

**INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS
(INTOSAI)**

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EVENT: XVIII INCOSAI FIRST PLENARY SESSION

PUBLIC DEBT COMMITTEE TRIENNIAL REPORT, 2002-2004

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Mr. Chairman, members of INTOSAI.

I want to present the Public Debt Committee's Activities Report for the 2002-2004 period.

First, I would like to tell you that our Committee has enlarged since last Congress. Because of the great interest that this subject arises among countries requiring the improvement of their public debt auditing methods, the Committee was joined by the Accounts Tribunal of the Union of the Federative Republic of Brazil and Bulgaria's National Audit Office

Moreover, I'm glad to inform you that the outcomes of our labours have fulfilled this period's goals, which are based upon two action axis: (1) to encourage the research, elaboration and dissemination of technical documents on Public Debt Auditing among INTOSAI's members, and (2) to promote training for the technical and professional improvement of the SAIs' staff in the Public Debt Auditing area.

As for the first point, during 2002-2004, the technical documents "Fiscal Exposures: Implications for Debt Management and the Role for SAIs" and "Public Debt Management and Fiscal Vulnerability: Potential Roles for SAIs" were

INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS (INTOSAI)

published. These documents were made according to the INTOSAI's publishing outlines: (1) endorsement of this project during the XVII INCOSAI; (2) draft distribution among the INTOSAI members for their revision; (3) incorporation of their comments into the final versions of the studies and (4) translation of the documents in the five official languages of our Organization. Final versions have been brought within the reach of all INTOSAI members through this Congress' organizers. These documents were also uploaded on to Public Debt Committee's web site in the five official languages for the organization members' reference.

In June 2002, in Stockholm, we decided to kick off a public debt audit pilot program within the OLACEFS and in coordination with the IDI. I acknowledge this organization's support, which proved fundamental for this program's success. On its first stage, a Regional Workshop for public debt auditors was created, so that the OLACEFS could count on a group of experts who shared their knowledge with other colleagues in their respective countries and regions.

Subsequently, during the annual Committee's meeting in 2003, it was agreed that seven out of the 24 experts who attended the Regional Workshop, participate in the Regional Course Design Meeting. This meeting's resulting documents were circulated among other experts in order to maintain a high quality standard on the training course. The documents were used during the first training program held in Cartagena, Colombia, in November 2003, as well as during the second regional course in April 2004, which took place in Santo Domingo, Dominican Republic.

During this year's Public Debt Committee's annual meeting, held in Moscow, Russian Federation in June 2004, it was agreed to analyze the convenience and viability of extending the training program to other INTOSAI regions upon request.

The Public Debt Committee foresees, in the near future, to continue with its investigation program for the elaboration of studies and analysis of general interest. Specifically the document "Performance Audit on Public Debt and its

INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS (INTOSAI)

Reference Terms” is being developed. This document was presented by the Superior Audit Institution of Mexico at the 2004 annual meeting in Moscow, Russian Federation, where the Committee’s members agreed its publication according to the INTOSAI publishing guidelines.

Three other documents on the following subjects are currently underway: “Compared Analysis on Public Debt Regulations” by the Accounts Tribunal of Portugal and a study on “Contingent Public Debt”, prepared by the United Kingdom’s NAO, and the Substantive Tests Guidance, prepared by the United States of America’s Government Accountability Office. The preliminary version of those documents will be presented during the 2005 Committee’s annual meeting in Sofia, Bulgaria.

Finally I want to express my acknowledgement to the Public Debt Committee members, whose valuable contribution has made these important achievements possible. I reiterate the commitment of pursuing the creation of high quality products that bring about effective tools to strengthen the technical aspects of public debt audit for the benefit of the INTOSAI member countries.

Thank you very much.

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Chairman of the Public Debt Committee