

The Hague, 18 June 2014

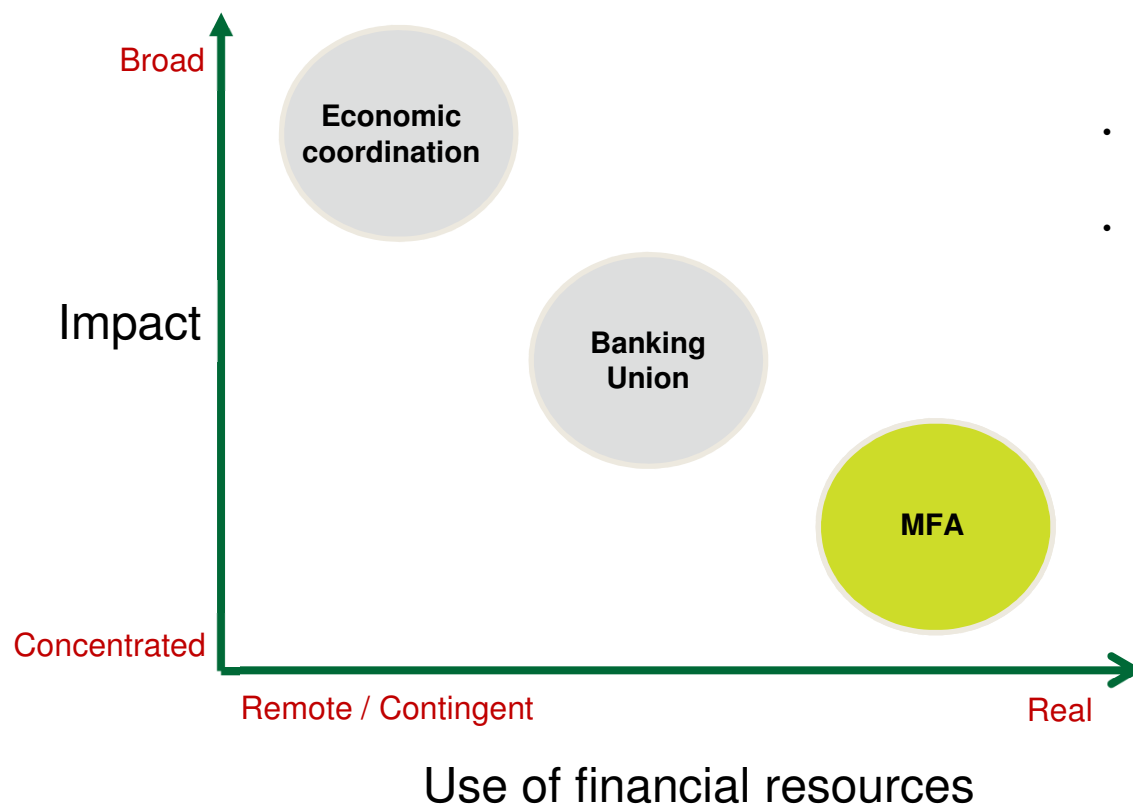
Developing the capacity to audit EU financial and economic governance

Mr Zacharias Kolias



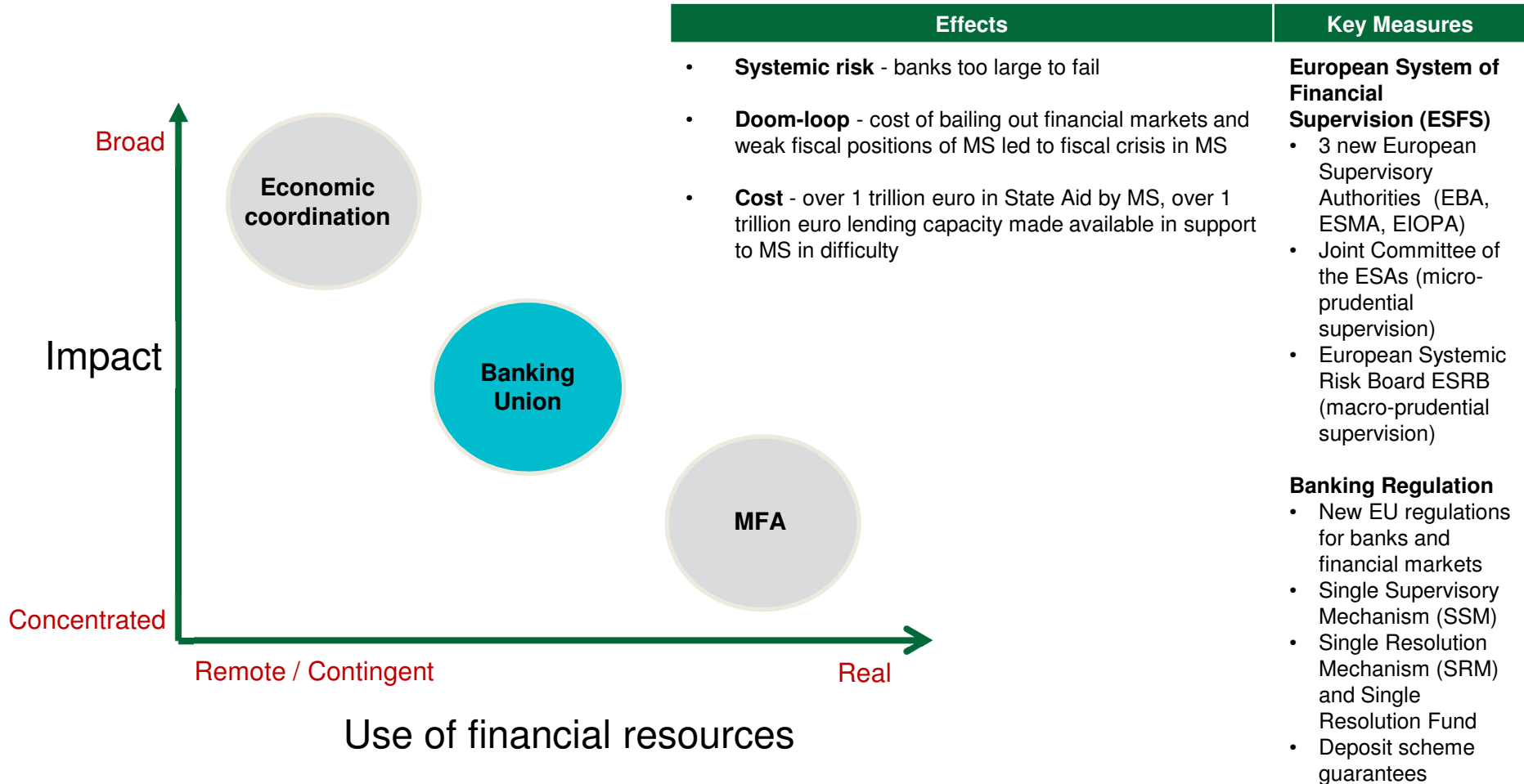
EUROPEAN
COURT
OF AUDITORS

What is the scope of our work?

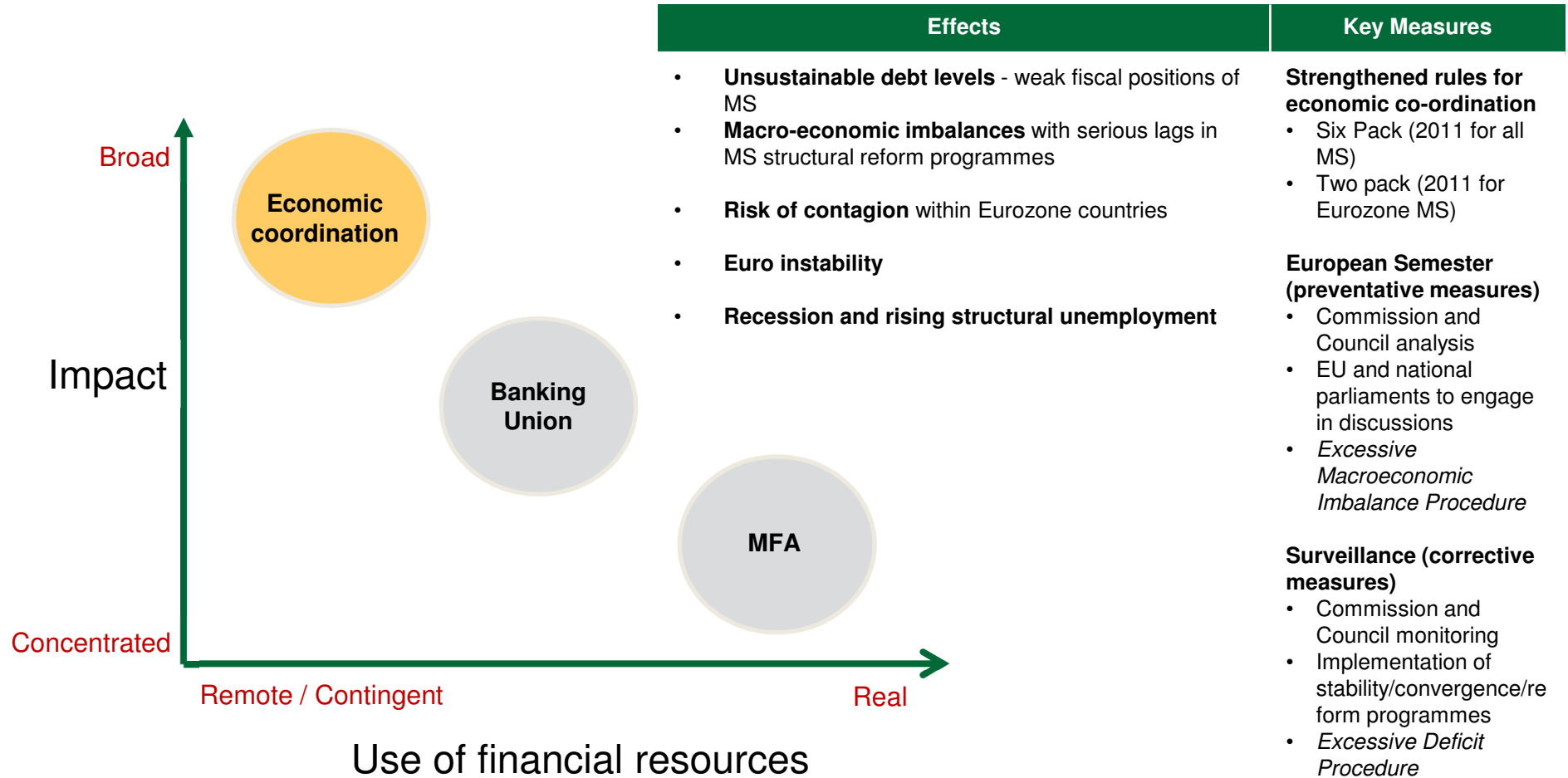


Effects	Key Measures
<ul style="list-style-type: none"> • Unsustainable debt levels - Cost of bailing out financial institutions or weak fiscal positions of MS • Risk of contagion within Eurozone countries • Euro instability 	<p>Mechanisms deployed:</p> <ul style="list-style-type: none"> • BOP (support for non Euro MS) • Greek loan facility • European Financial Stabilisation Mechanism (EFSM) • European Financial Stability Facility (EFSF) • European Stability Mechanism (ESM) <p>Features:</p> <ul style="list-style-type: none"> • Within EU framework (BoP and EFSM) • Outside EU framework (EFSF, ESM, Greek loans) • Role played by DG ECFIN, IMF and ECB

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Financial support conditioned to compliance

Why should ECA do these audits?

Risks: *New fields of activity, changing legislation, complexity*

Materiality: *No budget, but large amounts; high impacts on specific countries or sectors*

Relevance: *Public interest, European Parliament, SAIs, MSs*

Impact: *Improve accountability, effectiveness of the measures*



What did we do to get the audit capacity?

Internal call for expression of interest

To bring together, from across the Court, auditors with the profiles and expertise most appropriate for participating in such audit tasks

External recruitment of a senior expert

Advisory panel of independent experts

Trainees

Consultants

Universities

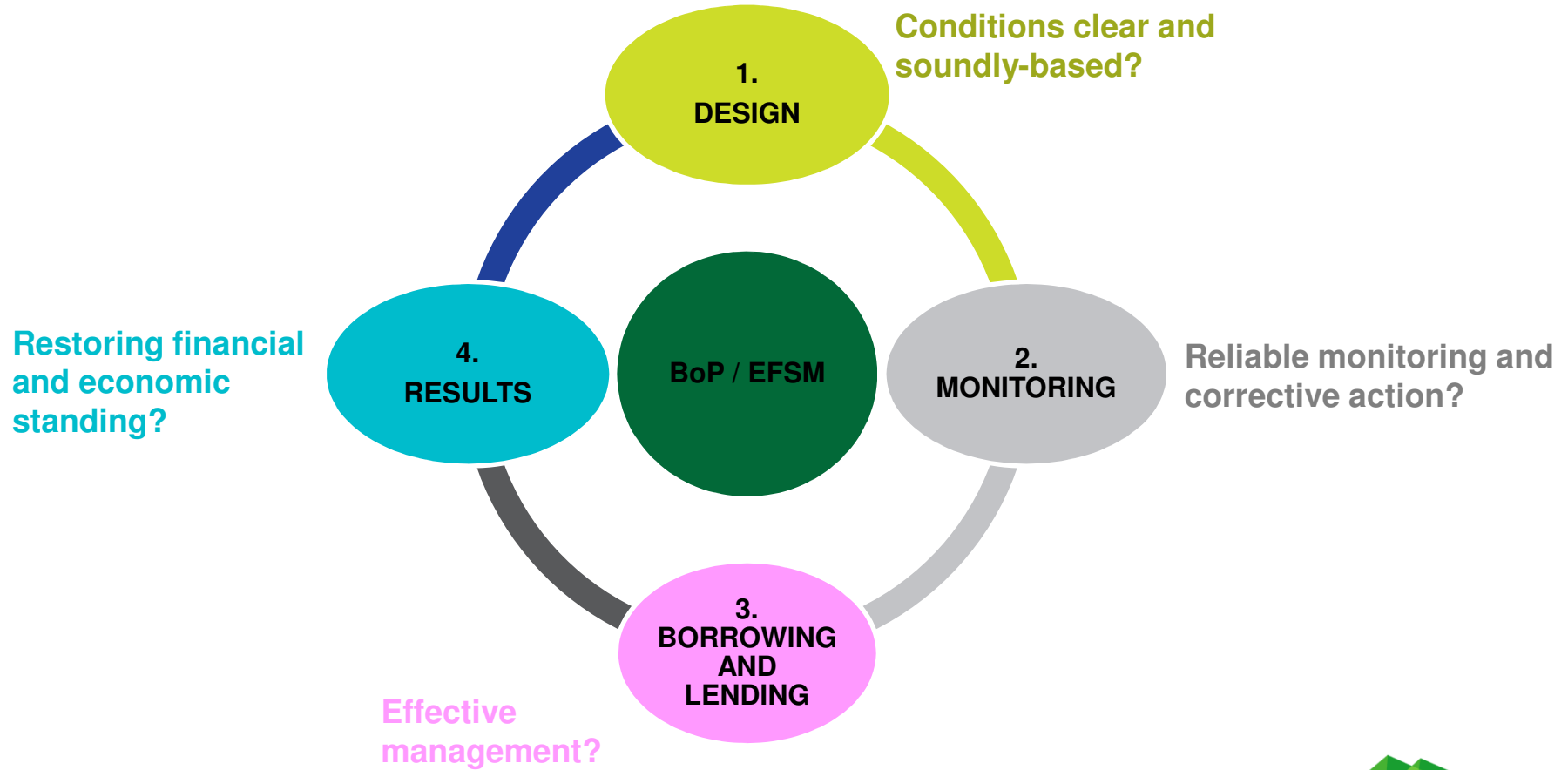
*1 Team leader
13 Auditors
1 Senior expert*

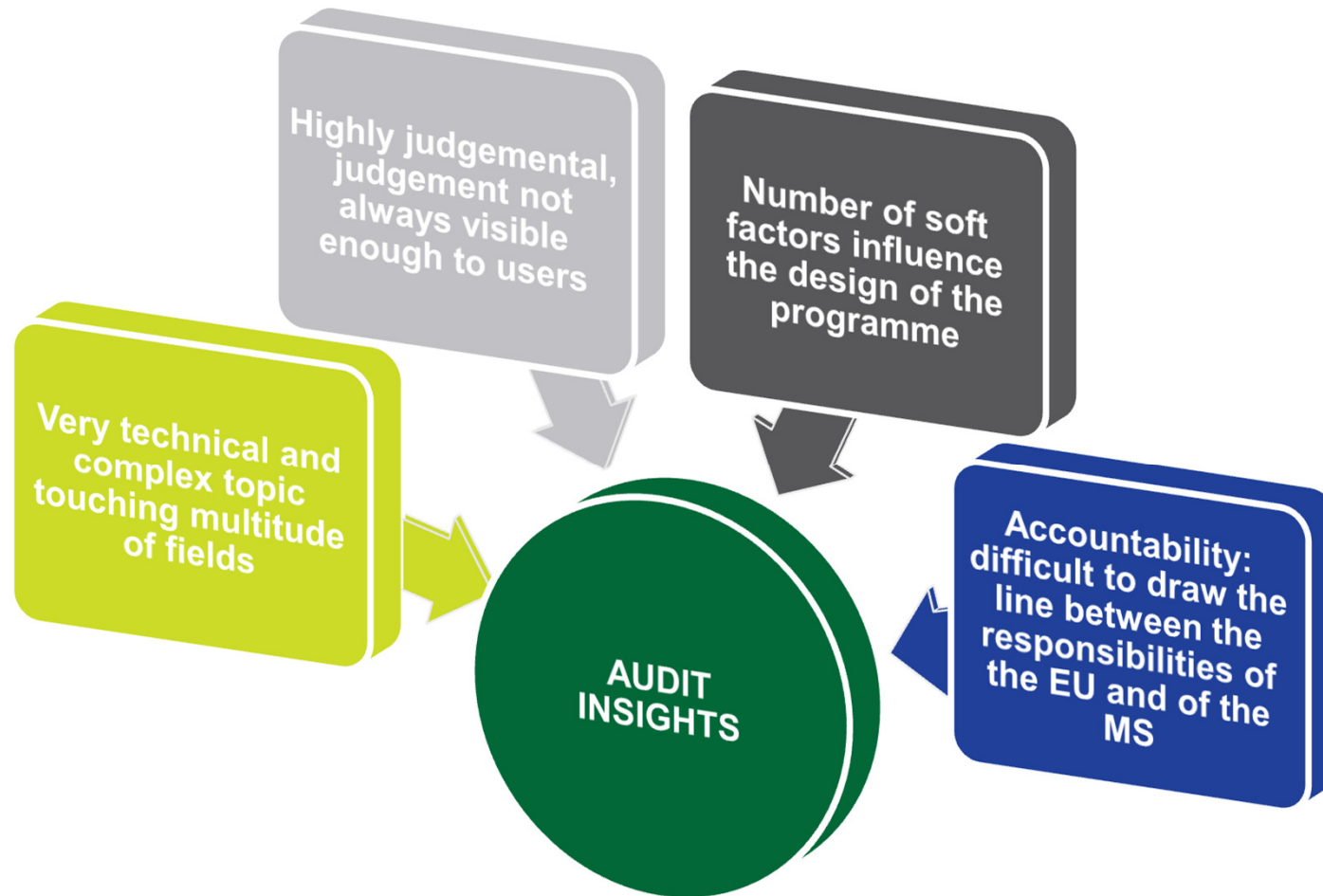


What is the audit about?

An example

Has the implementation of the BOP and EFSM been managed appropriately by the Commission?





What is now ongoing?

Other audit tasks

Greek Support programme

ESMA

EDP



THANK YOU FOR YOUR ATTENTION