



PEER REVIEW REPORT OF TURKISH COURT OF ACCOUNTS



CONDUCTED BY
**SUPREME AUDIT INSTITUTION OF
PAKISTAN / DEPARTMENT OF THE
AUDITOR GENERAL OF PAKISTAN**



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CBC
Capacity Building Committee

IDI
INTOSAI Development Initiative

ISSAI
International Standards for Supreme Audit Institutions

SAI
Supreme Audit Institution

DAGP
Department of the Auditor General of Pakistan

INTOSAI
International Organization of Supreme Audit Institutions

OAGP
Office of the Auditor General of Pakistan

TCA
Turkish Court of Accounts



As the world has been transformed radically, the ways of reaching and using information have also changed in the same way. In this context, peer reviews can be seen as a creative way of objectively achieving this aim. The role and importance of the peer review as one of the foremost capacity building tools was underlined in the first INTOSAI Strategic Plan 2010 – 2016. This position was also underlined in the Goal 2 and Goal 3 activities within INTOSAI Strategic Plan 2017 – 2022, which stated that “INTOSAI also will continue to encourage SAls to undergo periodic peer reviews that provide vital external validations of an SAI's quality assurance processes.”

This peer review report prepared by Pakistan SAI (as reviewer) includes an independent assessment of independence of Turkish Court of Accounts (TCA) considering the INTOSAI principles, ISSAIs and international good practices. Lima and Mexico declarations have attributed a vital role to independence and mandate of SAls as INTOSAI principles. Furthermore, the document “INTOSAI-P 12 Values and Benefits of SAls-making a difference to the citizens life” have updated the importance and practises of independence of SAls in a comprehensive and contemporary manner.

As a beginning step for the TCA, who intends to use peer review as a capacity building tool, it is first aimed to get an objective external assessment on independence because of the mentioned importance. Believing that these efforts are good incentives for the capacity building of SAls, the TCA intends to go forward on peer reviews through taking roles as both the reviewer and the reviewed on other specific issues.

We observed that the SAI of Pakistan, the reviewer, and the Peer Review Team showed a great effort in order to create this report and outputs in it, which should be appreciated. Observations and assessments in the report are good examples of getting creative, objective information and feedback from which TCA will definitely benefit.

Hereby, I would like to kindly extend my thanks once again to the Auditor General of Pakistan, Mr. Javaid Jehangir and the Peer Review Team and I hope this report will be beneficial for both SAls and for the INTOSAI community as well.

Seyit Ahmet BAŞ
EUROSAI President
President of Turkish Court of Accounts



Preface

It is with great pleasure that I present to Turkish Court of Accounts (TCA) Report on its Peer Review conducted by the Department of Auditor General of Pakistan (DAGP) during 2018. TCA, being the Supreme Audit Institution of Republic of Turkey, plays a vital role in good governance in Republic of Turkey. It facilitates transparency and accountability in the public sector through exercise of its mandate and through its operations. Enough independence and sufficient mandate are necessary for the effectiveness of an SAI. Independence also places responsibility on the SAIs to be transparent and accountable themselves. That is why members of International Organisation of Supreme Audit Institutions (INTOSAI), conduct Peer Reviews on a widerange of areas relating to the functioning, quality of its output and effectiveness of an SAI. The exercise helps in highlighting good practices and identifying areas where there is room for further improvement for consideration by the reviewed SAIs. This Peer Review of TCA focuses on reviewing if TCA is adequately mandated and possesses enough independence to perform its assignments.

Peer Review was undertaken after the mandate of TCA had been enhanced in 2010. The enhanced mandate included besides others, the audit of state economic enterprises and responsibility to present its findings to the Parliament. Peer Review of TCA found that it has a robust basis to function as an effective Supreme Audit Institution. Clauses relating to independence of TCA are laid down in legal framework and TCA is helped by an elaborate mandate with qualified staff to realize its objectives. With the legal and institutional support that TCA is enjoying we feel that it will continue to perform its assigned role effectively. We are presenting our suggestions for the consideration of TCA believing that these will add value to the effectiveness of TCA further extending its benefits to the Republic of Turkey and its people.

For reviewing the mandate and independence under this Peer Review of TCA we used Guidelines provided in ISSAI 5600, questionnaires in its Annex and Appendix to ISSAI 5600, contents and guidelines contained in ISSAIs 1, 10, 11 and 12 besides relevant information available on websites and benefitted from Peer Review Reports available on the CBC website.

Here I would like to express my gratitude to the President of TCA Mr. Seyit Ahmet Baş, Members of Chambers and officers of TCA for the cooperation they extended to the Peer Review Team during the process of Peer Review. The assignment was completed in an atmosphere which echoed the strong bonds of friendship between the two countries, their people and the two SAIs. I hope for the continuation of our cooperation and friendship in the time to come. I would also like to express appreciation on behalf of the Peer Review Team for the warm hospitality and support extended by the TCA during this Peer Review.

Javaid Jehangir
Auditor General of Pakistan
Islamabad, August 2020



1. Overview of Turkish Court Of Accounts

Turkish Court of Accounts is the Supreme Audit Institution of the Republic of Turkey. It is mandated under the Constitution of the Republic of Turkey and subsequent legislation (Law No 6085 on Turkish Court of Accounts) to conduct audit of the public sector entities in Republic of Turkey and report upon its findings. Law no. 6085 was enacted on December 3, 2010. The purpose of this Law is to regulate the establishment of TCA, its functioning, audit and judicial procedures, qualifications and appointment of President, members of Chambers, and other staff, their responsibilities and competencies, rights and obligations and along with related matters.

TCA is headed by the President, who is assisted by two Deputy Presidents. The organization includes seven Boards, eight Chambers and the Office of the Chief Prosecutor. The Deputy President assigned audit activities is assisted by five Heads of Department who are further assisted by Heads of Groups. Deputy President Administrative Affairs is assisted by three Heads of Departments who are further assisted by the Heads of Units and directorates. The judicial function of TCA is performed through eight Chambers. Seven Boards make decisions relating to audit planning, reporting, promotion and discipline; this includes the Board of Appeals, which hears appeals against the decisions of the Chambers. The Office of the Chief Prosecutor comprises Chief prosecutor and prosecutors.

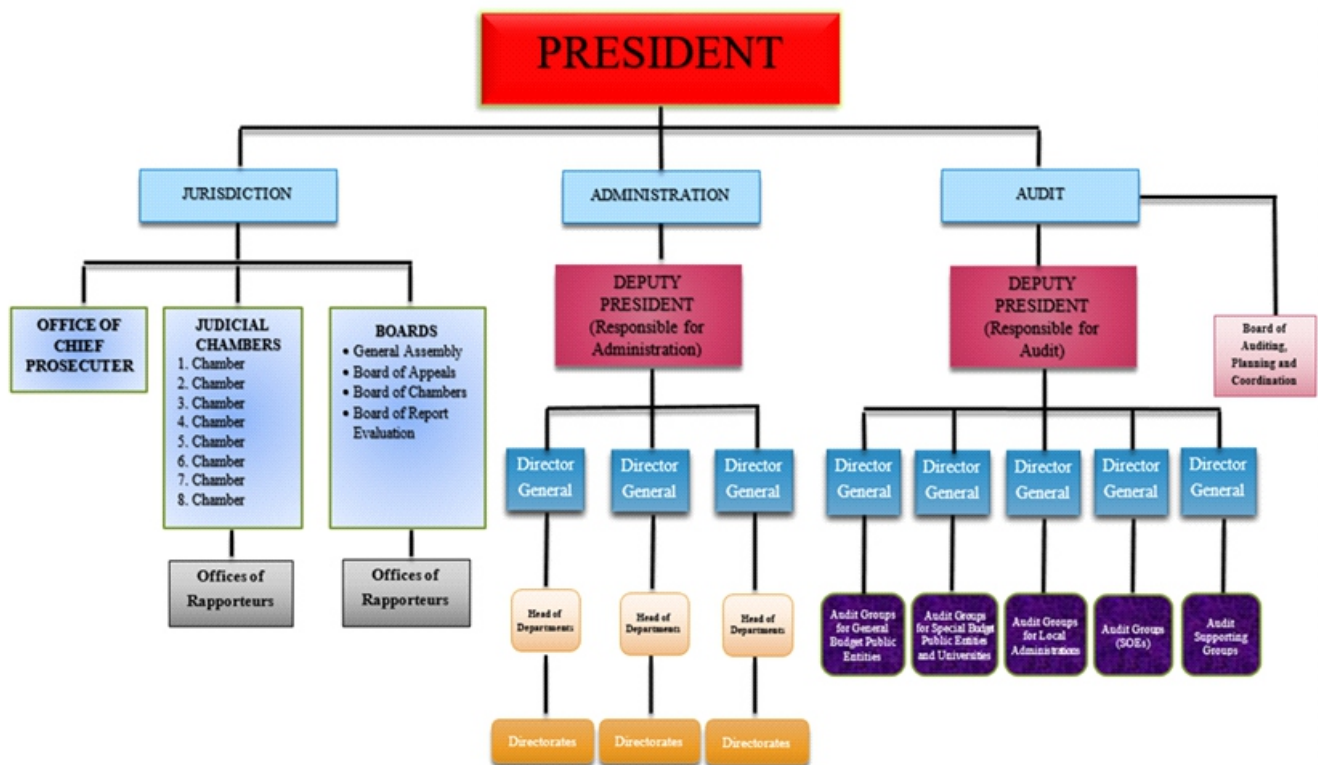


Figure : Organogram of TCA

1.2 Scope of TCA

The audit scope of TCA is laid down in Article 4 of Law 6085, which envisages;

- a) Public administrations within the scope of the central government budget and social security institutions, local governments, joint stock companies established by special laws or Presidency decrees and with its capital directly or indirectly owned by the public sector, other public administrations (with the exception of professional organizations having a public status);
- b) All types of administrations, organizations, institutions, associations, enterprises and companies affiliated to, or founded by the administrations listed in point (a), or those of which the above mentioned administrations are directly or indirectly partners;

c) All types of domestic and foreign borrowing, lending, repayments, utilization of foreign grants received, giving grants, Treasury guarantees, Treasury receivables, cash management and other matters related to these, all transfers of resources and their utilization and the utilization of domestic and foreign resources and funds, including European Union funds;

ç) All public accounts, including private accounts, funds, resources and activities regardless of whether these are in the public administrations budget.

Joint stock companies, which has directly or indirectly less than 50% public share, covered by the subparagraphs (a) and (b) is subject to independent audit in accordance with the relevant legislation; The audit of companies, their affiliates and subsidiaries is carried out on the basis of independent audit reports, which are prepared in accordance with the relevant legislation and sent to the Turkish Court of Accounts. The Turkish Court of Accounts shall present a report, which is prepared exclusively based on independent audit reports, to Turkish Grand National Assembly.

(2) Turkish Court of Accounts shall also audit the accounts and transactions of international institutions and organizations within the framework of the principles set out in the relevant treaty or agreement.

(3) Audit of public institutions, organizations and partnerships within the scope of Article 2 of Law No. 3346 on Regulating the Audit of State Economic Enterprises and Funds by the Turkish Grand National Assembly, dated 02.04.1987, shall be performed within the framework of the procedures and principles indicated in this Law and other laws.

1.3 Audit and Judicial Functions

TCA performs audit activities on behalf of the Turkish Grand National Assembly. Annual Audit Reports pertaining to the audited organizations along with the replies of the respective organizations and ministries are submitted to the Turkish Grand National Assembly by the President of Turkish Court of Accounts. These Reports are discussed by the relevant Committees with in the framework of the provisions of the Law No. 3346 - Auditing Public Undertakings by the end of the year following the end of relevant financial year. These Reports are also sent to the Strategy and Budget Administration and the Ministry of Treasury and Finance.

TCA is also assigned judicial function which is performed through eight Chambers each comprising a Chair of the Chamber and six members. These Chambers decide on the cases where there is an apprehension of public loss. Each Chamber is assigned certain number of ministries and departments. The writs of the Chambers can be challenged in the Board of Appeals. The decision of the Board of Appeals cannot be challenged in any court of law.

The judicial and decision-making bodies are the Chambers, the General Assembly, the Board of Appeals, the Board of Chambers, the Board of Report Evaluation, the High Disciplinary Board, the Board of Promotion and Discipline of Professional Personnel, the Board of Auditing, Planning and Coordination, and the Office of the Chief Prosecutor.

1.4 Appointments and Administration

The President of TCA is elected by the General Assembly of the Turkish Grand National Assembly by a secret ballot from among two candidates as per procedure laid down in Article 16 of Law 6085. The candidacy of the two candidates is determined according to the principles laid down in Article 12 of Law 6085. The Deputy Presidents are appointed by the President of TCA from the members of TCA. The chairmen and the members of the Chambers and the President of TCA are appointed through electoral process. The Chief Prosecutor and prosecutors of Turkish Court of Accounts are appointed by the President of Turkish Court of Accounts. The Heads of Departments/Divisions are appointed by the President of TCA from the field auditors. The field auditors are recruited as Assistant Auditors, who after successful completion of training are appointed as Auditors. Subsequently, after a specific period and subject to satisfactory service record they are promoted as Senior Auditors and Principal Auditors in due course of time.

Administrative affairs of Turkish Court of Accounts are carried out by the Units established upon the proposal of the President of Turkish Court of Accounts and by the decision of the General Assembly of Turkish Court of Accounts. The strategic direction for audit and administrative activities is provided in the five-year Strategic Plan. The annual Audit Plans are prepared with the Strategic Plan in view. The audit activity, based on the annual audit plans, is undertaken by the auditors who are based in Ankara and commute all over the Republic of Turkey to fulfill the mandate of TCA. The Administrative Departments of TCA provide necessary services to the field auditors, Chambers and related officers.

1.5 TCA Reforms

TCA has undergone significant reforms since 2010 that has enhanced its mandate, its area of jurisdiction and reporting responsibilities. Previously, an amendment was made to TCA Law No. 832 in 1996, and TCA was authorized to conduct Performance Audits. After 2000 the Public Management Reforms became fast paced in Turkey and the focus shifted to service delivery to the general public. Consequently, the public financial management systems were further modified and Public Financial Management and Control Law No. 5018, was promulgated in 2003. Under this law extra-budgetary funds were disallowed and all revenues, expenditures and liabilities of the state were included in the budget thereby guaranteeing the legislative oversight over such amounts. Internal Audit Units were also established within each public administration. Significant steps were taken towards transforming TCA into an institution that focuses on the financial structure of audit entities rather than individual transactions and procedures. TCA Law No. 6085, enacted in 2010, brought all spending from public funds under the scope of audit by TCA. After promulgation of this Law, the Prime Ministry High Auditing Board, responsible for the audit of state economic enterprises, was transferred to TCA, thus the external audit became the exclusive responsibility of TCA. TCA also started submitting its Audit Reports to the Grand National Assembly after 2010 in addition to performing its judicial function.

This Peer Review looked at the TCA and situation after reforms with a view to express an opinion on the aspects of Independence and Mandate enjoyed by the TCA.



2. The Peer Review

2.1 Introduction

This Report presents the results of the Peer Review of Turkish Court of Accounts performed by the Department of the Auditor General of Pakistan (DAGP) in 2018 under a Memorandum of Understanding (MOU) for mutual cooperation in public sector auditing between the two SAIs. International Standards for Supreme Audit Institutions (ISSAIs) 5600 state that the term “Peer Review” refers to an external and independent review of one or more elements of the organisation and/or operations of an SAI by a team of professional peers from one or more SAIs. It goes on to explain that Peer Review is not an audit but an assessment and advice provided voluntarily by peers. The decision to undergo a Peer Review, or to be involved in the Peer Review of another SAI, is always voluntary.

2.2 Background

DAGP and TCA signed an MoU on co-operation in the field of “Public Sector Auditing” in October, 2016. MoU, besides other activities, provided for conduct of Peer Reviews. For implementing the MoU, a team comprising three officers of DAGP visited TCA for knowledge sharing on the subject in May, 2018 and had a five-day knowledge sharing workshop on the subject of Peer Review. During this session it was agreed that DAGP would conduct Peer Review of TCA focusing the areas of Independence and Mandate enjoyed by the TCA.

2.3 Planning and Execution

A two-member delegation from TCA visited DAGP in August 2018 and signed the MOU under which this Peer Review was conducted. Planning phase for the Peer Review started during the same visit. The visiting team briefed about the working, organizational structure, functions and powers of TCA. Criteria for the review was developed from the related requirements included in ISSAI 1 (Lima Declaration), ISSAI 10 (Mexico Declaration), ISSAI 11 (Guidelines and Good Practices Related to SAI Independence), ISSAI 12 (Values and Benefits of SAIs) and ISSAI 5600 (Peer Review Guidelines) with its Annex (Peer Review Areas and Questions) and Appendix (Peer Review Checklist). INTOSAI Strategic Plan 2017-22 and IDI's Towards Greater Independence - A Guidance for Supreme Audit Institutions (Exposure Draft) were also used to develop in-depth understanding of SAIs' independence. The Peer Review Team also benefitted from the research work available on the website of CBC and previous Peer Review Reports. Working-Papers to be used in the Field-Work were developed comparing the requirements from the aforementioned sources with the constitutional and legal provisions, rules, procedures and practices of TCA. Plan to proceed further and issues that required clarifications or questions to be asked during interviews were developed on the basis of this comparison. This was followed by a ten working days field work that started on 2nd December 2018 and ended on 15th December 2018 at the headquarters of TCA in Ankara, Turkey.



2.4 Methodology

Methodology of conducting this Peer Review comprised a thorough review of legislative provisions of the documents whose translation was made available in English, on the subject of independence and mandate of TCA and interviews conducted at the offices in Ankara during the field work. The field work began with consultative sessions with TCA team to arrive at an understanding where ambiguity was felt because of translation related issues in the documents. Having developed that understanding planning working papers were modified where required and interviews with various tiers of higher management were designed. The list of those interviewed is given at Annex II.

2.5 Final Peer Review Report

After compiling the results of interviews the Report was sent to TCA for their response on 28-03-2019. Response was received on 17-05-2019. After making necessary modifications in the Report the same was issued on 26-07-2019. After further discussions and responses from the TCA the report was finalized in March 2020.



3. SAI Independence

INTOSAI in its Strategic Plan 2017-22, strongly advocates constitutional and legal frameworks that call not only for SAI's organizational and financial independence but also cater for comprehensive audit mandates, unlimited access to needed information, and to allow for the unrestricted publication of SAI Reports.

A modern SAI is expected to provide assurance to the citizens on stewardship over public finances. However, such assurance is difficult to obtain if the SAI's independence is compromised. SAI Independence has two aspects. The first is “de jure independence” which refers to the legal framework comprising constitutional and legal provisions, and other forms of laws. The importance of this aspect was first identified in the Lima Declaration of 1977. The principles laid down in sections 5 to 7 of the Declaration cater for following three dimensions of SAI Independence:

1. **Organisational independence:** It is ensuring the independence of SAI members, supreme authority of the Head of SAI in staff-related matters and protection of auditors from interference by external sources.
2. **Functional independence:** It is providing such powers to an SAI that are necessary to ensure its independence in conducting audits. SAs should be free to decide about methodology and scope of audit, its timing and reporting.
3. **Financial independence:** It is ensuring the independence that SAs can obtain and spend funds without interference from the external sources. It provides the SAI with the powers to make its own budget estimates and directly apply for the required funding to the body adopting the state budget (Parliament) and freely spending the appropriated budget.

For an SAI to be an effective part of public oversight mechanism there is more to the term 'Independence' than the de-jure independence, i.e., manifestation of the set of rules in practice. The Mexico Declaration regards this additional requirement as “de facto independence” in its statement of the Principle 1. The de-facto independence refers to SAs consolidating their independence in their day to day operations. This practical independence is reflected through:

1. the ability to be protected when the SAI's independence (or that of its Head) is challenged;
2. the ability to have access to resources when needed, and the willingness to be held accountable for their use;
3. the ability to recruit and be supported by professional and well rewarded staff;
4. ensuring the SAI is led and staffed by people of impeccable character, leadership and integrity; and
5. the effective use of the SAI's powers to select and conduct audits, make and follow up on its Reports, and communicate its work to stakeholders.

Eight principles of Mexico Declaration cover both de-jure and de-facto aspects of independence. The same are depicted as eight pillars defining the independence of Supreme Audit Institutions in INTOSAI Strategic Plan 2017-2022 under “Crosscutting Priority 1-Advocating for and Supporting the Independence of SAs”.

The eight pillars of SAI's independence along with respective principles as given in Mexico Declaration are as under:

1. **Legal Status:** The existence of an appropriate and effective constitutional/statutory/legal framework;
2. **SAI Heads:** The independence of the SAI head and members of collegial institutions;
3. **Operations:** A sufficiently broad mandate and full discretion to discharge SAI functions;
4. **Access to Information:** Unrestricted access to information;
5. **Reporting Audit Results:** The right and obligation to report on SAI work;
6. **Timing:** The freedom to decide the content and timing of audit reports and to publish and disseminate them;
7. **Effective Follow-up:** The existence of effective follow-up mechanisms on SAI recommendations, and;

8. **Resources:** Financial, managerial and administrative autonomy.

With the involvement of so many factors real strengthening of an SAI's independence can be regarded as a continuous process rather than a one-time product. This process may comprise small steps resulting, at times, into significant jumps, but it essentially involves people working together and coalescing around common visions and directions. Therefore, it is important for SAIs to periodically review their status and identify the areas where further progress has become possible because of previous achievements.

In view of foregoing, this Peer Review Report is constructed on eight pillars of independence as identified in ISSAIs and is aimed not only at highlighting the strong points but also at attempting to identify the areas where further improvement has become possible. Accordingly, the requirements of ISSAI pertaining to the eight pillars are compared with the legal provisions, procedures and practice of TCA in the subsequent sections.





4. Review of TCA: Independence and Mandate

4.1 Pillar 1: Legal Status

“In order to guarantee the appropriate and effective legal position of SAIs within the state, independence of SAIs has to be defined clearly in the constitution and legislation, including provisions for its de facto application.”

Lima Declaration Section 5 (3) states,

“The establishment of Supreme Audit Institutions and the necessary degree of their independence shall be laid down in the Constitution; details may be set out in legislation. In particular, adequate legal protection by a supreme court against any interference with a Supreme Audit Institution's independence and audit mandate shall be guaranteed.”

In this regard, Principle 1 of Mexico Declaration calls for:

“The existence of an appropriate and effective constitutional/statutory/legal framework and of de facto application provisions of this framework.”

This principle expects that fundamental provisions regarding the independence of SAI both as an institution and for what it is mandated to do be enshrined either in the Constitution or in specific legislation (such as an Act or Law) devoted solely to the SAI or the work of public sector auditing.

As such, Constitution or legislation is expected to spell out, in detail, the extent of SAI Independence meaning thereby that the constitution and/or other forms of legislation, inter alia, should include:

1. Establishing and mandating the SAI
2. Setting out the independence of the SAI
3. Delineating SAI's protection from outside influence

4.1.1 Legal Provisions and Practices at TCA

Law No. 6085 on Turkish Court of Accounts under Article 3 provides for the independence of the Turkish Court of Accounts. It envisages,

“Turkish Court of Accounts shall have functional and Institutional independence in carrying out its duties of examination, audit and taking final decisions conferred by this law and other Laws.”

During the consultative sessions and interviews this aspect was narrated in depth with specific examples from practice that there are no restrictions on performance of the functions assigned to TCA.

It was further elaborated that Turkish Court of Accounts is a court and its functioning is referred to in Article 160 of the Constitution of Republic of Turkey. This article provides:

“The Court of Accounts shall be charged with auditing, on behalf of the Grand National Assembly of Turkey, revenues, expenditures, and assets of the public administrations financed by central government budget and social security institutions, with taking final decisions on the accounts and acts of the responsible officials, and with exercising the functions prescribed in laws in matters of inquiry, auditing and judgment. Those concerned may file, only for once, a request for reconsideration of a final decision of the Court of Accounts within fifteen days of the date of written notification of the decision. No applications for judicial review of such decisions shall be filed in administrative courts.

In case of conflict between the decisions of the Council of State and the Court of Accounts, regarding taxes, similar financial obligations and duties, the decision of Council of State shall prevail. (Paragraph added on October 29, 2005; Act No. 5428) Auditing and final decision on the accounts and acts of local administrations shall be conducted by the Court of Accounts.

The establishment, functioning, auditing procedures, qualifications, appointments, duties and powers, rights and obligations and other personnel matters of the members and guarantees of the President and the members of the Court shall be regulated by law.

Article 9 and 138 of Constitution refers to the independence of all types of courts.

Article 9 of the Constitution of the Republic of Turkey, (as amended on April 16, 2017; Act No 6771) lays down,

“Judicial power shall be exercised by independent and impartial courts on behalf of the Turkish Nation.”

Article 138 of the Constitution of the Republic of Turkey speaks about the independence of the courts. It provides,

“Judges shall be independent in discharge of their duties; and their personal conviction confirming to the law.”

No organ, authority, office or individual may give orders or instructions to courts or judges relating to the exercise of judicial power, send them circulars, or make recommendations or suggestions.

No questions shall be asked, debates held or statements made in the legislative assembly relating to the exercise of judicial power concerning a case under trial.

Legislative and executive organs and the administration shall comply with court decisions. These organs and the administration shall neither alter them in any respect, nor delay their execution.”

The security of tenure for the judges and the public prosecutors is guaranteed under the Article 139 of the Constitution.

4.2 Pillar 2: Independence of SAI's Head

“The condition for appointment of SAI heads and members of collegial institutions should be specified in legislation. The independence of heads of SAIs and members of collegial institutions can only be ensured if they are given appointments with sufficiently long and fixed terms with removal only by a process independent from the executive. This allows them to carry out their mandates without fear of retaliation.”

Section 6(2) of Lima Declaration requires that;

“The independence of the members shall be guaranteed by the Constitution. In particular, the procedures for removal from office also shall be embodied in the Constitution and may not impair the independence of the members. The method of appointment and removal of members depends on the constitutional structure of each country.”

SAI's capacity to deliver is directly dependent upon the direction and tone set by senior managers, in particular the head of the SAI. This enables the creation of a culture of integrity, performance and professional ethics. Accordingly, Principle 2 of Mexico Declaration talks about the independence of SAI heads and members (of collegial institutions), including security of tenure and legal immunity in the normal discharge of their duties.

Principle 2 envisages a legal framework providing the Head of the SAI the freedom that is required to enable him to carry out his constitutional role without fear of arbitrary dismissal or the risk of being subjected to legal action. This Principle envisages that following four key elements be addressed in the legal framework.

1. Process of appointment: It should be transparent, on merit and essentially free of political or any other influence. The related provisions should also cater for ensuring important personal attributes required to lead the SAI.
2. Term of office: Fixed term with sufficient tenure should be ensured to enable the Head of SAI to make a difference. Too short period would hamper materialization of initiated reforms and too long period can result in a lack of turnover necessary to take up new initiatives.
3. Protection from removal from office: As a protection against arbitrary or politically motivated action, a clear and transparent process for suspension or removal from office is clearly stipulated. The legal framework should confer the same level of protection as that available for members of the Judiciary.
4. Legal immunity: The Head of SAI and its senior office holders be immune to any sort of prosecution, for any act, past or present, that results from the normal discharge of their duties. Without this clear immunity, those uncomfortable with audit findings may seek to suppress audit findings, hamper the SAI to fulfil its mandate or prohibit or delay release of its reports into the public domain.

Also, Independence should not only be guaranteed in the Constitution and Legislation, but also in the auditors' daily work. Accordingly, ISSAI 5600-Annex requires that where the SAI is a court with judicial powers, the auditors – court members cannot be sanctioned by their hierarchy for observation and findings issued in the discharge of their duties and only in procedures especially foreseen by law they may be subject to civil, criminal or disciplinary liability. It proposes following two questions in this regard:

1. Are there sufficient legal safeguards in place to protect the independence of the SAI's auditors, during the conduct of their work including the situation when there has been undue pressure from the SAI's hierarchy?
2. Is there a mechanism to ensure that the auditors' performance appraisal process is based only on professional considerations and that the individuals cannot be sanctioned for the observations and findings they have issued in the discharge of their duties?

4.2.1 1 Legal Provisions and Practices at TCA

Article 12 in Law 6085 specifies the required qualifications for the President and members of TCA.

Article 13 clearly indicates that The President of Turkish Court of Accounts would be elected by the General Assembly of the Turkish Grand National Assembly by secret ballot from among two candidates. Moreover, the law also details a vote of absolute majority of those present shall be required, provided that the number of votes is no less than a quarter plus one of the total number of members of the Turkish Grand National Assembly.

Article 13 (4) of the same law also describes that the term of office of the President of Turkish Court of Accounts shall be five years. He can be elected twice at most. The term of office of the President shall continue until the new President takes office. The President whose term has expired may continue to serve as a member of Turkish Court of Accounts.

Article 17 gives details regarding qualifications and appointment of auditors of Turkish Court of Accounts.

Article 63 of Law 6085 provides that salary, allowances, financial and social rights, retirement, other rights and security of tenure of the President, Chairman of Chambers, Members, professional personnel are subject to the same provisions as the first President, chairmen of chambers, and members of Supreme Court of Appeals. Further, it envisages that professional personnel other than those mentioned above shall be subject to the same provisions as the judges and prosecutors of class one, promoted to class one, class two and three according to their respective seniority, category and grade. Assistant auditors shall be paid salary and additional payment as nominee judges and prosecutors.

Article 65 gives the procedure for disciplinary prosecution against the President, Chairmen of Chambers and members of Turkish Court of Accounts.

Articles 71 and 72 of the Law 6085 provide ample protection to the auditors of TCA to be free from internal and external influences in conducting audits.

4.2.2 Our Observation

We observed that independence of the President of TCA and Members of Chambers is sufficiently catered for by having incorporated in law the appropriate procedure for appointments, reasonable tenure for holding the office and laid down legal procedure for disciplinary prosecutions. The law also ensures elaborate appointment procedure, remunerations and independence of the auditors in carrying out audits objectively.

4.3 Pillar 3 - Operations

“In order to fulfill their mandate effectively, SAIs have to be independent in the choice of audit issues, in their audit planning and in the implemented audit methods, as well as in the conduct of their audits and in the organisation and management of their offices. Therefore, SAIs should be free from direction or interference from the legislature or the executive while fulfilling their audit tasks.”

Principle 3 of Mexico Declaration calls for a sufficiently broad mandate and full discretion, in the discharge of SAI functions. The Principle guides that:

“SAIs should be empowered to audit the:

- ♦ use of public monies, resources, or assets, by a recipient or beneficiary regardless of its legal nature;
- ♦ collection of revenues owed to the government or public entities;
- ♦ legality and regularity of government or public entities accounts;
- ♦ quality of financial management and reporting; and
- ♦ economy, efficiency, and effectiveness of government or public entities operations.
- ♦ Except when specifically required to do so by legislation, SAIs do not audit government or public entities policy but restrict themselves to the audit of policy implementation.”

While respecting the laws enacted by the Legislature that apply to them, SAIs are free from direction or interference from the Legislature or the Executive in the

- ♦ selection of audit issues;
- ♦ planning, programming, conduct, reporting, and follow-up of their audits;
- ♦ organization and management of their office; and
- ♦ enforcement of their decisions where the application of sanctions is part of their mandate.

SAIs should not be involved or be seen to be involved, in any manner, whatsoever, in the management of the organizations that they audit.

SAIs should ensure that their personnel do not develop too close a relationship with the entities they audit, so they remain objective and appear objective.

SAI should have full discretion in the discharge of their responsibilities, they should cooperate with governments or public entities that strive to improve the use and management of public funds.

SAI should use appropriate work and audit standards, and a code of ethics, based on official documents of INTOSAI, International Federation of Accountants, or other recognized standard-setting bodies.

SAIs should submit an Annual Activity Report to the Legislature and to other state bodies—as required by the constitution, statutes, or legislation—which they should make available to the public.”

The guidelines under above mentioned principle envisage giving SAI the functional mandate (types of audit to be conducted) and the coverage mandate (field of audit like public revenues, expenditures, asset, etc. or entities to be audited). Principle 3 also deals with the need for independence in how the SAI's mandate is given effect. To this end, it should also be free from direction or interference from the Legislature or the Executive. Besides, it is stressed that situations of conflict of interests be avoided to maintain independence of the auditors.

4.3.1 Legal Provisions and Practices at TCA

Law 6085 entails the mandate of TCA in the following Articles.

Article 1 (1) states that:

“The purpose of this Law is to regulate the establishment of Turkish Court of Accounts, its functioning, audit and judicial procedures, qualifications and appointments of its staff, responsibilities and competence, rights and obligations and other matters pertaining to personnel, the election and security of tenure of the President and members of Turkish Court of Accounts in order to perform audit activities on behalf of the Turkish Grand National Assembly, to take final decision on the accounts and transactions of those responsible, to carry out the duties of examining, auditing and taking final decision stemming from laws, in the framework of accountability and fiscal transparency in the public sector, to ensure that public administrations function effectively, economically, efficiently and in compliance with laws and that public resources are acquired, preserved and utilized in accordance with foreseen purposes, targets, laws and other legal arrangements.”

Article 2 (1) of the Law gives definitions of the audit types that TCA is mandated to carry out. It states, inter alia:

“In the enforcement of this Law;

- a) Audit by Turkish Court of Accounts: Means regularity and performance audit,
- b) Regularity audit: Means financial audit and compliance audit,
- c) Financial audit: Means the audit on reliability and accuracy of financial reports and statements in accordance with results of the assessment of accounts and transactions of public administrations as well as their financial activities, financial management and control systems,
- d) Compliance audit: Means the audit pertaining to the examination of the compliance of accounts and transactions related to the revenues, expenditures and assets of public administrations with laws and other legal arrangements,
- e) Performance Data Evaluation: Means measurement of results of activities with respect to objectives and indicators determined by public administrations within the framework of accountability,”

Article 4 – mentions audit areas to be included in plans; with specific mention of Article 2 of Law No. 3346 on Regulating the Audit of State Economic Enterprises and Funds by the Turkish Grand National Assembly, dated 02.04.1987. This function shall be performed within the framework of the procedures and principles indicated in the stated Law and other laws. Further

Article 5 – describes audit areas and mentioning reporting responsibilities.

Article 6(4) – explaining the mandate of TCA, this article provides, Turkish Court of Accounts may also audit the accounts, transactions, activities and assets of public administrations as of the pertaining year or years irrespective of their account or activity period; as well as based on sector, program, project and topic.

Article 34 – gives details about the purpose of auditing by TCA. While Article 35 (1) (b) provides that audit should be carried out in accordance with the generally accepted international auditing standards. Furthermore, according to Article 35(1) (c), TCA is independent in planning, execution and reporting of audit results.

Article 36— of the same Law entails;

2. “Regularity audit shall be carried out through;
 - a. Determining whether revenues, expenditures and assets of public administrations, as well as accounts and transactions pertaining to those are in compliance with laws and other legal arrangements,
 - b. Giving opinion on the reliability and accuracy of financial reports and statements of public administrations, by evaluating all kinds of supporting and necessary documents,
 - c. Assessing financial management and internal control systems.
3. Performance audit shall be carried out through measuring the activity results related to the objectives and indicators determined by administrations within the framework of accountability.
4. As a result of these audits, other matters regarding audit or resulting from audit activities, required to be clarified may be reported as well.”

In order to prevent the conflict of interests **Article 73** provides the guidelines at the same time it also contains a provision of attracting disciplinary action in case directions contained therein are not adhered to.

According to **Article 21 (3)**, the President of Turkish Court of Accounts should inform the Turkish Grand National Assembly Plan and Budget Committee at least twice a year, and where necessary, the related Committees with regard to the activities of Turkish Court of Accounts.

TCA Audit Regulation (by-law) mentions Value for Money Audit in various articles as depicted in the following.

Article 4 defines the efficiency, economy and effectiveness audit. The definition states that VFM “Means a systematic audit to determine whether the public resources are used in an effective, economic and efficient way by public bodies during fulfillment of their activities.

Articles 24 (1) states, VFM audit is carried out

- a. To inform parliament, public, and public institutions on the issues that effectiveness, economy and efficiency are ensured in acquisition and use of public resources and public institutions have accomplished their goals in an effective way.
- b. To make contribution to the accountability and good governance and good practices in public administration

Article 25 explains the principles of the Value for Money Audit and Articles 26, 27 and 28 of the regulation elaborate the planning, conducting, reporting and follow-up processes of the Value for Money Audit.

During consultative sessions and interviews we were given demonstration of the Software used by TCA for the complete process from Planning to Execution of audit and preparation of Report. The whole Audit Planning and Execution process is free from any outside TCA interference.

4.3.2 Our Observation and Recommendation

We observed that Law 6085 and Audit Regulation provide clear functional and coverage mandate to TCA. The audits are being conducted through audit manuals which are based on ISSAIs. Aspects of external interference and conflict of interests are also addressed in the aforementioned provisions of Law 6085. Reporting of results of audit is also ensured in the provisions of the Law.

We further observed that Regularity audit is comprehensively defined in Article 2(1) of Law 6085 which deals with the definitions of the types of audits that TCA is mandated to carry out. However, Performance audit, its concept and its details, are not mentioned in Article 2(1) of Law 6085, although the same are provided for in Article 1(1) and Article 6(4) of Law 6085 and in related articles of Audit Regulations. The economy, efficiency and effectiveness aspects of Performance Audit, as given in ISSAI 3000, are covered under the definition of VFM audit given in Article 4 of TCA Audit Regulation (by-law), which is introduced based on the Article 1(1) and 6(4) of TCA Law 6085 giving a broad mandate to TCA on its operations. According to our discussions with TCA internal peer review team the Article 2(1) of Law 6085 describes Performance Data Evaluation and not the Performance Audit or VFM audit.

We Recommend TCA may consider incorporating definition of VFM or Performance audit in Article 2(1) of Law 6085 also with a view to add to the comprehensiveness and presentation of the said article.

4.4 Pillar 4 - Access to Information

“Auditors are entitled to be granted free, timely and unrestricted access to all documents and information they might need for the proper discharge of their responsibilities.”

SAI's mandate can be effectively fulfilled only if it is able to gather such evidence as is necessary for effective fulfillment of its mandate. Principle 4 of Mexico Declaration expects that:

“SAIs should have adequate powers to obtain timely, unfettered, direct, and free access to all the necessary documents and information, for the proper discharge of their statutory responsibilities.”

Audit findings are to be formed on the basis of sufficient appropriate audit evidence. In this regard Principle 4 refers to the ability of an SAI to access documents or information relevant to its work either by calling persons to produce documents or give evidence orally, in writing or under oath, or by accessing premises of the audit entity to examine and/or make copies of relevant documents.

SAI's power of unrestricted access to information can in practice be threatened in many ways. They include delays in responding to requests, providing only partial responses to questions or denying the existence of documents which the SAI knows exist or must exist. The legal framework should explicitly cover for all these possibilities.

4.4.1 Legal Provisions and Practices at TCA

While going through the relevant legal provisions it was found that Articles 6 and 9 Law No 6085 not only stress that the TCA can demand any type of record from the auditees but also that concerned persons should provide complete access to the auditors. In case the persons having auditable record do not produce it to audit these articles also prescribe penalties ranging from reduction in salary to suspension to being liable for disciplinary action for the persons who are found at fault. Sub-articles (3), (4) (5), (6) and (7) of Article 9 give details about the penalties to be imposed on the public officials who fail to provide required information to TCA.

We were informed during consultative sessions and interviews that requirements of Article 9 of the law are fully implemented. Under the law TCA can demand any form of record from any public entity and this also covers the record of public private partnerships. There are penalties against not producing record to the audit; however, during the discharge of the duties the auditors being interviewed had not witnessed instances of non-compliance or non-production of record.

We were also informed that although there is no restriction in the law, TCA does not audit individual taxpayers' files. In this regard TCA places reliance on the audit conducted by tax auditors of Ministry of Treasury and Finance.

4.4.2 Our Observation

We observed that legal framework provides sufficient powers to TCA for unrestricted access to auditable record. Strong punitive measures are also provided against creating hindrances for the provision of record. The success of these provisions is evident from the fact that the need for punitive measures has not arisen so far.

4.5 Pillar 5-Reporting Audit Results and Pillar 6- The Content and timing of report

Keeping in view the similarity of issues and overlapping legal provisions for Pillar 5 and Pillar 6, we consider it appropriate and useful to make a combined presentation and analysis of legal provisions and practices at TCA. However, relevant provisions of the ISSAIs are presented separately as below in both the cases.

A) Reporting Audit Results (Provisions of ISSAIs)

“SAIs should report on the results of their audit work at least once a year; however they are free to report more often, if considered necessary”

Section 16 of Lima Declaration stipulates following requirements for SAI's “Reporting to Parliament and to the general public”.

1. “The Supreme Audit Institution shall be empowered and required by the Constitution to report its findings annually and independently to Parliament or any other responsible public body; this report shall be published. This will ensure extensive distribution and discussion, and enhance opportunities for enforcing the findings of the Supreme Audit Institution.

2. The Supreme Audit Institution shall also be empowered to report on particularly important and significant findings during the year.
3. Generally, the annual report shall cover all activities of the Supreme Audit Institution; only when interests worthy of protection or protected by law are involved shall the Supreme Audit Institution carefully weigh such interests against the benefits of disclosure.”

Principle 5 of Mexico Declaration provides guidance on SAI's right and obligation to report on their work as follows;

“SAIs should not be restricted from reporting the results of their audit work. They should be required by law to report at least once a year on the results of their audit work.”

SAIs should report on the results of their audit work at least once a year; however, it should be able to report at any time on any matter it considers warranting such a report. The Legislature should be the primary recipient of the SAI's reports.

4.6 B - The content and timing of report (Provisions of ISSAIs)

“SAIs should be free to decide the content of their audit reports and to publish and disseminate their reports, once they have been formally tabled or delivered to the appropriate authority.”

Principle 6 of the Mexico Declaration provides for the freedom of SAI to decide the content and timing of audit reports and to publish and disseminate them. The guidelines provided under this principle are;

- I. “SAIs are free to decide the content of their audit reports.
- ii. SAIs are free to make observations and recommendations in their audit reports, taking into consideration, as appropriate, the views of the audited entity.
- iii. Legislation specifies minimum audit reporting requirements of SAIs and, where appropriate, specific matters that should be subject to a formal audit opinion or certificate.
- iv. SAIs are free to decide on the timing of their audit reports except where specific reporting requirements are prescribed by law. SAIs may accommodate specific requests for investigations or audits by the Legislature, as a whole, or one of its commissions, or the government. SAIs are free to publish and disseminate their reports, once they have been formally tabled or delivered to the appropriate authority—as required by law.”

Pillars 5 and 6 both refer to SAI's power to report, and can be considered together. These Principles provide guidelines on;

1. Legal framework for SAI's right and obligation to report to the Legislature.
2. SAIs power to decide about the frequency and timing of its report.
3. SAI's power to determine about the contents of its reports.

4.6.1 Legal Provisions and Practices at TCA (Pillars 5 & 6)

Article 37 (1) (d) of Law 6085 considers “Submission of reports to the Turkish Grand National Assembly and forwarding them to the relevant public administrations” as an essential stage of auditing process.

TCA prepares following Reports for the submission to the Turkish Grand National Assembly as provided in Articles 38, 39, 40 and 41 of Law 6085:

1. “The External Audit General Evaluation Report: Prepared as a result of regularity and performance audit.
2. The Accountability General Evaluation Report,
3. The Financial Statistics Evaluation Report,
4. The Statement of General Conformity,
5. Other Reports”

Other reports

Article 42 :“(1) *These are the reports prepared as a result of audits and examinations other than the reports stipulated in other articles herein.*

(2) The President of Turkish Court of Accounts shall submit these reports to the Turkish Grand National Assembly or forward to relevant public administrations.”

Auditing and Reporting of State Economic Enterprises

Article 43: (1) Annual Audit Reports prepared by headships of audit groups at the end of the audit on the organizations within the scope of the final paragraph of Article 4 of this Law shall be sent to the Board of Report Evaluation by the end of September following the end of the year relevant to report.

Articles 38 to 43 of Law 6085 give details of how these reports are to be prepared, approved and submitted to Turkish Grand National Assembly. Under these Articles all the Audit Reports have to undergo an internal quality assurance process. After final approval of these Reports from relevant authorities of TCA are submitted to Turkish Grand National Assembly for deliberations by the public representatives.

Article 44 (1) empowers TCA to make their Audit Reports public. It envisages,

“Reports of Turkish Court of Accounts, except for the cases forbidden to be announced by laws, shall be announced to the public by the President of Turkish Court of Accounts or deputy president assigned by him within fifteen days as of the submission of Reports to the Turkish Grand National Assembly and related public administrations.”

During consultative sessions and interviews we were informed that the contents of an Audit Report, process of its quality assurance and finalization of the Report are all decided within TCA without any influence from the external stakeholders. The timeframe for submission of the Audit Reports is provided in Law 6085 clauses mentioned above.

4.6.2 Our Observation

We observed, as regards Pillars 5 and 6 that the legal framework requires TCA to report the audit results to the Legislature. The mandatory Audit Reports are to be submitted annually on a specified time frame while TCA is also empowered to report on other important and significant findings during the year. Furthermore, the Legal Framework does not allow any interference or influence of external stakeholders in the Audit Report preparation and submission process. Therefore, TCA is fully empowered to decide about the contents of its Reports, submitting these to the Turkish Grand National Assembly and making the Reports public.

4.6.7 Pillar 7 – Effective Follow-up Mechanism

“SAIs should have independent procedures for follow-up audits to ensure that audited entities properly address their observations and recommendations and that corrective actions are taken.”

Principle 7 of Mexico Declaration refers to the need of the existence of effective follow-up mechanisms on SAI recommendations. The guidelines provided thereunder are:

- i. “SAIs submit their reports to the Legislature, one of its commissions, or an auditee's governing board, as appropriate, for review and follow-up on specific recommendations for corrective action.
- ii. SAIs have their own internal follow-up system to ensure that the audited entities properly address their observations and recommendations as well as those made by the Legislature, one of its commissions, or the auditee's governing board, as appropriate.
- iii. SAIs submit their follow-up reports to the Legislature, one of its commissions, or the auditee's governing board, as appropriate, for consideration and action, even when SAIs have their own statutory power for follow-up and sanctions.”

Principle 7 recognises that SAIs have two roles. One relates to holding public bodies accountable. The other is about helping the public administration to achieve meaningful improvements. One of the main measures of a SAI's effectiveness is whether the public administration acts on audit findings and implement its recommendations.

An SAI, therefore, should have the power to follow up its Audit Reports. It should also be able to report to the Legislature and the public on the extent to which its recommendations are being implemented.

4.7.1 Legal Provisions and Practices at TCA

Article 37 (1) (e) of Law 6085 depicts Follow-Up activity as the last stage in the auditing process. Article 53 provides that the writs of Turkish Court of Accounts should be executed within ninety days after they become final. Heads of public administrations to which writs are sent shall be responsible for the implementation of the writs. It also provides that the amount of indemnification stated in the writ shall be subject to interest.

The follow-up of audit results is provided for in Chapter 4 of the latest version of the Regularity Audit Manual of TCA. Details of planning, executing and reporting follow-up activity are given in the manual.

During interviews we were informed that TCA has an elaborate mechanism for follow-up activity in form of provisions given in the Audit Manuals. However, these provisions regarding follow-up are not yet operationalized for judicial writs and the Audit Reports submitted to the parliament both. We were further informed that it was within the plans of TCA to operationalize the follow-up procedures in the coming audit cycle.

4.7.2 Our Observation and Recommendation

We observed that the legal framework recognises the follow-up as an essential stage of the audit cycle and fully empowers TCA to carry out the same. Furthermore, the procedure for planning and executing follow-up and reporting its results is elaborately given in the Regularity Audit Manual. This all constitutes a sufficient system to ensure that the audited entities properly address the observations and recommendations made by audit as well as those made by the Legislature. However, the latest version of the Regularity Audit Manual is approved by the Auditing Planning and Coordination Board on 07.09.2018, and was put into effect on 08.10.2018. Therefore the provisions regarding follow-up are not yet operationalized.

We recommend that TCA may consider operationalizing the follow-up activity and, in the meantime, sensitizing the Parliament regarding importance of the Follow-up Reports.

4.8 Pillar 8 - Resources

“SAls should have available necessary and reasonable human, material and monetary resources and should manage their own budgets without interference or control from government and its authorities.”

It is essential for SAls to have sufficient resources and autonomy over their deployment in order to fulfill their mandate effectively. Accordingly, Section 7 of Lima Declaration stipulates;

1. “Supreme Audit Institutions shall be provided with the financial means to enable them to accomplish their tasks.
2. If required, Supreme Audit Institutions shall be entitled to apply directly for the necessary financial means to the public body deciding on the national budget.
3. Supreme Audit Institutions shall be entitled to use the funds allotted to them under a separate budget heading as they see fit.”

Principle 8 of Mexico Declaration further elaborates this financial and administrative autonomy and the availability of appropriate human, material, and monetary resources. Following guidelines are given under this principle.

- i. “SAls should have available necessary and reasonable human, material, and monetary resources—the Executive should not control or direct the access to these resources. SAls should manage their own budget and allocate it appropriately.
- ii. The Legislature or one of its commissions is responsible for ensuring that SAls have the proper resources to fulfil their mandate.
- iii. SAls have the right of direct appeal to the Legislature if the resources provided are insufficient to allow them to fulfil their mandate.”

In essence, Principle 8 requires that in order for an SAI to have desired institutional independence the legal framework should have explicit provisions regarding fulfilling SAI's need for sufficient resources required for effective implementation of its mandate; its financial independence from the Executive and the Head of the SAI having autonomy to deploy the allocated resources.

For ensuring financial independence, the SAI should be responsible for preparing its own annual budget proposal and the process for approving the budget should remove the risk that funding is controlled by the Executive, including Ministry of Finance.

As regards operational autonomy the SAI should have power to allocate the resources given to it through its budget and the power to decide on the content and direction of the SAI's auditing operations. The SAI should also be independent in taking decisions regarding human resource management.

Possible government concerns about extending the SAI financial or operational independence can be well addressed by the SAI's willingness to be accountable. Principle 8 of ISSAI 12 encourages SAI to demonstrate that it is practicing the highest levels of internal control and judicious use of public resources.

4.8.1 TCA Reforms

Article 18 of Law 5018 Public Financial Management and Control Law provides that Turkish Court of Accounts shall submit its budget directly to the Turkish Grand National Assembly until the end of September, and send a copy to Ministry of Treasury and Finance. Detailed procedure is provided in Article 62 of Law 6085 regarding preparation and making transactions from the allocated budget of TCA.

Chapter 2 of Law no 6085 relates to qualifications, elections and appointments of the personnel of the TCA. Article 13 (1) of this chapter provides that the President of TCA shall be elected by the General Assembly of the Turkish Grand National Assembly by secret ballot. The remaining articles reflect that TCA has complete autonomy to elect members recruit auditors and supporting staff.

Administrative affairs of the Turkish Court of Accounts are carried by Units established on proposal of President TCA and decision of General assembly of TCA. The supporting staff of the Turkish Court of Accounts is appointed on the approval of the President TCA, having qualifications detailed in the provisions of Law No. 657.

According to the Article 47 of Law no 6085, the President Turkish Court of Accounts may hire experts from outside TCA, if deemed necessary, provided that the experts work under the coordination of the professional personnel and within the limits of the matter to be examined.

Chapter three of Law 6085 deals with the organisation, functioning, duties and competencies of the Presidency, judicial, decision-making and other bodies of TCA. Articles under this chapter reflect that TCA has complete autonomy over the utilization of its human resources. Article 31 in this chapter provides for The Board of Auditing, Planning and Coordination to prepare the Strategic Plan and Annual Performance Program of Turkish Court of Accounts to monitor, evaluate and coordinate the implementation of Audit Plans and Programs, to establish the Performance Measurement Systems, and to prepare the Accountability Report of Turkish Court of Accounts, to prepare the By-Laws, Standards, Guidelines on audit, and to determine the Professional Code of Ethics,

The autonomy of TCA is linked well with transparency in its operations. Article 21 (3) of Law 6085 requires;

“The President of Turkish Court of Accounts shall inform the Turkish Grand National Assembly Plan and Budget Committee at least twice a year, and where necessary, the related Committees with regard to the activities of Turkish Court of Accounts.”

During interviews we were informed that TCA is audited by a special commission constituted by Turkish Grand National Assembly...The commission members are selected on basis of their qualification and professional experience. They do not represent any of the entity audited by TCA and, therefore, there is no issue of conflict of interests. As regards provision of budget it was informed that the requirements of TCA were always fully met. TCA has an elaborate mechanism to hire and then train its human resource to deliver as per requirements of the TCA. Trainings cover not only theoretical aspects but also practical aspects of auditing. TCA has autonomy to decide which human resource is to be sent to which international training/conference without any external interference.

4.8.2 Our Observation

We observe that the legal framework provides full autonomy to TCA over acquisition and allocation of financial and human resources. While TCA is independent of the Executive in its resource management and operations, it ensures transparency in its operations and offers accountability to the public representatives.

5 Conclusion

In the foregoing sections we compared and analysed the legal provisions and practices at TCA with the requirements and guidelines given in the relevant ISSAIs. As a result of this we conclude that the Legal Framework governing the establishment and functioning of TCA affords it with adequate independence and elaborate mandate, and there is no hindrance in its application in practice thus granting it de-jure and de-facto independence. We believe that the Recommendations that we made in the foregoing sections will help in enhancing the already enjoyed independence by TCA for the benefit of the Republic of Turkey and its people.