

TO:

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Executive Officer: Freddy Yves Ndjemba	
Our date: 24.02.2021	Our reference: 04210224
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Subject: Independence concerns regarding the Cyprus Audit Office

Mr. Adamou

The INTOSAI Development Initiative (IDI) is a not-for profit, autonomous implementing body mandated to work with Supreme Audit Institutions (SAIs) to sustainably enhance their performance and capacity. The IDI forms part of the International Organization of Supreme Audit Institutions (INTOSAI) which comprises more than 190 SAIs around the world. The International Organization of Supreme Audit Institutions (INTOSAI) operates as an umbrella organization for the external government audit community. INTOSAI is a non-governmental organization with special consultative status with the Economic and Social Council (ECOSOC) of the United Nations.

SAIs are key pillars of accountability and can only perform their work if they are free from interference and independent. The concept of Independence for SAIs is encapsulated in the Mexico Declaration on SAI Independence (INTOSAI P-10) which can be used to benchmark the level of independence of a SAI or assess any potential infringement to independence. It is for that purpose that we have developed a dedicated mechanism called SIRAM (SAI Independence Rapid Advocacy Mechanism) to provide advocacy support to SAIs when they feel their independence is challenged, and we have currently opened a SIRAM case on the request of the Cyprus Audit Office

We have been informed by the Cyprus Audit Office of several challenges they have been facing carrying out their audit on the Cyprus Investment Programme (CIP). To substantiate their concerns, the Cyprus Audit Office has provided us with a written summary of events providing their perspective on the case, as well as the relevant constitutional and legal dispositions, and independence principles that are viewed as being challenged by the current situation. Subsequently, We have reached out to several stakeholders from the Legislative, Executive branches as well as Political Parties and Constitutional and Independent bodies to have a broader perspective on the case and insight of contextual factors in order to carry out a balanced and detailed assessment of the case

After conducting our assessment of the case, we would like to inform you that we share the Cyprus Audit office's concerns following the limitations of its right to obtain timely, direct and free access to all the necessary documents and information, for the proper discharge of its legal responsibilities. We believe that this limitation, although labeled as temporary, is contrary to the spirit of the Lima and Mexico Declarations on SAI Independence and will likely affect other aspects of SAI independence such as the right to decide when to complete and publish their reports and their right to decide on the content of their report. Ultimately, it can undermine the SAI's ability to play its role in properly ensuring accountability for the benefits of the citizens.

Without forming any judgment on the legality of this temporary denial of access to information, as this can only be determined by the appropriate authorities and in accordance with the Laws of the Republic of Cyprus, we would like to encourage all parties involved to establish a constructive dialogue to solve this issue and create a conducive environment through cooperation among institutions contributing to accountability and transparency for the betterment of the lives of the citizen. We stand ready to assist in any way or capacity to contribute of facilitate such a dialogue.



Einar Gørrissen
Director General