



Public audit report

MANAGEMENT OF THE REPRESENTATION OF THE REPUBLIC OF LITHUANIA IN INTERNATIONAL ORGANISATIONS

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Full audit report in Lithuanian is available on the website of the National Audit Office: www.vkontrole.lt

EXECUTIVE SUMMARY

By participating in activities of various international organisations, Lithuania contributes to peace in the world and in the region, consolidation of security and stability, human rights and democracy, solution of global and regional problems, reduction of poverty and illiteracy, sustainable development in the world and in the region, protection of the environment, a dialogue between the development of civilizations and addressing of other global problems. Many international organisations also help tackle domestic problems due to their global nature, such as corruption, human trafficking, organised crime, drug addiction, etc.

The Republic of Lithuania is a member of a number of international organisations; public bodies, in their turn, are members of other organisations¹. The membership of public bodies in international organisations does not impose legally binding obligations on the Government and other public bodies². Their membership in international organisations facilitates implementation of tasks set for public bodies. Fulfilment of international commitments arising from the membership of the Republic of Lithuania in international organisations has to be ensured by the Government.

¹ A public body is a public legal entity which acts as a budgetary institution financed from the State Budget, as well as from the State Social Insurance Fund, Compulsory Health Insurance Fund, other public monetary funds and which performs public functions assigned thereto.

² Rules for the drafting and conclusion of international agreements of the Republic of Lithuania approved by Government of the Republic of Lithuania Resolution No. 1179 of 1 October 2001 (as amended by No. 924 of 18 July 2012), p. 13.

Development of the public policy, organisation, coordination and control of its implementation with respect to the representation of the Republic of Lithuania abroad, in the area of international relations (international contractual relations) and other areas of foreign policy has been delegated to the Ministry of Foreign Affairs³. Neither the Government, nor the Ministry of Foreign Affairs has information about the international organisations of which the Republic of Lithuania is a member.

Representation of the Republic of Lithuania in the European Union (EU), unlike in other international organisations, is thoroughly regulated. The information system of Lithuanian membership in the EU, LINESIS, enables management of information. The Governmental European Union Commission addresses the most important issues of EU membership. Reports on participation in EU events are provided in LINESIS.

The Republic of Lithuania is represented in international organisations by various public bodies (usually ministries). The audit assessed management of the representation in international organisations of which the Republic of Lithuania is a member (*except the EU*), answering the following questions:

- How are decisions on the membership of the Republic of Lithuania in international organisations taken?
- What information about the membership of the Republic of Lithuania in international organisations is managed by the Ministry of Foreign Affairs?
- How is the execution of financial commitments of the Republic of Lithuania to international organisations organised?
- How are decisions on the participation in activities of committees of international organisations taken?
- Does the reporting by public bodies and their representatives provide preconditions to evaluate expediency of Lithuania's membership in international organisations?

The audit was conducted in the Ministry of Foreign Affairs. Additional audit entities were the Ministry of Environment, Ministry of Economy, Ministry of Transport, and public bodies assigned to their management area. The selection criteria – representation of the largest number of international organisations and payment of the largest amount of membership fees.

³ Regulations of the Ministry of Foreign Affairs of the Republic of Lithuania, p. 5, (as amended by No. 1497 of 13 October 2010) approved by Government of the Republic of Lithuania Resolution No. 1155 of 25 September 1998 (as amended by No. 375 of 9 April 2008); Government of the Republic of Lithuania Resolution No. 330 of 24 March 2010 on management areas assigned to ministers, p. 1.12 (as amended by No. 1114 of 21 July 2010).

Information was collected from the ministries and Prime Minister's Office (Chancellery of the Government as from 1 May 2013⁴). The audit period – 2010–2012. The assessment of the decision-making concerning the membership of the Republic of Lithuania in international organisations also included analysis of the data for 2002–2013.

Assessment of the audit findings revealed insufficient management of the representation of the Republic of Lithuania in international organisations at the state level. The public audit conclusions and recommendations are provided below.

AUDIT CONCLUSIONS

1. The Ministry of Foreign Affairs has been delegated to shape the public policy with respect to the representation of the Republic of Lithuania abroad, in the area of international relations (international contractual relations) and other areas of foreign policy, and to organise, coordinate and control its implementation. The Republic of Lithuania is represented in international organisations by representatives of various public bodies. Coordination of the state-level representation is aggravated by the fact that:

1.1. the Ministry of Foreign Affairs does not have accurate and detailed information about the international organisations of which the Republic of Lithuania is a member, expediency of the membership, and status of the execution of financial commitments to the international organisations;

1.2. establishment of the priority of committees of international organisations for the Republic of Lithuania is not appropriate because priority establishment conditions are too abstract and expediency of the participation in committees which are proposed to be recognised as priority ones for the Lithuanian Republic has been insufficiently considered.

1.3. when deciding not to participate in events which are arranged by committees of international organisations and which are priority for the Republic of Lithuania, public bodies do not agree such decisions either with the Ministry of Foreign Affairs or the Prime Minister's Office (Chancellery of the Government) and do not inform them of the decisions taken. Over the period 2010–2012, no representatives of the Ministry of Environment, Ministry of Economy, Ministry of Transport, and public bodies assigned to their management area participated in almost half (55 out of 121) events approved by the Prime Minister as priority events for the Lithuanian Republic, without informing the Ministry of Foreign Affairs and the Prime Minister's Office thereof.

⁴ Government of the Republic of Lithuania Resolution No. 254 of 27 March 2013 on the approval of the Regulations of the Chancellery of the Government of the Republic of Lithuania, p. 2

2. Adoption of decisions concerning the membership of the Republic of Lithuania in international organisations requires information on whether the goals (tasks) for which the Republic of Lithuania joined the international organisations are still relevant and whether the possibilities offered by the membership are used effectively. There is no regulation on who, how and how often should evaluate expediency of the membership in international organisations at the state level, and the reporting by public bodies on the representation in international organisations is not oriented towards provision of information necessary for the evaluation of expediency of Lithuania's membership in international organisations:

2.1. annual activity reports of public bodies provide no detailed information about the results of the representation in international organisations of which the Republic of Lithuania is a member;

2.2. representatives of public bodies who have participated in events held by the committees of the international organisations of which the Republic of Lithuania is a member do not always prepare and submit reports to the Ministry of Foreign Affairs as provided for in the Procedure of the activity of representatives of public authorities and bodies of the Republic of Lithuania in sessions, committees, commissions, working groups of the United Nations Organisation and its specialised agencies, and in committees, commissions and working groups of other international organisations. Over the period 2011–2012, representatives of the Ministry of Environment, Ministry of Economy, Ministry of Transport and public bodies assigned to their management area failed to prepare 11 per cent of the reports; 68 per cent of these reports were not submitted to the Ministry of Foreign Affairs.

3. According to the information provided by the ministries, LTL 47.4 million of Lithuania's membership fees (including LTL 1 million paid in advance, although advance payment has not been provided for in the international agreements) and LTL 5.9 million of voluntary contributions were paid to the international organisations of which the Republic of Lithuania is a member in 2012. At the end of 2012, Lithuania's debt to international organisations totalled LTL 6.8 million. Decentralisation of the payment of the fees for Lithuania's membership in international organisations in 2006 has resulted in failure to coordinate the payment at the state level and, consequently, to ensure execution of the obligations to key international organisations and effective use of State Budget funds intended for the payment of Lithuania's membership fees and voluntary contributions to international organisations.

AUDIT RECOMMENDATIONS

To the Government of the Republic of Lithuania:

1. With a view to ensuring state-level management of accurate information necessary for the adoption of decisions regarding Lithuania's membership in international organisations:

1.1. to appoint a manager of information and to regulate what kind of information and on what international organisations it shall be collected, as well as the provision of information to its manager and ways of collection;

1.2. to organise state-level evaluation of expediency of the membership of the Republic of Lithuania in international organisations;

1.3. to take decisions that the reporting by public bodies which represent the Republic of Lithuania in international organisations should focus on the provision of information required for the evaluation of expediency of the membership of the Republic of Lithuania in international organisations.

2. Aiming at state-level coordination of the participation of representatives of the Republic of Lithuania in activities of international organisations and execution of the financial commitments of the Republic of Lithuania to international organisations:

2.1. to revise the conditions of the recognition of committees of international organisations as priority ones for the Republic of Lithuania formulating these conditions more precisely and taking into account the vision of the State, development priorities, and their implementation directions until 2030 provided for in the Lithuania's Progress Strategy "Lithuania 2030";

2.2. to obligate public bodies to justify participation in the committees of international organisations when providing proposals to the Ministry of Foreign Affairs concerning the recognition of the committees as priority ones for the Republic of Lithuania and to lay down a procedure for the evaluation of the proposals;

2.3. to determine how decisions not to take part in events of priority committees should be adopted;

2.4. to provide for measures to ensure proper execution of the financial commitments of the Republic of Lithuania to international organisations and effective use of State Budget funds intended for the payment of Lithuania's membership fees and voluntary contributions to international organisations.