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Remarks at a toast to welcome EU SAI CC workshop on fiscal policy audit participants,
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FOR ACCOUNTABILITY AND GOOD GOVERNANCE IN THE EUROPEAN UNION

It is my pleasure to welcome you to Säätytalo, the House of the Estates, to the Government Banqueting Premises. Before the Parliamentary reform 100 years ago, when Finland got a modern, unicameral Parliament with women eligible as candidates and the right to vote, democratic representation was realised through four estates, the nobility, clergy, bourgeoisie and peasants. In those days this house served as meeting premises for three non-noble estates. Today this house is still at the centre of political events. The Constitution of Finland requires that a new Cabinet shall present its programme to the Parliament as a report leading to a vote of confidence. This together with the multi-party parliamentary system means that Governmental programmes, the coalition agreements, tend to be very detailed and provide very precise direction for the politics and policies of Government for the whole electoral period and the negotiation of the coalition agreement and Governmental programme are the real moments of politics and political bargaining. The coalition agreements have usually contained also the fiscal policy rule the Government has pledged to observe. This place, the House of the Estates is traditionally used to host the coalition negotiations leading to the formation of a new Government. This place is also annually used for the Cabinet Budget session in which the Government agrees on the contents of the Budget bill.

In the stairs to the first floor we passed under the eyes of the Maiden Lex. Maiden Lex is equipped with the sword and shield of law. The sword of law and weights of reason are also the old symbols of the National Audit Office of Finland dating from the period during which we were officially a court of law. The office has evolved but we still have significant judicial role as I told to those of you who had the possibility to be in our get together evening on Tuesday night. But also the sword and shield of law and weights of reason are today in general the necessary equipment and powers entrusted to us as SAIs. Circumstances have changed and we need to address a wider audience, we need to take broader perspective, assume wider responsibilities in the use of our traditionally honourable and successful approach as guardians of sound and legal management of public finances.

Today the European Union sets part of the law and common principles applicable to public finances. Our sword and shield is in the defence of this law, it includes the defence of the internal markets and the respect for the rules and principles of the Stability and Growth Pact. Our weights of reason shall also measure and evaluate the effectiveness, economy and efficiency of the European Union policies and activities. In to-

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day's Europe we need to defend our common law and to measure economic rationality together, in a network, in order to be effective ourselves in the mission entrusted to us.

If we learn anything of the financial crises and deep economic recession we are starting to recover gradually, it is, that we shall pay attention to good governance and accountability. Good governance and accountability require also close international and European co-operation in the context of the European Union. We made today good decisions and had a good workshop. The new network for fiscal policy audit will add an important direction to the work of the European Union Supreme Audit Institutions. In the light of the crises I will remind that all our nations have an issue of the sustainability of public finances. Here our sword of law and weight of reason will be in the defence of our children and grand-children so that future generations will have at least as good point of departure as our generation had. Good governance and accountability are part of the law we shall defend. Economic recession and financial crises will lead to the increased role of the Government in economy. Here we must ensure that the benefits of the Union and its internal market are not lost. Supervision of the state aid rules is even more important than before.

Lisbon Strategy for Growth and Jobs is a similar story. The whole strategy is based on a partnership between the Union institutions and institutional discourses with the Member States. That is why we must in a network try to have sufficient audit coverage of the national reform programmes and also national measures of the European Economic Recovery Plan. Here we shall aim at the establishment of a network with bench-marking of audit activities, database of work done and good practises and launch of parallel audits. In the area of Lisbon Strategy we shall also aim at the network audit trough which we will make a contribution to European and our respective national procedures. By network audit I mean activities in which our SAIs in a coordinated manner and inspired by our respective approaches and methods audit various elements of the Lisbon Strategy and the results are reported to the Union institutions and Union-wide public debate as well as to the national Parliaments. In the course of planning that we can also collect of database of audit approaches, good practises and results to inspire each other. By doing this in a joint network we will be better placed to help our nations to spend wisely and also to tax wisely and to promote our long-term common economic goals and prosperity.

The network for the Lisbon Strategy should, according to my view, have a look into the following issues:

- Implementation of National Reform Programmes and their macro-economic priorities to boost growth and ensure economic stability. The network could have a look on the financial sustainability of key social policies, including pensions and social policy programmes
- Micro-economic priorities and particularly competitiveness, productivity, research and innovation; the issue is whether Union will really be productive and innovative knowledge based area
- Employment policy, the efficiency of labour market and raising the employment rate.

At this moment I propose a toast for the future of good governance and accountability in the European Union.

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