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Rechnungshof  
Österreich

Unabhängig und objektiv für Sie.

*Annual Report 2022*

*of the Austrian Court of Audit*

**WE AUDIT, INDEPENDENTLY AND OBJECTIVELY. AT YOUR SERVICE.**

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## PRELIMINARY REMARKS

On 28 December 2022 the Austrian Court of Audit submitted its Annual Report 2022:

**pursuant to Article 126d para. 1 Federal Constitutional Law to the National Council (Federation 2022/44)**

III–828 of the enclosures to the Stenographic Minutes of the National Council XXVII GP

**pursuant to Article 127 para. 6 in conjunction with Article 127 para. 8 Federal Constitutional Law to the**

Burgenland Parliament (Burgenland 2022/3)

Carinthian Parliament (Carinthia 2022/5)

Lower Austrian Parliament (Lower Austria 2022/6)

Salzburg Parliament (Salzburg 2022/4)

Styrian Parliament (Styria 2022/3)

Tyrolean Parliament (Tyrol 2022/5)

Upper Austrian Parliament (Upper Austria 2022/4)

Vienna Municipal Council (Vienna 2022/5)

Vorarlberg Parliament (Vorarlberg 2022/3)

File no 2022–0.843.490

### DISCLOSURE

Publisher: Rechnungshof Österreich

(Austrian Court of Audit)

Dampfschiffstraße 2, 1030 Vienna

[www.rechnungshof.gv.at](http://www.rechnungshof.gv.at)

Editorial and graphic design:

Austrian Court of Audit

Published: Vienna, in December 2022

### INFORMATION

Rechnungshof Österreich

(Austrian Court of Audit)

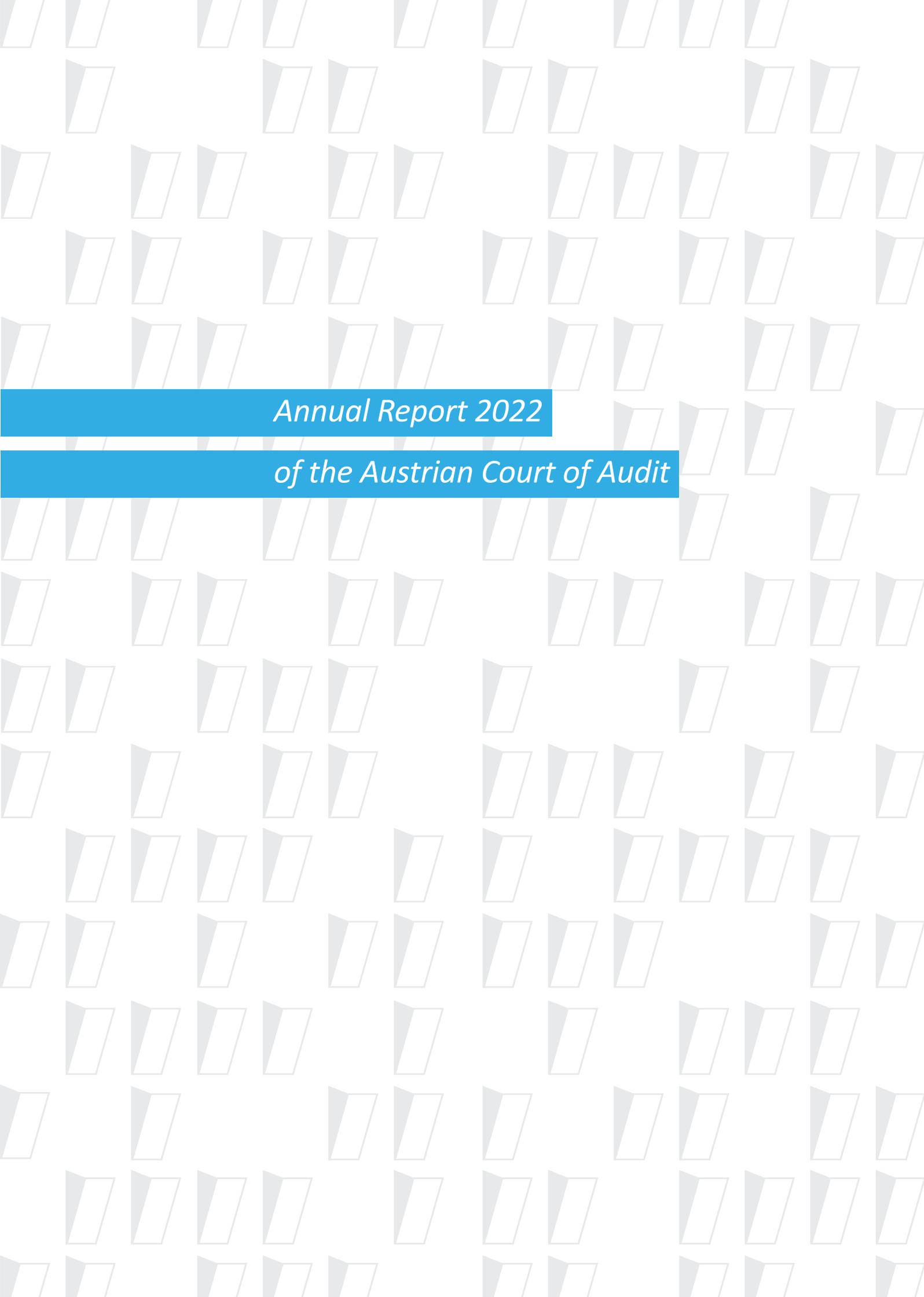
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*Annual Report 2022*

*of the Austrian Court of Audit*



## MIDTERM

2022 was once again a challenging year for the Austrian Court of Audit (ACA). With its comprehensive activities, it often took centre stage in the public discourse. As the supreme body of public–sector audit, we published reports that contain important recommendations for politics and administration. The ACA creates transparency on public processes and wishes to enhance Austria’s compliance culture.



The manifold activities of the ACA are never an end in itself. They serve to identify existing problems and to improve public policies. Let us all make things better in the future! Let us create a common understanding on central challenges and engage in a dialogue! In a dialogue based on a respectful culture of conversation with state institutions, in a dialogue on the existing, opposing approaches for solutions, and let us look jointly for the right decisions in the spirit of responsibility for the state and for future generations. The ACA aims to encourage decision–making. To this end, it has, however, time and again called for transparency, plausibility, conclusive impact assessment as well as comprehensible documentation and accountability as regards the use of taxpayers’ money. Mistakes must be addressed, it must be possible to draw lessons learned; the state needs a solid foundation. We all need to work on that and the ACA – as an effective oversight body – is no exception.

In the next year, the amended Political Parties Act will provide the ACA with additional audit rights, and the National Council will be able to address more audit requests to us. As has already been the case until now, the ACA will perform all tasks assigned to it in an objective, fact–based and responsible manner. Additional resources for auditors will further enhance the ACA’s independence. I would like to express my gratitude to all staff members who, with their work, contribute to the ACA’s performance!

2022 marked the midterm of my term of office as President. I should like to thank the National Council for its trust. I believe that by expanding the quorum to a two–thirds majority for the appointment of the ACA president, the office can be kept out of party political discussions even more effectively.

The ACA acts for the citizens.  
I therefore always appreciate your interest and your valued feedback!

*Margit Kraker*  
President of the Austrian Court of Audit



## Priorities 2022

The ACA  
at a glance

## Auditing and advising

2022

The ACA's  
recommendations  
facilitate its impact

## CONTENTS

Midterm	3	1.9 New challenges for audit institutions	44
The ACA at a glance	6	1.10 The general public: an important partner for the ACA	46
1 Priorities 2022	9	2 Auditing and advising	49
1.1 Strengthening trust through compliance and transparency	9	2.1 Auditing	49
1.2 Rendering political party funds more transparent	12	2.2 Reporting	50
1.3 Administration in times of the pandemic – as exemplified by the establishment of COFAG	15	2.3 Advisory activities	55
1.4 Looking into COVID–19 aid measures	19	2.4 Committees of inquiry	61
1.5 Considering the benefit for citizens	29	3 The ACA's recommendations facilitate its impact	67
1.6 Auditing public construction projects	33	3.1 Enquiry on the degree of implementation of the recommendations issued in 2021	68
1.7 Analysing cybersecurity	36	3.2 Follow–up audits in 2022	84
1.8 Assessing the social insurance reform	40		



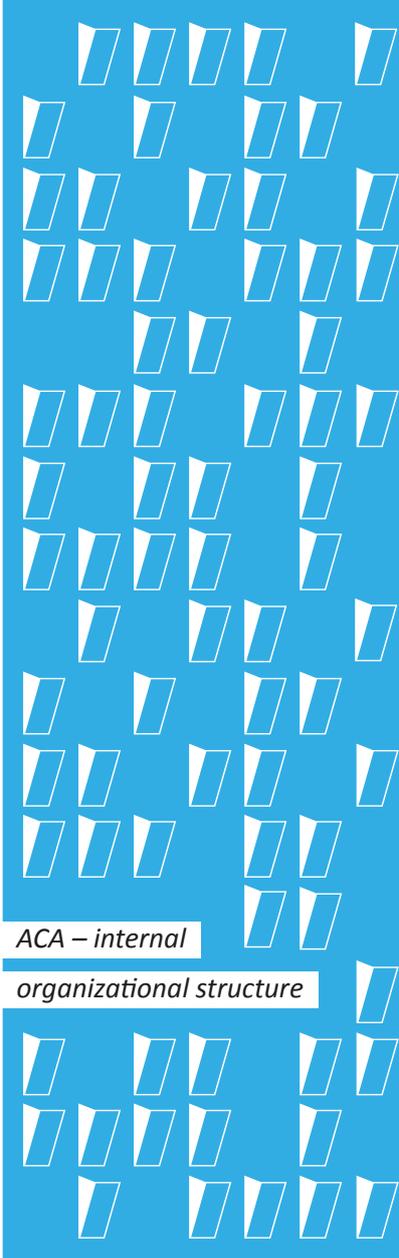
*Consultation  
on draft legislation*



*Special tasks*



*International  
cooperation*



*ACA – internal*

*organizational structure*

<b>4</b>	<b>Consultation on draft legislation</b>	<b>91</b>
4.1	Federation	92
4.2	Provinces	93
4.3	Selected Comments	94
<b>5</b>	<b>Special tasks</b>	<b>101</b>
5.1	Report on the Federal Financial Statements	101
5.2	Income reports	105
5.3	Countersignature of financial debts	105
5.4	Political Parties Act	106
5.5	Act on the Election of the Federal President	108
5.6	Media Transparency Act	108
5.7	Incompatibility and Transparency Act	108
5.8	Adjustment factor for politicians' emoluments	109

<b>6</b>	<b>International cooperation</b>	<b>111</b>
6.1	INTOSAI	111
6.2	Bilateral cooperation with Supreme Audit Institutions	116
<b>7</b>	<b>ACA – internal organizational structure</b>	<b>119</b>
7.1	Day-to-day operations during the pandemic	119
7.2	Digitalization at the ACA	119
7.3	Organization and personnel	120
7.4	Knowledge management	122
7.5	Budget	123
7.6	Outcome orientation	124
7.7	New developments in the area of data analysis	125

*The ACA at a glance*

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# Rechnungshof

## Austrian Court of Audit (ACA)

*In addition to its core functions – auditing and providing advice – the ACA has numerous other tasks.*



Independent and objective. At your service.

**2**

requested special audits

reports submitted to  
representative bodies in 2022

**50**

**89.1%**

impact  
follow-up enquiry

about **6,000**  
legal entities subject  
to the ACA's audits

**20** donations to political parties published in accordance with the Political Parties Act

number of ongoing audits

**81**

**10** ongoing COVID-19-related audits in 2022

INTOSAI General Secretariat

195 members worldwide

published statements of accounts submitted by political parties

**7**

**87.3%**

degree of impact follow-up audits

**8** published follow-up audits

**301** staff members

**84%** working in an audit function

**151** women



## *Priorities 2022*

- *Strengthening trust through compliance and transparency*
- *Rendering political party funds more transparent*
- *Public administration during the pandemic*
- *Looking into COVID–19 aid measures*
- *Considering the benefit for citizens*
- *Auditing public construction projects*
- *Analysing cybersecurity*
- *Assessing the social insurance reform*
- *New challenges for Supreme Audit Institutions*
- *The general public – an important partner for the ACA*

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## 1 PRIORITIES 2022

### 1.1 STRENGTHENING TRUST THROUGH COMPLIANCE AND TRANSPARENCY

The topics of compliance, good governance in public administration and public companies as well as the fight against corruption regularly take centre stage in external public auditing. The ACA perceives itself as a key player when it comes to contributing to intensified anti-corruption measures and to raising awareness for compliance in the public sector.

The ACA is in charge of auditing the entire state economy as to the audit criteria of accounting correctness, legal compliance, economy, efficiency and effectiveness. It assesses relevant facts and makes recommendations for improvements. By publishing its reports, the ACA makes an important contribution to transparency in Austria, which is known to be the most effective means in the fight against corruption. The ACA regularly reports to the general representative bodies at the federal, provincial and municipal level. It is competent to audit about 6,000 legal entities, which it audits in a systematic, structural, objective and risk-oriented manner.

It was and still is natural for the ACA to include a particular focus on those areas that are inherently exposed to a particularly high risk of corruption in its audits. Therefore, compliance aspects (above all within the framework of compliance audits) are always taken into account in a standardized manner. The topics of corruption prevention, risk analysis, compliance with statutory and other regulations, functioning internal control systems and con-

flicts of interest are addressed in about one third of the ACA's audits.

Already years ago, the ACA published guidelines on auditing internal control systems and on corruption prevention systems, which were used as a basis for a number of audits focusing on compliance and anti-corruption issues:

For example, the report on "Corruption Prevention Systems in Selected Federal Ministries" (volume Federation 2017/8) was published in 2017 and has already been subject to a follow-up audit (volume Federation 2021/10). While these audits showed that the Federal Ministries did carry out some activities in the area of compliance, the central element of such a system, namely the comprehensive risk analysis, is still not common practice: only an organization that is actually aware of its "potential scenarios" is able to take effective precautionary measures, in particular in the form of internal and comprehensive compliance regulations.

The public sector increasingly has its services provided by private-law entities, e.g. companies with share capital. In this area, the responsibility contexts and control logics are different from those of the central administration, which is why the supervisory board members of these companies are of particular importance. In its report published in March 2022 on "Supervisory Boards: Selection Processes in Ministries" (volume Federation 2022/11), the ACA highlighted clear potential for improvement: above all, transparent and documented selection processes that are based on the company's requirements as well as the personal suitability of the supervisory board member in question are required. For this purpose, the ACA also suggested a public

register, which would be in line with a recommendation published by the European Commission ("disclosure of competences").



Also in March 2022, the ACA published its report on the special audit on "Contract Awards at the ASFINAG Bau Management GmbH and the ÖBB-Infrastruktur Aktiengesellschaft" (volume Federation 2022/10). Although both companies had the essential components of a compliance management system in place to a great extent, there was room for improvement. ASFINAG, for example, did not have a code of conduct. Furthermore, the company lacked any provisions explicitly stipulating that staff members must take note of compliance regulations. As far as the ÖBB-Holding AG is concerned, the ACA recommended they establish an electronic whistleblower system that also allows for anonymous reports. In addition, in line with international standards, the compliance management system should be audited regularly both externally and internally by the corporate audit department.

As part of this audit, the ACA also analysed the contract awarding practice of the ÖBB-Holding AG and the ASFINAG Bau Management GmbH

in the context of construction work. It strongly reaffirmed that there is a need for the public contracting authority to counter unfair business practices with a set of measures. Particular emphasis should be placed on the examination of bids in order to be able to assess the plausibility of the price calculation and to identify conspicuous features that could point to price agreements. This point should be taken into account against the backdrop that, from the contracting authorities' perspective, the competitive situation has continuously deteriorated over the past years.



In the ACA's opinion, an integrated approach as well as comprehensive measures at all levels are needed in order to effectively fight corruption.

First and foremost, public administration has to become even more transparent in future. However, it is also clear that transparency is particularly necessary where unfolding criminal energies are limiting its effectiveness.

In order for corruption to not stand a chance and for Austria to emerge strengthened from the current crisis of confidence, more than just functioning external public auditing, as has always been ensured by the ACA, is needed:

- There is a need for clear regulations and standards of conduct – at all levels of public task fulfilment –, the violation of which must lead to adequate sanctions.
- Since compliance is a managerial task, superiors should exemplify compliance through their own actions: they are role models in the spirit of the “tone from the top”.
- There is a need for effective internal control systems that ensure that public tasks are duly and efficiently fulfilled.
- There is a need for internal audit departments that – although integrated into the administration – are able to regularly and independently carry out audits. These departments have to be sufficiently staffed and their recommendations are to be implemented.
- Furthermore, there is a need for effective control bodies that fulfil their task in a competent, factual and objective manner, especially with regard to outsourcing.

The ACA is confident that people's trust in the state and the proper provision of its services can be restored with the outlined integrated approach and comprehensive measures at all levels.



## 1.2 RENDERING POLITICAL PARTY FUNDS MORE TRANSPARENT

With the amendment to the Austrian Political Parties Act 2012 (Parteiengesetz), which the National Council adopted in mid-2022, the ACA's administrative tasks will be extended and for the first time it will be given the opportunity to directly audit political parties as of 1 January 2023. In October 2021, the ACA had published a draft bill for a new Political Parties Act (see [Annual Report 2021](#)). Many of the ACA's proposals were incorporated into the amendment to the Political Parties Act 2012.

The following is an outline of the essential new activities and task areas:

### CLARIFICATION OF A REASONABLE SUSPICION OF A VIOLATION OF THE POLITICAL PARTIES ACT

In the case of a reasonable suspicion of a violation of the Political Parties Act, the ACA may request the political party in question to submit a statement within a reasonable period of time and demand in writing that it produce all information that appears necessary and submit account books, invoice documents as well as other supporting documents. This may take place independently of auditing the party's statement of accounts.

If the requested statement does not clear up the reasonable suspicion or if no statement was submitted by the party, the ACA shall notify the party thereof in writing. Thereafter, the ACA may carry out an audit of the political party within the scope required for this purpose in the form of an on-site inspection at the party's premises.

#### **PUBLICATION AND INFORMATION DUTIES WITH REGARD TO PERSONAL COMMITTEES**

The ACA shall keep a register of the registered personal committees and publish the designation of the committee, its proponents and the supporting party or political candidate on the ACA's website. The ACA shall also provide this information to the party, the political candidate and the members of the personal committee in question. Objections, if any, against the attribution of the personal committee to the political party shall be noted in the published register.

#### **RECEIPT OF QUARTERLY DONATION REPORTS AND PUBLICATION OF DONATIONS EXCEEDING EUR 500**

For the purpose of informing the public about the financing of political parties, every party shall send the ACA a report on individual donations exceeding EUR 150 at the latest four weeks after the end of each calendar quarter. The ACA shall publish all individual donations exceeding EUR 500 mentioned in the report without delay, stating the name and postal code of the donor, the date of receipt of the donation and the exact amount as well as categorizing them by specific donation recipient.

In the event of a National Council or European Parliament election, the ACA has the following new tasks:

#### **AUDIT OF THE ELECTION CAMPAIGN REPORTS**

Political parties that are, due to elections, entitled to funding pursuant to the Austrian Support of Political Parties Act 2012 (Parteien-Förderungsgesetz 2012) shall send the ACA election campaign reports on the election of the National Council or the European Parliament within six months after the election day. The ACA shall publish these reports on its website without delay, even prior to their audit.

#### **PUBLICATION OF THE EXPENDITURE OF STATUTORY ASSOCIATIONS OF PROFESSIONS, EMPLOYERS OR EMPLOYEES**

The statutory associations of professions, employers or employees shall notify the ACA of expenditure exceeding the ordinary course of business in the period between the election's cut-off date and the day of National Council or European Parliament elections within four weeks after the election day or inform it that no expenditure exceeding the ordinary course of business was incurred. The ACA shall publish this information on its website without delay.

#### **ACCOMPANYING ANALYSIS OF ELECTION CAMPAIGN EXPENSES**

For the purposes of an accompanying analysis of the expenditure on election campaigns and to audit the election campaign expenses as well as the election campaign reports, the ACA shall appoint three experts from the area of transparency and campaign research, from

the media sector as well as from the accounting community one week before the election's cut-off date. The experts shall analyse the election campaigns of the parties participating in the election and each of them shall assess the plausibility of compliance with the restrictions on election campaign expenses in an expert opinion. These expert opinions as well as the statements of the parties campaigning in the election shall be published six months after the election day.

#### **PUBLICATION OF DONATION REPORTS BETWEEN THE ELECTION'S CUT-OFF DATE AND THE ELECTION DAY**

Between the cut-off date for National Council or European Parliament elections and the election day, the ACA shall be immediately notified of individual monetary donations exceeding EUR 2,500, indicating the name and address of the donor, the date of receipt of the donation, the exact amount and the specific recipient of the donation (branch, affiliated organization, personal committee, member of parliament or political candidate). The ACA shall publish this information on its website without delay, without indicating the donor's address.

As regards parties that are not subject to the accountability stipulated in the Political Parties Act, the ACA has the following audit rights:

#### **COMPLIANCE WITH REGULATIONS ON DONATIONS AND ELECTION CAMPAIGN EXPENDITURE**

The ACA may request the parties not subject to accountability to make a statement on compliance with the regulations on donations and election campaign expenditure and, in the event of a suspected violation, submit a justified notification to the Independent Political Parties Transparency Panel.

As of the year 2023, the statements of accounts of parties that were represented in the National Council, in a provincial parliament or in the European Parliament in the reporting year shall be prepared in greatly extended form in accordance with the provisions of the Political Parties Act and submitted to the ACA by 30 September of the following year. As regards these statements of accounts, the ACA will also be given extended audit rights – including audits of the political party within the scope required for this purpose in the form of on-site inspections at the party's premises. As of the calendar year 2023, the ACA's extended audit rights also cover the election campaign reports.



### 1.3 ADMINISTRATION IN TIMES OF THE PANDEMIC – AS EXEMPLIFIED BY THE ESTABLISHMENT OF COFAG

Citizens should be able to rely on the government and the administration to act in compliance with the law and regulations as well as in an economic, efficient and effective manner. The ACA's report on "COFAG and Grants to Companies" (volume Federation 2022/31) shows how (un)successfully the administration worked during the crisis and deduces recommendations for improvement from the audit.

#### PRINCIPLES OF PUBLIC ADMINISTRATION

Self-binding legislation such as the Austrian Federal Ministries Act (Bundesministerien-gesetz) govern the administration's organization, its tasks, processes and responsibility. Self-binding legislation are instructions in the form of laws. They provide legal certainty. In its report on COFAG – the COVID-19 Federal Financing Agency (COVID-19 Finanzierungsagentur des Bundes GmbH) –, the ACA reminded the Federal Ministry of Finance of a few principles and standards of sound administration. For example:

- Measures financed with public funds must be comprehensibly justified, documented and verifiable from the decision-making process to their implementation.
- The administration is in charge of drafting legislative proposals and ordinances for a ministry. Of course, this also applies to instructions issued by the minister and to the documents needed for a public company under company law.

- The structural and operational organization of a ministry must provide for clear competences and responsibility structures. This also ensures that the federal minister is comprehensively informed.

#### **ASSESSMENT OF ALL RELEVANT FACTS AND COMPREHENSIVE INFORMING OF THE MINISTER**

Under the responsibility of the minister, the federal ministries shall administer and carry out summary assessments of all issues that are of fundamental importance. In doing so, they shall take into account all aspects of legal, administrative and economic significance. If required, the results shall be made available to the federal government or the ministers, who shall take them into account in their decisions and consider them accordingly.

The ministries are organized in divisions and, if applicable, in groups and in departments. Operations shall be divided according to subject matter and material connection. Thus, the hierarchical line organization maps out all ministerial responsibilities and can bundle the ministry's expertise and present it to the minister very quickly if necessary. The latter may refer any matter to herself or himself or reserve the right to approve it.

#### **PANDEMIC – THE ADMINISTRATION IN A STATE OF EMERGENCY?**

With the onset of the pandemic, however, the cabinet of the Federal Minister of Finance – an expert unit without any authority to issue instructions – took over the coordination of COVID-19 measures for companies. Members of the cabinet with comparatively short experience in public administration gave work assignments to individual, selected departments and staff members. The pre-defined chain of command was not followed, and the Minister did not receive the results of a summary assessment of all relevant facts, but solely information on pre-selected issues and aspects, which was not in line with the provisions of the Federal Ministries Act.

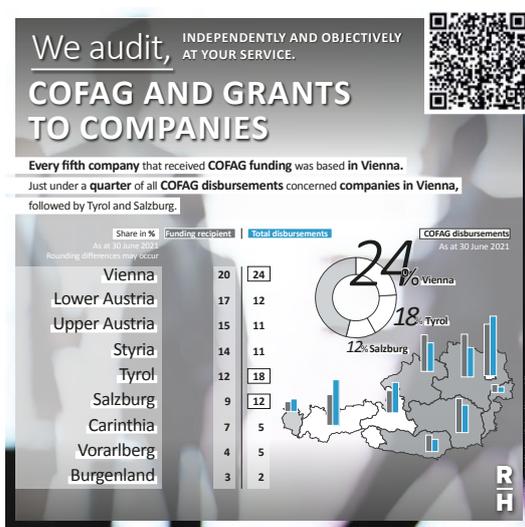
For instance, the Federal Ministry of Finance's competent specialist department for Public Sector Equity Interest Management was not involved in the preparation of the amendment to the ABBAG Act, even though, pursuant to the Federal Ministries Act, the preparation of "submissions of the federal government to the National Council" forms part of a ministry's priority tasks. Similarly, the legal requirement to present the considerations for the amendment to the ABBAG Act, which ultimately enabled the establishment of COFAG, was not adhered to. The federal government assumed the obligation to endow COFAG with ultimately EUR 19 billion.

In addition, ABBAG, the government-owned holding company established to oversee an orderly wind-down ("Abbaumangementgesellschaft des Bundes"), and COFAG themselves assumed leading roles in preparing the rules and regulations for COFAG as well as the Finance Minister's assignments and orders for COFAG, in direct consultation with the

Finance Minister’s cabinet. In several cases, the specialist department for Public Sector Equity Interest Management was able to bring about adaptations to the Federal Ministry of Finance’s minimum requirements and standards, e.g. as regards the level of remuneration of supervisory board members or the liability regime for COFAG’s bodies.

and the Austrian Federal Act on the Filling of Positions (Stellenbesetzungsgesetz) was justified in many cases by referring to time pressure and a sense of urgency due to the pandemic, as the ACA ascertained not only with regard to the example of the Federal Ministry of Finance.

In this day and age, “the tone at the top” gives the impression that problems – particularly in times of crisis – have to be solved straightaway, without “overcomplicating” them.



**GOVERNMENT POLICY AND ADMINISTRATION – EQUILIBRIUM IN THE BALANCE OF POWER**

The administration shall support and advise the minister and carry out full assessments of proposals made by external stakeholders that have been submitted to or are preferred by the policy makers in accordance with their legal mandate. In addition, it shall point out to the minister any deviations from the principles of legal and regulatory compliance, economy, efficiency and effectiveness. The administration should therefore be able to act as a counterweight and corrective to the political sphere.

**SELF-COMMITMENT IN COMPANIES AND IN PUBLIC ADMINISTRATION**

For companies, especially listed companies, the requirements for good corporate governance and compliance have increased in recent decades. There is a trend towards strengthening the balance of power between bodies – “checks and balances” – and the extent to which owners, the management and supervisory bodies take on voluntary commitments.

In public administration, however, a somewhat opposite development can be observed. Self-binding through laws and codes diminished. The violation of legal provisions, e.g. the Federal Ministries Act, the Austrian Federal Organic Budget Law (Bundeshaushaltsrecht)

Incidentally, the Federal Ministry of Finance itself also acts as a counterpart to the specialized ministries. It solicits budgetary discipline in the interest of the separation of functions – effectively a four-eyes principle at institutional level. Pursuant to the Federal Ministries Act, economic matters primarily fall within the scope of competence of the Federal Ministry of Labour and Economy. However, during the COVID-19 pandemic, the Federal Ministry of Finance partly took over these competences and acted as a ministry incurring expenditure,

in particular with regard to the funding system. Since it is itself in charge of the budget, there was no institutional counterpart to gauge and insist on reasonable and feasible expenditure limits.

#### **CLOSE RELATIONSHIPS AND BLENDING OF FORMAL AND INFORMAL LEVELS**

Furthermore, the informal blending of personnel and institutional spheres – between public companies such as the ABBAG, the public holding company “Österreichische Beteiligungs AG”, abbreviated as ÖBAG, and the wind-down company “Bankenabbaugesellschaft HETA” on the one side and the Federal Minister’s cabinet on the other side – changed the framework conditions of public administration. At times, its function was reduced to formally implementing decisions already made, without addressing the issues on a substantive level.

ABBAG and its managing director assumed a central role in the establishment of COFAG. He shaped the dynamics of the establishment process. His informal influence resulted from his former position in the Federal Ministry of Finance in the area of bank resolution and in the Federal Minister of Finance’s cabinet. As managing director of both ABBAG and COFAG, he often communicated directly with the cabinet. In several cases – after having coordinated his concerns with the Federal Minister of Finance’s cabinet and COFAG’s supervisory board – he turned to the Ministry of Finance’s specialist department and requested that shareholder resolutions or assignments of the Minister of Finance be executed on the record. He often invoked time pressure and further shortened the duration of the specialist department’s

involvement, which had already been called in at a late stage.

Formally, all key decisions were reserved for the Federal Minister of Finance. However, the formal level of COFAG’s governance structure was in an obvious conflict with the informal level. The latter was shaped by long-standing working relationships between the relevant players in the cabinet of the Federal Minister of Finance, in the environment of the ABBAG and the Bankenabbaugesellschaft HETA as well as in COFAG’s bodies. During the preparation of COFAG’s establishment, persons who later held positions in its management and supervisory board exerted influence on the definition of COFAG’s framework conditions, e.g. on the amendment to the ABBAG Act, on the company documents and on the Federal Minister of Finance’s founding mission. Among the parties involved, there was little awareness of inappropriate close relationships and necessary cooling-off periods.

#### **LACK OF TRANSPARENCY**

COFAG came into being as a new financing entity within a few days, without the forming of political will and the decision-making process being comprehensibly documented within the Federal Ministry of Finance, and without a minimum level of justification and assessment of alternatives. However, in the interest of legal and regulatory compliance, these steps are required even in a crisis. The formation of political will and the decision-making process for a project with a budgetary volume of ultimately EUR 19 billion were not documented within the Federal Ministry of Finance – neither as regards the establishment of COFAG nor as regards the COVID-19 measures (guarantees and grants).

## 1.4 LOOKING INTO COVID-19 AID MEASURES

In 2022, the ACA continued its increased focus related to COVID-19 audits set in 2021.

In its Annual Report 2021, the ACA presented the following three reports: “COVID-19 – Structure and Scope of the COVID-19 Financial Aid Measures” (volume Federation 2021/25), “Hardship Fund – Funding Administration” (volume Federation 2021/29) and “Health Data on Pandemic Management in the First Year of the COVID-19 Pandemic” (volume Federation 2021/43). In the same vein, it had conducted an audit of the COVID-19 Crisis Management Fund during its audit of the federal financial statements in 2020.

In 2022 the ACA carried out 22 COVID-19 audits, of which it had published about half in end-2022.

### “COVID-19 SHORT-TIME WORK” (VOLUME FEDERATION 2022/7)

The report “COVID-19 Short-Time Work” (volume Federation 2022/7) presented in February 2022 identifies considerable room for improvement as regards the design and application of the short-time work scheme.

This scheme is, in addition to the financial aid provided to companies by the COVID-19 Federal Financing Agency (COFAG), among the most cost-intensive tools devised to address the implications of the COVID-19 pandemic and was largely paid from federal funds. In 2020, 113,771 companies with 1.25 million employees were on short-time work. In total, EUR 7.8 billion were disbursed for the period of March 2020 to March 2021. By the end of 2021, the payments increased to EUR 9.2 billion.

From the ACA’s viewpoint, the COVID-19 short-time work scheme was effective, but also generous: companies were also compensated for the costs of the hours lost.



Employees were guaranteed net salary replacement rates and a significantly higher income than in unemployment. These elements increase the attractiveness of short-time work. However, they also increase the risk of deadweight effects and reduce the pressure on companies and employees to reorient themselves. In addition, as noted by the auditors, the key funding criterion – the experiencing of “temporary economic difficulties” – had not been defined adequately. Furthermore, the Austrian Public Employment Service (AMS) failed to carry out any substantive examinations of this eligibility requirement. Moreover, in the case of the COVID-19 short-time work scheme, the eligibility criteria were not only defined by the funding agencies themselves, but also by interest groups. Consequently, social partnership agreements constituted, among others, an essential basis on which the granting of short-time work allowance was based. The actual need for COVID-19 short-time work allowance was not always given – since companies were also building up their workforces at the same time.

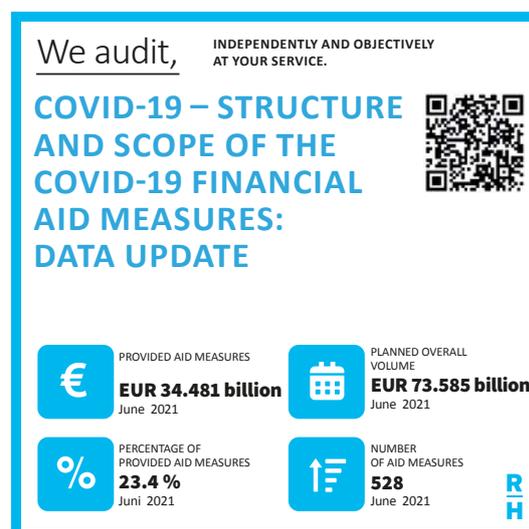
The implementation of the COVID-19 short-time work scheme presented an extraordinary administrative challenge to the AMS as the processing body – not least because the provisions laid down in the form of funding regulations had to be adapted twelve times between March 2020 and March 2021, often retroactively.

As regards the first phase, which was carried out under great time pressure, the ACA identified overpayments amounting to some EUR 500 million due to a flawed calculation model. The auditors also saw room for improvement with regard to the verification of the funding applications. No concept had been estab-

lished to detect the unlawful receipt and misuse of funding. In particular, the question regarding a targeted control of wrongfully settled hours lost remained unresolved. The ACA’s recommendations focused particularly on ensuring that labour market and funding experts of the competent bodies are included in the design of funding plans. They furthermore addressed the creation of a control concept with risk-oriented assessment criteria.

#### “COVID-19 – STRUCTURE AND SCOPE OF THE COVID-19 FINANCIAL AID MEASURES: DATA UPDATE” (VOLUME FEDERATION 2022/12)

In 2022, the ACA carried out an update of the COVID-19 financial aid measures, on which it had already published the report “COVID-19 – Structure and Scope of the COVID-19 Financial Aid Measures” (volume Federation 2021/25) at the federal and the provincial level.



By June 2021, the envisaged overall volume of all federal financial aid measures amounted to EUR 73.585 billion. Compared to the first survey result of September 2020, this volume had thus increased by 44 per cent. By June 2021, the de facto granted financial aid

totalled some EUR 34.481 billion in Austria. Of this amount, the federation bore the lion's share with EUR 33.492 billion. The federation and the provinces adopted a total of 528 different financial aid measures, of which three fourth were non-repayable grants.

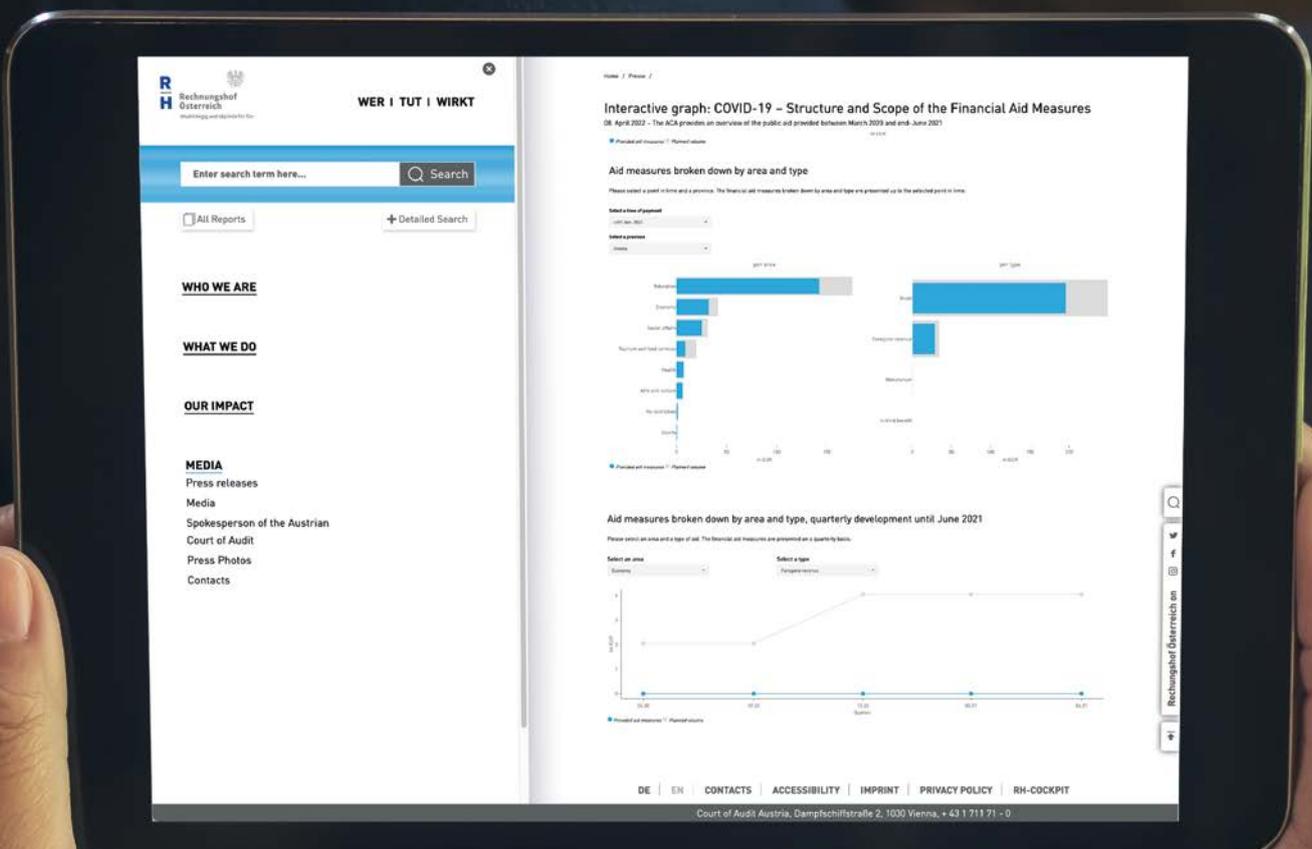
At both the federal and provincial level, the ACA pointed to a considerable variety as regards the type and scope of the measures devised for areas such as education, culture, agriculture, tourism and social affairs.

The financial aid measures provided by the federal government continued to be focused on the areas of economy, labour market and on financial aid as well as on measures involving the waiver or deferral of income. The federal grants with the highest disbursement amounts through June 2021 comprised the short-time work scheme (EUR 8.588 billion), the turnover loss bonus (EUR 2.408 billion),

the lockdown turnover compensation – November (EUR 2.261 billion) and December (EUR 1.016 billion), the Hardship Fund (EUR 1.841 billion) and the fixed cost subsidy (EUR 0.987 billion).

The entirety of these aid measures – e.g. broken down by area and local authority – as well as their sequencing is also presented in the attachment of the said report, but also through an updated interactive graph on the ACA's website. Subsequently, the ACA is conducting another update of this data by the end of 2022 and plans to publish the updated COVID-19 financial aid measures accordingly in 2023 as well.

[https://www.rechnungshof.gv.at/rh/home/fragen-medien/fragen-medien\\_3/Interaktive\\_Grafik\\_COVID-19\\_Finanzielle\\_Hilfsmassnahmen.html](https://www.rechnungshof.gv.at/rh/home/fragen-medien/fragen-medien_3/Interaktive_Grafik_COVID-19_Finanzielle_Hilfsmassnahmen.html)



## “PANDEMIC MANAGEMENT OF THE HEALTH AUTHORITIES IN THE FIRST YEAR OF THE COVID–19 PANDEMIC” (VOLUME FEDERATION 2022/18)

In its report “Pandemic Management of the Health Authorities in the First Year of the COVID–19 Pandemic” (volume Federation 2022/18) published in June 2022, the ACA found that the federal government had failed to provide for the necessary organizational structures and personnel prerequisites.



In the context of indirect federal administration, it often remained unclear which responsibilities fell on the federal government and the provinces and which local authority had to take and implement which decisions during the COVID–19 pandemic. This lack of clarity existed despite the fact that the federal minister of health, in his capacity as the supreme authority, should have guided and coordinated the health authorities, the provincial governors and the district administrative authorities in the framework of pandemic management.

The ACA’s findings concerned the lacking pandemic preparedness – as already identified by the WHO –, such as outdated or non-

existent pandemic plans, as well as lacking human resources and inadequate stocks.

Duplications of efforts have not only been identified for the recording of infection rates through the Epidemiological Reporting System on the one hand and the National Crisis and Disaster Protection Management on the other hand: Austria also lacked a uniform approach for vaccinations as well as for quarantine measures and contact tracing. Each province developed its own concept for vaccine distribution and vaccination.

In this context, the ACA recommended to prepare a draft for a modernized Epidemics Act (Epidemiegesetz) and to regulate the cooperation among the authorities in a more detailed manner. A legal framework should be created for the establishment of a crisis mechanism comprising clear processes and responsibilities for adopting the necessary measures and for communicating them. It was encouraging that the Federal Minister of Health, Johannes Rauch, announced both a modernization of the Epidemics Act as well as a new national pandemic plan in the Public Accounts Committee on 15 September 2022.

## “SELECTED COVID–19–RELATED SERVICES IN TOURISM AND HEALTHCARE” (VOLUME FEDERATION 2022/23)

In its report “Selected COVID–19–Related Services in Tourism and Healthcare” (volume Federation 2022/23) published in July 2022, the ACA audited the direct awards of advisory services in both competent ministries.

Due to the dynamic development of the COVID–19 pandemic – in particular at its onset in spring 2020 – the responsible parties were under great time pressure as regards

the taking of award decisions. However, the assessed services purchased by the Federal Ministry of Tourism and the advisory services bought by the Federal Ministry of Health alone amounted to EUR 140 million and EUR 2 million respectively.

As regards the COVID-19 test programme applied in the field of tourism, the ACA would have expected cost-cutting measures and corresponding public tenders instead of the funding structure chosen. As an example, an earlier reduction of the maximum funding amount would have yielded weekly savings of around EUR 1 million. The ACA also voiced criticism on the additional special lump-sum budget allocated to the Austrian National Tourist Office (Österreich Werbung) amounting to EUR 40 million without corresponding reports on the actual demand and the use of funds.



The services rendered to the Federal Ministry of Health were only partially comprehensible to the ACA. As regards the assessed award decisions, none included an estimate of the contract value; rather, all contracts were awarded directly without a tender. Also one year after the onset of the COVID-19 pan-

dem, only direct awards were used. The ministry also failed to obtain the statutory price quotes. This was also the case for an ongoing cooperation agreement with the Red Cross, for which no documentation of services was available. It remained therefore unclear to what extent the services rendered by the Red Cross supported the Federal Ministry of Health or the crisis management team. As noted by the auditors, even one and a half years after the onset of the COVID-19 pandemic, the ministry was unable to integrate the tasks of the crisis unit into its regular structures and was still dependent on external advice.

The ACA's recommendations therefore focused on topics related to the awarding of contracts, such as the carrying out of award procedures for necessary services in the framework of the regular procurement system, the obtaining of comparative offers and the documentation of work results.

#### “COVID-19 MEASURES FOR ARTISTS, CULTURAL WORKERS AND ART MEDIATORS” (VOLUME FEDERATION 2022/25)

In the ACA's report published in August 2022 on “COVID-19 Measures for Artists, Cultural Workers and Art Mediators” (volume Federation 2022/25), the ACA revealed, among others, the lack of sufficient and adequate data in the field of arts and culture. This was particularly evident as the data available to the bodies responsible for the implementation of the COVID-19 aid measures did not allow for any conclusions about the group of people reached.

Three different entities were responsible for processing the financial aid provided to artists and art mediators – the Artists' Social Insurance Fund, the Social Insurance Institution for

the Self-Employed and the Austrian Economic Chambers.



During its audit, the ACA identified differing offset modalities in the case of a switching to other funds. Financial aid granted via the COVID-19 Fund, for example, was to be offset when switching to the Hardship Fund, but not when switching to the Bridging Fund for Self-Employed Artists. Furthermore, the provision of inadmissible multiple subsidies could not be ruled out.

As regards the settlement of allowances, the responsible Federal Ministry for Arts, Culture, the Civil Service and Sport applied a broad interpretation of the objective laid down in the corresponding directive, namely “to provide support services to persons in COVID-19-related economic hardship to mitigate revenue shortfalls”: the permissible income limit for allowances provided under the 2021 Bridging Fund for Self-Employed Artists was more than twice as high as under the COVID-19 Fund. Furthermore, the ministry had failed to prepare a concept for ex-post control.

The ACA therefore recommended improvements of the statistical data as well as an

enhanced cooperation in the collection and provision of data in the field of arts and culture as well as appropriate control options in order, among others, to avoid and uncover inadmissible multiple subsidies or unjustly received subsidies or allowances.

#### “TECHNICAL IMPLEMENTATION OF TELEWORK AND ITS INCLUSION IN CIVIL SERVICE LAW AS APPLIED IN SELECTED FEDERAL MINISTRIES” (VOLUME FEDERATION 2022/27)

In its report “Technical Implementation of Telework and its Inclusion in Civil Service Law as Applied in Selected Federal Ministries” (volume Federation 2022/27) published in September 2022, the ACA addressed the implementation of telework in the federal administration. Not least due to the COVID-19 pandemic, telework has become necessary and has subsequently seen an increase. In some cases, the ministries did not have any corresponding regulations at the onset of the pandemic or had not issued such regulations until as late as July 2021. The maximum extent of telework was regulated quite differently in the corresponding telework guidelines. This concerned, in essence, differing reference periods and – based on a period of one week – differing maximum durations of between 0.6 and two days.

As of the 2021 amendment to the Federal Civil Servants Act (Beamten-Dienstrechtsgesetz), the telework regulations of the federal civil service have explicitly provided for the possibility of using private IT equipment upon signing a corresponding agreement. From the ACA’s point of view, however, telework should only be provided for if suitable official IT equipment is available and the technical security precautions are met. Further-

more, a total of six different videoconferencing systems were in use in the central units of six of the federal ministries audited.

In its recommendations, the ACA advocated for safeguarding the interests of the service when considering the implementation of telework. Such considerations should take into account the objective of upholding the ability of the respective entity to function. In addition to a corresponding standardization of regulations and software, the IT equipment of the workstations should be set up in such a way that it is possible to perform work outside the office with mobile and exclusively official devices – also with a view to possible further phases of crisis-related telework.



### „COVID-19 FAMILY ALLOWANCES“ (VOLUME FEDERATION 2022/35)

In its report “COVID-19 Family Allowances” (volume Federation 2022/35) published on 18 November 2022, the ACA assessed allowances provided by the federal government to families with children in 2020 and 2021. Such allowances had been disbursed in addition to the already existing subsidies and totalled EUR 1.034 billion. The lion’s share of this financial aid, some EUR 900 million, was dis-

bursed together with the statutory family allowance without the need to submit applications and without any other requests for demand.

The Federal Ministry for Family Affairs furthermore decided to continue the disbursement of family allowances without requesting evidence of eligibility and continued to do so until March 2021. The granting of family allowances without such evidence resulted in costs of EUR 143.36 million and concerned some 89,000 recipients for around 100,000 children. Due to the fact that eligibility checks had been suspended for one year, the ACA also detected a considerable administrative backlog and, as a result, significant problems for the tax offices.

The Federal Ministry for Family Affairs also established a new funding tool, the “Corona Family Hardship Fund” (“Corona-Familienhärteausgleich”). Through this fund, EUR 132.34 million were disbursed to some 101,000 families with some 193,000 children in 2020 and 2021. Allowances were only available up to certain income limits graded according to family size. The calculation method failed to take into account other significant components of the family’s income. This could lead, as revealed by the auditors, to different allowances being disbursed for the same cases of income loss. In addition, applicants were not required to provide evidence of COVID-19-related income loss for the entire funding period. The administration of the Corona Family Hardship Fund was costly and required corresponding processing-related resources; costs of EUR 9.17 million were incurred for external support services, i.e. around 7% of the funding volume.

The ACA therefore recommended to assess the target–group–specific needs and benefits in advance and to optimize them in terms of social accuracy and effectiveness. It furthermore recommended to take into account all relevant sources of income when determining the levels of funding and to factor in comparable allowances in order to avoid unequal treatment and overfunding. The ACA also highlighted the importance of a correspondingly efficient administrative processing.



**“MUNICIPAL INVESTMENT PROGRAMMES 2017 AND 2020” (VOLUME FEDERATION 2022/34)**

In its report “Municipal Investment Programmes 2017 and 2020” (volume Federation 2022/34) published on 18 November 2022, the ACA compares investment programmes from 2017 and 2020, in which the federal government provided earmarked grants to municipalities and municipal associations for the implementation of infrastructure projects. In order to mitigate the implications of the COVID–19 pandemic, the federal government adopted several financial measures – also effective in subsequent years – as part of the financial equalization scheme to compensate for revenue shortfalls suffered by municipali-

ties. The Municipal Investment Programme 2020, endowed with one billion euros, was the most extensive financial aid measure.

The auditors found, among others, that the earmarked grants were not coordinated with other public–sector subsidies and transfers – for example with subsidies in the field of urban water management. The eligibility requirements differed from those of existing subsidy systems. Thus, it could not be guaranteed that they were used for the most ecologically and economically urgent measures.

With a few exceptions, the earmarked grants were to be used for construction investments. However, the investments prompted by the Municipal Investment Programme 2020 in particular coincided with a phase of high–capacity utilization in the construction and ancillary construction sectors. This led to delays resulting in the fact that the projects submitted could not be carried out or completed in the scheduled implementation phase, which, in turn, required extensions of deadlines. Furthermore the processing of applications was only partially supported by IT operations. The automated processing of applications under the Municipal Investment Programme 2020 brought about an improvement, but in some cases the programme also required a manual transfer of data, which was potentially prone to errors.

The municipal oversight bodies, which had comprehensive information on the respective municipalities, had been involved in neither the creation nor the processing of the municipal investment programmes.

The ACA recommended to coordinate, in particular, new investment and funding programmes with existing funding structures and programmes and to use suitable IT solutions to ensure that the processing of grants or funding programmes is complete and comprehensible.



### “COFAG AND GRANTS TO COMPANIES” (VOLUME FEDERATION 2022/31)

In its report “COFAG and Grants to Companies” (volume Federation 2022/31) published on 28 October 2022, the ACA assessed, on the one hand, the establishment and the corporate governance of the COVID–19 Federal Financing Agency (COFAG) and, on the other hand, the financial aid provided subsequently by COFAG to companies (see [chapter 1.3](#) of this Annual Report).

### COVID–19–RELATED AUDITS

In addition to its COVID–19–related audits and following up on its decision taken in 2021 to consider the impacts of the pandemic in several other audits as well, the ACA took a look at the implications of the COVID–19 pandemic in numerous other audits in 2022:

In its report “The Österreichische Post AG – Quality of Mail and Parcel Delivery for Universal Service” (volume Federation 2022/1), the ACA revealed, among others, that the COVID–19 pandemic had decreased the 2020 half–year result by some EUR 45 million. Of this amount, costs related to health and logistics accounted for some EUR 20 million and the decline in revenue in the mail segment for some EUR 25 million. However, the Österreichische Post AG retained its capability to act even in the event of a serious damaging event such as the COVID–19 pandemic.

The report “Österreichische Entwicklungsbank AG” (volume Federation 2022/3) points to the „Portfolio–Screening–COVID–19“ that the Development Bank had carried out on a quarterly basis in connection with claims and deferral requests, the results of which it had submitted to the Federal Ministry of Finance. It is to be noted that the number of claims had remained below expectations.

The report “Selected Federal Tourism Support Schemes” (volume Federation 2022/8) sheds light on the COVID–19 aid measures administered by the Austrian Bank for Tourism Development (Österreichische Hotel– und Tourismusbank GmbH), the electronic platform for the submission of the applications established for this purpose and the COVID–19 initiatives of the Federal Ministry of Tourism.

The report “WasserCluster Lunz – Biologische Station GmbH” (volume Federation 2022/9) reveals, among others, that the WasserCluster Lunz GmbH received both COVID–19 short–time work allowances as well as subsidies by the Austrian Science Fund for its staff members. The WasserCluster Lunz GmbH refunded this unlawful double funding amounting to some EUR 30,000 to the Fund.

In the report “Water Monitoring in Carinthia and Upper Austria” (volume Federation 2022/15), the ACA pointed to a decline in personnel responsible for the monitoring of waters and water plants and highlighted delayed entries into the monitoring records.

The report “Working and Studying in a Barrier–Free University Environment” (volume Federation 2022/19) depicts the increased number in university courses following the transition to distance learning in connection with the COVID–19 pandemic. At the University of Natural Resources and Life Sciences Vienna and the Graz University of Technology, the increase amounted to about 82% and 90%, respectively. Both universities responded to the challenges posed by the COVID–19 pandemic with a special continuing education program.

The report “Austrian Federal Financing Agency: Risk Management and Financing of Legal Entities and Provinces” (volume Federation 2022/20) shows, among others, that the Austrian Federal Financing Agency had to become increasingly active on the money and capital markets in order to ensure sufficient liquidity for the implementation of the COVID–19 measures of the federal government. In 2020, the financing needs of the Federation went up to EUR 57.820 billion. Consequently, the Austrian Federal Financing Agency tempo-

rarily exceeded the maximum liquidity by the legally permissible liquidity reserve and also increased the limits pertaining to the refinancing risk.



The report “Legal Remedies in Tax Administration” (volume Federation 2022/21) notes that tax arrears increased to just under EUR 10 billion in the course of the COVID–19 pandemic. Although the additional extension of the deadline for submitting tax returns has eased the burden on taxpayers, it will lead to an increase in the number of tasks for tax administration officials in the future.

The report „FACULTAS DOM Buchhandels GmbH” (volume Federation 2022/22) reveals, among others, based on an example of a funding recipient, that the markedly positive results of the company – after years of negative results – resulted mainly from the funding measures related to the COVID–19 pandemic. In the financial year 2020/21, the company received a total of around EUR 323,560 from the subsidies related to turnover compensation and the grant from the Non–Profit Organization Support Fund as well as additional EUR 154,640 from the short–time work scheme.

## 1.5 CONSIDERING THE BENEFIT FOR CITIZENS

The ACA's audit priority for the years 2018 to 2021 was as follows: "Quality of public-sector service provision: benefit for citizens, cost optimization and a modern-day delivery of tasks". In 2022 the ACA published further reports related to this priority:

### ÖSTERREICHISCHE POST AG – QUALITY OF MAIL AND PARCEL DELIVERY FOR UNIVERSAL SERVICE

One example of an audit related to the ACA's audit priority is the report "Österreichische Post AG – Quality of Mail and Parcel Delivery for Universal Service" (volume Federation 2022/1). In the framework of this audit, the ACA voiced criticism on an issue that is arguably a cause for annoyance for many citizens: in the period of 2016 and 2019, the number of delivery notifications ("yellow notices") issued by the Post AG increased by 67 per cent, which was ten percentage points higher than the increase in parcel volumes. In customer surveys, 17 per cent of the respondents indicated to have received a "yellow notice" for parcel collection even though someone had been at home at the time of the delivery. The ACA therefore recommended to the Post AG to pay increased attention to the unjustified issuance of "yellow notices".

Moreover, complaints also increased for parcel deliveries, namely by 28 per cent from 2016 to 2019. In 2019, about 100,000 complaints were made with regard to mails and more than 110,000 concerning parcels. Furthermore, the Post AG failed to monitor lost consignments, also because the existing legal framework did not require such monitoring. Based on the compensation payments made by the Post AG for



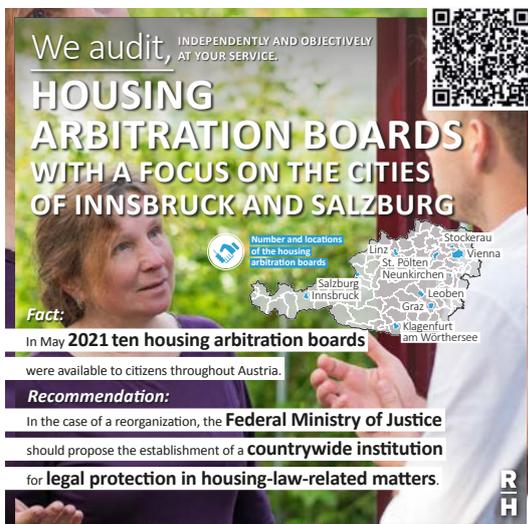
lost parcel shipments, the ACA ascertained that although their number was of minor significance in relation to the total volume of shipments, their share increased over time.

The ACA positively noted the speed of delivery: according to a European standard, 95 per cent of domestic priority letters should be delivered within one working day and 90 per cent of parcels within two working days. The Post AG mostly achieved or even exceeded these delivery times in the period of 2016 to 2019. As regards the universal service, the ACA recommended to the Post AG to evaluate this service, ten years after the liberalization of the postal market, in terms of its appropriateness, economic efficiency and quality of service. Such an evaluation would allow the federal government and the National Council to draw conclusions on any necessary adjustments of the legal framework and on the future development and safeguarding of the universal service.

### ARBITRATION BOARDS FOR LEGAL HOUSING MATTERS WITH A FOCUS ON THE CITIES OF INNSBRUCK AND SALZBURG

Arbitration boards for legal housing matters are easy-to-access and citizen-oriented

institutions providing legal protection. They are tasked with extrajudicial disputes related to housing and, if possible, with reaching a settlement between the parties. At the same time, they are supposed to relieve the courts. In its report "Arbitration Boards for Legal Housing Matters with a Focus on the Cities of Innsbruck and Salzburg" (volumes Federation 2022/24, Salzburg 2022/3 and Tyrol 2022/3), the ACA highlighted the need for reform. For example, it would have to be assessed in which municipalities such arbitration boards are needed. Furthermore, the duration of the proceedings should be reduced. Overall, the number of such boards has decreased significantly since they were established about 100 years ago. In May 2021, ten housing arbitration boards were available to citizens throughout Austria.



The ACA therefore recommended to the Federal Ministry of Justice, which was competent in his matter, to propose, in case of a reorganization of the arbitration boards, the establishment of a nationwide, easy-to-access institution for legal protection in housing-law-related matters with uniform tariffs and a limited cost risk.

It is also in the interest of citizens to ensure that their concerns are quickly addressed. The arbitration boards had to reach a decision no later than six months after the application was filed.

The ACA determined the duration of the proceedings of all cases of the arbitration boards of the cities of Innsbruck and Salzburg applied for and concluded in the period of 2015 to 2020: arbitration board I in Innsbruck exceeded the stipulated duration of proceedings of a maximum of six months in two thirds of the cases. At the arbitration board II in Innsbruck this was the case for one fifth of the applications. At the arbitration board Salzburg, one third of the procedures were exceeded.

Consequently, the ACA recommended that the legally stipulated maximum duration of six months be ensured in all proceedings.

Comprehensive information provided on the websites of arbitration boards should facilitate access for citizens seeking justice. In this way, numerous questions can be clarified in advance. Correspondingly, the cities of Salzburg and Innsbruck set up websites for their respective arbitration boards.

The ACA noted in this context that the city of Innsbruck provided citizens with comparatively comprehensive information on its website. It detected a need for improvement at the arbitration board of the city of Salzburg. It furthermore criticized the fact that both cities lacked the possibility to submit an application via a separate online form and to independently calculate the permissible rent electronically based on the reference value.

**LEGAL REMEDIES IN TAX ADMINISTRATION**

The duration of proceedings was also addressed in the report “Legal Remedies in Tax Administration” (volume Federation 2022/21). The ACA acknowledged that the number of appeals in the annual tax assessment that were open for more than 180 calendar days had decreased from 2017 to 2019. However, an increase could be observed again in 2020. The ACA critically noted that the Federal Ministry of Finance's strategy failed to explicitly mention the appeal and suspension procedures.

In an internal policy paper, the Federal Ministry of Finance itself stated that tax law had developed into one of the most complex and extensive areas of legislation in the past decades, with countless exceptions and special provisions. This development had resulted in regularly high administrative burden and uncertainty both for taxpayers as well as for authorities.



The ACA recommended to the Federal Ministry of Finance to draw up corresponding legislative proposals to render the body of tax legislation overall simpler, more comprehensible and more transparent.

**WATER MONITORING IN CARINTHIA AND UPPER AUSTRIA**

Water creates the foundation of life. A functioning monitoring of waters is therefore in the interest of all citizens. The ACA carried out an audit of “Water Monitoring in Carinthia and Upper Austria” (volumes Federation 2022/15, Carinthia 2022/2, Upper Austria 2022/2). Water monitoring comprises the monitoring of waters and water plants. In detail, this entails tasks such as the monitoring of emissions from sewage treatment plants into water bodies, the status of water bodies, flood protection or the protection and sanctuary areas for drinking water supply. The aim is to protect and improve water bodies through appropriate plant, status, quality and groundwater monitoring.



The ACA criticized that a regulation to be issued by the federal government in order to define uniform minimum standards for inspections of water monitoring was not available. This resulted in the fact that the audited provinces fulfilled their responsibilities with regard to water monitoring in differing ways.

## WORKING AND STUDYING IN A BARRIER-FREE UNIVERSITY ENVIRONMENT

In the framework of its audit priority, the ACA also carried out an audit on “Working and Studying in a Barrier-Free University Environment” (volume Federation 2022/19). The ACA’s auditors took an exemplary, in-depth look at the University of Natural Resources and Life Sciences Vienna (BOKU Vienna) and the Graz University of Technology (TU Graz). They critically note that both universities fell far short of the obligation to employ eligible disabled persons – i.e. employed persons whose degree of disability is at least 50 per cent and who are available to the labour market. Furthermore, they emphasize that students with disabilities that had a negative impact on their studies were significantly more affected by financial problems.

Pursuant to the Employment of Persons with Disabilities Act, at least one eligible disabled person shall be employed for every 25 employees. If an employer fails to fulfil this obligation, a compensation tax must be paid. The ACA criticized that in December 2020 none of the 22 public universities fully complied with their obligation to employ eligible disabled persons. Only 980 of the 2,216 mandatory positions were filled. This corresponds to a rate of 44 per cent. Consequently, the universities had to pay around EUR 5.33 million in compensation payments in 2020.

The ACA therefore recommended to the Federal Ministry of Education to encourage universities to comply to a greater extent with their obligation to employ eligible disabled persons. Furthermore, an exchange of experience on staff-related issues should be initiated among the universities in order to provide new impetus for their personnel policy and to incentivize them to comply more with the obligation to employ eligible disabled persons.

In 2019, 39,100 students in Austria had disabilities that rendered their studies difficult. This equals a share of 12.2 per cent of the total number of students. In its report, the ACA points to the results of the Student Social Survey 2019 (Studierenden-Sozialerhebung 2019), according to which students with disabilities that rendered their studies difficult were significantly more affected by financial problems. However, in the regulation on the granting of study subsidies for students with disabilities, the amount of supplements to the student grant has remained unchanged for over 15 years.

The ACA also criticized the fact that although the BOKU Vienna’s brochures for first-year students contained information on the topic of studying with disabilities, they were not accessible for persons with disabilities. In addition, content on this topic was difficult to find on the BOKU Vienna’s website. The website was neither user-friendly nor accessible for persons with disabilities. In the information material provided by the TU Graz, the topic of disability remained largely unaddressed. However, the brochure containing information on the start of studies was available as an accessible document.



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## 1.6 AUDITING PUBLIC CONSTRUCTION PROJECTS

In autumn 2018, the ACA compiled its knowledge and experience gained from 55 audits of construction projects in the guideline “Management of Public Construction Projects”. It thereby made a contribution to public builder–owners based on its advisory function. Also in 2022, the ACA took a look at construction projects and the maintenance of existing infrastructure – always with a focus on the question: Are public builder–owners implementing construction projects efficiently, economically and effectively?

The ACA addressed the condition and maintenance of bridges in the province of Vorarlberg as well as in the cities of Feldkirch and Hohenems in its audit report “[Bridge Maintenance in the Province of Vorarlberg](#)” (volume Vorarlberg 2022/1) published on 21 January 2022. The audit put a particular focus on the system of maintenance management with the aim to ensure “quality, reliable, sustainable and resilient infrastructure” (United Nations Sustainable Development Goals, Target 9.1) and guaranteeing the safety of transport routes. The issues related to the selected public authorities concerned, to differing levels, in particular all provinces and municipalities in Austria in their capacity as those responsible for road maintenance. The ACA pointed to the deterioration of the conditions of bridges in the province of Vorarlberg since the funds used for maintenance did not suffice to prevent a further deterioration of the condition of bridges. This increasing deterioration also has implications for the future: the province of Vorarlberg, for example, expected annual costs of EUR 9.46 million for bridge maintenance for the period of 2020 to 2024, equalling an increase of ten per cent compared to previous years. The

city of Feldkirch also assumed that the annual costs would double and account for over EUR 50,000, and the city of Hohenems expected even a fivefold increase to around EUR 56,000.

The documentation of the bridges' condition was partly incomplete. It was in particular in the cities of Feldkirch and Hohenems that individual bridges were either not recorded or the data pertaining to them was incomplete. Consequently, a monitoring of their condition was possible only to a limited extent. The ACA also detected occasional contradictions as regards the responsibilities for inspection and maintenance. In the course of the audit, such responsibilities could be clarified. Both the province as well as the audited cities failed to fully comply with the scheduled intervals for ascertaining the condition of bridges.

The ACA recommended to the cities of Feldkirch and Hohenems to systematically collect and uniformly evaluate data in order to create a sound basis for maintenance. As regards the interaction between the province and the municipalities, the ACA suggests an increased cooperation to lay the ground for a further development and expansion of the know-how in the area of bridge maintenance. For the province of Vorarlberg, the ACA suggested to consider the establishment of a provincial office for the joint and therefore uniform monitoring of provincial and municipal bridges.

In responding to the lack of binding regulations and a legal framework that would, in particular, oblige the municipalities to take corresponding measures, the ACA suggested to develop adapted provisions for the secondary and local road network in Austria and to include the Association of Towns and Municipalities (Städte- und Gemeindebund) in the drafting process.

In its report published on 2 September 2022 on "Project 'House of Social Security'" (volume Federation 2022/26), the ACA audited the conversion, extension and general refurbishment of the "House of Social Security" (Haus der Sozialen Sicherheit), the seat of the Umbrella Association of Social Insurance Providers.

The ACA acknowledged that the main or umbrella association, despite having little experience in the management of construction projects, was able to put the refurbished office building and its annexe into operation on time and, according to the umbrella association itself, within the approved construction costs of EUR 46.85 million.

However, from the beginning of the preparatory work to the resumption of full operation, the implementation of the "House of Social Security" project took more than ten years in total. In the decision-making phase leading up to the general refurbishment, the main association was still having major building maintenance work carried out. For instance, from 2008 to 2010, the ground floor was refurbished at a cost of about EUR 1.26 million. The ACA considered the funds spent for this purpose in particular as predominantly wasted expenditure. The main association benefited from these investments until the beginning of 2018. However, they could not be integrated into the general refurbishment and, consequently, were no longer of use. As part of the general refurbishment, the main association enlarged the conference rooms and event spaces, even though it became apparent from discussions about the structural reform, which began in 2016, that the number of social insurance providers and thus of their committees and members would go down and therefore reduce the space required. In this phase, the main associa-

tion failed to consider redimensioning the project scope and the corresponding savings potential. As of 2020, three and a half of the office building's eleven floors were let to organizations outside the social security sector.

We audit, INDEPENDENTLY AND OBJECTIVELY AT YOUR SERVICE.

### PROJECT 'HOUSE OF SOCIAL SECURITY'

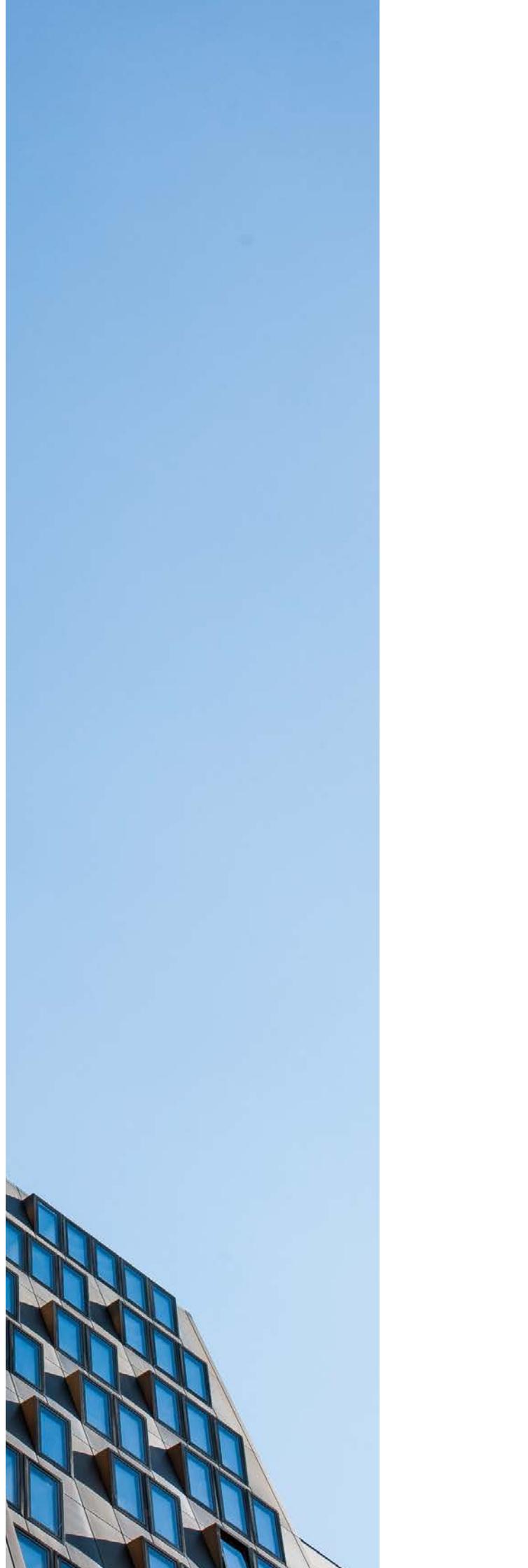
**2017**      **2020**

**Fact:**  
During the general renovation, some 1,000 square meters of garden area were sealed at the forecourt. The Main Association of Austrian Social Security Institutions thus contributed to inner-city surface sealing.

QR code and R+H logo.

For 2021, the plan was to let a total of five floors. By the end of the ACA's audit in spring 2021, the umbrella association had neither developed a letting concept nor a transparent pricing structure for the use of the conference rooms and events spaces. Furthermore, the ACA noted that the objective of constructing a zero energy building was not achieved, which was primarily due to the fact that the photovoltaic system's dimensions were too small.

With the two follow-up audits on "Construction of the Motorway S 10 – Mühviertler Schnellstraße" (volume Federation 2022/6) and on the "Krankenhaus Nord (Hospital North)" (Vienna 2022/3) as well as "Construction Contract Awards at the ASFINAG Bau Management GmbH and the ÖBB-Infrastruktur Aktiengesellschaft" (volume Federation 2022/10), the ACA published another three audits in the area of construction in 2022 – see chapter 3.2 and chapter 1.1 of this Annual Report.





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## 1.7 ANALYSING CYBERSECURITY

Cybersecurity plays a role in all areas of electronic data processing, data transmission and communication. It is the foundation of a secure information technology and ensures its functioning and data integrity in all public and private sectors.

Within the scope of its activities, the ACA focuses on the security of the public administration's information technology. Information technology security does not only contribute to an effective, efficient and economic execution but also to the public's confidence in the legal compliance, integrity, transparency and plausibility of public administration. Since cybersecurity needs to be ensured in both public and private sectors, its coordination is of crucial importance. At the federal level, the Federal Chancellery, the Federal Ministry of the Interior, the Federal Ministry of Defence and the Federal Ministry for European and International Affairs are in charge of this task. In 2021, the ACA audited their measures for the coordination of cybersecurity and published an analysis in its report "Coordination of Cybersecurity" (volume Federation 2022/13).

### THE STATUS QUO

The aim of cybersecurity is that providers of technical infrastructure that is important to society (operators of essential services in the sectors of energy, transport, banking, financial market infrastructure, healthcare, drinking water, digital infrastructure) and of digital services take security precautions in order to maintain their services. The Austrian Network and Information Systems Security Act (Netz- und Informationssicherheitsgesetz) forms the legal basis for this. It obliges these providers to take security precautions and to report secu-

rity incidents. Federal public administration bodies were also subject to the Network and Information Systems Security Act, in particular as regards their important services and the reporting of security incidents.

The provinces were not subject to the obligations stipulated in the Network and Information Systems Security Act. They could declare these regulations to be applicable to their scope of competence by means of provincial legislation; however, as of May 2021, no province had enacted a corresponding piece of provincial legislation. In terms of appropriate security precautions for their most important services and the reporting of security incidents, provincial bodies were therefore not subject to the same mandatory level of protection as the federal government.

#### **COMPUTER EMERGENCY RESPONSE TEAM OF THE PUBLIC ADMINISTRATION**

In order to ensure the security of network and information systems, the Network and Information Systems Security Act provides for the creation of computer emergency response teams, one at the national level (CERT.at) and one at the level of public administration (GovCERT). Their main tasks were accepting incident reports (risks, incidents, security incidents), forwarding them to the Federal Minister of the Interior, analysing them, giving recommendations of action for fending off security incidents as well as assessing the situation.

GovCERT was attached to the Federal Chancellery and was under its strategic direction. Since the highly specialized staff for this team was not available at the federal level, GovCERT's staff was provided by the company

that also operated the national CERT.at. As security was one of the public sector's core tasks, GovCERT was to be run with employees of the federal government in the long-term.

Public administration bodies (federal ministries, provincial, municipal and city administration bodies) as well as critical infrastructure organizations were eligible to participate in GovCERT's information hub. In 2021, 75 bodies participated in GovCERT. The provinces of Carinthia and Styria did not take part. Therefore, the Federal Chancellery should launch an initiative to integrate all provinces and more municipalities into this important information network, especially since it also provided specific instructions for action and information on how to fend off a current security incident.

#### **OPERATIONAL COORDINATION**

The Network and Information Systems Security Act specified the structure for the operational coordination of cybersecurity, consisting of an "inner circle" and an "outer circle". The Inner Circle of the Operational Coordination Structure (ICOCS) headed by the Federal Ministry of the Interior was made up of representatives of the Federal Chancellery, the Federal Ministry for European and International Affairs and the Federal Ministry of Defence. Its task was to analyse the cyber situation assessment on risks, incidents and security incidents prepared by the Federal Ministry of the Interior, to issue written warnings, if required, to organize information events and to support the coordination committee in the case of a cyber crisis. The ICOCS was the most important interministerial body for cybersecurity and fulfilled its tasks.



### CYBER CRISIS IN THE FEDERAL MINISTRY FOR EUROPEAN AND INTERNATIONAL AFFAIRS

In December 2019, a covert cyberattack was launched on the systems of the Federal Ministry for European and International Affairs. Subsequently, a cyber crisis was identified for the first time, which prompted the activation of the structures envisaged therefor. The Federal Minister of the Interior formally identified the existence of a cyber crisis on 4 January 2020. In order to fight the crisis, the coordination committee was deployed and a specific operational structure (in addition to the ICOCS) was established.

The extensive personnel resources required to overcome the cyber crisis (overall 10,732 hours of work which corresponded to about 67 person–months) could only be provided through joint efforts of the Federal Ministry for European and International Affairs (2,664 hours), the Federal Ministry of the Interior (2,644 hours) the Federal Chancellery (including GovCERT, 1,600 hours) and through support from the Federal Ministry of Defence (3,824 hours). Furthermore, the prompt availability of an external company was required.

By February 2020, the cyber crisis was in essence successfully addressed. However, an analysis identified important potential improvements:

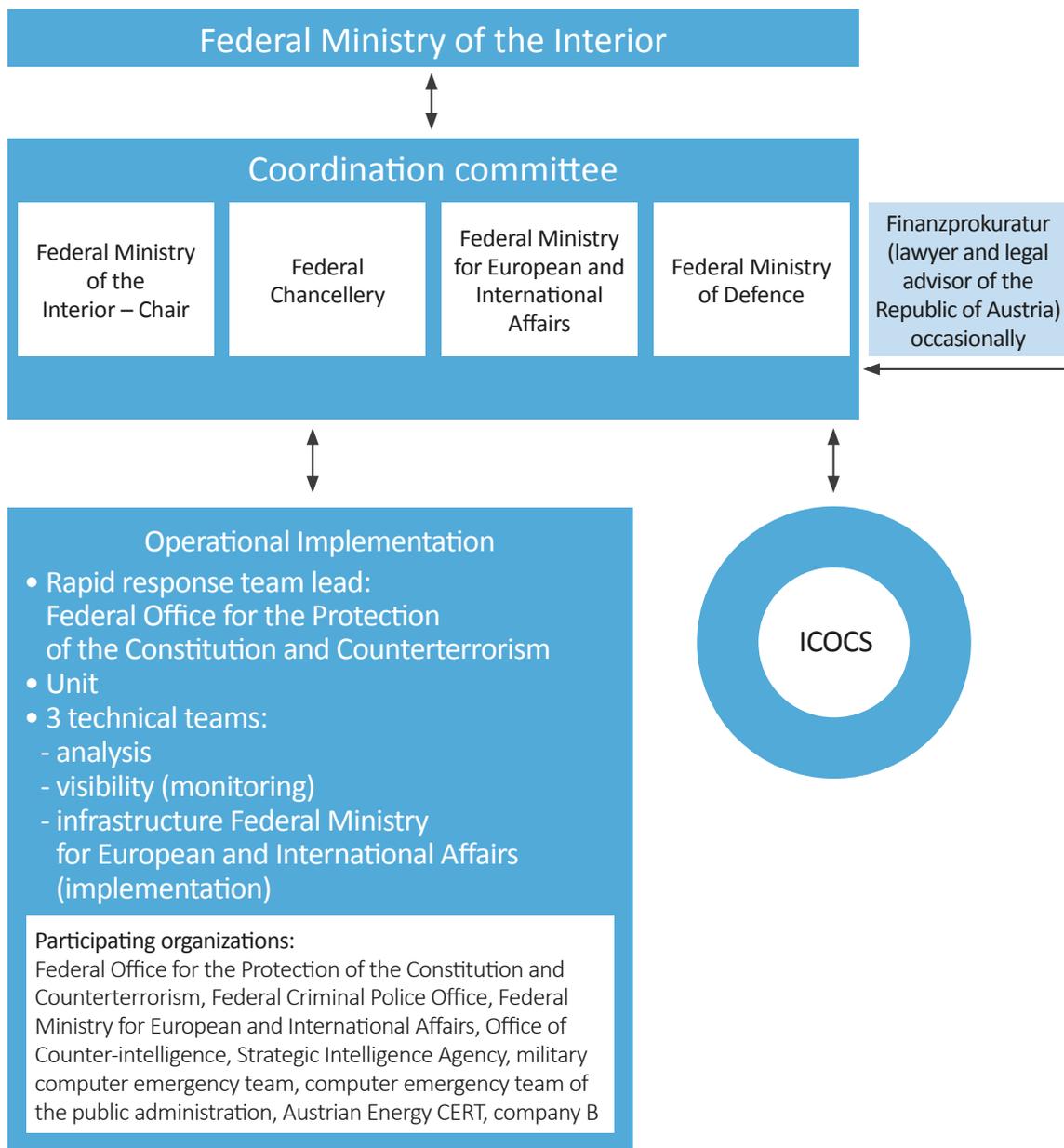
- There was no cyber crisis infrastructure in place, which was why premises and technical equipment first had to be organized and acquired during the cyber crisis in order to establish operational readiness; therefore, a permanent cyber situation centre for the ICOCS should be set up at the Federal Ministry of the Interior.

The operational coordination structure (Operative Koordinierungsstruktur; OpKoord) formed the “outer circle”; it was made up of the ICOCS participants and the computer emergency response teams (CERT.at and Austrian Energy CERT). Providers of essential services, digital service providers and public administration bodies could be brought in if their scope of competence was affected by a risk, an incident or a security incident. Due to extensive overlaps in personnel between ICOCS and OpKoord as well as for resource–related reasons, OpKoord did not hold its own meetings.

The provinces’ participation in OpKoord was neither provided for nor did they receive the results of OpKoord’s situation assessment, for example, of risks and incidents. The Federal Ministry of Finance, which is in charge of digitalization, was also not involved in OpKoord. In light of the great importance of cybersecurity, the provinces and the Federal Ministry of Finance should be integrated into OpKoord – which would have to be restructured with a view to its responsibilities – and OpKoord’s situation assessment should be made available to them. This recommendation was implemented in the third quarter of 2021.

- A permanently available rapid response team was not available; therefore, a permanently available cyber rapid response team should be set up in coordination with the cyber rapid response team that is planned at the Federal Ministry of Defence.
- A cyber security operations centre – in the sense of a public cybersecurity body with an operations centre and staff on standby – was not available. Therefore, a public cybersecurity body with an operations centre should be established, into which the cyber rapid response team should be integrated.

### Cyber crisis management structure



ICOCs: Inner Circle of the Operational Coordination Structure

Sources: Federal Ministry of the Interior, Network and Information System Security Act; graph: ACA

## 1.8 ASSESSING THE SOCIAL INSURANCE REFORM

### GENERAL REMARKS

The ACA audited the “Reform of the Social Insurance Providers – Merger and Financial Position”. The audit’s first part on the merger (volume Federation 2022/41) aimed at assessing the targeted reduction of the administrative burden, the progress made towards harmonization of benefits and the organizational integration. In the second part (volume Federation 2022/42), the ACA also audited the financial position of the three merged social insurance providers, with special attention paid to the COVID–19 pandemic.

### BACKGROUND AND OBJECTIVES OF THE REFORM

In December 2018, the legislator decided to reduce the number of social insurance providers from 21 to five. According to the legislative texts, the reform aimed at harmonizing benefits and at reducing the administrative burden. Specifically, it was planned to reduce personnel and administrative expenses by 30 per cent, in order to achieve savings in the amount of EUR 1 billion from 2020 to the end of 2023. As the “patients’ billion”, this amount was supposed to benefit the beneficiaries in the form of improved services.

In principle, the ACA considered several aspects of the reform to be positive, in particular the broadening of risk sharing and the increase in the social insurance system’s agency by reducing the number of providers as well as the goal of exploiting synergies. It also acknowledged that the transition as of 1 January 2020 was largely successful without any system breakdowns.

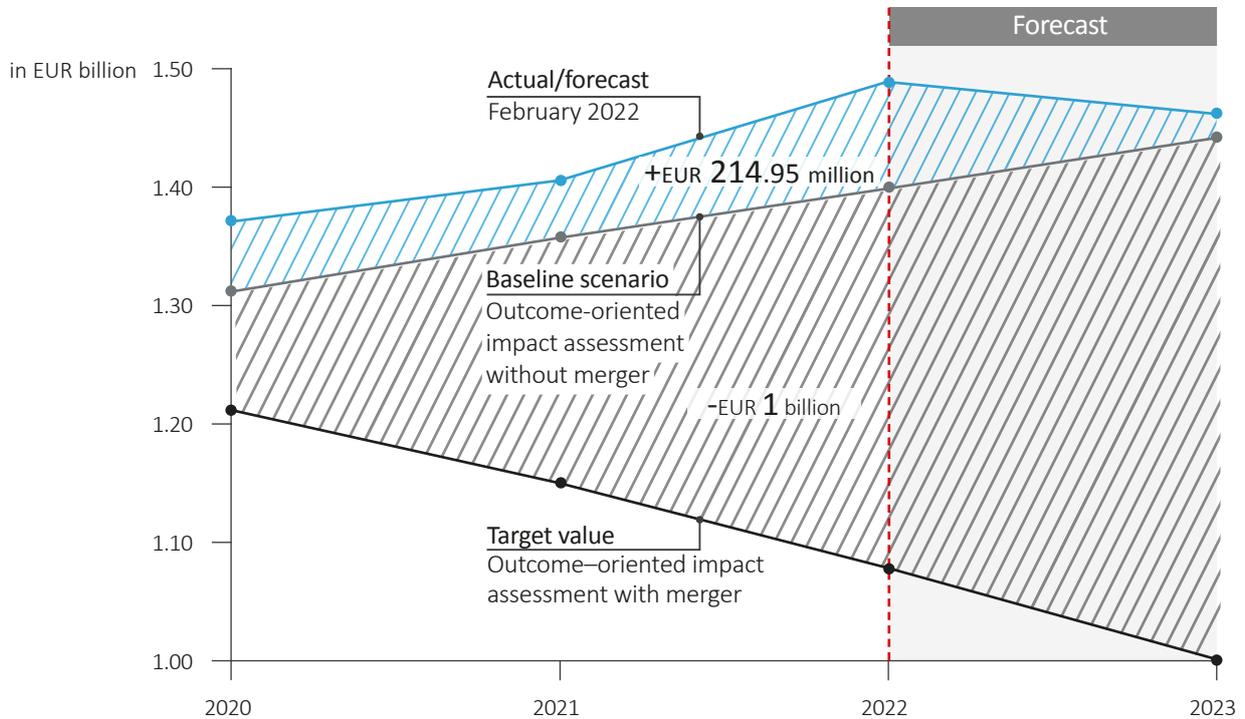
### EFFECTS ON THE ADMINISTRATIVE BURDEN

The “patients’ billion” that had been announced by the federal government for 2018 to 2023 could not be demonstrated. Neither could the Federal Ministry of Social Affairs explain how savings of this magnitude should have been achieved in that period through the merger of the social insurance providers. Even before the corresponding law, the Austrian Social Insurance Organization Act (Sozialversicherungs–Organisationsgesetz), was passed, various bodies, among them the ACA, had criticized that the calculated savings were not plausible. If policy objectives and professional assessments differ to such an extent, it would be, in the ACA’s opinion, the task of the Federal Ministry of Social Affairs to either develop other measures or to adapt the objectives.

No savings targets were set for the social insurance system (e.g. by way of a statutory provision). Also, the social insurance providers’ target–based management system that is to be coordinated annually between the social insurance system and the Federal Ministries of Social Affairs and Finance was not implemented in 2021.

Calculations showed that the merger resulted in additional expenditure of EUR 214.95 million in the period from 2020 to 2023 compared to the baseline scenario of the legislative texts. Even when adjusting for problematic assumptions on the baseline scenario made in the legislative texts, additional expenses amounted to between EUR 34.78 million and EUR 134.10 million. In the audited period, the social insurance providers themselves did not set quantified savings targets for themselves within the framework of the merger – given the lack of an explicit statutory obligation to do so.

### Financial implications of the merger



In light of the discrepancy between the actual development of the administrative burden (increase) and the forecasts according to the Social Insurance Organization Act (savings in the amount of EUR 1 billion), the social insurance providers, together with the Umbrella Association of Social Insurance Providers and the Federal Ministries of Social Affairs and Finance, should set new, realistic objectives and take measures to ensure that the objectives are achieved. In doing so, the question as to how much importance should be accorded to reducing the administrative burden in view of new requirements for the providers (e.g. in the area of preventing or fighting the COVID-19 pandemic) should be addressed.

#### HARMONIZATION OF BENEFITS

Among the reform’s essential aspirations was the harmonization of health insurance benefits provided by the new social insurance providers. However, the reduction of disparities

between the types of professions (employees and workers, farmers and the self-employed) was not envisaged. Although the Austrian Health Insurance Fund (Österreichische Gesundheitskasse; ÖGK) took steps towards the harmonization of benefits, a nationwide uniform comprehensive contract in the medical field was not in sight. While the legislator did reform the structure of the social insurance providers, the provincial medical chambers’ responsibility to act as a negotiating partner for fee agreements remained unchanged. In the ACA’s opinion, this was one of the reasons for the lack in harmonization. In the event that the reaching of an agreement continues to fail, it recommended to redesign the statutory framework for defining negotiating and contracting partners on the physicians’ as well as on the ÖGK’s side.

## MERGER COSTS AND ADVISORY AGREEMENTS

Pursuant to a decree of the Federal Ministry of Social Affairs, the social insurance providers had to document the “merger costs” (merger expenditure) and to disclose them in their financial statements. However, significant expenditure was not included, in particular expenditure to be capitalized (investments), expenditure for public relations, merger expenditure incurred before 2019, expenditure incurred at the main and umbrella association or the work performed by their own employees. Therefore, the decree was not suitable to fully and uniformly record the actual merger and integration expenditure. It was to be expected that the actual expenditure was significantly higher than the recorded figures.

The Federal Ministry of Social Affairs tasked a law firm with carrying out an award procedure for advisory services for three social insurance providers. According to the available documents, the cabinet of the then Federal Minister of Social Affairs conducted the substantive talks for the contract award. The Ministry’s specialist departments were not informed about details. With EUR 10.60 million for the years 2019 and 2020, the ÖGK had the largest fee volume for organizational advice. The advisory company’s average hourly rate was 80 per cent higher than the hourly rate of the company with the second largest fee volume, which was hired by the Social Insurance Institution for the Self-Employed. After the elimination of one candidate, only one contractor remained. Thus, the Federal Ministry of Social Affairs concluded the framework agreement for the ÖGK’s advisory services without assessing the concepts in terms of content and without comparing prices. According to the Federal

Ministry of Social Affairs, the cabinet’s files on the award procedure were handed over to the Austrian State Archives, where they were sealed as “private files” for 25 years. A data storage medium subsequently forwarded to the Federal Ministry of Social Affairs by the lawyer could no longer be found in the course of the ACA’s audit. In individual cases, commissioning and invoicing of individual external advisory services were inappropriate or inadequate: for example, expensive advisors were used for simple assistance services that could have also been provided in-house. In limited cases, the invoicing was checked by people involved in the service provision. Individual services were provided before the contract was formally awarded.

## CONTROL STRUCTURE AT THE SOCIAL INSURANCE PROVIDERS

Before the reform, a control assembly that had to monitor the entire financial management on an ongoing basis was provided for every social insurance provider. The Social Insurance Organization Act neither provided for a control assembly nor for any other control body for social insurance providers – despite the fact that social insurance providers managed almost EUR 70 billion in 2020. Thus, the social insurance system’s control structure was considerably less developed compared to its organization before the merger and to public or private companies of a similar size. The ACA advised the Federal Ministry of Social Affairs to work towards a statutory regulation stipulating the establishment of a control body for social insurance providers as well as the umbrella association and the direct communication between oversight bodies and accountants, e.g. modelled on the banking supervision.



The social insurance providers should – as the Federal Ministry of Social Affairs had already recommended – immediately set up an audit committee at the general meeting.

#### STAFFING

Furthermore, there was room for improvement as far as the staffing procedures at top management level were concerned. For example, the ÖGK advertised three management positions without specifying whether, for instance, the manager was wanted in the area of IT, finances, contract partner negotiations or for the organization of own bodies in the advertisement’s text. Documents of the ÖGK and/or the umbrella association submitted to the ACA showed that applicants were also assessed based on qualities such as resilience and assertiveness, which were not mentioned in the advertisement, as well as their regional origin. The documents on the staffing procedure that were available at the ÖGK and the umbrella association were not sufficient to understand the basis for the decision in detail. The documents required for this purpose were not stored at the relevant legal entity, but at the personnel advisory company, which had destroyed them before the ACA’s audit.

#### PRIVATE FOUNDATIONS

As part of the structural reform, four company health insurance funds were dissolved (Mondi, voestalpine Bahnsystem, Zeltweg and Kapfenberg). Their beneficiaries were transferred to the ÖGK. For purposes of workplace health promotion and in order to maintain the level of benefits for these individuals, four private foundations were set up. About EUR 70 million were transferred to them from the assets of the former company health insurance funds. The ÖGK received EUR 7 million. The ACA critically noted that – in contrast to past dissolvments of company health insurance funds – a significantly higher asset share was not transferred to the new community of solidarity, in this case the ÖGK.

#### MISCELLANEOUS

The actual design of essential framework conditions for the merger deviated from the federal government’s media communication. The announcement that the individual regional health insurance funds’ reserves and contributions would remain in the respective provinces was in conflict with the actual regulations.

In the years 2020 and 2021, important developments of the merger, integration and restructuring were overshadowed by the COVID–19 pandemic. In 2020, the reduced use of insurance benefits resulted in a financial advantage for social insurance providers. The medium– and long–term development remained unclear also because the social insurance providers’ financial management forecast presented the expected developments in a skewed way due to the “prudent person principle”.

## 1.9 NEW CHALLENGES FOR AUDIT INSTITUTIONS

On 14 June 2022, the provincial audit institution of Carinthia celebrated its 25<sup>th</sup> anniversary; on 28 June, the provincial audit institution of Styria had its 40-year celebration and on 29 November the provincial audit institution of Burgenland marked its 20<sup>th</sup> year of existence. In a federal state, auditing is not only of key importance at federal level, but also at provincial level – as is ultimately also expressed by the existence of the auditing bodies established under provincial legislation.

The ACA took part in the individual celebrations without exception as cooperation is an important issue for the ACA (see also [chapter 2.1](#) of this Annual Report).

At the 40-year celebration of the provincial audit institution of Styria on 28 June, President Margit Kraker held a speech on “The Future of Public Auditing”, in which she emphasized that effective auditing gives rise to confidence in the state, its institutions and decision makers. Independent audit institutions are a prerequisite for a functioning state, and strong institutions are vital for a democratic process based upon the principle of separation of powers.

In her speech, President Kraker particularly focussed on three fundamental future challenges for audit institutions:

- a change in perspective,
- the quality of data and
- additional, new tasks, which auditing will have to deal with.



President Kraker at the provincial parliament of Styria

In the future, audit institutions will have to increasingly broaden their perspective to not only assess quantitative aspects but also qualitative ones and include a closer evaluation of effectiveness in their assessment than has been the case to date. That is why the ACA made the “benefit for citizens and the quality of service provision” its audit priority in the past years (see [chapter 1.5](#) of this Annual Report). Costs, quality, level of service, performance and the availability of – in many cases personnel – resources are the criteria that will have to be used to assess public systems from an overall perspective in the future. Audit institutions have to increasingly call for long-term thinking. Therefore, the new audit priority for the next three years is entitled “Next Generation Austria” (see [chapter 2.1](#) of this Annual Report).

As to the quality of data, audit institutions have a distinguishing feature in competition with investigative journalism, data and research platforms as well as research institutions: they are able to collect, analyse and use original data for an audit and to publish it in a report. Audit institutions provide reliable and meaningful data with respect to all audit fields. In times of fake news or fake data, they have to increasingly take on the role of fact and data protectors. Data analysis and evaluation will become an even bigger part of the work. For instance, Austria was lacking statistical data on the total expenditure for old-age care until the report on old-age care was published. The ACA has made the overall cost for old-age care transparent – after all, we are talking about around EUR 8 billion.

In concluding her speech, President Kraker also went into the third point: new, additional tasks for audit institutions. She focused on the topic of “Political party funding and assessment of the statements of accounts by the ACA” (see [chapter 1.2](#) of this Annual Report).

On the occasion of the 20-year celebration of the provincial audit institution of Burgenland on 29 November, President Kraker pointed to the ACA’s good cooperation with the provincial audit institutions.

20-year celebration of the provincial audit institution of Burgenland



### 1.10 THE GENERAL PUBLIC: AN IMPORTANT PARTNER FOR THE ACA

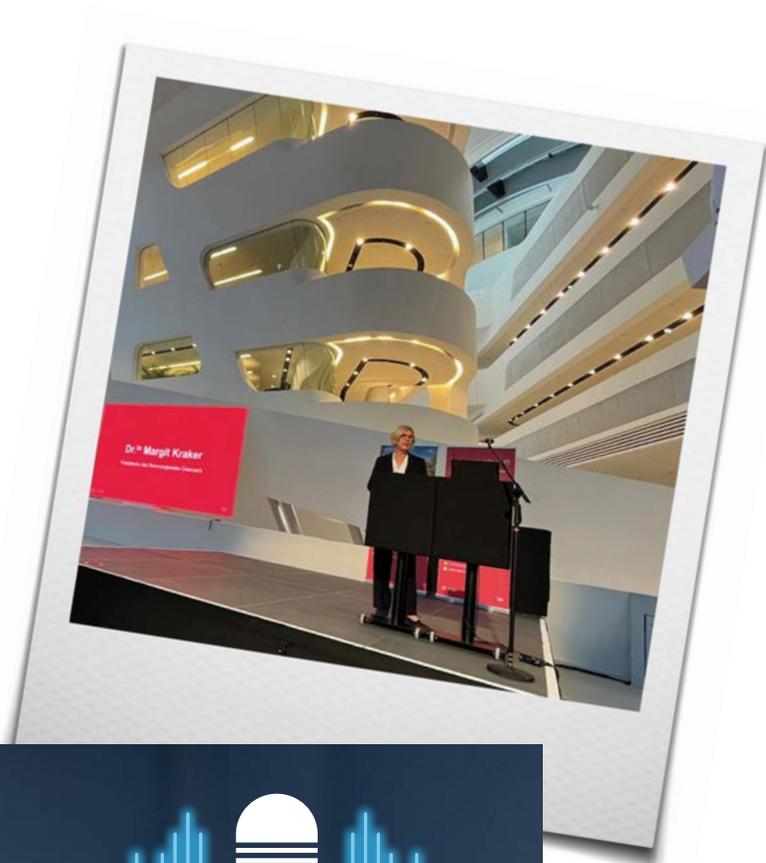
“Whether and which of our recommendations are implemented depends solely on the responsible players.” This is an answer often provided to citizens who call the ACA to ask when the recommendations issued by the ACA will be implemented. Being transparent is central to the ACA in order to reinforce the impact of its recommendations. Such transparency is achieved through media work and public relations. President Kraker attaches great importance to informing citizens directly.

In “Trust: The ACA Podcast”, the president talks about the ACA’s work. This format – which is still an in-house production – was launched in 2021 with the aim to keep the public well informed also during the lockdowns. With its podcast, the ACA succeeded in reaching even more people.

The delivery of presentations and speeches – within or outside the ACA – is also part of the ACA’s public relations strategy. These are

tasks that both the president as well as the ACA’s staff members are pleased to carry out.

President Kraker at the Vienna University of Economics and Business



Margit Kraker

**Advise to Improve**

Season 2 | Episode 8

**TRUST**

**The ACA Podcast**

In keeping with the motto “#tellus” (“#zeigen-Sieauf”), the ACA invites citizens each summer to submit their audit suggestions, which then feed into the discussions in the framework of the ACA’s audit planning process in autumn.

The website [https://www.rechnungshof.gv.at/rh/home/was-wir-tun/home\\_3/Buergerbeteiligung1.html](https://www.rechnungshof.gv.at/rh/home/was-wir-tun/home_3/Buergerbeteiligung1.html) presents the audits that were carried out by the ACA based on citizens’ suggestions.

Citizens can furthermore be part of the decision-making process when the ACA is tasked with forwarding unlawful donations made to political parties. In 2022, the ACA forwarded a total of EUR 5,912.83.

Further information on this topic can be found at: [https://rechnungshof.gv.at/rh/home/was-wir-tun/was-wir-tun\\_5/was-wir-tun\\_5/Rechnungshof\\_gibt\\_Spendenempfaenger\\_bekannt1.html](https://rechnungshof.gv.at/rh/home/was-wir-tun/was-wir-tun_5/was-wir-tun_5/Rechnungshof_gibt_Spendenempfaenger_bekannt1.html)

### FORWARDING OF DONATIONS TO POLITICAL PARTIES



The ACA was tasked with forwarding **unlawful donations to political parties** amounting to Euro **5,912.83**.

**40 proposals have been received.**  
The donation recipients were drawn.

 <b>1,970.95</b> unlawful donation to a political party	 Wiener Kinderhospiz gemeinnützige GmbH
 <b>1,970.95</b> unlawful donation to a political party	 Verein e.motion – Equotherapie
 <b>1,970.95</b> unlawful donation to a political party	 Zellkern – Wegweiser zum Leben

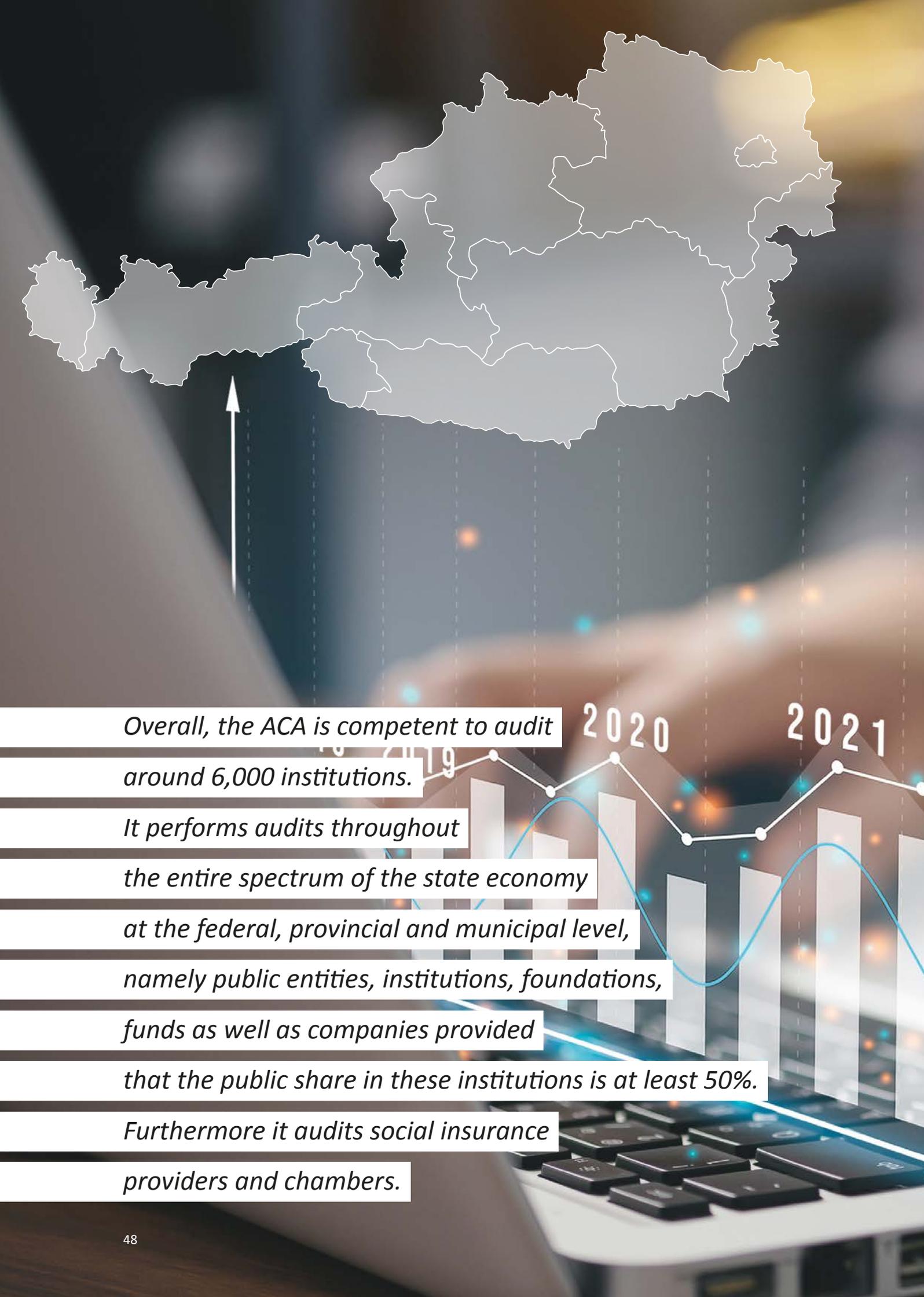
Further information can be found at: [https://www.rechnungshof.gv.at/rh/home/was-wir-tun/was-wir-tun\\_5/was-wir-tun\\_5/Rechnungshof\\_gibt\\_Spendenempfaenger\\_bekannt1.html](https://www.rechnungshof.gv.at/rh/home/was-wir-tun/was-wir-tun_5/was-wir-tun_5/Rechnungshof_gibt_Spendenempfaenger_bekannt1.html)

The ACA also continues to attract considerable public interest in the topics of political party donations, political party financing and the parties’ statements of accounts.



Furthermore, President Kraker also gave interviews, such as for the newspapers “Süddeutsche Zeitung” and “Die Zeit”.





*Overall, the ACA is competent to audit around 6,000 institutions.*

*It performs audits throughout the entire spectrum of the state economy at the federal, provincial and municipal level, namely public entities, institutions, foundations, funds as well as companies provided that the public share in these institutions is at least 50%.*

*Furthermore it audits social insurance providers and chambers.*



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## 2 AUDITING AND ADVISING

### 2.1 AUDITING

Auditing is the ACA's core task. In December 2022, the ACA was carrying 81 audits, of which 33 were dedicated to the new audit priority "Next Generation Austria. Are we passing on something more than just debt to the next generation? On the future role of the state for the next generation".

From the angle of public audit, which is albeit carried out ex post, i.e. the audits are performed in retrospect, it is important to anticipate and identify challenges that will emerge for the state and society in the medium term and to develop an audit programme that strategically builds thereon.

As regards the different audit areas, the comprehensive audit priority is to address the following themes in particular:

- Public responsibilities and sustainable public finances (such as provisions and the ensuring of availability in the case of specific infrastructure requirements and responsibilities, e.g. spatial planning, implementation of costly reform projects – in the areas of transport, health and old-age care)
- Digitalization and public administration (modernization of the administration and the prevention of corruption, digital transformation and public data management)
- Future-related promises to the youth (implementation of reforms for the benefit of the next generation, in particular in the areas of education, labour market, climate and pensions).

In September and October, the ACA held planning sessions for the audits to be carried out in 2023. The audit suggestions were thoroughly discussed and, in doing so, a balance was achieved, especially with regard to the variety of audit topics and audit addressees.

Both the 2022 and the 2023 audit plan were coordinated with the provincial audit institutions. The purpose of this coordination is to avoid a duplication of audits.

## 2.2 REPORTING

In 2022, the ACA published 50 reports:

Title	Date of publication	Volume
The Österreichische Post AG – Quality of Mail and Parcel Delivery for Universal Service	14 Jan 22	Federation 2022/1
Bridge Maintenance in the Province of Vorarlberg	21 Jan 22	Vorarlberg 2022/1
Federal Asylum Accommodation and Support Facilities	28 Jan 22	Federation 2022/2
Oesterreichische Entwicklungsbank AG	04 Feb 22	Federation 2022/3
Capital Gains Tax Refunds After Dividend Distributions; Follow-up Audit	18 Feb 22	Federation 2022/4
The United Nations Sustainable Development Goals, Implementation of the 2030 Agenda in Austria; Follow-up Audit	18 Feb 22	Federation 2022/5
Construction of the S10 Mühlviertel Motorway; Follow-up Audit	18 Feb 22	Federation 2022/6
COVID-19 Short-Time Work	25 Feb 22	Federation 2022/7
Selected Federal Support Programmes for Tourism	11 Mar 22	Federation 2022/8
WasserCluster Lunz – Biologische Station GmbH	18 Mar 22	Federation 2022/9
Contract Awards at the ASFINAG Bau Management GmbH and the ÖBB-Infrastruktur Aktiengesellschaft	25 Mar 22	Federation 2022/10
Supervisory Boards: Selection Processes in Ministries	31 Mar 22	Federation 2022/11
		Federation 2022/12
		Burgenland 2022/1
		Carinthia 2022/1
		Lower Austria 2022/1
		Salzburg 2022/1
		Styria 2022/1
		Tyrol 2022/1
		Upper Austria 2022/1
		Vienna 2022/1
		Vorarlberg 2022/2
COVID-19 – Structure and Scope of the COVID-19 Financial Aid Measures: Data Update	08 Apr 22	Federation 2022/13
Coordination of Cybersecurity	22 Apr 22	Federation 2022/14
Function and Tasks of the Social Assistance Associations in the Province of Styria – Focus on the Social Assistance Association of the Murtal	29 Apr 22	Federation 2022/15
		Styria 2022/2
Water Monitoring in Carinthia and Upper Austria	13 May 22	Federation 2022/16
		Carinthia 2022/2
		Upper Austria 2022/2
Outside Employments of University Professors; Follow-up Audit	27 May 22	Federation 2022/17

Title	Date of publication	Volume
Procurement of Medicines in Selected Hospitals in Salzburg and Tyrol; Follow-up Audit	27 May 22	Federation 2022/17 Salzburg 2022/2 Tyrol 2022/2
Pandemic Management of the Health Authorities in the First Year of the COVID-19 Pandemic	03 Jun 22	Federation 2022/18 Carinthia 2022/3 Lower Austria 2022/2 Vienna 2022/2
Working and Studying in a Barrier-Free University Environment	17 Jun 22	Federation 2022/19
Austrian Federal Financing Agency: Risk Management and Financing of Legal Entities and Provinces	24 Jun 22	Federation 2022/20
Report on the Federal Financial Statements 2021 (FFS)	30 Jun 22	FFS 2021
Legal Remedies in Tax Administration	8 Jul 22	Federation 2022/21
FACULTAS DOM Buchhandels GmbH	8 Jul 22	Federation 2022/22
Selected COVID-19-Related Services in Tourism and Healthcare	15 Jul 22	Federation 2022/23
Arbitration Boards for Legal Housing Matters with a Focus on the Cities of Innsbruck and Salzburg	22 Jul 22	Federation 2022/24 Salzburg 2022/3 Tyrol 2022/3
	18 Nov 22	Resubmission Tyrol 2022/4
COVID-19 Measures for Artists, Cultural Workers and Art Mediators	26 Aug 22	Federation 2022/25
Project 'House of Social Security'	02 Sep 22	Federation 2022/26
Technical Implementation of Telework and its Inclusion in Civil Service Law as Applied in Selected Federal Ministries	09 Sep 22	Federation 2022/27
The Municipalities of Brunn am Gebirge and Gänserndorf	23 Sep 22	Lower Austria 2022/3
Collaborations of the Federal Ministry of Defence with Associations and Organizations	14 Oct 22	Federation 2022/28
Private Hospitals Financing Fund – PRIKRAF	14 Oct 22	Federation 2022/29
Subsidies for the Expansion of District Heating and District Cooling Networks	21 Oct 22	Federation 2022/30
COFAG and Grants to Companies	28 Oct 22	Federation 2022/31
Procurement Planning by the Austrian Armed Forces	04 Nov 22	Federation 2022/32
AustriaTech – Gesellschaft des Bundes für technologiepolitische Maßnahmen GmbH; Follow-up Audit	11 Nov 22	Federation 2022/33
Clinic Floridsdorf; Follow-Up Audit on the "Krankenhaus Nord" ("Hospital North")	11 Nov 22	Vienna 2022/3
Municipal Investment Programmes 2017 and 2020	18 Nov 22	Federation 2022/34
		Vienna 2022/4
COVID-19 Family Allowances	18 Nov 22	Federation 2022/35
Plastic Packaging Waste	25 Nov 22	Federation 2022/36
Water Association Unteres Lafnitztal	02 Dec 22	Burgenland 2022/2
		Federation 2022/37
The Forest and Climate Change: Strategies and Measures	02 Dec 22	Carinthia 2022/4
		Lower Austria 2022/4
Real Estate Administration by the Österreichische Bundesforste AG	09 Dec 22	Federation 2022/38
Operational Readiness of the Militia	09 Dec 22	Federation 2022/39
MeteoServe Wetterdienst GmbH – now Austro Control Digital Services GmbH	09 Dec 22	Federation 2022/40

Title	Date of publication	Volume
Reform of the Social Insurance Providers – Merger – Financial Position	16 Dec 22	Federation 2022/41 and 42
Traffic Fines; Follow-up Audit	16 Dec 22	Federation 2022/43 Lower Austria 2022/5 Upper Austria 2022/3
General Income Report 2022	20 Dec 22	Incomes 2022/1
Annual Report 2022 of the Austrian Court of Audit	28 Dec 22	Federation 2022/44 Burgenland 2022/3 Carinthia 2022/5 Lower Austria 2022/6 Salzburg 2022/4 Styria 2022/3 Tyrol 2022/5 Upper Austria 2022/4 Vienna 2022/5 Vorarlberg 2022/3

The ACA submitted the reports listed in the table above to the National Council, the provincial parliaments and the Vienna City Council as well as to the municipal councils and the municipal associations. Since five years it has presented its reports in an electronic format and not as printed copies.

All ACA reports are published on its website at [www.rechnungshof.gv.at](http://www.rechnungshof.gv.at) and are therefore available to the public; the access has been barrier-free since January 2017. This means that the PDF files can now also be retrieved by blind people and people with visual impairments with the help of a speech reproduction programme.

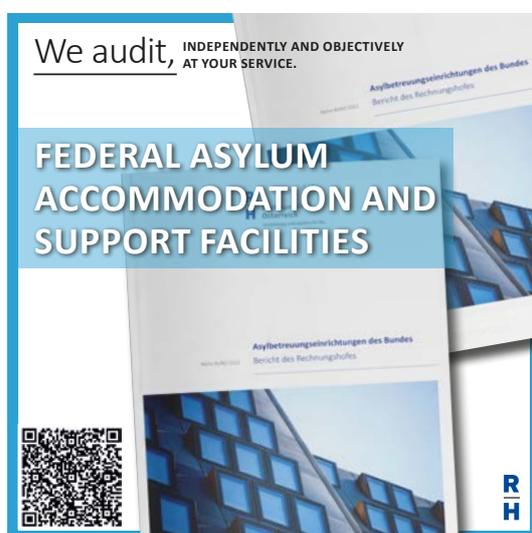
## SPECIAL AUDITS

Under special circumstances and to a limited extent, the Federal Constitutional Law provides for the possibility for the National Council or a provincial parliament as well as for the federal government or a provincial government to address an audit request or demand to the ACA.

Owing to amendments to the Rules of Procedure of the National Council (Federal Law Gazette I 141/2022), which entered into force on 1 January 2023, members of a parliamentary group with less than 20 Members of Parliament can also address an audit request to the ACA.

The ACA published two special audits in 2022:

- “Federal Asylum Accommodation and Support Facilities” (volume Federation 2022/2)
- “Contract Awards at the ASFINAG Bau Management GmbH and the ÖBB–Infrastruktur Aktiengesellschaft” (volume Federation 2022/10)



The ACA audited the “Federal Asylum Accommodation and Support Facilities” (volume Federation 2022/2) at the Federal Ministry of the Interior from September 2020 until February 2021. The audit was performed in accordance with Article 126b para. 4 of the Federal Constitutional Law based on a request pursuant to section 99 para. 2 of the Austrian National Council Rules of Procedure Act 1975, which was issued by the Members of Parliament Herbert Kickl, Wolfgang Zanger and others. The request concerned, in particular, the assessment of all legal, organizational, financial and staff-related measures related to primary and federal care in the years from 2013 to 2017 and the contracts concluded with the federal accommodation and care facilities. The Federal Ministry of Interior is in charge of ensuring the initial reception of asylum seekers.

The federal government shall guarantee the primary care for asylum seekers in its accommodation and care facilities until it is clarified through the admission procedure whether Austria is responsible for the asylum procedure. Only then can asylum seekers be assigned to the provinces for the provision of primary care. In principle, the requirements for federal care are higher than for provincial care, as the accommodation of persons in need of protection must be possible at any time. From 2013 to mid-2014, the Federal Ministry of the Interior was able to provide needs-based federal care in the facilities available until then. Due to the sharp increase in the number of asylum applications, the lack of own reserves and the lack of accommodation facilities in the provinces, it faced the urgent need to develop further capacities, especially in the wake of the migration crisis in 2015/16.

In order to be prepared for any new increase in the number of asylum applications, the ACA recommended to the Federal Ministry of the Interior to develop an adequate strategy. Likewise, a uniform process with objectives and organizational measures would have to be defined to ensure efficient crisis management and for the procurement of accommodation capacities.

The ACA audited the “Contract Awards at the ASFINAG Bau Management GmbH and the ÖBB–Infrastruktur Aktiengesellschaft” (volume Federation 2022/10) upon the request of the then Federal Minister for Transport, Innovation and Technology, Andreas Reichhardt, pursuant to Article 126b para. 4 last sentence of the Federal Constitutional Law. In the framework of this audit, the ACA analysed the data on contracts awarded by the Austrian road operator ASFINAG and the ÖBB–Infrastruktur Aktiengesellschaft in the period of 2016 to May 2019. The ACA also extended the audit to the Österreichische Bundesbahnen–Holding Aktiengesellschaft and its subsidiaries, the ÖBB–Business Competence Center GmbH and the ÖBB–Infrastruktur Aktiengesellschaft.

From January 2016 through to May 2019, the ASFINAG Bau Management GmbH awarded contracts totalling EUR 2.609 billion. At the ÖBB–Infrastruktur AG, the contracts amounted to EUR 2.696 billion. Of the 22 assessed award cases with a total volume of EUR 281.27 million, 13 violated the Federal Procurement Act.

Potential for improvement was also identified as regards the prevention of corruption. In order to counteract possible unfair business practices by contractors, such as price agreements and territorial divisions, contracting

authorities should put a special focus on the examination of bids. See also [chapter 1.1](#) of this Annual Report.

In 2022, the ACA received two requests for special audits:

- a minority request of the National Council pursuant to section 99 para. 2 of the Austrian National Council Rules of Procedure for an audit on “Task Performance and Operational Readiness of the 4<sup>th</sup> Armoured Infantry Brigade”
- a request by the Federal Minister of Defence pursuant to Article 126b para. 4 of the Federal Constitutional Law for an audit of “AEI – Agency for European Integration and Economic Development”.

In addition, the ACA was in the midst of carrying out the following requested special audits as at mid–December 2022:

- “Preventive Healthcare” (decision by the National Council)
- “Procurement and Financing of Vaccines in the Course of the COVID–19 Pandemic” (minority request of the National Council)
- „FMB Facility Management Burgenland GmbH“ (minority request of the provincial parliament of Burgenland)
- “Procurement Procedures by the Federal Ministry of Education, Science and Research in 2020 and 2021 in Connection with the COVID–19 Pandemic” (minority request of the National Council)
- “Vienna Health Association” (minority request of the Vienna City Council)
- “Audit of Possible Inconsistencies as Regards EIA Processes Carried out by Department 13 of the Office of the Styrian Provincial Government” (minority request of the provincial parliament of Styria).



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## 2.3 ADVISORY ACTIVITIES

After their submission and publication, the ACA's reports are discussed within the respective representative body. Prior to and in the context of the parliamentary discussion of the reports, the ACA also provides explanatory information to the members of the National Council or the provincial parliaments.

### NATIONAL COUNCIL

In early 2022, 68 ACA reports submitted in the period of 2018 to 2021 as well as the Income Survey 2019 and 2020 were still unaddressed. In 2022, the ACA presented 44 reports as well as the Report on the Federal Financial Statements 2021 and the General Income Report to the National Council, i.e. overall 46 reports.

President Kraker attended six meetings held by the Public Accounts Committee. She furthermore participated in two meetings of the Parliamentary Budget Committee and in five plenary sessions of the National Council. The Public Accounts Committee discussed 61 reports, including the Annual Report 2021 as well as the Income Survey 2019 and 2021. Consequently, 52 reports submitted by the ACA in the period of 2019 to 2021 as well as the General Income Report remained unaddressed at the end of the year.

The Public Accounts Committee dealt with reports addressing the area of agriculture in the presence of Federal Minister Elisabeth Köstinger on 18 January 2022, as did the National Council in the framework of a plenary session on 20 January 2022. The discussions concerned, among others, the report "Subsidies for Urban Water Management" (volume Federation 2020/46). Urban water

management essentially performs the important task of supplying water and disposing of wastewater. In principle, the municipalities are responsible for such supply and disposal. The problem is that subsidies provided for urban water management have been significantly reduced in recent years and decades. Until 2030, it can be assumed that the funds needed to maintain the functioning of the water supply and sewage infrastructure will far exceed the investment volume made at the time of the audit. President Kraker therefore pointed to the available equity of the Environmental and Water Management Fund amounting to EUR 1,635.83 million. These funds should be used accordingly in the upcoming years, which would also contribute to enhancing the planning capability of the financial equalization partners.

In its meeting on 10 May 2022, in which Federal Minister Margarete Schramböck was represented by ministry officials, the Public Accounts Committee focused on issues related to the economy: the agenda featured, among others, the report “The System of Competition Authorities Outside the Financial Market” (volume Federation 2019/28). In the framework of this audit, the ACA carried out a structural analysis, which is still valid although the ministries’ competencies have changed in the meantime. In the report, the ACA recommended a comprehensive review of tasks and the elaboration of a competition strategy, a structural reform of the competition authorities to enhance efficiency and increase synergy effects as well as the development of a multiannual financing instrument. The National Council discussed issues related to the economy in its plenary session on 18 May 2022.

In another meeting held on 10 May 2022, the Public Accounts Committee discussed cultural issues, such as the “Burgtheater GmbH” (volume Federation 2021/24). State Secretary Andrea Mayer participated in this debate. The audit had been carried out by the ACA based on a minority request issued by the National Council pursuant to section 99 para. 2 of the Austrian National Council Rules of Procedure Act.



President Kraker at the National Council plenary session

The report “Burgtheater GmbH” covers the period from the spin-off of the Burgtheater in September 1999 up to and including the 2007/08 financial year. The ACA had already audited the 2008/09 to 2013/14 financial years of the Burgtheater GmbH in response to a request made in 2014 by the then Federal Minister for Arts and Culture, Constitutional Affairs and Media. The financial years addressed in the current audit request dated back to as many as eleven to 20 years. Many of the documents required to answer the questions were no longer available as the statutory retention period of seven years had already expired. On 18 May 2022, the cultural issues were discussed in the plenary sessions of the National Council.

On 21 June 2022, the Public Accounts Committee – in the presence of Federal Minister Magnus Brunner – dealt with reports related to the financial sector. The report “Bank Resolution in Austria” (volume Federation 2020/18) was also on the agenda. It was discussed after the summer recess of the Parliament on 21 September 2022. President Kraker was also invited to the Carinthian Hypo Committee of Inquiry as a respondent to this report on 29 June 2022. The “Bank Resolution in Austria” had been audited by the ACA from May to October 2019. The aim of the audit was to present the legal basis and the organization of the Single Resolution Mechanism at the EU level and in Austria, as well as to assess its implementation in Austria with a focus on the activities of the Financial Market Authority. The review took place at the Financial Market Authority and the Oesterreichische Nationalbank (central bank of Austria). The audited period spanned the years from 2015 through 2018, although relevant developments in 2019 were also taken into account. The report presents the capital allocations to the individual wind-down institutions.

HETA received the largest capital allocation of EUR 5.580 billion, of which EUR 4.350 billion were lost. KA Finanz AG received EUR 5.278 billion, around EUR 300 million less, and immigon received EUR 1.250 billion. KA Finanz AG had the highest amount of guarantees that became effective, at EUR 1.312 billion, closely followed by HETA, at EUR 1.294 billion.

One priority topic of the Public Accounts Committee meeting held on 15 September 2022, in which Federal Minister Johannes Rauch took part, concerned audits related to the area of healthcare, such as, among others, the report “Medical Training” (volume Federation 2021/42). This audit was based on a decision by the National Council, which requested the ACA to carry out this special audit.

The decision taken on 27 March 2019 comprised 27 topics, which the ACA divided into three priorities. In 2021, the ACA had also presented the special audit on “Medical Care in the Independent Healthcare Sector” (volume Federation 2021/30). The audits had been carried out in particular against the backdrop of the recurring public discussion held in recent years about a shortage of physicians and possible supply bottlenecks. The ACA presented details on the two reports in the Annual Report 2021, chapter 1.4 “Health is the greatest wealth”. The third, still outstanding priority concerns health promotion and preventive healthcare. The ACA has already obtained a statement by the audited entities and issued a statement of reply. The report is now being finalized. In its plenary session, the National Council discussed the reports related to healthcare on 21 September 2022.

On 18 October 2022, the Public Accounts Committee focused its work on issues related to the labour market: the agenda of the meeting, which was attended by Federal Minister Martin Kocher, featured, among others, also the report “COVID-19 Short-Time Work” (volume Federation 2022/7). The report shows that the COVID-19 short-time work scheme safeguarded jobs and mitigated the rise in unemployment during the pandemic. However, the ACA sees considerable room for improvement as regards concepts to detect possible misuse:

the checks applied were hardly suitable to verify the correctness of the hours lost. The audit covered the period from March 2020 until the conclusion of phase 3 in end-March 2021. The National Council discussed the reports related to the labour market in its plenary session on 18 November 2022.

On 29 November 2022, the Public Accounts Committee – in the presence of Federal Minister Leonore Gewessler – addressed reports related to climate protection and environment. The Committee discussed the report on “Subsidies for the Expansion of District Heating and District Cooling Networks” (volume Federation 2022/30), which had been presented on 21 October 2022. Against the backdrop that 27% of the total energy consumption in Austria is accounted for by heating, cooling and the preparation of hot water, President Kraker emphasized the increased urgency in expanding renewable energies. This is particularly necessary due to the current energy supply crisis and international dependencies on natural gas, as well as the expected positive environmental factor. In view of the current inflationary developments, the debate on the report “Energy Industry Measures Against Energy Poverty” (volume Federation 2020/23) also warranted particular attention. Low income, high energy costs and living in buildings with a poor building fabric and old heaters are the main reasons for a restricted access to energy supply. The measures to counteract energy poverty in Austria, especially in times of energy challenges in the energy sector and in view of price increases, were central to the discussions. The tasks and activities as well as aspects of corporate law concerning the “Österreichische Energieagentur – Austrian Energy Agency” (volume Federation 2021/40) were also discussed. Furthermore, the report on “Reducing Food Waste – Implementation of SDG Target

12.3 of the 2030 Agenda” (volume Federation 2021/19) was also on the agenda. The report addresses the implementation of SDG Target 12.3 of the United Nations 2030 Agenda.

At its meeting on 7 December 2022, which was attended by Federal Minister Martin Polaschek, the Public Accounts Committee discussed topics related to education and science. The report “Early Language Support in Kindergartens” (volume Federation 2021/20) highlights the importance of learning the German language at a very early age as a corner stone for a successful start to school. Kindergartens, which are considered to be places that provide early language support, are organized differently in the provinces. Equally different are the concepts related to language support. The ACA revealed these differences through the examples of the provinces of Upper and Lower Austria. President Kraker emphasized the importance of a functioning interface management between kindergartens and schools, as well as a needs-based allocation of funds, uniform criteria and the relevant agreements between the Federation and the provinces pursuant to Article 15a of the Federal Constitutional Law. In the report “Working and Studying in a Barrier-Free University Environment” (volume Federation 2022/19), the ACA criticized that the obligation to employ eligible disabled person was not fulfilled at the two audited universities, which resulted in compensation payments. President Kraker pointed out that students with disabilities that had a negative impact on their studies were significantly more affected by financial problems. In the course of the committee debate, criticism was voiced with regard to the fact that no inflation-related adjustment was made to the supplements provided to the grant for disabled students, although such an annual adjustment for infla-

tion was effected for the general student grant as a consequence of the current price increases.

#### VISIT OF THE BUDGETARY SPOKESPERSONS TO THE ACA

Upon the invitation of President Kraker, the spokespersons on budgetary matters of the parties represented in the National Council – NEOS, ÖVP, SPÖ, FPÖ and the Greens – visited the ACA. The topics on the agenda concerned the Report on the Federal Financial Statements 2021 and the financial situation of the Federation. These topics were also discussed in the Parliamentary Budget Committee on 20 September 2022.

MP Kai Jan Krainer, Head of the Budgetary Service,  
Helmut Berger, MP Gabriel Obernosterer,  
President Margit Kraker, MP Hubert Fuchs,  
MP Karin Doppelbauer, Director General Helga Kraus,  
MP Jakob Schwarz

#### PARLIAMENTARY ENQUIRIES

The ACA is also subject to the right of interpellation. This means that members of the National Council (MPs) may address written questions concerning budget management, staffing and organizational matters to the ACA. In 2022, the Freedom Party of Austria (FPÖ) addressed two written parliamentary enquiries to the ACA president.

In essence, the ACA holds the opinion that the MPs' right to interpellate does not extend to the audit activities of the ACA. In addressing the enquiries, the ACA pointed to its comprehensive activities in the area of corruption prevention and to its tasks related to the Political Parties Act.

#### BUILDER-OWNER COMMITTEE OF THE NATIONAL COUNCIL

Pursuant to the Act on the Renovation of the Parliament Building (Parlamentsgebäudesanierungsgesetz), the ACA president is a member of the Builder-Owner Committee of the National Council, the leading oversight body for the renovation works of the Parliament



building. The members of the executive bureau of Parliament – the three members of the bureau of the National Council and the heads of the parliamentary groups – and the ACA president are represented in the committee. The latter, however, explicitly abstains from voting. Her role is to contribute the ACA's expert know-how acquired through construction project audits. In 2022, four meetings were held by the Builder-Owner Committee.

Upon a request by the Builder-Owner Committee, the ACA initiated another audit of the renovation of the Parliament building in autumn 2022. This is already the third audit of the parliamentary construction project carried out by the ACA. In October 2022, the building was handed over by the company entrusted with the project management to the Parliament Administration, which started the commissioning process.

## PROVINCIAL PARLIAMENTS

In 2022, the ACA submitted 15 reports to the provincial parliaments. At provincial parliament level as well, the ACA would wish for being invited to attend the deliberations of its reports. The ACA's relations with the individual provincial parliaments are governed differently by the provincial constitutions and the standing orders of the provincial parliaments. Some provincial parliaments address ACA reports at great detail and regularly invite the auditors to attend the deliberations. In Carinthia and Vorarlberg, the ACA was not invited to the deliberations of its reports in 2022.

ACA staff members took part in 22 committee meetings of the provincial parliaments and the Vienna City Council. In addition, President Kraker attended a meeting of the Vienna City Council on 21 December 2022, where she has the right to take the floor on the ACA's audit activities of the current year.

There is one specificity as regards the financial supervisory committee of the provincial parliament of Salzburg. While the National Council and the provincial parliaments don't usually hold public committee deliberations, the provincial parliament of Salzburg provides a live stream of the discussions held in its committee meetings on its website.

Report of the ACA in the provincial parliament of Salzburg



## MUNICIPAL COUNCILS

In 2022 the ACA submitted a total of five reports to municipal councils and the assemblies of municipal associations.

The ACA attaches great importance to the cooperation with the municipal councils. To this end, it is striving to step up such cooperation and, when submitting reports at the municipal level, expressly points out that the auditors are available to provide information when the reports are being dealt with by the municipal council. In 2022, the ACA received one invitation in this regard.

The oversight committee of the City of Salzburg dealt with the report “Arbitration Boards for Legal Housing Matters with a Focus on the Cities of Innsbruck and Salzburg” (volume Salzburg 2022/3) on 12 September 2022. At this meeting, two staff members of the ACA answered the questions posed by the members of the municipal council.

President Kraker at the Vienna City Council



## 2.4 COMMITTEES OF INQUIRY

### THE NATIONAL COUNCIL'S COMMITTEE OF INQUIRY ON CORRUPTION IN THE AUSTRIAN PEOPLE'S PARTY (ÖVP)

On 9 December 2021, the ACA was requested to submit files and documents within the scope of the subject of inquiry of the Committee of Inquiry pertaining to the “clarification of corruption allegations against ÖVP members of government” (Committee of Inquiry on Corruption in the ÖVP) pursuant to sections 24 and 27 of the Rules of Procedure for Parliamentary Committees of Inquiry and in accordance with the “General Decision on the Evidence” (Grundsätzlicher Beweisbeschluss) of the National Council's Rules of Procedure Committee. In its efforts to enable full transparency and clarification, the ACA submitted files and documents on a total of 32 audits on 26 January 2022. In addition, the ACA produced four reports that deal with the subject of inquiry at a general or potentially abstract level and therefore could also be relevant to the inquiry.

In accordance with the Committee of Inquiry's “General Decision on the Evidence”, files and documents had to be submitted on an ongoing basis for the duration of the inquiry, even if they only came into being or emerged after the decision had taken effect. The data had to be submitted every two months, cumulatively at the end of each month. Against this backdrop, the ACA submitted files and documents on four additional reports with abstract relevance to the subject of inquiry, which had been published in the meantime, on 31 March 2022. On 31 May and 22 July 2022, the ACA again produced files and documents on another report each for the subject of inquiry. On 30 November 2022, another file and document submission was made on two

other published reports with abstract relevance to the subject of inquiry. Hence, the ACA forwarded files and documents on a total of 41 audits in 2022.

Furthermore, a request for the “taking of evidence” (Beweiserhebung) was addressed to the ACA on 16 December 2021 and on 26 January 2022 respectively. The main concern were payments made by the Federal Chancellery and the Federal Ministries in the years 2014 to 2021 to a total of 170 named companies and institutions. In order to comply with the request, the ACA carried out evaluations based on the budgetary accounting of the Federation. It submitted the results of this “taking of evidence” to the Committee of Inquiry on Corruption in the ÖVP in two instalments on 15 February and 31 March 2022.

On 3 and 31 March as well as on 22 June 2022, the Committee of Inquiry on Corruption in the ÖVP addressed a total of three requests for an “additional standard of proof” (Ergänzende Beweisanforderung), which were congruent in terms of content and almost identical in their wording, to the ACA in connection with the ÖVP’s statements of accounts for the years 2017 to 2020. Thus, the ACA extensively explained to the Committee of Inquiry that it is not in accordance with Article 53 of the Austrian Federal Constitutional Law (Bundesverfassungsgesetz; B-VG) to submit files and documents with regard to parties that are private legal entities to the Committee of Inquiry. Moreover, the “additional standards of proof” addressed to the ACA contradicted the request for setting up the Committee of Inquiry dated 13 October 2021 itself, which in fact clarified that “for instance the use of the allegedly granted benefits by the ÖVP cannot be subject of the

inquiry since parties are legal entities governed by private law as well and thus are not subject of the inquiry”.

On 22 July 2022, the ACA informed the Committee of Inquiry that it had in the meantime published the ÖVP’s statement of accounts for the year 2019 on its website. In this context, it submitted the enclosures to its notification that touch the federal executive branch to the Independent Political Parties Transparency Panel.

Another request for the “taking of evidence” that the Committee of Inquiry on Corruption in the ÖVP addressed to the ACA on 31 March 2022 referred to the ACA’s audit for the report “Average Income and Additional Pension Contributions in Public Companies and Federal Institutions 2019 and 2020” on the salaries of the ABBAG, the government-owned holding company established to oversee an orderly wind-down (“Abbaumanagementgesellschaft des Bundes”). The ACA submitted the documents requested by the Committee of Inquiry on 2 May 2022.

Furthermore, the Committee of Inquiry on Corruption in the ÖVP requested on 11 May 2022 that all files and documents relating to the “AEI Association – Agency for European Integration and Economic Development” and relating to the “AEI – Agency for European Integration and Economic Development GmbH” in connection with the subject of inquiry be submitted. Since the Federal Ministry of Defence had already submitted its original files and documents on the AEI – Agency for European Integration and Economic Development to the Committee of Inquiry, the ACA refrained from submitting the same documents. At the same time, the ACA noted that it had received a request from

the Federal Minister of Defence to carry out an audit of the AEI – Agency for European Integration and Economic Development.



On 22 June 2022, the Committee of Inquiry on Corruption in the ÖVP requested the ACA to ascertain which expenses were incurred by certain legal entities for market research and opinion polling as well as for paid placements (advertisements) in the years 2014 to 2021 to which amount, when and for which purpose. On 31 August 2022, the ACA pointed out that based on the Austrian Constitutional Court's decisions (UA 5/2015–9, UA 6/2015–7 and UA 7/2015–8), there are doubts as to whether the private sector activities of the legal entities stated in the request – ÖBIB/ÖBAG, ABBAG, BIG, Austrian Real Estate, BRZ, LFRZ, Austrian Federal Forests, Innovationsstiftung für Bildung, OeAD GmbH, Österreich Institut GmbH and aws GmbH – were subject to the inquiry of the current Committee of Inquiry on Corruption in the ÖVP and whether these legal entities would be obliged to submit documents to the Committee of Inquiry pursuant to Article 53 para. 3 of the Federal Constitutional Law since as regards the concept of “transaction within the federal executive branch” Article 53 para. 2 of the Federal Constitutional Law stipulates the following: “Private sector activity of organizational units, however, is not subject to the right of inquiry, especially since they are not administered by the Federation.” As regards all other legal entities stated in the request – AMA together with its subsidiaries, Österreichischer Integrationsfonds, Austrian Development Agency, AUVA, ÖGK, SVS and AGES as well as the Austrian Federal Gardens –, the ACA requested all information requested by the Committee of Inquiry on the expenses for market research and opinion polling as well as paid placements directly from the individual entities and forwarded it to the Committee of Inquiry.

President Kraker was summoned to the Committee of Inquiry on Corruption in the ÖVP as a respondent on 24 November 2022. The competent head of department accompanied her as a person of trust.

Up to this point in time, the ACA had submitted a total of 38 reports with abstract relevance to the Committee of Inquiry. Furthermore, it had to fulfil eight additional standards of proof.

The questioning then primarily focused on the ACA's report on the COVID-19 Federal Financing Agency (COVID-19 Finanzierungsgesellschaft des Bundes GmbH) and on the dual role of the then managing director in COFAG and its parent company ABBAG along with "double remuneration".

The ACA had published the report on "COFAG and Grants to Companies" at the end of October 2022 (see [chapter 1.3](#) of this Annual Report). Initially, COFAG was set up as a coordination body with the aim of maintaining the solvency of companies. Then, it was decided that it should process the "Fixed Cost Subsidy I". To this end, not only the financial administration was involved, but also external services were purchased, for which costs in the amount of around EUR 21 million were incurred until mid-2021. "We cannot confirm economic efficiency there." This is how President Kraker is quoted in the media coverage.

In her opening statement, President Kraker highlighted the ACA's position on corruption based on its reports on corruption prevention and compliance. For more information, please also refer to [chapter 1.1](#) of this Annual Report.



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The 13 members of the Committee of Inquiry also questioned President Kraker about other ACA reports, in particular about the reports on “General Secretariats at the Federal Ministries” and on “Supervisory Boards: Selection Processes in Ministries”.

In total, there were two rounds of questioning, during which representatives of all five parties represented in the National Council were heard. The questioning lasted three and a half hours.

#### **HYPO COMMITTEE OF INQUIRY OF THE PROVINCIAL PARLIAMENT OF CARINTHIA**

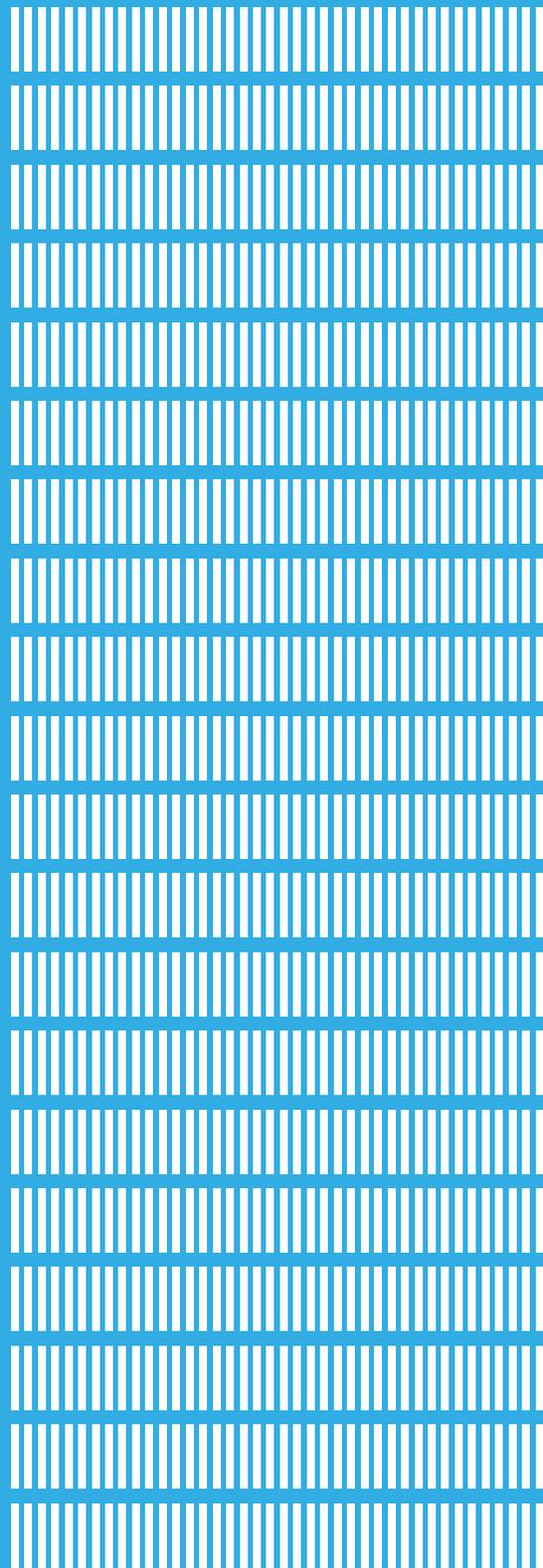
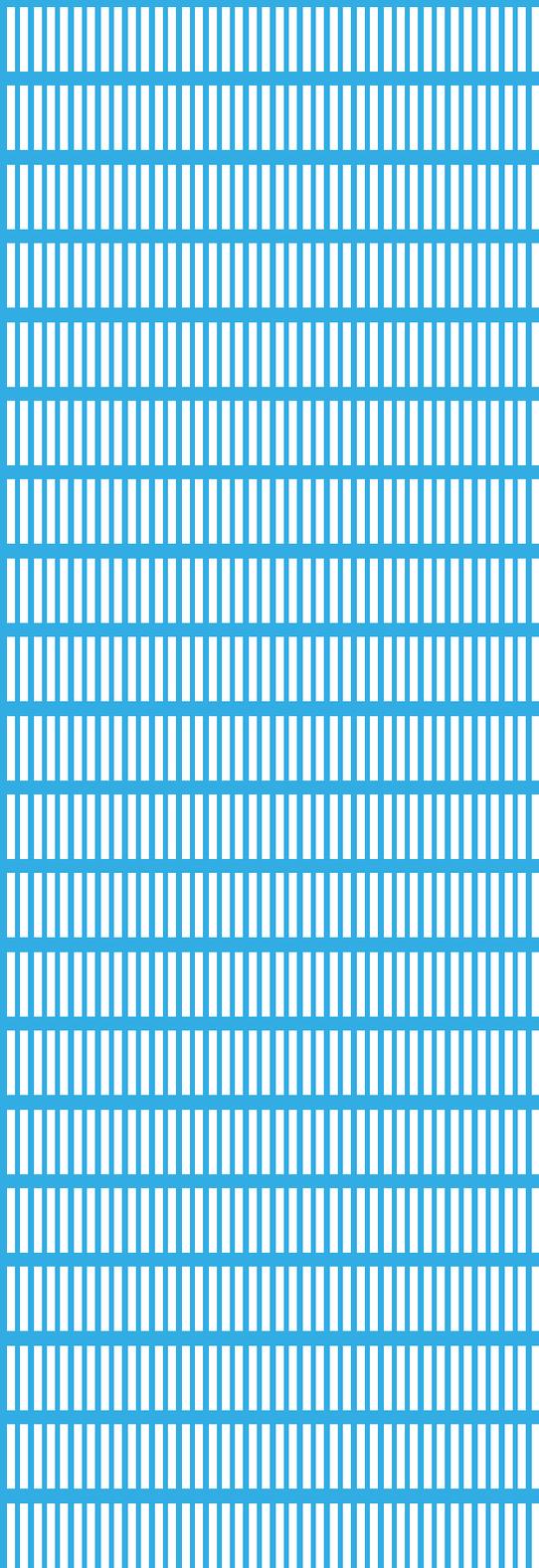
On 29 June 2022, ACA President Kraker was invited to the Carinthian Hypo Committee of Inquiry as a respondent. Furthermore, two staff members of the ACA were available to answer the questions raised by the Members of Parliament. The focus of interest was on the joint report published by the ACA and the provincial audit institution of Carinthia on the “Purchase of Province-guaranteed Bonds by the Carinthian Compensation Payment Fund” (volume Carinthia 2019/4) and the ACA’s report “Bank Resolution in Austria” (volume Federation 2020/18).

The agreement on the purchase of province-guaranteed bonds by the Carinthian Compensation Payment Fund pursuant to Section 2a of the Financial Market Stability Act (Finanzmarktstabilitätsgesetz) was audited by the ACA and the provincial audit institution of Carinthia from March to October 2018. At that time, the Carinthian provincial parliament had requested both the ACA and the provincial audit institution of Carinthia to carry out an audit. The audit institutions conducted this audit jointly in order to avoid duplications of efforts.

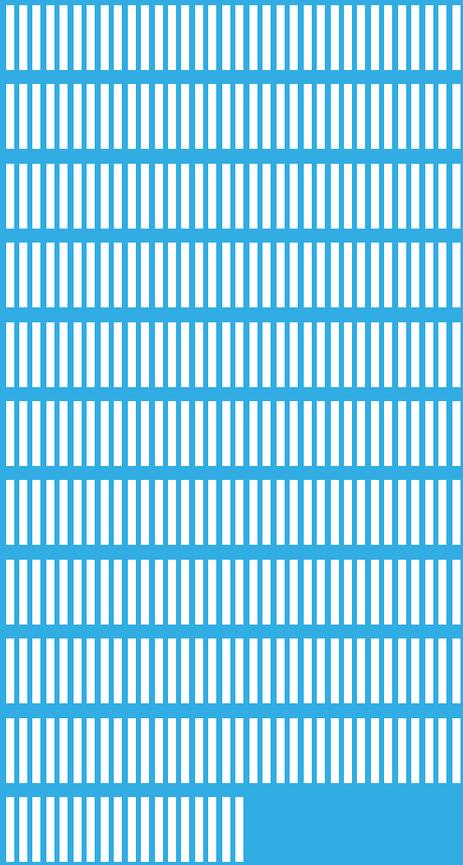


The audit aimed at presenting the initial situation and at assessing the development, structure, acceptance, financing and processing of offer II, the costs and the remaining economic risks.

The ACA audited the “Bank Resolution in Austria” from May to October 2019. However, the resolution was far from complete at the time of the audit in 2019. Therefore, President Kraker informed the members of the Hypo Committee of Inquiry of the provincial parliament of Carinthia that the ACA was planning a follow-up audit on the bank resolution in Austria, namely upon completion of the resolution. In the course of such an audit, the ACA would, on the one hand, analyse the planning and completion of the resolution by the Financial Market Supervision, and would, on the other hand, survey the current resolution results of the three wind-down institutions as well as the financial consequences for the Republic of Austria and the taxpayers.



*The effectiveness of the ACA is illustrated in particular through the implementation of its recommendations.*



**1,958**  
*assessed*  
**recommendations**  
2021

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### 3 THE ACA'S RECOMMENDATIONS FACILITATE ITS IMPACT

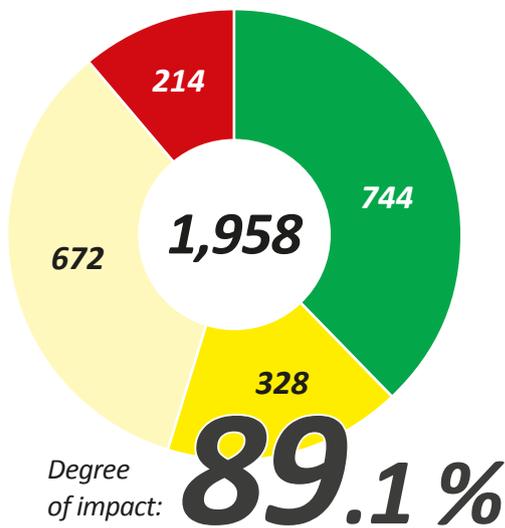
The effectiveness of the ACA is illustrated in particular through the implementation of its recommendations. In order to determine – but also to enhance – its impact, the ACA uses an outcome assessment process consisting of two phases. In the first phase the ACA queries the auditees about all the recommendations it had issued in the course of the previous year and their degree of implementation. The auditees then report on whether they have taken measures to implement the recommendations and, if yes, which ones. Based on these communications, the ACA assesses the degree of implementation of its recommendations. The result of this follow-up enquiry, which involves no audit activities by the ACA, is therefore based exclusively on the information provided by the auditees. During the second phase – which, in general, takes place one year after the follow-up enquiry – the ACA checks the implementation of selected recommendations in the framework of “follow-up audits” on site.

In the framework of its outcome-oriented control, the ACA sets a target it wants to reach for each of the two phases of the outcome assessment process. As regards its enquiry on the degree of implementation of its recommendations issued in 2021, it aimed for a share of 78% with regard to the implemented recommendations and recommendations whose implementation was promised. In the case of the follow-up audits, the target was at 80%. The latter target is higher and reflects the expectation of the ACA that the auditees will have been able to implement a larger part of its recommendations in the course of two to three years.

### 3.1 ENQUIRY ON THE DEGREE OF IMPLEMENTATION OF THE RECOMMENDATIONS ISSUED IN 2021

In 2022, the ACA queried 88 auditees about the degree of implementation of the recommendations it had issued in 2021 and assessed 1,958 recommendations. With regard to 111 recommendations, no information was provided or no action had been necessary owing to the developments that had taken place in the meantime.

#### Recommendations 2021

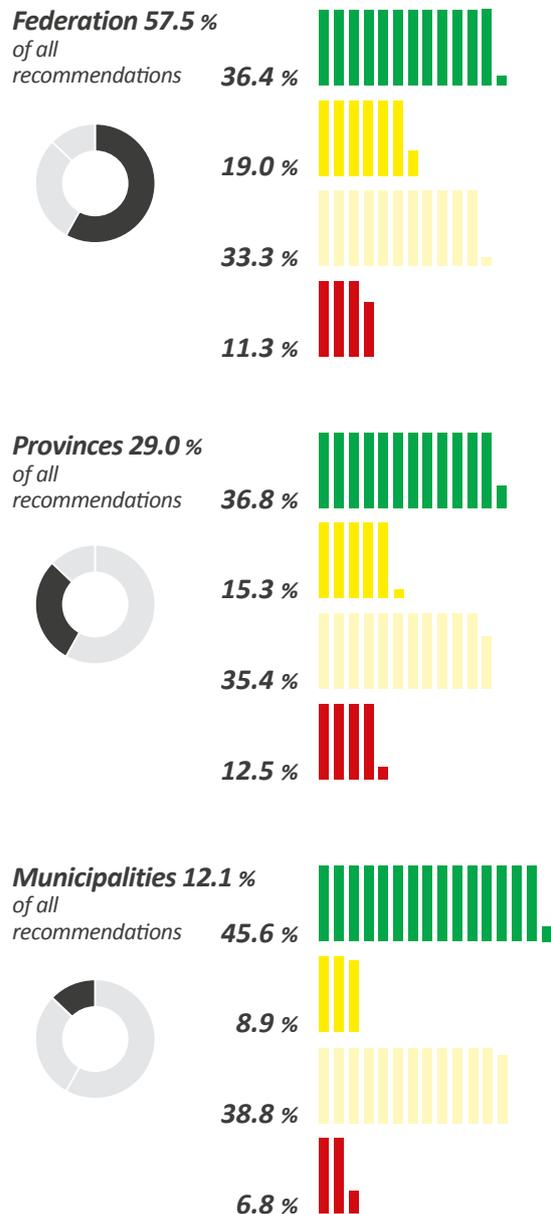


Rounding differences may occur, without chambers and other entities

#### OVERALL RESULT

The enquiry carried out in 2022 provided the following result for 2021 (rounded figures):

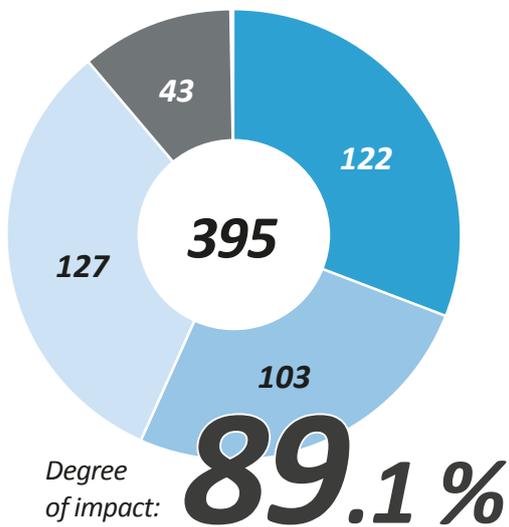
*Broken down by territorial entities, the results are as follows:*



**CENTRAL RECOMMENDATIONS**

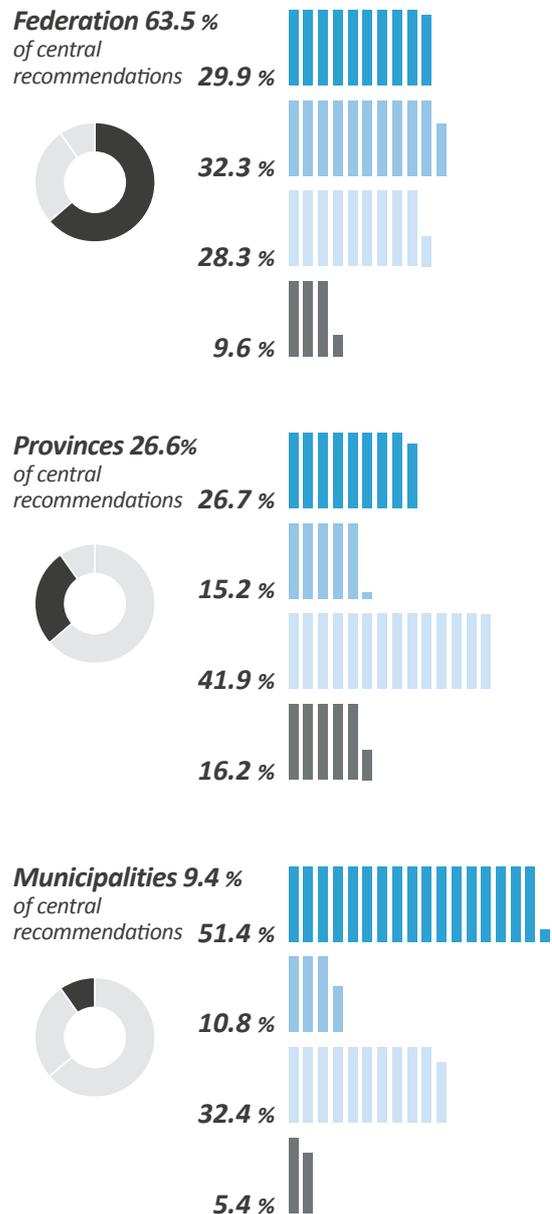
In its executive summaries, the ACA separately highlights the central recommendations of each report (rounded figures):

*Central recommendations 2021*



Rounding differences may occur, without chambers and other entities

*Broken down by territorial entities, the results concerning the central recommendations are as follows:*



The detailed results of the **“Follow-up Enquiry in 2022”** are part of the Annual Report 2022 (Annex 1, in German) and can be retrieved on the ACA’s website at **[www.rechnungshof.gv.at](http://www.rechnungshof.gv.at)**.

This purely quantitative evaluation showcases in general a major impact. However, as in the previous years, some of the ACA’s significant recommendations also remained unheeded.

## QUALITATIVE EVALUATIONS

In order to render the result of the follow-up enquiry more informative, the following section contains qualitative evaluations of those topics that are currently of great concern to people living in Austria. As the measures adopted to address the COVID-19 pandemic continued to have financial implications on public budgets in 2021, such measures were a priority of the ACA’s audit activities and thus

Depending on the scope of competencies, it is in particular the Federation, the provinces, the municipalities, the municipal associations, the associated companies or the social insurance providers that are responsible for the implementation of the ACA’s recommendations. Often, the different players need to interact in order to successfully address the challenges in the mentioned areas.

also a priority for the qualitative evaluation. In addition, a focus is placed on the areas of health, environment and climate protection, equality and diversity, and digitalization. The following analyses are based exclusively on the information provided by the audited entities in the framework of the ACA’s follow-up enquiry.

### COVID-19 AUDITS



2021 was also shaped by the challenges posed by the COVID-19 pandemic. For the ACA, the measures related to crisis management were one of its audit priorities. The numerous COVID-19 audits serve to provide transparency for the citizens on the use of public funds (see [chapter 1.4](#) of this Annual

Report). Assessing the effectiveness of the measures and identifying potential for improvement constituted a key aspect of these audits for an adequate preparation for future crises.

In its report “Hardship Fund – Funding Administration” (volume Federation 2021/29), the ACA evaluated, among others, the legal framework conditions, the funding administration as well as the quality of the public-sector service provision related to the Fund. It recommended, among others, to avoid, as far as possible, multiple amendments to funding regulations in close chronological succession and their retroactive application. In this context, the

auditors point to the related efforts with regard to the processing as well as to the need to ensure transparency and legal certainty. Furthermore, the eligibility requirements should – in accordance with the legal framework – be precisely defined in the funding guidelines. FAQ should be prepared to increase the understanding of the application process and the comprehensibility of the funding criteria. Both the Federal Ministry of Labour and Economy and the Federal Ministry of Finance implemented these recommendations. They also evaluated the implementation process of the Hardship Fund and applied the lessons learned therefrom to similar requirements. By finalizing the verification concept for the funding administration together with the Austrian Federal Economic Chamber and enabling electronic application, the Federal Ministry of Labour and Economy made the processing procedure more citizen-friendly and transparent.

An essential basis for mitigating the COVID-19 pandemic and protecting the population was the availability of information on the epidemiological development, on testing or the formation of clusters, on available resources (e.g. the number of inpatient and intensive care unit beds in hospitals) and on the impact on the healthcare system. In its report “Health Data on Pandemic Management in the First Year of the COVID-19 Pandemic” (volume Federation 2021/43 et al.), the ACA assessed whether these data were available in the required quality.

The Federal Ministry of Health, Social Affairs, Care and Consumer Protection indicated that the epidemiological reporting system (ERS) would be further developed, in particular with regard to the following points: clarification of the objectives, documentation of disease development and monitoring of the quarantine measures, definition of the relevant indicators and their update. On this basis, public communication should be able to draw on uniform and quality-assured data.

In order to respond to future crises and catastrophes, the ACA had also recommended to establish the legal and technical bases for the prompt transmission of uniform data on hospital occupancy and capacity utilization. Such data, as well as diagnostic and performance data, should be linkable to the ERS. The ministry was favourable to these recommendations as well.

In the event of future crises, regular reports will also be made on the necessary and available protective equipment and medical supplies. This will contribute significantly to ensuring the necessary stockpiling.

The ministry also promised to comprehensively communicate to the public the framework conditions for the use of medical services in the independent healthcare sector during crisis and disaster situations. In this way, future adverse health effects due to the non-consultation of a doctor are to be prevented. The ACA considered the

maintenance of psychiatric care in the inpatient and extramural sectors to be of particular importance. The ministry has already taken steps to implement some of these measures.

Until the recommendations are fully implemented, further improvements are needed, in particular as regards the availability and use of health data for pandemic response and the safeguarding of standard care.

In its report on “Transport Infrastructure of the Federation – Strategy, Planning and Financing; Follow-up Audit and COVID-19 Implications” (volume Federation 2021/33), the ACA assessed the impact of the COVID-19 pandemic on the high-level road network. As a result of the lower traffic volume during the pandemic, the toll revenue for the year 2020 decreased compared to the original plan. Following a recommendation made by the ACA, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology reviewed its toll rate calculation. In doing so, it assessed whether the planned toll rates for vehicles of over 3.5 tons are within the range permissible under EU law and, at the same time, whether the financing of the motorway and expressway network is secured.

COVID-19 CORONAVIRUS  
OMICRON (B.1.1.529)

## HEALTHCARE



As in the past, the ACA continued to focus on the area of healthcare in 2021. The ACA attaches great importance to citizens' access to medical care, regardless of where they live. In view of the persisting shortage of physicians and the supply bottlenecks this may cause, the ACA carried out an audit on "Medical Training" (volume Federation 2021/42) and "Medical Care in the Independent Healthcare Sector" (volume Federation 2021/30) based on a request by the National Council.

Medical training in Austria was characterized by a multitude of institutions involved. In its report on "Medical Training" (volume Federation 2021/42), the ACA saw room for improvement as regards the cooperation between these institutions and addressed, among others, the recommendations below to the Federal Ministry of Education, Science and Research as well as to the Federal Ministry of Social Affairs, Health, Care and Consumer Protection. They should, for instance, develop a concept together with the medical universities and the Austrian Medical Chamber in order to coordinate plans and measures for medical training in a regular,

consistent and institutionalized manner. Furthermore, the number of graduates of medical studies should be evaluated together with the medical universities also with regard to safeguarding an adequate number of young doctors. Both ministries partly implemented the recommendations. For example, cooperation at the level of the expert and project groups of the Federal Ministry of Social Affairs, Health, Care and Consumer Protection was stepped up also with the provinces and the Austrian Health Insurance Fund. In addition, the Federal Ministry of Social Affairs, Health, Care and Consumer Protection promised to thoroughly discuss the current calculation models of needs analyses for general medicine as well as possible changes and to make adaptations, if necessary. However, the recommendation to compile key figures (e.g. use of medical services) that would allow to draw more concrete conclusions about the future overall need for specialized medical care in the individual specialties remained unheeded.

The ACA also saw a need for action in light of the identified drop-out rate of over 30 per cent after graduation. Adequate measures should be taken to boost the training of physicians and the professional activity of medical graduates in Austria. In this context, the two ministries and the Medical University of Vienna referred to various activities. For instance, the Federal Ministry of Social Affairs, Health, Care and Consumer Protection is developing measures in order to render general medicine more

attractive and to encourage foundation doctors to take up the medical profession as soon as possible after graduating from university.

The aim of the audit on “Medical Care in the Independent Healthcare Sector” (volume Federation 2021/30) was to assess to what extent the framework conditions for medical care have been implemented in the independent healthcare sector throughout Austria – in particular as regards physician density, the remuneration in the area of general medicine and the legal provisions.

The key figures available to date for the analysis of physician density (such as the number of physicians or filled posts) were inadequate to give a meaningful overview of the medical services available, in particular as they failed to sufficiently take into account opening times. The Federal Ministry of Social Affairs, Health, Care and Consumer Protection promised to implement the recommendations in this regard; the Austrian Health Insurance Fund partly implemented them.

Furthermore, the ACA made an impact as regards opening times and the timely re-staffing of surgeries. The Austrian Health Insurance Fund promised to adapt the extent to which and when surgeries are open to patients’ needs, in particular with regard to the beginning and the end of the working day. In addition, it regularly analysed the age structure of physicians under

contract with it in order to take timely measures for a seamless succession.

The ACA had advised the Ministry to draft a reform of the legal framework conditions for the organization of medical care in the independent healthcare sector. In particular, the planning’s coherence and binding nature should be strengthened, qualitative and quantitative care mandates for the independent healthcare sector should be developed and a more flexible response to changing needs should be facilitated. The Ministry partly implemented this recommendation and promised to implement further recommendations. Other key recommendations covered the monitoring of waiting times and the regulation of the increases in medical fees.

Access to high-quality obstetric care and optimal treatment of newborns form an important part of medical care. The ACA audited “Obstetric Care in Lower Austria and Vienna” (volume Federation 2021/2 et al.). In doing so, it audited, among other things, the planning of the audited provinces and hospital operators with respect to obstetric care, the structural and operational organization of obstetric care in selected hospitals, the quality and risk management as well as medical training. For example, the following of the ACA’s recommendations proved effective: to take measures jointly with the Umbrella Association of Social Insurance Providers in order to ensure adequate care for pregnant women in



the area of prenatal diagnostics that is in accordance with the latest scientific knowledge. This topic should be further addressed within the framework of the Austrian Health–Targeting Act in order to be able to guarantee uniform care throughout Austria. Moreover, the province of Lower Austria and the City of Vienna took measures with respect to the training capacities for midwives and in the area of midwives under contract with the Austrian Health Insurance Fund. The ACA also successfully encouraged the Health Agency of Lower Austria and the Vienna Health Association to take measures aimed at ensuring top–tier quality in the referral of sick newborns. The question of whether and to what extent it is permissible to provide data from the birth register and use it more broadly remained unsolved.

At the Sanatorium Hera of the Insurance Institution for Public Employees (Krankenfürsorgeanstalt) of the City of Vienna (volume Vienna 2021/9), less than ten operations a year were performed per medical speciality in some cases. Therefore, the ACA had recommended that the Sanatorium consider a comprehensive specialization in operations from particular specialities. The Sanatorium Hera heeded this recommendation and focused on core areas in the particularly cost–intensive areas orthopaedics and ophthalmology. Thus, above–average expenditure or costs for operations that are performed infrequently can be avoided in the future.

The ACA’s recommendation to question the causes of cost discrepancies identified as part of a cost comparison with selected comparable hospitals remained unheeded. Moreover, the Sanatorium failed to implement the recommended adjustment of employed physicians’ emoluments to the Vienna Public Employees Act (Wiener Bedienstetengesetz) as well as the recommendation to no longer allow employed physicians to operate and invoice as external physicians. Therefore, the Sanatorium Hera failed to harness the opportunity to derive or implement any potential for savings and optimization in this regard.

## ENVIRONMENT AND CLIMATE PROTECTION



Due to the growing importance of environment and climate protection, the ACA is increasingly focusing on these issues. In this context, it attaches particular importance to its recommendations making a contribution to the next generations.

The report on “Climate Protection in Austria – Measures and Target Attainment 2020” (volume Federation 2021/16 et al.) focused on the development of greenhouse gas emissions, the attainment of the EU’s binding climate targets for 2020, 2030 and 2050 on the federal level and, as examples, in the provinces of Lower Austria and Upper Austria as well as on the financial implications of failing to attain these targets.

Since 2020, there have been no more annual targets for maximum amounts of greenhouse gas emissions since the Austrian Climate Protection Act (Klimaschutzgesetz) has not been adapted. Since then, not only have there been no statutory targets for maximum amounts of greenhouse gas emissions at the national level, but

also no national action programmes for climate protection, despite the fact that Austria has to face high compensation payments if it does not attain the EU’s binding 2030 climate targets.

However, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology was working on an expert draft for a new Climate Protection Act that is said to take up the ACA’s recommendations. The plan is to enshrine in law a pathway to climate neutrality by 2040. Furthermore, the audited entities – the Federal Ministry for Climate Action and the Federal Ministries of Agriculture and of Finance as well as the provinces of Lower Austria and Upper Austria – promised to define clear, harmonized targets in future action programmes in order to assess their effectiveness. In addition, they would begin to calculate the chosen key figures uniformly across Austria in the future in order to be able to make meaningful comparisons.

Climate protection activities were not centrally coordinated. This made it difficult to implement effective measures. However, the audited entities promised the ACA to improve collaboration and coordination and to provide for adequate processes for an all-encompassing management responsibility for climate protection measures in the new Climate Protection Act.

In its report on “Traffic-Borne Air Pollution – Selected Measures to Improve Air

Quality” (volumes Federation 2021/7, Styria 2021/1), the ACA had pointed to the fact that fossil fuels and, in particular, the transport sector are major sources of both air pollutants and greenhouse gases. Due to the now reduced burden of traffic-borne emissions, the province of Styria did not promise to reconsider the implementation of “driving restrictions for motorized individual transport” in the Greater Graz Area or to take further measures to reduce motorized individual transport. However, the province expanded public passenger transport, for instance, by connecting the municipalities in the surrounding area to the transport network of the City of Graz and the commuter railway network or by increasing the frequency of transport services.

The ACA had advised the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology to suggest the inclusion of targets for particulate pollution in the Austrian Air Pollution Control Act (Immissionsschutzgesetz – Luft). Furthermore, the targets could be modelled on the World Health Organization guideline, which is stricter in terms of content. The Ministry did not act on this recommendation. In this context, it pointed to the forthcoming revision of the EU Ambient Air Quality Directives, which will lead to new, stricter limit values.

In its report on “Climate Change Adaptation in the City of Linz” (volumes Federation 2021/27, Upper Austria

2021/5), the ACA addressed the particular urban challenges posed by climate change, using the example of the City of Linz. The ACA noted, among other things, the importance of greening facades or unsealing parking lots in order to protect buildings from overheating in summer, which the Gemeinnützige Wohnungsgesellschaft der Stadt Linz GmbH as well as the Immobilien Linz GmbH & Co KG partly agreed to implement. The Linz AG for energy, telecommunication, transport and municipal services took measures to secure the groundwater balance in the area of the waterworks Scharlinz.

According to the ACA’s report, the climate change adaptation strategy of the province of Upper Austria should accord more importance to the area of “spatial planning”. Regional recommendations for action for this climate change adaptation strategy should be elaborated on the basis of the Austrian spatial development concept 2030. The province of Upper Austria was in favour of this recommendation. However, the province did not implement a number of the ACA’s recommendations. These included, among other things, the recommendations to restrict exceptions to prohibitions of using land for construction in the public interest to what is absolutely necessary, to sustainably safeguard the existing green areas in Linz or to enshrine the lowest possible degree of surface sealing or the highest possible green space factor in the Spatial Planning Law of Upper Austria.

In December 2020, the municipal council of the City of Linz decided to elaborate a climate change adaptation concept. The City of Linz also partly implemented the ACA's recommendation to require evidence of a specific proportion of green spaces in development plans for residential areas with a high degree of surface sealing. In addition, it promised to require evidence of the impact of construction projects on urban overheating and, if need be, to prescribe project adjustments for construction projects in its "Guidelines for High-Rise Buildings".



## EQUALITY AND DIVERSITY



In 2021, the ACA continued to focus on transparency in the areas of equality and diversity.

A balanced personnel structure represents an important aspect in order to achieve true equality between women and men. For instance, the Austrian Energy Agency promised to increase the share of women in management positions upon the ACA's recommendation, for example, by means of specific training programmes, the establishment of gender equality objectives or mentoring programmes („Österreichische Energieagentur – Austrian Energy Agency“, volume Federation 2021/40). The Bundespensionskasse AG continues to pursue its efforts to increasingly fill management positions with women (“Bundespensionskasse AG – Investment Strategies and Asset Management“; Follow-up Audit; volume Federation 2021/22). The Austrian Cultural Fora continue to pay attention to a high share of women among the artists and scientists presented abroad (“Austrian Cultural Fora“; Follow-up Audit; volume Federation 2021/18).

In 2021, the ACA continued to focus on transparency in the areas of equality and diversity.

As regards cultural funding, the provinces audited pursued equality objectives to varying degrees. Unlike the province of Burgenland, the City of Vienna and the province of Lower Austria had not formulated equality objectives. While Lower Austria was already partly implementing the recommendations to formulate them and to present them in the cultural report, the City of Vienna pointed to the funding recommendations of the panels of experts, which take gender equality into account in their assessment. Moreover, the City of Vienna had published the most meaningful gender-specific data in its annual cultural reports by comparison. The province of Burgenland formulated additional equality objectives to be presented in the cultural reports and thus implemented the recommendation (“Selected Aspects of Cultural Funding in the Provinces of Burgenland and Lower Austria as well as in the City of Vienna“, volume Burgenland 2021/2 et al.).

In its report on “Early Language Support in Kindergartens” (volume Federation 2021/20 et al.), the ACA found gender equality aspects in the agreements between the federal and provincial level lacking. Within the framework of these agreements, the Federation provided the provinces with funds to push early language support. They specified neither objectives specific to

gender equality nor targets – such as an increase in the share of male kindergarten teachers. The Federal Ministry of Education, Science and Research promised to take appropriate steps in collaboration with the provinces – especially to increase the share of male kindergarten teachers –, such as the development of an image campaign or a college initiative at educational institutions for elementary education.

The ACA had recommended to grant the Schieneninfrastruktur–Dienstleistungsgesellschaft mbH independent control rights within the framework of monitoring the grant contracts pursuant to section 42 para. 1 of the Austrian Federal Railways Act (Bundesbahngesetz) (“Grant Contracts for the Financing of the Railway Infrastructure of the Austrian Federal Railways (ÖBB)”, volume Federation 2021/38). The aim was to create an effective monitoring system for the objectives of punctuality in passenger transport and a higher share of accessible stations. In the follow-up enquiry, the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology stated that the Schieneninfrastruktur–Dienstleistungsgesellschaft mbH was already acting completely independently in the context of gathering information and preparing reports and that it regularly requested additional data and information from the ÖBB–Infrastruktur AG for verification and plausibility checks.



## DIGITALIZATION



For the benefit of citizens as well as the economy, the public sector also sees its task in optimizing the opportunities offered by digitalization and thus in facilitating positive societal developments. Digitalization, which is necessary for modern and effective public administration, not only brings about many advantages but also risks, which have to be countered in a timely and effective manner.

In two of its reports ("Primary Care in Vienna", volume Federation 2021/8 et al.; "Federal Fiscal Court", volume Federation 2021/1), the ACA had recommended setting up IT systems as a database for governance and administration, thereby paying attention to the implementation of all necessary functionalities for effective as well as efficient public administration and ensuring electronic exchange of data. The Federal Ministry of the Interior promised to implement the functionalities necessary for effectively and efficiently managing and controlling primary care, to display all matters and offsetting items relevant to primary care and thus to ensure a fully automated offsetting between the federal

and the provincial levels within the framework of the planned reprogramming of the reception information system ("Primary Care in Vienna", volume Federation 2021/8 et al.). As regards the interface with the Federal Fiscal Court (BFG–Schnittstelle) and the electronic exchange of documents in appeal procedures, the Federal Fiscal Court and the Federal Ministry of Finance were able to remedy shortcomings and to increase efficiency. Progress was also made in the electronic transmission of documents in dealings with the province of Vienna and the supreme courts ("Federal Fiscal Court", volume Federation 2021/1).

Only complete and plausible electronic data ensure that public administration takes decisions in a sufficiently transparent manner and that the decision-makers' governance is comprehensible. Therefore, the ACA had advised the Federal Ministry of Finance to redefine how indirect funding is included in the transparency database under aspects relevant to governance and to expand it to all relevant tax savings and refunds. At least once a year, the Ministry should request the reporting bodies to submit declarations of completeness. Furthermore, it should work towards a legal foundation for the mandatory declaration of completeness. The ACA also recommended the Ministry should advocate for a legal basis clarifying the competences with regard to the transparency database for a uniform transparency database across all levels of govern-

ment. The Ministry partly implemented the recommendations and agreed to request the declarations of completeness (“Transparency Database – Costs and Benefits, Targets and Target Achievement”; Follow-up Audit; volume Federation 2021/11).

Also the recommendations in the report on “Management of Research Infrastructure” (volume Federation 2021/14) took effect. The Federal Ministry of Education, Science and Research pays greater attention to compliance with the minimum requirements for entries into the research infrastructure database and it stepped up plausibility checks of entries, which it carries out in a timely manner. In addition, the Ministry promised to push compliance with the cooperation aspect with regard to public entries, so that only those devices are entered into the database that are actually available for collaborations.

Cybercrime has been growing continuously and rapidly for years. The danger and damage caused by it affect citizens as much as the economy and public institutions. Likewise, costs and losses caused by cybercrime are constantly on the rise. However, despite these developments and against the ACA’s recommendation, neither the Federal Ministry of the Interior nor the Federal Ministry of Justice developed a mutually aligned strategy for cybercrime (“The Prevention of and Fight against Cybercrime”, volume Federation 2021/23).

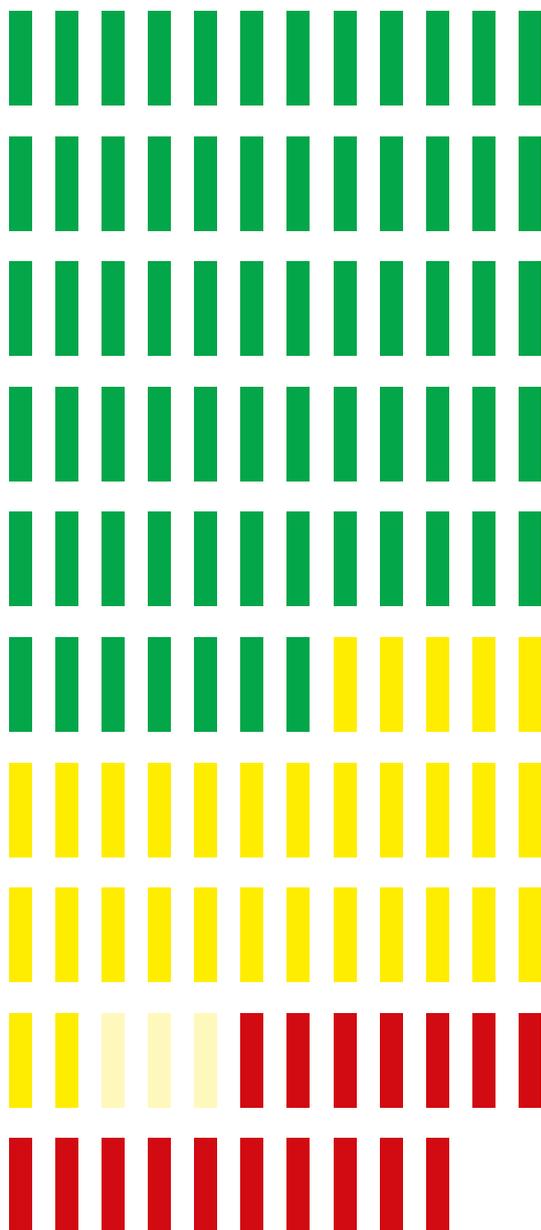
In order to prevent cybercrime in public administration, IT security has to be ensured in public administration as well. The Federal Ministry for Arts, Culture, the Civil Service and Sport promised to begin structuring its IT management and security in such a way that the Ministry itself will be able to perform basic IT security tasks. The Federal Ministry of Social Affairs, Health, Care and Consumer Protection and the former Federal Ministry for Digital and Economic Affairs – implementing a recommendation of the ACA – only provide for telework in day-to-day operations by default if suitable professional IT equipment is available and the technical security precautions are met. The Federal Chancellery promised implementation steps in this regard. These three ministries also implemented or plan to implement the following recommendations: to draw up explicit organizational and technical guidelines for the use of private IT equipment for the event that staff members have to work from home again, to verifiably notify staff members of IT security measures envisaged for working from a place other than the office and to determine whether certain official tasks have to be performed at the office in any case for security reasons (“IT Security Management in the Administration of Selected Federal Ministries”, volume Federation 2021/31).

Besides organizational and technical framework conditions, modern and expedient public administration

requires staff members with sufficient knowledge about the opportunities for using the IT systems. In order to safeguard tax claims, the Federal Ministry of Finance partly or fully implemented the recommendations with regard to IT support, in particular those for an IT-supported risk management ("VAT on International Digital B2C Services", volume Federation 2021/28). Likewise, it increasingly informed service providers and, in particular, also processing agencies about the opportunities for using the transparency database as well as the (technical) possibilities for making person-specific queries ("Transparency Database – Costs and Benefits, Targets and Target Achievement"; Follow-up Audit; volume Federation 2021/11).

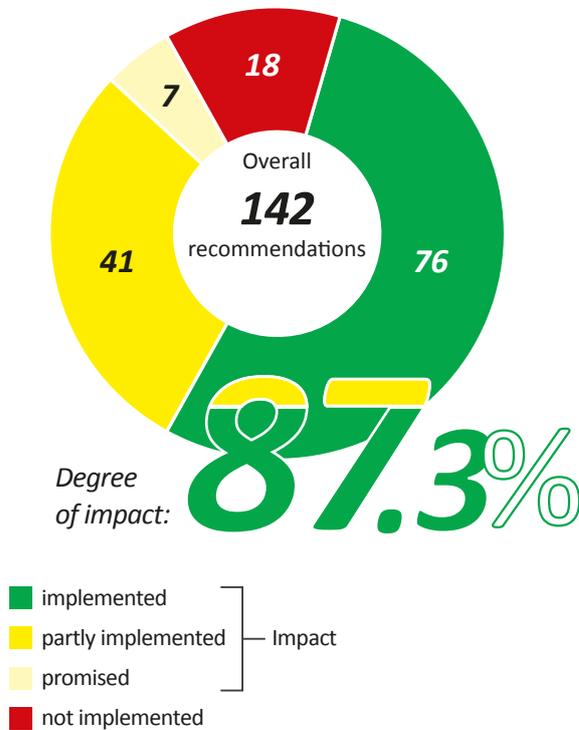
### 3.2 FOLLOW-UP AUDITS IN 2022

Based on the results of the enquiry, the ACA ascertains the actual implementation of its recommendations issued in the context of selected audits on site. These so-called follow-up audits are the second stage of the outcome assessment process. In 2022, the ACA published eight follow-up audit reports. Therein, it assessed the implementation of 142 recommendations: 76 (53.5%) had been implemented fully and 41 (28.9%) had been implemented partly. As far as seven recommendations are concerned, the audited entities promised their implementation (4.9%). This shows that 87.3% of the ACA's recommendations had made an impact. 18 recommendations (12.7%) had not been implemented. As regards five recommendations, no case had arisen in which they could have been applied.



*The follow-up audits are the second stage of the outcome assessment process.*

*All recommendations  
assessed in 2022*



The follow-up audits of 2022 were already largely oriented toward the new priority set for this audit type: In the framework of such “follow-up audits plus”, the ACA focuses on the question “Has the problem been solved?” instead of limiting its assessment to the question “Has the recommendation been implemented?” The ACA also takes up the latest developments that were not yet relevant in the initial audit and could therefore not be addressed. This, too, increases the informative value. Eventually, the “follow-up audits plus” address primarily systemic issues.

The report on “Procurement of Medicines in Selected Hospitals in Salzburg and Tyrol; Follow-up Audit” (volumes Federation 2022/17, Salzburg 2022/2, Tyrol 2022/2) addressed such a systemic issue, namely medicine supply problems, which have been increasing for years, not only in Austria but all around the world. Therefore, patient care is potentially at risk and additional costs are incurred for hospitals. Already in 2019, the ACA had pointed to the supply problems of medicines in Austria and recommended to the Federal Ministry of Health to evaluate them and take appropriate measures. As examples, the Salzburg provincial pharmacy and the pharmacy of the Innsbruck provincial hospital were audited, each of which procured medicinal products for several hospitals, which were predominantly located in the respective province. The follow-up audit showed that the audited hospital pharmacies also had to deal with supply problems in the audited period from 2018 to

2020. A great deal of effort was required to find substitute medicines.

Supply chain bottlenecks that were critical to patient care often affected low-priced, generic medicines, such as in the case of antibiotics. The reasons for this include the increasing globalization of the production of medicines, the associated reduction in the number of possible suppliers and the high cost pressure resulting from declining medicine prices. Parallel exports of medicines, which the Government Programme 2020–2024 envisaged to combat, are causing additional aggravation. Parallel exports refer to the resale of medicines abroad, primarily in order to achieve higher prices.

On 1 April 2020, the regulation of the Federal Minister of Health on ensuring the supply of medicines entered into force. This regulation decreed the prohibition of parallel exports for

critical medicines. The likewise newly created obligation to report restrictions on distribution was intended to ensure transparency in the event of supply bottlenecks and to enable prescribing physicians and pharmacies to react more quickly. The Austrian Federal Office for Safety in Healthcare (Bundesamt für Sicherheit im Gesundheitswesen; BASG) published a corresponding list on its website for general access.

Under the lead of the BASG, several task forces and working groups were in charge of various aspects of supply security. The supply of medicinal products for COVID-19 therapy was also a topic addressed in these working groups. The ACA positively acknowledged these efforts and measures but noted that the additional problem of supply bottlenecks, which was also due to global developments, continued to exist.

Also in its report “AustriaTech – Mobility Technologies and Innovations; Follow-up Audit” (volume Federation 2022/33), the ACA addressed more than just the degree of implementation of its recommendations. It also audited current developments in AustriaTech’s role and strategic orientation, its corporate structure and projects.

AustriaTech is a federal non-profit company represented by the Federal Ministry for Climate Action. Among its main tasks are strategic and thematic advice to the Ministry, topic development as well as the planning and operation of operational systems. The strategic guidelines the Ministry provided to AustriaTech were no longer up-to-date. Since 2014, the Ministry had not updated AustriaTech’s owner strategy. Thus, the draft of a new mid-term planning and strategy for AustriaTech for the period from 2022 could not be coordinated as it is aligned with the owner strategy. In view of the rapid technological develop-

ments as well as the Ministry’s new agendas and strategies in the mobility sector, the ACA criticized this. In the period from 2018 to 2021, AustriaTech processed 59 projects. The share of working hours used for projects on e-mobility and decarbonization as well as on mobility services and ecosystems accounted for merely 14% of AustriaTech’s total project activities. The Ministry’s strategic focus on climate neutrality in the transport sector, which was based on the Government Programme 2020–2024, was thus hardly reflected in AustriaTech’s activities to date.

The report “Capital Gains Tax Refunds in the Wake of Dividend Distributions; Follow-up Audit” (volume Federation 2022/4) dealt with the financial damage Austria had suffered due to cum/ex share transactions. After publication of the ACA’s initial report, the Federal Ministry of Finance and the competent tax office conducted comprehensive inspections and plausibility checks in order to determine the volume of the financial damage caused by cum/ex transactions. According to the Federal Ministry of Finance’s calculations, the possible financial damage due to cum/ex cases accounted for a total of around EUR 105 million based on the tax office’s inspections and for around EUR 75 million based on the estimates for the statute-barred cases. Thus, the possible amount of damage was determined at around EUR 180 million. Contrary to the ACA’s initial recommendation, however, no plausibility checks to identify attempted fraud were carried out, even though this was envisaged in a project of the Federal Ministry of Finance aimed at improving the capital gains tax refund procedure.

The ACA published its report “The United Nations Sustainable Development Goals, Implementation of the 2030 Agenda in Austria; Follow-up Audit” (volume Federation 2022/5) at

the mid-term of their implementation period. At the heart of the 2030 Agenda, which was adopted by the member states of the United Nations at the end of September 2015 for the following 15 years, are the 17 Sustainable Development Goals (SDGs) with a total of 169 targets. In its initial report, the ACA had recommended that the Federal Chancellery and the Federal Ministry for European and International Affairs work towards the preparation of a nationwide implementation plan with clearly defined responsibilities, specific measures and a timeline for implementing the 2030 Agenda. In its follow-up report, the ACA noted that the Federal Chancellery and the Federal Ministry for European and International Affairs promised to implement the recommendation with the help of a steering group. The ACA has now further recommended that the Federal Chancellery and the Federal Ministry for European and International Affairs take into account the measures of the Recovery and Resilience Plan when preparing a nationwide implementation plan for the Sustainable Development Goals laid down in the 2030 Agenda.

The report “Construction of the S10 Mühlviertel Motorway; Follow-up Audit” (volume Federation 2022/6) concerns an important road construction project in Upper Austria: The S10 Mühlviertel Motorway is the extension of the A7 Mühlkreis Expressway. The plan is to fully extend it to a four-lane motorway from Unterweikersdorf to the national border at Wulowitz. The total construction costs amount to EUR 711.11 million. Based on the costs of EUR 689 million that were approved by ASFINAG’s supervisory board in 2007, this represents a cost increase of around three per cent, i.e. around EUR 22.11 million.

In its initial report, the ACA had noted that the project coordination and controlling divisions of

the ASFINAG Bau Management GmbH were hardly involved in cost planning, due to insufficient human resources. To be able to appropriately manage and control costs, the ACA had therefore recommended to adequately staff the company’s in-house project coordination and controlling divisions. In its follow-up report, the ACA noted that the recommendation had been implemented. The ASFINAG Bau Management GmbH evaluated the staffing of its project management and controlling divisions on an ongoing basis and took on additional staff members. In the context of the overall increase of the headcount by 47 per cent (from 2017 to 2020) the ACA noted, however, that it is not possible to derive an assessment of the actual and efficient task performance by the additional staff from this.

In the report on “Outside Employment of University Professors; Follow-up Audit” (volume Federation 2022/16) the quality of education is put to the test. It is only permitted to pursue outside employments if they do not affect obligations under the employment contract or other significant interests of the service. Universities may specify “significant interests of the service” in detail in an internal agreement. Contrary to the ACA’s recommendation, the two audited universities did not make such specifications. Thus, a central recommendation encouraging an objective and transparent procedure for the approval or non-approval of outside employments remained unheeded. This is why the ACA reiterated its recommendation to specify the “significant interests of the service” in detail.

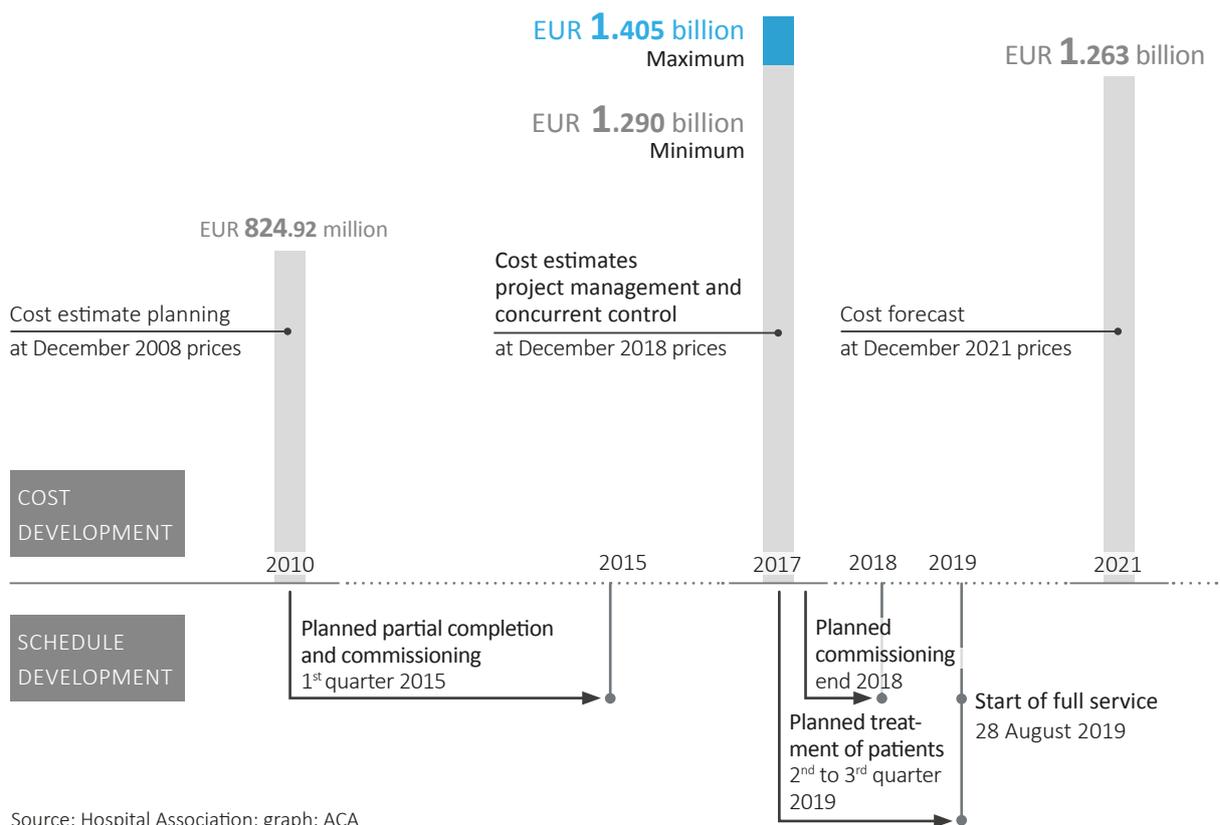
With its report on “Clinic Floridsdorf; Follow-Up Audit on the “Krankenhaus Nord” (“Hospital North”)” (volume Vienna 2022/3), the ACA audited not only the degree of implementation of recommendations, but also the develop-

ment in terms of costs and deadlines, the handling of defects after completion of the construction work as well as the changes in project organization for the implementation of construction projects.

Construction of the Clinic Floridsdorf started in July 2011. It began full operation in August 2019, instead of in 2016 as planned. The total costs of EUR 1.005 billion initially budgeted for the construction of the Clinic Floridsdorf will be exceeded by more than a quarter and are thus expected to amount to EUR 1.263 billion.

As at December 2021, EUR 1.258 billion were already invoiced or paid out. In view of the three court proceedings still pending as at December 2021, this figure could increase a little further to up to EUR 1.266 billion. The increase in costs resulted from disruptions in the construction process, planning that was not yet suitable for tendering and deviations in service provision.

The following figure summarizes the development in terms of costs and deadlines of the Floridsdorf hospital construction project:

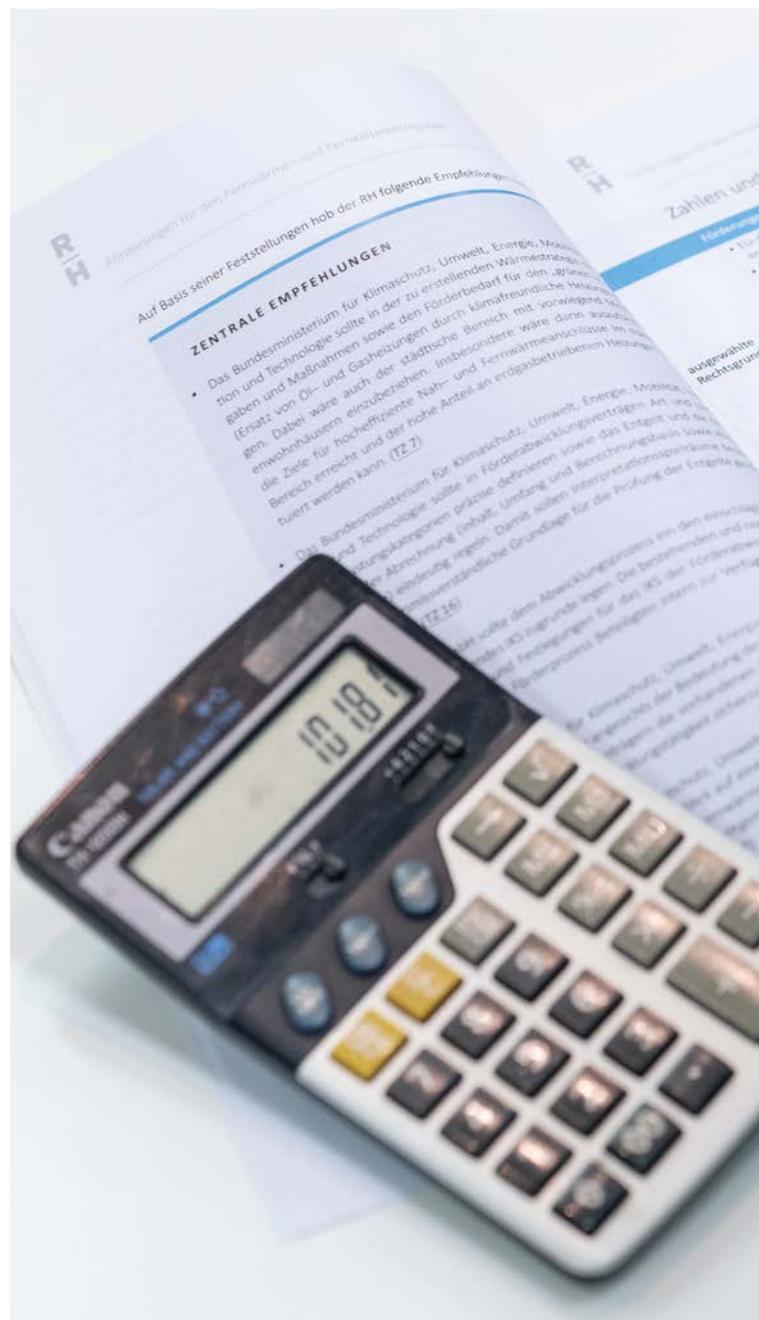


Source: Hospital Association; graph: ACA

In its report on “Traffic Fines; Follow-up Audit”, the ACA also addressed other issues in addition to the implementation of recommendations. As part of this audit, it also analysed the development of legal tickets and complaints in the period of 2017 to 2021, the revenue or income from traffic fines with a focus on the impact of the COVID-19 pandemic as well as the experiences made to date with the so-called “speeding package” adopted in the summer of 2021.

The nationwide harmonization of fine levels and tolerance margins as well as the efforts to make administrative proceedings for traffic fines more efficient, which were aimed at in the interest of citizens, showed first signs of success. For instance, a legal foundation to harmonize fine levels with regard to shortened administrative proceedings was created. However, the competent Federal Ministry for Climate Action’s regulations based thereon were still pending. The regulations on anonymous penalty notices (Anonymverfügungen) would at the same time contain a national definition of offences for which anonymous penalty notices may be issued. With the nationwide cooperation on the programme on administrative penal proceedings, the Federation and the provinces set a common milestone as regards paperless and efficient public administration. Improvements were also achieved in the area of EU-wide prosecution of traffic offences. It is now also possible to prosecute road toll offences across the EU. An administrative penalties register that can be accessed nationwide has not yet been implemented, even though the Federal Ministry of the Interior as well as the provinces of Upper Austria and Lower Austria carried out initiatives in this regard.

From 1 September 2021 onwards, the executive was able to take more effective action against the serious exceeding of speed limits and unauthorized street races. Due to the seriousness of the offences and the higher fines associated with them, the public authorities typically had to conduct the proceedings in the form of proper penal proceedings, which sometimes led to a longer duration of proceedings. A final assessment of the effect the “speeding package” has on increasing road safety was not yet possible since it was only recently adopted.



*In the framework of the official consultation procedure,  
the ACA regularly provides its expert opinion  
on draft laws and ordinances.*





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## 4 CONSULTATION ON DRAFT LEGISLATION

In the framework of the official consultation process, the ACA regularly provides expert comments on draft laws and ordinances. The Federal Organic Budget Act (Bundeshaushaltsgesetz) requires every federal minister to attach a presentation on the outcome-oriented impact assessment in terms of major effects to every draft bill and ordinance submitted by his or her ministry. In the framework of this process, the financial implications for the federal statement of assets, the cash-flow statement and the operating statement for the current and, as a minimum, for the next four fiscal years must be quantified, as well as the financial implications for the provinces, municipalities and social insurance providers, and the long-term impact on the federal budget. The principles of relevance, consistency in content, understandability, plausibility, comparability and verifiability are to be respected in the framework of providing information with regard to the assessment of the financial implications.

In consultations on draft legislation, the ACA assesses in particular the financial implications of the new legislation for public finances and the degree of implementation of the ACA's recommendations from earlier audits. In addition, the ACA deals intensively with the content of the respective draft laws and ordinances by assessing whether planned measures appear to be adequate and efficient with regard to governance or whether they can lead to improvements in the flow of processes.

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## 4.1 FEDERATION

The consultation period for the submission of comments should be at least six weeks. In 43 cases, the ACA was partly given significantly less time in 2022. This concerned draft legislation pertaining to the scope of competence of almost all ministries. In this context, the ACA critically notes that especially legislative projects with significant financial implications were subject to a very short consultation period. As examples, the following draft laws and ordinances shall be mentioned:

- the draft amendments in the old-age care sector (Austrian Federal Care Allowance Act [Bundespflegegeldgesetz], Austrian Act on Special-Purpose Grants for Care Training [Pflegeausbildung-Zweckzuschussgesetz] and Austrian Act on Special-Purpose Grants for Salary Increase [Entgelterhöhungs-Zweckzuschussgesetz]) with a consultation period of 13 working days for estimated financial implications of more than EUR 450 million in 2023,
- the ordinances in connection with the processing of the climate bonus with a consultation period of eight working days for estimated financial implications in the amount of EUR 1.3 billion in 2023, as well as
- a draft amendment to the Austrian Environmental Subsidies Act (Umweltförderungsgesetz) with a consultation period of nine working days for an estimated disbursement demand of around EUR 700 million in funding until 2026.

The ACA notes that a sufficiently long consultation period should be a minimum standard for legislative procedures. This would also increase the number of bodies, players and stakeholders who can provide an expert opinion, which, in turn, contributes to an informed decision-making process.

In 2022, the ACA received a total of 139 draft laws and ordinances for comments from the Federal Administration (cut-off date 30 November 2022). The Parliament, three professional representations of interests, the Gesundheitsplanungs GmbH (limited liability

company for healthcare planning) and AQ-Austria (Agency for Quality Assurance and Accreditation Austria) forwarded 16 draft laws and ordinances with the request for consultation to the ACA.

Based on the drafts the federal administration submitted to the ACA, the following assessment of the information provided on their financial implications can be made:

Federal Ministry	Plausible information	Insufficient information
Federal Chancellery	2	2
Federal Ministry for Agriculture, Forestry, Regions and Water Management	7	1
Federal Ministry for Arts, Culture, the Civil Service and Sport	2	2
Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology	20	8
Federal Ministry of Labour and Economy	15	3
Federal Ministry of Defence	2	0
Federal Ministry of Education, Science and Research	14	4
Federal Ministry of Finance	16	3
Federal Ministry of Justice	6	0
Federal Ministry of Social Affairs, Health, Care and Consumer Protection	19	5
Federal Ministry of the Interior	3	1
<b>Overall</b>	<b>106</b>	<b>29</b>

## 4.2 PROVINCES

In 2022, the ACA also commented on draft legislation of the provinces. The following provinces submitted drafts: Carinthia, Lower Austria, Styria, Upper Austria, Vienna and Vorarlberg. No consistent obligation to carry out a cost calculation exists at the provincial level; only the Upper Austrian and Burgenland constitutions and the Rules of Procedure of the provincial parliament of Styria as well as the Styrian Budget Act provide for the ascertainment and presentation of the financial implications of new legislation.

In 2022, the ACA received a total of 76 draft laws and ordinances from the above-mentioned provinces for comments (cut-off date 30 November 2022). The following assessment of the information provided on their financial implications can be made:

Province	Plausible information	Insufficient information
Carinthia	35	8
Lower Austria	2	1
Styria	1	0
Upper Austria	13	2
Vienna	0	1
Vorarlberg	8	2
<b>Overall</b>	<b>59</b>	<b>14</b>

### 4.3 SELECTED COMMENTS

The ACA publishes its expert comments on draft laws and ordinances on its website at [www.rechnungshof.gv.at](http://www.rechnungshof.gv.at).

Here are some examples:

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#### Drafts of the ordinances on processing the regional climate bonus (promulgated in Federal Law Gazette II 229/2022 and Federal Law Gazette II 251/2022)

In May 2022, the Federal Ministry for Climate Action submitted the following draft ordinances for comments: the ordinance on processing the climate bonus (Klimabonus–Abwicklungsverordnung – KliBAV), the ordinance on the procedure for electronic data transmission within the framework of processing the regional climate bonus and the ordinance on mapping principal residences for regional equalization pursuant to section 4 para. 4 Climate Bonus Act (Klimabonusgesetz – KliBG).

First of all, the ACA pointed to its criticism of the draft of the Climate Bonus Act, according to which the KliBG transfers essential elements of this benefit to the Federal Ministry for Climate Action's regulatory responsibility by way of power to issue ordinances (partly in agreement with the Federal Ministry of Finance or other ministries), with the result that these aspects of the climate bonus are no longer subject to decision-making by the legislator. According to the explanatory notes, these draft ordinances have high financial implications amounting to an estimated EUR 1.5 billion in 2025. Therefore, the ACA also critically noted that according to subsequent media reports further material changes to the content of these drafts were planned.

Since these reports were, among other things, about both the regulation on the tying to the principal residence and the amount of the climate bonus itself, the ACA strongly recommended that drafts of new pieces of legislation be subjected to a consultation process only after completion of any interministerial coordination on the final regulatory content.

As the drafts stipulated that the Federal Minister could make use of the arbitration body (in accordance with section 11 of the draft) as well as private service providers when processing the granting of the climate bonus, the ACA noted that the KliBG itself did not contain such an authorization, but that it was included for the first time in the submitted draft ordinances. The ordinance on processing the climate bonus (Klimabonus–Abwicklungsverordnung), which has been promulgated in the meantime (Federal Law Gazette II 229/2022), also contains such a provision. Finally, the ACA critically noted that neither the draft nor the promulgated ordinances contained a provision stipulating that these processing agencies were to be subject to the ACA's control as regards the performance of their tasks.

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#### Drafts of the Inflation Relief Package II (Teuerungs–Entlastungspaket II) and of the Inflation Relief Package III (Teuerungs–Entlastungspaket III) (promulgated in Federal Law Gazette I 163/2022 and 174/2022)

With the aim of maintaining purchasing power, compensating the increased cost of living and safeguarding an inflation-neutral income taxation by way of abolishing cold progression in order to relieve the strain of

the currently high inflation rates on citizens, the Federal Ministry of Finance as well as the Federal Ministry of Social Affairs submitted the draft Inflation Relief Packages II and III, which represent the financially most extensive measures with a sustained influence on public finances, for comments in mid-July 2022.

In summary, the drafts contained:

- provisions to abolish the so-called “cold progression” and
- a valorization adapted to the inflation rate of certain social benefits (namely sickness cash benefit, rehabilitation and reintegration allowances; retraining allowance; study allowance; childcare allowance and family time bonus; family allowance, multiple-child bonus and child tax credit).

For the period of 2023 to 2026, the financial implications of these measures were quantified as additional expenditure or reduced revenue for the territorial entities and the social insurance providers totalling EUR 16.045 billion. However, this is still not taking into account the remaining third of the relief volume provided for in the Inflation Relief Package II, which will result from further legal measures that are to be decided annually in the framework of a legislative proposal to the National Council.

Recalling further measures in connection with the climate bonus as well as planned fiscal amendments in the Austrian Tax Amendment Act 2022 (Abgabenänderungsgesetz 2022), which will also result in an increase in pay-outs and a cut in incoming payments, the ACA, taking on an overall view, noted that

- the basic intention of the proposed measures to relieve citizens from the effects of the currently high inflation rates must be acknowledged,
- in addition to effective measures to fight inflation outstanding structural reforms (such as in the areas of old-age care, education, health, pensions) are still necessary,
- the ACA had also always stressed the need for public aid measures in its reports on the COVID-19 pandemic, while at the same time pointing out the necessity to devise efficient and effective measures and recommending opportunities for improvement in terms of implementation, and
- ensuring sustainable public finances in the interest of the next generation is particularly necessary considering that the proposed measures will also cause the public debt to further increase.

Since the explanatory notes and the presentation of the financial implications of this draft as well as the other drafts mentioned above did not contain corresponding aggregated calculations, the ACA suggested analysing all proposed relief measures in their entirety and presenting their overall impact on public finances (net result, net lending/net borrowing, development of public debt).

With respect to the plausibility of the financial implications described in the explanatory notes, the ACA notes, for example, that

- out of the three studies mentioned only the EcoAustria study was publicly accessible, those carried out by WIFO and IHS were not,

- the cited inflation indexation was not presented in an entirely comprehensible manner as, for example, it was set at 5.2% for 2023, while the WIFO estimated 5.3% and the IHS 4.7%, and
- the factors of the Inflation Relief Package II (inflation rates) differ from the adjustment factors in the legislative texts for the Inflation Relief Package III pursuant to section 108f of the Austrian General Social Insurance Act (Allgemeines Sozialversicherungsgesetz; ASVG) for the years 2023 to 2025 (e.g. in 2023: Package II: 5.2%, Package III: 5.7%).

As regards individual measures of the Inflation Relief Package III, the ACA pointed to the following, among others:

- the additional burden associated with the draft for the reserve fund that was designed as a financial equalization instrument for the Family Burden Equalization Fund (Familienlastenausgleichsfonds – FLAF); this is because the cumulative total costs of the annual inflation indexation of the childcare allowance, family time bonus, family allowance and multiple-child bonus for the period of 2023 to 2026 were quantified at EUR 2.528 billion,
- possibilities of pooling and streamlining benefits that are identical in function against the backdrop of the associated complexity and high administrative burden (e.g. child tax credit and family allowance),
- the increased burden on the executive associated with additional tax benefits, as well as
- the lack of a comprehensive presentation of the financial implications for the financial management of the social insurance providers since, for example, the assumptions and bases for the amounts indicated were not sufficiently explained.

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Draft amendments to the Austrian Federal Care Allowance Act (Bundespflegegeldgesetz) as well as the Austrian Act on Special-Purpose Grants for Care Training (Pflegeausbildung-Zweckzuschussgesetz) and the Austrian Act on Special-Purpose Grants for Salary Increase (Entgelterhöhungs-Zweckzuschussgesetz) (promulgated in Federal Law Gazette I 104/2022, Federal Law Gazette I 105/2022 and Federal Law Gazette I 129/2022)

In principle, the ACA acknowledged as positive the objectives of the drafts submitted at the end of May to provide for improvements in the family sphere as well as for family carers and as regards care allowance classification, and to make training for care professions more attractive as well as to increase remuneration of care professionals by granting special-purpose grants.

With reference to its report on „Old-age Care in Austria“ (among others volume Federation 2020/8), the ACA referred to its recommendations

- to ensure a coordinated approach in the area of old-age care by means of bodies and instruments suitable for management and control, such as financial plans, needs and development plans (item 4),
- to develop a sustainable financing system, taking into account in particular the requirements of a coordinated overall

management and of a clear responsibility allocation for the overall costs of care and the origin and use of the corresponding funds, as well as of an interface between health and old-age care (item 8),

- to develop a uniform understanding of the quality provided in nursing homes for essential areas (such as specialized care, quality of life, medical or social care) (item 23), and
- to lay down technical specifications (staffing ratio, quality standards) and to make decisions about the organization of the service and its financing that are necessary for the provision of good care to the persons in need of care, based on improved underlying data (item 40),

and noted that this draft did not contain any corresponding regulations.

The granting of special-purpose grants for care training and a higher remuneration of care professionals were recognized as measures that can contribute to ensuring timely and demand-oriented availability of additional care staff. However, the ACA further noted in this regard that its following recommendations regarding care staff made in the report volume Federation 2020/8 mentioned above remained unheeded:

- The Federal Ministry of Social Affairs, Health, Care and Consumer Protection and the provinces should harmonize staffing regulations, adapt them to the actual need for old-age care and the desired care quality and regularly (e.g. every five years) adjust them to changed conditions (item 30).
- When harmonizing the staffing ratios, the Federal Ministry of Social Affairs, Health, Care and Consumer Protection and the provinces should also take night shifts, care service managers, additional skilled staff and actual staff presence into account (item 31).
- The provinces should add to the demand forecast for old-age care services made in the demand and development plans an estimate of the human resources and staff qualifications required to cover this demand as well as expenditure estimates (item 16).

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#### **Draft of an Austrian Tax Amendment Act 2022 (Abgabenänderungsgesetz 2022 (promulgated in Federal Law Gazette I 108/2022))**

The draft of the Austrian Tax Amendment Act 2022 (Abgabenänderungsgesetz 2022) created numerous new tax benefits and extended existing ones. Once again, the ACA pointed to its long-standing recommendations to critically go through and evaluate the existing tax benefits and to work towards significantly reducing the provisions on benefits in income tax law based on the findings obtained. This is particularly necessary since once again benefits that are unlimited in time were created and no evaluation of the target attainment of these benefits was provided for.

A positive aspect was that the ACA's recommendations on streamlining procedures and on improving internal workflows as well as on international cooperation between tax authorities in the interest of equal taxation and the minimization of the risk of tax loss by amending the Austrian Federal Fiscal Code (Bundesabgabenordnung), the Austrian Fiscal Offences Act (Finanzstrafgesetz), the Austrian

Federal Fiscal Court Act (Bundesfinanzgerichtsgesetz) and the Austrian EU Administrative Assistance Act (EU–Amtshilfegesetz) were heeded. In this context, the ACA pointed to its reports “International Exchange of Information in Fiscal Matters” (volume Federation 2019/33), “Federal Fiscal Court” (volume Federation 2021/1) and “Cancellation of Tax Arrears” (volume Federation 2016/2).

In summary, the draft also contained the following tax measures in the transport and environment sector with the aim of making public transport more attractive and reducing emissions:

- simplified deductibility of annual passes for public transport,
- VAT exemption of the domestic component of international train tickets,
- technology–neutral tax exemption of electric cars as well as
- extension of the existing benefits with regard to traction current.

The ACA acknowledged that the proposed measures can contribute to attaining the climate targets. However, due to the measures’ content, the extent of this contribution is very limited (and also difficult to assess). In this context, the ACA therefore pointed to the recommendations in its report on “Climate Protection in Austria – Measures and Target Attainment 2020” (volume Federation 2021/16), according to which it will be necessary to quickly initiate further effective measures for the reduction of greenhouse gas emissions in order to achieve the climate targets for 2030 and 2050.

As regards the tax relief and funding measures, which were quantified at EUR 377 million in the explanatory notes, the ACA noted that – due to the lack of information on the parameters for determining the amounts indicated for the individual measures – it was of the opinion that these measures were not comprehensible. Since the administrative burden associated with enforcement as well as the financial implications of further measures were not presented in the explanatory notes, the ACA noted in summary that the figures and data on the financial implications were partly not calculated or not comprehensibly determined or that information on the financial implications was partly missing.

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#### **Draft amendment to the Austrian Environmental Subsidies Act (Umweltförderungsgesetz) (promulgated in Federal Law Gazette I 26/2022)**

In principle, the ACA considered the measures aimed at reducing greenhouse gas emissions and soil sealing, which the amendment (and also the Austrian Recovery and Resilience Plan 2020–2026) provide for, suitable to contribute to strengthening climate protection. Since the draft focused on the attainment of “ecological targets”, the ACA pointed out that, in accordance with the Climate and Energy Strategy of the federal government, the targets of the energy policy triad, i.e. ecological sustainability, security of supply and competitiveness/affordability, should be pursued in an equal manner.

In addition, it noted that new funding instruments and pots were to be created in conjunction with the draft and that this would increase the complexity of the funding landscape. As regards the planned biodiversity fund, the ACA suggested to grant funding

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only after having issued technical funding guidelines.

As regards the draft's estimated financial implications, including the processing costs, amounting to EUR 700 million, the ACA noted that the explanatory notes were insufficiently comprehensible. In the case of the estimated funds for the renovation offensive "Get out of Oil and Gas" (Raus-aus-Öl-und-Gas) amounting to EUR 159 million, for instance, it was not clearly explained whether these will be fully refinanced with funds from the Recovery and Resilience Facility (RRF) or whether they have to be covered in the federal budget.

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**Federal draft law on the establishment of the interdisciplinary University of Technology for Digitalization and Digital Transformation (promulgated in Federal Law Gazette I No. 120/2022)**

As regards the establishment of the interdisciplinary University of Technology for Digitalization and Digital Transformation in Linz, the ACA criticized the structure, timeline, legal basis and framework conditions for operation. At the time the federal draft law was written, key decisions on the final organizational framework and the financing had not yet been made, for example. The planned establishment of the University of Technology in Linz would create a university institution that does not correspond to the principle of competence allocation.



**Bundesrechnungsabschluss  
für das Jahr 2021**

Textteil Band 1: BUND

Abschlussrechnungen  
Voranschlagsvergleichsrechnungen  
Erläuterungen



III-654 der Beilagen zu den Stenographischen Protokollen des Nationalrates XXVII. GP  
Rechnungshof GZ 2022-0.383.903

**-19,645** Mrd. EUR  
**NETTOERGEBNIS**

*Special tasks:*

- *Report on the Federal Financial Statements*
- *Income reports*
- *Countersignature of financial debts*
- *Political Parties Act*
- *Act on the Election of the Federal President*
- *Media Transparency Act*
- *Incompatibility and Transparency Act*
- *Adjustment factor for politicians' emoluments*

**21**  
**BRA**  
Bundesrechnungsabschluss  
Stand: 31.12.2021



**253,567** Mrd. EUR  
**FINANZSCHULDEN  
NETTO**

## 5 SPECIAL TASKS

### 5.1 REPORT ON THE FEDERAL FINANCIAL STATEMENTS

In June 2022, the ACA submitted the Report on the Federal Financial Statements 2021 to the National Council. The financial year 2021 continued to be marked by the COVID-19 pandemic. Accordingly, there was a high degree of uncertainty with regard to forecasting the economic development and targeted budgeting was difficult.

The rapidly recovering domestic economy saw real growth of 4.5%, providing a good starting point for the development of the federal budget. The recovery was also clearly apparent in the labour market: The number of employed persons grew by 2.5% and the unemployment rate decreased by 1.9 percentage points to 8%. The aid measures to overcome the COVID-19 pandemic continued to strongly influence the federal budget in 2021. EUR 15.090 billion were disbursed from the COVID-19 Crisis Management Fund, which were EUR 6.619 billion more than in 2020. This increase was primarily caused by disbursements made for COFAG aid measures and for the healthcare sector.

The net result of 2021, i.e. the difference between expenditure and revenue, represented a deficit of EUR -19.645 billion. Even though the result improved by EUR 3.983 billion compared to 2020, the deficit was still far above pre-crisis levels. While higher tax revenue and the economic recovery led to an increase in overall revenue by EUR 9.271 billion, there was also an increase in expenditure by EUR 5.288 billion. The higher expenditure essentially resulted from the measures

to fight the COVID–19 pandemic, including in particular the short–time work allowance, the loss compensation and funds for health–care.

The negative net funding balance 2021 of the statement of financial position accounted for EUR –17.949 billion and was higher by EUR 12.780 billion than budgeted. The significantly higher incoming payments compared to the budgeted amounts resulted from the good economic development and the catch–up effects from the previous year, which are difficult to estimate, as well as from advance payments made by the EU in the framework of the Recovery and Resilience Facility. The pay–outs also exceeded the budgeted amounts, in particular due to the continuing measures to fight the COVID–19 pandemic.

In the statement of assets, the debts of EUR 311.122 billion clearly surpassed the assets of EUR 117.661 billion. The resulting balance figure showed negative net assets, which amounted to –EUR 193.461 billion and thus declined by EUR 18.050 billion compared to 2020. This was mainly due to the high negative net result.

As at 31 December 2021, the adjusted financial debts of the Federation accounted for EUR 253.566 billion or 62.9% of the GDP and they were by EUR 15.595 billion or 6.6% higher than in 2020 due to the crisis. Despite this sharp increase, the total interest obligations for the adjusted financial debts decreased from EUR 53.210 billion as at 31 December 2020 to EUR 51.623 billion as at 31 December 2021 due to the historically low interest rate level. As at 31 December 2021, federal guarantees amounted to EUR 104.728 billion. This value was by

EUR 1.496 billion lower compared to the same point in time in the previous year.

In September 2022, Statistics Austria reported a general government deficit for the budget year 2021 of EUR–24.083 billion (–5.9% of the GDP) and thus an improvement compared to the EUR –30.517 billion (–8.0% of the gross domestic product) of 2020. Due to further borrowing for measures to fight the COVID–19 pandemic, the general public debt remained high, but declined from 82.9% of the gross domestic product in 2020 to 82.3% of the gross domestic product in 2021. In absolute figures, however, public debt increased from EUR 315.980 billion to EUR 334.162 billion. The tax ratio was at 43.7% in 2021 compared to 42.6% in 2020. In the wake of the COVID–19 pandemic, Austria failed to meet the Maastricht criteria in 2021 (public deficit below 3% of the gross domestic product and public debt of a maximum of 60% of the gross domestic product). This was in line with the Council’s recommendations dated 20 July 2020. Against the backdrop of the activated “general escape clause” of the Stability and Growth Pact, the European Commission refrained from initiating excessive deficit procedures against member states in 2021.

The year 2022 was marked by big macroeconomic and geopolitical uncertainties. In addition to the continuing COVID–19 pandemic, particularly the war in Ukraine, the crisis on the energy market and the high inflation slowed the economic momentum. These factors also changed the budgetary framework conditions and made amendments to the Austrian Federal Finance Act 2022 (Bundesfinanzgesetz 2022) and the Austrian Federal Budgetary Framework Act 2022 to 2025 (Bundesfinanzrahmengesetz 2022 bis 2025) necessary. In

essence, the amendments took into account the packages for energy cost relief and the inflation credits, the setting up of a national strategic gas reserve, costs associated with Ukrainians displaced by war and increased costs related to COVID-19. This adjustment of the short- and medium-term budget planning is subject to high deviation risks due to the uncertain overall economic situation and the resulting consequences on the medium-term development of public finances cannot yet be determined.



### THE EUROPEAN UNION'S RECOVERY PLAN – NextGenerationEU

The European Union's recovery plan "Next-GenerationEU" is a future-oriented economic stimulus package created by the European Union to fight the economic impact of the COVID-19 pandemic. A total of EUR 806.9 billion – of which EUR 723.8 billion have been allocated for the Recovery and Resilience Facility – are provided to support the EU Member States' measures that aim at making Europe's economy and society more sustainable. These measures should in particular focus on the areas of sustainability, digitalization, science and research as well as (inter-generational) justice. Austria will most likely receive EUR 3.5 billion under the Recovery and Resilience Facility.

The funds are allocated to the Member States according to a mechanism that takes into account the economic downturn and the extent of the COVID-19-pandemic. The Recovery and Resilience Facility is financed by bonds and treasury bills issued by the European Commission on the financial market and means that the European Union is in debt for the first time. The liabilities are to be repaid mainly by temporarily raising the upper limit for GNI own funds as well as by using new sources of EU own funds. The funds are only available until 2026. In order to be eligible to obtain funds from the Recovery and Resilience Facility, the Member States of the European Union had to submit Recovery and Resilience Plans of their own. The Austrian plan contains measures accounting for EUR 4.5 billion until 2026. In 2020 and 2021, the ministries disbursed EUR 85.5 million and EUR 332.7 million respectively. In September 2021, Austria received a first advance payment in the amount of EUR 450 million from the European Union.

The Austrian plan does not only include completely new measures. It also contains ongoing measures, measures already budgeted for in previous years and measures that are already being implemented. For example, the European Commission approved grants for new railway lines and the electrification of regional railways. Overall, two thirds of all funds (EUR 2.998 billion) are for new investment projects. The implementation of the planned measures is expected to have a positive impact on the gross domestic product as early as in 2022.

#### AUDITING THE FINANCIAL STATEMENTS

In the framework of drafting the Report on the Federal Financial Statements, the ACA carried out end-of-year audits. In addition to random document checks, this audit also included analytical and systematic audit activities, such as checks of the liquidity management in connection with the increase of negative interest rates due to the excess liquidity of processing agencies and the subsequent valuation of escrow funds held by processing agencies for funding programmes.

Within the scope of follow-up audits, the ACA also audited the receivable vis-à-vis the ÖBB-Infrastruktur Aktiengesellschaft in connection with the settlement of grant contracts. Other audit activities covered the implications of different interest rates on the discounting of provisions for staff, the legal disputes pending against the Republic of Aus-

tria – in particular as regards the indexation of the family allowance, the Austrian Act on Heavy Night Work (Nachtschwerarbeitsgesetz) and the non-transparent presentation of works. Within the scope of the priority audit on non-current assets and inventories, the ACA identified and analysed the procedural steps in connection with non-current assets and inventories and assessed the internal control system based on the findings obtained.

With reference to its audit activities, the ACA made numerous recommendations, concerning for example the liquidity management and the reduction in liquidity held by processing agencies that is not immediately needed, the transparent presentation of works in the Federal Financial Statements, the starting point of depreciation of non-current assets and the regular review of the need to depreciate non-current assets.

Budget chapter 06 of the ACA was audited by an external chartered accountant, who gave an unqualified audit opinion.

## 5.2 INCOME REPORTS

Every other year, the ACA publishes the report on the average incomes of the Austrian population broken down by industries, professional groups, gender and functions. It furthermore provides data on the incomes of employed and employed persons, incomes in the fields of agriculture and forestry and incomes of retired persons. The most recent “General Income Report” was published on 20 December 2022.



In the respective subsequent year, the ACA publishes the report on the incomes at federal public–sector companies and institutions. Therein contained are the average incomes of executive board members, supervisory board members and of all employees of federal companies and institutions that are subject to its audits. The report “Average Income and Additional Pension Contributions in Public Companies and Federal Institutions 2019 and 2020” was submitted by the ACA to the National Council on 21 December 2021.

## 5.3 COUNTERSIGNATURE OF FINANCIAL DEBTS

All federal debt instruments, in so far as they create a liability for the Federation, shall be countersigned by the president of the ACA. In doing so, the president confirms that the debts were entered into lawfully and recorded orderly in the main ledger of federal debts without passing judgement on their economy or effectiveness.

Financial debts are all financial liabilities of the Federation that are incurred to allow the Federation to have money at its disposal.

The federal financial debt amounted to EUR 270.670 billion as at 30 November 2022. In 2022, the Federation incurred financial debts in the amount of some EUR 65.702 billion as at 30 November.

	2019	2020	2021	2022
Federal financial debt documents (number)	62	196	164	168
<i>of which countersigned (number)</i>	<i>53</i>	<i>195</i>	<i>147</i>	<i>153</i>
Financial debts incurred (in EUR billion)	23.16	52.10	51.69	65.70

as at 30 November each

To fund measures to fight the COVID–19 pandemic and mitigate the economic implications of the price increases, the debts incurred remained well above precrisis levels.

## 5.4 POLITICAL PARTIES ACT

One of the ACA's special tasks is to audit and publish the statements of accounts submitted by the political parties.

In doing so, the ACA checks the accuracy of the information provided – however, it may not inspect the parties' documents. Where there is doubt about the information provided in a statement of accounts, the ACA requests the party to submit a comment. When carrying out the audit, the ACA has to rely on the information provided by the party. If doubts about the accuracy of the statement of accounts persist, the ACA notifies the Independent Political Parties Transparency Panel of these concerns. The panel then decides whether the Political Parties Act has actually been violated.

In 2022, the ACA published seven statements of accounts, including all parties represented in the National Council. Due to evidence of violations of the Political Parties Act, the ACA submitted numerous notifications to the Independent Political Parties Transparency Panel (Unabhängiger Parteien-Transparenz-Senat; UPTS). For instance, the ACA was of the opinion that the Social Democratic Party of Austria (SPÖ) had possibly received an impermissible donation in connection with the lease of their party headquarters at Löwelstraße (statement of accounts 2020), that the Freedom Party of Austria (FPÖ) had possibly received impermissible donations with regard to advertising on Facebook (statement of accounts 2020), that an interest-free loan granted by the club of the Greens to their party should be subject to a notification (statement of accounts 2020) and that an advertisement of the NEOS in the EU parliament was possibly in favour of the party (statement of accounts 2020).

In this Annual Report's reporting year, it was also possible to conclude the procedure concerning the statement of accounts 2019 of the Austrian People's Party (ÖVP). Among other things, the UPTS was notified of the issue of the Senior Citizens' Association's role within the organization and thus in the party's statement of accounts. For the first time – in line with a decision made by the UPTS in another matter –, the ACA appointed a chartered accountant to investigate suspected violations in connection with the upper limit for election campaign expenses. Following the presentation of the chartered accountant's report, the ACA made a supplementary statement to the UPTS in December 2022 because it believed the report confirmed the evidence that the cost limit had been exceeded.

Furthermore, the party "JETZT – Liste Pilz" submitted its statement of accounts 2019 in March 2022; the submission deadline for the statements of accounts 2019 was on 30 September 2020.

Each political party has to submit its statement of accounts, including the lists of donations, sponsorship agreements, advertisements and affiliated companies, to the ACA by 30 September of the following year. The following five parties presented their statement of accounts by the cut-off date of 30 September 2022:

1. Bürgerforum Tirol – Liste Fritz
2. The Freedom Party of Austria
3. The Greens – The Green Alternative
4. NEOS – Das Neue Österreich und Liberales Forum (NEOS – The New Austria and Liberal Forum)
5. The Social Democratic Party of Austria

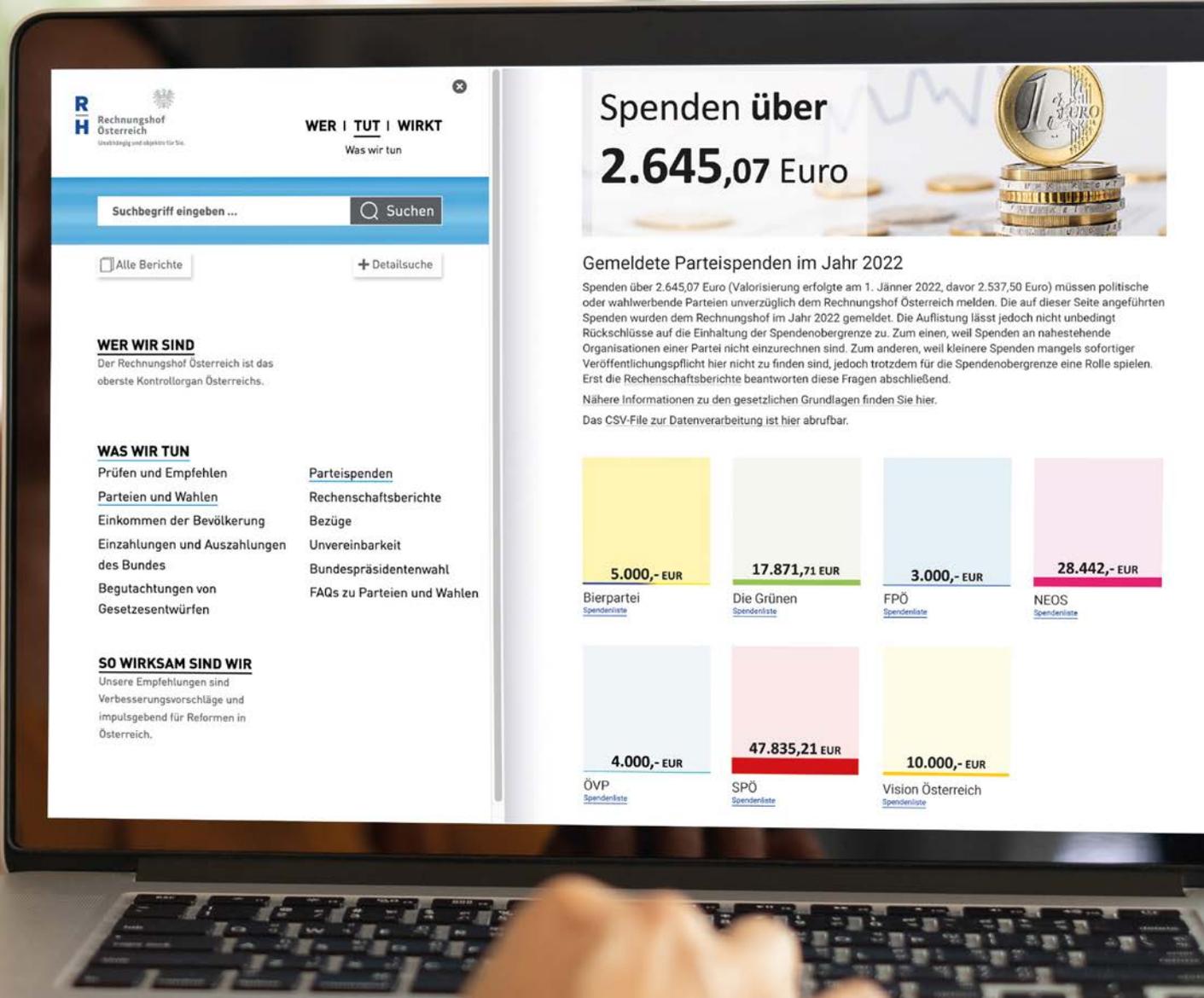
Upon a justified request of the political party, the ACA can extend the deadline for the submission of the statement of accounts by up to four weeks. The ÖVP had requested such an extension, which was granted by the ACA to the party. The ÖVP submitted its statement of accounts 2021 for the first time and the outstanding new version of its statement of accounts 2020 on 15 December 2022.

The Communist Party of Austria (KPÖ) did not submit a statement of accounts for the year 2021.

Pursuant to the Political Parties Act, the ACA has to be notified of donations over EUR 2,500 (over EUR 2,645.07 as of 1 January 2022) and it immediately has to publish this information on its website, indicating the donor's name.

In 2022, seven parties reported a total of 20 donations (as at 13 December 2022).

[https://www.rechnungshof.gv.at/rh/home/was-wir-tun/was-wir-tun\\_5/was-wir-tun\\_5/Parteispenden\\_2022.html](https://www.rechnungshof.gv.at/rh/home/was-wir-tun/was-wir-tun_5/was-wir-tun_5/Parteispenden_2022.html)



## Spenden über 2.645,07 Euro

### Gemeldete Parteispenden im Jahr 2022

Spenden über 2.645,07 Euro (Valorisierung erfolgte am 1. Jänner 2022, davor 2.537,50 Euro) müssen politische oder wahlwerbende Parteien unverzüglich dem Rechnungshof Österreich melden. Die auf dieser Seite angeführten Spenden wurden dem Rechnungshof im Jahr 2022 gemeldet. Die Auflistung lässt jedoch nicht unbedingt Rückschlüsse auf die Einhaltung der Spendenobergrenze zu. Zum einen, weil Spenden an nahestehende Organisationen einer Partei nicht einzurechnen sind. Zum anderen, weil kleinere Spenden mangels sofortiger Veröffentlichungspflicht hier nicht zu finden sind, jedoch trotzdem für die Spendenobergrenze eine Rolle spielen. Erst die Rechenschaftsberichte beantworten diese Fragen abschließend.

Nähere Informationen zu den gesetzlichen Grundlagen finden Sie hier.

Das CSV-File zur Datenverarbeitung ist hier abrufbar.

5.000,- EUR Bierpartei <a href="#">Spendenliste</a>	17.871,71 EUR Die Grünen <a href="#">Spendenliste</a>	3.000,- EUR FPÖ <a href="#">Spendenliste</a>	28.442,- EUR NEOS <a href="#">Spendenliste</a>
4.000,- EUR ÖVP <a href="#">Spendenliste</a>	47.835,21 EUR SPÖ <a href="#">Spendenliste</a>	10.000,- EUR Vision Österreich <a href="#">Spendenliste</a>	

Another task according to the Political Parties Act, which is resource-intensive for the ACA, is the survey regarding legal transactions with companies in which political parties or other organizations affiliated to them hold at least 5% directly or 10% indirectly. The ACA surveys all legal entities (around 6,000) that are subject to its audits whether such transactions with affiliated companies had been carried out and, if yes, to which amount. This information is, similarly to the political parties' statements of account, published on the ACA's website. For 2020, 408 legal entities reported transactions with 55 out of 72 companies affiliated to political parties.

## 5.5 ACT ON THE ELECTION OF THE FEDERAL PRESIDENT

Under the Act on the Election of the Federal President, candidates running for election must disclose to the ACA donations, payments received from political parties, sponsoring and advertising, which the ACA reviews as to their accounting correctness and conformity with the Act on the Election of the Federal President.

The lists shall be submitted to the ACA no later than three months after the election day. Since the last federal presidential election was held on 9 October 2022, the ACA should receive the relevant lists from the seven candidates of the 2022 federal presidential election by early January 2023.

If the ACA finds concrete indications as to the incorrectness or incompleteness of the information provided, it shall give the candidate in question the opportunity to comment within an adequate period of time. The ACA shall also publish such comments – including the

results of its findings, as appropriate. In case of suspected violations, the ACA must transmit the documents to the Independent Political Parties Transparency Panel.

## 5.6 MEDIA TRANSPARENCY ACT

The Media Transparency Act (Medientransparenzgesetz) is to create transparency in public-sector advertising and media collaborations. Every six months, the ACA must submit to the media authority KommAustria a list of all legal entities it is aware of and which are subject to its audits, stating their name and executive bodies. This biannual survey of executive bodies of such legal entities requires considerable resources and causes a considerable administrative burden both for the ACA and the legal entities concerned. This special task is a non-audit activity that restrains the ACA in performing its actual core tasks.

## 5.7 INCOMPATIBILITY AND TRANSPARENCY ACT

Since 1983, all members of government at the federal and provincial level, and all state secretaries, must disclose their financial circumstances to the president of the ACA on taking and leaving office or else every other year.

The president of the ACA is held to report any unusual accumulations of wealth to the president of the National Council or of the respective provincial parliament. In this process, the president of the ACA acts in a notarial function, without being granted audit or oversight rights as to the material correctness or completeness of the data supplied.

## 5.8 ADJUSTMENT FACTOR FOR POLITICIANS' EMOLUMENTS

The Act on the Limitation of Emoluments builds on a salary pyramid and provides for a multi-tier system of remuneration, from the federal president to members of the Federal Council graded according to function.

In addition, it sets ceilings for the highest body of the Oesterreichische Nationalbank (central bank of Austria) and the highest-ranking officials of the chambers and of the social insurance providers.

The Act on the Limitation of Emoluments provides, as a special task, that the ACA shall promulgate the adjustment factor for the emoluments of public-sector officials on the basis of the law.

By 5 December of each year, the ACA shall ascertain and promulgate the adjustment factor. For this, the ACA relies on the communications published by Statistics Austria and the Federal Ministry of Social Affairs, Health, Care and Consumer Protection.

This factor corresponds either to the inflation rate between July of the previous year until June of the current year or the current year's pension increase granted under the General Social Insurance Act (Allgemeines Sozialversicherungsgesetz), whichever is the lesser. Emoluments are then adjusted as of the 1 January of the following year.

For 2023, the ACA calculated a factor of 1.053, which was published, together with the salary scales for public officials, on 1 December 2022 in the Official Journal of the Wiener Zeitung. Based thereon, their emoluments will increase by 5.3% as of 1 January 2023.





*The ACA attaches great importance to international cooperation – especially in its capacity as the General Secretariat of the International Organization of Supreme Audit Institutions (INTOSAI).*



## 6 INTERNATIONAL COOPERATION

### 6.1 INTOSAI

The focus of ACA's activities lies on Austria. International cooperation, however, is also a major concern of the ACA. In this context, it places a special focus on INTOSAI, the International Organization of Supreme Audit Institutions, which provides the platform for cooperation for about 200 countries. The ACA houses the headquarters of the INTOSAI General Secretariat. In addition, the ACA cooperates with other audit institutions on a regular basis both bilaterally and at the European Union level.

#### GENERAL SECRETARIAT OF INTOSAI

In 2022, in the light and aftermath of the pandemic, INTOSAI has managed well to adapt to the new framework conditions. In its capacity as the General Secretariat of INTOSAI, the ACA attached great importance to ensuring that INTOSAI's operations continued seamlessly and constructively. All INTOSAI meetings could be organized as planned and were held partially remotely and partially in a face-to-face mode.

2022 was also shaped by intense preparation works for INCOSAI XXIV, which was hosted by the Tribunal de Contas da União (SAI of Brazil) as the first global INTOSAI event after the pandemic. In this context, the General Secretariat held several high-level working meetings.

The INTOSAI Secretary General welcomed the First and Second Vice-Chair of INTOSAI in Vienna in order to discuss the preparations



for the Congress as well as INTOSAI's future priorities.

Furthermore, the General Secretariat participated in numerous meetings of INTOSAI's working bodies and also attended the assemblies of INTOSAI's Regional Organizations.

### MEETING WITH THE UNITED NATIONS SECRETARY-GENERAL

On 25 May 2022, INTOSAI Secretary General Margit Kraker and the then INTOSAI First Vice-Chair and now INTOSAI Chair Minister Bruno Dantas (SAI Brazil) rendered a visit to the Secretary-General of the United Nations, António Guterres, at the UN Headquarters in New York.



from left to right: Hesham Badawi, Accountability State Authority (Egypt); Margit Kraker, Secretary General (Austria); Bruno Dantas, Tribunal de Contas da União (Brazil); António Guterres, United Nations Secretary-General; Jorge Bermúdez Soto, Contraloría General de la República (Chile)

The talks focused on INTOSAI's current priorities – such as promoting the independence of SAIs and their contribution to a successful implementation of the United Nations Sustainable Development Goals – as well as corresponding joint initiatives with the UN.

The INTOSAI Secretary General highlighted the central role of SAIs in safeguarding accountability and good governance and stressed at the same time that only independent SAIs are able to create the necessary impact.

There was general consensus among the United Nations Secretary-General and the INTOSAI delegation that the efforts to implement the SDGs need to be stepped up in the post-COVID-19 era.

### IMPLEMENTATION OF THE SUSTAINABLE DEVELOPMENT GOALS

Another priority of INTOSAI and the General Secretariat is to promote the contribution of SAIs in implementing the Sustainable Development Goals (SDGs). The pandemic has in particular underlined the importance of SAIs as institutions that safeguard transparency and accountability.

Consequently, supporting the contribution made by SAIs to reviewing the implementation of the SDGs is a continued important priority of INTOSAI – in particular as regards the reaching of SDG 16, which provides for “peace, justice and strong institutions”.

“Accelerating implementation of the 2030 Agenda – the contribution of Supreme Audit Institutions.” This topic was at the core of the INTOSAI Side Event held jointly by the INTOSAI General Secretariat, the INTOSAI

Development Initiative and the INTOSAI Working Group on Environmental Auditing at the UN High–Level Political Forum on Sustainable Development (HLPF) in New York on 15 July 2022. The event was staged in a hybrid form and co–sponsored by the Permanent Mission of Indonesia to the UN.



At the heart of the event were those environment–related SDGs that took centre stage at this year’s HLPF: SDG 14 “Life below Water” and SDG 15 “Life on Land” as well as SDG 16, which is particularly important for SAIs as institutions that contribute to safeguarding transparency, accountability and effectiveness.

Representatives of the INTOSAI General Secretariat, the INTOSAI Development Initiative, the INTOSAI Working Group on Environmental Auditing and the SAIs of Brazil, Indonesia and the United States of America presented, based on practical examples, the important contribution that SAIs can make to a successful implementation of the SDGs. Representatives of the Inter–Parliamentary Union and the United Nations as external partners of INTOSAI confirmed that SAIs, through their audits, play an essential role with regard to the review of the implementation of the 2030 Agenda.

### GENERAL SECRETARIAT CONDUCTED ADMINISTRATIVE BUSINESS IN LIEU OF INTOSAI CHAIR

The Russian Federation’s offensive against Ukraine started on 24 February 2022 confronted the INTOSAI General Secretariat with major challenges.

Following intensive consultations between the INTOSAI Secretary General and INTOSAI’s Governing Board members as well as the INTOSAI Chair – the Supreme Audit Institution of the Russian Federation –, the latter informed the Governing Board members at the beginning of March 2022 in writing that he was currently unable to fully exercise his function.

Subsequently, the Secretary General informed the Governing Board members that it is of utmost importance for INTOSAI and the General Secretariat to ensure INTOSAI’s impact and its effectiveness as an international organization. The consultations resulted in the General Secretariat taking over all administrative tasks and de facto conducting – in agreement with the first Vice–Chair from Brazil – INTOSAI’s business until the chairmanship passed to Brazil’s Supreme Audit Institution within the framework of the Congress. This solution worked well and allowed INTOSAI’s business to run smoothly until the chairmanship passed to Brazil at the XXIV Congress of INTOSAI in November 2022.

#### XXIV CONGRESS OF INTOSAI IN BRAZIL

The XXIV Congress of INTOSAI – INCOSAI – was held from 7 to 11 November 2022. INCOSAI is the supreme organ of INTOSAI and assembles all members of INTOSAI once every three years. This year it was hosted by the SAI of Brazil in Rio de Janeiro and was attended by just under 700 participants representing INTOSAI’s member SAIs and its external stakeholders.



The main themes of the Congress were:

- “The Role of Supreme Audit Institutions in Emergency Situations” and
- “Global Voice, Global Outcome, Far–Reaching Impact”.

On the one hand, these topics reflected the challenges that INTOSAI and SAIs worldwide have faced in recent years. At the same time, they also looked to the future and addressed the lessons learned as well as opportunities to further strengthen the global effectiveness of INTOSAI and its members. The XXIV INCOSAI also adopted key resolutions and discussed ground–breaking INTOSAI initiatives. In the framework of the Congress, the INTOSAI Strategic Plan for the period 2023–2028, the amended INTOSAI Statutes and the budget for the next three years were adopted. Furthermore, the Congress featured the election of the new members of the INTOSAI Governing Board.

The INTOSAI General Secretariat plays a central role in all steps on the way to a congress as well as in the administration of the INCOSAI.

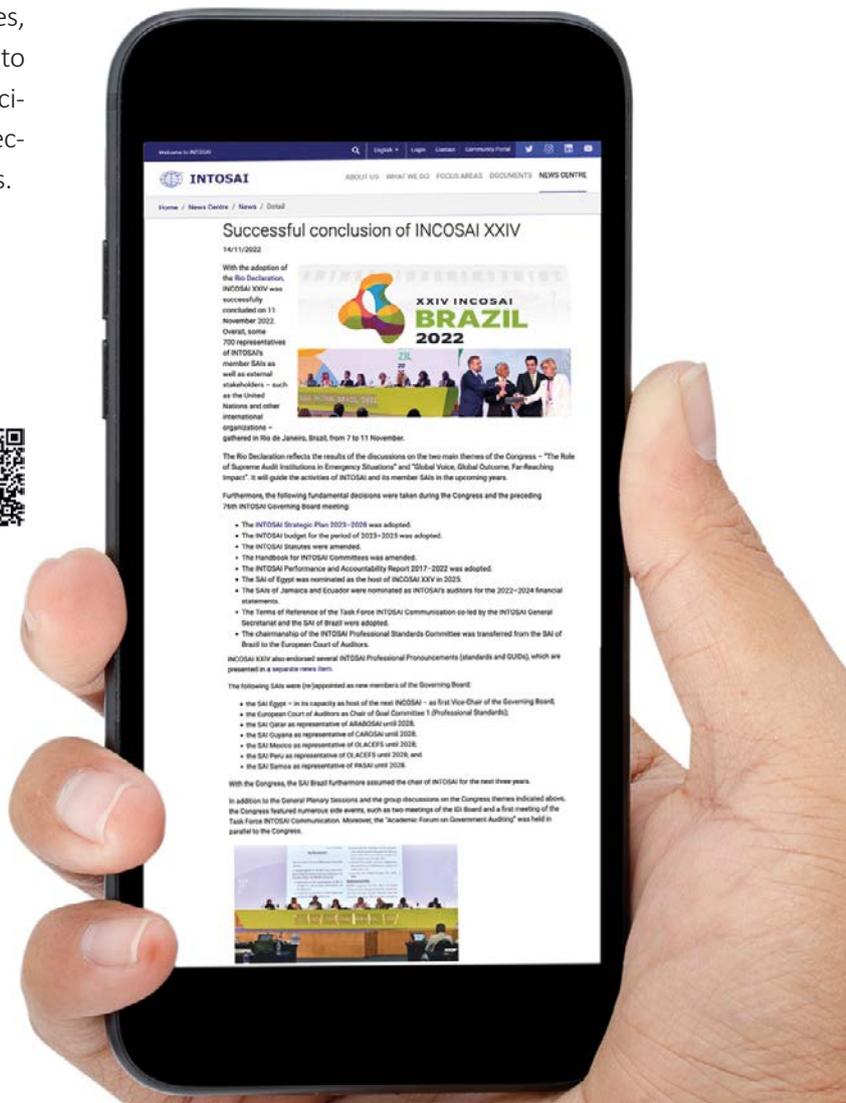
In parallel with the Congress, the Tribunal de Contas da União held an academic side event covering current topics such as digital transformation, citizen participation, gender equality, public debt and the fight against corruption. During this academic event, INTOSAI Secretary General Kraker also contributed her experience both as ACA President as well as Secretary General of INTOSAI on the topic of gender equality and inclusiveness. A representative of the ACA held a presentation on the contribution of SAIs in the context of the challenges resulting from increasing public debt.

The key issues discussed in the framework of INCOSAI based on the main congress themes, as well as the results attained thereon fed into the Rio Declaration adopted by the participants. This declaration contains important recommendations for INTOSAI and its members.

RIO DECLARATION

The Rio Declaration emphasizes the central importance of SAIs to safeguard the effective functioning of public administration and to support those affected in emergency situations. At the same time, SAIs are called upon to respond flexibly to rapid changes – such as the implications of climate change or digitalization – in order to remain relevant. INTOSAI supports its members in this, promotes their independence and acts as a global voice. To further increase the impact of SAIs and INTOSAI, the Rio Declaration also emphasizes the need for collaboration with external stakeholders.

<https://www.intosai.org/de/neuigkeiten/aktuelles/detail/succ-conclusion-xxiv-incosai>



## 6.2 BILATERAL COOPERATION WITH SUPREME AUDIT INSTITUTIONS

In addition to international cooperation, the ACA also attaches great importance to bilateral cooperation with the Supreme Audit Institutions (SAIs) of the European Union.

### “WHAT FUTURE FOR EUROPE?” CONFERENCE

As part of the French presidency of the Council of the European Union, the French SAI organized a conference under the motto “What future for Europe?”, which was held in Paris on 14 and 15 March 2022. At this conference, SAIs of the EU member states spoke about the scope and focus of their COVID–19–related audits.



President Kraker at the Cour des Comptes in Paris

The event was also dedicated to the exchange between SAIs and civil society. In this context, President Kraker gave a presentation on the measures taken by the ACA to promote citizen participation. In particular, the initiative “#zeigenSieauf” (“#tell\_us”) attracted considerable interest at international level. It was in part thanks to the example set by the ACA that the French SAI set up the “Plateforme Citoyenne” (Citizens’ Platform).



The highlight of the second day was a talk by the US–American Nobel Prize winner Joseph Stiglitz at the Sorbonne University. In his keynote speech, he discussed the economic impact of both the COVID–19 pandemic and the offensive against Ukraine as well as the sanctions against the Russian Federation.

### WORKING MEETING OF THE SAIS OF GERMANY, THE NETHERLANDS, SWITZERLAND AND AUSTRIA

On 11 July 2022, President Kraker exchanged views with her counterparts Scheller, Visser and Huissoud from Germany, the Netherlands and Switzerland at a working meeting in Vorarlberg. In light of the multiple crises – the COVID–19 pandemic, the war in Ukraine and the price increases in the energy sector –, the role of the state took centre stage in the discussions.

President Kraker and the three presidents agreed that SAIs have a special role to play in identifying lack of action, also against the backdrop of missing reforms with regard to similar problems in the areas of pensions, education and the labour market.

All four participating countries critically noted that public organizational units are increasingly performing tasks that go far beyond their core functions in some cases.

A central point of the exchange of experience was the comparison of the SAIs' report formats. The new "lessons learned approach" of the ACA's COVID-19 audits was met with interest. This was also the case for the corresponding infographics, which can be used exactly as they are on the ACA's website.

An analysis carried out by the colleagues from Germany, the Netherlands and Switzerland showed a need for improvement regarding the reports' comprehensibility and length as well as the simplicity of their language.

In the end, the meeting focused on the audit programmes for 2023. The SAIs decided to intensify their exchange on certain topics. In the meantime, two joint audits have been set: a bilateral audit with the German SAI and a trilateral one with the SAIs of the Netherlands and Switzerland.

### 30 YEARS ROMANIAN COURT OF ACCOUNTS IN BUCHAREST

In September, the Romanian Court of Accounts ("Curtea de Conturi") celebrated its 30<sup>th</sup> year of existence after its reinstatement/new establishment in 1992. On this occasion, a conference to further deepen the digital collaboration was held ("Romanian Court of Accounts – 30 years of progress towards the digitalization of audit").

President Kraker opened the international part of the conference and talked about the ACA's IT projects as well as the audits with its in-house data analysts. The President of the European Court of Auditors, Klaus-Heiner Lehne, outlined the challenges posed by IT developments for audit institutions and the society. The President of the SAI Portugal, José Tavares, spoke about the development of the Roma-

nian SAI, which he had accompanied from 1992 until today. Patrick Lefas, a member of the SAI France, talked about the benefit of IT for citizen input and about the IT cooperation within the working group of French-speaking SAIs.

The President of the SAI of the Czech Republic, Miroslav Kala, shared information on BIEP, an IT cooperation portal, and the use of IT procedures for surveys within the scope of audits in the school sector. The President of the SAI Estonia, Janar Holm, referred to the EUROSAI IT working groups and reinforced the importance of cybersecurity for the future (see [chapter 1.7](#) of this Annual Report). The President of the SAI Poland, Marian Banas, pointed to the important and good cooperation in the spirit of partnerships within the INTOSAI Working Group on IT Audit. The President of the SAI Moldova, Marian Lupu, spoke about a new IT system for document exchange.

José Tavares (Portugal), President Kraker, Klaus-Heiner Lehne (European Court of Auditors)



*ACA – internal organizational structure:*

- *Day-to-day operations during the pandemic*
- *Digitalization at the ACA*
- *Organization and personnel*
- *Knowledge management*
- *Budget*
- *Outcome orientation*
- *New developments in the area of data analysis*

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## 7 ACA – INTERNAL ORGANIZATIONAL STRUCTURE

### 7.1 DAY-TO-DAY OPERATIONS DURING THE PANDEMIC

Also during the third year of the pandemic, the ACA was able to maintain its day-to-day operations in the best possible manner.

It was gratifying that on-site audits could be resumed. Getting an impression of the audited entities on the spot at their premises is indispensable for thorough audit work.

### 7.2 DIGITALIZATION AT THE ACA

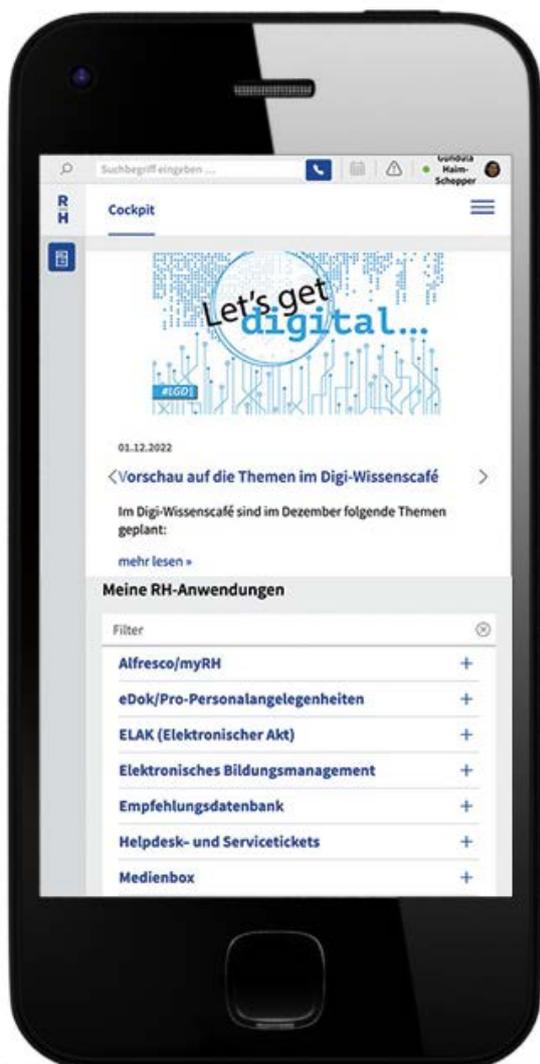
At the beginning of 2021, the project “Digital ACA” was launched in order to face the challenges posed by digitalization in the area of public auditing.

Within the framework of the project “Digital ACA”, several digitalization initiatives consisting of coordinated sub-projects were bundled. A central aim of this project is to further revise and improve the existing operational processes through digital transformation. In 2021, the cornerstone for a comprehensive digitalization was laid by introducing the electronic file system (ELAK), connecting to the electronic personnel and education management and further developing a business process tool in the area of audit.

Using digital workflows, the audit process was successfully digitalized in numerous audits. Experience gained from the completed audits is currently being used to struc-

turally optimize and further develop the digital process.

In the second half of 2022, a modern knowledge and application platform was set up: the “RH Cockpit”. It is a central contact point for all staff members, which allows for the provision of new, digital working environments in a structured and efficient manner.



### 7.3 ORGANIZATION AND PERSONNEL

The ACA is a knowledge organization. At the moment, it consists of four audit divisions as well as the Management and Administration Division. The divisions are made up of audit units. Technical know-how on the various audit and specialist fields are pooled in the individual units of the divisions. For the ACA's high-quality products, it is crucial that knowledge is shared across units and divisions. Complex audit topics require to link knowledge and competences from a wide range of areas. Audit planning is undertaken across both units and divisions. The audits are carried out in flexible and well-cooperating – usually interdisciplinary – audit teams. The aim is to optimally use time resources and technical expertise in order to achieve the ACA's set priorities.

As at 1 December 2022, 151 women and 150 men were employed at the ACA. The share of women is thus over 50% and is also clearly higher than the total share of women in public service. According to the current Federal Equal Treatment Report, the share of women in federal civil service was at 43% at the end of 2021.

About 73% of the staff members are university graduates, some 84% work in an audit function. The average age was at slightly over 49 years at the end of 2022.

36.9% of the ACA's staff members working in an audit function hold a degree in business, 32.5% a degree in law and 8.7% are graduates of technical universities. About one fifth of the ACA's staff have different degrees, including, for example, spatial planning, German language and literature or art history. The interdisciplinarity of the audit service is its great

strength and enables the ACA to deal with comprehensive and complex cross-sectional issues in the context of its audits.

The overall 301 staff members of the ACA equal almost 279 full-time equivalents.

The ACA took on twelve new staff members in 2022. The new auditors contribute to audits from day one. An onboarding process supports this “learning by doing” approach. In his or her first year, each new staff member is assigned a mentor. In addition, there are various training modules and integration events. On the “Welcome Day”, new colleagues are welcomed to the ACA by President Kraker and the heads of divisions. In 2022, some of these events could be organized in person again.

After successful completion of a probationary period of one year, the colleagues working in an audit function begin their basic training in their second year of employment. In 2022, 36 staff members were in basic training. In addition to the general basic training consisting of the module employment and salary law, the three-semester certificate programme Public Auditing of the Executive Academy of the Vienna University of Economics and Business has to be completed as special basic training. Since 2017, the certificate programme has been the joint basic training for public auditors in Austria. In 2022, it took place for the sixth time. Besides the participants from the ACA, the students therefore include colleagues from the provincial audit institutions, the City of Vienna Court of Audit, some audit offices and other public administration institutions. An important side effect of the knowledge acquisition during the basic training is the creation of a network within the field of public auditing.

Some **84%**  
of the ACA's staff members  
work in an audit function



Average age  
of auditors in an audit function  
**49 years**



Share of  
university graduates at about **73%**

## 7.4 KNOWLEDGE MANAGEMENT

The annual “Knowledge Summit” is an established event organized by the ACA and the Institute of Internal Auditors Austria (IIA). In 2022, this event on the topic of “sustainability” took place as an online event and was attended by around 300 participants (ACA, provincial audit institutions, City of Vienna Court of Audit, universities, federal ministries, energy and transport companies, social insurance providers, supervisory authorities). Presenters from the ACA and the internal audit departments of various legal entities exchanged their views on assessment criteria, possible conflicting objectives between sustainability and cost savings as well as the interaction between the ACA and internal audit departments.

In 2022, the educational programme focused, among other things, on the topic of IT security, which was covered by internal as well as external presenters. Within the framework of the “Data Camp”, which was comprised of online and in-person training sessions (“blended learning”), 18 auditors specialize in “R”, a software for statistical calculations and graphics, which is used in audits.



In 2022, the ACA’s staff members made use of more than 130 educational measures – in-house events at the ACA, events organized by external providers and the Federal Academy of Public Administration. The educational programme consisted of in-person and hybrid events as well as online seminars. Furthermore, the ACA’s staff members are involved in active knowledge transfer and also take on the role of presenters at in-house (basic training, certificate programme, the ACA’s digital applications) as well as external events (leadership course Speyer). Auditors regularly attend expert meetings on topics relevant to auditing, such as contract awards, environment and climate protection issues, building and construction, transport and education as well as finance and taxation. After a two-year break, the expert meeting of building and construction auditors from Austrian audit institutions took place again with the participation of the Court of Audit of Bavaria as an in-person event at the ACA. It was dedicated to current issues relating to construction audits, such as price increases in the construction industry and climate change adaptations.

## 7.5 BUDGET

Within the scope of its current audit priority, the ACA addresses the following question: “Next Generation Austria. Are we passing on something besides debt in the next generation?”. In doing so, it aims at making a contribution to ensuring the sustainable and needs-based financing of public services. The ACA lives by the recommendations it makes to audited entities. In the spirit of its role model effect, it pays attention to an economic, efficient and effective use of funds.

### Audit Priority 2022 + 2

#### Next Generation Austria

In 2022, the ACA's budget amounted to EUR 37.375 million. Its budget is largely determined by its personnel requirements. Personnel expenses accounted for about 87% of the overall expenses in 2022. Due to budgetary restrictions, the ACA used only about 86.4% of the 323 posts that the federal personnel plan provides for the ACA, i.e. about 279 full-time equivalents.

For its high-quality audit activities and the additional competences assigned to it in connection with the Political Parties Act and the Rules of Procedure Act of the National Council, the ACA will need well-trained auditors from 2023 onwards. With the budget cap set for 2023, the ACA plans to increase its personnel resources to the required 295 full-time equivalents (on average).

In addition to a number of fixed and recurring expenses, such as rent, operating costs and printing of reports, the ACA's administrative expenses in 2022 mainly included expenses in connection with the ongoing digitalization.

The ACA's reserve makes it possible to prepare for outstanding projects and necessary investments, especially in the area of IT security and digitalization. In 2022, it withdrew a reserve amounting to EUR 319,000 for this purpose. However, this reduced the reserve to about EUR 1.125 million.



## 7.6 OUTCOME ORIENTATION

The ACA, likewise to the federal ministries and supreme bodies of the Federation, is required to define in a transparent manner which effects it aims to achieve for the citizens. In its mission statement, it stated that it wishes to contribute to underpinning trust in democracy and its institutions, to creating transparency about the use of public funds, and thus to increasing efficiency and effectiveness in the public sector. In this way, it creates added value and benefits for society.

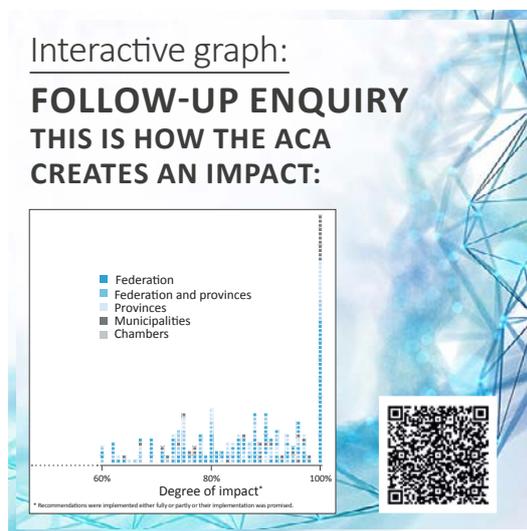
The ACA has set itself the following medium-term outcome targets, which cover the broad spectrum of tasks of the ACA:

- Providing effective audit-based advice to the National Council, the provincial parliaments and the audited entities
- Establishing transparency on the use of public funds and the financial sustainability of the general government
- Establishing transparency on the actual state of equality between women and men and on diversity
- Increasing the ACA's impact, in particular through the cooperation with other audit institutions and through a modern knowledge management in the ACA.

Based on defined outcome and performance indicators as well as specified measures, the ACA analyses, already during the year, whether it can attain the annual target values. This enables it to take timely control measures in the event of a risk of non-attainment.

In 2022, external effects such as the COVID-19 pandemic and the preparation for the Committee of inquiry impacted the attainment of some target values (such as the number of reports related to the ACA's audit priority, the number of cross-cutting audits and the launch of audits to assess the effectiveness of disbursements and measures related to the COVID-19 pandemic).

The fact that the ACA's recommendations are topical, actionable and practical is again demonstrated by the results of the follow-up enquiry. The entities reviewed indicated that they had either (partially) implemented or promised to implement 89% of the ACA's 2021 recommendations.

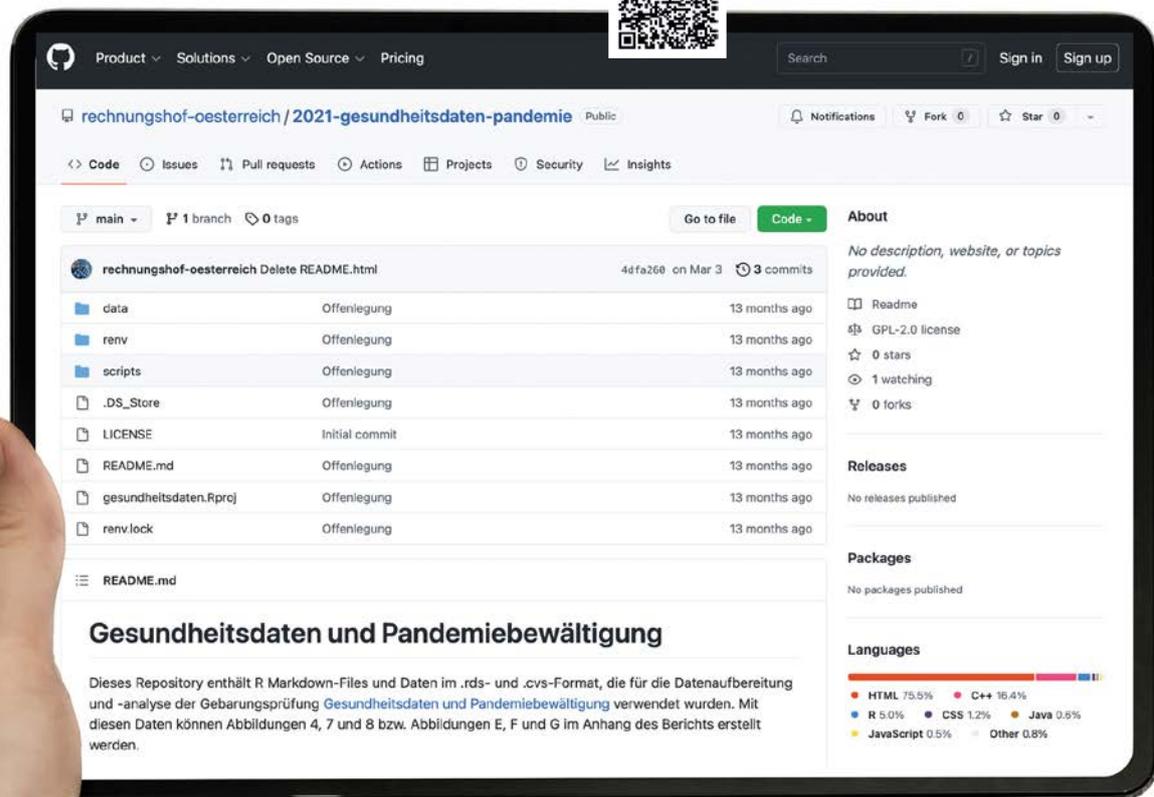


## 7.7 NEW DEVELOPMENTS IN THE AREA OF DATA ANALYSIS

The data analysis team conducted data analyses in the framework of some 20 audits in 2022, the majority of which have not yet been published. Such activities ranged from providing support for the collection of data to the preparation of extensive and sometimes inadequately structured data sets, concrete data analyses through to the visualization of results – both for internal use and for presentation on the ACA’s website.

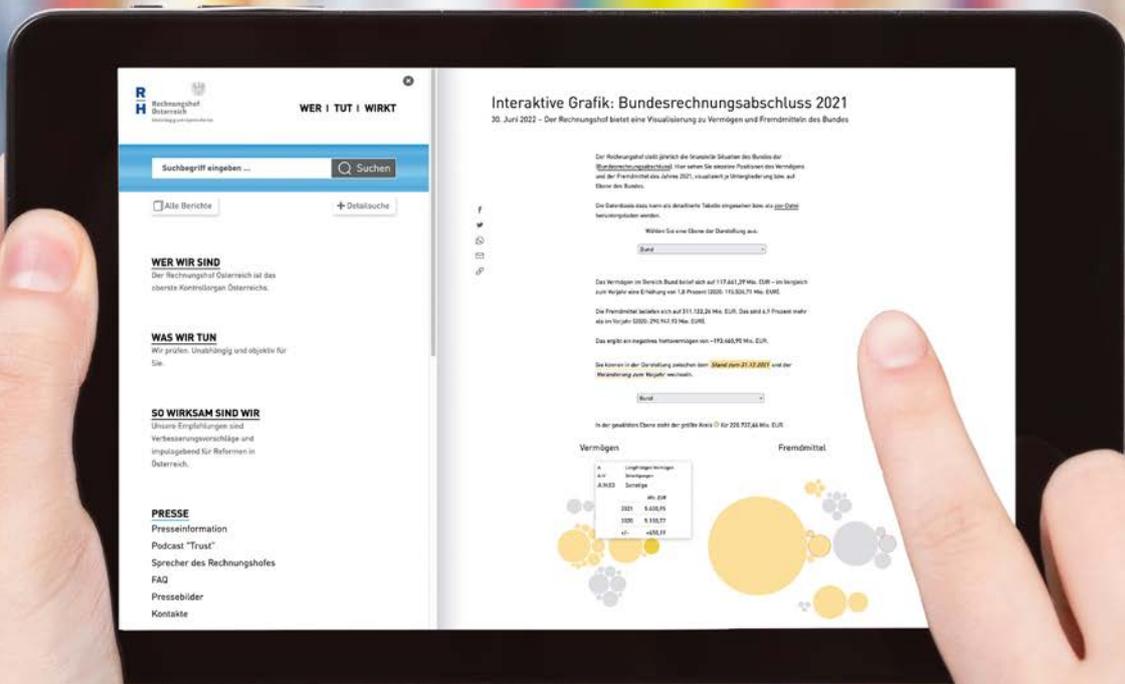
In 2022, the ACA published two data sets on GitHub in order to make them available to the public: the data related to the audit “Health Data on Pandemic Management” were published together with the codes used in order to render the ACA’s calculations transparent and traceable to the public.

The updated data related to the audit “COVID-19 – Structure and Scope of the COVID-19 Financial Aid Measures” were also made available on GitHub. They now also cover the period of March 2020 to June 2021. At the same time, they lay the ground for an interactive dashboard to be retrieved on the ACA’s website ([https://www.rechnungshof.gv.at/ COVID19\\_interaktiv\\_2022](https://www.rechnungshof.gv.at/COVID19_interaktiv_2022)) (see page 21).



On the occasion of the publication of the Report on the Federal Financial Statements in end-June 2022, the data analysis team created an interactive graph to describe and visually present the data.

Based on an overall overview, the results of the statement of financial position of the federal financial statements can be accessed in detail (in German). ([https://www.rechnungshof.gv.at/rh/home/fragen-medien/fragen-medien\\_3/Interaktive\\_Grafik-\\_Bundesrechnungsabschluss\\_2021.html](https://www.rechnungshof.gv.at/rh/home/fragen-medien/fragen-medien_3/Interaktive_Grafik-_Bundesrechnungsabschluss_2021.html)).



Dynamic graphics and narrative formats (“scrollytelling”) were also created for the ACA website, for example on the audits of “COVID-19 Short-Time Work”, “Supervisory Boards: Selection Processes in Ministries” and “COFAG and Grants to Companies” (<https://shiny.rechnungshof.gv.at/cofag/>).

These “scrollies” interactively guide the readers through the audit topic and summarize key findings.



The ACA audited the COVID-19 Federal Financing Agency (COFAG).  
To start, please scroll down.

Disbursements were staggered depending on the introduction of the instruments.



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**WHO WE ARE**

**WHAT WE DO**

**OUR IMPACT**

**MEDIA**

**Report: COVID-19 Short-Time Work (in German)**  
From December 2020 to March 2021, the ACA audited the processing of the COVID-19 short-time work scheme. The aim was to assess the design, use, costs and processing of the short-time work allowance – by taking into consideration the aspects of a friendly approach on the one hand and the prevention and control of phase 3 in end-March 2021.

Interactive graph on the COVID-19 short-work scheme

The disbursements reached their peak in June 2020, amounting to EUR 2.2 billion.



Vienna, December 2022

The President:

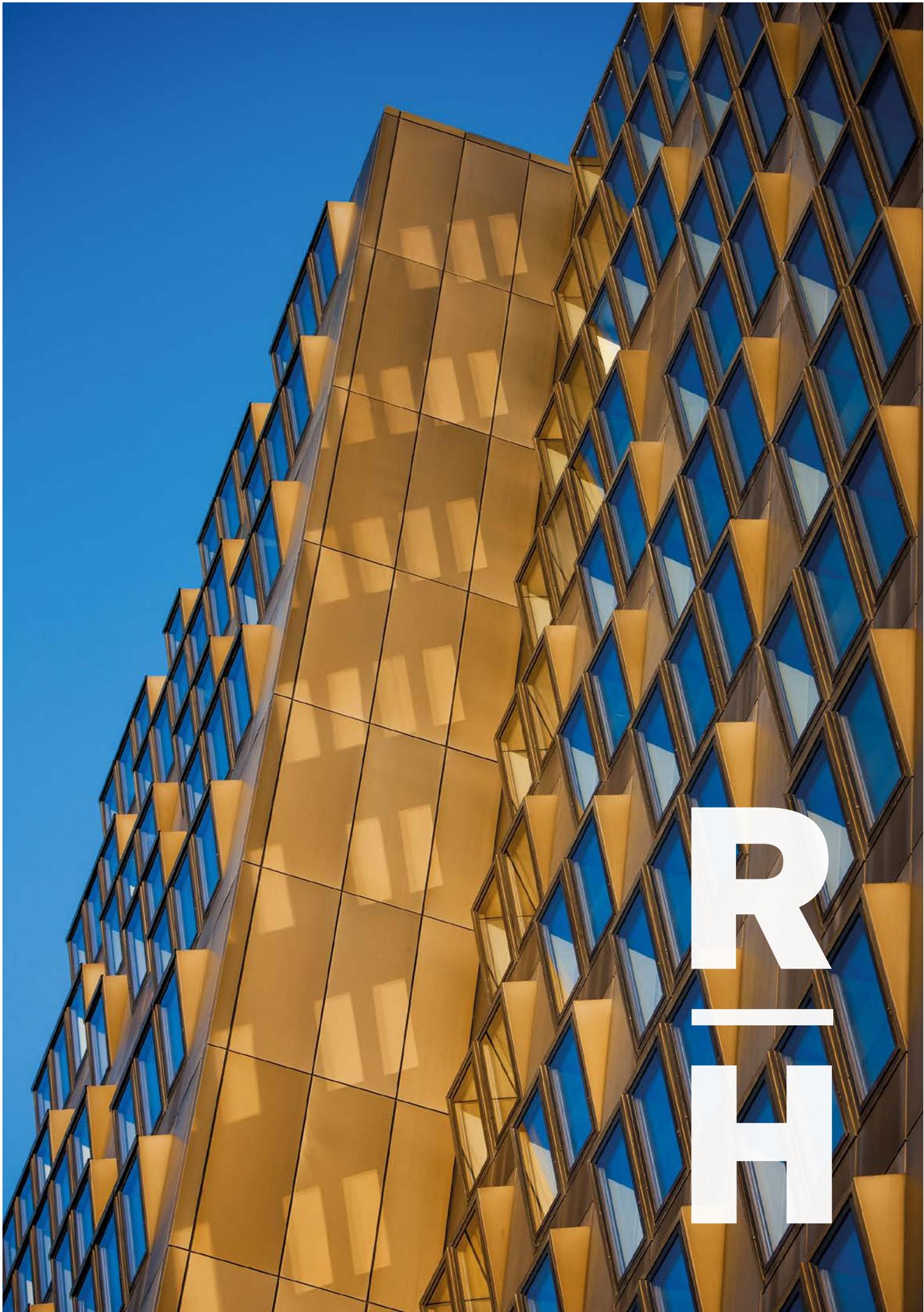
Dr. Margit Kraker



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p 39:	Sources: Federal Ministry of the Interior; Network and Information Systems Security Act; graph: ACA	p 103:	iStock/Alfonso Soler/elxeneize/ mediaphotos/industryview
p 41:	Sources: Austrian Public Health Insurance; Social Insurance Institution for the Self-Employed; Social Insurance Institution for Public Employees and the Railways and Mining Industry; calculation and graph: ACA	p 107:	iStock/utah778
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