly of Bosnia and Herzegovina
held on September 4, 2014

*„I certainly **commend the Audit Office**, because since they started doing the performance audit as well, it is obvious that the financial discipline in the use of public money is increasing, and we still **do have the effects of their work.**“*

From the transcript of the 5th session
of the House of Representatives of the
Parliamentary Assembly of Bosnia and Herzegovina
held on January 29, 2015.

*„**This state institution plays a very important role in terms of enabling the proper functioning of all state institutions.** Strengthening the independence of the BiH Institutions Audit Office and enhancing the implementation of its recommendations is an important step toward strengthening the rule of law in Bosnia and Herzegovina. Independence of this institution and its unhindered work are a professional, ethical and legal requirement.“*

the High Representative to Bosnia and Herzegovina
February 10, 2016.

*„This is to say that the **quality and transparency of auditors' work at the state level**, in principle, keeps Bosnia and Herzegovina from sinking to the very bottom, in the context of the Open Budget Index.“*

www.revizije.info, a web portal, May 6, 2020.



It is with great pride and sadness that we
remember our esteemed and dear colleagues:

Dragan Vrankić
Mirela Bošnjak
Muhidin Hafizović
Sead Abaspahić





Want to know more about our work?

*More details on our activities and mandates can
be found at:*

 *our website www.revizija.gov.ba*

 *our Twitter account [@UredzaReviziju](https://twitter.com/UredzaReviziju)*