



REPUBLIC OF SLOVENIA
COURT OF AUDIT

Računsko sodišče Republike Slovenije
The Court of Audit of the Republic of Slovenia
Slovenska cesta 50, 1000 Ljubljana, Slovenija

T: 01 478 58 00
E: sloaud@rs-rs.si
www.rs-rs.si

No: 04-2/2023/13
Ljubljana, 13 March 2023

Information in relation to strengthening the role of Supreme Audit Institutions in the prevention and fight against corruption

The Court of Audit is an independent state body that controls the use of public funds. It audits all public institutions that receive public funds and all those that receive European funds in Slovenia. The Court of Audit cannot be categorised within any of the three branches of power, legislative, executive or judicial.

In accordance with the Slovenian Constitution, the Court of Audit is the highest body for supervising state accounts, the state budget and all public spending in Slovenia. The Constitution further provides that the Court of Audit is independent in the performance of its duties. The Court of Audit Act also defines that the acts with which the Court of Audit exercises its auditing powers cannot be challenged before the courts or other state bodies.

The Ministry of Finance took account of financial independence of the Court of Audit when preparing State budget amendments for the years 2023 and 2024, thereby considering budget expenditure alignment and yet not adopted amendments to the Public Finance Act, which were ruled on by the Constitutional Court by Decision No U-I-474/18-17 as of 10 December 2020.

For the purpose of exercising its audit powers, the Court of Audit gathers and examines relevant data in order to identify risks of irregular or inefficient use of public funds. Among the objectives of the Court of Audit is to strengthen the integrity of public sector and rule of law, therefore the Court of Audit analyses and identifies risk factors and detected risks of corrupt and unethical operations of public sector entities.

Control over the government gives support to a solid and strong state, which provides a foundation for a successful social development and must be in the interest of all, especially it is the responsibility of the politicians to protect the supervisors as the main building blocks of the legal system.

The Court of Audit implements audits in line with the annual programme of work for the exercise of auditing powers which is defined for each year by the President of the Court of Audit. When setting up the annual programme of work for the exercise of auditing powers, several criteria are considered, namely: materiality of the users of public funds (amount of budget respectively financial plan), experience gained through past audits through which the Court of Audit brings up important questions about public finance that are common to several auditees, initiatives by the users of public funds, legal and natural persons and other bodies, media reports, geographical distribution of public funds users, period from the last implemented audit of an individual user of public funds, etc.

In general, the citizens of the Republic of Slovenia are highly aware of the importance of correct public spending. One of the areas that should be highlighted is public procurement. Experience of the Court of Audit related to public procurement show that this field is not easy to manage and that public institutes and utilities as well as local self-governments face considerable problems thereof. The

audits of the Court of Audit often point out and draw attention to many irregularities and inefficiencies related to public procurement, since reviewing public procurement procedures is an important task of the Court of Audit, representing a major part of the public expenditure.

Despite the detailed provisions of the legislation it is not possible to prevent different interpretations of what is allowed or to stop abuse. Legislation is constantly amended in order to prevent corruption, violations and fraud. It is thus crucial to raise the awareness of all public funds users to manage public funds efficiently and economically for the benefit of everybody.

The Court of Audit is an independent state authority that controls the use of public funds and tries to ensure greater efficiency of supervisory institutions what undoubtedly has a preventive effect. Also, in this way the cooperation is strengthened among authorities which are responsible for or have the power to affect the prosecution of criminal offences, thus the Court of Audit can analyse risks and respond appropriately. Raising the awareness of the citizens and public institutions about the importance of the efficient control over the use of public funds is essential, since sound financial management provides a foundation for social stability.

The work of the Court of Audit demonstrates the utmost responsibility to the public and the users of public funds.