

NIK to conduct peer review at the Lithuanian SAI

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Auditor General Arūnas Dulkys invited NIK to participate in the peer review at the National Audit Office of Lithuania. The review, to be launched this December, will be conducted by the Supreme Audit Office of Poland, the European Court of Auditors and the National Audit Office of the United Kingdom.

President Krzysztof Kwiatkowski and Auditor General of Lithuania, Arunas Dulkys, met in Vilnius **to discuss details of the peer review at the National Audit Office of Lithuania, to be conducted by the Supreme Audit Office of Poland, the European Court of Auditors and the National Audit Office of the United Kingdom.**

The review will be aimed **to assess compliance with ISSAIs and international best practices.** The reviewers will analyse the audit process in force at the Lithuanian SAI, regarding the financial, compliance and performance audit. **Key stages of the audit process will also be checked, i.e. task specification, planning process, performance, quality assurance, reporting and follow-up.** The review is to take place in 2019, and its final report will most probably be ready in 2019/2020.



NIK President Krzysztof Kwiatkowski and Auditor general of Lithuania Arūnas Dulkys

Professional cooperation and exchange of experience related to similar issues and best audit practices is of great importance both for the auditors, as well as us - heads of audit institutions. We will, therefore, maintain close bilateral and cooperation on joint international projects - said Krzysztof Kwiatkowski in Vilnius.

In 2017 Auditor General Arūnas Dulkys invited NIK President to conduct a peer review at the National Audit Office of Lithuania. NIK exerts have participated in several such projects. Peer review is a tool more and more often used by SAIs in order to ensure highest quality of their work.

Participants of the meeting in Vilnius also discussed **the audit of the Via Baltica and Rail Baltica projects conducted by the Baltic states, including Poland.**

The Rail Baltica audit will be jointly conducted by the Lithuanian, Latvian, Estonian and the Polish SAIs. We will examine, how the investment aimed to renew rail connections between Poland and Lithuania will be realised - said President Kwiatkowski.



Polish and Lithuanian auditors with heads of the SAIs, Krzysztof Kwiatkowski and Arūnas Dulkys

NIK President also presented **findings of the audit regarding the energy bridge Poland-Lithuania, conducted in 2016.** The project is supposed to integrate energy systems of the Baltic states with other EU countries. Lithuanian colleagues on the other hand, shared **experience concerning the audit of the state energy efficiency.** Lithuania has already finished such an audit, whereas NIK is going to conduct one.

The Polish-Lithuanian energy bridge comprises four energy lines and seven power stations. It was launched in December 2015 and connects the Lithuanian Alytus with the Polish Ełk. It enables transfer of 500 MW energy and a potential power increase up to 1000 MW is considered. In the first seven months of its operation the energy was transferred in both directions, however more was imported to Poland. No irregularities concerning the awarding and implementation of contracts were found in course of the audit. Ministry of Economy, and after its liquidation Ministry of Energy, properly supervised the investment. The Polish Energy Networks (Polskie Sieci Energetyczne SA) undertook the II stage investments (aimed to increase the power up to 1000MW). According to NIK even if the transfer is not increased, the infrastructure will be utilised.

[NIK on the energy bridge Poland-Lithuania >>](#)

Development of inter-systemic connections increases the security of energy deliveries. Therefore, a gas interconnection to link Poland and Lithuania is currently being constructed. The investment is planned to be completed in December 2021. The project aims to integrate the gas market in the European Union.

Energy efficiency is the most economical production and use of energy. According to a EU member states should increase their energy efficiency by 1/5 by 2020. Experts stress that efficiency depends majorly on two stakeholders: authorities and citizens. The state should establish regulations that would encourage to save energy. Citizens, on the other hand, should remember that turning off excessive lights and using modern devices brings financial benefits. At the same time the government should eliminate the so called energy poverty, so cases in which families cannot satisfy their energy needs.

NIK President, as Vice-President of EUROSAI, and the Lithuanian Auditor General also discussed current issues regarding the implementation of the EUROSAI Strategic Plan.



Heads of SAIs also visited the Rasos Cemetery and laid flowers on Józef Piłsudski's mother grave and his heart's resting place, as well as on the grave of dr. Jonas Basanavičius, a signatory of the 1918 Lithuanian Act of Independence.

Cooperation with the National Audit Office of Lithuania

- Auditor General of Lithuania visited NIK in December 2010, NIK President paid a visit at the Lithuanian SAI in 2014 during the meeting of the INTOSAI Subcommittee on Internal Control Standards;
- Lithuanian Auditor General participated in the opening of the training for SAIs Georgia, Moldova and Ukraine in 2015 in Warsaw;
- NIK and Lithuanian NAO participated in the peer review conducted at the Hungarian SAI, which was completed in 2016;
- At the request of the Lithuanian SAI NIK organized an international seminar on the audit of local government units on 6-7 October 2015;
- Heads of both SAIs participated in the EUROSAI Congress, which took place in May 2017 in Istanbul;
- Lithuanian SAI chairs the EUROSAI Task Force on Municipality Audit;
- Auditor General of Lithuania visited Poland on 13-14 November 2017. Heads of both SAIs discussed, among others, the dietary supplements audit, fuel quality audit, audit of the EU funds, activity of the EUROSAI Task Force on Municipality Audit and cooperation in INTOSAI/EUROSAI. Auditor General Arunas Dulkys invited NIK to participate in the peer review at the Lithuanian SAI and President Kwiatkowski accepted the invitation.