

# Annual Report 2024

Document 2 (2024-2025)



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The Board of Auditors General, from the left:  
Anne Tingelstad Wøien, Arve Lønnum, Karl Eirik  
Schjøtt-Pedersen, Tom-Christer Nilsen and  
Helga Pedersen

Photo: Mathias Fossum/National Audit Office of  
Norway



# 1 A new era

For over 200 years, the National Audit Office of Norway has contributed to ensuring public trust. We have served as a guarantor of Johan Sverdrup's declaration of "all power in this assembly" and of adherence to the decisions of elected representatives. Over the years, an organisation, a culture, guidelines and practical solutions have emerged to optimise these efforts. It has been a process of continuous changes and improvement.

We are now entering a new era. Technological change presents us with great opportunities, but also considerable challenges. We are able to gather audit evidence on a much larger scale, analyse vast amounts of data and carry out new types of investigations.

This enables a significant improvement in the quality of our audit work by allowing us to acquire substantially more knowledge and increase our capacity to act. Thus, we are able to enhance the efficiency of our audit resources. For all its opportunities, technological change also involves risks – among them, security and privacy concerns.

This will require a change in current working methods. We shall use technology as far as it is appropriate, and rely on our valuable human knowledge to manage the opportunities technology affords us. This implies changes in work processes and needed expertise.

At the same time, there is a need to demystify these changes. Much of the auditing practice will remain unchanged. The understanding of whether we are investigating the right matters, the soundness of our investigations, the requirements for audit evidence, the recognition of material flaws, and what constitutes misconduct will persist. People are – and will continue to be – our most important resource.

Harnessing new technological opportunities is one of the main thrusts of the National Audit Office of Norway's new strategy. We are making clear strategic choices: As far as possible, we will use technology to improve, simplify and renew our work processes. This is important for reaching one of the four objectives of our new strategy – to be an efficient organisation. However, it is just as important in order to achieve what is perhaps our overriding objective – to carry out high-quality audits.

Our entire social mission – to exercise oversight on behalf of elected representatives – rests on the crucial premise that we carry out high-quality audits. Therefore, we must always strive to ensure high quality. If we identify weaknesses, we must have the courage to acknowledge them, and promptly rectify flaws.

We must also consider what is most important. That is why the board of the National Audit Office of Norway has decided to specialise the audit of accounts, so that some of our team focus entirely on financial audits, while others concentrate on compliance audit. However, specialisation requires good cooperation, meaning that issues uncovered in the financial audit are passed on to those who will scrutinise the matter further. This is also a deliberate strategic choice.

We will also venture into new areas and take on new challenges. We have 200 years of experience in auditing central government accounts, but are we doing enough to analyse them? The central government accounts inform us about the size of the Government Pension Fund, but where can we find information about the size of the central government's liabilities? Should the National Audit Office of Norway inquire into the actual financial position of the central government? We will be addressing this and similar questions in a new section for central government accounts and analysis.

Financial auditing is retrospective, compliance-focused, and attestation-based. At the same time, our vision remains unchanged: auditing to benefit the society of tomorrow. While auditing serves as control, it also offers learning and improvement. This is reflected in the crucial work our auditors perform in steering the public administration away from mistakes.

This is also evident in performance audits. To what extent does the public administration achieve the objectives set by the Storting in its resolutions? Are central government resources being utilised efficiently? Is the economy being managed in a prudent and responsible manner?

We are confident that one reason for the National Audit Office of Norway's strong reputation is that people see us as relevant, and that we highlight what matters both to the general public and to the elected representatives in the Storting.

The Storting expects meticulous and cross-cutting investigations. Although such investigations are not required to be conducted at a specific time, the Storting expects us to examine relevant topics. Relevance necessitates a quick turnover. This illustrates our need for a variety of solutions. That is why the third strategic choice is to develop a more varied portfolio of performance audits.

Quality is the foundation of everything we do. If we are to deliver high-quality audits, it is crucial that we secure, maintain and develop expertise. That is why working on expertise is another priority area.

However, our reputation also depends on our ability to effectively and clearly communicate our message, and that we are present in the public discourse. The international guidelines for supreme audit institutions (SAIs) state that they are to contribute to the debate on improving the public sector and ensuring the sound use of public resources. Therefore, we will take an active role in the debate on greater efficiency and productivity, as we have done in recent years.

However, the conversation cannot be one-sided. That is why we need to be open to input from society. While seemingly novel, the international guidelines have also laid the groundwork for this approach. They clearly indicate we need to engage with various interest groups and consider their input, albeit without compromising our independence.

This is the direction we are taking. We shall be relevant and generate added value, carry out high-quality audits, be an efficient organisation and be active and accessible in the social dialogue. These are our objectives.

Community is one of the defining characteristics of the National Audit Office of Norway. A shared pride in our social mission. We have a strong culture of ownership and responsibility, along with an unusually close collaboration between management, the public sector unions, and the employee safety services. To achieve satisfactory changes, we need effective processes.

A good working environment is also essential. The National Audit Office of Norway shall be an attractive and exciting workplace. However, working at the National Audit Office of Norway will not be fulfilling if we fail to adopt a modern and appropriate approach, nor will the working environment be satisfactory if the workload is excessive. Therefore, the fourth strategic choice is to streamline work processes and organisation. This is closely linked to the last strategic choice: to generate financial savings to invest in expertise and technology, thereby enhancing our ability to leverage new technological opportunities.

This is the National Audit Office of Norway's new strategy and course into a new era. We shall continuously measure our performance. That is why we are also strengthening our corporate

governance. Each year, we are required to report to the Storting on whether we have achieved a set of performance targets.

We are not at the National Audit Office of Norway to carry out tasks in the same manner as in a private audit firm or consultancy. We are here because we have a mission from the Storting, because we want to contribute to strengthening democracy and develop the welfare state. We are here to perform audits to benefit the society of tomorrow.

Adopted at the National Audit Office of Norway's meeting of 4 March 2025

**Karl Eirik Schjøtt-Pedersen**

**Tom-Christer Nilsen**

**Helga Pedersen**

**Anne Tingelstad Wøien**

**Arve Lønnum**

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Jens A. Gunvaldsen



## 2 About the National Audit Office of Norway

### 2.1 Our social mission

The National Audit Office of Norway is the Storting's audit and monitoring body, contributing to democratic monitoring to ensure sound and effective management of the state's resources in accordance with the Storting's decisions and intentions.

### 2.2 What we investigate

- Are central government accounts correct?
- Are the Storting's decisions implemented efficiently?
- How are the funds granted by the Storting spent?
- Is the central government administration's work in compliance with legislation?



Photo: Hest Agentur/National Audit Office of Norway

### 2.3 Who we investigate

#### The Government

The executive branch of government in Norway. Responsible for carrying out the Storting's decisions. Also has power of initiative and proposes matters for consideration by the Storting.

#### The central government administration

The Government's administrative system. Includes government ministries, directorates, supervisory authorities and other central government entities.

#### State-owned enterprises

The central government owns several different enterprises, either wholly or partially. Through corporate audits, we investigate whether the Government safeguards the central government's ownership interests as decided by the Storting.

### 2.4 Our vision

Auditing to benefit the society of tomorrow.

#### 2.4.1 Key figures

Year	2022	2023	2024
Employees	443	428	424
Man-years worked	417.5	407	401
Budget (in MNOK)	629.5	646.7	677.4



# 3 Activities and results in 2024

## 3.1 Audits and investigations

### 3.1.1 Audit of the annual accounts and audit of the central government accounts

We have audited the central government accounts and 235 annual accounts for government ministries, central government entities and funds for 2023. This includes the annual accounts of the Sámi Parliament.

The result of the audits of the annual accounts and central government accounts	
<b>235</b> audited annual accounts	<b>7</b> accounts contained material flaws or shortcomings. <b>7</b> agencies had violated administrative regulations.
The central government accounts are audited	The central government accounts are in all material respects correctly prepared and presented.
<b>5</b> completed compliance audit	<b>1</b> audit revealed conditions that were assessed as <i>objectionable</i> . <b>4</b> audits revealed conditions that were assessed as <i>unsatisfactory</i> .

Audits of central government accounts are based on the financial audit of the government ministries and their subordinate agencies, as well as audit procedures directed at the actual central government accounts.

Document 1 (2024-2025) shows that the central government accounts are in all material respects correct and in accordance with acts and regulations.



We found that the annual accounts for 2023 of Statistics Norway, the Norwegian Armed Forces, the Norwegian Defence Estates Agency, the Norwegian Directorate of Health, the Directorate of the Norwegian Correctional Service, the Norwegian Polar Institute and the Norwegian Institute of Marine Research contained material flaws and shortcomings. We also uncovered breaches of administrative regulations at seven agencies. This means that the agency has used the appropriations in a manner that materially contravenes administrative regulations on financial management in the central government.<sup>1</sup>

The central government accounts represent a consolidation of all government accounts. Audits of central government accounts are based on the financial audit of the government ministries and their subordinate agencies, as well as audit procedures directed at the actual central government accounts. In the opinion of the National Audit Office of Norway, the central government accounts for 2023 are in all material respects correctly prepared and presented.<sup>2</sup>




<sup>1</sup>Document 1 (2024-2025).

<sup>2</sup>Document 1 (2024-2025).

Compliance audit in connection with the annual accounts entails verifying that central government entities use the appropriated funds in accordance with the Storting's decisions and in compliance with applicable laws and regulations. In 2024, we reported five compliance audits to the Storting in Document 1 (2024-2025).

Compliance audits reported to the Storting in 2024		
Category	Investigation	Report
 Procurements	<b>Follow-up and control of framework agreements in defence sector entities</b> Ministry of Defence	Document 1 (2024-2025)
 Social benefits and guarantees	<b>Handling of erroneous payments in the Norwegian Labour and Welfare Administration (NAV)</b> Norwegian Ministry of Labour and Social Inclusion	Document 1 (2024-2025)
 Grants	<b>Grants for climate change measures</b> Ministry of Climate and Environment	Document 1 (2024-2025)
	<b>Grants for resource-intensive health and care services</b> Ministry of Local Government and Regional Development	Document 1 (2024-2025)
 Other appropriations	<b>The Norwegian Agency for Public and Financial Management (DFØ) as a service provider for central government accounts</b> Ministry of Finance	Document 1 (2024-2025)

At the start of 2025, we were working on a further seven investigations. One of these involves multiple government ministries.

Ongoing compliance audits at the beginning of 2025	
Category	Investigation
 Procurements	Procurements in the police
 Direct and indirect taxes	Sectoral excise taxes and indirect taxes in the Norwegian Medical Products Agency (DMP)  Control of value added tax
 Social benefits and guarantees	Social benefits to cover expenses for orthopaedic aids
 Grants	The Norwegian Directorate for Education and Training's financial supervision of private kindergartens and schools
 Other appropriations	Government agencies' leases of premises in the market  Impartiality in procurements by the Norwegian Directorate of Public Construction and Property (Statsbygg)

## Insight

We must utilise knowledge derived from accrual accounting

**Accrual accounting contributes to improved and reduced use of resources but remains underutilised in the central government administration. The National Audit Office of Norway is calling for more active use of accrual accounting in governance.**

***By Auditor General of Norway, Karl Eirik Schjøtt-Pedersen***

When the National Budget was presented last autumn, it was the foremost expression of the fact that the Norwegian central government budgets and keeps its accounts on a *cash basis*. This means that the accounts show how much money the central government spends each year and, importantly, the extent to which central government appropriations and taxes influence the economy.

The aim is for the central government to be able to apply fiscal policy – use the budget – to stabilise developments in the Norwegian economy. During periods of low economic activity and high unemployment, the central government should increase its spending, whereas during periods of high activity and low unemployment, it should reduce spending.



Photo: Noregs Bank (Central Bank of Norway)

## Limits

This policy has a long tradition in Norway and has consistently produced good results. This is why there is also a broad consensus that the central government accounts ought to be prepared on a cash basis. However, cash-basis accounting has some important limits. Even if an investment yields benefits over many years, cash-basis accounting will nonetheless require that the entire expense be recognised in the accounts at the time of payment. In subsequent years, the cost is not visible in the accounts. Thus, cash-basis accounting records expenses and income at the time of payment, regardless of when the activity takes place or when the benefits are realised.

Accrual accounting records costs and recognises income in the period in which the activity occurs. This approach enables the capitalisation of the investment and the allocation of costs over its useful life through depreciation. The information derived from accrual accounting therefore provides a more accurate understanding of how an investment works. It enhances insight and transparency, thereby enabling more effective comparisons of resource utilisation between agencies and across fiscal years. The values become more evident. Accrual accounting provides a better overview of resource utilisation over time. This is why accrual accounting is used in private companies, where there is less need to contribute to overall domestic economic stabilisation.

This is an issue that will become even more important in the years ahead for at least two reasons. One is the growing significance of technology. If an investment in a new digital solution is expected to provide benefits over ten years, it is of little use to evaluate the measure based on the entire cost being incurred in a single year. The second reason is the need for higher productivity.

## The need for higher productivity

The white paper on Long-term Perspectives on the Norwegian Economy clearly emphasises the need to solve problems more intelligently. It highlights the need for higher productivity in public enterprises. Accrual accounting provides a better basis for measuring productivity over time and for comparing different enterprises. These are important reasons why several central government entities have adopted accrual accounting as a supplement to cash-basis accounting, and why the Norwegian Ministry of Finance in 2021 decided that accrual accounting, in accordance with the *central government entity accounting standards* (SRS), should become mandatory for all central government entities, to be implemented over a five-year period. This is in addition to the cash-basis accounting.

All of our Nordic neighbours and most EU Member States have already adopted or are in the process of adopting accrual accounting. It is becoming increasingly common for countries that use one method to supplement it with the other method. When the Norwegian Ministry of Finance discussed the introduction of such common accounting standards in the 2017 budget, it estimated that implementation costs could reach as much as NOK 160 million, with annual operating expenses exceeding NOK 50 million.

## Broader adoption is needed

Many of the government ministries were sceptical about introducing accrual accounting. The National Audit Office of Norway believes that introducing the new standards for accrual accounting will provide very useful management information both for the agencies and in their governance. It will provide information about what public services actually cost, and about future financial liabilities. The National Audit Office of Norway is therefore of the opinion that the new standards should be adopted expeditiously as a supplement to cash-basis accounting. The information should be actively utilised to provide insight into the costs associated with various activities and services, thereby facilitating more efficient resource use.

Harnessing the information provided by accrual accounting will make it easier to identify areas with potential for improvement or cost savings. However, in our meetings with audited agencies and through our insight into the dialogue between government ministries and agencies, we find that information from the accrual accounts is underutilised. This also applies to agencies that have been reporting in accordance with SRS for several years.

## Central government blind spots

At year-end 2023, 84 out of 235 central government accounts reported in accordance with SRS. Unless the corporate governance of central government entities is updated to make use of the information provided by accrual accounting, the central government will have invested in an extensive – and in part cost-intensive – measure without achieving sufficient returns in terms of improved resource utilisation and productivity.

But more importantly: This means that the central government misses out on valuable information that could offer better insight into the true cost of public services and support more efficient and reduced resource use. And if there is one need the National Audit Office of Norway has identified, it is the need for improved resource utilisation – freeing up funds and personnel to support the future growth of health and care services for an ageing population.

Therefore, it is important that the introduction of accrual accounting is not merely seen as a technical exercise, but that it is actively integrated into management and decision-making

processes. We have introduced accrual accounting. It provides highly valuable information that can contribute to improved and reduced resource utilisation. This is essential for us to be able to manage future challenges.

Ultimately, the value of the method hinges on its adoption.

3.1.2 Annual corporate audits

We have audited enterprises in which the central government holds a significant ownership stake. The National Audit Office of Norway’s 2023 audit encompassed the administration of the central government’s interests under 13 government ministries and relates to 42 wholly-owned limited companies, 24 partly owned limited companies, one general partnership with shared liability, six public limited companies (ASA), eight public enterprises, four regional health authorities, 15 student welfare organisations and a further six special statutory corporations. Many of these enterprises perform critical societal functions or account for a large part of the country’s value creation.<sup>3</sup>



Photo: Statnett

The audit for the financial year 2023 did not reveal any major shortcomings in the exercise of ownership.<sup>4</sup>

3.1.3 Performance audit

In 2022, the new Board of Auditors established a framework for strategic prioritisation of audit tasks. The purpose of the overall management directive is to ensure that the issues we present to the Storting address the most important topics for Norwegian society. The following themes shall be prioritised:

	The societal transition to address climate challenges		Matters of particular significance for the availability of resources in society
	Civil protection and emergency preparedness, including cybersecurity		Matters of particular significance for the use of resources in society
	Improving the public sector, including digitalisation		Safeguarding vulnerable groups

The six themes are not presented in order of priority. It may also be necessary to investigate other themes based on risk and materiality.

<sup>3</sup> Document 3:2 (2024-2025).  
<sup>4</sup> Document 3:2 (2024-2025).



In 2024, we reported 13 performance audits to the Storting.

The result of the performance audit	
13 completed performance audits	1 audit revealed conditions that were assessed as <i>highly objectionable</i> .
	9 audits revealed conditions that were assessed as <i>objectionable</i> .
	3 audits revealed conditions that were assessed as <i>unsatisfactory</i> .



Levels of criticism

In the cases that we report to the Storting, our criticism adheres to three levels of criticism: highly objectionable, objectionable or unsatisfactory. The Board of Auditors General determines the level of severity in each individual case.

Highly objectionable is the Office of the Auditor General’s strongest criticism and is applied where we identify serious weaknesses, errors and omissions that will often entail major consequences for individuals or society at large.







Objectionable is applied where we identify significant weaknesses, errors and omissions that will often entail moderate to major consequences for individuals or society at large.

Unsatisfactory is applied where we identify weaknesses, errors and omissions that are less likely to entail direct consequences for individuals or society at large

The Storting has emphasised the importance of the National Audit Office of Norway assessing materiality and risk across government ministries and conducting cross-sectoral investigations. Our unique access to information enables us to do this. Four of the reported investigations in 2024 involved multiple government ministries. The number of such investigations will vary somewhat from year to year.

Performance audits reported to the Storting in 2024		
Category	Investigation	Report
 Climate change	<b>The authorities' governance and co-ordination to achieve the climate targets adopted by the Storting</b> The Ministry of Climate and Environment, Ministry of Finance, Ministry of Energy, Ministry of Local Government and Regional Development, Ministry of Agriculture and Food, Ministry of Trade, Industry and Fisheries, and Ministry of Transport	Doc 3:15 (2023-2024)
	<b>Climate footprint and impact on nature of companies wholly-owned by the central government</b> Ministry of Transport, Ministry of Trade, Industry and Fisheries, Ministry of Agriculture and Food	Doc 3:2 (2024-2025)
 Civil protection	<b>Information security in knowledge-sector research</b> Ministry of Education and Research	Doc 3:11 (2023-2024)
	<b>Implementation of materiel investments in the defence sector</b> Ministry of Defence	Doc 3:16 (2023-2024)
 Improvement	<b>Seamless public transport</b> Ministry of Transport	Doc 3:10 (2023-2024)
	<b>Risk management in the regional health authorities and health trusts</b> Ministry of Health and Care Services	Doc 3:13 (2023-2024)
	<b>The authorities' efforts to reduce delays and cancellations on the railway</b> Ministry of Transport	Doc 3:14 (2023-2024)
	<b>The use of artificial intelligence in the central government</b> Ministry of Digitalisation and Public Governance	Doc 3:18 (2023-2024)
	<b>The Health Platform in Central Norway</b> Ministry of Health and Care Services	Doc 3:3 (2024-2025)
 Access to resources	<b>Vocational assistance from the authorities to young people not in employment, education or training</b> Ministry of Health and Care Services and Ministry of Labour and Social Inclusion	Doc 3:17 (2023-2024)
 Resource utilisation	<b>Rehabilitation in health and care services</b> Ministry of Health and Care Services	Doc 3:12 (2023-2024)
	<b>The risk of financial irregularities in the administration of development aid</b> Ministry of Foreign Affairs	Doc 3:4 (2024-2025)
 Other	<b>Bonus schemes in companies with central government ownership</b> Ministry of Energy, Ministry of Finance, Ministry of Local Government and Regional Development, Ministry of Trade, Industry and Fisheries, and Ministry of Transport	Doc 3:2 (2024-2025)

At the start of 2025, we were working on a further 18 performance audits. Eight of these involve multiple government ministries. Furthermore, nine of the ongoing performance audits are aimed at state-owned enterprises or areas where state-owned enterprises are a significant policy instrument.

Ongoing performance audits at the beginning of 2025	
Category	Investigation
 Climate change	<b>Mapping of natural values and climate effects of land-use changes</b>  <b>Reduction of greenhouse gases in agriculture</b>
 Civil protection	<b>The authorities' efforts to ensure sufficient capacity in the electricity grid to meet society's needs</b>  <b>Goal attainment in the Norwegian Police Security Service (PST)</b>  <b>Port security</b>  <b>The Total Defence concept</b>
 Improvement	<b>Leveraging health technology to bring specialist healthcare services closer to the patient</b>  <b>Teaching aids in primary, lower secondary and upper secondary education and training</b>  <b>The development of coherent digital services</b>
 Access to resources	<b>The authorities' efforts to prevent labour market exit</b>
 Resource utilisation	<b>Development assistance for climate change adaptation in developing countries</b>  <b>Distribution and control of civilian support for the Nansen Programme for Ukraine</b>  <b>Collaboration for a sustainable health service</b>  <b>Services for children and young people with mental health problems and disorders</b>  <b>Sustainability and quality in elderly care</b>
 Vulnerable groups	<b>Prevention of youth crime</b>  <b>Health and welfare services for people with co-occurring substance use and mental health disorders</b>  <b>Causes of challenges in the child welfare sector</b>

### 3.1.4 The National Audit Office of Norway's work on fraud

The National Audit Office of Norway's mandate to contribute to the prevention and detection of fraud is set out in section 1-2 of the Act relating to the National Audit Office of Norway. The scope of responsibility and practical implementation are based on the requirements in INTOSAI's standards for the three types of audits and the National Audit Office of Norway's guidelines. While uncovering fraud is not the main objective of the audit, the auditor considers the risk of fraud at the outset of every audit. The auditor is also alert to indications of fraud during the performance of the audit. These procedures apply to all types of audits. If the auditor identifies violations of the law or indications thereof, the auditor is required follow up the matter in accordance with the Act relating to the National Audit Office of Norway and ISSAI 2240 – The auditor's responsibilities relating to fraud.

In 2024, a performance audit was conducted on the subject of fraud: *The risk of financial irregularities in the administration of development aid*. The National Audit Office of Norway found it objectionable that the Ministry of Foreign Affairs and NORAD's efforts to prevent, detect, and address financial irregularities are not aligned with the nature, risk, and materiality associated with the administration of development aid. Overall, the public administration's management of the risk of financial irregularities in development aid has not been as effective as it could and should have been. These deficiencies heighten the risk of financial irregularities in connection with Norwegian development aid funds and increase the likelihood that such irregularities are not detected or addressed at an early stage.

The National Audit Office of Norway provides training for its employees on auditing irregularities. On request, we also give presentations on the topic externally. In 2024, we held lectures for the Norwegian Railway Directorate and for journalism students at OsloMet.

The National Audit Office of Norway has an encrypted electronic tip-off channel where we receive tips regarding irregularities, information that gives reason to suspect irregularities, and other objectionable conduct in the central government administration. The National Audit Office of Norway received 84 tips in 2024 (compared to 82 in 2023). Tips seldom lead to separate audits but do contribute by offering relevant sectoral information.

Briefly about tips:

- 17 of the tips were from employees who reported matters in their own undertaking.
- 15 of the tips concerned public procurement.
- 50 per cent of the tips submitted were non-anonymous. The channel is encrypted and the name of the sender is redacted in the archive. When the source includes their name, this enables us to communicate with them.

## Insight

### Follow-up of a new Long-term Defence Plan

**Funding for the Norwegian Armed Forces is rising sharply amid significant security challenges. Many of the challenges in the new Long-term Defence Plan have been addressed in several audits by the National Audit Office of Norway in recent years.**

*By Head of Department Thor Haakon Knudsen*

The new Long-term Defence Plan came into force on 1 January this year. The plan enjoys unanimous support in the Storting. Norway will spend a total of NOK 1,635 billion on defence up to 2036. This is an increase of NOK 611 billion compared to the budget level when the plan was adopted in 2024. This means that the defence budget will almost double in the coming years.

The Storting's Standing Committee on Foreign Affairs and Defence believes that Norway needs a credible and deterrent military defence in the face of a new security policy environment. The Standing Committee acknowledges the various risks involved in implementing the plan but emphasises that it remains the correct course of action.

#### Necessary oversight

The Long-term Defence Plan is based, among other things, on the Norwegian Defence Commission's report from 2023. Based on the identified weaknesses and significant challenges ahead, the Commission believes that the Storting's oversight function will become increasingly important, and that enhanced supervision and control are necessary as more resources are allocated to defence.



Photo: Johnny Larsen/Norwegian Armed Forces

After considering alternative supervisory arrangements, the Norwegian Defence Commission identified the National Audit Office of Norway to fulfil this role. In recent years, the National Audit Office of Norway has carried out a number of audits of the operational capability of the Norwegian Armed Forces. This will continue to be a prioritised task for us in the years to come.

#### Challenges

Initially, the Government wants to prioritise addressing weaknesses in the current defence to enable future growth. The plan prioritises investments in four main areas: improved situational awareness, renewal of the Navy, strengthening of Air Force and increased capacity in the Army and Home Guard.

In a number of audits, we have highlighted challenges with the current defence that will also be relevant to the priorities in the new Long-term Defence Plan. Challenges with maintenance, spare parts and ammunition have been mentioned in several audits, including the investigations into the operational capability of the frigates and combat aircraft.

Sufficient personnel and expertise is also a key prerequisite for the Long-term Defence Plan. Challenges related to personnel and expertise are recurring findings in our defence audits:

- [In our investigations into the operational capability of the frigates](#), we highlighted challenges in the balance between missions and available resources in terms of personnel and expertise.
- [In the report on the operational capability of combat aircraft](#), we noted that the persistent shortage of personnel and expertise means that the Air Force will not fully meet the requirement for full operational capability in 2025.
- [In our investigation into the Norwegian Armed Forces' information systems](#) from 2022, we found that a lack of expertise has contributed to the defence sector being unable to solve many ICT-related challenges. A follow-up of this audit was reported to the Storting in February this year. We note that personnel and expertise remain a challenge, but that measures are being implemented.
- Personnel shortage is also a key challenge in the investment process. In [our investigation into materiel investments in the defence sector](#), we highlighted that personnel shortage in both the Norwegian Defence Materiel Agency and the Norwegian Armed Forces are among the reasons for delays in project progress.

The new Long-term Plan for Defence presupposes substantial investments in new materiel. Challenges and inadequate goal attainment related to materiel investment have been highlighted in several of the above-mentioned audits. The audit of materiel investments revealed that it generally takes too long from the time an operational need arises until the Norwegian Armed Forces receive and benefit from the materiel. The materiel often also has reduced scope or performance compared to the original assumptions for the procurement. Furthermore, we find that inadequate calculation of lifetime costs results in the Norwegian Armed Forces not having sufficient knowledge of the total expenses associated with operating future materiel.

The audit of the operational capability of combat aircraft revealed that insufficient housing contributed to difficulties in recruiting and retaining personnel. The Standing Committee on Foreign Affairs and Defence has emphasised the importance of preparing a comprehensive plan for the development of property, buildings, and facilities that ensures better synchronisation between materiel plans and personnel growth.

Governance-related challenges in the Ministry are also a recurring finding. The investigations into frigates, maritime helicopters for the Navy, combat aircraft, information systems, and materiel investments have all identified serious challenges that both the sector agencies and the Ministry of Defence have long been aware of but have been unable to resolve. In several of the reports, we highlight the issue of overlapping and unclear responsibilities among the sector agencies, and note that weak governance has diminished the value of investments. An imbalance between tasks and resources is also a recurring theme.

In our recent follow-up of the investigation into information systems for use in operations, we have noted that the Ministry of Defence has established a new governance model in the sector through the F24 defence sector reform project. The model is currently being implemented and is intended to address several governance challenges, though it is still too early to assess its impact.

The Standing Committee on Foreign Affairs and Defence emphasises that Norway's defence capability is not solely based on the Norwegian Armed Forces and alliance co-operation. The Standing Committee notes that Total Defence concept encompasses mutual support and co-operation between the defence sector and civil society in peace, crisis and war. The ability of the Norwegian Armed Forces to defend the country is the sum of the efforts of military and civilian actors.

Over the course of the year, we will submit an investigation into civilian support at the regional and local levels to the Norwegian Armed Forces within the Total Defence framework. The investigation supports the view that civil society also plays a significant role in shaping defence capabilities.



## 3.2 Attainment of strategic goals

The reporting below is based on the strategic plan for 2018–2024, which expired on 1 May 2024 but was extended beyond 2024 pending a new act.

### 3.2.1 The National Audit Office of Norway shall be society's leading provider of timely and relevant public auditing

#### Contributions to the Storting's oversight of the public administration

In *Recommendation 41 (Bill) (2024–2025) Recommendation from the Standing Committee on Scrutiny and Constitutional Affairs on the Report from the Committee Appointed to Review the Activities of the National Audit Office of Norway*, the Standing Committee emphasised that the National Audit Office of Norway has served as both a body for the Storting's constitutional oversight and for the parliamentary oversight of the Government. The Standing Committee reiterated its statements in connection with the previous Act relating to the National Audit Office of Norway, cf. Recommendation to the Odelsting No. 54 (2003–2004):

"The Standing Committee notes that the National Audit Office of Norway provides important input to the Storting's own oversight efforts and exercises oversight of the Government and public administration on behalf of the Storting. The National Audit Office of Norway offers important guidance for the Storting's oversight work through its consideration of, and recommendations on the presentation of central government accounts, as well as through its reports, which form the basis for assessing whether government ministers have fulfilled their responsibilities. This provides opportunities to correct flaws and shortcomings. The Standing Committee also notes that the National Audit Office of Norway has independent audit and control duties in relation to the underlying administration."



Photo: The Storting

In connection with its consideration of Document 2 (2023–2024), the Standing Committee on Scrutiny and Constitutional Affairs emphasised "the very important task the National Audit Office of Norway has in ensuring a good, orderly and professional public sector in Norway."<sup>5</sup>

The National Audit Office of Norway assessed the Storting's use of our reports in 2023. This analysis revealed that in 2023, members of the Storting referred to 45 investigations by the National Audit Office of Norway in their work. This is in addition to the ordinary consideration of our investigations. The 45 surveys were used in a total of 121 references across debates, recommendations, written questions, motions and question times.

#### Contributions to the improvement of the public administration

We normally follow up on investigations two to three years after the Storting has considered them. The follow-up of previous audits shows that the public administration implements changes and improvements following the audits. In some cases, we conclude the follow-up even if it is too early to assess whether the implemented changes will lead to improvements. This is mainly in

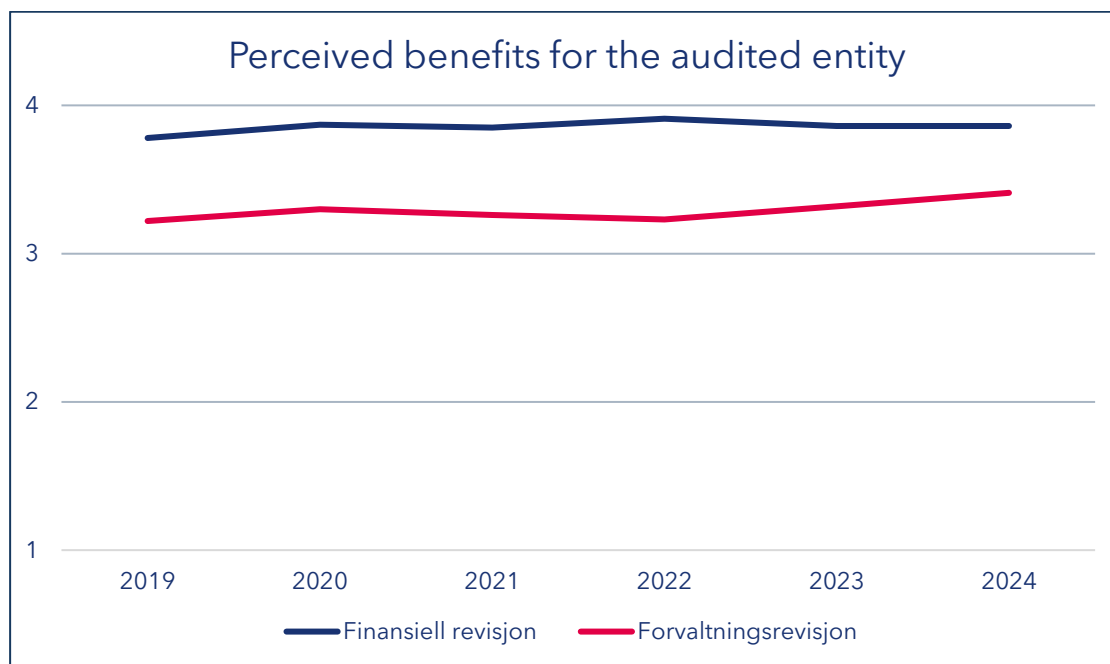
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<sup>5</sup> Recommendation 435 (Resolution) (2023–2024).

circumstances where we consider the public administration's follow-up of the Storting's and the National Audit Office of Norway's remarks to be satisfactory.

In 2024, we followed up on 25 previous cases. We concluded our follow-up in 22 of the cases, but we are continuing to follow up the remaining 3 cases.<sup>6</sup>

The annual user surveys indicate that the public administration perceives our audits as relevant and useful, and that they are used to make specific improvements. The feedback is consistently good, with little variation from year to year. The perceived benefits have remained consistently high in recent years. This applies to both financial and performance auditing, as the figure below shows (4 is the highest score).



During our audits, we provide guidance to the government ministries and agencies. In our experience, guidance is well suited to supporting learning, development, and the correction of flaws and shortcomings.

## Conferences, presentations and dialogue meetings

### *Professional conferences are an important part of the social dialogue*

We have a special responsibility to communicate the results of our investigations to professional environments that can benefit from them. Professional conferences are therefore an important arena for us. In 2024, both Auditor General Karl Eirik Schjøtt-Pedersen and representatives of the audit departments gave presentations at conferences and events across the country, including at the senior management conference for the central government, the Arendalsuka political gathering and the cybersecurity conference Attack.

<sup>6</sup> Document 1 (2024–2025), Document 3:1 (2024–2025) and Document 3:2 (2024–2025)

## **Record number of presentations**

The investigation into rehabilitation in the health and care services, which was published in February, garnered particular attention. In 2024, we held 28 presentations on the investigation. This is a new record!

Rehabilitation is among the most underdeveloped areas of the health service. This has been widely known for many years. Nevertheless, the investigation revealed that almost nothing had improved since the National Audit Office of Norway last looked into rehabilitation in 2012. Rehabilitation affects a large group of patients who are already in a vulnerable situation.

Vulnerable groups are a priority area for audit by the National Audit Office of Norway. To contribute to long-term improvement, we also prioritise communicating the results of these investigations with the relevant environments.

## **The 2024 Public Sector Improvement Conference**

In November 2024, the National Audit Office of Norway held the second Public Sector Improvement Conference. We put the spotlight on the lack of co-ordination in central government administration, asking: "Is the sector principle a barrier to solutions?"

This was discussed using the examples of climate change and artificial intelligence. These areas rely on effective co-ordination to address the challenges facing society. However, investigations by the National Audit Office of Norway have revealed that coordination is inadequate.



Photo: National Audit Office of Norway.

The target group for the conference is the Storting, the Government, the central government administration and other key actors in society. The conference was attended by 250 people, predominantly managers from the central government administration. The evaluation shows that the participants were very satisfied. 98 per cent responded that they found the theme interesting, and 96 per cent responded that they were satisfied with the professional content.

We are working to establish the Public Sector Improvement Conference as an annual professional conference. The conference will feature different themes each year, but with a clear common thread. To safeguard future welfare services, the central government must utilise resources more efficiently. We are therefore using the conference as a platform to take an active role in the debate on enhancing the public sector through greater efficiency and productivity. This is an important responsibility for SAIs and aligns with international standards for public auditing.

In 2025, the theme of the conference will be employment and the need for labour.

## **Utility, credibility and relevance to the general public**

Our investigations are important contributions to the public debate, and the media is our most important channel for communicating findings to the public. In 2024, the National Audit Office of Norway was mentioned approximately 5,500 times in the media. Most media reports discussed the National Audit Office of Norway's conclusions and criticisms. When we publish a new investigation, it often receives widespread media coverage in the initial days. However, we also observe that

many investigations continue to be the subject of media reports over time. We regard this as a sign that the investigations are viewed as timely and relevant contributions to public debate.

Investigations that received the most media coverage:

- The National Audit Office of Norway's investigation into the Health Platform in Central Norway
- The National Audit Office of Norway's investigation into vocational assistance from the authorities to young people not in employment, education or training
- The National Audit Office of Norway's investigation into the authorities' efforts to reduce delays and cancellations on the railway

Our website, [riksrevisjonen.no](https://riksrevisjonen.no), is the public's main source of access to our findings and recommendations and to information about our social mission. In 2024, the website had 75,455 unique users who made 278,500 visits. Visitors to the website are primarily interested in new reports.

The most visited reports on our website:

- The National Audit Office of Norway's investigation into rehabilitation in the health and care services
- The National Audit Office of Norway's investigation into the Health Platform in Central Norway
- The National Audit Office of Norway's investigation into the use of artificial intelligence in the central government

A good reputation is crucial for an organisation like ours – not only within the public administration, but also among the general public. In the *Traction Offentlig* survey, which measured trust in public agencies in 2024, the National Audit Office of Norway was ranked number 1 out of 30 and was the only entity with a "very good reputation". The survey was conducted by the communications agency Apeland and the media company Altinget, in which a representative sample of the population was asked to assess the agencies based on six *reputation drivers*: quality, climate change, management, ethics, innovation and resource utilisation.

### **3.2.2 The National Audit Office of Norway shall carry out high-quality audits and controls**

We assess the quality of our work based on the quality of our audits (product quality) and the quality of the process and the communication with audited entities (process quality).

#### **Product quality in our audits and investigations**

The National Audit Office of Norway's quality assurance program is an initiative to strengthen operations and ensure compliance with international standards for quality in public auditing. The programme is intended to ensure that management and follow-up of quality assurance are maintained at a satisfactorily high level. The programme includes measures in the following domains:

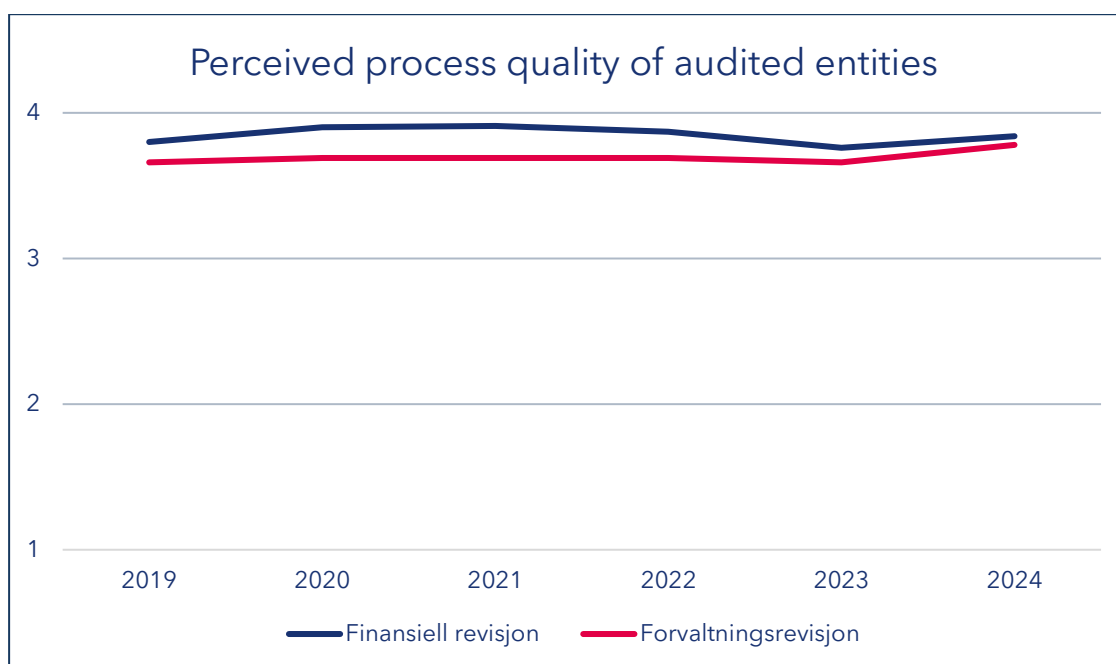
- financial audits
- the quality control system
- internal audits
- expertise
- ethics

- strategic planning
- management data
- corporate governance

Several measures in the programme have already been implemented, while others are in the process of being implemented.

### Quality of interaction with audited entities

We shall be professional, open and user-oriented when communicating with audited entities. In the user surveys we distribute to audited entities, we enquire how they experienced the audit process and the communication throughout. We have consistently received positive feedback for several years, and the public administration finds that the auditing process is good (4 is the highest score).



### 3.2.3 The National Audit Office of Norway shall be an efficient organisation

We have many ongoing development projects. These projects are important for us to develop in line with the goals in our strategy. The project deliverables lay the groundwork for increased efficiency in auditing and support functions in the years ahead. The expected benefits primarily involve financial savings, simplification, and time and resource efficiencies in work processes. Below is information on the results of projects completed in 2024, as well as updated measurements of the benefits from previously implemented measures.

The management information project was concluded in 2024. A prototype dashboard containing management information for senior leadership has been finalised. The dashboard compiles and visualises data on production, progress and resource use within audit and development work. This is intended to provide better conditions for systematised and regular information. In the new strategic plan, new performance indicators and associated targets have been adopted for use in the assessment of such management information.

The project deliverables will contribute to the goal of an efficient organisation by freeing up time from manual operations. This will be achieved by making management information about the operations more readily available and through automated processes that reduce the time spent on

manual collection and presentation of management information. Based in part on this delivery from the management information project, we have launched our own measures to acquire a digital corporate governance system.

The measure regarding resource management of financial audit tasks was also finalised in 2024, but continues as part of the ongoing development work in the financial audit departments. The aim of the measure is to ensure adequate and appropriate staffing for the various audit tasks across the departments and to avoid excessive individual workloads.

The project on a secure zone and network was concluded in 2023. The project deliverables are intended to contribute to three overarching benefits: a proper level of security when handling classified information, improved working conditions when working with classified information, and more efficient implementation of classified audits.

We conducted a formative evaluation in the winter of 2024. It revealed that some of the prerequisites for successfully realising benefits are still not fully in place. This includes delayed procurement and the fact that the necessary technical solutions are not yet in place.

## Insight

### Useful co-operation with the municipal auditors

**The co-operation on the investigation into the Health Platform in Central Norway resulted in the Storting receiving a more comprehensive report than if the National Audit Office of Norway had conducted the investigation alone.**

*By Annette Gohn-Hellum, Director General*

The municipal auditing departments and the National Audit Office of Norway oversee and investigate various levels of the public administration. Both contribute to preserving and strengthening Norwegian democracy, and our perspectives are complementary.

### Co-operation is encouraged

In 2021, then Auditor General Per-Kristian Foss posed the following question in an op-ed in the membership magazine for Norwegian municipal audit departments:

“Can we co-operate in new ways to provide elected representatives with a more comprehensive overview of how adopted policies are followed-up and function in practice?”

The National Audit Office of Norway has some previous experience working with municipal audit departments several years ago. To a large extent, we investigated common issues across the central and local government sectors, but conducted the investigations separately and reported on the overall findings.



Photo: National Audit Office of Norway.

### The Health Platform

Last autumn, the Storting was presented with the results of our closest co-operation with a municipal audit department to date, when we delivered submitted our investigation into the Health Platform.

The Health Platform is a new shared system for patient records and a collaboration solution for municipalities, hospitals, regular general practitioners and contract specialists in Central Norway.

Following serious flaws that occurred after Trondheim Municipality and St. Olavs Hospital began using the system in 2022, the National Audit Office of Norway and the Trondheim Municipal Audit Department decided to launch a joint investigation into the causes of the problems.

The conclusion was clear: The introduction of the Health Platform has threatened the safety of patients in Central Norway. The reasons are complex.

As we report to different supervisory bodies, we prepared three interim reports: a report from the investigation of the municipal audit department, a report from the investigation of the National Audit Office of Norway and a joint report covering the issues we had collaborated on. Together, this provides a broader and better basis for audit.



## Unique expertise

The work was organised with a joint project group led by the National Audit Office of Norway, consisting of eight members – considerably more than is usual in performance audits. The norm is a group of three.

For the National Audit Office of Norway, it was crucial to be able to draw on the unique expertise of our colleagues in the municipal audit department regarding local government.

They have a unique proximity to and knowledge of local government, and already possessed expertise in municipal data.

They had an overview of all the processes that had taken place in the municipality and had easy access to documents and key individual we should talk to. That was very useful.

## Added value

The co-operation on data collection was valuable. When two groups with slightly different perspectives sit together and conduct interviews or assess responses to surveys, this enhances the analyses. This provided considerable added value to the audit.

This applied in particular to the issues of interaction between primary and specialist health services and the costs of implementing the Health Platform project.

For example, we conducted joint interviews to clarify the interaction which resulted in better quality data than if we had conducted the interviews separately.

The municipal audit department had data on the cost of introducing the Health Platform in Trondheim, which we also needed, and it took on the task of collecting cost data from municipalities other than Trondheim.

## Broader perspective

The co-operation also contributed to useful reflections on the differences between central and local government governance. The National Audit Office of Norway oversees central government administration. Therefore, our conclusions often emphasise the central government perspective and its policy instruments.

The co-operation with the municipal audit department contributed to discussions about the difference between central and local government perspectives and dilemmas. We found such a broader perspective to be very useful. It also gave us greater confidence in our findings and assessments.

## Better audits together

This type of co-operation requires time and resources for preliminary work, clarifications, analyses, discussion of findings and report writing.

In all such collaborative projects, these additional costs must be weighed against the benefits.

In this project, we experienced a high degree of added value. As a result, we were able to deliver a better audit to the Storting than we would have managed on our own.

## 4 New Strategic Plan for the National Audit Office of Norway (2025–2027)

The new Strategic Plan was due to take effect from 1 May 2024, but the previous plan was extended through 2024 pending a new act. The National Audit Office of Norway's Strategic Plan for 2025–2027 was therefore adopted by the Board of Auditors General on 17 December 2024.

### Our social mandate

The National Audit Office of Norway shall contribute to democratic oversight to ensure sound and effective management of the central government's resources in accordance with the Storting's decisions and intentions.

### Values

#### Synergy values:

- team spirit
- openness
- respect

#### Reputation values:

- expertise
- independence
- objectivity

### Vision

Auditing to benefit the society of tomorrow

# Main strategic direction for the period 2025-2027

## We shall

- specialise in financial audits
- develop a more varied portfolio of performance audits
- utilise new technological opportunities
- streamline work processes and organisation
- extract financial gains and invest them in expertise and technology

## The National Audit Office of Norway's strategic goals

### We are relevant and generate added value

Our audits capture particularly important societal considerations and provide the Storting, public administration and the public with new information and knowledge.

#### Our specific objectives:

- contribute to the Storting's oversight function by providing information about whether the central government's resources are utilised efficiently, and to what extent national goals are attained and the central government's financial management is prudent and responsible
- contribute to ensuring trust in the central government's accounts and compliance with the Storting's decisions and intentions
- provide new information to the public administration that can contribute to learning and improvement
- contribute to the development of public auditing internationally and provide assistance to SAs in countries where we can contribute to improving capacity and independence

### We carry out high-quality audits

Our conclusions are credible and based on sufficient information and thorough analyses.

#### Our specific objectives:

- comply with national and international public auditing standards
- have strong, specialist expert environments in all types of audits
- utilise technological opportunities for collecting, analysing and communicating auditing information
- develop our expertise in line with the professional and technological complexity of audited agencies

## **We are an efficient organisation**

We are a well-run agency that places emphasis on cost-effectiveness and sustainability in the performance of our duties

### **Our specific objectives:**

- carry out cost-effective audits
- simplify work processes and improve their organisation to free up manpower for priority tasks and reduce operating expenses at all levels of the organisation
- contribute to the green transition by choosing environmentally friendly solutions in all parts of the organisation
- ensure a working environment characterised by job satisfaction, good communication, co-determination and involvement, and adherence to our values

## **We are active and accessible in the social dialogue**

We strengthen dialogue with the Storting, public administration and the public to identify potential auditing topics and communicate the results of our audits.

### **Our specific objectives:**

- communicate our results clearly to the public
- increase dialogue with various stakeholders to gain and contribute insight
- make independent and objective contributions to the debate on improving the public sector
- be open about how we work and how we have arrived at our conclusions

## **Strategic priority areas**

### **Develop financial auditing**

#### **We shall**

- align work processes and organise the operations with specialisation in strong competence environments, leveraging expertise across the organisation
- prepare for auditing agencies where IT complexity is increasing
- define work processes that ensure uniform performance of the financial audit
- adapt the audit portfolio to ensure both flexibility in the use of resources and uniform handling of specific matters
- standardise, centralise and automate the performance of the financial audit where appropriate
- further develop a specialist environment for auditing appropriations, and ensure rapid follow-up of risks identified in the financial audit
- further develop a specialist environment for analysing central government accounting data for use in auditing and reporting
- further develop auditing of central government accounts in accordance with the new act and automate attestation
- actively contribute to the development of the framework for central government accounting

## **Develop performance auditing**

### **We shall**

- prioritise audits based on the strategic auditing areas we have defined following an assessment of particularly important societal considerations
- prioritise audits based on risk, materiality and added value for the Storting, public administration and the public
- develop a more varied portfolio of performance audits and prioritise more audits of major societal challenges that require a broad approach, but also thematic and time-limited audits that can be reported quickly to the Storting
- place greater emphasis on audits conducted across government ministries, ensure that audits include more actors and a broader range of policy instruments, and clarify why implemented measures have not resolved persistent challenges
- explore whether a broader review of multiple completed audits reveals cross-cutting challenges that warrant further follow-up
- make greater use of advanced technology and methods to analyse large volumes of data when necessary
- provide overall guidance on the use of resources in connection with audits
- simplify work processes to reduce completion time and the cost of individual audits

## **Secure expertise**

### **We shall**

- employ a dedicated strategy for recruiting personnel with the necessary expertise
- retain and develop expertise in line with requirements, expectations and future needs
- build robust and specialist expert environments in line with a comprehensive HR strategy. Further develop comprehensive learning paths for employees and managers in all types of audits
- develop all employees' expertise to enable us to use digital tools in a secure, critical and creative manner
- employ a comprehensive system for strategic competence management in line with international standards
- develop and introduce tools and methods to regularly follow up the organisation's needs for expertise and individual needs for expertise and development
- co-operate and share experiences with other SAIs, audit communities, and academia to advance the auditing of the future

## **Utilise new technological opportunities**

### **We shall**

- use technology wherever possible to improve, simplify and innovate the way we work and operate. work systematically to identify work processes that can be automated, and automate them based on a cost-benefit analysis, so that we can work smart, simplify everyday work and free up time for analyses and assessments
- use technological opportunities to collect, analyse and communicate large amounts of auditing information to help improve the quality of the audit work

- actively use artificial intelligence in a responsible manner both in the audit work and in developing the organisation, where it can increase the efficiency or quality of the work
- develop information management in line with best practice and national guidelines, including to take due consideration of privacy
- adopt support systems and tools for auditing that facilitate compliance with standards and requirements
- choose standard solutions and applications that are available as far as possible
- base investments in technology on cost-benefit analyses, a *cloud-first* approach and in accordance with the best security practices

## **Strengthen corporate governance**

### **We shall**

- ensure comprehensive governance based on management information that ensures cost control of audit tasks and support functions, good use of resources and systematic follow-up of priority tasks. Corporate governance shall be aligned with performance indicators to enable follow-up of all strategic goals
- establish a comprehensive quality management system in line with international standards for national audits and requirements set out in the Regulations on Financial Management in Central Government
- simplify work processes in both auditing and support functions to free up resources for priority tasks and reduce operating expenses
- facilitate smooth collaboration across the organisation when this is important to ensure a comprehensive and interdisciplinary approach to tasks
- ensure good internal information flow through effective internal communication
- develop long-term budgets that facilitate necessary investments and strategic initiatives through planned reductions in current operating expenses at all levels
- prioritise investment funds for development initiatives that generate the greatest efficiency gains, and strengthen and further develop the processes for measuring and realising gains from our technology investments and other major development initiatives
- emphasise sustainable solutions in the performance of tasks and new procurements
- ensure a balance between tasks and resources to prevent excessive workloads for employees
- maintain the tripartite cooperation by involving public sector unions and the employee safety service in both formal and informal co-operation arenas
- actively ensure that the National Audit Office of Norway is an inclusive workplace characterised by a positive working environment and diversity at all levels of the organisation
- ensure that our culture, leadership and employee participation is characterised by constructive feedback, the values of team spirit, openness and respect, as well as compliance with management and employee requirements

## **Expand the social dialogue**

### **We shall**

- clearly communicate our conclusions, criticisms and recommendations
- ensure a professional, active relationship with the media, which is an important channel for communicating the results of our audits and investigations to the public
- participate in relevant arenas to highlight our social mission and communicate our messages
- take an active role in the debate on increasing efficiency and productivity in the public sector
- enable our target groups to easily locate the information they need and explore new communication channels based on insights about their needs
- actively and systematically solicit input on what we should investigate from key actors in society, various sectors and from all regions of the country, and use the input to further develop the organisation
- be open about our own organisation, how we work and prioritise tasks, and what we do to improve our processes
- share data and facilitate reuse in accordance with legislation and source protection in organisation
- use the written standard of Nynorsk in at least 25 per cent of our publicly available documents



## Insight

### Need for additional coordination

One of our key administrative principles is that the minister holds responsibility for everything that happens within their area of responsibility, i.e., their sector. At the same time, a lack of co-ordination is a recurring theme in the investigations of the National Audit Office of Norway. The question we ask is how to uphold the sector principle in a time that demands greater co-ordination.

*By Auditor General of Norway, Karl Eirik Schjøtt-Pedersen*

Sector responsibility has clear advantages: Responsibility is unambiguous. This contributes to effective governance. However, it also contributes to sectorisation and silo thinking, where loyalty is tied to the interests of the sector, not to the whole. The National Audit Office of Norway frequently sees examples of the latter in our investigations.

### Inadequate cross-sectoral collaboration

To address climate change, the authorities must implement measures that cut across different sectors and administrative levels. In June this year, we presented an [investigation into the governance and coordination measures implemented by the authorities to achieve the climate goals adopted by the Storting](#).

Our findings revealed that the responsible government ministries have failed to establish governance and coordination mechanisms adapted to one of the most cross-sectoral challenges of our time.



Photo: A. Davey/Creative Commons

significant

In March 2022, we presented an [investigation into the authorities' efforts to adapt infrastructure and settlement to a changing climate](#). We found that the current co-ordination between government ministries is too weak to carry out the necessary preparations and adaptations to address climate change.

Artificial intelligence (AI) represents one of the *most significant opportunities for society* today. In September 2024, we presented an [investigation into the use of AI in the central government](#), where we found that many overarching tasks had to be handled independently by each entity and government ministry. Issues related to infrastructure and legal clarifications are largely shared challenges, and we find that the development cannot be left to each individual sector.

In February 2023, we presented an [investigation into digital security in the civilian sector](#), where we observed that weak co-ordination of roles, responsibilities, and requirements creates significant challenges.

### Failure to take accountability for co-ordination

The Government decides how it wants to structure its work. The National Audit Office of Norway has no opinion on this. However, we are uniquely positioned to uncover and address tendencies we observe in the public administration. And if there is one recurring theme in our investigations, it is a lack of co-ordination between government ministries and between agencies.

Attempts have often been made to resolve this by assigning responsibility for co-ordination within an area to a lead ministry. Ministry of Justice and Public Security is responsible for co-ordinating emergency preparedness, the Ministry of Digitalisation and Public Governance is responsible for digitalisation, the Ministry of Climate and Environment is responsible for climate change matters and so on. The findings of the National Audit Office of Norway show that the exercise of the co-ordination responsibility is not functioning well enough.

In the investigation into digital security, we found, among other things, that the Ministry of Justice and Public Security can issue instructions for how the government ministries should conduct risk and vulnerability analyses. However, the Ministry has chosen not to provide such instructions.

The Ministry is authorised to set requirements for the civil protection efforts of the ministries, establish national requirements for digital security and provide more detailed provisions on its own co-ordination role and supervisory function. The question is whether they in fact exercise the authority vested in them.

The National Audit Office of Norway found that the Ministry of Justice and Public Security has failed to ensure adequate co-ordination of roles, responsibilities and requirements. Therefore, the National Audit Office of Norway was of the opinion that the Ministry was not adequately fulfilling its responsibility as a driver and co-ordinator in addressing the challenges related to digital security.

Similar findings were made in the investigation into artificial intelligence in the central government. The Ministry of Digitalisation and Public Governance (previously under the Ministry of Local Government and Regional Development) established an inter-ministerial working group on artificial intelligence already in 2018. All government ministries are represented. However, the working group has generally not addressed the challenges related to the development and use of artificial intelligence within subordinate agencies and entities. While exchanging information is certainly important, it is not sufficient to ensure good co-ordination.

### **Does the lead ministry have sufficient authority?**

The hope is that the Government and ministries have initiated improvement since we presented our investigations, as they did e.g., in the new strategy on the Digital Norway of the Future. Nonetheless, the investigations raise the fundamental question of whether the lead ministries are equipped with sufficient authority, or whether they have not been courageous enough to exercise the authority vested in them.

Based on the investigations we have conducted, we find it reasonable to question whether the lead ministries are exercising the level of leadership that can rightly be expected of them. Responsibility for co-ordination carries with it an obligation to act, extending beyond the mere exchange of information. Responsibility to act as a driver assumes active leadership.

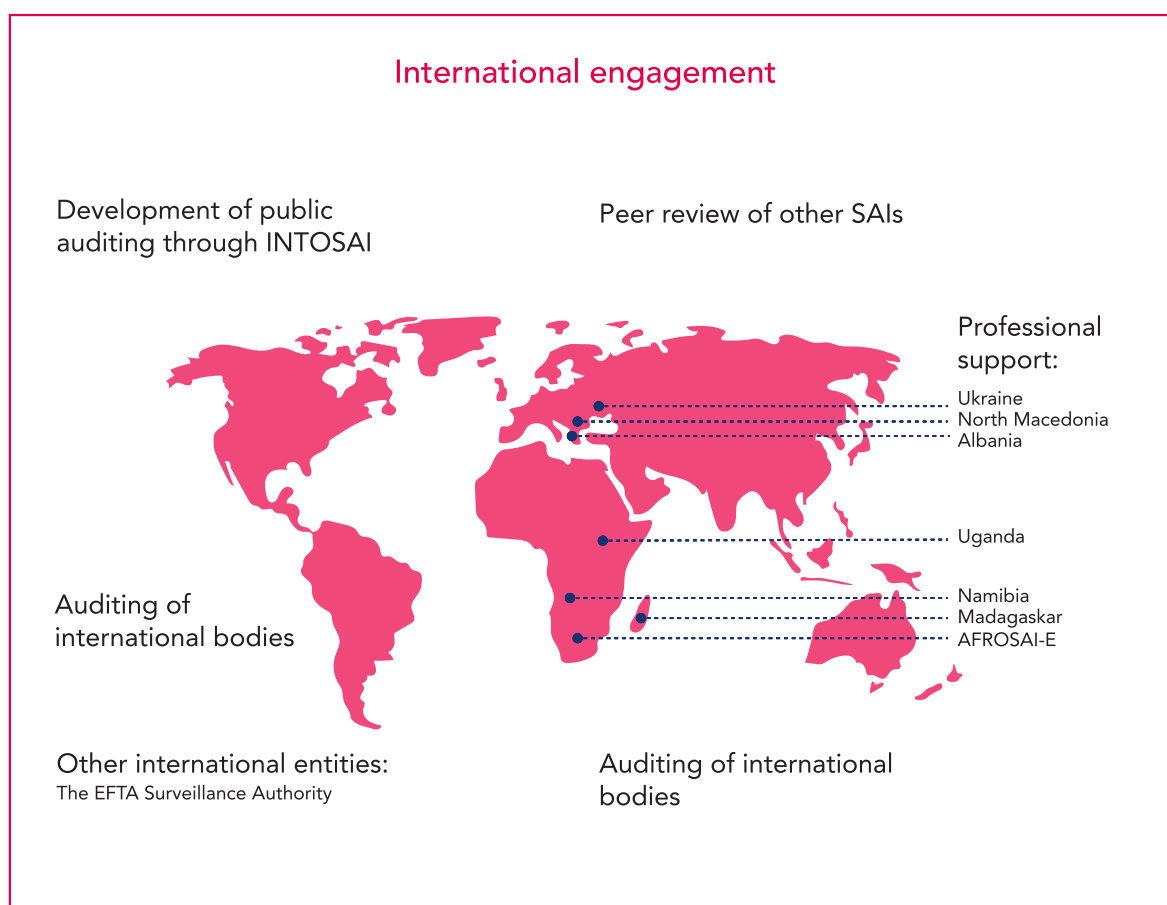
There is much to suggest that the lead ministries do not perceive themselves as having sufficient authority. An important question is therefore how this authority can be bolstered. How can the Government as a whole – which will ultimately be held accountable – strengthen the authority of those tasked with exercising co-ordination responsibilities on its behalf?

The National Audit Office of Norway investigates whether the Storting's decisions and intentions from are being adhered to. As defined by our mandate, we aim to inform the public discourse on significant challenges related to societal governance. That is why we are highlighting inadequate

co-ordination and the fact that significant tasks are not being carried out in accordance with the Storting's intentions.

However, we refrain from taking a stance on the preferred solution. Nevertheless, we maintain that co-ordination must be strengthened in relation to sectoral authority. Otherwise, it will not be possible to achieve the goals set by the Storting.

## 5 International engagement



The National Audit Office of Norway is involved in a wide range of international efforts. We are active members of international organisations for SAIs and enter into partnerships to strengthen SAIs in more fragile democracies, in addition to undertaking audit tasks for international organisations.

The 2025-2027 Strategic Plan contains a concrete goal for the National Audit Office of Norway to "contribute to the development of public auditing internationally and provide assistance to SAIs in countries where we can contribute to improving capacity and independence". Under the priority area "securing expertise", it is determined that we are to "co-operate and share experiences with other SAIs, audit communities, and academia to advance the auditing of the future".

### 5.1 Development of public auditing

Internationally, most of the development work on public auditing is done under the auspices of the International Organization of SAIs (INTOSAI), which is the global umbrella organisation for SAIs. The organisation develops standards and a common international framework for public auditing, contributes to knowledge sharing and promotes the independence of SAIs.

The National Audit Office of Norway contributes to INTOSAI in several ways. The chair of the Board of Auditors General is a member of the Governing Board of INTOSAI by virtue of being the chair of the INTOSAI Development Initiative (IDI) (read more about IDI in section 5.2.). In addition, Director General Åse Kristin Berglihn heads the overarching coordinating body for the further development of international standards for public auditing, and the National Audit Office of Norway is represented on the committees responsible for developing standards for financial auditing, performance auditing and compliance auditing. We are also members of other committees and working groups in INTOSAI that are particularly relevant to our work.



Photo: National Audit Office of Norway

Co-operation with the Nordic SAIs remain a priority. In 2024, the National Audit Office of Norway hosted the Nordic Auditors General's meeting. Key topics at the meeting included improving efficiency in the Nordic SAIs and exchanging experiences on the implementation of new technology and the use of artificial intelligence in auditing.

We also co-operate with SAIs at the forefront in areas including data analysis, visualisation, use and auditing of machine learning algorithms and artificial intelligence. The National Audit Office of Norway is currently co-operating with the SAIs in the United Kingdom, Germany, the Netherlands, Finland and Brazil.

### 5.1.1 Professional support to partner institutions in developing countries and nascent democracies

Common international standards on auditing provide us with a good basis for assisting other countries' SAIs in their respective efforts to improve the management of public resources. This in turn supports Norway's foreign and development-policy objectives by promoting good governance and combating corruption.

The National Audit Office of Norway's employees take on the role of facilitators and sounding boards, taking into account the local conditions, alongside our partners' employees. An underlying principle for our international engagement work is that we assist the institutions in ongoing processes. Our presence and long-term perspective on co-operation are two mainstays in such projects. We use only our own employees in international engagement work and only co-operate with SAIs where we believe it is possible to contribute to genuine improvements.



Photo: National Audit Office of Norway

In 2024, the National Audit Office of Norway has continued its bilateral institutional co-operation with the SAIs in North Macedonia, Namibia, Uganda and Albania. We have also continued our work to ensure regional anchoring via our close collaboration with the African Organisation of English-

speaking SAs in Southern Africa (AFROSAI-E). We support IDI's institution-building efforts in Madagascar and have also carried out some training activities for the State Audit Service of Ukraine.

The National Audit Office of Norway has contributed to the establishment and training of units for IT audits and IT audit teams in several SAs in our partner countries. These teams have contributed to the auditing of key IT systems in the public administration and strengthen the countries' ability to identify and prevent risks associated with digital management systems.

Auditing of extractive industries has been a prioritised area in many of the National Audit Office of Norway's partnerships. This is a key sector, particularly in resource-rich countries. While the extractive industry generates substantial revenue for many countries, it is also susceptible to corruption and financial loss. Strong and effective SAs can contribute to better and more transparent control of the extractive industry and ensure that authorities manage natural resources in the best interests of the population.

### 5.1.2 Special priority area in 2024: support for auditing IT security in the Balkans

Public administrations are undergoing rapid digitalisation worldwide, and services and systems are increasingly exposed to the internet. The number of cyber attacks has risen in step with digitalisation. To protect data and public services from disruption and exposure, IT auditors need to understand how security breaches occur and how they can be prevented. Internationally, we are experiencing an increasing demand for greater expertise in IT systems and a better understanding of how they affect security and risks in different organisations. Our IT audit community has expertise and capacity that we contribute internationally. Among other things, we provide audit support to several SAs in the Balkans, as these institutions and countries have been subjected to extensive cyber attacks with major consequences. Held in Oslo, the Balkan Cybersecurity Workshop aimed to enhance the capacity of SAs in the Balkans to safeguard their IT systems against significant cyber attacks.



Balkan Cybersecurity Workshop  
Photo: AI generated by the National Audit Office of Norway

### 5.1.3 Costs of our development co-operation

In 2024, we spent NOK 11.3 million in development assistance funds for OECD-DAC, compared with NOK 11.8 million in 2023. This figure includes our development co-operation costs, which consist of direct costs and salary for participating staff members.

Funding for development assistance is included in the National Audit Office of Norway's budget without earmarking and must be prioritised within the overall budget framework. The National Audit Office of Norway's development assistance activities have been reduced somewhat in recent years. This is due to a combination of reduced available funding and the fact that the cost of international travel and accommodation has increased well beyond domestic inflation.

The development assistance budget is low relative to what is considered necessary to sustain a good technical assistance programme over time. A particular challenge is that, at present, it is not possible to fund local advisers abroad.



The Storting has decided to appoint “a committee to examine the financing and organisation of the National Audit Office of Norway’s development assistance activities, including the secretariat function for the INTOSAI Development Initiative (IDI).”<sup>7</sup>

### **5.1.4 Auditing of international organisations**

The National Audit Office of Norway wishes to contribute to greater transparency and better administration in the international organisations of which Norway is a member state. Therefore, we conduct external audit assignments for international organisations and are represented on the audit boards of a number of organisations. We gain valuable expertise from such assignments. Nevertheless, the National Audit Office of Norway has in recent years deliberately deprioritised international audit assignments. The reason for this is the resource-intensive nature of applying for such assignments, and that it is difficult to obtain full cost reimbursement for assignments as an external auditor for international organisations.

In 2024, we chaired the EFTA Board of Auditors and were represented on the Board of Auditors of the European Patent Office.

### **5.1.5 Co-operation with the EFTA Surveillance Authority**

We have a Memorandum of Understanding (MOU), signed in 2020, regarding co-operation with the EFTA Surveillance Authority (ESA). We exchange experience through meetings, informal dialogue, competence development and secondment opportunities. In 2024, in addition to informal dialogue, there was a meeting between the National Audit Office of Norway and the ESA on the status of the co-operation, and there is agreement to emphasise mutual knowledge sharing and competence building. On two occasions in the autumn of 2024, representatives from the ESA gave lectures to employees of the National Audit Office of Norway on the surveillance body’s work on state subsidies and the single market.

## **5.2 Report on the work in the INTOSAI Development Initiative (IDI)**

### **5.2.1 Background**

The INTOSAI Development Initiative (IDI) is a global development organisation for SAIs in developing countries.

Independent and effective SAIs are a cornerstone of the efforts to ensure well-functioning democracies, combat corruption and promote sound public financial administration and good governance. The work of the National Audit Office of Norway also contributes directly to target 16.6 of the UN’s Sustainable Development Goals: “develop effective, accountable and transparent institutions at all levels”. Auditing development assistance funds (including from Norway) is also part of the mandate of most SAIs in the IDI’s target group. Support for the IDI thus also contributes indirectly to strengthening the control of Norwegian assistance funds.

IDI strengthens audits in developing countries through a portfolio of needs-based, targeted and sustainable development initiatives. Activities include competence development for managers and employees, organisational development, and strengthening of institutional capacity. The programmes are mainly conducted for groups of SAIs (based on language and/or geographical

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<sup>7</sup> Document 19 (2023–2024), Recommendation 41 (Bill) (2024–2025).

location). The IDI is an integral part of INTOSAI (the International Organization of SAs), the global umbrella organisation for SAs, comprising 196 members.

The IDI was established in 1986, and responsibility for hosting the IDI was transferred to the National Audit Office of Norway from its Canadian counterpart in 2001. The transfer was approved by the Storting (cf. Document 3:14 (1997-98) and Recommendation No. 8 (Resolution) (1998-99) and by INTOSAI's supreme governing body (Congress) in 1998. From these documents, it is clear that there is no defined time period for the hosting of the IDI. In Norway, the IDI is structured as a foundation pursuant to the Foundations Act, with a board and a secretariat. Despite leasing premises from the National Audit Office of Norway, the IDI is legally and financially independent.

In connection with the adoption of a new Act relating to the National Audit Office of Norway in 2024, the Standing Committee on Scrutiny and Constitutional Affairs of the Storting decided to appoint a committee to examine the financing and organisation of the National Audit Office of Norway's participation in international assistance activities, including the secretariat function for the IDI.

The IDI's Board of Directors is chaired by Auditor General Karl Eirik Schjøtt-Pedersen and comprises ten members. Three members are from the National Audit Office of Norway, including Schjøtt-Pedersen. At the beginning of 2025, the remaining seven seats were held by the Auditors General of Bhutan, Brazil, the United Kingdom, Kenya, Saudi Arabia, South Africa, and Austria. The IDI Secretariat has 55 employees from around 30 countries, and the working languages for the portfolio of capacity building projects are Arabic, English, French and Spanish. Over the years, the IDI has developed into an internationally recognised professional environment for public auditing.

## 5.2.2 New Strategic Plan 2024-2029

An [external evaluation of the IDI](#) shows that it has achieved its goals in the Strategic Plan for 2019-2023 despite the challenging geopolitical situation and the many problems faced by auditors general, globally. The global support for the IDI's work over the past five years underlines the effectiveness of its strategic choices. These choices have been driven by the needs of the SAs and formulated in consultation with them.

The new [Strategic Plan for the period 2024-2029](#) continues to prioritise support for SAs in becoming more independent, well-governed, professional and relevant, while also emphasising gender equality and diversity. These efforts support the three strategic priorities in the plan: sustainability, digitalisation and public trust in SAs. Another important objective is a stronger focus on predictability and long-term support for SAs, and an emphasis on the three strategic priorities.

During the initial years of the plan (2024-26), the IDI expects, among other things, to contribute to over 60 audit reports on sustainability goals related to climate change adaptation and over 25 audit reports on public sector use of technology. The IDI's Professional Education for SAI Auditors (PESA) certificate programme is offered annually in English and Spanish, and there are plans to offer it in French and Arabic. The goal is for more than 1,200 employees from over 100 SAs to complete the certification programme during the period. The IDI also aims to support 15 SAs in their efforts to strengthen strategic planning and performance measurement. The IDI aims to enhance public trust in SAs by supporting over 30 countries in strengthening their legal frameworks or capacity to ensure independence. In addition, the IDI will assist more than 60 SAs in strengthening co-operation with their parliaments and/or civil societies, and more than 75 SAs in publishing their own audit reports, strategies and performance reports. The IDI will also continue to offer global and regional programmes for groups of SAs based on demand. Together with partners, the IDI will also



provide customised support to individual SAIs in fragile states including the Democratic Republic of the Congo, Honduras, Kyrgyzstan, Lebanon, Madagascar, Somalia, South Sudan and Tajikistan.

### 5.2.3 Highlights - results and activities in 2024

In 2024, the IDI continued its commitment to supporting SAIs, particularly in countries facing significant economic challenges and a rise in corruption, driven in part by wars and internal unrest. More than 4,750 employees from a total of 162 SAIs participated in IDI's capacity building programmes and activities in 2024. Of these, 1,870 were employees from 47 SAIs in vulnerable and highly vulnerable states.

The IDI's work is carried out in co-operation with INTOSAI's technical committees and working groups that develop standards and guidelines, and that can contribute expertise to the IDI's programmes. Gender equality is promoted through the various IDI initiatives. In 2024, women accounted for 47 per cent of participants from SAIs taking part in IDI initiatives.

The IDI also has a number of strategic partners from whom it has derived significant benefits. These include the International Monetary Fund (IMF), the World Bank, various UN bodies, the Inter-Parliamentary Union (IPU), the Organisation for Economic Co-operation and Development (OECD), as well as Norwegian and foreign universities and professional communities. The IDI is also operationally responsible for INTOSAI donor co-operation. Through this co-operation, SAIs and donors are participating in a joint initiative for a more strategic approach and increased support for strengthening SAIs in developing countries.

### Independence of SAIs

The independence of SAIs is crucial for them to carry out their work effectively and credibly. However, the IDI's [2023 Global SAI Stocktaking Report](#), which examines the development, challenges, and opportunities facing SAIs, indicates that democratic backsliding in many countries has had a detrimental impact on their independence. This is a concerning development, and we have now witnessed a decade of declining SAI independence at the global level.

In 2024, the IDI supported the SAIs in Costa Rica, Poland, Cyprus, Montenegro, São Tomé, Sierra Leone and Spain, where there have been concrete attempts to undermine their independence. Furthermore, the IDI has provided support to civil society and worked to strengthen the legal frameworks to enhance the independence of SAIs in Malawi, Malta, Nigeria, Papua New Guinea, Paraguay, Solomon Islands, and Zambia.

2024 was the third year in which Helen Clark, former Prime Minister of New Zealand and Administrator of the UN Development Program (UNDP), served as the IDC Goodwill Ambassador for SAI Independence via the INTOSAI-Donor Cooperation.

### Professional SAIs

In addition to their independence, it is essential that SAIs in developing countries conduct audits in a professional manner and in accordance with applicable international auditing standards. The standards are gathered in a comprehensive framework that includes requirements for mandate, structure and methods. SAIs in developing countries consistently require considerable support in implementing these standards. A prerequisite here is to ensure that SAIs develop a critical mass of competent auditors with a strong knowledge of the standards. In response to the considerable need, the IDI has developed PESA - a certification programme for SAI Auditors in developing countries. This programme is offered digitally in English and Spanish, and there are plans to launch

it in Arabic and French, as well. It includes an interdisciplinary component with specialisation in either performance audits, financial audits or compliance audits. At year-end 2024, more than 1,400 auditors from 96 SAIs had participated in the PESA programme.

New standards for quality management in audits have also been released. This is another area with a significant need for support, which is why the IDI launched a new programme on this topic in 2024.

## **Well-functioning SAIs**

SAIs should also set a good example in terms of governance, strategic management and good performance reporting. Therefore, the IDI has developed a number of relevant programmes. This includes a global programme for strategic and operational planning and reporting, as well as a global framework to measure how an SAI operates in comparison to international standards and good public administration practices. The framework has been utilised by more than 100 SAIs, including the National Audit Office of Norway. The IDI also offers programmes for human resources management and ICT management and a dedicated programme for risk management and crisis management. These programmes strengthen the systems and processes that SAIs have in place to manage their resources.

## **Relevant SAIs**

The IDI observes positive results when SAIs increasingly prioritise audits that deliver significant social value. As a result of support from the IDI and others, almost all the SAIs carried out audits of the use of COVID-19 funds, and more than 100 SAIs have received support to carry out audits of the Sustainable Development Goals. In 2024, the IDI supported SAIs in planning, conducting and reporting on audits in areas including climate action (48 SAIs), gender equality (27 SAIs) and the use of technology in the public sector (30 SAIs).

## **Management**

The IDI attaches considerable importance to strengthening the management function in the SAIs, as skilled and strategic management is a prerequisite for independent and effective SAIs. This includes an annual development programme for up to 25 talented young managers from SAIs and thematic master classes for heads of SAIs. Management is also integrated into all portfolio programmes. The participation of managers is also crucial to ensure ownership of the initiatives and the allocation of necessary resources for their implementation.

Efforts to continuously improve the planning and reporting of performance in the IDI have continued in 2024, and a common performance framework for the whole of the IDI has been included in its new Strategic Plan to ensure integrated reporting linked to the strategic goals.

The IDI prepares an annual report that is considered by the Board, published and shared with stakeholders. The report for 2023 is available [here](#).

The 2024 annual report will be considered at the IDI's board meeting early in 2025 and will be sent to the Storting as a printed appendix to this annual report.

## 5.2.4 Funding and economy

The figures for 2024 are preliminary, not auditor-approved figures as of 1 February 2025. The annual report, including the accounts, is scheduled to be finalised and approved by the Board in April 2025. See the annual report for 2023 and financial statements [here](#).

### Summary

The IDI relies on donor funding as well as substantial contributions from SAIs to secure resources for capacity development. The total expenditure and recognised income of NOK 129 million for 2024 reflected the fact that activity had increased by 17 per cent since 2023, which was in line with the revised budget. Funding for IDI programmes derived from donors in 12 countries and from the EU, the Asian Development Bank (ADB) and membership fees from INTOSAI. In addition to funding, the IDI has received valuable support for its activities in the form of the time spent by employees, mainly from SAIs. This support amounted to 3,767 person-days, estimated at a value of NOK 17 million, or 13 percent of the IDI's costs. At year-end, the IDI had NOK 3.8 million in unrestricted reserves as a buffer to ensure operational continuity.

### Expenses

Total expenses amounted to NOK 129 million. The overhead costs for operating the Secretariat were somewhat higher than in the revised budget, mainly due to increased expenses related to the refurbishment of the IDI's office, IT equipment, IT licenses and insurance costs. Personnel costs for programme activities were higher than in the revised budget as a result of increased pension costs and under-budgeting for new employees in 2024. The operating expenses for programme activities, such as travel costs, conference costs and consultancy costs, were lower than in the budget due to changes and postponement to 2025 of some activities. The IDI continued its support through a mix of digital support and travelling to in-person gatherings and conferences.

	Budget 2024	Revised budget 2024	Budget 2023
Personnel expenses for operating the Secretariat	8.6	8.6	8.0
Overhead expenses for operating the Secretariat	15.4	13.5	10.5
Personnel expenses for programme activities	54.8	50.5	50.1
Operating expenses for programme activities	50.4	57.7	41.1
Total costs/income	<b>129.2</b>	<b>130.2</b>	<b>110.6</b>

### Revenue

The Storting's grant (via the National Audit Office of Norway) for the operation of the IDI Secretariat in 2024 accounted for approximately 23 percent of the IDI's recognised funding, compared with 29 percent in 2023 and 36 percent in 2022. A substantial portion of the IDI Secretariat's expenses – primarily salaries and travel expenses – relates to specific programme activities, while a smaller share covers internal administration. In 2024, the grant from the National Audit Office of Norway was largely used for internal administration, but also to support programme activities. The operating grant has been a prerequisite for the National Audit Office of Norway being able to assume the responsibility of hosting the IDI.

In addition to the grant from the National Audit Office of Norway, the IDI received core funding from Austria (ADA), Ireland (Irish Aid), the State Audit Office of Latvia, Sweden (Sida) and INTOSAI. The IDI also received earmarked funds from the following organisations:

- The Asian Development Bank (ADB)
- Global Affairs Canada
- The European Union
- The French Ministry for Europe and Foreign Affairs
- The German Agency for International Cooperation (GIZ)
- The Norwegian Ministry of Foreign Affairs via the Royal Norwegian Embassies in Kenya and South Sudan
- The Norwegian Agency for Development Cooperation (NORAD)
- The General Court of Audit, Saudi Arabia
- The Swiss State Secretariat for Economic Affairs
- The U.S. Agency for International Development (USAID)<sup>8</sup>

## Reserves

The IDI carries forward deferred income of approximately NOK 54 million, including NOK 43 million in funds received in advance for activities to be carried out in 2025/2026. At year-end 2024, the largest balances were linked to Switzerland (NOK 41 million), Canada, the EU and the National Audit Office of Norway. In addition to deferred income, the IDI had NOK 3.8 million in unrestricted reserves at the turn of the year as a buffer to ensure operational continuity. The provision includes primary capital, accumulated interest on primary capital and accumulated funding from INTOSAI recognised under net assets in the financial statements.

## Contributions from SAls

The IDI's ability to mobilise support from the INTOSAI community was also important in 2024. In 2024, the SAls of Brazil, Canada, Cayman Islands, Tunisia and Indonesia provided the IDI with part-time and full-time employees. A number of other SAls contributed experts and hosted the IDI's activities. In 2023, support for the IDI amounted to 2,777 person-days, equivalent to 13 man-years, valued at NOK 13.1 million, representing 12 percent of the IDI's costs. In 2024, support for the IDI increased to around 3,767 person-days or 17 man-years valued at NOK 17 million or 13 per cent of the IDI's costs.

### 5.2.5 Financial sustainability

The IDI's funding situation was solid in 2024, with renewed support for IDI's new strategy for the period 2024-2029. Existing donors have renewed their funding for portions of the strategic period 2024-2029, providing both core and earmarked support. In 2024, funding agreements were signed with the following partners:

Core funding:

- Austria for the period 2024-2029
- Ireland for one year in the period 2024-2029
- The State Audit Office of Latvia for 2025

Earmarked funding:

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<sup>8</sup> In early 2025, the IDI was informed that all funding from USAID has been suspended until further notice. Thus, there is considerable uncertainty surrounding future funding from the United States.

- The European Union for 3.5 years
- The French Ministry for Europe and Foreign Affairs for 2024 and 2025
- The General Court of Audit, Saudi Arabia for the period 2025-2025
- The Swiss State Secretariat for Economic Affairs for the period 2024-2027
- USAID for the period 2024-2029

The IDI holds modest reserves. Accumulating reserves is difficult, as donor agreements stipulate that any unspent funds must be refunded. This means that the organisation is vulnerable to the loss of donors, and that good financial management is key. In 2024, the trend continued for the IDI's activities to combine e-learning development with in-person events. This has led to an increase in fixed salary costs, and travel expenses remain high. This makes the IDI more vulnerable to loss of funding as personnel costs cannot be adjusted as easily as travel activity. Global and national crises can have serious consequences for both the IDI's funding and for its ability to absorb funds. Continuous dialogue with partners contributes to reducing this risk.

In early 2025, the IDI was informed that all funding from USAID has been suspended until further notice. We do not expect this to affect the 2024 results for activities already completed. However, it will impact staffing levels and support activities for, among others, Madagascar and the Comoros going forward. The IDI will maintain a dialogue with current and potential donors to secure predictable and long-term funding. This is crucial if SAs in developing countries are to continue to receive support.

The 2025 budget is NOK 154 million and reflects, among other factors, continued growth in demand for support from the IDI, organisational strengthening to transition operations from in-person to virtual meetings, and anticipated increases in prices and salaries. As in 2024, it is the National Audit Office of Norway's intention that its grant will largely go to operational support for the Secretariat, as well as programme activities.

# 6 Organisation, management and development

## 6.1 Roles and duties

The National Audit Office of Norway is the only organisation that provides the Storting with a comprehensive and independent audit of central government entities, and our audits and investigations are based on the decisions of the Storting, e.g., acts and resolutions.

Our investigations are independent and objective, and aim to provide the Storting with a professional basis for exercising its oversight function over the Government. Beyond the mandatory tasks assigned to us, we determine ourselves what to investigate. However, the Storting in plenary session may instruct us to conduct specific investigations.

### The framework for our audits

The general framework for our work is defined by the *Act relating to the National Audit Office of Norway*.

We adhere to the International Organization of Supreme Audit Institutions' (INTOSAI) international framework and standards for public auditing. These documents set out the fundamental principles and quality requirements for SAs.

Within this framework, we operate independently of the Storting and the central government administration.

### 6.1.1 New Act relating to the National Audit Office of Norway

In late 2024, the Storting passed a new Act relating to the National Audit Office of Norway, which entered into force on 1 January 2025. The Act replaced the previous Act and instructions and is based on proposals from the committee that reviewed the activities of the National Audit Office of Norway, cf. Document 19 (2023-2024). Substantive and technical legal amendments have been made to several provisions, cf. Recommendation 41 (Bill) (2024-2025) from the Standing Committee on Scrutiny and Constitutional Affairs. The provisions of the Act largely represent a continuation and clarification of the existing legal framework. The Act further stipulates that the tasks of the National Audit Office of Norway are financial audits, performance audits and audits of companies in which the central government has a significant ownership interest. Certain changes have been made to the management model of the National Audit Office of Norway, introducing a distinction between the duties of the Board of Auditors General and those of the chief audit executive. The Board is also given more explicit overall responsibility for corporate governance. These changes will not take effect until 1 January 2026.

### 6.1.2 Agreement on the audit of the Sámi Parliament

In the spring of 2024, the Auditor General visited the Sámi Parliament and met with the Plenary Assembly, the Executive Council and the Oversight Committee. One of the topics discussed was a closer co-operation on auditing.

The National Audit Office of Norway is the external, independent auditor for the Sámi Parliament at two levels:

- We audit the Sámi Parliament for the Storting.

- We audit the executive branch of the Sámi Parliament (the Executive Council and the administration) on behalf of the Sámi Parliament in plenary session, which is the highest body and authority of the Sámi Parliament.

In 2024, we took the initiative to further develop the agreement entered into with the Sámi Parliament in 2020 on compliance audits (control of appropriations) and performance audits. The National Audit Office of Norway has the authority to initiate audits. Audits carried out are reported to the Sámi Parliament in plenary session. This work is in addition to the National Audit Office of Norway's annual financial audit of the Sámi Parliament's accounts and requires an increased use of resources in connection with competence development initiatives

- systematic risk assessment across types of audits
- continuous dialogue with the Sámi Parliament
- annual prioritisation, implementation and reporting of audits
- interpretation and translation services

The scope and financing of compliance and performance audits are being clarified in dialogue between the Sámi Parliament, the Ministry of Local Government and Regional Development, the Storting and the National Audit Office of Norway. We also seek to clarify how public access is to be practised, including how provisions on deferred public access may be applied.

## 6.2 Organisational structure of the National Audit Office of Norway

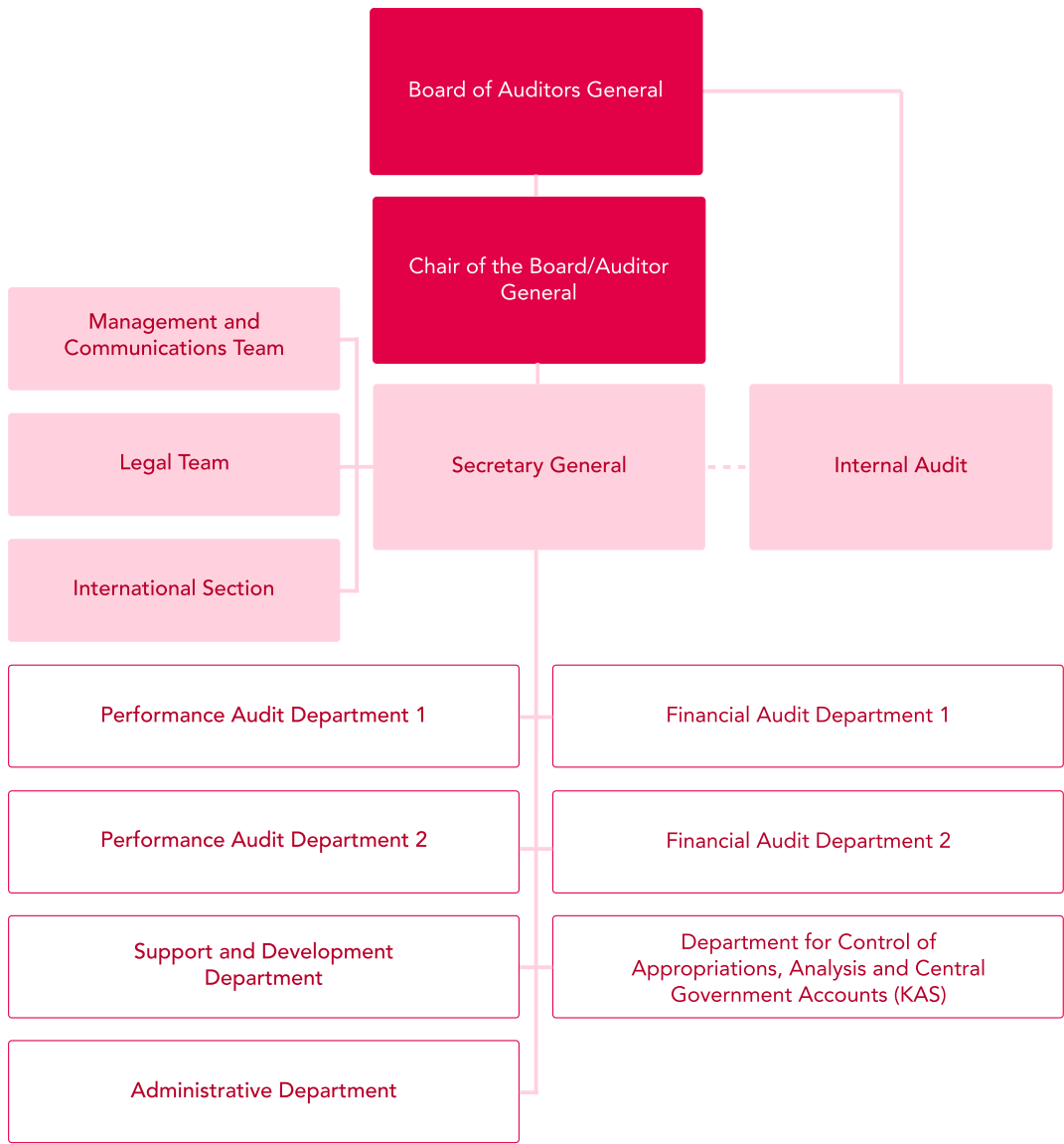
### 6.2.1 The Board of Auditors General and the Secretary General

Pursuant to the Constitution of Norway, the Storting shall appoint five Auditors General who comprise the Board of Auditors General. They are appointed for a term of four years and take office at the turn of the following calendar year. At the same time, the Storting appoints the chair and the deputy chair of the Board of Auditors General. The Storting also appoints personal deputy members to the Board of Auditors General.

In December 2021, the Storting selected a new Board of Auditors General for the period 2022-2025. Karl Eirik Schjøtt-Pedersen is the Chair of the Board of Auditors General.

Board of Auditors General 2022-2025		
Auditors General	Role	Deputy members
Karl Eirik Schjøtt-Pedersen	Chair	Svein Roald Hansen
Tom-Christer Nilsen	Deputy Chair	Beate Heieren Hundhammer
Helga Pedersen	Member	Heidi Grande Røys
Anne Tingelstad Wøien	Member	Tor Peder Lohne
Arve Lønnum	Member	Torstein Dahle

The Secretary General is the secretary for the Board of Auditors General and assists the chair of the Board in the day-to-day management of the organisation. Jens Arild Gunvaldsen has been the Secretary General of the National Audit Office of Norway since 2016.



6.2.2 Organisation, employees and regional presence

The National Audit Office of Norway comprises seven departments: three financial audit departments, two performance audit departments, an administrative department and a support and development department. Each department is managed by a Director General. In addition, we have a management and communications team, a legal team and an international section.

The administrative support functions provide services to the organisation. The administrative support functions are responsible for the operation and development of our various systems, as

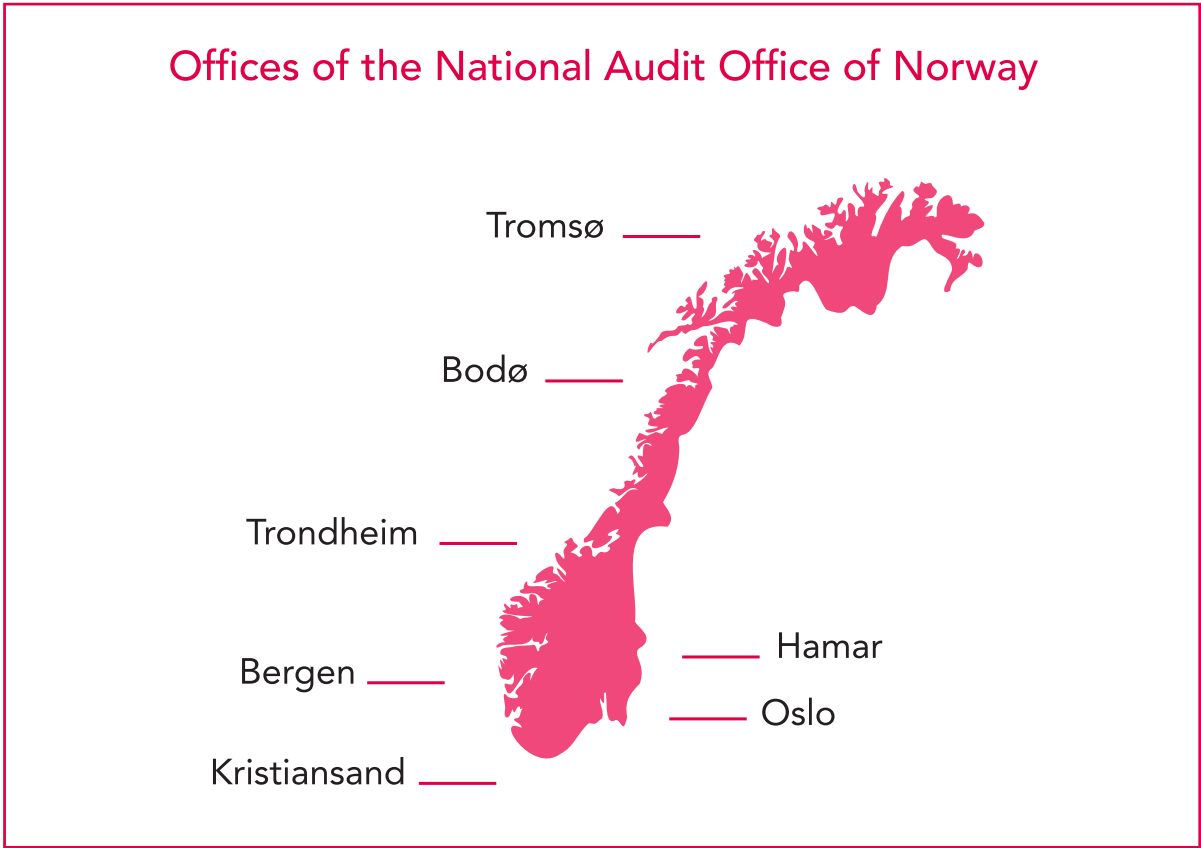


well as providing services such as HR, payroll, financial services, archiving, library, security, operations, cleaning, communication, corporate governance and management support.

At year-end 2024, the National Audit Office of Norway had 424 permanent employees. Our employees are primarily economists, auditors, lawyers and social scientists.

In 2024, we worked 407 man-years.<sup>9</sup>

Our head office is located in Oslo, and we have regional offices in Tromsø, Bodø, Trondheim, Bergen, Kristiansand and Hamar. At the end of 2024, 68 employees worked outside Oslo. Each regional office had between 9 and 15 employees. Learn more about our organisation at [www.riksrevisjonen.no](http://www.riksrevisjonen.no).



<sup>9</sup> See the definition in section 6.3.5

## 6.3 The National Audit Office of Norway's corporate governance

### 6.2.3 Quality assurance programme

Throughout 2024, the National Audit Office of Norway has worked to implement the quality assurance programme we adopted in October 2023 which aimed to strengthen the organisation and ensure that it operates in accordance with the international standards for quality in public auditing. Among other things, we have worked to implement a comprehensive quality management system that covers management, ethics, expertise, execution of tasks and monitoring of operations. In the long term, a comprehensive system will form part of the National Audit Office of Norway's strategy, culture, guidelines and procedures.



Photo: Hest Agentur/National Audit Office

Through the quality assurance programme, we have taken an active step in 2024 to address and correct identified shortcomings, as well as ensure good management and quality follow-up. Among other things, we have worked to improve our competence management system, an endeavour which will continue in the years to come. We have also worked to improve our corporate governance by improving the content and structure of our governing documents and by improving the use of resource and financial data in ongoing governance. We have established quality assurance targets that form the basis for systematic risk assessment at the organisational level. This will enable us to identify specific risks and implement targeted measures to address weaknesses in the organisation.

One of the measures in the quality assurance programme was to establish internal auditing in the organisation. This function was established in August 2024. Internal audit is part of the National Audit Office of Norway's system for governance and control and serves as an independent and objective assurance and advisory function for the Audit Office, reporting directly to the Board of Auditors General. Internal Audit carries out both ordinary audit tasks and assistance or advisory tasks. The purpose is to identify areas for improvement and strengthen corporate governance, risk management and internal control in the National Audit Office of Norway. In the autumn of 2024, the Board of Auditors General approved the internal auditor's audit plan for 2025.

By upgrading and improving our internal processes, we are positioning ourselves to effectively manage future challenges and opportunities.

### 6.2.4 Annual performance plan

The strategic plan is operationalised through our annual performance plans. This is where we set the annual priorities for audit work, international efforts, development work and technical and administrative assistance.

The performance plan is based on analytical work to identify and prioritise new audit tasks. Our internal risk assessments form the basis for prioritising other tasks and development initiatives.

Throughout the year, we assess our results and goal attainment based on performance indicators set out in the strategy. This enables the management and Board of Auditors General to assess whether the results are satisfactory or whether measures are necessary to improve our level of goal attainment.

## 6.2.5 Development work

We have many ongoing development projects. These projects are prerequisites for ensuring that our development aligns with the goals outlined in our strategy. Digitalisation and automation are central pillars in the work to enhance quality and improve the efficiency of our work processes. We portfolio-manage the largest development initiatives based on a framework for managing and following up the measures.

The portfolio contained nine development initiatives at year-end 2024. These initiatives contribute in various ways to strengthening our organisation in accordance with our strategic goals. The portfolio includes, for example, work related to the development of auditing of the Norwegian Armed Forces, as well as an initiative aimed at enhancing the financial scope for investment in technology and expertise. We also have measures in place to acquire new digital management systems to strengthen our organisational and competence management.

One of the biggest development initiatives involves developing and introducing a cloud and information platform with a solution for the secure exchange, receipt, storage and processing of data. We expect that the measure will contribute to both our strategic goal of improved audit quality and the goal of a more efficient organisation. The realisation of the new platform will take place in the period 2025 to 2027.

Another major development initiative is a new audit support system for financial audits. We expect the system to contribute to improved quality and efficiency in financial audits. We plan for the new system to be fully implemented in 2025, meaning that it can be utilised from 2026 when auditing the annual accounts for the financial year 2025.

## 6.2.6 Working environment, expertise and right of co-determination

### Working environment and sick leave

A good working environment is important to the National Audit Office of Norway. In 2023, we conducted a working environment survey (MUST – central government employee survey). At the organisational level, results were largely good but there were considerable differences between the various departments. In 2025, we plan to conduct a new working environment survey.

Total sickness absence in 2024 was 5.88 per cent, compared with 6.6 per cent the previous year. The goal in 2024 was to reduce sickness absence to 5.6 per cent, which we were close to achieving. In 2025, we plan to implement a project to explore how we can further reduce sick leave and identify good methods for prevention. In the project, human resources, the Working Environment Committee, the safety representatives and the Norwegian Labour and Welfare Administration (NAV) work closely together with the public sector union and management. Occupational health services are involved when needed.

We had very few terminations in 2024. Everyone who leaves the National Audit Office of Norway is offered an exit interview, and everyone who completed an exit interview in 2024 described the Audit Office as a good and safe workplace with a good working environment, especially within their own section. The number of employees retiring remains steady and has been between 12 and 15 over the past five years.

## Competence development and branding

In 2024, we worked on introducing a competence management system. The most important measures undertaken in 2024 include the development of professional audit learning pathways and the completion of a competence assessment within the audit departments. Additionally, we have established co-operation meetings between the support functions and the audit departments. The findings of the competence assessment form the basis for a competence plan intended to support the performance plan and quality assurance programme.

Our most important work in terms of competence development is the ongoing work that takes place in the departments and competence initiatives organised by the support functions. The activities range from basic training in auditing and instruction on specific topics to methodological advice, guidance, and, not least, the actual execution of tasks.

Recruitment of certain types of expertise remains challenging; however, sustained efforts in branding and reputation building are yielding positive results. In 2024, we had more qualified candidates than ever before. However, filling positions in financial and IT audits continues to be challenging.

In Universum's rankings, which survey employer attractiveness, we fell to 76th place among students and 78th place among experienced candidates, representing a decline of 10 and 15 places respectively from the previous year. This reflects a general trend of declining attractiveness for both audit firms and public sector entities.

## Right of co-determination

It is important to us that employee representatives and the employee safety service are able to attend to their duties in a satisfactory manner. This helps ensure sound processes and a better decision-making basis.

The public sector unions regularly meet with the employer to consider issues in accordance with the Basic Agreement and the Main Collective Agreement within the central government. Such meetings usually relate to pay and organisational changes. According to the annual evaluation, the parties find that this co-operation is excellent.

We have an active Working Environment Committee and local safety representatives who help safeguard the interests of the employees in matters concerning the working environment.

## 6.2.7 Diversity, inclusion, and equality

The National Audit Office of Norway has entered into an agreement on equality, inclusion, diversity and non-discrimination with the employee representatives, which is enclosed with the adjustment agreement. Among other things, the agreement sets out how we are to ensure the employer's responsibilities pursuant to the Equality and Anti-Discrimination Act.

## Recruitment and development of man-years

The gender distribution among those who applied for vacancies in 2024 shows a preponderance of male applicants; 541 men compared to 289 women. Among the applicants, 109 identified as having a foreign background, 6 identified as having a disability and 6 had gaps in their resumes.<sup>10</sup>

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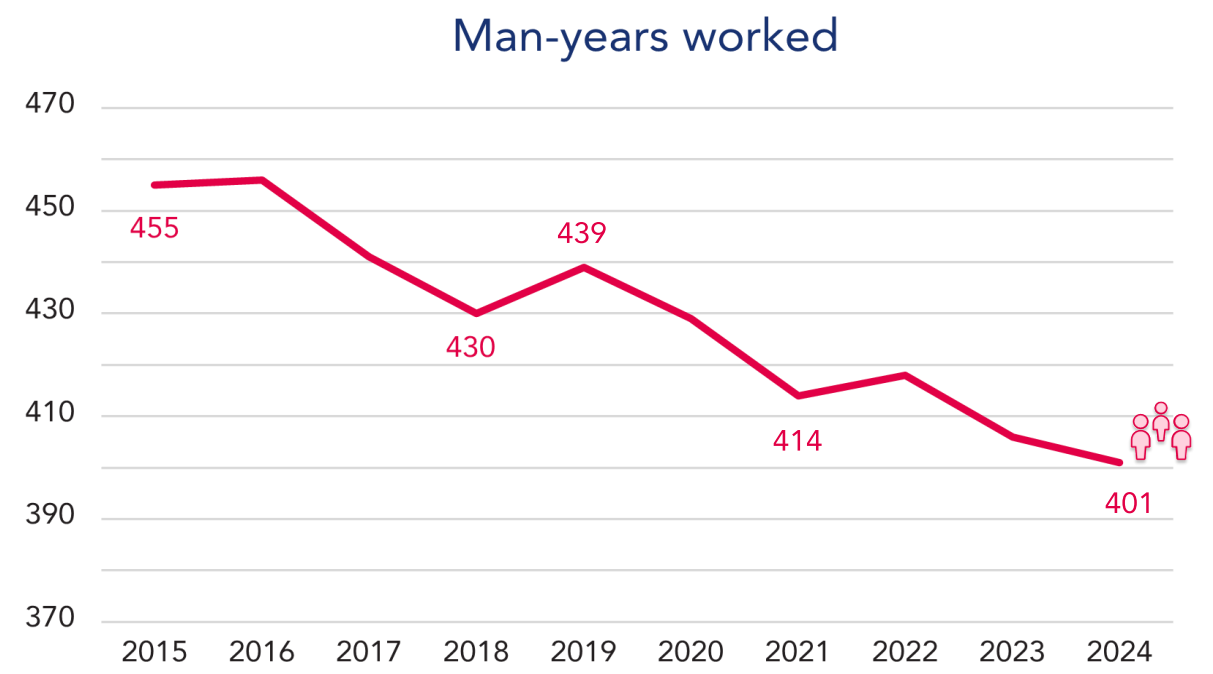
<sup>10</sup> In order to be considered as an applicant belonging to these groups, applicants with disabilities must have a need for adaptation in the workplace or in the employment relationship.

Applicants with gaps in their resumes must have a gap in work, education or training for a total of at least two years in the last five years due to physical or mental illness, substance abuse or imprisonment, or they must have been active job seekers during the period of absence.

Applicants with a foreign background are applicants who have immigrated themselves or who were born in Norway to immigrant parents.









We hired one applicant with a foreign background. Among those who were hired, most were men: 17 men and 12 women.



Man-years worked shows the resource input in the form of actual number of work hours performed. The number of man-years worked has been reduced from 455 to 401 in the last decade, which is a decrease of 12 per cent.



Gender distribution, pay and working conditions

In the senior executive and middle management groups, the target of at least 40 per cent representation of both sexes has been achieved. Women account for more than 60 per cent of all case officer and administrative positions. As of 31 December 2024, 61 per cent of our employees were women.

Gender distribution in various career brackets		
Career bracket	Women (%)	Men (%)
Senior management	<div> 42.9</div>	<div> 57.1</div>
Middle managers	<div> 51.4</div>	<div> 48.6</div>
Higher case officer positions	<div> 61.7</div>	<div> 38.3</div>
Other case officer positions	<div> </div>	<div> </div>

	80.0	20.0
Other positions	 61.6	 38.4

Our local salary policy is based on the principle of fair pay and distribution of work. We emphasise that there will be equal pay for equal work and equality between the sexes, and that everyone must be assessed based on performance and capacity in the context of life stage and employment fulltime equivalent. In addition, the parties shall actively strive to ensure that the overall gender pay gap is less than one percentage point in the occupational categories with the highest number of employees.

In general, there are only small pay differences between men and women at all levels. However, the internal statistics show that women earn slightly less on average at all levels. For managers (directors general, deputy managers and heads of section), women earn 97.8 per cent of what their male counterparts make, while for women in case officer positions, this figure is 97.4 per cent.

There are no involuntary part-time positions at the National Audit Office of Norway. We normally only advertise for full-time positions, but in 2024 we appointed one part-time employee. We make arrangements for part-time if employees so request. During 2024, 23 individuals worked in a reduced full-time equivalent, either temporarily or as a permanent arrangement. Of these, 87 per cent were women.

During 2024, three women and two men took parental leave. The women represented 70 per cent of the parental leave taken.

We make little use of temporary employment at the National Audit Office of Norway. The three employees in temporary positions over the course of 2024 were students. We have also had two individuals on work-experience and appointed one apprentice.

### Promotion and development opportunities

To the extent possible, employees shall be given equal educational opportunities and opportunities to qualify for new work tasks. This shall be understood in the context of our life phase policy and the life situation of the individual employee.

The National Audit Office of Norway is a highly skilled organisation, and we devote considerable resources to continuous competence development. In 2024, we continued our work on schemes for acquiring three years of audit practice in order to become a state-authorised public accountant. In 2025, we will assess whether more internal courses can provide continuing education hours, and establish a procedure for such courses.

### Adaptation and the possibility to combine work and family life

Our life phase policy is part of our HR policy and is based on the central government employer policy.

We shall be an attractive workplace for employees in all phases of their professional careers. We emphasise individual measures that are adapted to the life situation or life phase of the individual

employee, and which are directed towards the opportunities of the employee rather than any barriers that might exist. We make arrangements for employees with special needs. The life-phase policy was updated in December 2023.

Employees who require accommodations due to their health or life situation receive individual adaptations of work tasks, equipment at the workplace and working hours, and they are given the opportunity to work from home.

### **Assessment of the results of the efforts**

Overall, we believe that the measures we have taken are in line with our goal of promoting equality, inclusion and diversity and preventing discrimination. These topics all represent continuous efforts. To maintain focus and ensure that we are on the right track, we have decided to conduct a new working environment survey in 2025. One of our targets is to increase the hiring of individuals who are currently unemployed. However, we have not had any qualified applicants with gaps in their resumes or disabilities.

### **6.2.8 Sustainability**

The National Audit Office of Norway maintains a particular focus on areas such as energy consumption, procurements, recycling of waste, and travel.

Our head office is a modern and sustainable commercial building that combines efficient use of resources with environmentally friendly solutions. The building has received the environmental certification *Very good* according to the BREEAM NOR standard. The building is assessed as energy class A and has systems that regulate heating and ventilation 24/7, and that automatically deactivate lights in rooms where there is no activity.



Photo: National Audit Office of Norway

We are continuously working on energy-saving measures. This mainly concerns ventilation times, temperature setpoints, shutdown of the system on Sundays and movable feasts (holidays), as well as restrictive use of additional heating sources. We have upgraded all lights at the head office to LED and will do the same at the regional offices. These measures have led to reduced energy consumption. We have also changed our electricity supplier and are implementing green energy at our head office in 2025.

We include several environmental requirements in our procurements. We have redesigned parts of our premises to adapt to current usage and to reduce floor space. Glass doors and screens were reused to the greatest extent possible. We have prolonged the useful life of numerous office furniture items by arranging for their reuse and recycling through the company Movement. Office supplies and cleaning products are eco-labelled. Statistics show that in 2024, 74 per cent of the National Audit Office of Norway's purchases via the central government office supplies agreement were eco-labelled. The 2024 Christmas gift was delivered in unbleached cardboard and contained only locally sourced food products.

We have extended the normal lifespan of computer equipment from three to five years. Disused IT equipment is delivered to Foxway AS, where the IT equipment is reused. For every computer that is reused, we contribute to reducing CO<sub>2</sub> emissions, reducing the consumption of raw materials and

stimulate a development entailing more efficient use of the products. We have reduced our consumption of paper and only publish our reports in digital format. PaperCut is installed on all multifunction machines, which reduces unnecessary printing.

Our canteen supplier is required to use and purchase at least 15 per cent organic food products and meet stringent environmental requirements for packaging and single-use items. The canteen does not use disposable packaging for the serving of food products.

We use the car-sharing service Bilkollektivet when there is a need to transport goods and services.

In the coming years, the National Audit Office of Norway aims to reduce the number of travel days, air travel and the amount of greenhouse gas emissions over time. This is in line with the UN Sustainable Development Goals. From 2023 to 2024, the total number of flights increased marginally by 1.8 per cent. We had an increase in domestic travel, while international travel decreased by 10 per cent. We have clear guidelines for limiting travel activities where possible. Auditing entities throughout the country, international engagement and our own regional presence nevertheless necessitate a certain amount of travelling. Statistics from the portal of the National Audit Office of Norway's travel agency Berg-Hansen show that travel-related CO<sub>2</sub>-emissions fell by 3.8 per cent in 2024.



## 7 Future prospects

The National Audit Office of Norway's vision is *auditing to benefit the society of tomorrow*. Norway is facing a number of major challenges related to, among other things, climate change, an ageing population and declining government revenues from the petroleum industry – all of which will have consequences for public sector budgets and place new and higher demands on the public administration. Against this backdrop, we aim to provide topical and relevant audits that add value to the Storting, the public administration and the population.

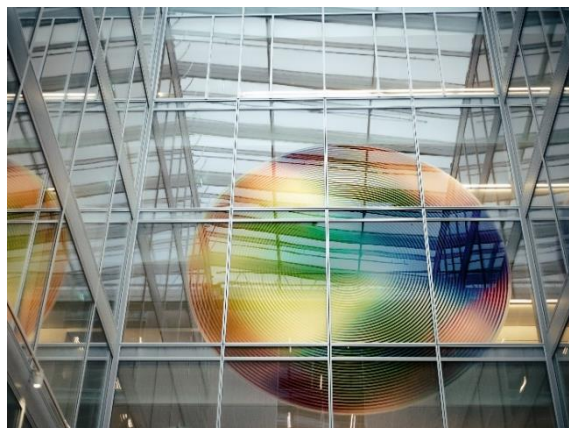


Photo: National Audit Office of Norway

To achieve this, we will prioritise audits in the areas of climate change, civil protection, improvement of the public sector, access to and use of resources, as well as safeguarding vulnerable groups.

In November 2024, we organised the Public Sector Improvement Conference for the second time (see the discussion on the conference on page 15). This conference allows us to clearly highlight the work we are doing to improve the public sector. We are planning a new conference in November 2025.

The National Audit Office of Norway plays an important role in the improvement and adaptation of the public sector. Our ambition is to enhance the dialogue with the public administration in order to understand their characteristics and needs. The aim is to contribute to the development of the public administration, including by placing greater emphasis on guidance. To do so, we need to balance our controls of the public administration with guidance and contribution to the improvement of public entities.

Developments in society place significant demands on us in terms of competence and the way we communicate our findings, conclusions and recommendations. In the coming years, we will therefore place considerable emphasis on further developing competencies in the organisation and recruiting new competencies where necessary. In order to succeed, we need to be an attractive employer that offers good facilities for employees while simultaneously maintaining the high pace of our development and streamlining.

Our new Strategic Plan, *A New Era*, was adopted in late 2024 and covers the period 2025–2027. The strategy will help us fulfil our social mission as set out in section 1 of the Act relating to the National Audit Office of Norway:

“The National Audit Office of Norway is the Storting’s audit and oversight body, contributing to democratic oversight to ensure sound and effective management of the central government’s resources in accordance with the Storting’s decisions and intentions.”

The main thrust of the strategy is to specialise in financial audits, develop a more varied portfolio of performance audits, adopt new technology, streamline work processes and organisation, and achieve financial gains by investing in expertise and technology. The strategy shall be actively

followed up, and we have established performance indicators to monitor our progress towards achieving the goals. This will also be information we will report to the Storting in our annual reports. Through our own action plan, we have defined and prioritised the measures to be implemented up to 2027 in order to realise the strategic plan.

## 8 Budget and accounts 2024

The financial statements of the National Audit Office of Norway are audited by PwC, on appointment by the Presidium of the Storting. The 2024 report showed that our financial statements were free of material flaws and shortcomings. The financial statements, with notes and the auditor's report, have been submitted to the Presidium of the Storting.

Budget and cash accounts for 2024 (in NOK thousands)

Chapter	Item		Financial statements 2023	Budget 2024	Financial statements 2024
0051		National Audit Office of Norway			
	01	Operating expenses	612,866	648,705	610,100
	75	Grants for international organisations and networks	28,700	28,700	28,700
		Total recognised expenditure	<b>641,566</b>	<b>677,405</b>	<b>638,800</b>

Chapter	Item		Financial statements 2023	Budget 2024	Financial statements 2024
3051		National Audit Office of Norway			
	01	Reimbursements	2,219	0	0
	02	Reimbursements abroad	1,429	300	947
		Total recognised in income	<b>3,647</b>	<b>300</b>	<b>947</b>

### 8.1 Under-utilisation of the budget

The National Audit Office of Norway's total allocation under chapter 0051 was NOK 677.4 million in 2024, including NOK 6.3 million carried over from 2023. NOK 638.8 million was expensed under this chapter in 2024. This resulted in under-utilisation in the amount of NOK 38.6 million.

The under-utilisation in 2024 is due to several factors. The central government wage settlement for 2024 was not finalised until late November, and the National Audit Office of Norway will not disburse the resulting payments until 2025. Furthermore, some projects that were initiated in 2024 have been delayed, and some activities and measures that were completed in 2024 will not be disbursed until 2025.

In accordance with section 5 of the Appropriation Regulations, the National Audit Office of Norway has applied to have the funds transferred to 2024. These funds will be used to cover back pay from the 2024 wage settlement, incurred expenses, and also other development projects.

## 8.2 Executive salaries

The salary of the Chair of the Board of Auditors General is determined by the Storting and was NOK 1,861,215 as per 1 May 2024. The remuneration of the other four members Auditors General is 11 per cent of the Chair's salary.

The salary of the Secretary General was NOK 1,951,154 (from 1 May 2023). The salaries of the seven Director Generals range from NOK 1,598,270 to 1,657,680. The average salary was NOK 1,631,056.

Neither the annual salaries of the Secretary General nor those of the Director Generals were adjusted in 2024 due to the delayed wage settlement. This adjustment will take place in 2025, with retroactive effect from 2024.

## Appendices

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Appendix 1:

# Management's comments to the Annual Accounts

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Appendix 2:

# **Annual accounts of the National Audit Office of Norway**

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Appendix 3:

# Audit report

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