



INTOSAI Working Group on Fight Against Corruption and Money Laundering

Presentation by Mr Rainer Aprill

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Dear Mr Chairman,

Dear Colleagues,

Thank you very much for giving me the opportunity to speak to you for the first time as a full member of the INTOSAI Working Group on the Fight against International Money Laundering and Corruption. It is very important for the German SAI to share experience and lessons learnt, especially when it comes to audit methodologies and audit findings in this high-risk audit field.

When German external audit bodies deal with corruption prevention initiatives, they are guided by the principle of regularity and compliance of public sector mission performance. Our auditing is designed to help restore confidence into the existence of a well-functioning anti-corruption system. Our advisory work also serves to ensure the existence and transparency of public accountability.

But audit and advisory work can be properly performed only, if the general public places confidence in the government auditing system. As a result, we have to face the formidable challenge of leading by example. Nevertheless there are limits to all and any anti-corruption initiatives. There is no way of imposing integrity at all cost, since public sector integrity reflects individual and social developments.

The German SAI deals regularly with anti-corruption steps in many ways in the course of audit planning. The audit criterion governing our work is compliance with applicable guidance on corruption prevention.

We continuously conduct cross-boundary audits, addressing in particular the implementation of the individual elements of the corruption prevention directive. Our main focus is currently the Federal Financial Supervisory Authority and a case study on public procurement.



Other horizontal audits look into potential conflicts of interest (e.g. external consultants and their potential influence on the performance of core functions of the public administration that are governed by the neutrality principle). (A follow-up audit will be carried out shortly). Furthermore, we have also looked into the transition of holders of public service jobs to managerial positions in the German Railways business.

In addition, we conduct numerous audits at individual authorities that may result in the detection of misbehaviour by individual public servants or risks especially in the field of procurement.

Our key objective is to contribute, by means of our audit work, to the prevention of corruption. Our corruption prevention tasks also include providing advice to government and Parliament.

When it comes to money laundering, a number of agencies in Germany are involved in combating money laundering with an emphasis on both suppressing and preventive steps. Within our mandate, we audit whether these entities comply with the applicable legal provisions. In 2005, for example, we have audited the compliance of a federal promotion bank with the provisions of the Money Laundering Act. Another audit approach is whether these entities have developed an efficient procedure for ensuring cooperation with other bodies, as it was the case with the audit of steps taken by the Federal Customs Administration to combat money laundering.

In the Bundesrechnungshof's point of view, both in the context of the fight against money laundering as well as against corruption, there will be a constant need for continuous and systematic monitoring by SAIs. I am looking forward to fruitful discussions in the course of this meeting. I am convinced that learning from each other will help us all face the manifold challenges lying ahead. Thank you very much for your attention.