

Report on the update and merge of GUID 5200, 5201 and 5203 into one consolidated WGEA Guidance on Environmental Audit

Introduction

The WGEA Environmental Audit Guidance Project was a strategic initiative aimed at consolidating and modernizing INTOSAI’s environmental auditing guidance. This project merged and refined three existing guidance documents—GUIDs 5200, 5201, and 5203—into a single, coherent, and user-friendly non-IFPP guidance document. The goal is to provide Supreme Audit Institutions (SAIs) with a clear, relevant, and enduring framework for conducting high-quality environmental audits.

This new guidance is designed to be principles-based and non-mandatory, offering a stable foundation that complements the ISSAIs without duplicating them. It emphasizes clarity, simplicity, and relevance, ensuring that the guidance remains applicable over time while being adaptable to emerging environmental challenges and audit methodologies.

Timeline and Process

The project was initiated with a clear roadmap and milestones, beginning with the formation of a diverse drafting group and culminating in a comprehensive exposure and endorsement process.

The drafting group included representatives from SAIs in Finland, Maldives, ECA, Estonia, Thailand, and Egypt. This team was responsible for merging and updating GUIDs 5200, 5201, and 5203 into a single, coherent guidance document.

Key phases included:

January 2025: Project proposal finalized.

February 2025: First draft circulated for internal review.

March 2025: Exposure draft shared with all WGEA members.

April 2025: Comments analyzed and incorporated.

May–June 2025: Endorsement version prepared for WGEA Steering Committee approval.

Throughout the process, the drafting group held multiple meetings to review feedback, refine content, and ensure alignment with INTOSAI principles and WGEA priorities.

Exposure Period and Feedback

A 30-day exposure period was conducted from March 7 to April 21, 2025, during which the draft guidance was shared with all WGEA members. This open consultation phase was critical for gathering broad input and ensuring the guidance reflects the collective expertise of the INTOSAI community.

Number of SAIs that provided feedback: 24

Total comments received: 196

Comments accepted and used to improve the document: 96

The feedback received significantly enhanced the clarity, relevance, and usability of the guidance. Many suggestions that were not directly incorporated into the main document were recognized as highly valuable for the Handbook that will accompany the guidance. This Handbook will provide practical examples, case studies, and technical tools to support SAIs in implementing the guidance effectively.

While all comments received were carefully reviewed and appreciated, a number of them were not incorporated into the final guidance document. The decision not to include them was based on the following considerations:

1. Maintaining a Concise and Usable Document

The primary goal of the guidance is to provide a clear, accessible, and practical overview of environmental auditing. Including extensive explanations or elaborations on general audit principles would have significantly increased the length of the document, potentially reducing its usability for practitioners.

2. Focus on Environmental Audit Specificities

Many of the comments that were not incorporated addressed general auditing principles that are already well covered in existing INTOSAI standards (e.g., ISSAI 100, 200, 300 and 400). Since the purpose of this guidance is to highlight the specific characteristics and challenges of environmental auditing, these more general comments, while valid, were considered outside the scope of this document.

3. Alternative Inclusion in the Handbook

In several cases, the drafting group recognized the value of the suggestions and has proposed to include them in the upcoming practical handbook. This companion document will provide detailed examples, case studies, and practical tools, making it a more appropriate place for elaborating on broader audit concepts or technical methodologies.

Final Remarks and Next Steps

The updated WGEA Environmental Audit Guidance has now reached its final stage and is ready for submission to the WGEA Assembly for approval. This marks the culmination of a collaborative and rigorous development process involving extensive consultation, expert input, and careful refinement.

Once approved, the new guidance will be made publicly available on the WGEA website, providing SAIs around the world with a modern, coherent, and principles-based framework for conducting environmental audits.

To ensure consistency and avoid confusion, it is recommended that the outdated guidance documents (GUIDs 5200, 5201, and 5203) be removed from the ISSAI.org website. The WGEA Secretariat will initiate discussions with the INTOSAI Professional Standards Committee (PSC) to explore the appropriate steps for this transition.

This updated guidance, together with the forthcoming Handbook, will serve as a vital resource for SAIs seeking to strengthen their environmental audit practices and contribute meaningfully to global sustainability efforts.



SAI	Comments	Response
South Africa	<p>Just a brief personal input (information sharing), based on “my” SA SAI’s #CultureShift2030 Strategy ... whereas our audits aspire to contribute towards or improve the lived realities of the public. This “new” Strategy aims to (by 2030) affected a strong, more direct, and consistent impact on and improve the lived realities of SA’s citizens. After numerous oversight periods with no or little improvements (rather regression), the AGSA – as an influencer, had to consider other ways and means to sustainably and efficiently shift public culture (way of doing things) through insight, influence, and enforcement (regulating action).</p> <p>Why giving / sharing this input: As s a great follower of the INTOSAI WGEA (including the Surveys on Environmental Auditing) – a concern for me (and not generalised), is that we often do environmental focussed audits (with great effort and costs), yet the impact (behavioural change or improvements) not always there (nor sustainable). I miss this “next step” in the Draft – clearly articulating “new” or advanced ways and means to shift public culture in the right direction.</p> <p>From my perspective – I feel strongly that SAIs, directly and indirectly can (and should) play an integral part in holding our governments accountable and shift their culture towards improved environmental governance. If we get this right ... our contributions (to audit, report and improve our water resources, curb air pollution and other services linked to the sustainable development goals) will go a long way towards real “change”. It is not so much on how much environmental audits we’ve done or on what – rather what was our impact / influence? Introduction of the MIs and our AGSA #CultureShift2030 Strategy already yielded results (improvement) within both our MFMA & PFMA audit oversight periods.</p>	Can be added as a section in the handbook
	<p>I agree with section 5 of the Draft Environmental Audit Guidance stating that “environmental audits often include recommendations with long-term targets. When entities are aware that follow-up audits will take place, they are more likely to implement audit recommendations. However, there is a challenge in seeing the results of environmental audits in the short term due to the extended timespan required for significant changes to take effect. Short-term recommendations typically focus on immediate actions that entities can take to address compliance issues, improve data collection, or enhance monitoring systems” BUT – we need a “tweak” towards real change and impact (“now”). Our MIs include a rigid follow-up process, persistent on real change (short-medium- and long-term). We include all relevant role-players and stakeholders, focussing on each roles & functions.</p>	Audit case to handbook



Brazil	Overall, the text is well written, with relevant and useful information. I have no comments other than minor corrections in the text. Good job!	Thank you!
	3.2.2. "This includes examining the governing body's and management's attitude..." This reads a little strange, please consider revising.	Adjusted
UK	Section 2 – we felt there was no real consideration here of the fact that environmental improvement relies heavily on behaviour change, whether from organisations or from citizens. We feel like this section might benefit from this being included as a consideration within the bullets.	Can be added as a section in the handbook
	Section 3.1, 2 nd paragraph – while it's certainly important to understand the main purpose of a programme or policy, we feel that it is also important to consider how it fits with or affects wider environmental or other policy aims.	Added: "Equally important is assessing how the policy or program aligns with, or affects, broader environmental goals and other related policy objectives."
	Section 3.3.1, 2 nd paragraph – it's true that the sorts of issues we'll be auditing will normally be about preventing environmental harm/damage, but there are also programmes that are more about recovery and it would be good to recognise that both are important.	Added: " Importantly, while many initiatives focus on prevention and mitigation, there are also programmes centered on recovery, and it is essential to recognize that both types of efforts play a vital role in achieving sustainable environmental outcomes."
	Overall we found the document clear and concise, covering many of the principles we would have expected to see.	Good to hear!
Bulgaria	p.4 " The 2030 Agenda is a current global framework for sustainable development, which includes 17 Sustainable Development Goals, but the concept of sustainable development is older."Our suggestion is for this text to be deleted because the information is a common knowledge for the audit community and has little benefit regarding the purposes of the Guidance.	We have noticed in our audit clinic consultations that not all auditors are familiar with the SDGs
	p. 5 ", by implementing first the cheapest actions before moving to more expensive ones." We suggest considering further clarifying this statement. If we always start with the cheapest measures and actions first and they do not achieve the desired effect and then we continue with the more expensive ones, won't it turn out in the end that the costs of achieving the goals are significantly inflated?	Changed to: "An example of an environmental audit could be assessing whether climate policy targets have been achieved in a cost-effective manner, by prioritizing the implementation of the most cost-efficient actions before considering more expensive measures."
	p.5 " may include in its scope:" We propose that the text to be revised: "May include in the scope of the audit for example", as the current version of the text sounds restrictive.	Changed as suggested



	<p>p. 5 " evaluations of proposed environmental policies and programmes, and fiscal policies with environmental targets," In our opinion, there is some overlap between the first and fourth bullets, as the performance of policies, programmes and measures evaluates the degree of achievement of objectives.</p>	<p>There seems to be a bit of overlapping. Changed to clarify further the differences: Bullet 1: § Assessment of the performance of implemented environmental projects, programmes and policies, focusing on the degree to which their objectives have been achieved; Bullet 4: § Evaluations of proposed environmental and fiscal policies including assessments of their potential effectiveness in meeting environmental targets;</p>
	<p>p. 12 " A good source of audits is the INTOSAI WGEA audit database." We propose a link to the INTOSAI WGEA database to be posted in here for the convenience of the users of the Guidance.</p>	<p>To be considered as the website host will change soon</p>
Australia	<p>Thank you for providing the opportunity to comment on the exposure draft on environmental audit guidance. The ANAO has no comments at this time. Once the guidance has been finalised, can we please receive the final copy?</p>	<p>Thank you! A copy of the approved document will be sent to all as well as posted on the WGEA website.</p>
Kuwait	<p>The guide title "Guidance on Environmental and Climate Auditing" gives an indication that climate is a separate topic from the environment; not a part of it. We suggest clarifying the purpose in the introduction or rename the title to "Guidance on Environmental Auditing". Especially all the headings and sub-headings in the guidance solely state "Environmental Audit" without climate.</p>	<p>Agreed</p>
	<p>The guide has more emphasis on financial impact and material misstatement rather than environmental impacts. Performance audits of the environment are more focused on resolving environmental issues and achieving green goals. While compliance audits of the environment are concerned with meeting regulatory requirements in order to preserve and protect the environment from malpractices that negatively affect it. We suggest elaborating more information or examples in those two sections pages 5 and 6.</p>	<p>Handbook will have more examples</p>
	<p>In page 11, we find it is useful to specify the appropriate examination period (number of years) to collect and analyze environmental data in designing environmental audits section. This will help auditors determine the minimum historical data needed to express better audit results in their report.</p>	<p>This can be exemplified in the handbook</p>
	<p>In page 13, we find it useful to suggest the appropriate period to follow-up the environmental audit report. Especially that the guide nicely categorized the recommendations into three different periods (short-term, medium-term, and long-term).</p>	<p>The different contexts can be exemplified in the handbook</p>



Peru	2. Auditing the Environment (title): From the reading of this section it is clear that environmental auditing can be performance, financial and compliance auditing, which is correct. However, in the execution they can overlap, for example a performance audit also carries the monitoring of non-compliance, or a compliance audit can also contribute to performance; so not everything is black and white, there comes a time when there are gray areas, it is good to say so, as indicated in the introduction of the document when it states that a sustainable development audit may include an environmental audit. We recommend that mention be made of this possibility of overlap.	Added: "Environmental audits can be designed to address financial, performance, and compliance aspects with exceptional planning and reporting. While it is challenging to integrate all three aspects within a single audit, combining two different aspects is possible and can ensure a comprehensive evaluation of the subject matter."
	p. 4 "Environmental audit is usually defined as a compliance, financial or performance audit that examines and assesses how responsible bodies, such as governments and public authorities, address specific environmental problems, environmental policies, or programmes." --> The following alternative text is submitted for consideration: "address the procedures for the administration, supervision and control of the environment and natural resources, oriented to the public interest, guaranteeing their sustainable use and their conservation for future generations".	Changed to: "Environmental audit is usually defined as a compliance, financial or performance audit that examines and assesses how responsible bodies, such as governments and public authorities, manage, oversee and safeguard the environment and natural resources. They are essential for ensuring compliance with environmental laws, identifying and mitigating risks, and promoting sustainability. They protect public health, prevent environmental degradation, and encourage the responsible use of natural resources. By serving the public interest, these audits help conserve resources for future generations. "
	p. 4 (4th bullet point): The transversality of governmental environmental audits includes the environmental component of all anthropic activities, which must be evaluated in their entire spectrum, considering their impact on the quality of the environment, natural resources and the environmental health of the population.	After careful consideration the drafting group considered that this is already explained sufficiently in the document
	Chapter 2.2. p. 5: "Compliance environment audit can" --> It might be convenient to specify that within the environmental compliance audits, compliance with the commitments assumed in International Agreements, which the countries have ratified for their fulfillment, can also be evaluated. This would be separate from Section 2.5 below, as the SAI can audit compliance by the country of its international commitments on its own, outside the context of a cooperative audit.	International accords can also be performance audits. In the introduction, we state the possibility to § Auditing national implementation of International environmental agreements.
	p. 6 "save costs by minimizing resource use, wasteful activities and preventing pollution;" - -> This item seems to be more of a benefit resulting from a performance audit.	Removed
	Identify liabilities and risks. ---> Consideration should be given to the identification of liabilities within the framework of specific legislation on environmental crimes, such as the criminal code, which provides for penalties specifically typified to public officials and public	Example to handbook



	servants related to their actions on the environment and natural resources under their administration and competence.	
	Chapter 2.3. p. 6 Second last paragraph: The use of modern auditing techniques should be considered to obtain relevant evidence with scientific value to qualify and quantify the negative impact on the environment and natural resources, such as satellite images and multitemporal analysis to determine the loss of forest cover, analysis of geographic information to identify contaminating points, and laboratory tests to analyze environmental quality with respect to official parameters and standards.	Modern techniques are mentioned elsewhere and will be discussed in detail in the handbook
	Last paragraph: In this context, consideration should be given to using tools that can provide systematized information on environmental conditions and the inherent risks related to climate change, such as early warning systems, geo-referencing systems for the identification of high risk areas that cannot be mitigated, satellite information for climate prospecting, risk scenario simulation laboratories, etc.	Modern techniques are mentioned elsewhere and will be discussed in detail in the handbook
Russia	SAI Russia have thoroughly reviewed the attached draft and would like to inform that we have no comments or suggestions at this stage. We sincerely wish you a smooth and successful progression of the document through all stages of the approval process.	Thank you!
Philippines	1. Introduction It is suggested to highlight the significance and impact of conducting environmental audits, which include, but are not limited to the following: <ul style="list-style-type: none"> • ensuring compliance with environmental laws and regulations; • identifying and mitigating potential environmental risks; and • promoting sustainable practices. 	Added: "They are essential for ensuring compliance with environmental laws, identifying and mitigating risks, and promoting sustainability. They protect public health, prevent environmental degradation, and encourage the responsible use of natural resources. By serving the public interest, these audits help conserve resources for future generations. "



	<p>1. Introduction</p> <p>"...The guidance covers the main audit phases (planning, execution, reporting, and follow-up) of an environmental audit."</p> <p>The Guidance covers the main phases of an environmental audit, namely: planning, execution, reporting, and follow-up. It is suggested, however, to integrate a Quality Control Review phase as an essential component of the audit process. This addition will underscore the auditor's responsibility for maintaining the overall quality of the audit, including the consistent application of quality control procedures throughout the engagement, such as (ISSAI 1220 – Quality Control for an Audit of Financial Statements). Incorporating this phase reinforces that:</p> <ul style="list-style-type: none"> - Audits are conducted in accordance with relevant professional standards; and - Sufficient and appropriate evidence is obtained to support the audit conclusions or opinion, where applicable. Such alignment will ensure that conducted environmental audits follow international standards, hence making the audit report reliable for intended users/decisionmakers. 	<p>Added: "Integration of Quality Management into environmental audits to promote compliance with professional standards and enhance the credibility and reliability of audit findings in line with the principles of ISSAI 140 is recommended."</p>
	<p>The following are further suggested:</p> <p>The guidance could include a clearer discussion of the evolving nature of environmental auditing, emphasizing the need for auditors to stay updated on emerging environmental challenges and advancements in audit methodologies.</p>	<p>Added to introduction</p>
	<p>Expand on the interdisciplinary nature of environmental auditing, highlighting the importance of collaboration with experts from various fields, such as environmental science, economics, and sociology.</p>	<p>Added: "Environmental auditing is inherently interdisciplinary, requiring the integration of knowledge and expertise from various fields. Collaboration with experts in, for example, environmental science, economics, and sociology ensures that audits are comprehensive and address multiple dimensions effectively."</p>
	<p>Target audience: Specify the level of environmental knowledge expected of audit teams.</p>	<p>This can be discussed in the handbook</p>
	<p>Provide more explicit guidance on how to integrate environmental perspectives into audits in policy areas where environmental concerns may not be immediately obvious (e.g., transportation, energy).</p>	<p>Examples will be provided in the practical handbook</p>
	<p>Types of audits: Emphasize the benefits of combining different audit types (performance, compliance, financial) in a single environmental audit to provide a more holistic assessment.</p>	<p>Added: "Environmental audits can be designed to address financial, performance, and compliance aspects with exceptional planning and reporting. While it is challenging to integrate all three aspects within a single audit, combining two different aspects is possible and can ensure a comprehensive evaluation of the subject matter"</p>



	Provide examples of how cooperative audits can be used to address transboundary environmental issues.	Examples will be provided in the practical handbook
	Provide examples of International environmental agreements and reports published for reference	Examples will be provided in the practical handbook
	<p>PLANNING ENVIRONMENTAL AUDITS</p> <p>It is suggested to include more detailed steps on how to integrate environmental risk assessments into the overall audit planning process.</p> <p>It is also suggested to provide frameworks for identifying and prioritizing environmental risks, as well as methodologies for assessing the potential economic, social, and environmental consequences of these risks.</p>	Examples will be provided in the practical handbook
	<p>3.1. Obtaining Knowledge of Environmental Matters:</p> <p>It is suggested to provide more specific examples of what constitutes "sufficient knowledge" of environmental matters.</p>	<p>Added:</p> <p>"Sufficient knowledge of environmental matters in the context of audit doesn't mean auditors have to be environmental scientists — but it does mean they should have enough understanding to recognize environmental risks, assess compliance, and evaluate the implications for the entity's financial position and operations."</p>
	<p>3.2. Selecting Environmental Audit Topics:</p> <p>The following are suggested:</p> <ul style="list-style-type: none"> • Expand the concept of a "risk-based approach" to selecting audit topics. • Consider including a topic selection matrix or checklist that evaluates relevance, auditability, timing, data availability, stakeholder interest, and potential impact. • Provide a framework for assessing the "significance" of environmental, social, and economic risks. 	<p>New wording:</p> <p>"When choosing audit topics, it is useful to scan the government policies and map the risks from the perspective of environmental performance. This risk-based approach, which involves identifying and prioritizing areas based on their potential impact, helps identify audit topics with the most significant environmental, social and economic risks, ensuring focus on the most impactful issues. By prioritizing these high-risk areas, auditors can allocate resources more effectively and drive meaningful improvements."</p> <p>Examples will be in the manual.</p>



	<p>3.3. Risk Assessment: The following are suggested:</p> <ul style="list-style-type: none"> • Provide a more detailed explanation of how to define and assess environmental risks. • Offer methodologies for evaluating the "probability" of environmental damage and its potential consequences. • The risk assessment guidance is conceptually sound but would benefit from more technical depth, especially on integrating environmental indicators and data uncertainty into the risk analysis. May include examples of environmental risk indicators and guidance on managing missing or unreliable data, along with acceptable assurance levels. Consider adding a prioritization matrix to help audit teams rank risks by impact and likelihood. 	<p>Examples will be in the manual.</p> <p>Added: "This assessment involves identifying potential hazards, evaluating the likelihood of their occurrence, and estimating the severity of their impacts. " and "These consequences can be assessed using multi-criteria analysis that incorporates environmental, economic, and social dimensions. Given their often long-term nature, environmental risks require careful and forward-looking assessment."</p>
	<p>3.3.1. Risk Assessment in Performance Audit: It is suggested to provide specific examples of how to assess risks related to economy, efficiency, and effectiveness in the context of environmental policies and programs.</p>	<p>Examples will be provided in the practical handbook</p>
	<p>3.3.2 Risk Assessment in Compliance and Financial Audit The current section does not include a discussion on Impact Materiality, despite its mention in Section 2.3. It is therefore suggested to incorporate this concept into the discussion, as it is a relevant consideration in financial audit risk assessment, particularly in the context of environmental issues and risks that may have a material effect on the financial statements. It is suggested to provide more detailed guidance on how to assess the risk of non-compliance with environmental regulations and the risk of material misstatement in financial statements. Also it is suggested to provide examples of other approaches the entity can adopt to manage environmental matters</p>	<p>Examples will be provided in the practical handbook.</p> <p>Added: "In addition to evaluating traditional financial risks, auditors must consider Impact Materiality, especially as it relates to environmental issues. Impact Materiality refers to the significance of an entity's activities or omissions from the perspective of stakeholders beyond just financial investors, including the broader public, regulators, and environmental groups. The environmental impacts—such as pollution, emissions, and biodiversity loss—can have material consequences for financial performance and public trust."</p>
	<p>3.4. Designing environmental audits 5th paragraph "xxx and whether public funds are used efficiently. Through a well-structured audit design, SAIs can contribute to improved environmental governance, accountability, and policy effectiveness." --> In the Planning Environmental and Climate Audit, it does not include sub-topic or discussions about "Identifying Audit Objectives". It is suggested to provide discussions or a sub- topic in between "Selecting Environmental Audit Topics" and "Risk Assessment". Provide more discussion about a "wellstructured audit design". How it looks like. If possible, one paragraph providing discussions on the techniques in designing an Environmental Performance and Compliance Audits, and Environmental Audit in the context of Financial Audit.</p>	<p>Re-written. See the draft.</p>



	<p>3.5. Audit Criteria for Environmental Audits for the environmental aspects of a financial audit, the criteria serve to determine whether the financial reporting framework is acceptable. They help establish whether the reporting entity has appropriately recognized, valued, and reported environmental costs, liabilities (including contingent liabilities), and assets. The audit criteria will vary from one environmental audit to another, and the choice is normally relatively open and formulated by the auditor. Xxx ----> It is suggested to include examples of audit criteria specifically applicable to environmental audits within the context of Financial Audit, to serve as an additional guide for the financial auditors. While Section 3.5.1 presents general sources of audit criteria, it would be beneficial to expand this section by explicitly identifying criteria relevant to financial audit engagements involving environmental considerations.</p> <p>The following are further suggested:</p> <ul style="list-style-type: none"> • Offer more specific guidance on how to tailor audit approaches to address the complexity of environmental issues. • Provide frameworks for integrating economic, social, and environmental considerations into audit design. • Expand on the discussion of auditing environmental policy instruments, such as taxes, charges, subsidies, and cap-and-trade schemes. • Consider providing additional sample audit design templates to demonstrate how to align audit questions, audit criteria, methodologies, and data sources for balanced and reliable findings. 	<p>Examples will be provided in the practical handbook</p>
	<p>3.5. Audit Criteria for Environmental Audits: It is suggested to provide more detailed guidance on developing relevant, complete, understandable, and reliable audit criteria.</p>	<p>Examples will be provided in the practical handbook</p>
	<p>3.5.1. Sources of Audit Criteria Criteria such as Supranational laws and International agreements may not be readily accessible to the auditors.</p>	<p>They are only examples of possible sources</p>



	<p>4. CONDUCTING AN ENVIRONMENTAL AUDIT</p> <p>The data needed to formulate audit findings are often collected from various sources. Performance audits can include document analysis, literature reviews, statistical analysis and interviews. Auditors can also conduct their own observations as part of the fieldwork. Environmental auditing is typically a field where SAIs can experiment with new and innovative technologies, such as satellite analysis, geographic information systems (GIS), the use of drones, and geo-tagging, to name few. Moreover, engaging with citizens, for example via citizen surveys or citizen participatory auditing, could be a beneficial approach as people often care about their environment and are experts in local environmental matters. Xxx</p> <p>Concerning data, such as greenhouse gas emissions or water quality assessments, auditors tend to rely on governments databases. Any conclusions drawn from databases are only as reliable as the quality of the information itself. "</p> <p>-- > While the conduct of environmental audits is undeniably important, it is acknowledged that such audits may require the engagement of subject matter experts, which can lead to cost inefficiencies, particularly at the initial stages. Additionally, the tools and technologies often utilized in environmental audits—such as satellite imagery, remote sensing, and Geographic Information Systems (GIS)—may not be readily available or affordable, especially for developing or resource-constrained countries. Moreover, the quality and reliability of environmental data collected in such contexts may vary significantly compared to that of countries with access to more advanced technologies and robust data infrastructure. These limitations can pose challenges in terms of audit scope, evidence gathering, and the overall effectiveness of the audit process. As such, it is suggested that the guidance consider providing scalable approaches, recommending alternative low-cost tools, or encouraging regional cooperation and capacity-building to support SAIs in overcoming these barriers while still promoting high-quality environmental audits.</p>	<p>The different contexts can be exemplified in the handbook</p>
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	<p>It is suggested to include a brief discussion on how to conduct an environmental audit using the Financial Audit approach and methodologies. While the guidance currently outlines examples for Performance Audits—such as document analysis, literature reviews, statistical analysis, and interviews—there is a need to also provide similar guidance for environmental audits within the financial audit framework. The following are further suggested:</p> <p>Offer strategies for ensuring data quality and reliability, including methods for validating environmental data and addressing data gaps. Elaborate on how to effectively use citizen engagement and participatory audit approaches to gather diverse perspectives and enhance the credibility of audit findings. Include guidance on data quality and validation, having a brief subsection on assessing data reliability and the limitations of these tools on the use of innovative technologies (e.g., GIS, satellite imagery). Consider emphasizing the importance of comparing and contrasting information from various sources to identify inconsistencies or corroborating evidence to strengthen the credibility and reliability of audit findings. Expand guidance on how auditors should proceed when faced with incomplete or poor quality data. Emphasize the importance of transparently disclosing data limitations in the audit report to manage stakeholders' expectations.</p>	<p>Excellent point. We have added the following: "In environmental audits, financial aspects can be addressed by using techniques such as vouching, tracing and recalculating, validating the reliability and reasonableness of models and assumptions, and assessing data gaps and the quality of data and a potential scope limitation "</p>
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	<p>5. REPORTING AND FOLLOW-UP While audit recommendations are presented in the discussion from using Performance Audit perspective, there is a lack of specific audit recommendations for Financial Audit purposes. Therefore, it is suggested to include a section on audit recommendations tailored for Financial Audits. This would provide financial auditors with a quick reference guide, offering insight into how environmental audit recommendations can be formulated within the context of financial auditing. The following are further suggested:</p> <ul style="list-style-type: none"> • Provide frameworks for structuring audit reports to effectively communicate complex environmental information to various stakeholders. • Include advice on using visualizations, narratives, and other communication tools to make audit findings more accessible and engaging. • Emphasize the importance of developing actionable and forward-looking recommendations as well as establishing robust follow-up mechanisms to monitor the implementation of audit recommendations and assess their impact on environmental outcomes. • Consider institutionalizing follow-up audits at fixed intervals (e.g., 3 to 5 years) to assess the implementation of recommendations and evaluate longer-term outcomes. 	<p>The focus is on performance audit due to the 30 years of experience</p>
	<p>General comments: Overall, the WGEA Guidance on Environmental and Climate Auditing is very useful to the SAIs that intend to conduct environmental compliance and performance audit and Environmental Audit in the context of Financial Audit. However, discussions are in general terms. It does not dwell into a more specific discussion of sub-topics to take into consideration the “how” aspects. The Environmental and Climate Audit Guidance (draft), which is built upon the existing INTOSAI Guidance (GUID 5200, 5201, and 5203), is a comprehensive document aimed at ensuring its relevance and effectiveness for the audit community. Given that environmental and climate auditing is a highly complex task that requires specialized knowledge, this single and coherent guidance document will be particularly invaluable to SAI’s with limited or no substantial experience in environmental or climate audits. It is suggested to consider additional+E68 illustrative environmental audit cases.</p>	<p>Examples will be provided in the practical handbook</p>
<p>Algeria</p>	<p>1. INTRODUCTION: In addition to the risks mentioned, major risks and biotechnological risks can be added.</p>	<p>The examples in the document are more general in principle</p>
	<p>2. AUDITING THE ENVIRONMENT</p>	
	<p>- Add institutions that use environmental elements that are not included in the list of institutions that have an environmental impact, such as the agricultural or fishing sectors, which exploit biological resources irrationally, which can negatively impact the balance of the ecosystem. This is different from organizations that have an impact on the environment, such as the industrial sector, which can pollute the environment through its activities.</p>	<p>Rephrased in the document</p>



	<ul style="list-style-type: none"> - At the last point N°6, it is important to mention Agenda 2063, which comprises a set of proposed initiatives currently being implemented by the African Union. It was adopted on January 31, 2015, at the 24th Ordinary Assembly of African Union Heads of State and Government in Addis Ababa. It represents a vision and strategic framework for the socio-economic transformation of the African continent. 	This region specific examples as good for the handbook
	<ul style="list-style-type: none"> Add a point addressing social aspects, for instance a significant and territorially equitable coverage of the population's water needs to reduce water stress, along with improvements in water quality. 	Added to sustainable development
	2.1. Performance audit of the environment	
	An environmental audit in the context of performance auditing may include in its scope:	
	<ul style="list-style-type: none"> - The impact of the results of programs and policies on the environment and the achievement of the operational and strategic objectives set. 	Added: "focusing on the degree to which their objectives have been achieved;"
	<ul style="list-style-type: none"> - A point related to evaluating governance in the implementation of programs and policies. 	Added governance to bullet 1
	2.3. Environment in the context of financial audit	
	<ul style="list-style-type: none"> - It is recommended to address the economic and social profitability of environmental protection by indicating how much can be gained in avoiding losses and damages for each amount of money invested. 	This is included in the economy aspect of performance audit
	<ul style="list-style-type: none"> - It is proposed to consider the evaluation of incentive and financing mechanisms (such as funds, subsidies, etc.) provided to support the implementation of policies and programs". 	Ask for case study
	2.5. Audit of International Accords	
	<ul style="list-style-type: none"> - It is essential to differentiate clearly between audits of agreements signed between two or more countries regarding transboundary environmental issues and global agreements ratified by countries that commit to addressing worldwide environmental issues (such as the Paris Agreement, the UN Framework Conventions on Climate Change, Biological Diversity, and the Fight Against Desertification, etc.). 	This is explained: "Multilateral environmental agreements (MEA) are global accords, such as the Paris Agreement on Climate Change or Kunming-Montreal Global Biodiversity Framework. Furthermore, there are regional agreements, such as those for regional seas and bilateral agreements between two countries to address specific environmental issues."
	<ul style="list-style-type: none"> - It is proposed to split this point into two separate sections: one for auditing cooperative agreements and another for auditing international agreements. 	We refer to GUID9000 for specific guidance on the audit process.
	3.3. Risk Assessment	



	In the second paragraph, it is recommended to rewrite the last sentence as follows: "The severity of these risks is assessed based on their negative economic, social, and environmental impact, the probability of occurrence, and the current level of risk management."	Added
	3.3.2. Risk Assessment in Compliance and Financial Audit:	
	In the third example of such risks, include significant economic, institutional, and regulatory changes.	We have: § significant economic or regulatory changes affecting the operations of a particular public entity;
	3.5.1 Sources of Audit Criteria	
	Add "the programs adopted by the government and the five-year plans."	We have: § Strategic documents and § Programmes adopted by the audited entity, including specific targets or requirements set by the relevant authorities
Malta	Malta's National Audit Office welcomes the draft WGEA Guidance on Environmental and Climate Auditing and would like to thank the WGEA Secretariat (SAI Finland) for coordinating this initiative together with SAIs Egypt, Estonia, the ECA, and Thailand. We consider these guidelines as a valuable contribution to enhancing the quality and scope of environmental audits. The document thoughtfully addresses various audit types, covers key audit phases, and outlines the integration of environmental perspectives across audit practices. We look forward to receiving the practical handbook referred to in the Guidance note. These two products will complement each other and will undoubtedly facilitate the implementation of the guidelines.	Thank you!
Thailand	1. The exposure draft does not mention the identification of fraud risk. In accordance with ISSAI 100 and ISSAI 400, we propose including this aspect in the risk assessment section. For example, risks may include false carbon offset claims or illegal logging permits.	Added
	2. In reference to the type of audit section on compliance audits in the introduction, we are in the view that in addition to adherence to environmental laws, regulations, and international treaties, the draft should also include other laws, regulations, and international treaties that contains environmental relevance as environmental considerations can be embedded within a broader legal and regulatory framework.	Added
	3. In line with GUID 5203, which addresses the handling of sensitive findings involving international political dimensions, the draft should elaborate on communication protocols for such situations to ensure appropriate and diplomatic reporting.	This can be included in the Handbook



	<p>1. While the “Guidance on Environmental and Climate Auditing” offers a strong environmental perspective, it lacks sufficient linkage with climate auditing issues. Greater emphasis on climate-related audits should be integrated to ensure comprehensive coverage.</p>	<p>Agreed, however the audit process is quite similar and the specificities of climate can be addressed in the handbook.</p>
	<p>2. Introduction page 3: the main audit phase should read planning, conducting, reporting, and follow-up in accordance with the ISSAI 100, 200, 300, 400.</p>	<p>Agreed.</p>
	<p>4. Section .3 “Environment in the context of financial audit” focuses on “environmental assets” but does not elaborate or provide examples of “environmental liabilities.” It is recommended to incorporate content from GUID 5201, particularly the subsection on contingent liabilities under item (e), to clarify this aspect.</p>	<p>Examples will be in the Handbook</p>
	<p>5. Section 3.3 on risk assessment should elaborate on and clearly distinguish between the risk assessment in compliance audit and risk assessment in financial audit, and also include risk assessment in cooperative audit (as outlined in GUID 5203). Suggested revised content for this section:</p> <ul style="list-style-type: none"> · Risk Assessment in Performance Audit: (retain original content) · Risk Assessment in Compliance Audit: “Environmental compliance audits examine whether government entities adhere to relevant environmental laws, regulations, or international treaties at both the national and international levels. Risk assessment for such audits should consider: Risks of non-compliance, e.g., pollutant emissions exceeding legal limits or unauthorized natural resource use; Financial impacts of non-compliance, including fines, compensation, or environmental restoration costs; Adequacy of internal control systems, such as monitoring compliance mechanisms. While auditors need not be legal experts, a sound understanding of relevant legal frameworks is essential for effective risk assessment.” 	<p>Added more risks in section 3.3.2 bullet list, Drafting group decided after careful consideration that there are very few specific risks and that the list only states some examples, not all risks</p>
	<ul style="list-style-type: none"> · Risk Assessment in Financial Audit: “In financial audits, the auditor focuses on whether environmental-related items—such as expenditures, liabilities, or assets—are accurately recorded in accordance with financial reporting standards. Key considerations include: Misstatements such as failure to recognize liabilities for contaminated site remediation or omission of environment-related expenses; Non-compliance with financial reporting frameworks, e.g., failing to provision for environmental liabilities, not depreciating environmentally impaired assets, or omitting disclosures of potential risks or obligations; Greenwashing risks, such as overstated environmental claims intended to enhance public image. Auditors should also evaluate 	<p>See above.</p>



	long-term environmental impacts that may lead to future obligations, such as natural resource degradation.”	
	<ul style="list-style-type: none">· Risk Assessment in Cooperative Audit: “Cooperative audits involve multiple SAIs and require joint planning and execution. Risks should be assessed across technical, legal, and political dimensions, including: Accessibility of necessary information; Clarity and auditability of international obligations; Legal and political risks; Anticipated benefits of cooperation, such as shared resources or greater impact through joint reporting. These assessments help determine whether to pursue joint, coordinated, or concurrent audit models.”	This is a very general statement and applies to all cooperative audits.
	<p>6. The guidance should emphasize internal controls and the control environment, as addressed in GUID 5201. An example is as follows: “Internal control systems play a critical role in environmental governance. Smaller agencies or those with low environmental risk may incorporate environmental controls within general internal controls. However, entities facing high environmental risk often establish specialized systems, such as Environmental Management Systems (EMS), to manage environmental issues more effectively. Auditors should also assess the control environment, especially management’s attitudes, awareness, and behaviors toward environmental governance. If high risks are identified, auditors must design appropriate procedures to address these risks and minimize the likelihood of environmental data being misrepresented in financial statements.”</p>	In order to keep the document principles-based we do not want to go in to detail but you are welcome to send examples to the handbook



	<p>7. Section 3.5 on audit criteria should incorporate discussion on performance indicators, as previously stated in GUID 5200: “Environmental performance indicators also play a vital role in assessing an organization’s environmental performance. Good indicators should be comparable over time, consistently updated, clear, and based on reliable data. They should capture both current issues and emerging trends, covering areas like pollution, waste discharge, water use, biodiversity, and ecosystem services. Effective environmental management can be tracked through management-focused indicators, which highlight progress, evaluate measure effectiveness, and monitor environmental impacts. Standards such as ISO 14001, ISO 14040, and ISO 14044 offer useful references. Operational indicators—such as inputs (materials, energy, natural resources) and outputs (waste, products, emissions)—enable organizations to track and assess environmental impacts comprehensively, aiding both audit processes and environmental management.”</p>	This can be included in the Handbook
	<p>8. Section 4 on Conducting an Environmental Audit should include the issue of open data, which is one topic likely to become more topical in the future (as indicated in GUID 5200).</p>	This can be included in the Handbook
	<p>9. Appendices: It might be helpful to include a list of key Multilateral Environmental Agreements (MEAs) or International Environmental Treaties. This would provide auditors with an overview of the major global issues and the relevant criteria associated with each. Such information would be particularly useful for topic selection process, as it would highlight which international legal frameworks are considered important globally and help focus domestic audit efforts accordingly.</p>	This can be included in the Handbook
India	<p>Provisions in Original Document Titles: A. Activities with an Environmental Perspective (GUID 5200) B. Environmental Auditing in The Context of Financial and Compliance Audits (GUID 5201) C. Cooperation on Audits of International Environmental Accords (GUID 5203) Provisions in New Document Titles: Guidance on Environmental and Climate Auditing Proposed Title: Guidance on Environmental and Climate Change Auditing</p>	Based on comments from a couple of other SAIs, we have adopted the title Guidance on Environmental Audit



	<p>Para E.2: Sustainability Reporting (Page 36, GUID 5201) Para 2.4: Sustainability Reporting (Page 7)</p> <p>Including Climate Change Auditing in the title is a timely step. However, since Climate Change is a cross-cutting area involving all the Financial, Compliance and Performance Audits, it would be better to include under Para 2.4:</p> <p>Audit of Cross-cutting Areas (as was there in previous GUID 5200- Para C.5)- Within this category, Audit of Climate Change (to include audit of Climate Change Mitigation and Adaptation Efforts) followed by requirements under Sustainability Reporting by Governments, Public and Private sectors.</p>	<p>This is a good topic to be included in the handbook</p>
	<p>In multiple paragraphs (GUID 5200, 5201 and 5203) Para 1: “The guidance is accompanied by a practical handbook that provides good practices and audit examples”. (last line of first paragraph) The practical handbook that provides good practices and audit examples has not been found.</p>	<p>It is not yet drafted but will be shared as soon as it is ready.</p>
	<p>Audit of Cross-cutting areas (Para C.5 GUID 5200) Para 1 (last line): “In addition, the guidance supports: a. Cooperative Audits: Joint, coordinated, and parallel audits on common environmental issues. b. Auditing national implementation of International environmental agreements”.</p> <p>The paragraph may be revised to include reference to cross-cutting audit in the following manner: “In addition, the guidance supports: a. Cross-cutting Audits: environmental audit necessarily involves audit of cross-cutting areas, involving all the three kinds of audit. Possible cross-cutting issues may affect general topics like sustainable development, national capacities to address environmental policies, programming and planning, cost-benefit analysis of environmental regulations and interventions, and mainstreaming climate change, as well as particular themes in water and energy resource management, environmental impact, and performance criteria in resource allocation systems. Procurement policies are also a concrete example of cross-cutting issues (sentences in italics are from the GUID 5200). (this line may be added to take care of the proposed flow at Para 2.4) b. Cooperative Audits: Joint, coordinated, and parallel audits on common environmental issues. c. Auditing national implementation of International environmental agreements”.</p>	<p>Added</p>



	<p>Indirect references Para 2: "Environmental audits can target the activities of both government entities that have the environment as their main responsibility and other bodies that have an impact on the environment". (last line of the first paragraph) The line may be revised to include: Governments can have a big impact on the environment, for example via procurement policies and implementation of environmental schemes. (Remarks: Governments has major responsibility to address the environmental issues, which it addresses through preparation and implementation of policies and schemes.)</p>	<p>This has been rephrased.</p>
	<p>No Direct Reference Para 2 In essence, auditing environmental topics is similar to auditing any policy areas. There are, however, specific characteristics in environmental auditing: This may also include: "Environmental auditing can involve technical aspects that may require deeper analysis and a thorough understanding of the issue under audit." (Auditor needs to analyse the technical aspects such as analysing/ interpreting air/ water quality test results, emission measurements, noise levels etc.)</p>	<p>Added</p>
	<p>Multiple references (GUID 5200) Para 2.1 title Performance Audit of the Environment Proposed title: Environment in the context of Performance Audit (to keep synergy between three main headings at 2.1, 2.2 and 2.3)</p>	<p>In this case we actually mean audit of the environment which is different in the context of financial audit. This is why the titles are different</p>
	<p>Para 27 (GUID 5200) Para 2.1 An environmental audit in the context of performance auditing may include in its scope: evaluations of proposed environmental policies and programmes, and fiscal policies with environmental targets, This may depend on the mandate of different SAIs. Auditors audit the policies and programmes which are already implemented. Therefore, it is proposed to include "depending on the mandate of the respective SAIs", at the end of the sentence.</p>	<p>Added</p>



	<p>No Direct Reference</p> <p>Para 2.1 Performance audit of the environment</p> <p>It may also include – Audit Approach Audit approach is a central element to the Audit which determines the nature of examination to be made. Audit approach also defines the necessary information needed for audit and procedures to obtain and analyse them – Performance auditing generally follows three approaches – A. System-oriented approach, which examines the proper functioning of management systems. For example, Environmental Management Systems; B. Result-oriented approach, which assesses whether outcome or output objectives have been achieved as intended or programmes and services are operating as intended. For Example, Audit of Environmental Schemes. C. Problem-oriented approach, which examines, verifies and analyses the causes of particular problems or deviations from criteria. For example, Audit of specific Environmental Issues such as increase in Air Pollution, adverse impact on Biodiversity in an area, depletion of Groundwater, etc.</p> <p>(Refer ISSAI 300 Performance Audit Principles; Chapter 5, Principles of Performance Auditing; Audit Approach)</p>	<p>These are good examples to handbook, examples can be build around these approaches</p>
	<p>Para 41 (C.3 GUID 5200) Para 2.2 title Compliance Audit of the Environment Proposed title: Environment in the context of Compliance Audit (to keep synergy between three main headings at 2.1, 2.2 and 2.3)</p>	<p>In this case we actually mean audit of the environment which is different in the context of financial audit. This is why the titles are different</p>
	<p>Para 43 (C.3 GUID 5200) Para 2.2 Compliance environmental audit can: promote compliance or provide increased assurance about compliance with existing and impending environmental policy and legislation. This may again depend on the mandate of different SAIs. Auditors audit the compliance with respect to policies and programmes already implemented. Therefore, it is proposed to include “depending on the mandate of the respective SAIs”, at the end of the sentence.</p>	<p>Added</p>



	<p>No direct reference Para 2.3: Environment in the context of financial audit In addition, the development of metrics is developing fast, as the example of disclosing greenhouse gas emissions has shown. The detailed example, which has been referred could not be found. Further, one line can be added, “Further details on these aspects have been included in part relating to Sustainability Reporting”.</p>	<p>This has been changed</p>
	<p>GUID 5201 Financial Audit (C.1.1) Para 2.3 Environment in the context of financial audit can also address risks arising from potential negative impacts of environmental issues, such as severe weather-related disasters exacerbated by climate change. These uncertainties, while unpredictable, can have significant adverse effects on societies and economies. An example may be given on identification of financial impacts- such as identification of environment related risks, environmental liabilities, asset impairment due to environmental crisis, clean-up costs, carbon credits, etc.</p>	<p>Good examples to be included in the Handbook</p>



	<p>No Direct reference Para 2.3 Another focus of environment in the context of financial audit can be environmental liabilities. For example, while an organisation's financial statements may include land assets, attention is also given to "environmental assets" - natural assets that do not provide resource inputs but offer ecosystem services such as habitat provision, flood and climate control, and other non-economic functions such as aesthetic or health benefits.</p> <p>Another focus of environment in the context of financial audit can be environmental liabilities. For example, an organisation may be having legal obligations such as penalties and fines against its activities. Further, attention should also be given to "environmental assets" - natural assets that do not provide resource inputs but offer ecosystem services such as habitat provision, flood and climate control, and other non-economic functions such as aesthetic or health benefits.</p> <p>(Here we are focusing on environmental liabilities whereas the example is leading towards environmental assests.)</p>	<p>Examples can be handled in the Handbook, otherwise this can be too restrictive (i.e. the list of examples can be long).</p> <p>Add environmental liability in the glossary</p>
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	<p>Sustainability Reporting (E.2 Para 72 and 73, GUID 5201)</p> <p>Para 2.4: Sustainability Reporting This has been proposed for revision.</p> <p>Title: Audit of Cross-cutting Areas: Audit of Climate Change and Sustainability Reporting</p> <p>Climate Change: Global climate change induced by increased Green House Gas (GHG) emission has forced countries take corrective actions, involving large public and private investments. These actions are usually directed to the following two activities: Mitigation: Activities that reduce greenhouse gas emissions, such as investing in renewable energy, energy efficiency, and sustainable land and forest management. Adaptation: Actions that help communities and ecosystems cope with the impacts of climate change, such as building flood defences, developing early warning systems, and introducing drought-resistant crops. These areas involving large public interest, therefore, have become probable areas of scrutiny for the public sector auditors. The actions taken by different organisations are usually reported through sustainability reporting in different forms.</p>	<p>This can be included in the glossary and of course examples in the handbook</p>
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	<p>Sustainability Reporting (E.2 Para 72 and 73, GUID 5201)</p> <p>Para 2.4: Sustainability Reporting The disclosure of environmental, sustainability, and climate information through sustainability reporting has been primarily driven by the private sector.</p> <p>Proposed to include reference to ESG here:</p> <p>The disclosure of environmental, sustainability, and climate information through sustainability reporting, often referred to as Environmental, Social and Governance (ESG) reporting, has been primarily driven by the private sector.</p>	<p>We consider more of a private sector concept not in wide use in INTOSAI. Can be mentioned in the handbook</p>
	<p>Sustainability Reporting (E.2 Para 72 and 73, GUID 5201)</p> <p>Para 2.4: Sustainability Reporting The International Standard on Sustainability Assurance (ISSA) 5000 is a comprehensive standard developed by the International Auditing and Assurance Standards Board (IAASB).</p> <p>Proposed to include the reference of GRI and TCFD here: The Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD) are some of the most prominent ESG standards prescribed by the Global Sustainability Standards Board (https://www.globalreporting.org/standards/standards-development/project-for-climate-change-standards/) and Financial Stability Board, respectively (https://www.fsb.org/2023/10/fsb-publishes-annual-progress-report-on-climate-related-disclosures/). These frameworks prescribe structured approaches for disclosure of various indicators of ESG performance, with their unique nature. Countries and SAs are encouraged to continuously upgrade their knowledge regarding the updated Reporting standards applicable for audited organisations and provide recommendations on the subject. Countries would have their own set of ESG framework prescribed for their companies. These provide a set of audit criteria to the auditors.</p>	<p>This is also good for the handbook as they may need to be updated more frequently</p>



	<p>GUID 5202 Para 2.5 Audit of International Accords Given the nature of environmental audits, cooperation between auditors in two or more countries may be beneficial. Coordinated audits of specific matters can be fruitful approaches, as environmental problems are often cross-border in nature. Audit of fulfilment of commitments under global environmental agreements largely depends on the mandate of respective SAIs. This line may be considered for inclusion.</p>	Added to the introduction
	<p>GUID 5202 Para 2.5 Audit of International Accords Despite these specificities, the audit process itself follows the standard steps of any environmental audit, including planning, implementation, reporting, and evaluation. The word "implementation" may be replaced with "Execution".</p>	Replaced with "conducting" for uniformity throughout the document as per ISSAIs
	<p>Audit Criteria (D.3, Para 55 to 61, GUID 5201) Para 3.5 Audit Criteria for Environmental Audits 3.5.1 Sources of Audit Criteria If criteria are not available from these sources, the auditor can focus on performance achieved in comparable organisations, best practices determined through benchmarking or consultation, or criteria developed by the auditor through an analysis of activities. (last paragraph) It is proposed to include the following line: However, it is also suggested that auditors discuss these benchmarks with the audited entity before start of the audit and agree on the benchmarks.</p>	The guidance states: "The criteria used to assess the subject matter should be agreed with the auditee and clearly identified in the audit report."
China	<p>We appreciate the hard work done by INTOSAI and relevant SAIs in compiling the "Guidance on Environmental and Climate Auditing". After careful study, we offer the following suggestions for your reference:</p>	Thank you
	<p>First, further clarify the definition of environmental auditing. It should cover the auditing subject, object, and key areas of concern, such as: "Environmental auditing refers to the independent review, supervision, and evaluation by auditing authorities of the financial and fiscal revenue and expenditure, and the fulfillment of public trust management responsibilities of government agencies, social organizations, enterprises, and other entities in activities such as the development, utilization, and protection of natural resources, prevention and control of environmental pollution, and protection and restoration of ecosystems."</p>	We have kept the definition from the former GUID5200 which was largely agreed at the time



	<p>Second, clearly position environmental auditing as economic supervision and focus on the supervision of the authenticity, legality, and efficiency of financial and fiscal revenue and expenditure. For example, following the main thread of "strategy - policy - project - funds", integrate research throughout the auditing process, pay attention to the entire cycle of collection, management, allocation, expenditure, and use of government fiscal funds and special funds for resource and environmental protection, and reveal issues such as misappropriation, waste, and inefficient fund usage.</p>	<p>This can be detailed in the handbook</p>
	<p>Third, supplement appropriate auditing practice cases. Select typical cases where audits have revealed significant risks of resource damage, ecological destruction, and environmental pollution, briefly introduce the process from planning and project initiation to conclusion, including difficulties encountered and solutions, to help readers more intuitively understand the application of the auditing process across different scenarios.</p>	<p>This will be done in the handbook</p>
	<p>Fourth, add explanations regarding the application of emerging technologies. For the technologies mentioned in the guidance, such as satellite analysis, geographic information systems (GIS), and the use of drones, appropriately explain their specific application methods, advantages, and potential challenges in each stage of environmental auditing, to assist auditors in better selecting and applying these technologies.</p>	<p>This can be detailed in the handbook</p>
Oman	<p>Introduction Add: Environmental auditing extends beyond financial and compliance audits; it also encompasses performance audits and can be integrated into any audit type for a comprehensive evaluation of environmental issues. (Reason for adding: The text is added to clarify that environmental auditing includes performance audits and can be integrated into any audit type, allowing for a comprehensive evaluation of environmental issues.)</p>	<p>Environmental audit is largely performance audit, while some compliance and financial audits have also been conducted.</p>



	<p>2. Auditing the Environment Add: Environmental audit is usually defined as a compliance, financial or performance audit that examines and assesses how responsible bodies, such as governments and public authorities, address specific environmental problems, environmental policies, or programmes. It aims to assess whether these bodies comply with environmental standards and regulations and achieve environmental objectives efficiently, effectively, and economically. Environmental audits can target the activities of both government entities that have the environment as their main responsibility and other bodies that have an impact on the environment. (Reason for Adding: It assesses compliance with environmental standards and regulations and the achievement of environmental objectives efficiently, effectively, and economically.)</p>	<p>Rewritten with general notions that apply to all audit types.</p>
	<p>In essence, auditing environmental topics is similar to auditing any policy areas. There are, however, specific characteristics in environmental auditing: However, specific guidance is required due to the distinct characteristics of environmental auditing.</p>	<p>Rewritten</p>
	<p>Add as a second bullet point: ▪ SAs should explore the development and application of methods to assess the monetary value of environmental topics where feasible. This can help to emphasize the economic significance of environmental issues and support improved decision-making by governments and other stakeholders. (Reason for adding To emphasize the economic importance of environmental issues and improve decision-making)</p>	<p>Added a bullet about the economic importance</p>
	<p>Add as a last bullet point: ▪ To maximize the audit's added value and ensure a professional approach, the auditee should conduct a risk assessment during the planning phase to inform the selection of the entity, topics, and audit type. This process will help ensure that the audit addresses the most significant environmental risks. (Reason for Adding: To emphasize that risk assessment in the planning phase is crucial for maximizing audit value, ensuring a professional approach, and informing audit planning to address the most significant environmental risks.)</p>	<p>Risk assessment is a separate chapter</p>



	<p>1.1. Performance audit of the environment: Add: An environmental performance audit evaluates the economy, efficiency, and effectiveness —often referred to as the three 'E's— of public spending in the environmental management sector. It focuses on achieving environmental goals at the lowest possible cost, using available resources optimally, and achieving the intended results of environmental policies and programs. Additionally, the environment itself has been sometimes regarded as the fourth 'E'. For general guidance on performance audit, please refer to ISSAI 300: Performance Audit Principles. Example of a performance audit of the environment: Assessing the effectiveness of government programs in reducing air pollution in major cities in terms of cost and achieved results. (Reason for adding: To define and exemplify a performance audit in the environmental context.)</p>	<p>Examples will be provided in the handbook. Lowest cost is not a criteria in all countries.</p>
	<p>1.1. Compliance audit of the environment Compliance auditing in the context of environmental issues involves providing assurance that governmental activities are conducted in accordance with relevant environmental laws, standards and policies, both at national and international (where relevant) levels. The primary aim of this type of audit is to strictly verify the adherence of government entities to the established environmental legal and regulatory requirements. For general guidance on Compliance Audit, please refer to the ISSAI 400: Compliance Audit Principles. (Reason for adding: To define the primary objective of a compliance audit in the environmental context.)</p>	<p>Added more about legal requirements.</p>
	<p>SAs may find it useful to identify the international environmental obligations agreed to by the government. The audit teams should verify that these obligations have been fulfilled. (Reason for adding: To guide SAs in auditing environmental issues within the context of international agreements, emphasizing the identification of obligations and verification of compliance.)</p>	<p>This is mentioned: Auditing international environmental accords involves evaluating whether countries are meeting their commitments and effectively implementing the required policies and measures.</p>
	<p>1.1. Environment in the context of financial audit Environment in the context of financial audit involves collecting audit evidence to determine whether the environmental costs, obligations, impacts and outcomes which have material effect on the entity's financial statements are presented in accordance with the applicable financial reporting and regulatory framework. This also includes assessing environmental risks that may affect the entity's financial position. For general guidance on financial audit, please refer to ISSAI 200: Financial Audit Principles and ISA250: Consideration of Laws and Regulations in an Audit of Financial Statements.</p>	<p>Risks are a separate chapter</p>



	<p>The audit of financial statements might require the auditor to consider environmental regulations as part of the audit, and in particular environmental issues and risks if they have material effect on the financial statements. The objective of a financial statement audit is for the auditor to express an opinion on whether the statements are prepared, in all material respects, in accordance with the applicable financial reporting framework. (Reason for adding: To define the core objective of a financial statement audit, establishing the context for how environmental issues are considered within that framework.)</p>	<p>This is general financial audit guidance, available in ISSAI200.</p>
	<p>Non-financial information, such as tons of greenhouse gas emissions, cubic meters of water consumption or the proportion of eco-labelled products, the impact of infrastructure project which effect the land use and its effect on the ecology of the area and lands scape can be significant.</p> <p>Reason for adding: To provide a specific example of an environmental impact that might be assessed during an environmental audit.)</p>	<p>Added to introduction</p>
	<p>1.1. The cash and accruals basis in Environmental issues: Add to the beginning of the chapter: When auditing environmental issues, the accounting basis used for financial statements can significantly influence the recognition and assessment of environmental impacts. This is particularly evident when considering the differences between the cash basis and the accruals basis of accounting: Cash Basis: Environmental issues can affect financial statements prepared on a cash basis of accounting. However, the effects are limited because the cash basis focuses on recognizing impacts within the accounting year (through specific payments and, for statements of losses, special payments). Environmental impacts are not always confined to specific periods and may require projection. Therefore, auditors may consider developing a methodology to examine the impacts of activities on environmental issues over periods longer than the accounting year. Effective monitoring methods may facilitate such impact examinations.</p> <p>Accruals Basis: Environmental issues can have an impact on financial statements prepared on an accrual basis in many ways. There are international accounting standards that address the general principles for the recognition, measurement, and disclosure of environmental matters in a financial report. SAls may, therefore, develop auditing standards in line with these accounting standards in conjunction with their own national accounting bodies, or simply adhere to the internationally accepted auditing standards for financial audits as described in this paragraph. The following situations are consistent with this standard.</p> <p>(Reason for adding: The text is added to explain how the accounting basis (cash or</p>	<p>Added: The environmental audits should follow/consider the same basis of accounting (cash or accrual) as the financial statements of the entity audited.</p>



	accruals) affects the recognition and assessment of environmental impacts in financial statements, providing specific considerations for auditors under each basis.)	
	<p>1.1. Audit of International Accords</p> <p>Given the nature of environmental audits, cooperation between auditors in two or more countries may be beneficial. Coordinated audits of specific matters can be fruitful approaches, as environmental problems are often cross-border in nature. This can include exchanging information, methodologies, and best practices to ensure the effectiveness of the audit. Additionally, many international agreements to which governments are signatory parties can form a useful framework for a common audit approach and a common basis for formulating audit criteria. (Reason for adding: To specify the types of exchanges (information, methodologies, best practices) that can enhance the effectiveness of the audit.)</p>	Added
	<p>1. PLANNING ENVIRONMENTAL AUDITS</p> <p>Add: Effective planning of environmental audits involves engaging relevant stakeholders to understand their perspectives and identify audit priorities. Auditors should adhere to the principles outlined in ISSAI 100, with specific attention to the environmental context. (Reason for adding: To emphasize the importance of stakeholder engagement and adherence to auditing principles (ISSAI 100) in the planning of environmental audits.)</p>	Added
	<p>1.1. Obtaining Knowledge of Environmental Matters</p> <p>In all audits, it is essential to have sufficient knowledge of the subject matter, and the significant risks involved to identify and understand matters that may significantly impact the audit process and the audit report. In environmental auditing, this includes understanding environmental laws and regulations, the technologies used in environmental monitoring, and key environmental challenges. (Reason for adding: To specify the key areas of knowledge and understanding required for effective environmental auditing.)</p>	Examples will be provided in the handbook.
	<p>1.1. Risk Assessment</p> <p>During the planning phase of an environmental audit, risk assessment aims to ensure that the audit identifies and prioritizes the most significant environmental risks, ensuring the audit delivers maximum value.</p> <p>These risks are defined by the probability that an activity will lead to environmental damage along with its potential economic, social and environmental consequences. In particular, environmental risks often have long-term impacts that require careful consideration. Focus risk assessment on the most significant environmental risks with high potential for economic, social, and environmental consequences, considering long-term impacts (Reason for adding: Prioritize risk assessment on significant, high-impact environmental risks, considering long-term effects.)</p>	Rewritten



	<p>Add: 1.1. Determining Materiality in Environmental Auditing In environmental auditing, assessing materiality requires a broader perspective than in financial auditing, considering environmental, social, and economic impacts alongside stakeholder concerns and the potential nature and extent of environmental damage. Auditors should consider factors such as the scale of the environmental impact, the sensitivity of the affected environment, risks to public health and safety, compliance with environmental regulations, stakeholder concerns, and the reversibility of damage. The rationale behind materiality judgments and their influence on audit scope and procedures should be documented. (Reason for adding: To explain the specific considerations for determining materiality in environmental auditing, highlighting its differences from financial auditing and outlining the key factors auditors should consider when making materiality judgments in an environmental context.)</p>	<p>Added the first two sentences in section 2.3. The third sentence it is implied.</p>
	<p>1.1. Designing environmental audits When designing the audit, it is essential to apply audit procedures that enable gathering sufficient and appropriate audit evidence. This requires thorough consideration of the audit questions, audit criteria, audit methodology, and the processes for collection and analysis of evidence. In environmental auditing, these procedures may include examining environmental data, conducting field visits to environmental sites, interviewing environmental experts, and analyzing environmental reports. Given the complexity of environmental issues, auditors must tailor their approach to address specific environmental risks, regulatory frameworks, and governance structures. (Reason for adding: To provide specific examples of common audit procedures used in environmental auditing.)</p>	<p>This part is general but examples can be given in the handbook</p>
	<p>Add before the final paragraph: Environmental audits may require specialized expertise, and SAIs may find it useful to leverage international standards such as ISO 14000 and EMAS. (Reason for adding: To ensure audit quality and efficiency by recommending the use of experts and leveraging international standards.)</p>	<p>These examples can be in the handbook</p>
	<p>3.6.1. Sources of audit criteria Add to the end: When selecting audit criteria, prioritize readily available national laws, regulations, and international agreements. If these are insufficient, consider benchmarking against comparable organizations using the INTOSAI WGEA audit database. (Reason for adding: To provide practical guidance to auditors on selecting appropriate audit criteria, emphasizing a hierarchy of sources starting with authoritative legal frameworks and suggesting a valuable resource for benchmarking when needed.)</p>	<p>Added audit database</p>



	<p>Add: 3.7. Stakeholder Engagement: Effective planning of environmental audits benefits significantly from engaging with relevant stakeholders. This includes government agencies, non-governmental organizations, community groups, industry representatives, and the public. Engagement can take various forms, such as consultations, surveys, and interviews, helping auditors to understand the environmental issues from different perspectives, identify key risks and challenges, and ensure the audit addresses the concerns of those affected by environmental policies and programs. (Reason for adding: To emphasize the importance of stakeholder engagement in the planning of environmental audits. It highlights the benefits of engaging with various stakeholders to gain different perspectives, identify risks, and ensure the audit addresses relevant concerns.)</p>	<p>This is a very general statement and applies to all public audits.</p>
	<p>1. CONDUCTING AN ENVIRONMENTAL AUDIT Environmental audits utilize data from diverse sources, including government databases, scientific studies, stakeholder input, scientific studies, satellite imagery, and even citizen opinions requiring auditors to assess the reliability of each source. The data needed to formulate audit findings are often collected from various sources. (Reason for adding: To emphasize the diverse range of data sources used in environmental audits and highlight the crucial need for auditors to assess the reliability of each source due to this variety.)</p>	<p>These will be in the handbook</p>
	<p>Add: Data collection techniques in environmental auditing can include the use of remote sensing to analyze changes in vegetation cover or water quality, or the use of Geographic Information Systems (GIS) to map the geographical distribution of pollution. (Reason for adding: To provide concrete examples of modern data collection techniques relevant to environmental audits, illustrating how technology can be used to gather environmental information.)</p>	<p>These will be in the handbook</p>
	<p>Add: Prioritize the use of existing government databases and reports for data collection. Clearly state in the audit report the extent to which the reliability of these data sources has been verified. In this case, the flawed information system could itself become a subject of the audit. The lack of quality and completeness of data on environmental conditions, such as pollutant levels of water bodies or trends in fish populations, may be problematic. (Reason for adding: To provide practical guidance on efficient data collection by prioritizing existing government resources and to ensure transparency by requiring auditors to report on the reliability of these sources.)</p>	<p>These will be in the handbook</p>
	<p>Add to the end of the chapter: The conduct phase of environmental audits can be significantly enhanced by leveraging innovative technologies. This includes the use of remote sensing technologies like satellite imagery for monitoring deforestation or pollution, drones for site inspections in hazardous areas, and data analytics tools,</p>	<p>These will be in the handbook</p>



	<p>including artificial intelligence and big data analysis, to identify trends, patterns, and anomalies in environmental data. Embracing these technologies can lead to more comprehensive, efficient, and insightful audit findings. (Reason for adding: To emphasize the value of using innovative technologies in the conduct phase of environmental audits. It highlights how these technologies can enhance the comprehensiveness, efficiency, and insightfulness of audit findings.)</p>	
	<p>1. REPORTING AND FOLLOW-UP Add to the end of the second para: The environmental audit report should include a clear and concise executive summary of the key findings and recommendations, as well as a section explaining the methodology used in the audit. (Reason for adding: To ensure clear, concise, and transparent environmental audit reports.)</p>	This is general to all audits, not just environmental
	<p>Short-term recommendations typically focus on immediate actions that entities can take to address compliance issues, improve data collection, or enhance monitoring systems. Environmental audit reports should include a concise executive summary with key findings and actionable short-term recommendations for immediate improvements. These may include ensuring proper implementation of protected area regulations, improving environmental data reporting or increasing staff training. Medium-term recommendations, on the other hand, often involve structural or policy-related changes, such as improving disaster risk reduction strategies, enhancing climate adaptation plans or developing national strategies for plastic waste reduction. (Reason for adding: To ensure effective executive summaries with key findings and immediate, actionable recommendations.)</p>	This is general to all audits, not just environmental
	<p>Add to the end of the chapter: To maximize the impact of environmental audit reports, SAIs should consider strategies such as: disseminating findings through various channels (e.g., press releases, social media, public presentations), engaging with parliamentary committees and policymakers to advocate for the implementation of recommendations, and conducting follow-up audits to assess the progress made and ensure accountability. Clear, concise, and visually appealing reports can also significantly enhance their impact and readability for a wider audience. (Reason for adding: To provide strategies for maximizing the impact of environmental audit reports. It outlines ways to disseminate findings, engage with stakeholders, and enhance report clarity and appeal.)</p>	We consider that this is general, not so specific only to environment
Ukraine	<p>We would like to express our sincere gratitude for the opportunity to review the draft Guidance on Environmental and Climate Auditing. We highly appreciate the efforts of the drafting team from SAI Egypt, Estonia, ECA, and Thailand and the INTOSAI WGEA Secretariat in updating and consolidating the existing documents (GUID 5200, 5201, and 5203) into a comprehensive and modern guidance.</p>	Thank you



	<p>As part of the commenting process, we kindly suggest considering the inclusion of a glossary of key terms used in the document. In particular, we believe it would be useful to provide definitions for the following terms: Environmental audit, Climate audit / climate-related risks, Sustainable development audit, Double materiality, Impact materiality, Environmental liabilities, Environmental criteria, Greenwashing, Environmental management systems (EMS), Precautionary principle, polluter pays principle, etc. We are confident that the inclusion of a glossary would increase the clarity and practical value of the document for a wide range of SAIs.</p>	Glossary added
Vietnam	<p>We highly appreciate the efforts of the Working Group on Environmental Auditing (WGEA) in developing the draft “Guidance on Environmental and Climate Auditing.” The document provides valuable input to support Supreme Audit Institutions (SAIs) worldwide in the planning and implementation of environmental audits. With a view to enhancing the clarity, usability, and alignment of the Guidance with practical auditing needs, we respectfully offer the following comments and suggestions for your kind consideration:</p>	Thank you
	<p>1. Title of the Document It is recommended that the title of the document be revised from “Guidance on Environmental and Climate Auditing” to “Guidance on Environmental Auditing.” As defined in the “Introduction,” the term environmental audit encompasses a range of topics, including climate action. Furthermore, including “Climate Auditing” in the title may lead to misunderstandings, implying that these are two distinct types of audits.</p>	Agreed
	<p>Section 1 – Introduction As the Guidance does not solely address the main phases of a single environmental audit, it is suggested that the sentence, “The guidance covers the main audit phases (planning, execution, reporting, and follow-up) of an environmental audit,” be revised to also include the topic selection phase, as referenced on page 9.</p>	The phases are according to the ISSAIs
	<p>We kindly suggest elaborating further on the objectives of the document in the “Introduction” section. Specifically, it should be clarified whether the document consolidates elements from GUIDs 5200, 5201, and 5203 without replacing them, or whether it is intended to replace the aforementioned GUIDs. The overall structure of the Guidance should then be revised accordingly to align with this purpose.</p>	Added



	Section 2.2 – Compliance Audit of the Environment Please consider revising the sentence, “Compliance auditing in the context of environmental issues involves providing assurance that governmental activities are conducted in accordance with...,” to: “Compliance auditing in the context of environmental issues involves providing assurance that auditees’ activities are conducted in accordance with...”. This revision ensures that audit subjects are not limited to governmental activities but also include businesses and other organisations.	Agreed
	A similar adjustment is also recommended for the sentence, “It helps governments and their agencies ensure that their activities are conducted in accordance with established environmental objectives and legal requirements.”	Agreed
	It is also recommended that the statement, “Compliance environmental audit can... save cost by minimizing resource use, wasteful activities, and preventing pollution,” be reconsidered, as such outcomes are more commonly associated with performance audits.	Agreed
	Please consider revising the sentence, “It is important to have an understanding of environmental laws and regulations that could lead to material misstatement in the financial statements...” to enhance clarity and precision.	Specific examples would be added in the Handbook to enhance clarity and precision.
	Section 3 – Environmental Audit Planning Point 3.2 – Selecting Environmental Audit Topics: As this point pertains more to the strategic planning phase of a SAI rather than the planning of an individual audit, it is advised that this content be removed from Section 3. Instead, a separate section dedicated to audit topic selection should be introduced within the Guidance.	Agreed
	Sub-point 3.5.1 under Point 3.5 – Sources of Audit Criteria: In addition to laws and decrees, Viet Nam has issued numerous environmental technical regulations and guidelines through line ministries such as the Ministry of Agriculture and Rural Development and the Ministry of Construction. These can serve as valid audit criteria. Accordingly, we recommend adding the following clarification to the Guidance: “Audit criteria may also be derived from ministerial regulations, technical guidelines, or environmental standards issued by competent authorities, particularly in jurisdictions where such instruments hold normative value.”	This is included in Acts of the legislature and any regulations, rules, orders etc. made under an Act and having the force of law.



	<p>Section 5 – Reporting and Follow-up</p> <p>It is suggested that environmental audit reports consider categorising audit recommendations according to the following dimensions:</p> <ul style="list-style-type: none"> · Short-term versus long-term actions; · Level of environmental risk; · Priority groups for follow-up. <p>This classification would support SAIs in developing structured follow-up strategies and assessing the effectiveness of recommendation implementation. It would also assist audited entities in prioritising actions and allocating resources more efficiently. We respectfully propose that WGEA consider integrating this approach into the Guidance as a systematic method for organising, presenting, and monitoring audit recommendations.</p>	This can be included in the handbook
	<p>Additional Recommendations</p> <p>We recommend that the following elements be incorporated into the Guidance to further enhance its clarity and practical utility:</p>	
	<ul style="list-style-type: none"> · A list of abbreviations and acronyms; 	ok
	<ul style="list-style-type: none"> · Definitions of key terms (drawing from the three referenced GUIDs); 	ok
	<ul style="list-style-type: none"> · A contextual explanation outlining the rationale and necessity for merging the existing GUIDs and developing this new Guidance; 	ok
	<ul style="list-style-type: none"> · A section addressing the implementation processes of international environmental agreements (as referenced in GUID 5203, which appears to be omitted in the current draft); 	This can be included in the handbook
	<ul style="list-style-type: none"> · A section or practical notes offering detailed instructions to facilitate the implementation of environmental audits. 	There will be a handbook
New Zealand	It looks like very useful guidance that reflects auditing standards and good performance audit practice.	ok
	It is a good concise summary of a wealth of WGEA information and content developed over many years, with some very good strong messages.	ok
	There would be benefit in developing presentation material about the content to present to newcomers to environmental audit, perhaps with some audit cases to illustrate.	There will be a handbook
	One small comment is the text about double materiality is a bit hard to understand and whether it fits in the section it is currently in.	Added clarification



Canada	<p>1. Overall</p> <p>a. Consider the level of information for this GUID, given the complexity of the topic, some areas may require more depth of information on the subject matter versus the methodology. There is an opportunity to complement the GUID and leverage all the work done by WGEA members, there is a wealth of detailed information on how to audit different topics and examples.</p>	There will a handbook
	<p>b. One of the things one might expect to find more explicitly here is a discussion of what makes an environmental audit different from other audits – ie long-term issues, horizontal matters, data, transcending borders, etc.</p>	This is what we have tried to accomplish, especially in the chapter on environmental audit
	<p>c. Sustainability – there is no mention in the GUID at all of the SDGs, which has to be intentional for I am sure good reason. However, perhaps we should at least mention why we don't go into it in detail, and refer readers elsewhere as needed, as many would expect environmental auditing guidance to include some treatment of the SDGs?</p>	There is a separate GUID 5202 for the audit of the SDGs, currently being updated by the WGSDG
	<p>d. The IDI Handbook on performance audit is a good place to obtain definition and good understandings of criteria and some of the methodology we spend quite a bit of time on in this GUID.</p>	That will be useful for the drafting of the handbook
	<p>2. Scope of the GUID</p> <p>a. Given the breadth and depth of topics covered by environmental auditing, defining the scope of this work is a formidable task. Some key concepts of environment and sustainable development should be better defined to understand these types of audits and their topics. For example, environment can encompass a number of things, such as climate change, water, biodiversity and waste, while sustainable development includes a component of environment that interrelates with economic and social subject matters.</p>	This is a good definition for the glossary
	<p>b. The structure of GUID 5330 on Auditing Disaster Risk Management (see attached) is helpful perhaps as guidance for this. It has sections on the objective of the GUID, definitions and the scope of the GUID which might be helpful for our purposes as well.</p>	We have followed that structure, however we found some of the chapters a bit overlapping and merged them
	<p>c. The GUID could make a clearer distinction between auditing government operations (such as procurement) and government programs and policies. For example, additional content could be provided to explain the environmental impacts of government operations (governments can have a significant environmental footprint through consumption of energy, water, and natural resources, release of emissions like greenhouse gases, generation of waste and stewardship of land, etc.)</p>	This can be included in the handbook
	<p>d. Some weight should be given to international commitments that include clear examples, like which are the environmental conventions and the UNSDGs, as these are often entry points for countries to audit their government's policies and programs but are also evolving.</p>	This can also be in the handbook since they might quickly change and new ones come along. In the handbook, it is easier to update them



	3. Audit types: a. Definition – on page 4 we define environmental audit beginning with compliance, financial or performance. The more general definition in the 2007 doc might be useful.	We have used the definition in GUID5200, 10
	b. Linkages with evolving standards would support this section as well. For example, section 2.3 on financial audit – should it mention the IPSASB exposure drafts, the TCFD and other related information? This would help ensure it is current and makes the link between financial audit and performance audit on environmental issues in a concrete manner.	This can be included in the handbook. We want to keep this document time proof
	4. Technical auditing comments from our methodology team	
	a. Section 2.3 – concept of double materiality is not allowed in the international standards like IAASB	We didn't find reference to such prohibition
	b. Section 2.3 – Non-financial information statement may be updated due to new generally accepted reporting principles published	The paragraph has now been moved into the general section, so it could work now.
	c. Section 3.5 – The sentence on environmental aspects of a financial audit is done for financial statements as a whole, as such the sentence may be misleading	Deleted "serve to determine whether the financial reporting framework is acceptable. They"
	d. Section 4 – work on data reliability should be for all types of audits not just environmental compliance	Reliability is mention in all types
	5. Format of the document and editorial	
	a. We looked at other examples of INTOSAI GUIDs to determine what format, type of information, and level of information is included in GUIDs that have been approved and published. See attached 5330 for example. Some items to consider: We see opportunities for alignment with other approved GUIDs which include sections on Purpose/Objective, Definitions, and Audit questions.	Definitions will be an attachment, audit questions have been added and examples will be provided in the handbook. Purpose and objective are covered in the introduction
	b. We noted areas where the language could be updated.	Language reviewed
Norway	Introduction "Whenever we refer to "environmental audit " in this document, it encompasses the audit of various topics falling under." Comment: It is wrong to refer to environmental audit, ref: ISSAI 100/22: 22) The three main types of public-sector audit are defined as follows.... Financial-, performance-, and compliance audit. It is better to use the concepts: auditing environmental audit.	It is not understood as an audit type but it is an established concept since 1992



	<p>2. Auditing the Environment</p> <p>"Environmental Audit of is environmental topics can be done usually defined as a compliance, financial or performance audit that examines and assesses how responsible bodies, such as governments and public authorities, address specific environmental problems, environmental policies, or programmes. Environmental These audits can target the activities of both government entities that have the environment as their main responsibility and other bodies that have an impact on the environment. "</p> <p>Comment: I did not correct it in the rest of the document, but I think you see my point.</p>	<p>Agreed</p>
	<p>2.1. Performance audit of the environment "An environmental performance.... "</p> <p>"For general guidance on performance audit, please refer to ISSAI 300: Performance Audit Principles. "</p> <p>Comment: This is not guidance material in the IFPP framework. In ISSAI 300 you find principles and in the standard, ISSAI 3000 you find the requirements. You should refer to both, because some use ISSAI 300 and some 3000.</p>	<p>Agreed</p>
	<p>2.2. End of first para: Same comment, ISSAI 400 and ISSAI 4000.</p> <p>"It is important to have an understanding of environmental laws and regulations that could lead to material misstatement in the financial statements or significantly impact an entity's operations."</p> <p>Comment: This is not compliance audit, ref: ISSAI 4000/67 about selection of areas significant for the intended user(s).</p>	<p>Agreed</p>
	<p>2.2. "While it is not expected that auditors have expertise or professional competence to determine if an entity is in compliance with the environmental laws and regulations, training, experience and knowledge of the industry can help recognize potential non-compliance issues and seek expert advice. "</p> <p>Comment: What is meant by this statement. By seeking expert advice they can decide if a subject matter is in compliance with suitable criteria.</p>	<p>Changed to: "Auditors are not expected to have full expertise or professional competence to determine if an entity is in compliance with the environmental laws and regulations. However, they must possess a sufficient understanding of these laws to evaluate compliance effectively. Training, experience and subject matter knowledge can help auditors recognize potential non-compliance issues and seek expert advice when necessary."</p>



	<p>2.2. "When planning and performing an audit, it is crucial to evaluate compliance with applicable laws and regulations, especially where non-compliance could materially affect the financial statements, or involve the expenditure of public funds. However, it is important to note that an audit cannot be expected to detect all non-compliance with laws and regulations. "</p> <p>Comment: What is meant with this? Compliance audit is to assess the audit evidence against the audit criteria to form findings. Your findings are answering the audit objective. You are here in addition mixing with financial audit. The last sentence is also difficult to understand, and maybe better to delete!</p>	Deleted
	<p>2.3. End of first para: Same comments here, ISSAI 200 and ISSAI 2000-series.</p>	Agreed
	<p>3.3.2. Risk Assessment in Compliance and Financial Audit "If there is a risk of non-compliance with regulations or of material misstatement in the financial statements, specific procedures must be designed and performed to address this risk. This ensures that all potential environmental risks are adequately managed and reported. "</p> <p>Comment: Does this statement claim too much? How can specific procedures that are designed and performed to address risk - ensure that all potential environmental risks are adequately reported?</p>	Replaced 'all' by 'the' to read: This ensures that the potential environmental risks are adequately managed and reported.
	<p>3.5. "In the planning of an environmental audit, it is essential to develop relevant, complete, understandable, and reliable audit criteria, against which the conclusions will be drawn. "</p> <p>Comment: You do not develop audit criteria, you deduct audit criteria from authorities, meaning authoritative sources. In ISSAI 100/27 the word suitable criteria is used: The criteria are the benchmarks used to evaluate the subject matter. Each audit should have criteria suitable to the circumstances of that audit. In determining the suitability of criteria the auditor considers their relevance and understandability for the intended users, as well as their completeness, reliability and objectivity (neutrality, general acceptance and comparability with the criteria used in similar audits).</p> <p>Suitable criteria in performance audit is assessed against 5 characteristics, in compliance audit 9.</p>	Changed to "deduct suitable audit criteria"



	<p>4. CONDUCTING AN ENVIRONMENTAL AUDIT Last para "Incomplete or poor-quality data, however, does not prevent the auditor from providing a useful analysis and information. "</p> <p>Comment: This statement is questionable. Poor quality data does affect negatively the auditor's ability to provide a useful analysis. This affects the audit risk, jf ISSAI 100/45: Auditors should manage the risks of providing a report that is inappropriate in the circumstances of the audit</p>	<p>Changed to: (...) can be an important audit finding</p>
	<p>REPORTING AND FOLLOW-UP "Audit results should be made public and communicated through appropriate media channels. The audience includes parliaments, responsible ministries and agencies, researchers, NGOs as well as general public. "</p> <p>Comment: The Parliament is not called the audience in the IFPP framework, ref: ISSAI 100/25 about the three parties. In many countries the primary receiver of audit reports is the Parliament, the intended user where the ministry is the responsible party.</p>	<p>Removed Parliament</p>
France	<p>I share all the remarks of SAI Norway. I would also like to add that § 2.4 may mention the standards setting activity of the IPSASB on Sustainability that will impact the audit scope of all SAI's in a very foreseeable future.</p>	<p>IPSASB can be mentioned in the handbook</p>
Malaysia	<p>Para 2.1. Performance audit of the environment</p> <p>Environmental audits require a more in-depth approach as the issues raised often involve complex technical, scientific, and policy aspects. Therefore, the involvement of experts in conducting such audits is crucial to ensure the integrity and accuracy of audit findings.</p> <p>Experts can assist the audit team in understanding the real context of environmental issues such as water pollution, biodiversity management, climate change, or compliance with technical regulations and environmental standards. In addition, experts can contribute to the assessment of the effectiveness of activities implemented by the audited entity, providing a more objective and data-driven perspective.</p> <p>This not only strengthens the credibility of the audit findings but also ensures that the recommendations provided are realistic and impactful.</p>	<p>This is covered in 3.1 "When expertise in a particular environmental field is lacking, external experts' assistance should be sought. This can be achieved through expert panels, focus groups, or by consulting independent expert(s) for their assessment. The nature and quality of the data, opinions, and judgements obtained from these parties need to be appropriately assessed by the auditor for their evidential value to avoid biased assessments."</p>



	<p>Para 5. REPORTING AND FOLLOW UP</p> <p>An important element that should be included is the characteristics of a high-quality audit report, as recommended by international practices and academic references. The key characteristics of a good audit report are as follows:</p> <ul style="list-style-type: none"> i. Clear and concise – Information is presented in a way that is easy to understand without compromising factual accuracy. ii. Relevant and focused – Each finding is directly linked to the audit objectives and the impact on stakeholders. iii. Balanced and objective – The report presents both strengths and weaknesses of the audited entity. iv. Reliable – Supported by sufficient and appropriate audit evidence. v. Actionable – Contains practical, result-oriented recommendations that can be implemented. <p>A report with these characteristics enhances the clarity, credibility, and usefulness of audit communication.</p>	This can be added to the handbook
	<p>Para 5. REPORTING AND FOLLOW UP</p> <p>It is recommended that the Follow-Up section be presented in a separate paragraph. In the implementation of follow-up actions, one of the key steps is to conduct engagement sessions with the auditee and other relevant stakeholders, both directly and indirectly involved in addressing the issues raised during the audit.</p>	More about follow up can be added to the handbook
PSC	<p>One immediately interesting aspect for me is to understand really why you want to remove these documents from the IFPP. I understand the rationale in consolidating and updating them, but they would certainly be of a quality which would allow them to remain in the framework.</p>	<p>We actually do not want to remove them, rather update and merge. However, the FIPP process is long and the WGEA has tried that but was not successful at the FIPP. This is why we now have a plan b to at least get the outdated documents out of the IFPP and offer the environmental auditors something relevant and useful while also eliminating the outdated documents which pose a serious reputational risk to INTOSAI from the framework. In an ideal situation we would want the new, updated document to be in the framework if the FIPP would approve it.</p>
	<p>Introduction: Paragraph 1: you mention “audit activities” and “audits”. Perhaps you could explain what the difference is (and consider perhaps if a glossary for the document might be useful too.</p>	Changed audit activities > audits
	<p>You mention “joint or coordinated audits”. Do you mean between SAIs or between audit types? Further on you then mention “parallel” audits. I’m not sure what this is.</p>	<p>We mean coordinated audits between SAIs. Added clarification as reference to GUID900: “Cooperative Audits between Supreme Audit Institutions (SAIs) on common environmental issues, following the definition in GUID 9000, according to which cooperative audits can be categorized into three types:</p>



		parallel/concurrent audits, coordinated audits, and joint audits. For details, see GUID 9000 ."
	You say that environmental audits can, be designed to address financial, performance and compliance aspects within a single process. Is this not rather unrealistic as most SAI struggle already to combine any two of these aspects in a single audit. To do three would take exceptional planning and reporting.	Agreed and incorporated
	Section 2.2.: Fourth paragraph: it is not expected that auditors have expertise to determine if an entity is in compliance with environmental laws etc. Does this really stand up to scrutiny? Auditors must have at least a level of understanding of the laws against which they are trying to evaluate compliance. Final paragraph: we mention the financial statements. I see the context, but matters which affect the financial statements are usually not the main thrust behind compliance audits.	Changed to: "Auditors are not expected to have full expertise or professional competence to determine if an entity is in compliance with the environmental laws and regulations. However, they must possess a sufficient understanding of these laws to evaluate compliance effectively. Training, experience and subject matter knowledge can help auditors recognize potential non-compliance issues and seek expert advice when necessary." Final para changed to: "could significantly impact the entity's adherence to environmental standards"
	Section 2.3. Fifth paragraph: "Non-financial information ... can be significant". In which sense significant? Would it not be better to say something like 'material to the audit tests being carried out'? Also, this paragraph would apply mutatis mutandis for compliance and performance audits too.	Added: " can be material to the audit tests being carried out" Moved to paragraph on the specific aspects of all environmental audits.
	Section 2.4. Perhaps we could explain more why providing assurance on sustainability reporting is part of a financial audit (as opposed to compliance or performance audits).	Added: Providing assurance on sustainability reporting as part of a financial audit is essential because it enhances the credibility and reliability of the information presented. By integrating sustainability assurance into financial audits, auditors can ensure that sustainability information is subject to the same rigorous standards and scrutiny as financial data, thereby providing stakeholders with a comprehensive view of an organization's overall performance and risks.
	Section 2.5. Last paragraph: we outline the standard 4 steps of an environmental audit, but we could explain why these four steps differ from those outlined in section 1, fourth paragraph.	They are not, in fact, different. Wording changed.
PAS Secretariat	TITLE (non-IFPP merge of GUIDs 5200, 5201 and 5203) We propose to include in the introduction a further explanation of what is intended with this guide e.g. unification of the three Guides 5200, 5201 and 5203.	Added



	<p>2.1. Performance audit of the environment For general guidance on performance audit, please refer to ISSAI 300: Performance Audit Principles. policy coherence of government actions from an environmental perspective; For general guidance on performance audit, please refer to ISSAI 300: Performance Audit Principles and ISSAI 3000 – Performance audit standard. We propose to include also the reference to ISSAI 3000 because a guide is being developed in the application of auditing standards.</p>	<p>Added</p>
	<p>3.1. Obtaining Knowledge of Environmental Matters..... In such cases, the auditor should consider the impact of the expert’s work on the financial statements and the professional competence and objectivity of the environmental expert In such cases, the auditor should consider the impact of the expert’s work on the financial statements and the professional competence and the independence of the environmental expert. It is necessary to assess the independence of the external expert because they may often be involved in different environmental projects which may affect their independence and even if they express an objective opinion this may be contested by stakeholders.</p>	<p>Added</p>
	<p>Point 3.1. Obtaining Knowledge of Environmental Matters mentions experts and an internal auditing function as possible sources of knowledge for environmental audits. I would include also reference to previous audits in the field conducted either by the relevant SAI or by other institutions. Point 3.5.1 mentions INTOSAI WGEA audit database as a good source of audits in this area. If the relevant SAI conducted any environmental audits in the past, the knowledge and experience collected may be useful, especially in the context of the risk assessment.</p>	<p>Added</p>
	<p>Point 3.2 NA Selecting Environmental Audit Topics advises to scan the government policies and map the risks from the perspective of environmental performance when choosing audit topics. In this respect a very useful source of information not pointed out in the text are also numerous reports issued by the civil society organisations (NGOs) working in the specific field. They often include a deep analysis and assessment of possible risks and impacts of new or amended government policies. Such organisations usually act as “watchdogs” of the public administration at different levels. Here, as in case of experts, a proper assessment of the evidential value of such reports should be conducted by auditors to avoid a possible bias.</p>	<p>Added</p>
	<p>3.5.1. Sources of Audit Criteria A good source of audits is the INTOSAI WGEA audit database. We propose to add the link to the database.</p>	<p>We will consider adding the link as the website host will change soon</p>



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