

Minister Augusto Nardes Attends EFSUR Meeting

(Published in the *União* of September 17th, 2009)

Last Friday (the 11th), the 15th Meeting of the Mixed Committee of the Organization of Supreme Audit Institutions of the Mercosur Countries and Associates (EFSUR) took place in the headquarters of the Office of the Comptroller-General in the State of Aragua, Maracay, Venezuela, whose executive board is lead by the Brazilian Court of Audit (TCU).

In his speech, Minister Augusto Nardes, current Executive Secretary of EFSUR, highlighted the works carried out by the TCU regarding themes of interest to external control in the supra-national sphere, such as the process that deal with information on the situation at Itaipu, especially as to the level of debts, debt repayment flow, and forms of energy utilization.

On the occasion, with the purpose of allowing future joint audits to be carried out, Paraguay's Supreme Audit Institution (SAI) advised it had requested to the Executive branch and to the Federal Attorney-General's Office of that country that the motion filed at the Brazilian Federal Supreme Court be removed; an injunction was granted to suspend oversight in Itaipu.

Before the event, a meeting of the Technical Coordination Group of the EFSUR, composed of representatives from Venezuela, Argentina, Paraguay, Chile and Brazil, took place. TCU auditors Victor Lahiri Hart and Eduardo Monteiro de Rezende participated in the meeting.

The agenda was divided into six parts: a) assessment of the action plan for the 2009-2011 period, emphasizing development of the entity's portal and of tools for discussion of technical topics; b) assessment of the auditing surveys carried out by the SAI's of Brazil, Argentina and Paraguay on the Fund for Structural Convergence and Institutional Enhancement of the Mercosur (Focem); c) consolidation of the reports about the countries' public debts; d) assessment of the experiences acquired by the SAI's of Argentina and Paraguay regarding oversight of bi-national entities, e) assessment of the actions taken with the purpose of acknowledging the entity as a potential Mercosur for external control agency; and f) election of the new President.

Worthy of highlighting were the auditing survey carried out by the TCU in the Focem National Technical Unit, and the discussions about the need to establish bases to constitute a supreme audit institution with the purpose of inspecting resources assigned in the regional bloc.

As for the Focem, a fund with forecasted disbursement in the amount of US\$ 1 billion in ten years, the recent inspections carried out by the SAI's consisted of verifying the processes and controls related to the allocation of resources and to the expenditures, of mapping the administrative structure, and of identifying control and follow-up procedures for the projects financed with community funds.

The first theme chosen to be discussed in the entity's forum so as to make the exchange of information and control procedures possible, and that theme was the "*External Audit Manual*", developed in the sphere of Mercosur's executive instances.

Minister Augusto Nardes evaluated the actions already carried through by each SAI, such as sending official correspondence to the national parliaments and foreign relations ministries of each country, informing the need for external control of Mercosur's resources.

At the end of the event, the Mixed Committee elected Argentina's SAI to hold the EFSUR's *pro tempore* presidency in 2010. A copy of the minutes of the event and related documents are available to TCU's technical units at the International Relations Office (Arint).