



# REPUBLIC OF SLOVENIA COURT OF AUDIT

## ANNUAL REPORT 2021



## **MISSION**

The Court of Audit informs the public about important audit findings concerning the operations of state bodies and other users of public funds in a timely and objective manner. It provides recommendations to state bodies and other users of public funds for the improvement of their operations.



REPUBLIC OF SLOVENIA  
**COURT OF AUDIT**

# **ANNUAL REPORT 2021**

Number: 002-2/2022/11

Ljubljana, 25 May 2022

**NOTE:**

**For more detailed information please contact**

**Dijana Možina Zupanc, Head of President's Cabinet**

E: [dijana.mozina-zupanc@rs-rs.si](mailto:dijana.mozina-zupanc@rs-rs.si) | T: +386 1 478 58 61

# CONTENTS

<b>1.</b>	<b>INTRODUCTION</b>	<b>10</b>
1.1	Opening address by the President	10
1.2	Key results – infographic	15
<b>2.</b>	<b>COURT OF AUDIT OF THE REPUBLIC OF SLOVENIA</b>	<b>23</b>
2.1	Activities	23
2.2	Objectives	23
2.3	Strategy of the Court of Audit	25
2.4	Sustainable development	28
<b>3.</b>	<b>IMPLEMENTING AUDIT RESPONSIBILITY</b>	<b>30</b>
3.1	Audit of operations of the users of public funds	30
3.1.1	Types of audits by objectives	31
3.1.2	Effects	32
3.1.3	Pre-audit enquiries and initiatives to implement audits	68
3.2	Providing advice to the users of public funds	70
3.2.1	Responding to questions	70
3.2.2	Education for budget users and other public	70
<b>4.</b>	<b>COMMUNICATION AND COOPERATION WITH THE PUBLIC</b>	<b>74</b>
4.1	Communication tools	74
4.2	Cooperation with the media	75
4.3	Publications on the website of the Court of Audit	76
4.4	Cooperation with the National Assembly of the Republic of Slovenia and the National Council of the Republic of Slovenia	76
4.5	International cooperation	77
4.5.1	Cooperation within the Contact Committee of the Supreme Audit Institutions of the EU Member States	80
4.5.2	Cooperation with the European Organisation of Supreme Audit Institutions (EUROSAI)	81
4.5.3	Cooperation with the International Organisation of Supreme Audit Institutions (INTOSAI)	83

4.5.4	Bilateral and multilateral cooperation	84
4.5.5	Cooperation within other organisations and at consultations	85
4.5.6	Visits of foreign delegations in Slovenia	88
<b>5.</b>	<b>EMPLOYEES</b>	<b>91</b>
5.1	Promotion and reallocation	94
5.2	Education and expert training of employees	95
5.3	Internal communication	95
<b>6.</b>	<b>FINANCIAL RESOURCES</b>	<b>98</b>
6.1	Public finance dilemma	100
<b>7.</b>	<b>PRESENTATION OF AUDITS</b>	<b>105</b>
7.1	State budget	105
7.1.1	Proposal of the annual financial statement of the budget of the Republic of Slovenia for the year 2020	105
7.1.2	Regularity of operations of the Slovene Intelligence and Security Agency	108
7.1.3	Efficiency of purchasing protective and medical equipment for controlling the spread of SARS-CoV-2	109
7.2	Local self-government	118
7.2.1	Regularity of a part of operations of the Municipality of Ribnica na Pohorju	118
7.2.2	Regularity of a part of operations of the Municipality of Hrpelje - Kozina	121
7.2.3	Regularity of a part of operations of the Municipality of Ankaran	125
7.2.4	Regularity of a part of operations of the Municipality of Lovrenc na Pohorju	128
7.2.5	Regularity of a part of operations of the Municipality of Ruše	131
7.2.6	Regularity of a part of operations of the Municipality of Cerklje na Gorenjskem	135
7.2.7	Regularity of a part of operations of the Municipality of Šmarje pri Jelšah	138
7.2.8	Regularity of a part of operations of the Municipality of Gornji Petrovci	140
7.2.9	Regularity of a part of operations of the Municipality of Lukovica	144
7.2.10	Regularity of a part of operations of the Municipality of Mozirje	150
7.3	Justice	154
7.3.1	Regularity of operations of the Labour and Social Court in Ljubljana	154
7.4	State assets	155
7.4.1	Efficiency of the Slovenian Sovereign Holding in managing capital investments	155
7.4.2	Efficiency of the management system pertaining to public institutes	159

7.4.3	Efficiency of arranging and distinguishing public service from other services of public institutes	162
<b>7.5</b>	<b>European funds</b>	<b>166</b>
7.5.1	Effectiveness of the absorption of the European Cohesion policy funds in the programming period 2014–2020	166
<b>7.6</b>	<b>Healthcare</b>	<b>169</b>
7.6.1	Financial and regularity audit of operations of Health Insurance Institute of Slovenia in 2019	169
7.6.2	Regularity of purchasing medicines by Pharmacy Sevnica	171
7.6.3	Regularity of purchasing medicines by Pharmacy Velenje	171
7.6.4	Regularity of purchasing medicines by Pharmacy Pomurske lekarne Murska Sobota	172
7.6.5	Regularity and performance of a part of operations of the National Institute of Public Health	173
7.6.6	Regularity of operations of dr. Adolf Drolc Maribor Health Centre	175
7.6.7	Enabling the efficient entry of medical doctors to the labour market	177
<b>7.7</b>	<b>Education and Sports</b>	<b>181</b>
7.7.1	Regularity of operations of the Slovenian Quality Assurance Agency for Higher Education	181
<b>7.8</b>	<b>Culture and art</b>	<b>183</b>
7.8.1	Implementing tasks of municipalities in the field of culture	183
<b>7.9</b>	<b>Public utility services</b>	<b>188</b>
7.9.1	Efficiency of implementing the investment in the mixed municipal waste processing device	188
<b>7.10</b>	<b>Infrastructure and spatial planning</b>	<b>191</b>
7.10.1	Managing and spatial planning of the Third Development Axis project	191
7.10.2	Introduction of electronic toll collection in the Republic of Slovenia	194
<b>7.11</b>	<b>Environment</b>	<b>196</b>
7.11.1	Regularity of a part of operations of the Slovenia Forest Service	196
7.11.2	Effectiveness of meeting the targets to reduce greenhouse gas emissions	197
<b>7.12</b>	<b>Sustainable Development</b>	<b>200</b>
7.12.1	Efficiency of the Ministry of Agriculture, Forestry and Food in implementing public call Planning and undertaking national campaign to promote local agricultural and food products in the period 2016–2019	200
7.12.2	Efficiency of the Ministry of Agriculture, Forestry and Food when implementing a public call to make an analysis and assessment of consequences of constraints or prohibition of production of genetically modified plants and a public call to make an assessment study on consequences of constraints or prohibition of production of genetically modified plants	202

7.12.3	Providing food safety by increasing food self-sufficiency	204
7.12.4	Implementation of the Slovenian Development Strategy 2030 and the 2030 Agenda for Sustainable Development	205
<b>7.13</b>	<b>Information System</b>	<b>208</b>
7.13.1	Efficiency of ensuring cybersecurity in the Republic of Slovenia	208
7.13.2	Providing information support to the operation of social work centres	210
7.13.3	Efficiency of managing cybersecurity risk of the ELES company critical infrastructure	212
7.13.4	Efficiency and effectiveness of setting up and operating of national cloud computing	213
<b>7.14</b>	<b>Political system</b>	<b>219</b>
7.14.1	Regularity audit of the political party Celjska županova lista Slovenije in 2019	219
7.14.2	Regularity audit of the political party Lista Aleša Bržana in 2019	220
7.14.3	Regularity audit of the political party LTD – Toni Dragar – Lista Za vse generacije in 2019	220
7.14.4	Regularity audit of the political party Naša Notranjska in 2019	220
7.14.5	Regularity audit of the political party Lista Franca Kanglerja – Nova ljudska stranka Slovenije in 2019	221
7.14.6	Regularity audit of the political party Zagorje gre naprej – Združenje za napredek Zasavja in 2019	222
7.14.7	Regularity audit of the political party Koper je naš in 2019	222
7.14.8	Regularity audit of the political party Lista Jasne Gabrič za Trbovlje in 2020	223
7.14.9	Regularity audit of the political party Oljka in 2020	223
7.14.10	Regularity audit of the political party Zveza za Primorsko – ZZP in 2020	223
7.14.11	Regularity audit of the political party DROT – za razvoj in 2020	224
7.14.12	Regularity audit of the political party Lista Dušana Papeža in 2020	224
<b>7.15</b>	<b>Social system</b>	<b>225</b>
7.15.1	Financial and regularity audit of operations of Pension and Disability Insurance Institute of Slovenia in 2019	225
7.15.2	Effectiveness in reducing poverty	226
7.15.3	Efficiency of the Ministry of Labour, Family, Social Affairs and Equal Opportunities in implementing the Public call for project management of the development of the project Social Work Centres in the Republic of Slovenia and services for development and implementation of communication strategy to support reorganisation for internal and external shareholders	229
7.15.4	Are impacts of the proposed regulations in Slovenia examined and assessed (3)	230
7.15.5	Are impacts of the proposed regulations in Slovenia examined and assessed (3): Case study: Protection against natural disasters and accidents	233



7.15.6	Are impacts of the proposed regulations in Slovenia examined and assessed (3): Case study: Letting of apartments to tourists	236
7.15.7	Are impacts of the proposed regulations in Slovenia examined and assessed (3): Case study: Hiring-out of workers to a user	238
<b>7.16</b>	<b>International affairs</b>	<b>241</b>
7.16.1	Efficiency of the intervention management system in case of sudden pollution of the Adriatic Sea	241
<b>ATTACHMENT 1: INFOGRAPHICS PUBLISHED IN 2021</b>		<b>245</b>



# 1. INTRODUCTION

## 1.1 Opening address by the President

### Watching over public money

Reporting on our work in the past year is also an opportunity to point out the future development of the Court of Audit and to consider whether the path taken up to now was successful, objective and efficient. Even more, since I was entrusted a task of particular relevance: to manage the Court of Audit for the last nine years and to cooperate in the development of the institution in the concerned period.

It is an immense privilege as well as a responsibility, not only from the perspective of management of the institution but mainly to ascertain how we can influence the rational use of public funds. Of course, we cannot be attributed solely special merits for success in the development of the Slovenian society, nor shoulder the responsibility for the problems being evident in the demanding public finance situation of Slovenia. I do believe that by implementing our activities we were able to point out some issues, which need to be solved, either verifying or eliminating risks by using arguments that were detected by different stakeholders, and at the same time we undoubtedly

contributed to highlighting some important social issues, which occurred on the list of necessary interventions.

At the end of 2021, the Court of Audit issued 60 audit reports and 1 joint audit report, which is fully comparable with the previous years. They referred to the operations of 122 auditees whose total expenditure amounted to EUR 22 billion in 2021 being for EUR 2.6 billion more than in 2020. The Court of Audit expressed 35 descriptive opinions in performance audits and 37 opinions on the regularity of operations and financial statements. Out of it, 11 unqualified opinions, 16 qualified opinions and 10 adverse opinions, meaning that the most frequent type of opinion expressed in 2021 was a qualified opinion, since 43% of the opinions were expressed on the regularity of operations and on financial statements. In 2021, the Court of Audit demanded in 23 cases the submission of the response report, representing 38% of all issued reports. Pertaining to the audits for which audit reports were issued in 2021 the users of public funds in order to remedy or improve operations in future implemented 417 corrective measures out of 492 implemented corrective measures already during the audit procedure signifying that the majority of measures is taken already during the audit implementation, which particularly pleases us since this shows significant response of auditees and that our demands are taken very seriously. In addition to audit reports, there were also 15 post-audit reports issued in 2021. In the published post-audit reports, the Court of Audit assessed 75 corrective measures. Whereby, 59 corrective measures were implemented adequately (79%), 12 partially adequately (16%) and 4 corrective measure were assessed as inadequate (5%). Due to partially or inadequately implemented corrective measures, the Court of Audit issued 9 decisions on violation of the requirement for operational efficiency in 7 post-audit reports while it did not issue any calls for remedial actions. In 2021, the Court of Audit made several proposals to amend or supplement acts or implementing regulations respectively warned about certain risks due to lack of clarity or not harmonised provisions of particular regulations.

For 16 issued audit reports we also prepared infographics, which help us to present the audit reports in a clear, concise and understandable manner. When issuing the audit report Effectiveness of meeting the targets to reduce greenhouse gas emissions we developed and filmed longer video tackling the issue of identifying greenhouse gases and how they warm the Earth and what the consequences of rapid increase in greenhouse gas concentration are. The purpose of such report presentation is to address decision makers as well as individuals.

Undoubtedly, the year 2021 was in each and every aspect strongly marked by the COVID-19 pandemic. Due to experience gained in the period of pandemic in 2020 the circumstances did not severely affect the implementation of the annual programme of 2021. New methods of working, mainly increasing the amount of working from home and other measures, which reduced direct contacts between the employees, demanded new ways of communication. Therefore, the situation required adjusted communication and management of the teams working from home. Heads used new tools in order to keep in touch, to strengthen motivation and to focus on work assignments.

The advisory role of the Court of Audit which requires a lot of commitment is often overshadowed by audit reports that receive more attention by different public, nonetheless 85 written responses we issued last year, thus providing advice to the users of public funds, still show a clear need to be given guidelines for their work with which the Court of Audit undoubtedly preventively affects the management of public funds.

The year 2021 is regarding undertaken activities and dynamics of implemented audits fully comparable to previous years, while it cannot be compared from the perspective of conditions provided for implementing our mission, since we cannot neglect the demanding and often unprofessional interventions of politics and related media. Our independence was challenged and from certain time distance it will be possible to attribute the challenge to another negative side effect of the pandemic which left far-reaching consequences for society and public finance situation.

Hysteria of the political environment, which embedded the Court of Audit unwillingly, shows how strong the defensive mechanisms of the independent institutions are and the sensitivity of the public towards the experiments with the politicisation of the state auditing. Therefore, I can assess that the defensive walls, which provide us the independence, stood firmly against all the pressure, but it is necessary to rethink whether all mechanisms must be checked, namely those that provide us the special position and also expectations to implement our work impartially and efficiently. We were forced to insist on the appropriate communication, since public speech sunk into dimensions which were some time ago unimaginable. Despite the demanding situation last years were not lost, even in times of inappropriate communication, disrespect and attempts of relativisation of our findings we managed to point out several topics, which would otherwise remained overlooked.

The Court of Audit, the Constitutional Court and the Human Rights Ombudsman pointed out several times in the past the need to amend legislation on public finance which would safeguard special legal position of certain national bodies within the organisation of the State. The applicable law significantly intervenes with the autonomous and independent financial position of these authorities, thus affecting smooth implementation of their operations and is inadmissible interference in their autonomy and independence granted by the Constitution. Despite the decision of the Constitutional Court in December 2020 and our expectations that the evident discrepancies shall be in one-year period remedied, we are sorry and extremely concerned that the remedial action did not take place. Nevertheless, we hope that all inconsistencies shall be remedied in the shortest possible time. Namely, it is an important aspect of ensuring and preserving the independence of the institutions which must be in the interest of the State, thus we warn again that the public finance issue must be immediately solved.

During my term of service as the President of the Court of Audit, in the last nine years we issued 540 audit reports, 208 post-audit reports and 8 joint reports. Our work programmes were carefully planned in order to consider all challenges that have or could have an important impact on public finance. Our auditing authority in the fields of healthcare, energy, environment, state assets, education, culture, commercial public services, sustainable development, local self-government, social services and political system was clearly observed. Special attention was given to the vulnerable social groups – from the elderly, the young, precarious workers, perhaps we did not consider enough the needs of the economy and were not firm enough when enforcing the demanded corrective measures.

Being the head of the Court of Audit was not always easy, even though it is an immense privilege. Primarily, as almost every audit report brings about some bad mood among politicians or other decision makers. Messages given by the Court of Audit are not always simple and are not willingly accepted. Nevertheless, I am certain that we succeeded after all, did not remain silent when it was necessary to speak and did not succumb to the temptation of the audit tyranny, which is possible due to our broad authorities.

However, there is a gap in expectations related to our work, which was managed mainly by responding to emerging issues using direct communication, thus preventing a potential problem to grow and result in unsuitable public finance impacts. Unfortunately, formalised legal framework of our operations is not always favourable towards that approach so I am sorry that the necessary amendments of the

Court of Audit Act were not adopted in the past two years. I firmly believe that we could be even more efficient if some amendments were adopted, while the rights of the auditees would not be importantly affected. The current legal framework does not support the development dynamics and the need to react quickly, which is expected in future, thus the key challenge in the future shall be response time and quality of audit recommendations as well as advisory role based on previously reviewed information rather than expansion of audit topics or knowledge.

Current circumstances which have burdened fragile healthcare, political and economic systems, as well as worrying public finance situation shall affect the quality of our lives. The time of key decisions is ahead of us, since a decade of postponing the necessary changes caused too many negative consequences.

Such situation can also be seen as an opportunity to set up new frames of tolerant and productive communication where state auditors certainly have their role. The importance of the role shall depend on several factors: their commitment, personal courage and persistence.

Our work built foundations for this role, broadened the horizons of auditing, strengthened our widespread recognition, because we became an institution whose opinion matters, the citizens and civil society recognise us as credible partners, we are respected in the international community, our development strategies are straightforward and mainly we are building on the work carried out by an impressive team of committed professionals who understand and live their mission. We owe them gratitude for their past cooperation and above all they are the assurance that the Court of Audit shall remain a relevant element of the society and shall audit regularity of operations and analyse performance of public funds use, thus holding a mirror to the state and local communities.



**Tomaž Vesel,**  
*President of the Court of Audit*

# KEY RESULTS



**60 + 1**

audit reports

joint audit report



**15**

post audit reports



**492**

measures implemented during the audit or in the post-audit procedure



**315**

recommendations given to the users of public funds



**283**

received initiatives for auditing



**122**

audited users of public funds



**85**

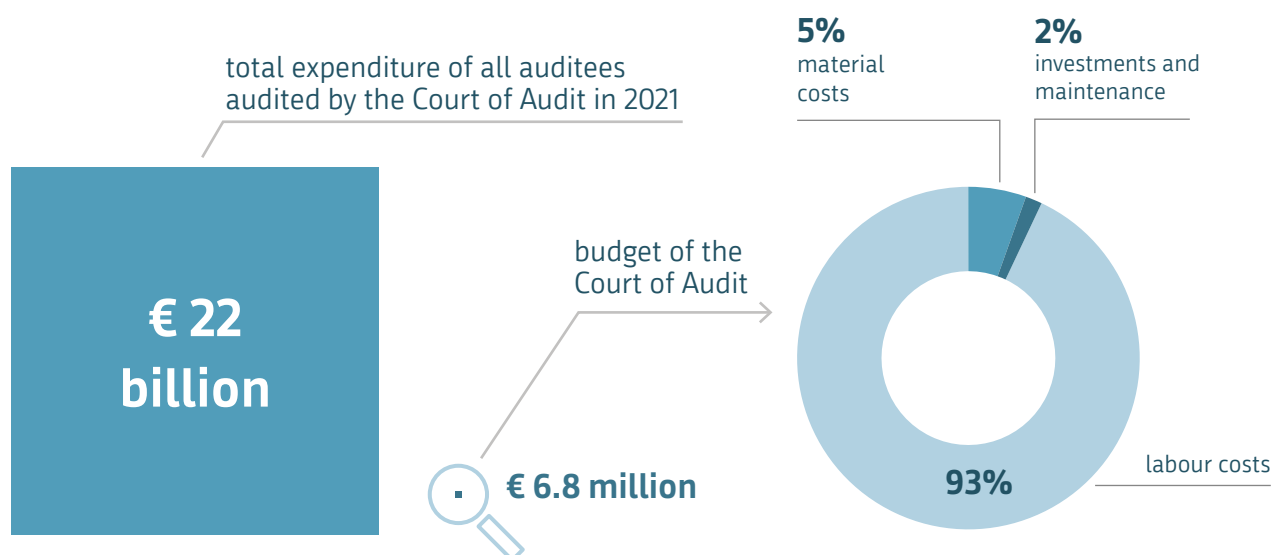
written responses to the questions posed by the users of public funds



**11**

discussions by the National Assembly and the National Council

## TOTAL EXPENDITURE OF AUDITEES AND BUDGET OF THE COURT OF AUDIT

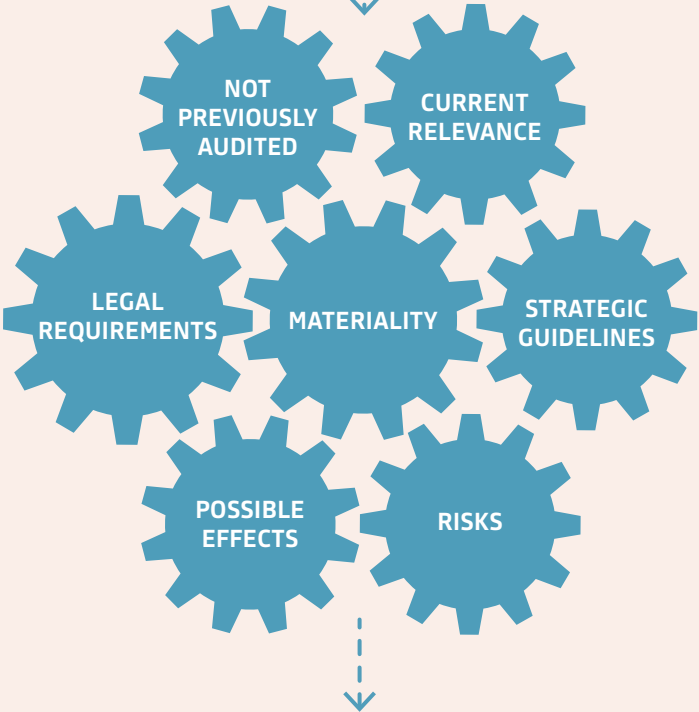


# AUDIT PLANNING

## RECEIVED INITIATIVES FOR AUDITING



## SELECTION CRITERIA



## INTERIM ASSESSMENT



PROGRAMME OF WORK FOR THE EXERCISE OF AUDITING POWERS



# AUDITS

## TOPICS COVERED BY THE AUDITS



STATE  
BUDGET



LOCAL SELF-  
GOVERNMENT



JURISDICTION



STATE  
ASSETS



EU FUNDS



HEALTHCARE



EDUCATION  
AND SPORT



CULTURE  
AND ART



PUBLIC UTILITY  
SERVICES



ENVIRONMENT



INFRASTRUCTURE  
AND PLANNING



SUSTAINABLE  
DEVELOPMENT



IT SYSTEM



POLITICAL  
SYSTEM



SOCIAL SECURITY  
SYSTEM



SCIENCE



DEFENCE



INTERNATIONAL  
AFFAIRS

64



AUDIT  
REPORTS

AUDIT OPINIONS  
EXPRESSED

CORRECTIVE  
MEASURES

PROPOSALS TO THE  
AMENDMENTS  
OF THE LEGISLATION

SAVINGS

RECOMMENDATIONS

### 34 on the regularity of operations



8 unqualified



16 qualified



10 adverse

### 3 on the financial statements



3 unqualified

### 35 on the performance of operations



35 descriptive

23

demands  
to submit  
response reports

37

audit reports  
without  
a demand

75

measures  
in the  
response  
reports



59 adequate



12 partially adequate



4 inadequate

15



POST-AUDIT  
REPORTS

9




DECISIONS ON  
VIOLATION OF  
THE REQUIREMENT  
FOR OPERATIONAL  
EFFICIENCY

# COOPERATION WITH THE MEDIA AND THE PUBLIC

16



infographics



93  
written responses  
to questions posed  
by journalists



39  
news  
published  
online


4



own video  
products

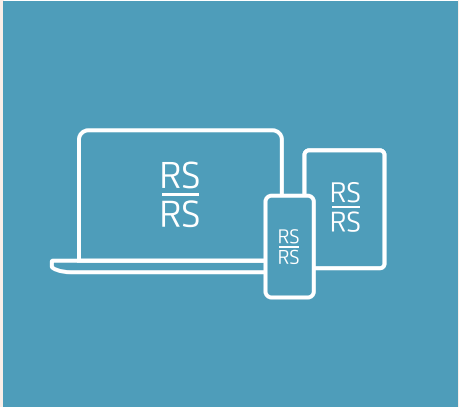



53,660  
views of the  
most popular post  
on social media



available phone  
communication

## WEBSITE






Our website provides positions and opinions,  
important for the users of public funds.



Social media - Facebook, Twitter and YouTube are used  
exclusively for informing the public about our work.

## COUNSELING

### OPINIONS AND ANSWERS TO THE USERS OF PUBLIC FUNDS



85  
written responses  
to the questions  
posed by the users  
of public funds

MOSTLY

→ to non-commercial and commercial  
public service providers

→ to local communities

→ to political parties and organisers  
of the election campaigns

→ to ministries and their  
subordinate bodies



7  
events intended  
for external users  
of public funds  
and other public

### TARGET GROUPS



26  
trainings for  
domestic and  
international  
audience

### PUBLICATIONS ON THE WEBSITE



database of all audit  
and post-audit reports



summaries and  
infographics



views and  
opinions



manuals and  
auditing standards

# COOPERATION WITH THE NATIONAL ASSEMBLY AND THE NATIONAL COUNCIL

10

discussions in the National Assembly

7

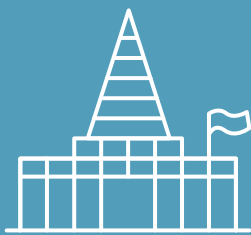
discussions of the Commission for Public Finance Control

2

sessions of the National Assembly

1

discussion by the Economic Committee



1

discussion in the National Council

0

sessions of the National Council

1

discussion of the Committee on Economy, Crafts, Tourism and Finance

## INTERNATIONAL COOPERATION

34

international events



24

video conferences



4

meetings abroad



6

visits by foreign delegations



26

representatives of the Court of Audit at the events



1

joint international audit



4

articles in the international publications



## COOPERATION IN INTERNATIONAL ORGANISATIONS

INTOSAI

EUROSAI

EURORAI

Contact Committee

OECD

V4+2 Group

Bilateral cooperation

Other international organisations

# EMPLOYEES

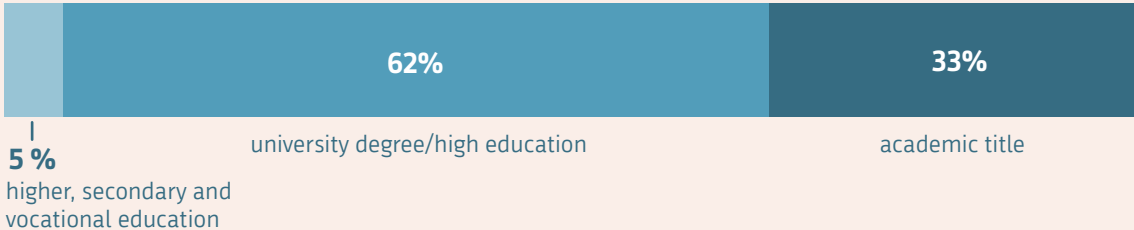
**133**  
NUMBER OF  
EMPLOYEES

## Structure of employees by field of activities



STAFF  
TURNOVER  
**4.5%**

## Structure of employees by formal qualification



# PROFESSIONAL DEVELOPMENT TRAININGS



## DEVELOPMENT OF AN ANNUAL TRAINING PROGRAMME

- TOPICAL PROFESSIONAL ISSUES
- AMENDED LEGISLATION
- PROPOSALS BY EMPLOYEES

## IN-PERSON LEARNING IN SLOVENIA AND DISTANCE LEARNING COURSES

**26**  
employees attended seminars and conferences organised by different institutions in Slovenia

**78**  
employees attended webinars

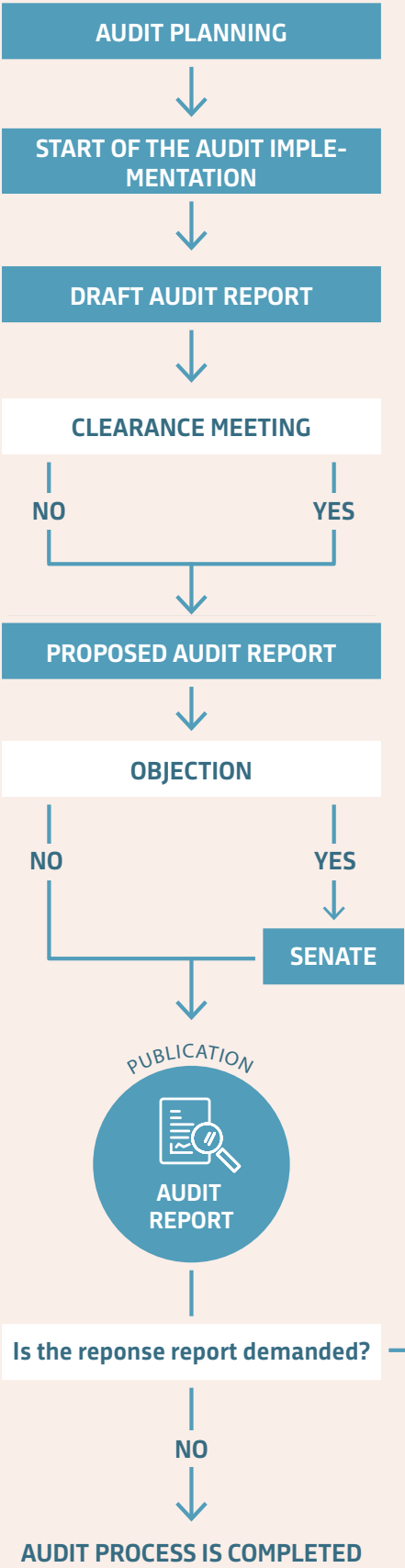
## TRAININGS ORGANISED BY THE COURT OF AUDIT

**3**  
trainings organised by the Court of Audit

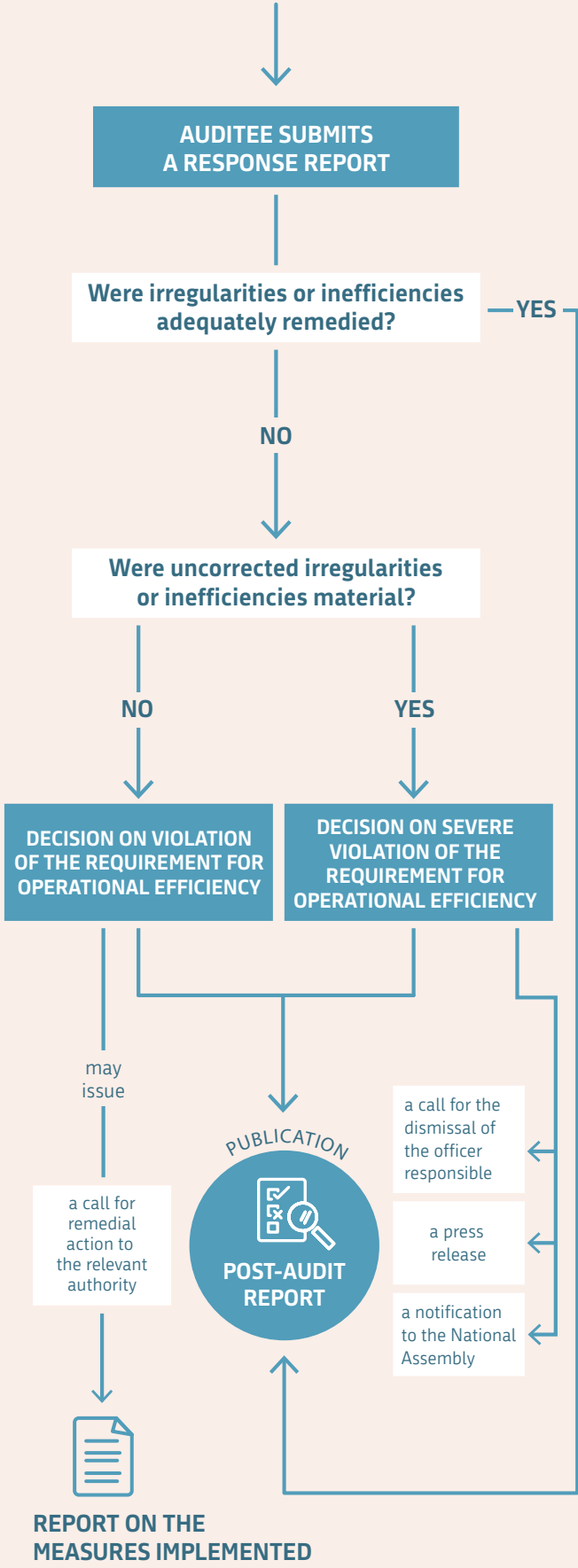
**74**  
employees participated in trainings

# AUDIT PROCESS

## AUDIT PROCEDURE



## POST-AUDIT PROCEDURE







## 2. COURT OF AUDIT OF THE REPUBLIC OF SLOVENIA



The Court of Audit is independent, objective and efficient in the performance of its duties.

### 2.1 Activities

Article 150 of the Constitution of the Republic of Slovenia provides that the Court of Audit is the highest authority for supervising state accounts, the state budget and all public spending. Under the Constitution, the Court of Audit is ensured the highest level of formal independence, in accordance with the provisions of the Lima and Mexico declarations of the International Organisation of Supreme Audit Institutions (INTOSAI) and in line with the Resolution A/66/209 of the General Assembly of the United Nations. In compliance with its constitutional mission, the Court of Audit provides the Slovenian society with relevant, expert, timely and complete information on the operations of the users of public funds and endeavours to improve the use of public funds by providing recommendations and imposing measures. The Court of Audit is independent, objective and efficient in the performance of its duties.

The powers and duties of the Court of Audit are provided for in the Court of Audit Act, namely to audit operations of users of public funds and to provide advice to them. The Court of Audit with its independence and expertise complies with its statutory obligations in a timely and quality manner and, by focusing on material fields in the public sector and more risky fields, it tries to promote regularity, efficiency, effectiveness and economy among users of public funds.

### 2.2 Objectives

The mission of the Court of Audit is to inform the public and the National Assembly about important findings from the audits of operations of the users of public funds in a timely and objective manner and, based on its experience and knowledge of good practices, to provide advice to the users of public funds on how to improve their operations. By disclosing irregularities and inefficiencies, it points to



the responsibility of state bodies and holders of public office and thus serves for the benefit of all the citizens of the Republic of Slovenia and the European Union.

Within the scope of its audit powers, the Court of Audit helps the users of public funds by identifying and disclosing errors, irregularities and inefficiencies in their operations as well as by issuing demands and providing recommendations for their remedy.

Within the scope of its advisory powers, the Court of Audit helps the users of public funds by expressing opinions and providing answers to the questions on public finance, and the legislative and executive branches of government by proposing amendments to the relevant regulations.

Operations of non-governmental organisations and adequately developed non-governmental sector represent one of preconditions for the implementation of principles of pluralism and democracy. This is why it is necessary to ensure appropriate mechanisms for promoting development of non-governmental organisations and their cooperation in establishing and implementing public policies. Non-governmental organisations also shape Economic and fiscal policy (code 02).

Economic and fiscal policy consists of four main programmes which are broken down into sub-programmes, as presented below:

PROGRAMME	SUB-PROGRAMME
<b>Regulating fiscal policy</b>	<ul style="list-style-type: none"> <li>• Implementing and regulating fiscal policy</li> <li>• Payment services for the budget users</li> </ul>
<b>Bases for economic and development policy and preparation of macroeconomic analyses and forecasts</b>	<ul style="list-style-type: none"> <li>• Statistical survey</li> <li>• Preparation of analyses and forecasts</li> </ul>
<b>Fiscal surveillance</b>	<ul style="list-style-type: none"> <li>• Operations of the Court of Audit (020301)</li> <li>• Legal protection and control over public procurement procedures</li> <li>• Public law records and audit control</li> <li>• Control over money laundering prevention</li> <li>• Internal control, examining budgetary spending and audit</li> <li>• Operations of the Fiscal Council</li> </ul>
<b>Financial administration</b>	<ul style="list-style-type: none"> <li>• Financial administration</li> </ul>

Operations of the Court of Audit (020301) became an independent subprogramme in the beginning of 2013 and represents one of six subprogrammes of the Fiscal Council programme.



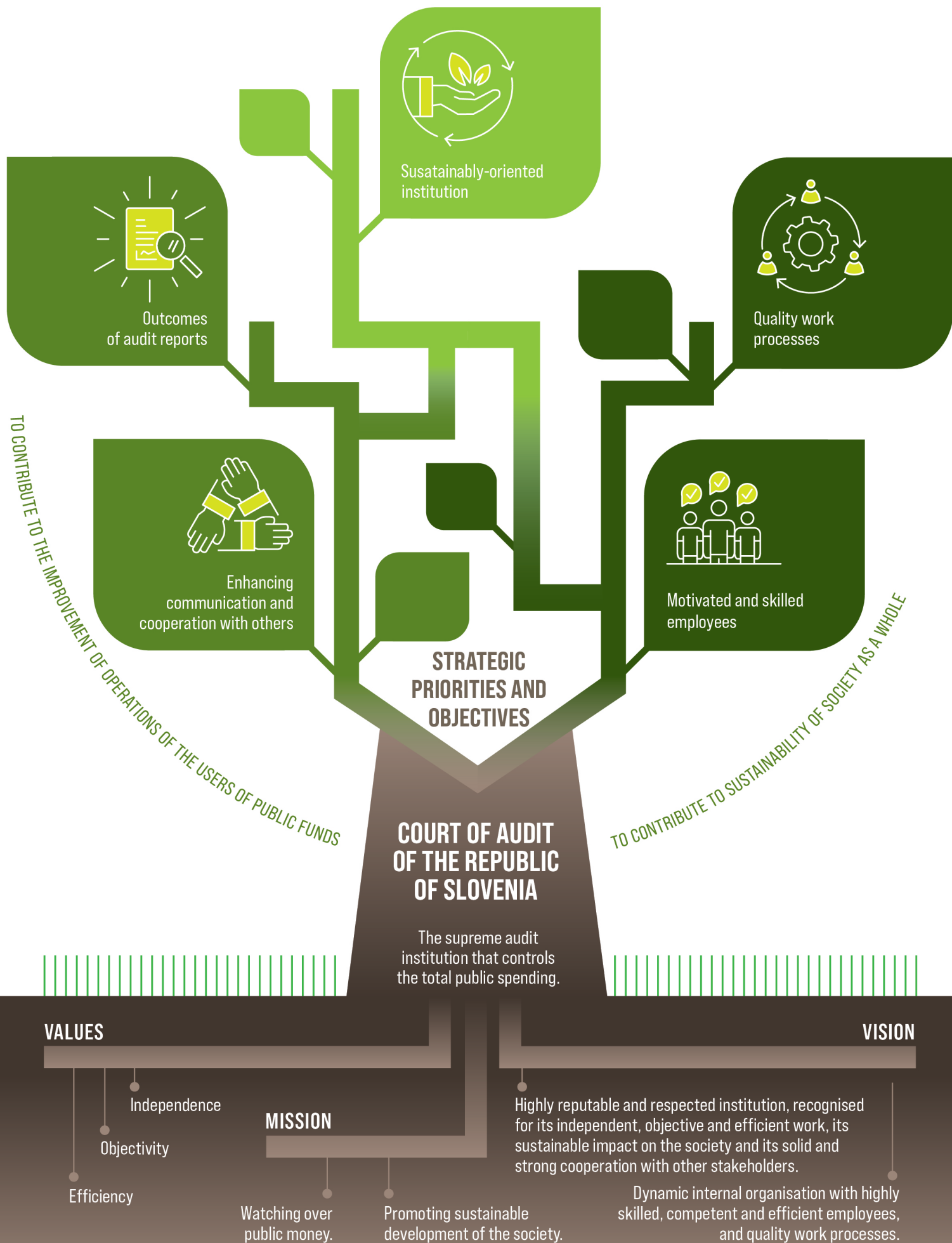
## 2.3 Strategy of the Court of Audit

In 2021 a new Strategy of the Court of Audit of the Republic of Slovenia 2021–2024 came into force. At that time also Human Resource Strategy 2021–2024 and Communication Strategy 2021–2024 were adopted as recommended in the process of self evaluation based on the INTOSAI Performance Measurement Framework. The principal strategic objective of the Court of Audit is to contribute to the improvement of operations of the users of public funds and to sustainability of society as a whole.

It is to be achieved through careful preparation and realisation of annual programme of work for the exercise of audit powers which shall address an adequate scope of auditees included in the audit, by high-quality and relevant audit reports and well-considered and constructive corrective measures and recommendations. By implementing audits, our institution aims to achieve the greatest outcomes possible regarding the operations of the users of public funds and the efficient management of public assets, to warn about possible future risks, to ensure sustainability of public finances and to encourage users of public funds and citizens to act in a sustainable manner. Based upon the key objective the Court of Audit set 5 specific strategic objectives which are dual – directed outwards and inwards. Besides maintaining the status of trustworthy and respected institution, which is publicly recognised by its independent, objective and efficient work and its users-targeted services and a significant impact on the society through its sustainability-oriented audits, we endeavour to provide a stimulative working environment to employees, who represent the greatest potential and the most important capacity for achieving the key objective and mission of the institution.



# STRATEGY OF THE COURT OF AUDIT 2021-2024



## 2.4 Sustainable development

Sustainable development is not and cannot be perceived just as a simple guideline for further steps but it must be rather seen as the only appropriate way of addressing global and national issues. The Court of Audit is fully aware of its responsibility to meet those challenges in the most suitable way. Not only by undertaking auditing powers concerning past operations but also by demanding, recommending, advising and taking action.



Use of public funds in future shall strongly depend on recognition and consideration of sustainable development principles. Development policies must be guided by objectives of sustainable development, the Agenda 2030 and the Slovenia's Development Strategy 2030, therefore the Court of Audit made a clear commitment thereto. The Court of Audit monitors implementation gaps related to sustainable objectives and considers them as one of key criteria for deciding where its auditing powers should be concentrated, furthermore it tries to point out areas where problems are expected.

Also in future, follow-up audits related to sustainable issues already covered before will remain priorities alongside those areas which were not (fully) audited previously. The main focus is on meeting objectives of sustainable development and improving their implementation at national level. Apart from carrying out its auditing powers the Court of Audit directs its efforts towards sustainability within its internal organisation – namely, greening the institution is one of its key organisational and technical objectives laid down also in the new Strategy of the Court of Audit.

Sustainable orientation of the Court of Audit is recognised and respected in relevant international community. Thus, its endeavours were warmly welcomed when urban beehives were placed on the roof top of the Court of Audit. Going beyond the purely symbolic meaning of sustainable objectives the bees shall provide honey for protocol gifts. Not only this raises awareness of sustainable development but also calls for preventive activities and helps reduce the use of public funds in future. Those are the objectives that shall be followed by the Court of Audit also in future.



REPUBLIC OF SLOVENIA  
**COURT OF AUDIT**

---

Watching over public money

**Računsko sodišče Republike Slovenije**  
**The Court of Audit of the Republic of Slovenia**

Slovenska cesta 50, 1000 Ljubljana, Slovenija  
T: +386 (0) 1 478 58 00 | F: +386 (0) 1 478 58 91  
[sloaud@rs-rs.si](mailto:sloaud@rs-rs.si) | [www.rs-rs.si](http://www.rs-rs.si)