



Court of Audit



# Annual Activity Report 2022

[abridged version]



Brussels, June 2023



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## [abridged version]



*Brussels, June 2023*

# ANNUAL ACTIVITY REPORT 2022

This abridged version of the annual activity report outlines the use of the resources allocated in 2022 to the Belgian Court of Audit to carry out its missions. The unabridged annual activity report is available in French and Dutch at [www.courtofaudit.be](http://www.courtofaudit.be).

# 1 The Court of Audit in 2022

## 1.1 The Court

The Court of Audit is composed of a French-speaking and a Dutch-speaking Chamber, which together form the General Assembly. Each chamber consists of a president, four councillors and a secretary general.

*The Court in 2022*

General Assembly			
Dutch-speaking Chamber		French-speaking Chamber	
President	Hilde François	Senior President	Philippe Roland
Councillors	Jan Debucquoy	Councillors	Pierre Rion
	Rudi Moens		Florence Thys
	Vital Put		Dominique Guide
	Walter Schroons		Olivier Hubert
Secretary General	Tine Debusschere	Chief Secretary General	Alain Bolly

The General Assembly has authority in matters of the Federal State, the Brussels-Capital Region, the Joint Community Commission (Brussels-Capital Region), the German-speaking Community, the public bodies dependent on them, and for interpreting European and federal law.

The French-speaking Chamber has exclusive authority in matters of the French Community, the French Community Commission (Brussels-Capital Region), the Walloon Region, the public bodies dependent on them and the Walloon provinces.

The Dutch-speaking Chamber has exclusive authority in matters of the Flemish Community, the Flemish Region, the public bodies dependent on them and the Flemish provinces.

Both Chambers and the General Assembly meet weekly in camera and may also hold extraordinary meetings. The Court held 163 meetings in 2022: 61 for the General Assembly (21 online), 50 for the French-speaking Chamber (30 online) and 52 for the Dutch-speaking Chamber (22 online).

## 1.2 Organisation and strategic goals

The Court has a potential staff of 616 posts, equally divided between French- and Dutch-speaking persons.

In 2022, the Court actually employed 507 staff members on average (453 career civil servants and 54 contract staff), most of whom were auditors and assistant auditors. The remaining staff held supporting functions, such as IT, translation, administration work, personal data protection, etc. Twenty-four new staff members joined the institution and 18 left; 25 departures are expected by 2024.

The Court provided 339 training days for its staff.

The joint union-management consultation committee held three meetings and the committee for prevention and protection at work ten meetings.

The Data Protection Officer (DPO) issued 11 formal opinions on audits as required by internal regulations, was called upon ten times during audits and answered 57 questions. He drafted 17 memos on issues pertaining to the GDPR and the information system security, and conducted six internal or external training activities. He took part in the projects dealing with the access to public databanks and the more general issue of sharing data. As part of the efficiency of the security policy of the information system, the DPO also convened the security committee two times in 2022.

The Court's 2020-2024 strategic plan contains five strategic goals (SGs) for its products and processes.

Since the Court reformed its quality management system (QMS) in 2019 (SG2), it has been striving to maintain and even improve the quality of its operations. It decided, among other things, to adopt the INTOSAI Framework of Professional Pronouncements (IFPP). In doing so, it integrated the financial audit standards (FA standards) into its financial audits, particularly in the certification process of the accounts of the public bodies under its scrutiny.

The Court decided to pursue ISO 9001:2015 certification for its QMS and obtained it in 2022 for a time period of 3 years with an annual reassessment. In compliance with this standard, the Court also introduced a process of continuous improvement in its operations.

In 2022, the Court carried on with its projects involving DATA Lab, the centre of expertise that brings together all specialists with knowledge in data analysis (SG3). It acquired new software capable of extracting data from text files. As regards analysis as such, it embarked on a project to rationalise the software used. A second interactive website on the audit of SMEs subject to corporation tax was launched in collaboration with the graphic designer. Internationally, the Court maintained its contacts with data analysts from other European SAIs but also through the INTOSAI working group on big data and the EUROSAI IT working group (ITWG).

As for SG4 (investing in staff competences), the Court reached out to its personnel to create a pool of 63 internal instructors (29 French-speaking and 34 Dutch-speaking), giving them the tools and support they need to carry out their teaching duties.

Promoting multilingualism within the institution is a permanent priority for the Court, which organised training courses in French, Dutch and English in 2022.

Staff well-being has not been overlooked: webinars to provide a better understanding of the new working methods were offered throughout the year and the managerial personnel followed a training path in this matter.

In terms of environmental management (SG5), the Court has been committed to obtaining the “Ecodynamic Enterprise Label” awarded by the Brussels-Capital Region, where its building is based.

The Court obtained an extension of its environmental permit until 28 February 2037 and an energy performance certificate for public buildings with a rating B-. Its employee commuter plan introduced in 2022 was approved the same year too.

In addition to these legal obligations, the Court has established a whole range of environmental best practices such as a sustainable purchase policy, a natural gas condensing boiler (in use), a cogeneration unit (soon to be operational), a bicycle allowance for commuting in addition to a financial contribution for the use of public transport, and extensive teleworking.

The health measures taken during the covid-19 pandemic came to an end in 2022 and group activities such as teambuilding activities or gatherings such as receptions or drinks resumed.

### 1.3 Audits and assignments

In 2022, the Court issued 41 budget review reports, 21 audit reports on general accounts, 26 special reports and 25 opinions regarding the budgetary and financial impact of draft legislation. Those reports were intended for the federal or regional parliaments and for provincial councils.

In addition to audits related to the legality and regularity of the revenue and expenditure of government bodies and departments, the Court audited or certified 400 accounts of public bodies, services or agencies and verified 1,934 accounts of accounting officers.

As for thematic audits, the Court documented its findings and recommendations in 34 special audit reports, eight of which were included in its annual Reports on Financial Accounts.

Besides, the Court has been entrusted with specific assignments such as:

- verifying how the counting of school students has been organised within the French and Dutch Communities;
- checking the accounts of the institutions that receive an annual allocation;
- investigating the 2021 account of the non-profit organisation managing the pensions of the Flemish members of the Chamber of Representatives;
- issuing opinions, for instance, on the regions’ fiscal autonomy regarding personal income tax.

As of 2019, political representatives and government officials have had to file their lists of mandates and declarations of assets digitally (using a software called *Regimand*). It appeared in the latest publication related to this matter that 9,573 lists of mandates and 825 declarations of assets were filed in 2022, while 36 persons neglected to file a list of mandates and six persons a declaration of assets.

In 2022, the Court's Senior President took part in the activities of the Commission supervising the Carnegie Hero Fund. In May 2022, both presidents of the Court submitted to the Speaker of the Chamber of Representatives the audit report on the use of the sovereign grant of certain members of the Royal Family in 2021.

As part of the Court's jurisdictional mission, two public accountants who had been summoned were convicted in 2022 for a total missing amount of 10,040.85 euro in the public accounts under their responsibility.

Although the Court primarily works for the legislative branch, it may occasionally consider requests for opinions from the executive to be admissible as to substance. The Court responded to six such requests in 2022, i.e. four from the federal executive branch and one each from the Walloon Region and the Flemish authorities.

#### **1.4 Audit impact**

The Court publishes the results of its audits every year. Before doing so, it sends its reports for adversarial debate to the administration concerned and the minister(s) in charge so that it can clarify its own point of view and hear the views of the other parties. This contributes directly to a better acceptance of the audit findings and conclusions.

Subsequently, the Court examines how its publications are perceived and monitors the implementation of its recommendations, with a view to increasing the quality of the information provided to parliaments and improving their means of action. All reports are available on its website, either in French or in Dutch for most regional issues, and in both languages for the federal matters and Brussels regional issues.

The Court's representatives attended 60 hearings in the different parliaments in 2022 to answer questions on the budget reviews, the Reports of Findings and special reports.

## 2 The Court as a budget advisor

### 2.1 Background

Each year, the government submits its draft budget to the Chamber of Representatives for approval. The Court analyses it first to determine whether:

- it is transparent;
- it complies with the budget laws and other relevant legislation (compliance);
- it is realistic, i.e. the revenue and expenditure have been accurately estimated.

The Court also ensures that the information provided by the government is sufficient to enable the Chamber of Representatives to approve the draft budget with full knowledge of the facts. Once the Court has completed its analysis, it submits its comments informally to the public services concerned. This is to ensure that material errors or misinterpretations are avoided as far as possible. The Court then sends its final comments to the Chamber in a report that will also be published on its website. This information duty to the Chamber is essential for a representative democracy.

The Court's analysis is based on a macro- and microeconomic approach and takes into account factors such as:

- the assessment by the European Commission (or other international organisations) of Belgium's stability programme and draft budgetary plan;
- the specific recovery measures (European and federal recovery plans) or crisis measures (COVID-19, Russia-Ukraine war).

The Court's findings may be either very specific (e.g. estimate of specific revenue) or more general (e.g. overall quality of the justification) but under no circumstances does it comment on the relevance of budget proposals.

### 2.2 Reference framework for budget review

#### 2.2.1 Background

The Court has been following the INTOSAI framework of professional pronouncements (IFPP) and using the international standards of supreme audit institutions (ISSAI) for its financial audits as part of a quality management system based on ISO 9001.

INTOSAI focuses on an a posteriori evaluation of the government action whereas the Court carries out its budget review a priori on a planning action of political nature.

In the absence of a specific international framework and in order to guarantee the credibility and quality of this prior information duty, the Court has defined its own fundamental principles based on guidelines and its internal organisational requirements, i.e. the *Fundamental Principles for Draft Budget Review*.

### 2.2.2 Fundamental Principles for Draft Budget Review

The fundamental principles are divided into three categories:

- the principles specific to the Court's organisation, which aim to establish and maintain appropriate ethical and quality control procedures;
- the fundamental principles in the strict sense, i.e. the general principles observed by the Court on an ongoing basis before and during its budget review;
- the principles applying to the different stages of the Court's draft budget review.

Finally, to ensure the review quality, key performance indicators have been developed and are followed up throughout the review process.

### 2.2.3 EU budgetary framework

Draft budgets are also analysed in the context of the European Union's economic governance. The EU verifies that the Member State's public finances are sound, using a series of criteria pending the implementation of the EU fiscal governance reform.

Member States that fail to meet these criteria are requested to take corrective actions, or the European Commission may activate coercive measures.

Since March 2020, a general escape clause has allowed Member States to deviate from the adjustment path towards the medium-term budgetary objective, given the economic downturn resulting from the COVID-19 outbreak. This temporary measure will be deactivated in 2024.

The *Recovery and Resilience Facility* (RRF) is also a temporary instrument. It entered into force in 2021 and has provided resources to Member States in order to help them emerge stronger from the crisis. The granting of these resources is, however, subject to the achievement of "milestones" set out in a 2022-2026 national investment plan.

The Court's information duty regarding draft budgets implies informing the Chamber of Representatives about the implementation of the national investment plan and the use of the funds granted.

## 2.3 MPs' right to access documents and information

After submitting its comments and remarks to the Chamber of Representatives, the Court regularly receives written requests for explanation or additional information from MPs.

If the request is admissible, the Court will provide the relevant documents, which may however not contain any confidential or personal data. The Court therefore sees to it that the documents are made anonymous before being forwarded to the requesting MP.

## 3 International relations

### 3.1 European Court of Auditors

In 2022, the European Court of Auditors (ECA) started eight audits in Belgium as part of the annual Statement of Assurance (DAS). Observers of the Belgian Court of Audit were appointed for four of these audits; the other four pertained to entities over which the Court has no supervisory power.

### 3.2 Contact Committee of the Supreme Audit Institutions (SAIs) of the European Union

The Belgian Court of Audit is a member of the Contact Committee of the presidents of the SAIs of the European Union and the ECA. Decisions are prepared and implemented by liaison officers, working groups, networks and taskforces.

As part of the French presidency of the European Union, the SAI of France organised a high-level international conference on the *Future of Europe* in Paris on 14 and 15 March 2022, which the Court's Senior President attended.

The annual meeting of the Contact Committee of the heads of EU SAIs took place in Luxembourg on 3 and 4 May 2022, where a Court's representative presented two audits on the Flemish recovery plan.

From 5 to 7 September 2022, the Court took part in a seminar on the audit of budgetary policies organised in Bratislava as part of its membership of the Contact Committee's network. The Court's representative gave a presentation on the development and implementation of fundamental principles for draft budget review.

### 3.3 European Commission

On 3 February 2022, a representative of the European Commission (EC) gave an online presentation on the transposition of the Recovery and Resilience Facility (RRF) into a Belgian National Recovery and Resilience Plan (NRRP). The EC has assessed whether the NRRP is coherent and effectively addresses the specific national priorities and challenges that have been set as part of the European Semester.

The EC has also made recommendations in this regard. It oversees the implementation of the plan and takes the necessary decisions so that the relevant loans and subsidies may be granted.

### 3.4 European Evaluation Society

A Court's representative took part in the biennial conference of the European Evaluation Society that was held in Copenhagen from 6 to 10 June 2022. This conference on the theme *Evaluation at a Watershed: Actions and Shifting Paradigms for Challenging Times* aimed to bring together

evaluators from various sectors so that they could share their experiences, in particular on their roles in the overall policy process and on the evaluation techniques currently in use.

### 3.4 Organisations of Supreme Audit Institutions

#### 3.4.1 INTOSAI

INTOSAI is a global organisation that sets the international auditing standards for the Supreme Audit Institutions.

The Court's president and a staff member attended the INTOSAI Triennial Congress that took place in Rio de Janeiro from 7 to 11 November 2022.

During the plenary sessions of the committees, the European Court of Auditors, as chair of the Professional Standards Committee, reported on an in-depth analysis of the INTOSAI Framework of Professional Pronouncements (IFPP) introduced in 2019. This analysis will lead to a plan for a partial revision of the IFPP.

The Court's delegation also took part in the general plenary sessions during which the action plans for the next three years were presented as part of INTOSAI's new strategic plan 2023-2028.

Thematic discussions were held on two main topics: *The Work of Supreme Audit Institutions in the Face of Public Calamities* and *Global Voice, Global Outcome, and Far-reaching Impact*. These discussions led to the adoption of the Rio Declaration.

#### 3.4.2 EUROSAI

EUROSAI is the pan-European organisation of SAIs and one of the seven regional organisations of INTOSAI.

A delegation from the Court, consisting of the presidents and two staff members took part in the EUROSAI *Post-Congress Get-Together* that was held in Prague from 22 to 24 May 2022. The conference agenda included the organisation of nine workshops on various topics.

On 10 and 11 March 2022, a staff member of the Court participated in a workshop on the follow-up on audit recommendations organised by the SAI of Montenegro for the Balkan region.

The ECA and the UK's National Audit Office (NAO) described how they have been using an online tracker to monitor the implementation of their audit recommendations.

Two staff members of the Court participated in the *YES Conference 2022* organised by the Swedish SAI in Stockholm from 12 to 15 September 2022. The conference was attended by 90 participants under the age of 35 from 40 SAIs.

On 20 and 21 September 2022, two staff members of the Court took part in London in a working meeting of the EUROSAI project group on *Preparing for future risks and climate crisis: time for audit to take a long-term view?* The meeting was organised by the NAO and the ECA.

Two staff members of the Court participated in the annual meeting of the EUROSAI Working Group on Environmental Auditing (EWGEA), which was held in Warsaw from 28 to 30 November 2022 with the environmental protection in turbulent times as central topic.

### 3.4.3 AISCCUF

The Association of Supreme Audit Institutions that have the use of the French language in common (AISCCUF) promotes, among other things, the organisation of congresses for young auditors (*Top Congrès*). The idea is to create and run a network for maintaining contacts and sharing information and best practices in the long run. The second *Top Congrès* was held in Dakar from 4 to 6 July 2022 on the same topic as the first congress, i.e. the impact of SAI's activities on citizens.

## 3.5 External audit of International Organisations

### 3.5.1 OCCAR

OCCAR, the *Organisation for Joint Armament Cooperation*, is a European intergovernmental organisation that facilitates the joint management of sixteen major armament programmes.

The Belgian Court of Audit is a member of the board of statutory auditors of OCCAR in charge of the external audit of OCCAR's annual accounts.

Two staff members of the Court, together with French, German and Spanish auditors, audited the 2021 accounts of the A400M programme (Toulouse, May 2022).

The meeting to schedule the audit of the 2022 accounts was held in Munich in October 2022.

### 3.5.2 Wassenaar Arrangement

The Court audited the 2021 accounts of the international organisation *The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies* and presented the results in Vienna on 11 October 2022.

### 3.5.3 OIF

The *Organisation internationale de la francophonie* (OIF) is an organisation that brings together millions of French speakers from 88 countries and governments.

The OIF ministerial conference of 18 November 2022 appointed the Belgian Court of Audit as the external auditor of the OIF and the *Fonds multilatéral unique* (FMU) for a four-year period starting on 1<sup>st</sup> January 2023. The FMU is the instrument through which the Francophonie has been financing its cooperation activities.

## 4 Other bilateral / multilateral relations

On 24 October 2022, a delegation from the Court, led by the presidents, visited the European Court of Auditors (ECA) in Luxembourg at the invitation of Ms Annemie Turtelboom, Belgian member of the ECA, for their annual meeting. In addition to various topics specific to the ECA, the Court's ISO certification and the ECA's relations with other EU institutions and SAIs were discussed.

On 28 and 29 September 2022, the Court received a delegation from the SAI of Kazakhstan under a cooperation agreement signed in 2010 to exchange experiences on audit methodology and procedures.

On 25 November 2022, staff members of the Court took part in a workshop on tracking performance audits organised in London by the London School of Economics.

## 5 External activities

Court members and staff also maintain good relations with higher education institutions and are often requested to give presentations or lectures (Universities of Leuven, Antwerp, Louvain-la-Neuve and others).

They are also called upon as experts in order to sit on a jury or contribute to training days or webinars and written publications.

A full version of this activity report in French or Dutch is available on [www.courtofaudit.be](http://www.courtofaudit.be).



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