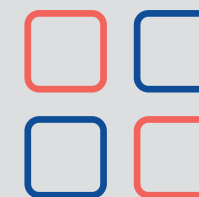
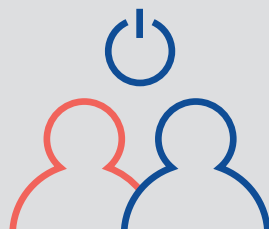
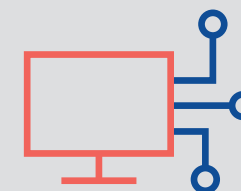
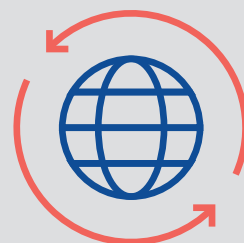
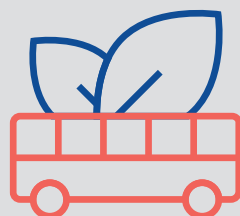
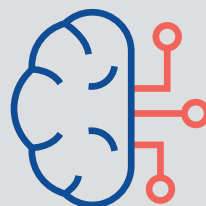
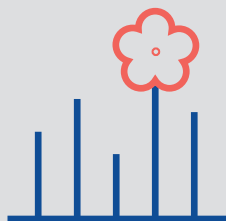


ANNUAL REPORT

2023

EIDGENÖSSISCHE FINANZKONTROLLE
CONTRÔLE FÉDÉRAL DES FINANCES
CONTROLLO FEDERALE DELLE FINANZE
CONTROLLA FEDERALA DA FINANZAS
SWISS FEDERAL AUDIT OFFICE



DIRECTORS' FOREWORD

KEEPING AN EYE ON THE BIGGER PICTURE

The following pages highlight the wide range of audit activities carried out last year. With around 150 completed audits and an even larger number of recommendations, the Swiss Federal Audit Office (SFAO) plays an important role in increasing effectiveness and economic efficiency. In the 2022 annual report, I described the major challenges that need to be tackled together. The SFAO's contribution to this consists of uncompromising objectivity, a little perseverance, a critical and self-critical mindset, and more. Looking back on last year confirms this. In a complex and unstable environment, it is also important to keep an eye on the bigger picture. Here are a few highlights from 2023.



Pascal Stirnimann
Director

Swift action was required after the CS rescue

An unexpected situation arose in the first quarter of 2023 when the Confederation granted a CHF 100 billion default guarantee to rescue Credit Suisse and committed to assuming losses totalling CHF 9 billion. The SFAO immediately assessed the extensive contracts and began an audit of the supervision of these instruments. We discontinued the audit in August 2023, as the loans were repaid and UBS decided not to avail itself of the loss protection guarantee. However, the topic remains relevant beyond the calendar year. This will take the form of an audit of the provisioning requirements at the end of the year, as well as a supervisory audit at the Swiss Financial Market Supervisory Authority (FINMA). Our prompt action shows that we are constantly adapting our auditing activities to changing conditions and risks, and that we address new topics immediately, especially when they affect major areas such as the federal budget.

The federal budget – resource awareness is more important than ever

The federal finances are under pressure. Although extraordinary expenses of around CHF 3 billion have decreased significantly, special factors are becoming the order of the day. The shortfall in the amortisation account is increasing and stands at around CHF 22.6 billion. This is debt that must be reduced over the next few years and represents a mortgage for the future. More frequent and simultaneous crises are not easing the situation.

The SFAO therefore uses performance audits to identify potential savings and improvements – as was the case with the evaluation of the COVID-19 hardship assistance design. In the case of COVID-19 in particular, various audits have shown, even three years after the outbreak of the pandemic, that the financial impact still needs to be dealt with. The pandemic may have largely disappeared,

but funding spent on improperly obtained assistance will also remain lost if not systematically recovered. Our data analyses and recommendations for combating abuse have shown the perseverance needed to keep our eyes on the bigger picture.

Summary reports on subsidy audits and digital transformation

One tool for recognising major issues that affect many administrative units equally is to consolidate audit results into summary reports. They serve to identify patterns or particular challenges. Such reports not only provide order, they are also future-orientated. The aim is to learn from the past for the future, and not to be content with merely remedying individual findings.

In a summary report on 36 subsidy audits, we identified where the design, implementation and impact of subsidies need to be improved. After all, they account for over 60% of the federal budget and amount to almost CHF 50 billion each year. Even though the SFAO has identified potential for savings and optimisation in numerous audits in recent years, political will is crucial. Without this, subsidy cuts are rare.

A further summary report addressed digital transformation projects in the Federal Administration. On the basis of 16 audits, the SFAO identified seven critical success factors, without which many projects are in danger of failing. It is important to focus on these factors.

Sustainability – more than just a passing trend

Sustainability is a guiding principle in many strategies and represents a key focus in government action. However, it is also a buzzword and a trendy topic. If applied in this way, guiding principles become arbitrary. We always take a risk-oriented approach to the issue, and examine where there is an impression that economic efficiency, effectiveness or correctness could be jeopardised. In 2023, two SFAO evaluations on the promotion of photovoltaics and the impact of the CO₂ tax exemption revealed a need for improvement. This would result in a more effective and resource-efficient use of funds totalling billions. This issue is and remains a major priority for the SFAO.

Political funding: elections litmus test and unanswered questions

We successfully completed our tasks related to the new transparency rules for the first time. The litmus test was the federal elections in autumn 2023, when we had to provide a viable implementation solution in good time, and inform those affected about their new obligations. The political players showed a high level of willingness to comply with the legal requirements. However, it would be premature to draw initial conclusions. We will be able to gather further experience from the first federal popular votes and from the disclosures on party funding. This will feed into an evaluation of the rules. It will then be necessary to clarify whether it makes sense for the SFAO to assume these tasks. The SFAO is asking this, as it could dilute its core tasks as the supreme independent financial supervisory body.









Independence and professionalism are our cornerstones

These highlights show that this wide range of topics, which cover many different interests and complex issues, cannot be professionally audited without absolute independence and uncompromising objectivity. And one thing is for sure: the SFAO is independent and objective. The SFAO does everything in its power to nurture and cultivate these success factors so that they continue to be the SFAO's unique selling point in supreme financial supervision.

The SFAO would not be able to carry out its work if it were not supported by professional, committed and efficient employees. Finally, I would therefore like to express my special thanks to them for what they have achieved and accomplished over the past year.

CONTENTS

PART I – THE MAIN RESULTS OF AUDITS

	PUBLIC FINANCES, TAXES, CREDIT SUISSE AND COVID-19	8
	ECONOMY AND LABOUR MARKET	17
	EDUCATION AND CULTURE	20
	HEALTH, SOCIAL SECURITY AND SPORT	23
	ENVIRONMENT, TRANSPORT, ENERGY, COMMUNICATION	27
	ARMED FORCES AND CIVIL PROTECTION	32
	INTERNATIONAL RELATIONS	36
	JUSTICE AND POLICE	39
	FEDERAL IT PROJECTS	42

PART II – POLITICAL FUNDING

NEW RULES FOR POLITICAL ACTORS – NEW TRANSPARENCY FOR SWITZERLAND	49
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PART III – FINANCIAL SUPERVISION MEANS AND FIGURES

A	OBJECTIVES AND SCOPE OF FINANCIAL SUPERVISION	53
B	QUALITY MANAGEMENT AND QUALITY ASSURANCE	53
C	RECOMMENDATIONS	54
D	REPORTING OF MAJOR IRREGULARITIES TO THE FEDERAL COUNCIL	54
E	PUBLICATIONS, ACCESS TO INFORMATION AND MEDIA PRESENCE	57
F	WHISTLEBLOWING	58
G	HUMAN RESOURCES AND FINANCES	60
H	ORGANISATIONAL CHART OF THE SFAO	61

APPENDICES

OVERVIEW OF COMPLETED AUDITS (MANDATE NUMBERS)	63
ABBREVIATIONS	74





1 THE MAIN RESULTS

Public finances, taxes, Credit Suisse and COVID-19



THE MAIN RESULTS

POLITICAL FUNDING

MEANS AND FIGURES

APPENDICES



Auditing the public financial budget is one of the SFAO's core tasks. Its beginnings stretch back well into the last century. This mandate was already included in the first version of the Federal Audit Office Act (FAOA) in 1967.¹ In 2023, the SFAO audited the 2022 federal financial statements in fulfilment of this legal mandate and recommended them to the Federal Assembly for approval in its report dated 29 March 2023.¹ It also published further audit findings on the public finances and conducted a series of audits on COVID-19 measures.

Compliant financial statements for 2022

The federal financial statements recorded a loss of CHF 2.4 billion for 2022, with operating revenue of CHF 75.6 billion as against operating expenses of CHF 78.9 billion. The financial result was negative, at CHF 0.6 billion. The result from financial interests stood at CHF 1.5 billion. Tax receipts accounted for 94.5% of revenue.

Extraordinary expenses totalled CHF 3.0 billion, or just under 4% of operating expenses. CHF 2.3 billion of this was linked to COVID-19 measures, and CHF 0.7 billion to expenditure on social assistance for people from Ukraine with Protection Status S. Extraordinary expenses for COVID-19 measures decreased from the peak levels seen in previous years.

The SFAO recommended approval of the federal financial statements with one reserve. This concerned the recognition of changes in provisions for withholding tax totalling CHF 500 million, which were recognised in the financing statement. According to the Financial Budget Act (FBA), the postings do not fall under current receipts and expenditure and should therefore not be recognised as financially relevant in the debt brake. This reserve has been in place for years. An amendment to the law means that this reserve will no longer apply from fiscal 2023 and the accounting practice will be legally compliant.

The SFAO also audited the 2022 annual financial statements of the National Highways and Urban Transport Fund (NAF) and found them to be in order.² The Confederation uses this fund to finance national highways and support urban transport projects. The SFAO reached the same conclusion in its audit of the annual financial statements of the Rail Infrastructure Fund (RIF).³

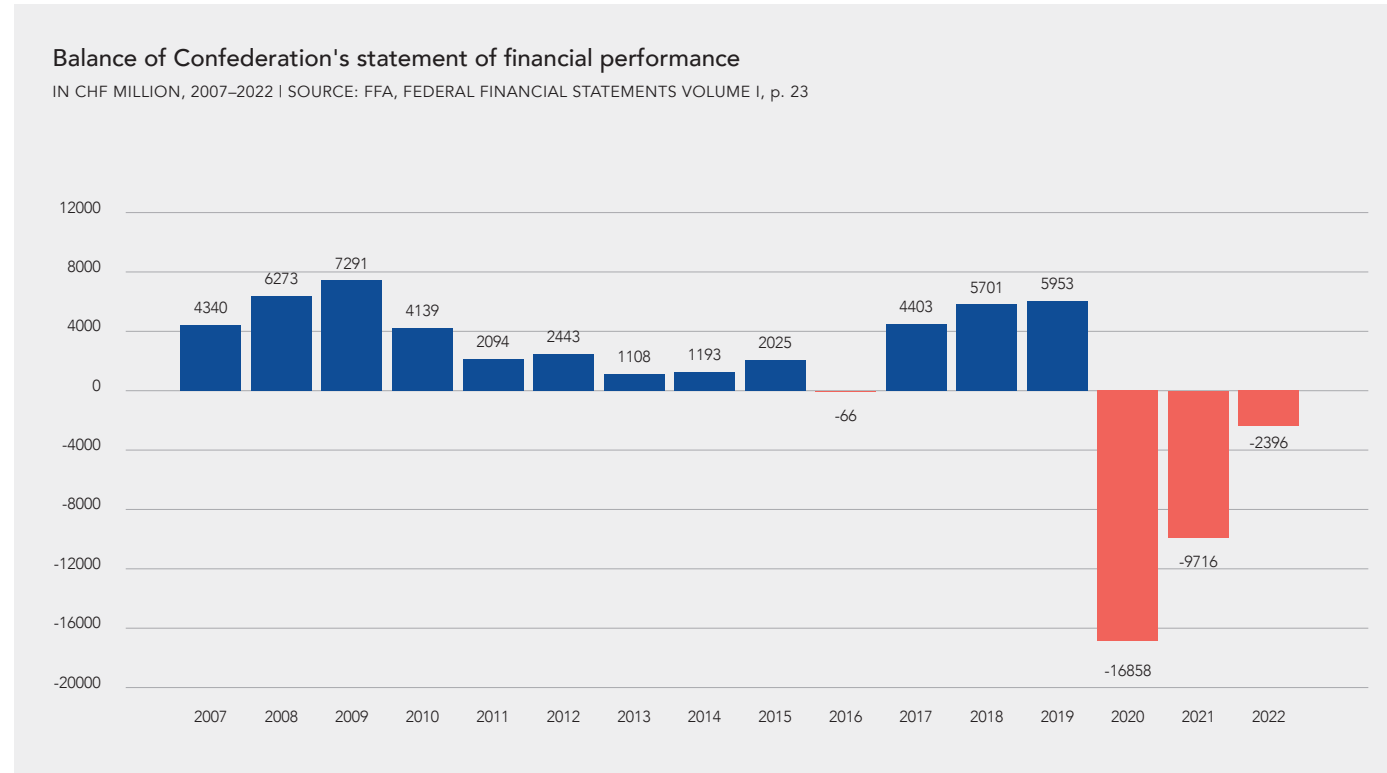
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¹ See Audit report [22504](#). The audit was carried out in part with the support of the Federal Administration's internal audit units. Aside from a few exceptions set out in the Financial Budget Ordinance of 5 April 2006, the financial statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS).

² Audit report [22360](#)

³ Audit report [22758](#)

¹ [Botschaft des Bundesrates an die Bundesversammlung zum Entwurf eines Bundesgesetzes über die eidgenössische Finanzkontrolle vom 25. November 1966, p. 708 et seq. and p. 729, in: Federal Gazette 1966, Vol. 2/49, pp. 708-734.](#)



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⁴ Audit report [23506](#). Data from the cantons of AG, BE, FR, GE, NE, NW, OW, VD and ZH was analysed.

National Fiscal Equalization 2024: need for action by some cantons

The National Fiscal Equalization (NFE) is intended to reduce cantonal differences in financial performance and make government tasks more efficient. The total volume of the NFE will increase by 5.45% year-on-year to CHF 5.9 billion in 2024. Of this amount, 60% is paid by the Confederation and 40% by the resource-rich cantons, thus placing a considerable burden on the federal budget. The SFAO is auditing the collection and calculation of financial equalization data for the 2024 NFE. To this end, it assessed the processes of the federal offices concerned and the implementation of pending recommendations in nine selected cantons, and came to the following conclusion:⁴

The NFE process is effective at the Federal Finance Administration (FFA) and the Federal Statistical Office (FSO). Data processing is executed correctly and the internal control systems (ICS) are functioning. Recommendations have been implemented. The SFAO issued two new recommendations for the Federal Tax Administration (FTA). There are major differences in the quality assurance process for tax data in the cantons audited. The SFAO also found errors in various indicators. Errors in connection with the indexing of the taxable profit of legal entities were corrected.



BEHIND THE SCENES

What audits did the SFAO conduct for the Credit Suisse rescue?

On 19 March 2023, the Confederation granted a default guarantee of CHF 100 billion to the Swiss National Bank (SNB) to allow liquidity assistance loans to be issued to Credit Suisse. In addition, UBS received a federal loss protection guarantee in the amount of CHF 9 billion. The SFAO examined the voluminous agreements to ensure that clear criteria were agreed and that these could subsequently be audited. The SFAO then began a supervision audit of these rescue measures, but was fortunately able to discontinue it following the announcement on 11 August 2023 that the loans had been fully repaid and the default guarantee could therefore be cancelled. In addition, UBS waived the loss protection guarantee. A supervision audit of these

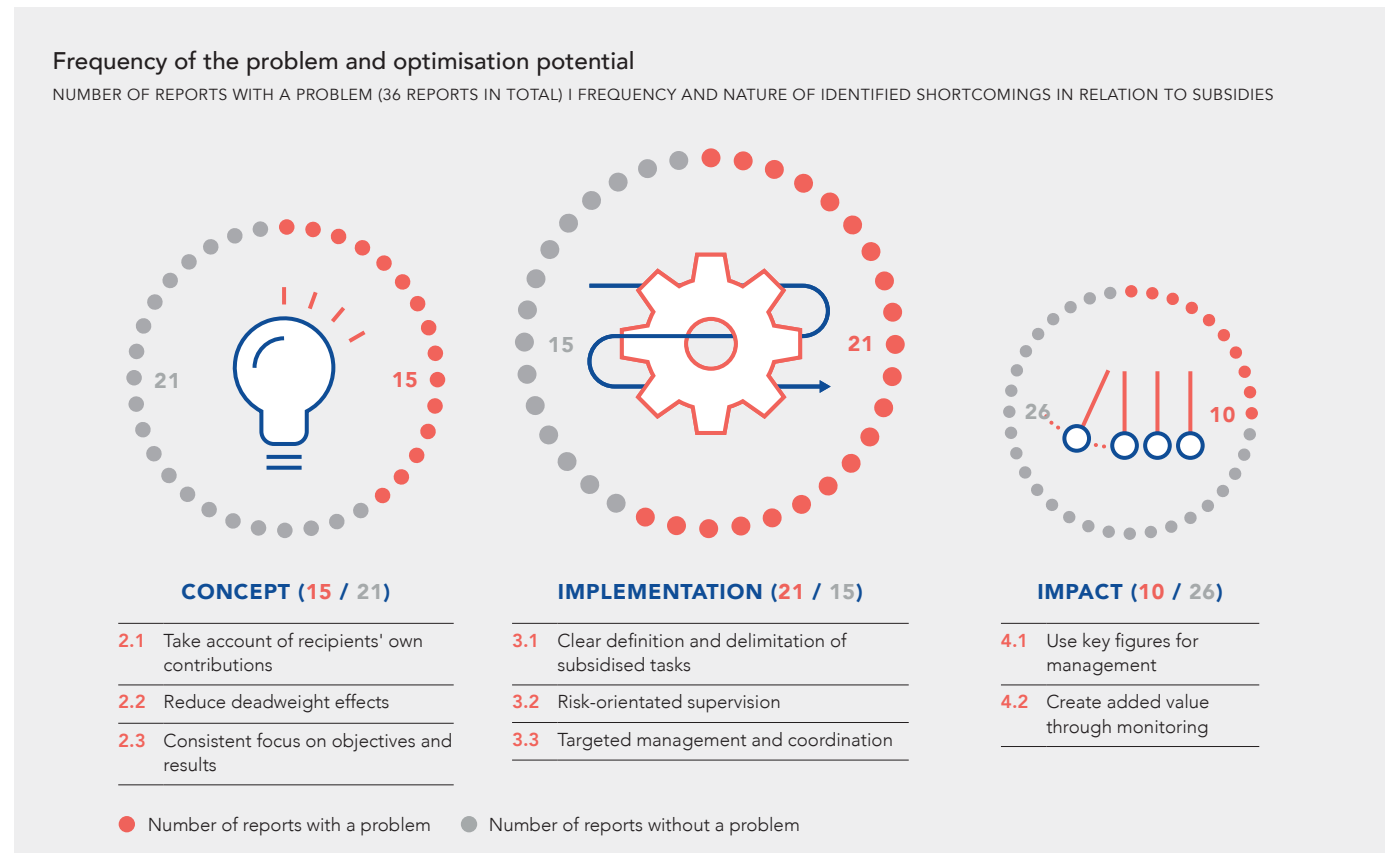
instruments was therefore no longer necessary. However, as part of its audit of the federal financial statements, the SFAO is examining other effects of the rescue on the federal financial statements, in particular whether any provisions are required for possible legal action in connection with the write-down of the AT1 bonds and how the Confederation recognised the proceeds from the rescue. In 2024, it will examine the risk-oriented supervision of the FINMA in the banking sector.⁵ Furthermore, on 8 July 2023, the Federal Assembly established a Parliamentary Investigation Committee (PIInC) to investigate the conduct of the federal authorities during the emergency merger of Credit Suisse with UBS.

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⁵ [See SFAO annual programme](#), audit report 24535.

Making subsidy payments even more efficient – summary report provides general overview

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Since the mid-20th century, the Confederation has been steadily increasing its subsidy payments. Following a subsidy review in 2008, the Federal Council determined that 70 subsidies were in need of reform. The potential savings were estimated at over CHF 100 million.² Financial aid and compensation accounted for the majority of federal expenditure in 2022, at CHF 48.5 billion. In a summary report, the SFAO analysed 90 recommendations from 36 audit reports dating from 2018 to 2022 and identified eight areas where improvements would lead to a more consistent and controlled subsidy granting process.⁶

To improve the design of subsidies, the SFAO recommended that the FFA focus more on the cost-effectiveness and impact of subsidies. The guidelines on subsidy reporting in dispatches should be adapted in order to avoid deadweight effects and to take greater account of subsidy recipients' own contributions in accordance with their economic capacity.³

⁶ Audit report [22537](#)

² [See the Federal Council's 2008 subsidy report, BBI 2008 6229.](#)

³ Deadweight effects (or deadweight losses) refer to financial incentives whose desired effect would occur in whole or in part without the incentive. The state subsidy is thus a "dead weight": it does not cause any additional change in behaviour.

THE MAIN RESULTS
POLITICAL FUNDING
MEANS AND FIGURES
APPENDICES



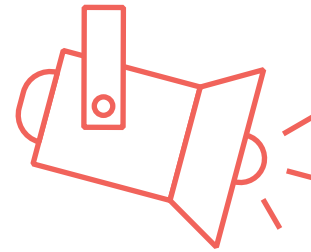
Subsidies are still insufficiently goal-oriented, making their impact difficult to verify. The SFAO also observed that subsidised tasks were not clearly enough differentiated from non-subsidised tasks.

The impact of subsidies would be enhanced by stronger supervision of the subsidy offices. Cost accounting under subsidy law was not always complete, transparent and correct. This complicates supervision, which in turn should be more risk-oriented. Where complex projects are subsidised, steering should be strengthened, for example through better project organisation. Ultimately, a subsidy office can only assess the impact of a subsidy if relevant key figures are available.

Procurement: How effectively can the Confederation take action against problematic tenderers?

If a tenderer delivers a poor service, the Federal Administration has so far lacked the tools to share this experience with other offices and take action against such providers. Articles 44 and 45 of the revised Public Procurement Act were intended to improve this situation, either by excluding tenderers from ongoing procedures or, in more serious cases, by blacklisting them.

In a cross-sectional audit, the SFAO analysed whether and how these articles are being applied and whether there has been an improvement in the situation.⁷ Unfortunately, the Confederation is subject to strict limits as a contracting authority, and the hurdles to being able to blacklist problematic tenderers for gross violations are very high. For example, there must be a legally binding conviction. Information on these suppliers can only be exchanged between different contracting authorities in the event of corruption and felonies. The sanctions list instrument is used sparingly overall.



SPOTLIGHT

Creating conditions for monitoring key suppliers

In its 2017 audit of federal public procurement, the SFAO recommended that the Federal Office for Buildings and Logistics (FOBL) create the prerequisites for monitoring and managing the Confederation's major suppliers.⁸ This recommendation has yet to be acted on. It should have been implemented by the end of 2019 and had since been reported as completed and closed. The SFAO has reopened it and extended the deadline until mid-2024 (see list of pending priority A recommendations in Part III). Reality has caught up with the Federal Administration. Serious incidents such as those involving Xplain and Concevis, who also work for the Confederation, have emphasised the urgency of the issue.



BEHIND THE SCENES

No subsidy cuts without political will

In its 2022 audit on shooting exercises, the SFAO recommended that subsidies should be based on the actual needs of the Armed Forces.⁹ This reflects its finding that there are also comparatively high subsidies for ammunition at shooting clubs. These are based not on the needs of recipients but on situations that have evolved over time. The Federal Council followed the recommendation and proposed a reduction in subsidies. The Federal Assembly rejected this and adopted a motion on 12 December 2023 allowing the Confederation to continue subsidising the old rifle ammunition at 70 centimes per shot. As a result, savings in the high single-digit millions will not be realised.

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⁷ Audit report [23737](#)

⁸ Audit report [17117](#)

⁹ Audit report [20444](#)



In general, the SFAO detects little interest on the part of federal units in excluding tenderers from procurement procedures due to the failure to execute contracts correctly or in revoking contracts already awarded.⁴ The audited procurement offices stated that poor performance could often not be blamed on an entire company and that a reduction in the size of the market should be avoided as far as possible. Nevertheless, a change of mindset is needed – away from reactive exclusion and towards proactive supplier management. The federal procurement strategy calls for holistic and systematically integrated supplier management. The legal basis for this is still inadequate.

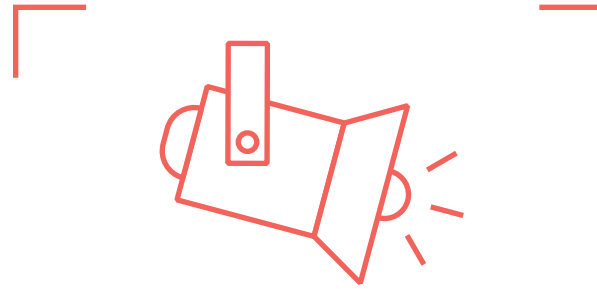
Financial effects of the COVID-19 pandemic to be felt for years to come...

The financial impact of COVID-19 measures continues to affect the federal budget. Last year, the SFAO again published a series of audits on this topic, looking both backwards and forwards.

... and lessons need to be learnt from the design of hardship assistance

In a bid to cushion the economic impacts of the pandemic, the Confederation and cantons supported 35,000 businesses to the tune of around CHF 5.3 billion. In its evaluation of the design and effectiveness of this hardship assistance, the SFAO concluded that the support was important for the businesses concerned.¹⁰

However, the objective of the aid, which mainly took the form of non-repayable contributions, was not clearly enough defined and communicated. The design of the hardship assistance led to inefficiencies and unequal treatment between sectors and individual businesses: for example, companies affected by shutdowns benefited over other companies if they were able to open up alternative sales channels. The instrument's turnover-based design was not appropriate for businesses with low fixed costs.



SPOTLIGHT

Data analyses to combat abuse

The SFAO performs data analyses for State Secretariat for Economic Affairs (SECO) to identify possible errors or abuses in the receipt of hardship payments or joint and several guarantees.¹¹ Among other things, it was able to identify businesses that violated conditions relating to the prohibition of dividend resolutions, dividend distributions and capital repayments. The analyses also support risk-based sample selection for SECO audits in connection with hardship assistance. In the case of COVID-19 joint and several guarantees, each individual credit is systematically reviewed.

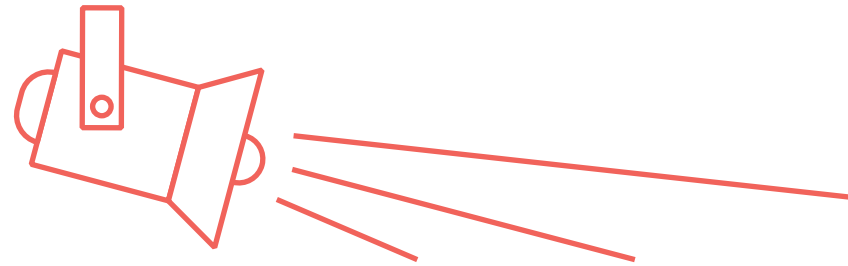
The SFAO has formulated various lessons for the future, in the event that financial assistance needs to be designed as simply and quickly as possible in a subsequent crisis. A precise legal basis is needed to improve cost-effectiveness. This is the only way that overpayments can be reclaimed. Also, the purpose of the financial assistance must be reflected in the eligibility criteria. The FFA, however, takes the view that future hardship assistance should be developed according to the specific situation, without systematically taking past experience into account.

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¹⁰ Audit report [23400](#)

¹¹ Audit reports [22475](#) and [22743](#)

⁴ [Federal Act on Public Procurement, Art. 44.](#)



SPOTLIGHT

SECO must further strengthen efforts to tackle abuse of hardship assistance and short-time working compensation

In a welcome development, SECO has stepped up its activities to combat errors and abuse. SECO's Internal Audit department is also supporting these efforts. In its audit of hardship assistance, however, it found that the effective implementation of the cantons' anti-abuse concepts had not yet been reviewed in the desired level of detail. The relevant SECO section took the feedback on board and, among other things, had the anti-abuse concepts critically appraised by an external company. Internal Audit also criticised the fact that there were no plans to verify businesses that were subsidised twice, receiving both hardship

assistance and COVID-19 sectoral assistance. Following initial audits in 2022, SECO now intends to scrutinise this double subsidisation, among other things as part of an external mandate. As regards short-time working compensation, it is also unclear whether and how employer checks can be quickly stepped up and expanded in order to address any errors or abuse within the limitation periods. A clear signal has to be sent that abuse does not pay off. SECO must continue to make considerable efforts to implement this principle.

The Confederation's share in the funding of hardship assistance rose from 50% to 84% over time. There is a risk that the cantons will not make efficient use of the financial resources if the majority of the costs are borne by the federal government. Against this background, principles for cost sharing between the Confederation and the cantons should be defined for the future. If the original 50% funding share had been maintained, the federal government would have spent around CHF 1.75 billion less.

... and credits amortised with joint and several guarantees

The banks began demanding repayments in March 2022. In order to provide Swiss businesses with liquidity, the Federal Council had adopted the COVID-19 Joint and Several Guarantee Ordinance in March 2020, thereby launching the COVID-19 joint and several guarantee programme. On the basis of this, 137,870 credits totalling CHF 16.9 billion were granted by recognised guarantee



BEHIND THE SCENES

What does an internal audit department do?

Like the SFAO, internal audit units carry out audits aimed at ensuring that day-to-day activities are conducted in a compliant, legal and cost-effective way. They support the organisation's senior management. The SFAO works closely with the Federal Administration's 11 internal audit units and is authorised to issue ad-hoc directives to them under the FAOA. Internal audit departments adhere to international standards. The Three Lines Model of the Institute of Internal Auditors (IIA) regulates the relationship between an organisation's governing body, management and internal audit as independent but interacting entities. This is necessary so that internal auditors can carry out their work independently.



organisations. For its part, the Confederation undertook to compensate the organisations for losses arising from these guarantees. At the end of the year, guarantees totalling around CHF 7.5 billion were still in place.

In an analysis based on data as at the end of 2022, the SFAO found that CHF 53 million from guarantees had not yet been repaid, despite the repayment obligation. Of the 13,074 suspected cases of abuse handled by the State Secretariat for Economic Affairs (SECO) as at 4 January 2023, around 52% were reported by the SFAO. Of the total of 8,577 cases investigated, 72.4% resulted in corrections or reports of criminal offences. The volume of credit in the cases in which an offence was reported totalled CHF 282 million.

COVID-19: subsidies in developing countries well designed

Did the Swiss Agency for Development and Cooperation (SDC) allocate COVID-19 funds according to clear and measurable criteria? The SFAO's audit came to a positive conclusion on this score.¹³ By way of reminder, in May 2020, the Federal Council approved CHF 332.5 million in support for developing countries, the International Committee of the Red Cross, the International Monetary Fund and other international humanitarian organisations, followed by further additional credit of CHF 226 million for developing countries in May 2021.

The allocation of these funds and the supervision of their use by the SDC was clear and transparent. The approach adopted by the SDC was appropriate. The various subsidy instruments are well coordinated, particularly in the areas of health and humanitarian aid. However, there is still a need for better coordination and supervision in the support provided to multilateral partners. The cooperation offices do not have any suitable funding tools at their disposal in the event of a crisis.

COVID-19 and the risk of supply chain disruptions

In another audit covering the Federal Office for National Economic Supply (FONES), SECO and Switzerland Global Enterprise, the SFAO concluded that the offices involved supported the economy in the event of supply chain disruptions.¹⁴ The state fulfilled its subsidiary role. However, the FONES external network should cooperate more closely with Switzerland's official external network in such cases. That said, a final assessment of the measures in connection with supply chain disruptions in the economy would be premature due to the ongoing Ukraine crisis. For the same reason, conclusive lessons cannot be drawn.

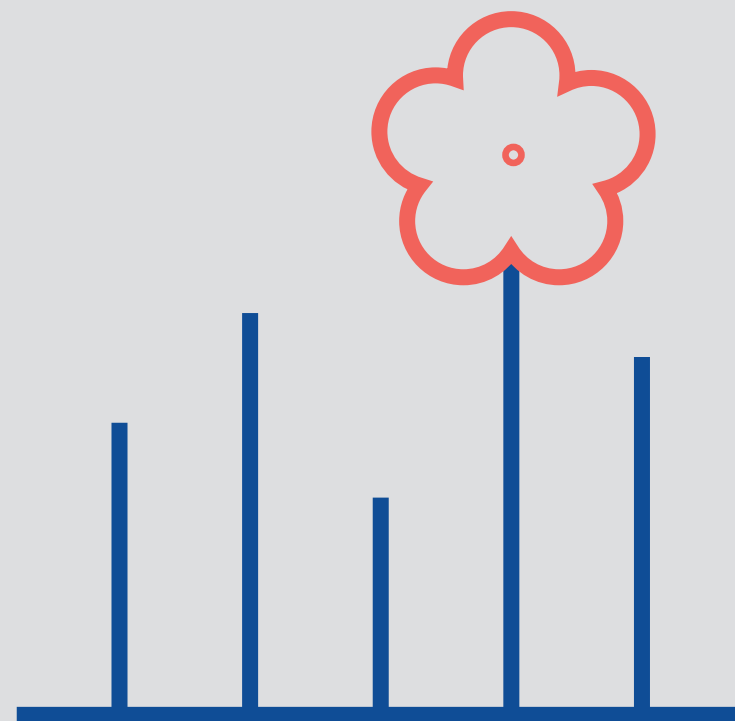
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¹² Audit report [22400](#)

¹³ Audit report [22204](#)

¹⁴ Audit report [23493](#)

Economy and labour market



Selected measures in the labour market, targeted subsidies in agriculture and the success of IT projects were among the focal points of SFAO audits. There are few areas where efficiency and good governance are more important than in the economy and labour market.

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¹⁵ Audit report [23622](#). Older audit reports on the project can also be found under the numbers [17540](#), [19409](#) and [21304](#).

¹⁶ Audit report [22477](#)

Unemployment benefit – DTI key project ASALfutur not on track

The payment of unemployment, short-time working and bad-weather compensation is decentralised. The application used for this purpose is called ASAL 1.0. It is located centrally at SECO's Unemployment Insurance (ALV) Compensation Office and has become outdated. The DTI key project ASALfutur aims to modernise the payment system. The system plays an essential role: in the first half of 2023 alone, 108,000 beneficiaries received daily allowances, around 150 companies were paid short-time working compensation and 165 businesses received bad-weather compensation.

In spring 2023, there were significant problems with commissioning an initial module. The SFAO subsequently scheduled an audit at short notice,¹⁵ which revealed serious deficiencies at all levels: planning, project control and management, and testing. The SFAO had already identified shortcomings in this project in the past, and the situation had only got worse. Given the importance of the project and the extent of the problems, the SFAO immediately informed the responsible General Secretariat. The SFAO notes that the project will not get on track unless there is greater technical involvement and accountability by the unemployment insurance compensation office, the unemployment insurance funds and SECO's management. The risk of further delays and cost increases was highlighted in the report, and that risk has subsequently materialised.

Agroscope's IT governance too weak

Agroscope operates research centres on agriculture and food processing at 12 sites in Switzerland. Last year, the competence centre budgeted CHF 12 million for ICT services. In its audit of IT governance, the SFAO found that the level of maturity was low.¹⁶

Specifically, neither processes nor tools are adequate to ensure that Agroscope's management can fully perform its IT management tasks. There is insufficient transparency in portfolio management. While improvements are under way in financial planning and monitoring, overall IT governance lacks the necessary systematisation and implementation.

Labour market integration – insufficient focus on long-term integration of jobseekers

In the area of public employment services, the regional employment centres are tasked with integrating jobseekers quickly and permanently into the labour market. In 2021, the cantonal administrative costs for this amounted to CHF 539 million. These are reimbursed by the unemployment insurance fund. There are agreements between the Confederation and the cantons. Supervision is the responsibility of SECO, which measures the effectiveness of the integration measures taken by the regional employment centres.





The SFAO audited the agreements and SECO's supervisory role.¹⁷ Overall, the SFAO considers the focus on impact to be positive and the existing steering instruments to be appropriate. However, the measurement of the impact of the measures focuses too heavily on rapid reintegration into the labour market. Too few checks are carried out to ensure that the integration into the labour market is permanent, although this is a statutory objective. SECO should also be able to intervene even more strongly if integration measures in a canton are not having the desired effect.

Swiss Innovation Park not risk-free

With a time-limited framework credit of CHF 350 million for guarantees, the Confederation is supporting the establishment of a network for applied research and development, involving higher education institutions and innovative companies. This is the Swiss Innovation Park project, overseen by the State Secretariat for Education, Research and Innovation (SERI). The programme is broadly based, supported by six entities at 15 sites in 13 cantons. However, it faces risks, according to an SFAO governance audit.¹⁸

Even at an early stage of the project, some basic assumptions of the business model are questionable. Firstly, the sites are loss-making due to insufficient rental income and voluntary contributions from companies. Secondly, for economic reasons, there is a false incentive to keep companies at a site even if they no longer meet the innovation criteria. Finally, the guarantee instrument has hardly been used to date and the Confederation's role in this project should be reviewed.

Subsidisation of key agricultural crops achieving its objectives

The Federal Office for Agriculture (FOAG) pays individual crop subsidies of over CHF 60 million to around 10,000 farms each year, for crops including sugar beet. The subsidies supplement direct payments and are intended to promote strategically important agricultural crops. Specifically, the money aims to ensure production capacity and the functionality of individual processing chains for supplying the population. In its subsidy audit, the SFAO concluded that allocation of the subsidies is appropriate.¹⁹ Without them, cultivation of the crops would not be economically attractive.

However, there is no basis for deciding when and how existing individual crop subsidies should be questioned and, if necessary, adjusted. The SFAO recommends that the FOAG develop and publish such a basis. Individual crop subsidies are cost-intensive measures to support the market and should be used in a targeted way. The funding must be in line with the Federal Council's objectives for a more sustainable agriculture and food industry.

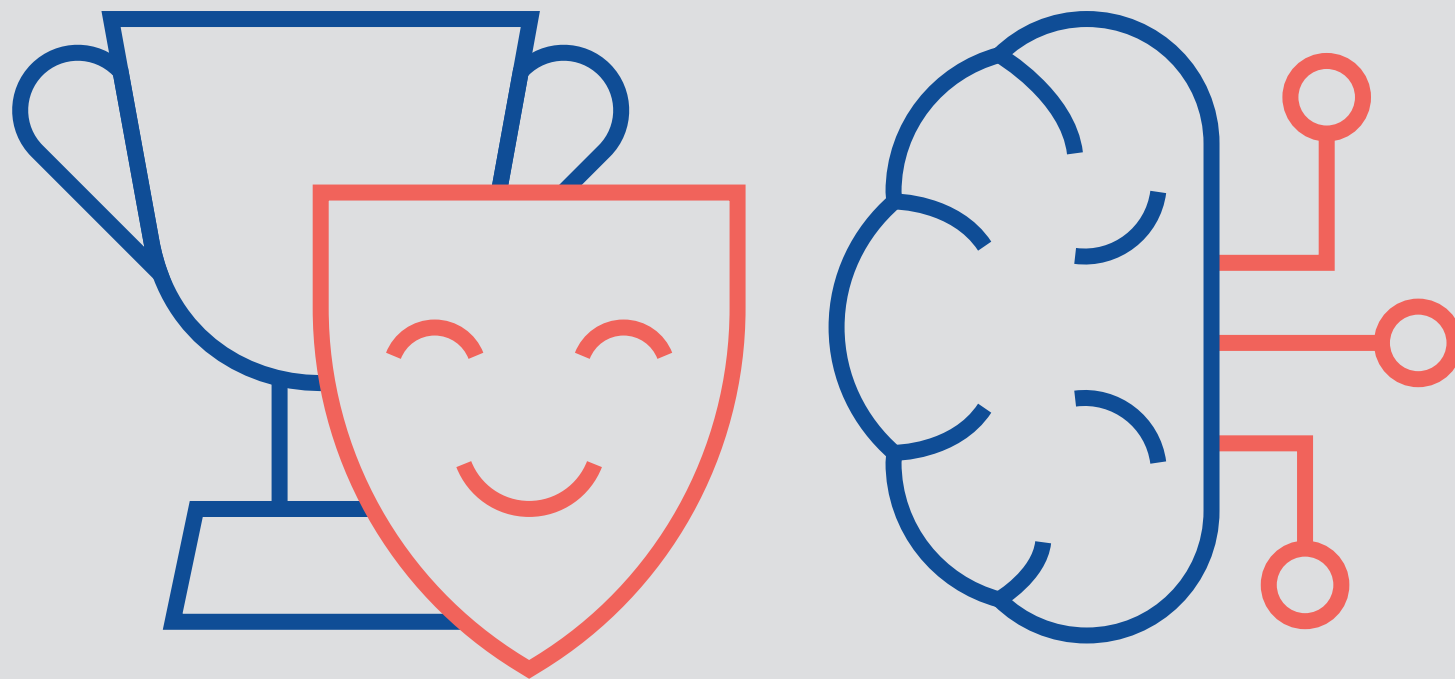
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¹⁷ Audit report [22607](#)

¹⁸ Audit report [22435](#)

¹⁹ Audit report [22403](#)

Education and culture



The state's tasks in relation to education and culture are many and varied. The audit reports range from findings on compliance with the rules for research spin-offs to a major library renovation project and the implementation of "Horizon Europe" transitional measures worth billions of Swiss francs.

Secondary employment in the ETH Domain: interests of institutions effectively safeguarded – but not everywhere

One of the statutory tasks of the Federal Institutes of Technology and research institutes is to ensure the transfer of knowledge and technology between research and industry. However, the activities of researchers in this regard must not result in any conflicts of interest, reputational damage or financial losses. The SFAO last audited the secondary employment of professors in 2007 and found that there was a lack of control instruments for checking notifications of secondary occupations. It was therefore also not possible to ensure that these activities did not represent a conflict of interest for the two Federal Institutes of Technology (ETH Zurich and EPFL).²⁰

The audit shows that the measures taken by ETH Zurich and the research institutes are sufficient to safeguard the institutions' interests.²¹ However, only the Swiss Federal Institute for Forest, Snow and Landscape Research (WSL) checks whether the reports of secondary occupations are complete. The picture at EPFL is less positive, with no uniform process for reporting secondary occupations. A complete overview of staff reports is not to be found. Unlike ETH Zurich and WSL, EPFL also lacks suitable rules for spin-off start-ups.

The SFAO further notes that shareholdings in spin-offs must be limited. If professors or employees hold a high proportion of shares, the risk of conflicts of interest increases. Not all institutions have introduced restrictions in this regard.

Post-"Horizon Europe" transitional measures well implemented

Since 2021, Switzerland has no longer been associated to the EU's "Horizon Europe" framework programme. It is excluded from two thirds of all Horizon programme components. The transitional measures are intended to reflect these programme components in national calls and plug gaps in research funding. CHF 4.4 billion is available for this between 2021 and 2027. It is unclear how long the measures will be required as Switzerland is endeavouring to rejoin the EU framework programme.

The SFAO evaluated the entire system of measures implemented by SERI together with the Swiss National Science Foundation (SNSF) and the Swiss Innovation Agency (Innosuisse), and found that both structure and implementation are working.²² However, the unclear time horizon of the measures is putting a strain on the institutions. For SERI, the SNSF and Innosuisse, implementing the measures entails a change of tasks and an additional workload. This results in large spans of control, a lot of overtime and frequent staff changes due to fixed-term contracts. The institutions are very aware of the issue and are taking active steps to address it.

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²⁰ SFAO press release of 11 June 2009: "Nebentätigkeit der Universitätsprofessoren: EFK fordert vermehrte Transparenz"

²¹ Audit report [22472](#)

²² Audit report [23450](#)



No planning basis for National Library renovation

The Swiss National Library building needs to be completely renovated at a cost of around CHF 70 million due to structural defects. The library will have to be temporarily relocated while the work is under way. No project planning results were available at the time of the audit.²³ There is no overview of the total investment costs and no division into sub-projects. In addition to the renovation and refurbishment, the construction of a new deep storage facility is planned. The cost is likely to be in the high double-digit millions, but no sound economic evidence of the need for this facility has been provided. Finally, the construction project must also take into account the provisions of the Federal Act on the Protection of Cultural Property during Armed Conflicts, Disasters and Emergencies (CPPA), which has not yet happened.



BEHIND THE SCENES

What is a subsidy audit?

Subsidies do not come cheap: at around CHF 48.5 billion, they accounted for 64% of the federal budget in 2022. In 2023, the SFAO published an updated version of the "Hinweise für den Umgang mit Subventionen" ("Guidelines for handling subsidies") on its website.²⁴ The guidelines set out the key principles for correct management and administration of subsidies. In its 2023 subsidy audit of innovation and project subsidies for vocational and professional education and training, the SFAO found that SERI awarded the subsidies sparingly but did not take sufficient account of the economic capacity of the subsidy recipients and of dead-weight effects.²⁵

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²³ Audit report [23626](#)

²⁴ Available under "Specialised texts", V1.1 of June 2023.

²⁵ Audit report [22401](#)

Health, social security and sport



Healthcare and social security directly affect people's lives. The costs are high, so it is all the more important that the services are organised efficiently and effectively. In the reporting year, the SFAO examined, among other things, the general conditions of the pharmaceutical market and the introduction of electronic patient records (EPR), and dealt with various issues relating to invalidity insurance (IV).

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²⁶ Audit report [22608](#)

²⁷ Audit report [23639](#)

Medicines could reach Swiss market 400 days faster

Before a new medicinal product is launched on the Swiss market, it must be authorised by the Swiss Agency for Therapeutic Products (Swissmedic). Also, the Federal Office of Public Health (FOPH) has to determine whether it meets the requirements for reimbursement by compulsory health insurance. Particularly in the case of medicines in the high-price segment, insured persons can generally only benefit from new products once both these steps have been completed. The SFAO examined how well coordinated the two processes are.²⁶

It does not take any longer for a medicinal product to pass through each of the processes in Switzerland than in other countries. Nevertheless, the total time could be reduced from 900 to 500 days if the international division of labour were improved, the two processes ran more in parallel and provisional remuneration was possible directly after market authorisation until price negotiations with the suppliers were concluded. The SFAO also found that these delays were in large part due to the pharmaceutical industry, which submits its applications to Swissmedic and the FOPH much later than it could do.

The FOPH supports the SFAO's proposals, while Swissmedic initially opposed them, not seeing any additional need for action. However, in further discussions with Swissmedic's Agency Council, the SFAO managed to convince the organisation that only both offices, i.e. the FOPH and Swissmedic, working together can bring about an acceleration of patient treatment in this area.

Is medicine market monitoring efficient and effective?

As well as authorisation of therapeutic products, Swissmedic is also responsible for monitoring the medicines market and for the reporting of adverse drug reactions. Swissmedic received 22,000 such reports from manufacturers, healthcare professionals and patients in 2022. The SFAO has concluded that a significant proportion of family doctors do not submit reports, despite being obliged to do so.²⁷

The number of reports would be higher if there were enough specialists in clinical pharmacology and all healthcare professionals were made more aware of the issue. Following discussions with the Agency Council, Swissmedic ultimately accepted the SFAO's recommendation.

THE MAIN RESULTS
POLITICAL FUNDING
MEANS AND FIGURES
APPENDICES



Electronic patient record not ready

In 2019, the SFAO audited the project to introduce the EPR and found significant shortcomings. It made ten recommendations to improve the rollout, which was then scheduled for 2020.²⁸ It has now conducted a follow-up audit and found that the Federal Department of Home Affairs (FDHA) and the FOPH have taken up most of the recommendations and implemented measures. However, some significant recommendations, such as measures to reduce barriers among outpatient service providers, have not been initiated.

The follow-up audit made it clear that the EPR is still a long way off being successfully introduced.²⁹ The affiliation of service providers, and indeed the entire rollout, were severely delayed. As of April 2023, only 19,500 Swiss residents had opened a record. More than half of hospitals and nursing homes were not affiliated and therefore did not meet the requirements for service provision reimbursable by compulsory health insurance, three years and one year respectively after the statutory deadline.

The difficulties are due in part to the fact that the FOPH lacks the legal means to enforce the introduction, since hospitals and nursing homes fall under the jurisdiction of the cantons. The cause of many problems lies in the design of the current solution. This is based on ten-year-old basic principles enshrined in law, such as the decentralised, private-sector organisation of the EPR.

The FOPH has drafted two legislative revisions that address some of the main problems. Following the initial consultations, now would be a good opportunity to carry out a comprehensive problem analysis. The SFAO therefore recommends that the General Secretariat of the FDHA and the FOPH systematically compare a centralised EPR with the current model and continue the legislative revisions on this basis.

Subsidising private invalidity assistance more effectively

Private organisations that provide advisory services for people with disabilities, produce specialist information or offer courses may be entitled to subsidies. The Federal Social Insurance Office (FSIO) allocates CHF 155 million annually to 50 such organisations. Has this funding been awarded based on need and in line with the objectives of invalidity assistance? Has the impact been taken into account? In its subsidy audit, the SFAO was not able to answer these questions entirely in the affirmative.³⁰

When is a service offer needs-oriented and therefore eligible to be subsidised? In attempting to answer this question, the FSIO is not exerting its influence sufficiently. Furthermore, determination of the subsidy amount is not flexible enough and the calculation methods used are updated too infrequently. This needs to be improved.

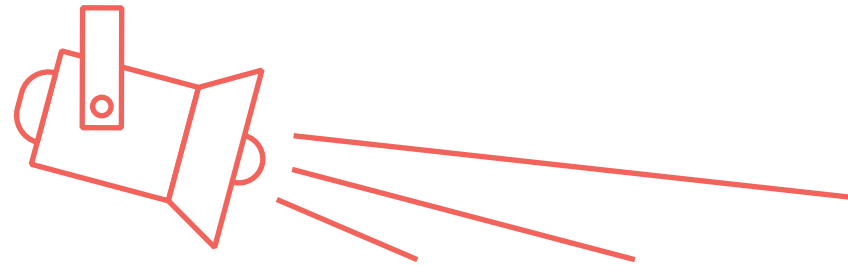
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²⁸ Audit report [19265](#)

²⁹ Audit report [23651](#)

³⁰ Audit report [22624](#)





SPOTLIGHT

Invalidity insurance – more equal treatment in retraining

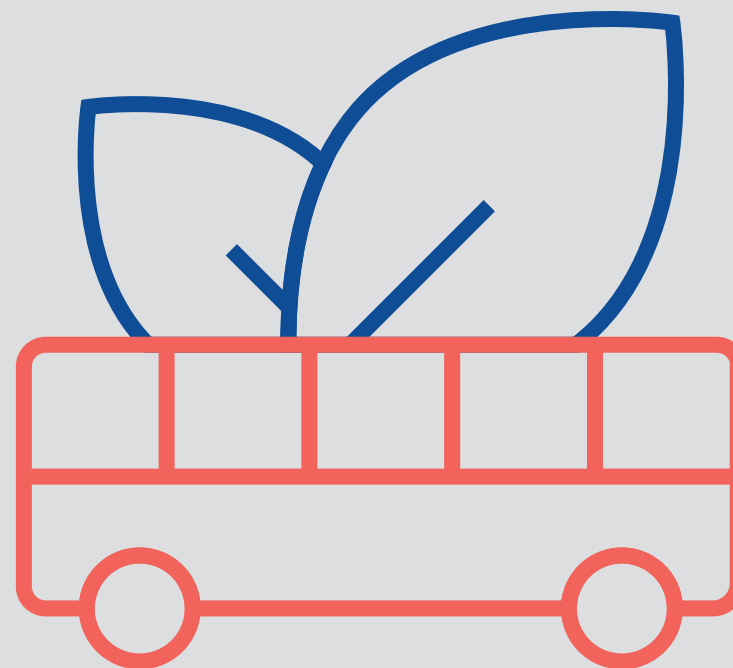
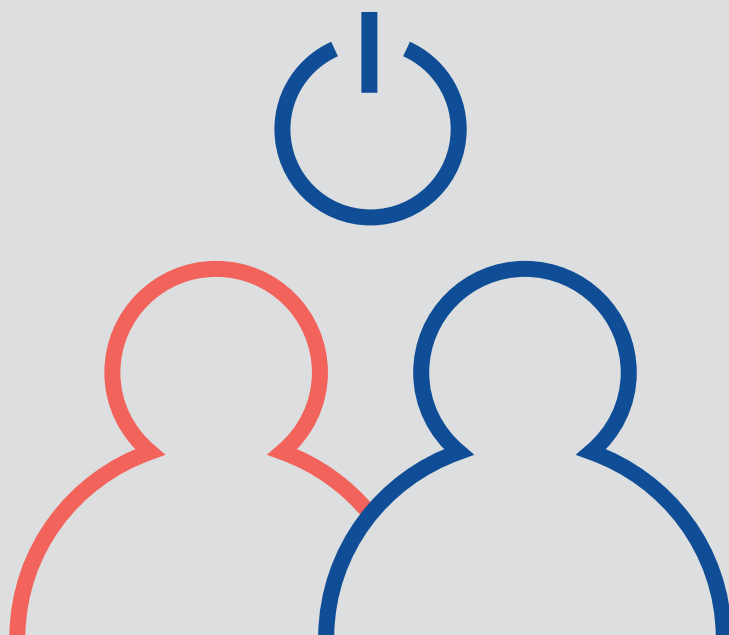
Every year, over 4,000 people undergo retraining when they are no longer able to continue in their current profession for health reasons. The costs, amounting to CHF 370 million, are financed by IV. The SFAO evaluated the effectiveness of the measure and found that retraining is an important IV tool for professional integration.³¹ A majority of those affected earn an income again after retraining, although this is sometimes less than CHF 3,000 per month or else they receive an IV pension. However, one in five people are not successfully reintegrated into the labour market after retraining: these people are not in employment and do not receive an IV pension and are therefore in some cases dependent on support from other social security systems (unemployment insurance, social assistance).

However, access to retraining programmes is not based sufficiently on uniform criteria. The scope for discretion is too great. The criteria should also take greater account of whether and when IV pensions can be avoided through retraining. Furthermore, the IV offices know too little about whether integration into the labour market is successful in the long term. The focus is currently on rapid integration. More attention should also be paid to whether shorter and less costly retraining measures, such as acquiring further qualifications in the previous professional field, would not be more effective. The FSIO agrees with the recommendations, although only partially so in the case of long-term integration, because although it is the task of IV to support insured persons in the integration process while they are searching for work, it is not responsible for finding them a job.

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³¹ Audit report [21133](#)

Environment, transport, energy, communication



Infrastructure is a vital backbone of the country. In its audits, the SFAO focused on structurally-enhancing aspects of sustainable resource use, energy supply, transport and communication. Evaluations, supervision audits and digital transformation audits resulted in a wide range of findings and recommendations.

AVAILABLE ON THE SFAO WEBSITE

³² The SFAO has audited CO₂ reduction measures on various occasions, see for example audit reports [21307](#) and [15374](#).

³³ Audit reports [22325](#) and [22329](#)

More effective design of climate change measures costing billions

The causes of climate change are complex, and measures to mitigate them are cost-intensive.³² Two evaluations examined the effectiveness of key instruments: subsidies for large photovoltaic installations and the CO₂ tax exemption for companies that commit to reducing their greenhouse gas emissions.³³

the various federal provisions are not sufficiently harmonised at cantonal and communal level, in some cases installations are not built despite subsidies. Elsewhere, installations could be operated profitably even without subsidies. In these cases, the funding is ineffective. This results in unwanted deadweight effects that are difficult to quantify, but amounting to approximately 50%, with unnecessary expenditure in the hundreds of millions.

Photovoltaics: financial incentives should be better harmonised

Photovoltaics is a key technology for the planned phase-out of nuclear power for Swiss electricity generation. Production targets for solar power have therefore been repeatedly raised. There are a raft of different incentives to promote solar power production, which are not always well harmonised. The most important subsidy is the non-recurrent remuneration for photovoltaic installations: up to 2022, CHF 1.5 billion in subsidies from the grid supplement fund was granted as an investment contribution to 130,000 photovoltaic installations generating 2.6 terawatt hours of electricity per year. Are these large funding volumes being used effectively and economically?

In addition, funding would be more targeted if it focused more on large installations. Their production and subsidy costs are significantly lower than those of small installations. In the SFAO's opinion, the Swiss Federal Office of Energy (SFOE) and legislators have focused too much on supporting small-roof installations. In the meantime, Parliament has improved the framework for solar installations outside of building zones with the "Solar Express" initiative and various legislative projects. The SFAO noted that this approach should be corrected in light of the ambitious growth targets and the existing legal options for building large installations on unbuilt land outside of building zones. The Confederation should update the strategy for exploiting solar power potential, clarify the conditions for solar installations on unbuilt land and make more proactive use of existing legal options under energy and spatial planning legislation. Otherwise, the targets for boosting solar power by 2050 risk being missed. As only 7% of the exploitable solar potential in buildings had been harnessed by the end of 2022, the SFOE still considers the expansion of building installations to be a priority.

The SFAO found that significantly more installations had been built in the past three years than in the previous years, which is in line with energy policy objectives. However, there are false incentives and unrealised potential. Because the financial incentives in



CO₂ tax exemption: requirements should be raised

Effective interaction between government incentives, the private sector and energy policy objectives is also required for the exemption from the CO₂ tax. Energy-intensive companies can benefit from this exemption if they commit to reducing their greenhouse gas emissions. By the end of 2022, 1,233 companies had taken advantage of this opportunity, equating to total tax relief for these businesses of around CHF 900 million since 2013.

The SFAO recognises that this instrument is important and commands broad acceptance. However, its design needs to be reworked. For instance, the requirements for exemption from the tax have not changed since 2013. The system is not designed for the kind of large-scale investments required for decarbonisation ("net zero target"). Furthermore, the initial analysis fails to take sufficient account of the opportunities for the greatest reduction within companies. This is also reflected in the numbers. While the manufacturing industry subject to the CO₂ tax saw the tax triple between 2013 and 2020, the requirements for reduction commitments remained unchanged. This has led to unequal treatment.

More ambitious targets should be set in the CO₂ Ordinance. The effectiveness of the instrument should be reviewed every five years in order to achieve the defined objectives. After all, the instrument is to be retained and extended until 2040, as the Federal Council stated in its dispatch on the revised CO₂ Act.

Governance also needs to be improved: the way in which implementation is organised by two private agencies and their outsourcing of consultancy services to third-party providers leads to overlaps in personnel and a lack of transparency in costs and services. Supervision by the Federal Office of the Environment (FOEN) and SFOE was inadequate at the time of the audit.

Shortcomings in the online management of hazardous waste

The FOEN performs various tasks relating to the management of hazardous waste. For these it uses a specialist application, which is now showing its age. Between 2017 and 2022, the "waste and raw materials portal" project was intended to replace the application and digitalise the processes. However, the digitalisation project ran into trouble. It had to be extended until 2023 and its budget increased from CHF 3.6 million to CHF 5.4 million. The SFAO identified a number of reasons for the failure to achieve the project objectives.³⁴

For a long time, the project organisation had neither the necessary skills nor the capacity to drive the project forward effectively. Failures at the outset increasingly caught up with the project, which was launched as a pilot project for the digital transformation of the Federal Department of the Environment, Transport, Energy and Communications (DETEC). As yet, no services have been provided to the satisfaction of users. The FOEN recognised the situation and has taken measures to improve it. Among other things, it has launched an overarching business architecture to manage the digital transformation and stepped up resources. To get the new online management of hazardous waste back on track, the project must now focus much more on the user perspective and design processes consistently in line with this perspective (end-to-end approach).

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³⁴ Audit report [22355](#)



Strengthening supervision of infrastructure

The Federal Inspectorate for Heavy Current Installations (ESTI) supervises and inspects electrical installations and products. It is managed as a unit of the Electrosuisse association. ESTI concentrates its activities primarily on the Swiss electricity grid, which has a total value of CHF 21 billion. The SFAO found that ESTI's supervisory and control tasks are not designed and planned in a sufficiently risk-oriented manner.³⁵ Its reporting does not allow effective supervision by the SFOE.

The financial supervision of private television and radio broadcasters by the Federal Office of Communications (OFCOM) also needs to be strengthened.³⁶ There is a lack of active risk management and no comprehensive financial supervision and audit concept. The department responsible is being reorganised and should take this opportunity to redefine employees' responsibilities. Finally, the SFAO recommended that OFCOM's sanctions in supervisory procedures against broadcasters who broadcast too little regional information be made more binding.

The failure of water retaining facilities can be potentially catastrophic. Technical safety supervision of the operation of water retaining facilities is therefore important and is carried out by the SFOE's Supervision of Dams Section. It directly supervises large water retaining facilities (215 in total) and exercises overall supervision of 182 small facilities that are under cantonal supervision. The SFAO found that it performs these tasks in accordance with the legal requirements.³⁷ However, there is no basic framework as part of a safety management system for the performance and monitoring of safety supervision. For example, there is no uniform framework for assessing the status of work, inspection results and resource management. The SFAO recommends that a minimum standard be drawn up and introduced.

No power on the rail network – what then?

Swiss Federal Railways (SBB) has addressed the risk of a power shortage as far as possible in its Business Continuity Management (BCM). According to an SFAO audit, it would be prepared for short power outages.³⁸ Its Achilles heel is "cyclical grid shutdown". As the railway is and will remain dependent on household electricity despite having its own traction current supply, grid shutdowns for household electricity ordered by the authorities would lead to the total failure of rail services.

SBB would need weeks to restore a skeleton service and months to resume normal operations. The SFAO recommends that the Federal Office of Transport (FOT) regularly draw the attention of the relevant actors to these dramatic consequences of cyclical grid shutdowns for rail transport. It also recommends that SBB consolidate the measures already taken within the established structures.

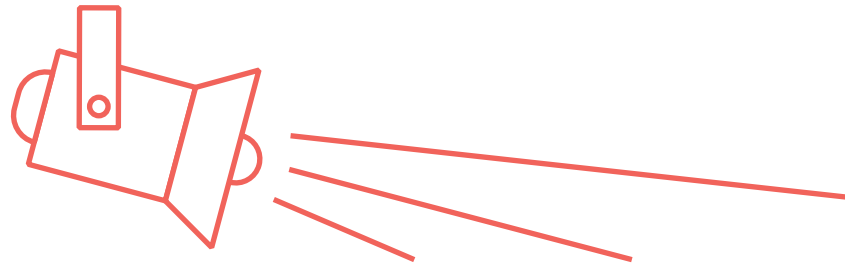
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³⁵ Audit report [23323](#)

³⁶ Audit report [23120](#)

³⁷ Audit report [22349](#)

³⁸ Audit report [23746](#)



SPOTLIGHT

Considerable uncertainty over rail infrastructure maintenance backlog

Like other infrastructure operators, SBB is responsible for the operation, maintenance and expansion of railway infrastructure. For the period 2021 to 2024, it has received an average of around CHF 1.9 billion per year to maintain infrastructure across a rail network totalling some 5,300 km. The SFAO found that there is still no established long-term plan for how SBB intends to carry out maintenance without building up a backlog.³⁹ The scarcest resource on the rail network today is not money, but time: in the dense timetable, the time windows available for construction work are few and

far between. In the network status report, SBB indicates a maintenance backlog of around CHF 6.5 billion, but the figure itself is not reliable and plans to reduce the backlog have not yet been drawn up. The SFAO also recommended that the FOT take the monetarised maintenance backlog into account in the RIF planning and demand a reduction plan from the actors concerned. The FOT rejected the recommendation, as the current processes already guarantee that the necessary funds for maintenance, including any concrete reduction plans, are taken into account.

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³⁹ Audit report [22723](#)

Armed Forces and civil protection

THE MAIN RESULTS



POLITICAL FUNDING



MEANS AND FIGURES



APPENDICES



In the digital age, the Armed Forces and civil protection can only fulfil their security and protection mandate with modern support equipment. This was a recurring theme of the audits completed in 2023: among other things, the SFAO audited three major digital projects, and responded immediately when a further audit on tank sales became necessary.

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⁴⁰ Audit report [23155](#)

⁴¹ Audit reports [22125](#) and [17619](#)

Need for improved governance on DTI key project Data centres 2020

This is a complex project and central to the Armed Forces' New Digitalisation Platform (NDP), which is intended to ensure the basis for the future operation of mission-critical ICT and thus represents an indispensable building block for the Armed Forces' IT. The "Data centres 2020 ICT architecture and infrastructure" project aims to enable the automated operation of ICT in data centres – in virtualised systems. An expenditure of CHF 477 million has been approved. In its audit, the SFAO was not yet able to assess whether the project will achieve its objectives by 1 July 2026.⁴⁰ The project is at too early a stage for this. It noted that the collaboration with the supplier is making good progress and initial results have been achieved.

The audit findings were mixed. Project governance is weak. The project lacks external, independent quality and risk assessment. In addition, reporting on the project's financial expenses is not fully transparent due to reporting tools that are not well suited to management. The SFAO was unable to verify the financial expenditure of CHF 141.5 million as at 31 December 2022 reported by the Federal Department of Defence, Civil Protection and Sport (DDPS) based on the SAP extract. This shortcoming is not new: as far back as 2017, the SFAO found that the DDPS's reporting was inadequate and not suitable for management purposes. It had also issued a recommendation to this effect following another DTI key project audit in 2022. Measures in connection with this were implemented during 2023 or are currently being rolled out.⁴¹



IPLIS – Avoid expensive Swiss customisations

The Integrated Planning and Current Intelligence Information System (IPLIS) is an ongoing project to replace the Armed Forces' existing command information systems (C2 System Land Forces, C2 System Air Force, FABIS and INTAFF 97) with a standardised system for operations planning, command and control, and current intelligence in Armed Forces tactical operations. The planned investment costs through to launch are CHF 250 million. The SFAO conducted an abridged audit of this project, as it was not yet sufficiently advanced at the time of the audit.⁴²

There is a risk, with the IPLIS project, that the required infrastructure will not be available in time. This was already the case with the predecessor system, C2 System Land Forces. This would result in delays and additional costs. It is therefore crucial that Armed Forces management has an overall view and ensures effective portfolio management and risk management. Neither is currently in place. In the SFAO's view, it is also crucial that IPLIS uses internationally established standards and products, as envisaged within the project. Costly Swiss customisations of processes, organisation, military symbology and languages must be avoided.

Only with uniform standards can the advantages of interoperable systems be exploited in cooperation with partner countries. This issue extends well beyond the IPLIS project and requires a decision on the introduction of such standards throughout the Armed Forces. The SFAO found that the Armed Forces management has not yet sufficiently addressed the risk of a Swiss-specific approach. Before project implementation begins, a binding decision must be made on the necessary standards for the entire Armed Forces.

Key requirements not met in Leopard 1 tank transactions

After the Board of Directors of RUAG MRO informed the DDPS on 20 August 2023 about discrepancies in connection with the purchase and sale of Leopard 1 tanks and the DDPS asked the SFAO to audit the transactions relating to these tanks, the SFAO announced an audit of these transactions on 31 August 2023.⁴³ The aim of the audit was to assess whether the existing compliance requirements were met.⁴⁴

The SFAO found that the 2016 purchase of 100 used Italian tanks worth CHF 4.5 million had formal deficiencies: the tanks were acquired by RUAG although no buyer had been identified, as was originally planned. This was not in line with the original purchase plan. In both the preliminary purchase contract and the purchase contract, the signatories did not comply with the rules on authorisation and signatures and failed to obtain approval from RUAG's Group Executive Board or Board of Directors. The contractual obligations totalling over CHF 5 million would also have required this.

Based on the documents examined, it is not clear why an agent involved already received a commission when the tanks were purchased. In fact, he should only have received a share of the sales revenue. Further contractual obligations with negative cost implications for RUAG were also entered into without this being necessary. In addition to the contractual deficiencies, the SFAO also identified problematic role overlaps and deficiencies in the compliance system. Requirements were not met.

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⁴² Audit report [23151](#)

⁴³ [DDPS press release of 21 August 2023](#) and [SFAO press release of 31 August 2023](#)

⁴⁴ Audit report [23166](#)





SPOTLIGHT

Lack of project portfolio management at DDPS

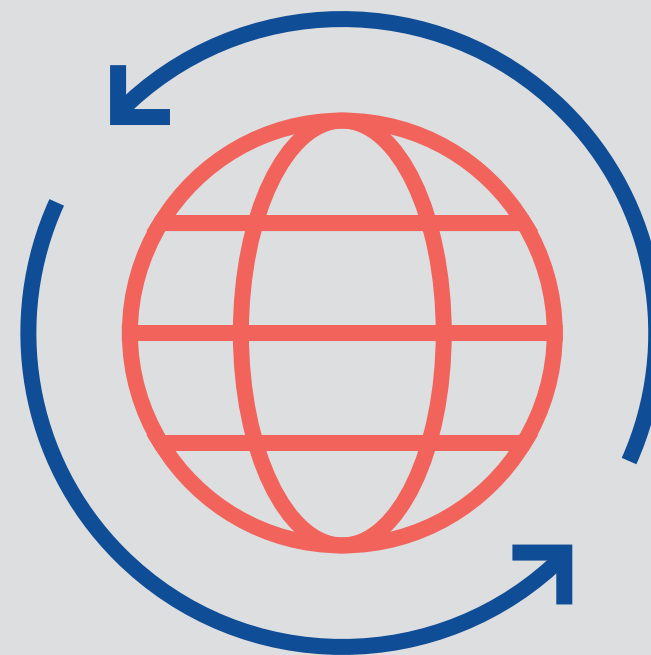
Modern armed forces systems require a robust and powerful ICT connection, both in stationary and mobile (or partially mobile) deployments. The DTI key project "Armed Forces telecommunications" (TC A) will replace the existing means of transmission. Troops are to be re-equipped in six procurement steps worth a total of CHF 1.6 billion, with full rollout of the equipment scheduled for completion by 2035. The SFAO audited the programme for the fourth time.⁴⁵ The project management and supervision are target-oriented. However, this and most other projects (such as IPLIS) have to make up for the lack of project portfolio management at DDPS level within the programme. The DDPS's project portfolio management

was too weak at the time of the audit. Complexity, delays due in part to the COVID-19 pandemic and the war in the Middle East, and dependencies are resulting in increased costs for TC A. The Armed Forces' NDP, currently under construction, is a basic prerequisite for numerous projects and requirements. Designs for jointly used civilian telecommunications structures do not exist. Requirements for mobile broadband security communications for civil protection and TC A therefore remain unclear. Without overarching management of the entire portfolio, dependencies, resources and governance, such problems will not be managed actively enough and will remain unresolved for a long time.

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⁴⁵ Most recent report [23121](#) and three others [16613](#), [17619](#) and [19258](#)

International relations



The SFAO audited various aspects of efficient and effective action abroad in the reporting year: procurement by Swiss representations abroad, construction audits of infrastructure projects in development cooperation, and one very specific construction project, that of the Swiss embassy in Beijing. It also examined the design of SDC subsidies in developing countries during the pandemic.

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⁴⁶ Audit report [20061](#)

⁴⁷ Audit report [22407](#)

Positive findings on procurement by representations abroad

Switzerland's 170 representations abroad procured construction work, supplies and services worth CHF 657 million between 2018 and 2021. In its audit, the SFAO found that good organisational conditions are in place to ensure that public procurement abroad complies with the law. The procurement-related directives take into account the requirements of public procurement law. Instruments and processes are appropriately designed.

Based on three case studies in Pristina, Kathmandu and Paris, the SFAO examined the implementation of requirements,⁴⁶ and found that the positive picture was also generally borne out in practice. Even so, there is room for improvement: local competition should be promoted more strongly and invitations to tender should also be publicised more in local media. On the ground, there is a lack of clarity about declarations of impartiality, which make a substantial contribution to the fight against corruption: specifically, by whom and how often they are to be demanded. The General Secretariat of the Federal Department of Foreign Affairs (FDFA) has recognised the potential for improvement and intends to implement the SFAO's recommendations.

Infrastructure projects properly managed, but not finalised clearly enough

SECO finances infrastructure projects in international cooperation to the tune of CHF 100 million per year. In its priority countries in Eastern Europe and Central Asia, it uses these funds to promote the transition from a planned to a market economy. The aim of financing the projects is to improve the conditions for business and raise living standards for the population. The SFAO audited construction projects in three of these countries: the expansion of a private electricity company in Tajikistan, the safety monitoring of dams in Albania and the construction of a wastewater treatment plant in North Macedonia.⁴⁷

All the projects examined are run professionally by SECO. However, the commitment needs to extend beyond construction of the infrastructure. The long-term operation of the facilities also requires support. The SFAO found that there were no criteria for exiting the projects. SECO should also introduce pragmatic approaches to review the sustainability of financed infrastructure retrospectively. Lessons can be learnt from this in order to make the commitment effective in the long term and to improve it where necessary. For the project in Albania, the required level of safety in dam monitoring needs to be defined more precisely and the need for further measures to achieve the objectives must be clarified.



New construction project for Swiss embassy in China: question marks over efficiency

The buildings of the Swiss embassy in Beijing need to be replaced. The existing premises have reached the end of their life cycle, are too small and no longer comply with earthquake safety standards. The FDFA commissioned the FOBL to plan the new building in 2016. Switzerland is awaiting authorisation from the Chinese authorities, pending which planning for the project and the application for funding from Parliament have been put on hold.

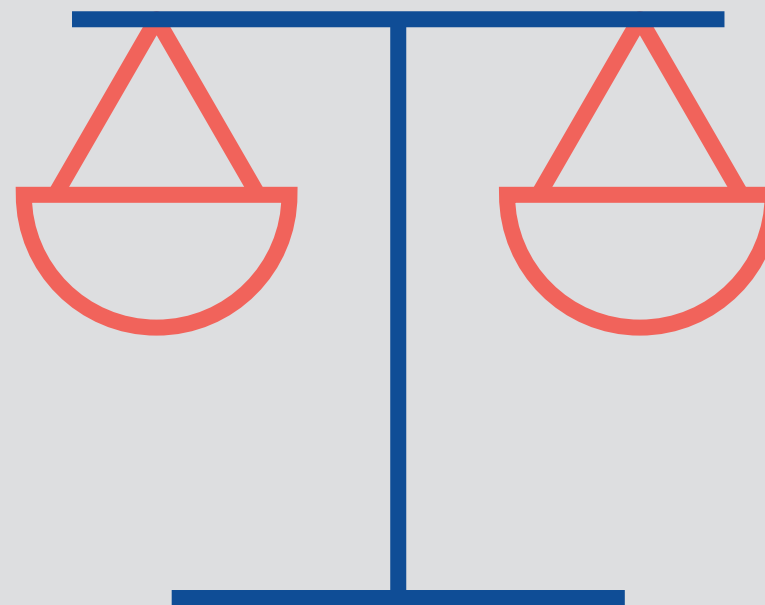
The project costs, which were estimated at CHF 25 million at the time of the tender in 2018, have risen to CHF 48 million. The SFAO acknowledged that new requirements and an allowance for inflation are part of the reason for the cost increase. However, additional costs on this scale cannot be explained by these factors alone.⁴⁸ The development of the estimated costs must be presented in a transparent manner.

The SFAO also questions the efficiency criteria, with twice as many workstations currently planned as there are employees. Here, the FDFA needs to demonstrate more clearly how many actual and reserve workstations are to be planned. For its part, the FOBL needs to scrutinise requirements planning more critically and base this on the applicable standards. The FDFA's Directorate for Resources and the FOBL are critical of many of the report's findings and have each rejected one of the seven recommendations.

🔗 AVAILABLE ON THE SFAO WEBSITE

⁴⁸ Audit report [22223](#)

Justice and police



This chapter includes an accounting audit, a supervision audit of intellectual property management and a procurement audit relating to asylum. The audits are varied and so too are the results. It may be surprising that there are two audits concerning the Swiss Federal Institute of Intellectual Property (IPI). This is an independent institution attached to the Federal Department of Justice and Police (FDJP).

IPI – Review of pension fund payment

The SFAO audited the IPI's financial statements for 2022/23 and recommended that the IPI Institute Council approve them. They comply with the relevant regulations. There is an ICS that fulfils the requirements. In the course of this audit, the IPI informed the SFAO that its Executive Board had increased the coverage ratio of the pension fund from 100.8% to 110% with a voluntary, direct non-recoverable payment of CHF 11.55 million. The IPI is also planning further payments.

The SFAO was not convinced by the legal assessment of the admissibility of the payment and therefore subsequently recommended legal clarifications with the Federal Office of Justice (FOJ). Among other things, the clarification clearly concludes that the procedure chosen by the IPI would have required a legal basis. The IPI is financed through fees. The measures taken by the IPI on the basis of the FOJ's assessment will be audited by the SFAO in due course.

In the interim audit, the SFAO had already recommended that the planned payment be dispensed with as there were no specific restructuring requirements from the pension fund. Prior to the payment, the IPI first had the admissibility of the payment clarified in an external expert opinion, which was subsequently discussed with the General Secretariat of the FDJP and then submitted to the IPI's Institute Council for its opinion. The Federal Office of Personnel was not consulted, as the IPI is independent under human resources law.



Strengthening the IPI's supervision of copyright management organisations

Switzerland's five copyright management organisations – ProLitteris, Société Suisse des Auteurs, SUISA, Suissimage and SWISSPERFORM – are subject to the supervision of the IPI. They manage copyrights in their respective artistic sectors. In 2021, the fees paid to them totalled around CHF 300 million. The SFAO audited the efficiency and effectiveness of the IPI's supervision, focusing on its annual analytical checks of the organisations' activities and management.⁴⁹

The IPI performs its supervision in a targeted and standardised manner with an appropriate workload. However, it does not sufficiently base its supervision on a comprehensive risk analysis taking into account the specific characteristics of the organisations. The SFAO also recommended that the IPI scrutinise more closely the accounting, financial and auditing information provided by the organisations.

Is the SEM's asylum-related procurement efficient and needs-based?

In its procurement audit, the SFAO found that the answer is largely "yes".⁵⁰ Based among other things on case studies at the Boudry, Embrach and Glaubenberg sites, it examined whether services for the federal asylum centres are being procured efficiently in light of fluctuating asylum applications, which have been rising sharply again since 2022. This is significant because more than half of the CHF 307 million operating costs for all federal asylum centres relate to expenditure for externally purchased assistance for asylum seekers and for security services in the centres.

The basis for needs-based and cost-effective procurement is in place. Procurement is carried out correctly and it is understandable that, in pandemic- or war-related crisis situations, quality management is scaled back in a planned way.

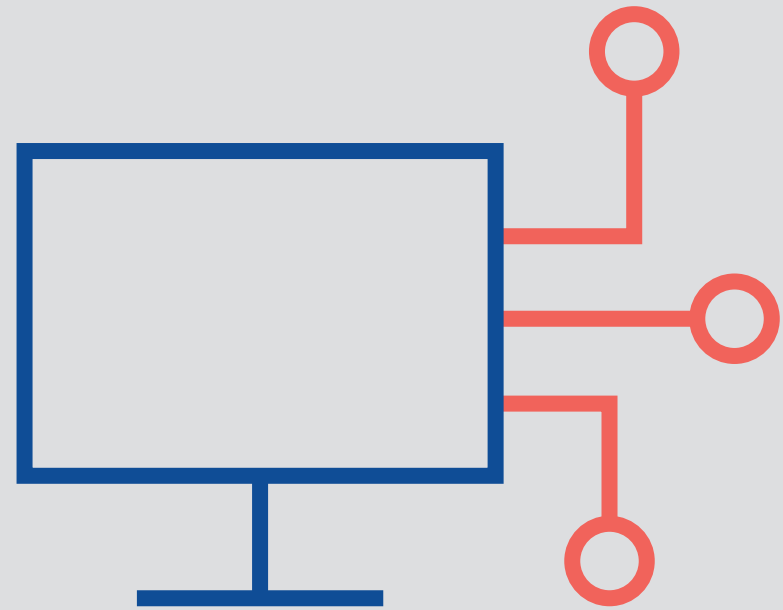
However, the SFAO expects full-scale quality management measures to be resumed. External parties must be brought in to provide an independent outside view in the relevant audit and control tasks. The SFAO also found that the contractual conditions for external service providers are sufficiently flexible to be able to respond to fluctuations in need. However, the State Secretariat for Migration (SEM) had to authorise subcontractors to provide security services at short notice, although this was actually precluded in the framework contracts. It is advisable that such companies be contractually permitted in future tenders.

AVAILABLE ON THE SFAO WEBSITE

⁴⁹ Audit report [22218](#)

⁵⁰ Audit report [22228](#)

Federal IT projects



The audit findings presented show that no two DTI key projects are the same. Nevertheless, overarching programme objectives are sometimes similar and recurring patterns of problems can be found – whether it be in the production of geoinformation data, the design of key applications in the asylum system or the strengthening of critical infrastructures for severe weather warnings. A summary report provides an overview.

AVAILABLE ON THE SFAO WEBSITE

⁵¹ Audit report [22207](#)

⁵² Audit report [22157](#)

ZEMIS and NEPRO: not using the present as a blueprint for the future

The Central Migration Information System (ZEMIS) is the most important register of all foreign nationals residing in Switzerland. It is a key working tool for around 30,000 users at federal, cantonal and communal level. By 2027, the SEM intends to renew it at a cost of CHF 80 million and also to make it more efficient by optimising business processes. The focus is on the future, one of the aims being to enable resources to be freed up in tense migration situations. This was the SFAO's first audit of this DTI key project, which was launched in 2021.⁵¹

Rethinking the world of tomorrow is also a central challenge in swisstopo's DTI key project "New production systems" (NEPRO). NEPRO comprises around 30 projects and sub-projects. Most geodata is produced with software that will no longer be updated by the manufacturer from 2026. NEPRO is scheduled to run for ten years, with CHF 65 million available for the programme. In addition to updating production systems, swisstopo will also use the opportunity to modernise production processes.

The programme has ambitious goals and operates in a complex environment. However, at the time of the audit, the programme plan was obviously unrealistic. Basic programme elements were lacking and opportunities from the digital transformation were not being seized boldly enough. One example: without good data architecture and governance, it will be hard to boost efficiency in the future. However, the programme still lacks these important foundations.

The SFAO also audited this programme for the first time, taking a close look at its management and the achievement of programme objectives.⁵² It found that foundations for the programme's success were lacking: these included measurable objectives, deliverables, an analysis of the stakeholders and legal framework, independent quality and project management, as well as bodies, processes and structures. Incomplete project reporting fits into this picture of a lack of basic elements. swisstopo cannot adequately demonstrate that there is a need beyond that of the migration alone. The strategic relevance and benefits of a comprehensive renewal are not comprehensible to outsiders. As such, only a like-for-like replacement of the existing systems could be justified at present. However, this would mean that opportunities from the digital transformation would not be harnessed. Urgent action is needed.

The SFAO also found that dependencies of the individual projects within the "ZEMIS renewal" programme were not clearly identified, that legal experts and HR managers were not sufficiently involved in the programme and that there was no uniform understanding of the programme vision and strategy between the subject experts and IT. All of this poses a risk to the success of the rest of the programme. The SEM has recognised this and points out that the recommendations are largely being implemented.



CuriaPlus: (data) security is non-negotiable

CuriaPlus is a Parliamentary Services (PS) project designed to provide IT systems and applications for members of the Federal Assembly and for PS staff. Parliamentarians will be able, for example, to work on their proposals directly online and the public database of parliamentary proceedings, Curia Vista, will be upgraded by CuriaPlus. It was commissioned in time for the new legislature period. The SFAO audited it for the second time, after an initial audit in 2021. This time, the focus was on IT security.⁵³

Significant improvements have been made in IT governance and organisation. For example, PS implemented a digitalisation strategy in 2022. There is a directive on governance for digital services and PS's IT department has reorganised itself in line with the Scaled Agile Framework (SAFe). However, further efforts need to be made in the area of IT security. In particular, the entire system landscape should be reviewed on a regular basis. Testing needs to be extended to the peripheral systems, as already noted by the SFAO in 2021.

ERP systems D/ar and SUPERB: more systematic harnessing of transformation synergies

The Federal Administration's SAP systems need to be replaced by 2027. The Federal Council has decided to continue using the latest generation of SAP products to map support processes. The SFAO audited two DTI key projects on this topic. The "ERP systems D/ar" (ERPSYSVAR) programme aims to replace the Armed Forces' existing SAP system at a cost of CHF 468 million.⁵⁴ As it must be able to function in all situations during military operations, it is to be set up as an autonomous system. The SFAO examined whether the programme is aligned with the overall ICT architecture of the Defence Group.

The target date of 1 January 2025 for the technological changeover is realistic. However, there is no solution for ensuring that the system can be operated autonomously in military deployments. It has been shown that SAP is not suitable in this regard. The Armed Forces have therefore decided to assign SAP to the basic ICT services and have it operated by the Federal Office of Information Technology, Systems and Telecommunication (FOITT) in the future. This solution differs from the one originally communicated with the credit application. The SFAO found that this significant change of ground rules was not disclosed transparently enough. In addition, a solution for mapping mission-critical processes is still outstanding. The decision on this is still pending and the associated financial impact has not been assessed. The transition of operational services from the Armed Forces Command Support Organisation to the FOITT also poses a high risk to the success of the programme. The transfer of knowledge will be key to success here. At the same time, this transition offers opportunities for synergies. These must be exploited!

AVAILABLE ON THE SFAO WEBSITE

⁵³ Audit reports [21310](#) and [23702](#)

⁵⁴ Audit report [22123](#)



The "Federal ERP support processes" (SUPERB) programme involves the introduction of support processes in the new SAP for the civilian part of the Federal Administration. Led by the FOBL, it is scheduled to run until 2027 and has an estimated price tag of around CHF 485 million. On 18 September 2023, the data was successfully migrated from the old software (SAP R/3) to the new software (SAP S/4HANA) – a major success for the programme. In its audit of the "Specialist applications" sub-project, the SFAO examined whether the existing 250 or so applications were being transferred to SAP where appropriate. Are synergies being exploited?

An interim solution found at the time of the audit meant that data exchange from the existing specialist applications to the new SAP system could be guaranteed. The project thus responded to the new approach to introducing SUPERB without blocking the progress of the programme. The SFAO sees a risk of this interim solution being used in the long term. Operating costs would increase unnecessarily. In addition, neither synergy nor standardisation potential has been identified. Relevant instruments need to be improved. The SFAO also made various recommendations on project management.

In a further audit, it examined whether the financial processes in particular have been implemented and standardised on the basis of the SAP standard.⁵⁵ The FFA is in charge of this, and has identified some initial standardisations based on a uniform chart of accounts. However, the potential benefits and synergies have not yet been definitively identified. Further automation and harmonisation, such as subsidy management, will only be examined in the project's innovation phase. At the time of the audit, the migration to the new SAP software had not yet taken place and the associated decisions were still pending.

MeteoSwiss: risk awareness and top management support must be strengthened

MeteoSwiss is a critical infrastructure: with its severe weather warnings and pollutant distribution analyses, it provides vital services for Switzerland. If these services fail, human lives could be at risk. With the "Fail-safe computing power" project (RZPlus), MeteoSwiss aims to enhance protection against major operational interruptions and operate applications in a geo-redundant manner. Until now, IT has been housed centrally in a data centre. The use of public cloud services should also enable applications to be decoupled from one another. The DTI key project has CHF 39 million at its disposal.

The SFAO found that the programme is progressing well, thanks to a motivated team and despite delays caused by external factors.⁵⁶ The call-off of services from the relevant Confederation WTO procurement contract represents new territory. However, there are also specific risks associated with the public cloud: for example, the potential influence of third countries and the associated violation of Switzerland's digital sovereignty.

MeteoSwiss has recognised the need for action and is developing measures to mitigate the risks. The Management Board will only be able to accept the residual risks once the catalogue of measures has been completed and implemented. This is urgently needed to confirm the architectural approach and is a prerequisite for productive operation. Determining the information security requirements for business-critical specialist applications is more complex and time-consuming than expected. To achieve this, an end-to-end process must be established and led by top management.



BEHIND THE SCENES

DTI key projects – what are they?

DTI key projects are Federal Administration projects or programmes in the areas of digital transformation and ICT. They are of particular significance due to their size, strategic importance, complexity and/or risks. These initiatives require stronger overarching management, steering, coordination and control.⁵ The relevant departments and administrative units remain responsible for the projects. The Federal Chancellor determines which projects are classed as DTI key projects. There are currently 21 such projects, worth a total of approximately CHF 7 billion.⁶ The SFAO has been auditing these projects periodically since 2013, on behalf of the Federal Council.

[🔗 AVAILABLE ON THE SFAO WEBSITE](#)

⁵⁵ Audit reports [22754](#) and [22530](#)

⁵⁶ Audit report [23623](#)

⁵ [Federal Council directives for ICT projects in the Federal Administration and for the Federal ICT portfolio of 16 March 2018.](#)

⁶ [The list of key projects is available on the Federal Chancellery website \(status 30 September 2023\).](#)

Digital transformation – summary report identifies shortcomings and success factors

The SFAO has summarised the results of 16 audits on digital transformation in a summary report.⁵⁷ Investments of billions of Swiss francs are only justified if the projects concerned lead to greater efficiency in the Federal Administration. The Confederation still has a long way to go, with only a quarter of the projects examined on the right track. It would be premature to draw conclusions from this about all transformation projects. However, the SFAO observed overarching shortcomings in strategic management, steering and structures, and a lack of ambition in project goals.

It has identified seven factors for successfully organising digital transformation projects: these include an ambitious approach to the project, commitment from senior management, a consistent customer perspective and the use of data as a key resource. Many projects also fail if their vision, strategy and management are not harmonised. Leeway is often not adequately exploited and the legal framework is not revised in the course of the project, to the detriment of the actual project goals.

Success factors for a successful digital transformation

SOURCE: SFAO 2023

VISION & COMMITMENT

The project is ambitious



Vision, strategy and management are aligned



Top management is committed



SEVEN CRITICAL SUCCESS FACTORS

EXPLOIT OPPORTUNITIES



End-to-end view is taken



Revise the legal framework



Utilise data as a central resource



Utilise room for manoeuvre in framework conditions



BEHIND THE SCENES

Why a summary report on digital transformation audits?

In the Federal Administration, digital transformation is a key tool for shaping the future. The SFAO has developed its own audit procedure specifically for these projects. Central to this is the question of whether the opportunities presented by digital transformation projects are being sufficiently exploited. For some years now, it has increasingly been carrying out audits in this area. In its summary report, the SFAO brings together the results of 16 such audits. It is all about learning from others. With this in mind, the report highlights seven success factors that are critical for successful transformations, based on experience.

AVAILABLE ON THE SFAO WEBSITE

⁵⁷ Audit report [22742](#)

⁷ The audited projects were selected using a risk-based approach. The result of the audit does not mean that it can generally be said that only a quarter of the Federal Administration's hundreds of ICT projects are on the right track.

THE MAIN RESULTS
POLITICAL FUNDING
MEANS AND FIGURES
APPENDICES





2

POLITICAL FUNDING

New rules for political actors – new transparency for Switzerland

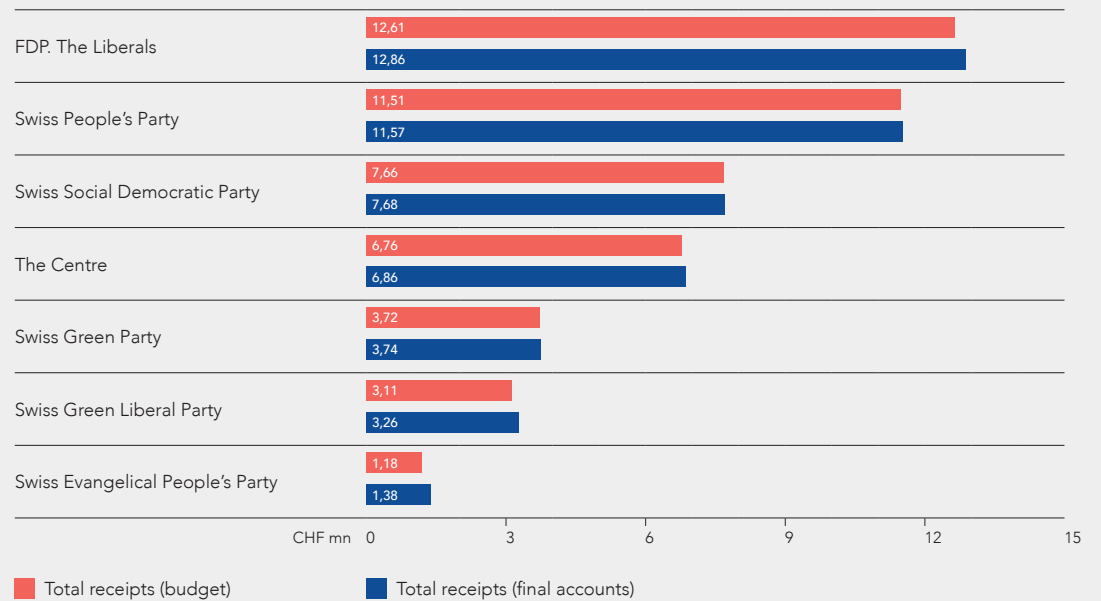
Since 23 October 2022, the SFAO has been the body responsible for compiling disclosures on political funding. It is also responsible for auditing and publicising these disclosures in the context of election and voting campaigns and party finances. The rules were applied for the first time in the 2023 federal elections. There was real willingness on the part of politicians to comply with the statutory regulations.

Electorate able to form a good picture ahead of elections

A total of 277 final accounts relating to the funding of the National Council election campaign were reported to the SFAO, with a combined value of CHF 54.6 million. In the Council of States elections, where only final accounts exceeding CHF 50,000 of successful campaigns are subject to the reporting requirement, CHF 6.02 million was reported in 42 final accounts. As a reminder, benefits above CHF 15,000 must be reported if an election campaign costs more than CHF 50,000. The checks carried out and the small discrepancy between the budgeted amounts submitted and the final accounts show that transparency in political funding has increased. In Council of States campaigns, the highest amounts were spent in cantons with large populations and those with hotly contested Council of States seats.

National Council elections: Comparison of budget/final accounts by party

SOURCE: SFAO, 2023



2023 federal elections a litmus test

When it comes to enforcement of the rules, legislators have taken a lean approach. The principle of self-declaration applies. The SFAO carries out material audits based on random sampling and on risk. Published data can be immediately utilised by third parties in accordance with the principle of Open Government Data.

For the launch project, which was completed in February 2024, the SFAO relied – successfully – on implementation solutions that could be rolled out quickly. The deadlines for implementing the rules for the federal elections were met and only around 25% of the budget for external procurement costs had been used by the end of 2023, despite the fact that the implementation application was fully operational from July 2023. The SFAO was allocated three full-time equivalents (FTEs) for this new task, although the actual workload during the launch phase was significantly higher.

Too soon for an overall assessment

This task represents new territory for the SFAO, as for everyone involved. An overall assessment must wait, pending first experience from the federal popular vote in March 2024 and the disclosure of party funding in summer 2024. An evaluation of the rules will then be carried out under the auspices of the FOJ and submitted to the Federal Council. The SFAO will play an active role in this process, contributing its experience with enforcement and making proposals for changes where necessary. For the SFAO, it is important that this new task does not compromise its core remit as the Confederation's supreme financial supervisory body. It will therefore also be necessary to look critically at whether it makes sense for the SFAO to act as the body responsible for this task.



19 September 2023: the announcement of the donation budgets for the 2023 National Council elections attracts great media interest
© Communications SFAO



3

FINANCIAL SUPERVISION MEANS AND FIGURES

A

OBJECTIVES AND SCOPE OF FINANCIAL SUPERVISION

The SFAO supervises the finances of the Confederation and is its supreme financial supervisory body. It acts independently. Its work is done on behalf of the Federal Assembly, the Federal Council and taxpayers.

Every year, the SFAO conducts over 150 audits and publishes over half of the reports. The topics covered are wide-ranging as the SFAO supervises, among others, the Federal Administration, Parliamentary Services, the federal courts, the FINMA and the Office of the Attorney General of Switzerland (OAG). Recipients of federal subsidies and companies in which the Confederation holds more than 50% of the share capital are also audited by the SFAO.

The SFAO not only audits the federal financial statements and the RIF and NAF, but also performs other external audit mandates, such as for the Unemployment Insurance Compensation Fund, the ETH Domain, the Federal Institute of Metrology, the IPI, Innosuisse and the SNSF. It does not audit the SNB, the Swiss Broadcasting Corporation or the Swiss National Accident Insurance Fund, as it lacks the statutory powers to do so.

These audits have one thing in common: they are not just about numbers. The SFAO assesses compliance, legality and cost-effectiveness. In its evaluations, it analyses whether expenditure achieves the expected effect. The SFAO carries out various types of audit, including subsidy, construction, procurement, price, project and IT security audits.

B

QUALITY MANAGEMENT AND QUALITY ASSURANCE

When it comes to quality assurance, the SFAO takes a risk-oriented approach and sets priorities. Ongoing development is an integral part of quality management in accordance with established standards (see box "Behind the scenes" p. 54): in 2023, the SFAO adopted the new standards of the International Auditing and Assurance Standards Board (IAASB) and revised its quality management manual.

As well as auditing others, the SFAO is also audited itself. Alongside ongoing internal monitoring, an external body audits the SFAO's work on an annual basis. The external audit focuses on completed SFAO audits and organisational aspects. In addition, the SFAO carries out regular surveys of its auditees. Peer reviews of the SFAO are conducted periodically by partner organisations, and in 2024, the SFAO will itself audit selected elements of the European Court of Auditors' audit work as a peer reviewer.

The SFAO's expertise relies on facts rather than opinions. Staff are the SFAO's most important resource. It attaches great importance to employees keeping their knowledge and skills up to date and passing them on within the institution. Internal training courses are held every January for SFAO employees, the Federal Administration's internal auditors and, in some cases, the cantonal audit offices.

All employees contribute to the high quality of the SFAO's work by complying with the principles of professional ethics and paying close attention to the SFAO's values. Diverse knowledge, wide-ranging professional experience and a high level of social competence are the foundations of professional financial supervision. Another badge of professionalism is the fact that the SFAO is licensed by the Federal Audit Oversight Authority.



DID YOU KNOW THAT THE SFAO...

- ... is a member of the Panel of External Auditors of the United Nations and performs several mandates at international organisations?
- ... works to strengthen and promote the independence of the Federal Administration's internal audit units?
- ... coordinates its work with the parliamentary supervisory bodies to avoid duplication?

C

RECOMMENDATIONS

The SFAO makes recommendations in most of its audit reports. Good recommendations are clearly formulated, focus on impact and can be implemented. They cover a single issue, are addressed to a specific target and indicate the goal – not the path to the goal. The risk reduction achieved through a recommendation must be proportionate to the implementation costs. Recommendations should lead to an improvement in both the economic situation and the quality of an audited issue. Most of the recommendations are accepted by the auditees.

Important pending recommendations

If the SFAO considers a recommendation to be particularly important, it is classed as a "priority A recommendation". Listed p. 55 et seq. are priority A recommendations that were accepted but had not been implemented by the originally agreed deadline, as at 30 September 2023. Recommendations with a red asterisk have been added since the last annual report.

If a recommendation is not implemented within the agreed deadline, the office must provide a new binding implementation date ("extended deadline"). There may be plausible reasons for extended deadlines that are years after the original implementation date, but they are a sign that the major deficiency has persisted for a long time. The FAOA stipulates that the Federal Council should monitor the implementation of these pending items.

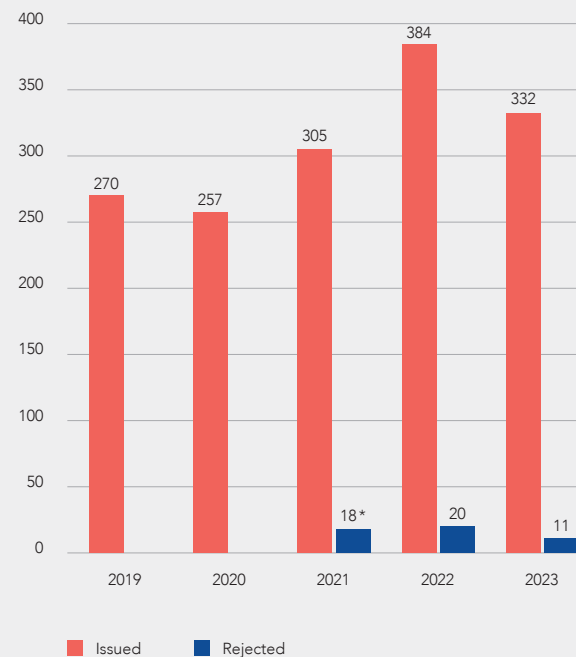
D

REPORTING OF MAJOR IRREGULARITIES TO THE FEDERAL COUNCIL

The SFAO has to inform the Federal Council immediately if it finds anomalies or deficiencies of fundamental significance or considerable financial importance. The basis for this can be found in the FAOA.⁸ In 2023, there were no communications of this type.

Recommendations issued and rejected in the past five years

SOURCE: SFAO 2023



*Start of systematic recording



BEHIND THE SCENES

Standards and compliance guarantee sound quality management

The quality management system (QMS) is an important feature of the SFAO's activities. It is based on the international standards laid down by the IAASB, the International Organization of Supreme Audit Institutions (INTOSAI) and the IIA. Compliance with these standards guarantees the integrity and reputation of the SFAO's work. The management team is therefore responsible for the QMS and takes this responsibility very seriously.

⁸ [FAOA, Art. 15 para. 3.](#)

AUDITED ENTITY	TOPIC	RECOMMENDATION	ORIGINAL DEADLINE	EXTENDED DEADLINE
DDPS/AFS	Collection of historical Armed Forces equipment: Incomplete basic documentation	The SFAO recommends that the DDPS revise the basic documentation concerning the collection of historical Armed Forces equipment. There is a need, for example, to define the objectives for the normal functioning of such collection, a strategy for achieving the objectives and a detailed collection concept. This must be done within available resources and in a sustainable way.	31.12.2015	31.12.2025
DDPS/AFS	Collection of historical Armed Forces equipment: Service agreements to be adapted	The SFAO recommends that when the basic documentation is revised, the service agreements with the foundations for the collection of historical Armed Forces equipment be revised too. The management and monitoring of the foundations must be reinforced. The annual objectives must also be based on the adjusted basic documentation.	31.12.2015	31.12.2025
FDHA/FSIO	AHV/IV/EO and ALV compensation funds: Unified accounting standards	The SFAO recommends that the FFA, together with SECO and the FSIO, establish uniform accounting standards for the AHV/IV/EO and ALV compensation funds. That should give the various stakeholders a clear picture of the financial situation of social security schemes. If there are no applicable standards, standards similar to those of 2nd pillar institutions (Swiss GAAP FER) should be developed.	31.12.2017	21.12.2024
FDF/Central Compensation Office (CCO)	Improvement in invoicing process: Digitalisation and automation	The SFAO recommends that the CCO adopt an automated process for dealing with invoices. This involves digitalisation of paper invoices as soon as they are received and initial automated and centralised sorting.	30.11.2018	30.06.2025
EAER/ALV Compensation Fund	Labour market measures: Impact-dependent compensation	The SFAO recommends that the Unemployment Insurance (ALV) Compensation Fund initiate an amendment to the Federal Act on Mandatory Unemployment Insurance and Insolvency Benefit, with the aim of making compensation for labour market measures impact-dependent.	31.12.2018	31.12.2024
FDFA/State Secretariat – Directorate for Resources*	Small representations abroad: Strategy revision	The SFAO recommends that the FDFA revise the strategy on small representations. Embassies should be given a stronger profile where required and the medium-term expectations and goals should be defined. The single transferable person model should not be expanded. If the added value or impact of a representation is low, the FDFA must consider alternative solutions: closure, regionalisation or establishment of an ambassador based in Bern.	31.12.2019	21.12.2026
FDF/FOBL*	Supplier management: Monitoring and management	The SFAO recommends that the FOBL create the conditions for monitoring and managing the Confederation's key suppliers.	31.12.2019	30.06.2024
DDPS/FOCP	Protected sanitary facilities: Strategy adjustment	The SFAO recommends that the DDPS review the strategy for protected sanitary facilities.	31.12.2020	31.12.2025

AUDITED ENTITY	TOPIC	RECOMMENDATION	ORIGINAL DEADLINE	EXTENDED DEADLINE
EAER/Supervisory Commission for the ALV Compensation Fund	DTI key project ASALfutur: Implementation of eServices	The SFAO recommends implementing eServices alongside ASALfutur in October 2022.	29.05.2022	31.12.2024
GS-DDPS*	Deployment concept and achievement of AFDP objectives: Reporting and communication	The SFAO recommends that the GS-DDPS rapidly improve external communication on the status of the deployment concept and the achievement of AFDP objectives in collaboration with the AFS. The Federal Council and the Security Policy Committees must be provided with a transparent, consolidated information base.	30.06.2022	30.06.2024
EAER/Supervisory Commission for the ALV Compensation Fund	ALV data processing: Integration of data analysis	The SFAO recommends that the compensation office integrate data analysis within the TCRD Audit Service to process the managed data.	30.06.2022	30.06.2024
EAER/Supervisory Commission for the ALV Compensation Fund	DTI key project ASALfutur: Operational maturity	The Unemployment Insurance Compensation Office needs to clarify the steps with external firms regarding the response times of the new SAP system and enter into agreements. Load testing should be performed with real data and on all ASALfutur features for operational maturity assessment.	28.08.2022	31.12.2024
GS-FDF	Border controls at airports: Service agreement and cost reimbursement	The General Secretariat of the FDF must draw up service agreements for the controls provided by the FOCBS on those passing through Geneva and Basel airports. These services must be fully reimbursed by the cantons.	31.12.2022	31.12.2024
FCh – DTI Sector*	Network of data centres: Strategy revision	The SFAO recommends that the DTI Sector of the FCh prioritise revision of the "Data centre network of the central Federal Administration" strategy and adopt it promptly.	30.03.2023	31.12.2024
GS-DDPS*	Cooperation between Armed Forces, civil protection and civilian service: More efficient deployment of people subject to service	The SFAO recommends that the DDPS agree on principles of cooperation between the Armed Forces, civil protection and civilian service with a view to future events. This should be done in close cooperation with the EAER. The aim is to create better conditions for the effective and efficient deployment of people subject to service.	30.06.2023	31.12.2023
DDPS/FIS*	FIS process review: Inclusion of all processes	The SFAO recommends that the FIS expand the already initiated process review to include the basic FIS process and thus include all management, core and support processes and perform necessary or newly possible organisational adjustments.	31.12.2023	31.12.2024
FDF/FOITT*	Ransomware protection: Implementation of measures	The SFAO recommends that the FOITT promptly implement further suitable measures to protect against ransomware.	31.12.2023	30.06.2024

E

PUBLICATIONS, ACCESS TO INFORMATION AND MEDIA PRESENCE

Transparency has been a feature of the SFAO's publication practice since 2014: all reports that are of public interest and are not covered by a justified exemption are published. In its annual programme, the SFAO announces planned audits and indicates which reports are intended for publication. The SFAO published 81 reports on its website in 2023, the same number as the previous year.

The Federal Act on Freedom of Information in the Administration (FoIA) has been in force since 2006.⁹ Since then, the SFAO has regularly received requests for access to official documents. Six such requests were received in 2023. In three cases it granted full access, in two cases access with redactions (Art. 7 para. 1 and 2, Art. 9 of the FoIA). In one case, it refused access because the audit in question arose from a special parliamentary mandate.

Application of the FoIA, 2019–2023

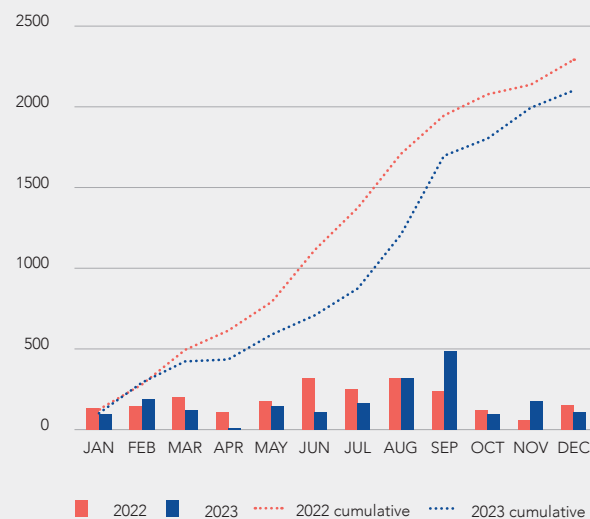
SOURCE: SFAO 2023

Year	Acceptance	Rejection
2019	9	2
2020	5	1
2021	2	4
2022	2	1
2023	5	1

What media coverage did SFAO publications receive?

Number of media reports mentioning SFAO – comparison 2022/23

SOURCE: SFAO 2023



There were 2,104 instances of media coverage of the SFAO or its publications. This figure is slightly down on the previous year (2,291), but indicates a steady media presence for SFAO expertise. The sharp increase in August and September 2023 is striking and is linked to the new transparency rules on political funding and the submission of budgeted figures for the National Council election campaigns. The number of media enquiries received by the SFAO was significantly higher in 2023 than in 2022 – up from 111 to 172 – for the same reason. 70% of these came from German-language media, 22% from French-language media and the remaining 8% from Italian- or English-language media.

⁹ [The text of the FoIA is available on the Confederation website, Classified Compilation – Fedlex, SR 152.3.](#)

F

WHISTLEBLOWING

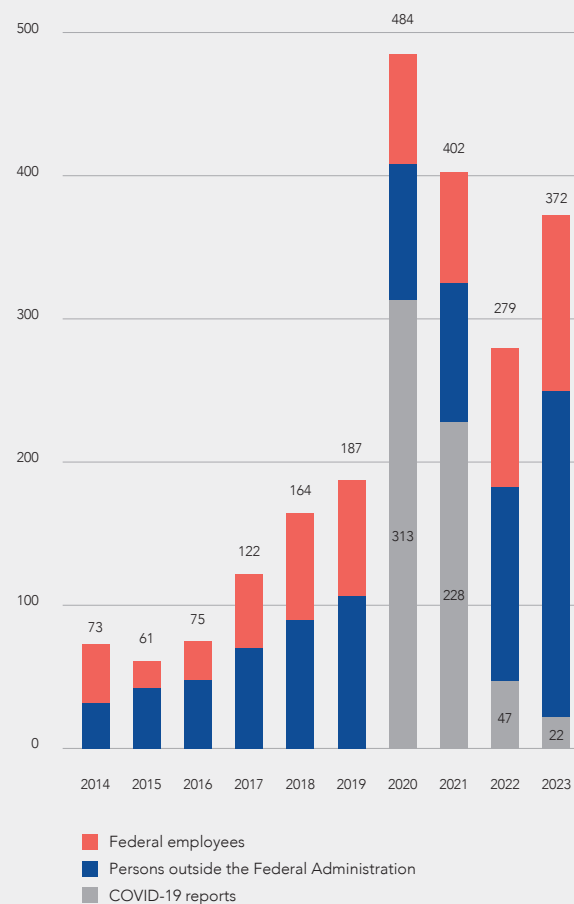
Since 2011, the Federal Administration has had a legal basis for protecting whistleblowers. The Federal Personnel Act (FPA) contains an obligation to report felonies and misdemeanours that are prosecuted ex officio. For federal employees who do so, the law provides protection against professional disadvantages. The SFAO operates a secure web platform for filing such reports (whistleblowing.admin.ch). This is available to all whistleblowers, both inside and outside the Federal Administration.

In 2023, the SFAO reporting office processed and analysed 372 reports – an increase of 93 compared with 2022. In 2020 and 2021, there were numerous reports in connection with the Confederation's COVID-19 assistance measures. The number of such reports fell to 47 in 2022, and dropped further in 2023, with only 22 reports relating to this issue. The majority of these concerned short-time working compensation and hardship cases.

According to the self-declarations, 222 reports came from individuals not employed by the Confederation: suppliers, private individuals or employees of private companies. Some 71% of reports were anonymous (2022: 88%). The encrypted mailbox system was used by 193 whistleblowers to communicate with the reporting office, with 87% of reports received via the reporting platform. Other reports were received by post, email and telephone. The SFAO's services are being used, and in turn it uses the reports for its work: 58% proved useful for ongoing audits or triggered new audits either shortly afterwards or at a later stage.

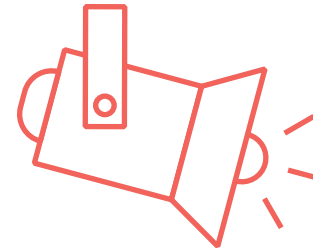
Number of whistleblower reports received (2014–2023)

SOURCE: SFAO



In 2023, the SFAO forwarded 11 cases to the prosecution authorities for information or further processing. For the first time, this figure includes not only reports to the OAG and the cantonal public prosecutor's offices, but also those to the other prosecution authorities. None of these reports involved federal employees.

The current revision of the FPA, on which the SFAO has been consulted, provides for a number of clarifications regarding the implementation of whistleblowing in the Federal Administration. As part of the update of the Code of Conduct planned for 2024, greater reference will be made to the SFAO's reporting office. Communication and awareness-raising efforts will also be undertaken, thus consolidating the SFAO's position as an important and reliable contact point for whistleblowers in the Federal Administration.



SPOTLIGHT

Twice as many whistleblowing reporting offices

The number of whistleblowing reporting offices almost doubled between 2018 and 2022, according to a study commissioned by the SFAO and conducted by the University of Applied Sciences of the Grisons.⁵⁸ The findings were presented to over 40 heads of whistleblowing reporting offices on 11 December 2023. The study was based on a survey of the Confederation, all the cantons and Switzerland's seven largest cities. Whistleblowing is regarded as a necessary and useful tool for improving public services. The trend is encouraging – but further action is needed. Reporting offices of public administrations are still relatively unknown and therefore underused.

[AVAILABLE ON THE SFAO WEBSITE](#)

⁵⁸ [The study findings are available as an attachment to the press release of 11 January 2024 on the website.](#)

G

HUMAN RESOURCES AND FINANCES

Parliament approved funds totalling CHF 35.2 million for 2023. Personnel expenditure, which includes other benefits in addition to salaries, will stabilise in 2024 compared with 2023, at CHF 27.7 million. Recruiting experts for vacant positions – especially in the IT audit sector – remains a challenge. This also explains the seven full-time vacancies and unused credits at year-end.

As at 31 December 2023, the SFAO had 137 employees (124.6 FTEs), slightly down on the previous year (140 employees, 128.8 FTEs). However, the average number of employees increased by three. The SFAO employed 51 women (37.2%) and 86 men (62.8%), of whom 78.8% were native German speakers, 19% native French speakers and 2.2% native Italian speakers.

The increase in costs is due in particular to the additional tasks relating to political funding and the associated personnel and IT costs.

The underspend compared with the budget is because vacant positions resulting from staff turnover and the increase in staff numbers decided by Parliament were only partially filled. This resulted in leftover credit of CHF 1.3 million for staff remuneration. Expenditure on expenses and external services was lower than planned (CHF -0.3 million).

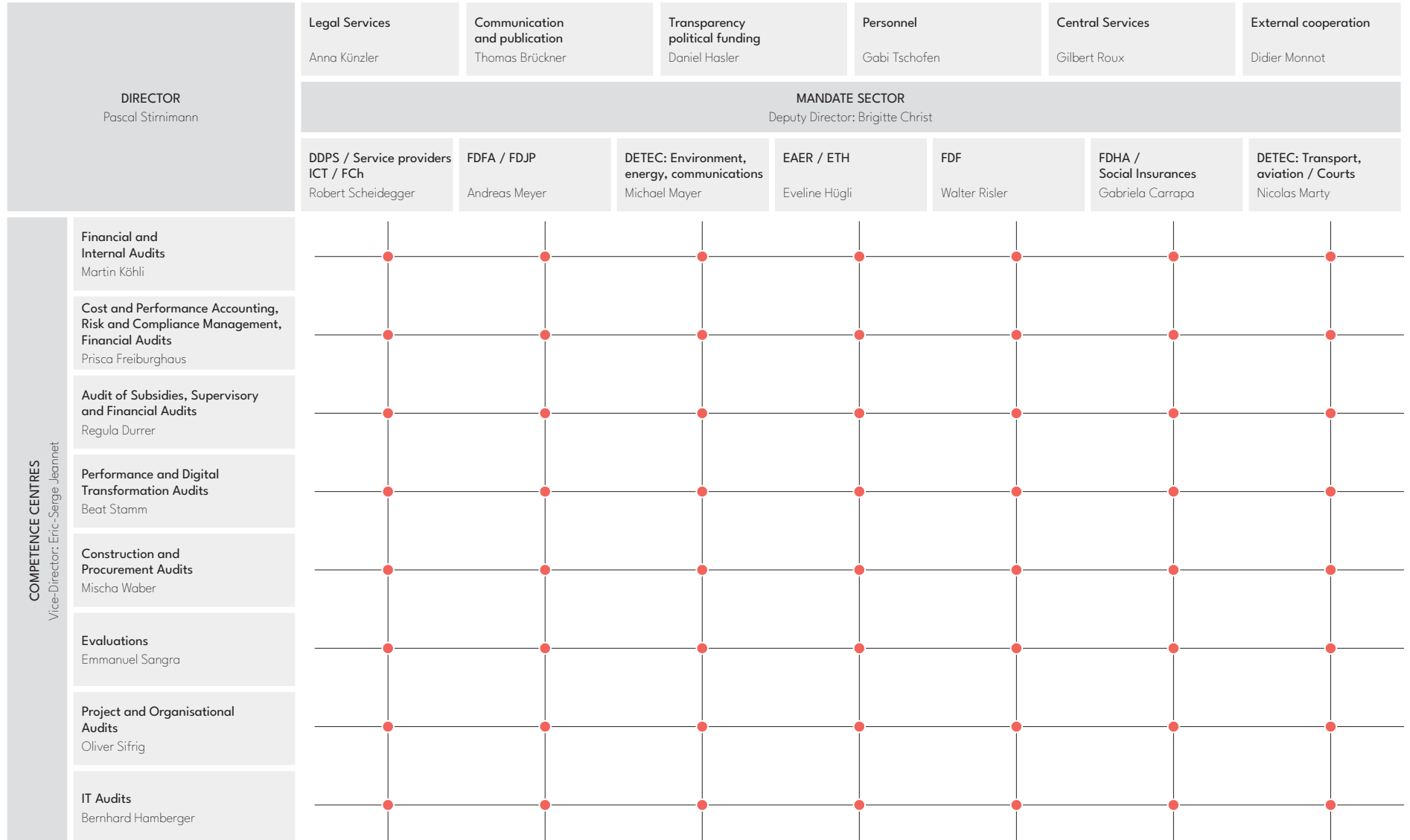
SFAO Finances

SOURCE: SFAO

In millions, rounded to one decimal place	Fin. stmt. 2022	Fin. stmt. 2023	Budget 2023	Difference fin. stmt. vs. budget 2023
Expenditure	31,8	33,1	35,2	-2,0
Receipts	-1,2	-1,2	-1,1	0,0
Annual result	30,6	32,0	34,0	-2,1

H

ORGANISATIONAL CHART OF THE SFAO



4 APPENDICES

Overview of completed audits (Mandate numbers)

📄 published 🏠 special mandate given by Parliament

AUTHORITIES AND COURTS

Federal Assembly	MANDATE NUMBER	
Audit of CuriaPlus security	23702	📄
Federal Chancellery		
Audit of the benefits of the binding requirements for process and architecture modelling in the Federal Department of Finance	22538	📄
Office of the Attorney General of Switzerland		
Audit of IT security and operation	22219	
Follow-up audit on the implementation of recommendations in the area of procurement	23200	📄

FEDERAL DEPARTMENT OF FOREIGN AFFAIRS

General Secretariat		
Procurement audit in Swiss representations abroad	20061	📄
Follow-up audit of the recommendations – diplomatic activities of small Swiss representations abroad	21504	📄
Audit of the project to establish a microcredit bank and a financial academy in Mozambique	22200	
State Secretariat		
Follow-up audit of the recommendations – diplomatic activities of small Swiss representations abroad	21504	📄
Audit of the security and operation of the Ordipro information system	23259	
Audit of lessons learnt from the COVID-19 and Ukraine crisis as regards disrupted supply chains	23493	📄
Swiss Agency for Development and Cooperation		
Procurement audit in Swiss representations abroad	20061	📄
Audit of the project to establish a microcredit bank and a financial academy in Mozambique	22200	
Subsidy audit concerning COVID-19 measures in developing countries	22204	📄
Price audits	22216	
Follow-up audit of the implementation of key recommendations	23244	📄
Price audit	23263	

Directorate for Resources

MANDATE NUMBER

Follow-up audit of the implementation of key recommendations	21504	☐
Audit of the use of funds at Health Promotion Switzerland	22223	☐
Follow-up audit of the implementation of key recommendations	23244	☐
Audit of the security and operation of the Ordipro information system	23259	

FEDERAL DEPARTMENT OF HOME AFFAIRS

General Secretariat

Follow-up audit of the implementation of key recommendations	22650	☐
Audit of the use of funds at Health Promotion Switzerland	23632	☐
Follow-up audit on the implementation of key recommendations for the electronic patient record and current status	23651	☐

Federal Office of Culture

Audit of language promotion subsidies	22652	☐
Construction audit of the renovation and refurbishment of the Swiss National Library	23626	☐

Federal Office of Meteorology and Climatology

Audit of the new cost accounting system	22653	☐
Audit of the use of funds at Health Promotion Switzerland	23623	☐

Federal Office of Public Health

Audit of licensing and remuneration processes for medicines	22608	☐
Audit of the use of funds at Health Promotion Switzerland	23632	☐
Follow-up audit of the implementation of key recommendations	23641	☐
Follow-up audit on the implementation of key recommendations for the electronic patient record and current status	23651	☐

Federal Statistical Office

Follow-up audit of the implementation of key recommendations	22650	☐
Audit of the IT security of the Sedex platform	22657	
Audit of the 2024 fiscal equalization between the Confederation and the cantons	23506	☐

Federal Social Insurance Office

Evaluation of invalidity insurance retraining measures	21133	☐
Audit of the granting of subsidies to private disability organisations	22624	☐

FEDERAL DEPARTMENT OF JUSTICE AND POLICE

Federal Office of Police

MANDATE NUMBER

Audit of expenditure in the area of special operations	23255	☑
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Swiss Institute of Comparative Law

Audit of the implementation of the revision of the law and the strategic objectives	22232	☑
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State Secretariat for Migration

Audit of the DTI key project Central Migration Information System renewal with a focus on digital transformation	22207	☑
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Audit of projects, systems and expenditure of the EU Internal Security Fund	22214	
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Asylum system procurement audit	22228	☑
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Audit of projects, systems and expenditure of the EU Border Management and Visa Instrument fund	23254	
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FEDERAL DEPARTMENT OF DEFENCE, CIVIL PROTECTION AND SPORT

General Secretariat

Audit of the implementation of measures in connection with the security incidents at RUAG	21411	☑
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Audit of the Armed Forces telecommunications key ICT project	22121	☑
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Audit of the DTI key project Swiss command network	22122	☑
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Audit of the DTI key project data centres 2020 ICT architecture and infrastructure	23155	☑
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Follow-up audit of the implementation of main RUAG recommendations	23165	
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Audit of compliance for transactions with the Leopard 1 tank	23166	☑
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Independent Oversight Authority for Intelligence Activities

Supervision audit	23117	☑
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Defence – Armed Forces Staff

Audit of the Armed Forces telecommunications key ICT project	22121	☑
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Audit of the DTI key project Swiss command network	22122	☑
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Audit of the DTI key project ERP systems D/ar programme	22123	☑
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Digital transformation: Audit of process efficiency in the replacement of the Land Forces CIS	23151	☑
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Audit of the DTI key project data centres 2020 ICT architecture and infrastructure	23155	☑
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Audit of the impact of the integration of AFCISO operations into the FOITT in terms of reliability	23754	☑
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Defence – Armed Forces Command Support Organisation

IT General Controls audit – part of the audit of the federal financial statements	22113	
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Audit of the impact of the integration of AFCISO operations into the FOITT in terms of reliability	23754	☑
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	MANDATE NUMBER
Federal Office for Defence Procurement armasuisse	
Price audit	19269
Audit of the Armed Forces telecommunications key ICT project	22121 
Audit of the DTI key project Swiss command network	22122 
Audit of selected procurements	22130 
Price audit	22131
Audit of the DTI key project data centres 2020 ICT architecture and infrastructure	23155 
armasuisse Real Estate	
Functional audit of the purchasing process operating expenses – part of the audit of the federal financial statements	23169
Federal Office of Topography swisstopo	
Audit of the DTI key project new production systems	22157 
FEDERAL DEPARTMENT OF FINANCE	
General Secretariat	
Audit of the benefits of the binding requirements for process and architecture modelling in the Federal Department of Finance	22538 
Federal Finance Administration	
Audit of the implementation of measures in connection with the security incidents at RUAG	21411 
Audit of risk management across subsidiaries – Swiss Post AG	22104 
Comprehensive report on the audit of the 2022 federal financial statements	22504 
Functional audit of the Federal Treasury process – part of the audit of the federal financial statements	22514
Performance audit	22522 
Audit of the DTI key project SUPERB – finance project	22530 
Subsidies: Summary report of past audits	22537 
Audit of compliance for transactions with the Leopard 1 tank	23166 
Evaluation of the design and impact of COVID-19 hardship measures	23400 
Audit of the 2024 fiscal equalization between the Confederation and the cantons	23506 
Audit of the federal regulations SAP GRC 2.0 – part of the audit of the federal financial statements	23520
Federal Employees Credit Union	
Audit of the financial statements	22518
Central Compensation Office	
Cost accounting audit	23620 

	MANDATE NUMBER	
Federal Mint Swissmint		
Performance audit	22522	☐
State Secretariat for International Finance		
Follow-up audit of the implementation of main recommendations with regard to ruling queries	22513	☐
Federal Tax Administration		
Follow-up audit of the implementation of main recommendations with regard to ruling queries	22513	☐
Digital transformation: audit of the process efficiency of core IT	22524	☐
Audit of the 2024 fiscal equalization between the Confederation and the cantons	23506	☐
Functional audit of the withholding tax and stamp duty receipt processes (external audits) – part of the audit of the federal financial statements	23518	
Functional audit of the withholding tax and stamp duty receipt processes (refunds) – part of the audit of the federal financial statements	23519	
Audit of the financial statements for the corporate radio and television fee	23524	☐
Effectiveness audit of the fight against VAT fraud	23533	☐
Federal Office for Customs and Border Security		
Audit of controls on dual-use goods	22416	☐
Functional audit of the personnel process – part of the audit of the federal financial statements	22508	
Audit of the financial statements of the Swiss Alcohol Board	22519	
Functional audit of receipt processes for mineral oil tax and CO ₂ levy – part of the audit of the federal financial statements	23517	
Effectiveness audit of the fight against VAT fraud	23533	☐
Federal Office of Information Technology, Systems and Telecommunication		
Audit of the DTI key project ERP systems D/ar programme	22123	☐
Audit of the DTI key project SUPERB – finance project	22530	☐
Audit of the IT security of the Sedex platform	22657	
IT General Controls audit – part of the audit of the federal financial statements	22700	
Audit of the DTI key project 2020 FOITT CAMPUS data centre migration	22739	☐
Audit of the key ICT project SUPERB – Specialist applications sub-project	22754	☐
Price audit	22756	
Audit of the federal regulations SAP GRC 2.0 – part of the audit of the federal financial statements	23520	
Audit of the impact of the integration of AFCSO operations into the FOITT in terms of reliability	23754	☐
Federal Office of Personnel		
Functional audit of processes in the information system for personnel data management – part of the audit of the federal financial statements	22506	
Functional audit of the personnel process – part of the audit of the federal financial statements	22507	
Audit of the financial statements	22516	
Functional audit of processes in the information system for personnel data management – part of the audit of the federal financial statements	23516	

Federal Office for Buildings and Logistics

MANDATE NUMBER

Audit of the new construction project for the embassy in Beijing	22223	☐
Audit of the DTI key project SUPERB – finance project	22530	☐
Effectiveness audit of internal auditing	22701	
Audit of 2036 accommodation strategy	22724	☐
Price audit	22744	
Audit of the key ICT project SUPERB – Specialist applications sub-project	22754	☐
Construction audit of the renovation and refurbishment of the Swiss National Library	23626	☐
Horizontal audit of the implementation of Articles 44 and 45 of the Public Procurement Act	23737	☐
Audit of the reorganisation of the Logistics Directorate, focusing on procurement	23762	

FEDERAL DEPARTMENT OF ECONOMIC AFFAIRS, EDUCATION AND RESEARCH

State Secretariat for Economic Affairs

COVID-19: Review of compliance with the dividend ban for joint and several sureties	22400	☐
Construction audit of infrastructure projects abroad	22407	☐
Audit of controls on dual-use goods	22416	☐
Audit of the use of enforcement cost contributions by the joint commissions	22443	☐
COVID-19: Review of compliance with the dividend ban for hardship assistance	22475	☐
COVID-19: Data analyses	22743	☐
Evaluation of the design and impact of COVID-19 hardship measures	23400	☐
Price audit	23454	
COVID-19: Review of compliance with the dividend ban for joint and several sureties	23470	☐
COVID-19: Review of compliance with the dividend ban for hardship assistance	23471	☐
Audit of lessons learnt from the COVID-19 and Ukraine crisis as regards disrupted supply chains	23493	☐

Federal Office for Agriculture

Audit of the benefits of individual crop subsidies in agriculture	22403	☐
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Agroscope

Audit of ICT governance	22477	☐
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Federal Office for National Economic Supply

Audit of lessons learnt from the COVID-19 and Ukraine crisis as regards disrupted supply chains	23493	☐
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Federal Office for Civilian Service

Digital transformation: Audit of the replacement of E-ZIVI	22452	☐
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State Secretariat for Education, Research and Innovation

Horizontal audit of the implementation of the Swiss transitional measures for Horizon Europe	23450	☐
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FEDERAL DEPARTMENT OF THE ENVIRONMENT, TRANSPORT, ENERGY AND COMMUNICATIONS

	MANDATE NUMBER	
General Secretariat		
Audit of risk management across subsidiaries – Swiss Post AG	22104	☐
Digital transformation: audit of the online management of hazardous waste	22355	☐
Federal Office of Transport		
Audit of investment planning and management with regard to prioritising maintenance	22723	☐
Audit of the GITA project at Alliance SwissPass	22747	☐
Audit of critical infrastructure protection – railway rolling stock	23734	
Audit of business continuity management with a focus on the effects of a power shortage	23746	☐
Audit of the efficiency of financial supervision of railway infrastructure operators	23761	☐
Audit of the supervision of cableways with a focus on the financing of dismantling installations	23767	☐
Federal Office of Civil Aviation		
Follow-up audit of the implementation of key recommendations	23121	☐
Swiss Federal Office of Energy		
Audit of the effectiveness of subsidies for large photovoltaic installations	22325	☐
Evaluation of the CO ₂ tax exemption for companies committed to reducing their emissions	22329	☐
Critical infrastructure protection audit – Supervision of water retaining facilities	22349	☐
Supervision audit at the Federal Inspectorate for Heavy Current Installations	23323	☐
Federal Roads Office		
Audit of the financial statements	22303	
Follow-up audit of the implementation of key recommendations	23302	☐
Functional audit of the investment processes – part of the audit of the federal financial statements	23310	
Effectiveness audit of internal auditing	23387	
Price audit	23396	
Federal Office of Communications		
Audit of the supervision of private radio and television broadcasters	23120	☐
Audit of the financial statements for the corporate radio and television fee	23524	☐
Federal Office for the Environment		
Audit of the financial statements	22304	
Evaluation of the CO ₂ tax exemption for companies committed to reducing their emissions	22329	☐
Digital transformation: audit of the online management of hazardous waste	22355	☐
Effects of climate change on forestry management in the Jurassic arc region – preliminary assessment	23374	☐
Follow-up audit of the implementation of key recommendations	23394	☐
Price audit	23398	

FOUNDATIONS, INSTITUTES, FUNDS AND SPECIAL ORGANISATIONS

Baselland Transport (BLT) AG

Audit of critical infrastructure protection – railway rolling stock	23734
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BLS AG

Audit of critical infrastructure protection – railway rolling stock	23734
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Building Foundation for International Organisations (FIPOI)

Audit of the financial statements	22211
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ETH Board

Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
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Audit of the financial statements	22486
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ETH Domain

Audit of the financial statements	22491
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Federal Audit Oversight Authority (FAOA)

Audit of the financial statements	22213
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Federal Inspectorate for Heavy Current Installations (ESTI)

Supervision audit	23323	☐
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Federal Institute of Metrology (METAS)

Audit of the financial statements	22212
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Forest and Wood Research Fund (WHFF)

Audit of the financial statements	22364
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Grid supplement fund (GrSF)

Audit of the financial statements	22357
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Health Promotion Switzerland (HPS) foundation

MANDATE NUMBER

Audit of the use of funds	23632	☐
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Innosuisse – Swiss Innovation Agency

Audit of the financial statements	22481
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Horizontal audit of the implementation of the Swiss transitional measures for Horizon Europe	23450	☐
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	MANDATE NUMBER	
Matterhorn Gotthard Bahn AG (MGB)		
Audit of critical infrastructure protection – railway rolling stock	23734	
Military insurance		
Audit of IT security in military insurance	22605	
Motorway and urban transportation fund		
Audit of the financial statements	22360	☐
Paul Scherrer Institute (PSI)		
Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
Audit of the financial statements	22482	
Railway infrastructure fund (RIF)		
Audit of the financial statements	22758	☐
RUAG International Holding AG		
Audit of information security	22128	☑
RUAG MRO Holding AG		
Audit of information security	22128	☑
Follow-up audit of the implementation of main recommendations	23165	
Audit of compliance for transactions with the Leopard 1 tank	23166	☐
Swiss Agency of Accreditation and Quality Assurance (AAQ)		
Audit of the financial statements of the Accreditation Council and its Agency	22493	
Swiss Federal Institute for Forest, Snow and Landscape Research (WSL)		
Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
Audit of the financial statements	22485	
Swiss Federal Institute of Aquatic Science and Technology (Eawag)		
Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
Audit of the financial statements	22483	
Swiss Federal Institute of Intellectual Property (IIP)		
Audit of the supervision of copyright management organisations	22218	☐
Audit of the accounts of SECO cooperation projects	22220	
Audit of the financial statements	23258	

	MANDATE NUMBER	
Swiss Federal Institute of Technology Lausanne (EPFL)		
Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
Audit of the financial statements	22480	
Audit of the financial statements of "Société simple du Quartier Nord"	22487	
Audit of the financial statements of "Société du Quartier de l'Innovation de l'EPFL"	22488	
Swiss Federal Institute of Technology Zurich (ETH Zurich)		
Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
Audit of the financial statements	22479	
Swiss Federal Laboratories for Materials Science and Technology (Empa)		
Horizontal audit of secondary occupations with a focus on conflicts of interest	22472	☐
Audit of the financial statements	22484	
Swiss Federal Railways (SBB) AG		
Audit of investment planning and management with regard to prioritising maintenance	22723	☐
Audit of the GITA project at Alliance SwissPass	22747	☐
Audit of critical infrastructure protection – railway rolling stock	23734	
Audit of business continuity management with a focus on the effects of a power shortage	23746	☐
Swiss Financial Market Supervisory Authority (FINMA)		
Audit of the financial statements	22517	
Swiss Landscape Fund (FLS)		
Audit of the financial statements	22363	
Swiss National Park Foundation		
Audit of the financial statements	22361	
Swiss National Science Foundation (SNSF)		
Audit of the financial statements	22478	
Horizontal audit of the implementation of the Swiss transitional measures for Horizon Europe	23450	☐
Swiss Post AG		
Audit of risk management across subsidiaries	22104	☐
Swiss University Conference (SUC)		
Audit of the financial statements	22492	

Swissmedic, Swiss Agency for Therapeutic Products

Audit of licensing and remuneration processes for medicines	22608	☐
Audit of the monitoring system for medicines and vaccines	23639	☐

swissuniversities

Audit of the financial statements	22489	
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Switzerland Global Enterprise (S-GE)

Audit of lessons learnt from the COVID-19 and Ukraine crisis as regards disrupted supply chains	23493	☐
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Unemployment Insurance Fund

MANDATE NUMBER

Audit of the agreements with the cantons on public employment services	22607	☐
Audit of the financial statements	22660	
Audit of the AHV accounts for unemployment insurance compensation	22661	
Audit of the key ICT project ASALfutur	23622	☐

INTERNATIONAL ORGANISATIONS AND COOPERATION

International Rhine Regulation (IRR)

MANDATE NUMBER

Audit of the financial statements	22368	
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International Civil Aviation Organization (ICAO)

Audit of the financial statements	22362	
Performance audit of the effectiveness of the Aviation Security and Facilitation Activities fund	22371	
Audit of the implementation of the IT strategy and action plans	23377	
Audit of the implementation of the new Enterprise Resource Planning application	23378	
Audits of the processes for the technical separation of email accounts	23399, 23899	

Universal Postal Union (UPU)

Audit of the financial statements	22365, 22366, 22367	
Audit of purchasing processes	23372	

Intergovernmental Organisation for International Carriage by Rail (OTIF)

Audit of the financial statements	22358	
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Abbreviations


ALV	Unemployment insurance	FOCBS	Federal Office for Customs and Border Security
BCM	Business Continuity Management	FOCP	Federal Office for Civil Protection
CCO	Central Compensation Office	FOEN	Federal Office for the Environment
DDPS	Federal Department of Defence, Civil Protection and Sport	FoIA	Freedom of Information Act
DTI	Digital Transformation and ICT Steering	FOITT	Federal Office of Information Technology, Systems and Telecommunication
Electrosuisse	Association for Electrical Engineering, Power and Information Technologies	FOJ	Federal Office of Justice
EPFL	Swiss Federal Institute of Technology Lausanne	FONES	Federal Office for National Economic Supply
EPR	Electronic patient record	FOPH	Federal Office of Public Health
ERP	Enterprise resource planning	FOT	Federal Office of Transport
ERPSYSVAR	ERP systems D/ar	FPA	Federal Personnel Act
ESTI	Federal Inspectorate for Heavy Current Installations	FSIO	Federal Social Insurance Office
ETH Domain	Federal universities of applied sciences and research institutions	FSO	Federal Statistical Office
ETH	Swiss federal institutes of technology	FTA	Federal Tax Administration
ETHZ	Federal Institute of Technology Zurich	FTE	Full-time equivalent
FAOA	Federal Audit Office Act	IAASB	International Auditing and Assurance Standards Board
FBA	Federal Budget Act	ICS	Internal Control System
FCh	Federal Chancellery	ICT	Information and communication technologies
FDf	Federal Department of Finance	IIA	Institute for Internal Auditors
FDFA	Federal Department of Foreign Affairs	IIP	Swiss Federal Institute of Intellectual Property
FDHA	Federal Department of Home Affairs	Innosuisse	Swiss Innovation Agency
FDJP	Federal Department of Justice and Police	INTAFF 97	Integrated artillery command and fire control system 97
FFA	Federal Finance Administration	INTOSAI	International Organisation of Supreme Audit Institutions
FINMA	Swiss Financial Market Supervisory Authority	IPLIS	Integrated planning and situation information system
FOAG	Federal Office for Agriculture	IPSAS	International Public Sector Accounting Standards
FOBL	Federal Office for Buildings and Logistics	IV	Disability insurance
FOC	Federal Office of Culture	NAF	National Highways and Urban Transport Fund

NDP	New digitalisation platform	WTO	World Trade Organization
NEPRO	New production systems (swisstopo)	ZEMIS	Central Migration Information System
NFE	National fiscal equalization		
OAG	Office of the Attorney General of Switzerland		
OFCOM	Federal Office of Communications		
PlnC	Parliamentary Investigation Committee		
ProLitteris	Swiss Copyright Society for Literature and Visual Arts, Cooperative		
PS	Parliamentary Services		
QMS	Quality management system		
RIF	Railway infrastructure fund		
SAFe	Scaled Agile Framework		
SBB	Swiss Federal Railways		
SDC	Swiss Agency for Development and Cooperation		
SECO	State Secretariat for Economic Affairs		
SEM	State Secretariat for Migration		
SERI	State Secretariat for Education, Research and Innovation		
SFAO	Swiss Federal Audit Office		
SFOE	Swiss Federal Office of Energy		
SNB	Swiss National Bank		
SNSF	Swiss National Science Foundation		
SUISA	Cooperative Society of Music Authors and Publishers		
Suissimage	Swiss Authors' Rights Cooperative for Audiovisual Works		
SUPERB	ERP support processes		
Swissmedic	Swiss Agency for Therapeutic Products		
SWISSPERFORM	Collective management organisation for neighbouring rights in Switzerland and Liechtenstein		
swisstopo	Federal Office of Topography		
TC A	Armed Forces telecommunications		
WSL	Swiss Federal Institute for Forest, Snow and Landscape Research		

Swiss Federal Audit Office
Monbijoustrasse 45
3003 Bern – Schweiz

T +41 58 463 11 11
F +41 58 453 11 00
info@efk.admin.ch

 @efk_cdf_sfao

 Eidgenössische Finanzkontrolle
www.efk.admin.ch/en

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