



Monthly newsletter

September 2025



Highlights from the meeting with the European Parliament's Committee on Budgetary Control

Chairman of the Albanian Supreme Audit Institution, Mr. Arben Shehu, meets Members of the European Parliament's Committee on Budgetary Control

On September 17, 2025, the Chairman of the State Supreme Audit Institution (ALSAI), Mr. Arben Shehu, received a delegation from the Committee on Budgetary Control of the European Parliament.

The meeting took place within the framework of the mission conducted by the Committee on Budgetary Control, led by its Chair, Mr. Niclas Herbst, in Montenegro and Albania from September 16 to 18, 2025.

During the meeting held at ALSAI with the Members of the European Parliament responsible for budgetary control, discussions focused on the importance of independent external audit institutions, such as ALSAI, in auditing European Union funds allocated to various sectors of the economy. Particular emphasis was placed on the importance and appreciation of the cooperation that ALSAI maintains with other institutions in pursuit of shared objectives.

The representatives of the Committee on Budgetary Control praised ALSAI's auditing work in overseeing the proper use of both budgetary and EU funds, highlighting its role as a key factor in Albania's progress towards EU membership. The Members of the European Parliament also underlined the importance of implementing ALSAI's recommendations.

During their mission in Albania and Montenegro, the Members of the European Parliament evaluated the establishment and initial functioning of the new control and audit mechanisms created within the framework of the "Reform and Growth Facility for the Western Balkans (RFG)," which aims to ensure sound financial management of EU funds.

The Head of the Delegation, Mr. Niclas Herbst, stated: "During our missions in Montenegro and Albania, we assessed whether the foundations exist for sound financial management, independent auditing, and a zero-tolerance approach towards fraud and corruption. Montenegro remains ahead, yet both countries have made progress in aligning their legal and institutional frameworks with EU standards—particularly in the rule of law, combating organized crime, asset recovery and confiscation, and anti-money laundering. Discussions with the Ministries of Finance and the coordinators of the 'Reform and Growth Facility for the Western Balkans (RFG)' confirmed that internal control and audit mechanisms have been established and are functioning. However, serious concerns remain regarding how the RFG funds will be used."



Audit: “Pollution in the Artificial Lake of Tirana”



Key field findings from the Environmental Audit on the Artificial Lake of Tirana



Photos from the on-site verification conducted by the audit team.

The Albanian Supreme Audit Institution (ALSAI) conducted a thematic compliance audit in the Municipality of Tirana, its subordinate institutions, and the National Environmental Agency (NEA), regarding pollution in the Artificial Lake of Tirana.

This audit was initiated in response to public concern over the pollution of the Artificial Lake, where green and yellow algae had developed, covering large surfaces and emitting an unpleasant odor that disturbed visitors to the Grand Park of Tirana (GPAT).

The objective of the audit was to evaluate and analyze the measures taken by the responsible institutions to address the identified problems of water pollution and damage to aquatic life within the lake basin, covering the period 2021–2024.

The review of evidence revealed shortcomings in several areas of activity, both in the prevention phase and in monitoring and response actions aimed at mitigating environmental pollution.

Some of the key findings of the audit group were as follows:

- The National Environmental Monitoring Program has determined that the Tirana Artificial Lake will be monitored annually. This program also defines the indicators that must be analyzed during these monitoring (including physical-chemical, microbiological indicators, pesticides, heavy metals, etc.) as well as the respective frequency. The audit found that, not only for the audited period (2021-2024), but also beyond this period (at least since 2015), the NEA has never conducted annual monitoring for the Tirana Artificial Lake.
- The Parks and Recreation Agency (APR), despite having identified and substantiated, also from the results of the National Environmental Agency's analyses, that untreated urban wastewater is being discharged into the lake (since October 2024), apart from written correspondence, has not taken any concrete measures to identify the causes of pollution and resolve the issue.
- From the verification carried out on site by the audit group, it was evident that in addition to the 7 points identified by the APR and samples taken for analysis by the KTA, there are 3 other points of rainwater channels that flow into the lake, which were damaged, blocked or had used water spillage. It does not appear that samples have been taken and inspections have been carried out for these points. Regarding the above, despite the fact that we were dealing with a critical environmental situation, the inspection carried out by ARM Tirana has not been complete, and no concrete steps have been taken by the institutions to identify the polluters, to assess whether there are also entities that have environmental permits, to continue taking measures to eliminate the discharge of untreated/polluted water (urban/industrial, etc.) directly into the lake.



Fish on the surface. Photo from the audit team's field verification.



- According to the data made available, the area within the Great Artificial Lake Park is not covered by a sewage network for urban wastewater. The Municipality of Tirana and its subordinate institutions do not have any information, nor have they conducted any on-site verification, on the methods of individual treatment of wastewater by entities operating within the territory of the Lake Park.
- The institutions subordinate to the Municipality of Tirana (APR, Tirana Water and Sewage JSC etc.) do not have information on the location or management/cleaning of septic tanks of entities located within the territory of the Lake Park, in contradiction with the functions of the municipality, as defined in Law No. 139/2015 “On Local Self-Government”, as amended.
- The Parks and Recreation Agency does not have a structure in the Directorate of the Administration of the Great Artificial Lake Park, to guarantee the fulfillment of the functions of control, inspection, and detection of illegal activities, as defined in the internal regulation. As a result, no environmental problems have been identified over the years regarding possible causes of lake water pollution and no specific analyses have ever been requested to identify problems before the pollution appears on the surface and receives media attention.

Audit: “Cybersecurity in Critical Infrastructure – E-Taxation”

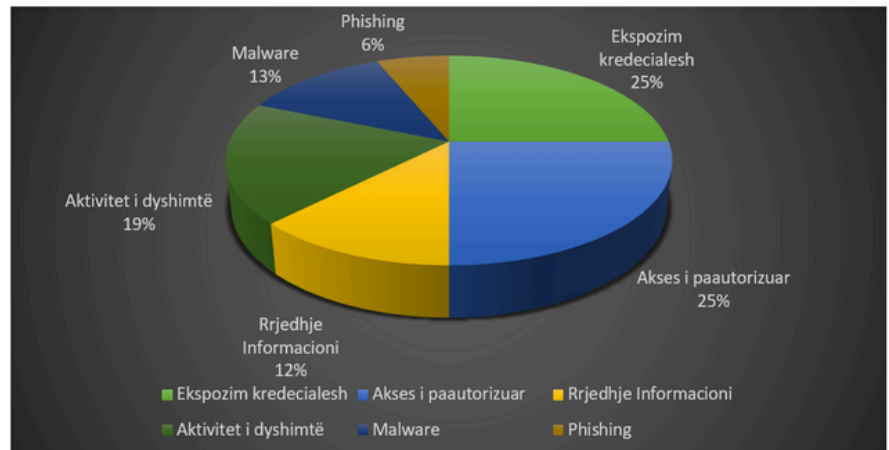
In recent years, Albania has experienced several cyberattacks that have highlighted the weaknesses of cybersecurity systems and have increased the need for stronger protective measures. Revenue and public finance management systems, such as the E-Taxation system, are potential targets for cyberattacks, aiming to destabilize fiscal administration, steal financial data or manipulate transactions. Being part of a global digital market, Albania has faced the same challenges as many other countries in ensuring that its critical infrastructures are protected from cyber risks. The National Cyber Security Authority (AKSK) and the National Information Society Agency (AKSHI) have an important role in developing security policies and standards that protect these systems from potential attacks.

In this context, the tax administration in Albania and the E-Taxation system require strong protective measures to ensure that citizens and businesses have confidence in the security of their financial data. Cyberattacks in the tax sector can cause major financial losses, damage market stability and reduce trust in state institutions, directly affecting the well-being of society and the country's economy.

Given this situation, the Supreme State Audit Office conducted a performance audit on the topic "Cybersecurity in the critical infrastructure E-Taxation".

The audit had as its main objective the assessment and analysis of the measures taken by the responsible institutions, such as: the General Directorate of Taxes (GDT), the National Agency for the Information Society (AKSHI), the National Authority for Cybersecurity (AKSK) on the functioning and cyber security of the electronic tax system E-Taxation.

Distribution of incidents during the period 2023-2024



The cybersecurity audit for the E-Taxation critical infrastructure identified several key issues related to improving the legal and regulatory framework, dividing institutional responsibilities and implementing security measures, increasing the coordination of organizational and technical cooperation between the GDT, AKSHI and AKSK institutions, as well as increasing the technical and human capacities for responding to incidents.

The audit resulted in the identification of 21 incidents for the General Directorate of Taxes in the period 2023-2024, where cases of exposure of credentials and unauthorized resets are repeated, which indicates deficiencies in the implementation of password policies. Although the incidents were addressed in a timely manner and did not cause high-impact consequences, there is a continuing risk of compromising the integrity of the system and data security, especially if sustainable preventive and remedial measures are not taken.

Credential Exposure and Misuse

Incidents indicate that privileged and standard user credentials have been exposed or misused, leading to potential security breaches. Cases involving the use of administrator credentials in unauthorized contexts and individual credential leaks suggest that access controls may not be properly enforced, leaving critical systems vulnerable. When credentials are exposed, attackers can exploit them to gain unauthorized access, escalate privileges, or launch further cyberattacks. These indicate a lack of secure authentication mechanisms and insufficient monitoring of credential activity, increasing the risk of insider threats and external breaches.

Data Leaks

Incidents of data leaks have been identified, posing serious risks to confidentiality and regulatory compliance. Exposure of data, whether through intentional exfiltration or unintentional leaks, can have serious consequences. These incidents highlight potential gaps in data access controls and insufficient monitoring of information flows, allowing unauthorized users to obtain and distribute data. The presence of incidents within this category indicates a systemic weakness in the implementation of security policies around data protection.

Audit message:

Although important steps have been taken towards improving cybersecurity in Albania, the audit highlighted the urgent need to strengthen and harmonize the legal and regulatory framework, in particular regarding the implementation of security measures in critical and important information infrastructures. Legal inconsistencies, lack of training and documentation for end users, as well as gaps in specialized human resources, both in the Directorate of Cyber Monitoring and Protection and in the Data Security Sector, significantly increase exposure to cyber risks and limit the capacity to respond to incidents.

On the technical side, the audit identified a lack of documentation and insufficient environmental controls in the event of floods or fires in the government Data Center. Also, in the General Directorate of Taxes' E-Taxation system, the lack of data encryption policies, irregular review of logs, and lack of controls for external access by third parties pose a threat to information security, leaving the system exposed to unauthorized access and events not identified in time.

COOPERATION WITH PEER SAIS

ALSAI participates in parallel audit on “Population Ageing” in 11 countries

On September 9-11, 2025, an international conference on parallel auditing on the topic of “Population Ageing” was held in Skopje, under the organization of the coordinator of this initiative, the SAI of Israel, which also holds the Presidency of the European Organization of Supreme Audit Institutions (EUROSAI).

This parallel audit is attended by 11 supreme audit institutions from: Albania, North Macedonia, Austria, Lithuania, Malta, Paraguay, Poland, Portugal, Slovakia, Czech Republic and Israel. The activity began with a welcoming speech by the Auditor General of North Macedonia, Mr. Maksim Acevski, who appreciated the importance of the conference for the development of discussions and the exchange of experiences from all countries participating in the parallel audit “Population Ageing”.



The President of EUROSAI, the Head of the SAI of Israel, Mr. Matanyahu Engelman, welcomed the participants through a video message, highlighting the successful international cooperation in implementing parallel auditing. In his speech, the President of EUROSAI, Mr. Matanyahu Engelman, said: “Let us not forget, behind the audits there are people. Our parents. Our grandparents. Our neighbors. Ourselves, just a few years from now.”



The conference proceedings continued with a presentation on demographic aspects and trends in North Macedonia, as well as data from the participating countries. Further, there was a discussion on preliminary audit findings in several areas, such as: government plans and budgetary aspects, well-being and quality of life after retirement; preparation of the pension system; community services for the elderly.

The ALSAI held a presentation on the progress of performance auditing on the topic “Comprehensive plans and budgetary aspects for an aging population”.

The activity presented an excellent opportunity for the exchange of knowledge, good practices and cooperation between Supreme Audit Institutions, members of EUROSAI, in terms of supporting decision-makers in facing the challenges of population aging.

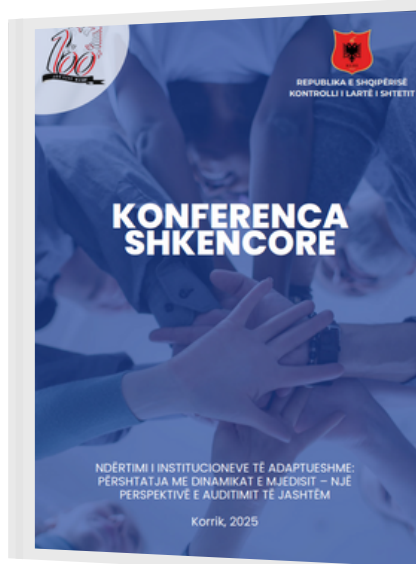
ALSAI organizes the second working meeting on "Cyber Security", in cooperation with the Office of the Auditor General of Norway (OAGN)

Within the framework of the cooperation between the ALSAI and the Office of the Auditor General of Norway (OAGN), the II workshop on “Cyber Security” with the topic “Ethical Hacking” was held in Vlorë from 15 to 19 September 2025. At the invitation of the ALSAI, the team of Norwegian experts and the ALSAI group were also joined by representatives from other counterpart SAIs, such as the Turkish TCA, the Kosovo NAO, the Slovenian SAI, the Swedish SAI and the SAO of North Macedonia. With the rapid increase in digitalization, public institutions are increasingly exposed to cyber attacks, so the focus of this workshop was the security test that takes place in “Active Directory” environments and protection methods. IT auditors should be increasingly careful with these tests, in order to verify the functioning of security measures in order to strengthen the digital services of institutions and increase citizen trust.



During the workshop, the theoretical and practical steps of the phases of a security test were addressed, such as: information collection, scanning and enumeration, exploitation of vulnerabilities, maintaining access and reporting and recommendations. Also, theoretical sessions on basic concepts were offered and the use of practical tools for security testing in simulated environments was benefited. On behalf of the Chairman of the ALSAI, Mr. Arben Shehu, a special greeting was conveyed to the participants in the workshop, emphasizing once again the importance of cooperation between institutions in further technological development and building the necessary capacities, with the aim of obtaining and sharing best practices in this field.

THE BOOK “SCIENTIFIC CONFERENCE” IS PUBLISHED



“Building Adaptable Institutions: Adapting to Environmental Dynamics - An External Audit Perspective”

ALSAI has published the book “Scientific Conference” - “The building of the adaptable institutions : Adaption to the dynamics of the environment – A perspective on the external auditing”.

The publishing of the book comes after the Conference organised by ALSAI on the 6th and 7th May 2025 in Tirana, with the participation of the other SAIs from the region and beyond ,also international experts, academics and other professionals of the field. This served as a platform to exchange better practices ,for common reflection and for a deeper professional cooperation. In the conference a lot of high level works were presented, that address key topics, such as: quality management according to the international standards, digitalization in auditing, institutional capacities and impact auditin, etc. “This publishing concludes the benefits of this conference and presents an important contribute in professional literature of the public auditing, becoming an concrete statement of our dedication to move the institution forward not only by auditing, but also with a vision, critic thinking and leading of the reforms”, says in the opening word of the book, the Chairman of the ALSAI, Mr. Arben Shehu.

The book is prepared by the Department of Methodology, Strategic Planing and Professional Development , with the support and care of the Chairman of the ALSAI, Dr. Arben Shehu.

The topic of the conference “The building of the adaptable institutions: Adaption to the dynamics of the environment - A perspective on the external auditing” comes as an answer to the new challenges that connect with the technologic transformation, climatic crises, social dynamics and the need for transparence in the confrontation with the public governance. “In this jubilee of a century of work and contribution in the service of the state and citizens, we do not only celebrate the past. We are committed to the future, to a more innovative, more flexible, closer to the citizen and more integrated into the global network of supreme audit institutions”, emphasizes Mr. Shehu in his speech in the introduction to the book.

The Book of the Scientific Conference is published on the official website of the ALSAI and can be accessed online by anyone interested.



The ALSAI participates in the reception organized by the Ambassador of Saudi Arabia to celebrate the Kingdom's National Day



On September 18 , 2025 , the ALSAI participates in the organised reception by the Ambassador of Saudi Arabia in Albania, his Honor, Mr. Faisal Ghazi Hifzi, on the occasion of the celebration of the National Day of the Kingdom of Saudi Arabia. This event brought together prominent personalities from the field of diplomacy and state institutions. Representatives of the Albanian Supreme Audit Institution, in the name of the Chairman of the ALSAI, Mr. Arben Shehu, expressed the Ambassador congratulations on this important event and appreciation for the friendly and cooperative relations between Albania and Saudi Arabia. They emphasized the importance of strengthening international ties, including through continued cooperation in the areas of transparency and public accountability.

This event served as an opportunity to further strengthen diplomatic and friendly relations between the two countries, while the SAI continues to be committed to promoting high auditing standards internationally.



The auditing world gathers in Egypt, the XXV INTOSAI Congress will be held in October

From 27 to 31 October 2025, one of the most important events in the world of external public auditing, the XXV Congress of INTOSAI, will be held in Sharm El-Sheikh, Egypt.

The Congress brings together supreme audit institutions from around the world to discuss and decide on the future of auditing. The focus of the 2025 Congress will be on two main issues: "Central Bank Auditing" and "Artificial Intelligence in Auditing".

The Accountability State Authority (ASA), as the Supreme Audit Institution of the Arab Republic of Egypt, is the host SAI of XXV INCOSAI, in accordance with the approval made during the XXIV INCOSAI held in Rio de Janeiro-Brazil in November 2022.

Objectives of the Congress:

Within the framework of the general tasks of the Congress, INCOSAI XXV will comprehensively exchange ideas, knowledge and experiences among Supreme Audit Institutions in the field of auditing government activities and central banks during financial and economic crises and seeks to explore the use of artificial intelligence techniques in auditing; two issues that constitute the core of the two technical themes of INCOSAI XXV.

At the end of the activities, the Congress adopts the Sharm El-Sheikh Declaration. The Declaration clearly expresses the consensus of the Congress participants on all the issues proposed for discussion and the recommendations made in relation to them. The Declaration also emphasizes the commitment of member SAIs to the principles and foundations that consolidate the mission and objectives of INTOSAI, as well as to the values of accountability and transparency in auditing.

The INTOSAI Congress (INCOSAI) is the highest organizational level of the members of the International Organization of Supreme Audit Institutions.

The National Audit Office of the Kingdom of Thailand celebrates its 150th anniversary



GLOBAL ROLE



- Member of INTOSAI, ASOSAI, ASEANSAI
- Aligned with global standards: Lima Declaration, ISSAI 100, Moscow Declaration
- SAO Thailand = active partner in knowledge sharing & governance improvement








The Supreme Audit Office of Thailand participated on 16 and 17 September 2025 in the international webinar "Guardians of Public Accountability: Audit Culture and Institutional Evolution", organized by the National Audit Office of the Kingdom of Thailand, in the framework of the celebration of the 150th anniversary of public audit in Thailand. The webinar served as a way to commemorate the long and rich history of the Thai public audit institution, which dates back to 1875, when King Chulalongkorn established the first Audit Office at the Grand Palace, marking a key moment in the country's efforts to modernize and align with international standards. Since then, the Thai audit institution has gained global recognition, including leading roles in bodies such as ASOSAI and INTOSAI.

This event brought together experts and auditors from around the world to explore the evolution of Supreme Audit Institutions (SAIs) and their cultural significance, providing an opportunity to reflect on the history, challenges and growth of these institutions. The webinar aimed to foster dialogue on the historical, cultural and ethical dimensions of auditing and how SAIs have adapted to political, social and global changes over time.

The two-day event served as a platform for collaboration, reinforcing the importance of public accountability in governance.

Thank you for reading!

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 "Abdi Toptani" Street No. 1 Tirana	 Public reception hours: Monday Thursday: 08:00 – 16:30 Friday: 08:00 – 14:00