

AUDIT REPORT

Riga

17.10.2011

No 5.1-2-3-2/2011

On the Activities of the Responsible Institutions of the Republic of Latvia and the Russian Federation in the Fulfilment of the Obligations Arising from the Agreement of the Government of the Republic of Latvia and the Government of the Russian Federation on the Status of Latvian Gravesites on the Territory of the Russian Federation and the Status of Russian Gravesites on the Territory of the Republic of Latvia

Legal Justification of the Audit

1. On the basis of Section 2 of the State Audit Office Law, Audit Assignment of 2 February 2011 and Audit Sub-Assignment of 18 February 2011 of the Third Audit Department of the State Audit Office, and of the Decision of 25 April 2011 of the State Audit Office and the Accounts Chamber of the Russian Federation (hereinafter: Accounts Chamber) regarding the implementation of parallel audit measures by the Accounts Chamber of the Russian Federation and the State Audit Office of the Republic of Latvia (hereinafter: Decision regarding the implementation of parallel audit measures), a legality audit was conducted regarding the activities of the responsible institutions of the Republic of Latvia and the Russian Federation the fulfilment of the obligations arising from the Agreement of the government of the Republic of Latvia and the government of the Russian Federation on the status of Latvian gravesites on the territory of the Russian Federation and the status of Russian gravesites on the territory of the Republic of Latvia.
2. The audit was performed by the head of the audit team, Senior State Auditor–Attorney of the First Sector of the Third Audit Department, Ieva Pīpiķe; Senior State Auditors Aiga Villa and Kristiāna Rūme (on the audit team until 27 May 2011); State Auditors Jekaterina Ždanoviča, Laima Zeimule-Priževote, Kristīne Greitāne and Daiga Margarita Gallere.

Objective of the Audit

3. Pursuant to the Decision regarding the implementation of parallel audit measures, the objective of the parallel legality audit is to determine whether the responsible authorities of the Republic of Latvia and the Russian Federation have ensured the fulfilment of the obligations arising from the Agreement of 18 December 2007 of the government of the Republic of Latvia and the government of the Russian Federation on the status of Latvian gravesites on the territory of the Russian Federation and the status of Russian gravesites on the territory of the Republic of Latvia (hereinafter: Agreement on gravesites). In turn, the objective of the legality audit performed by the State Audit Office is to determine whether the responsible authorities of the Republic of Latvia have ensured the fulfilment of the obligations of the Republic of Latvia provided for in the Agreement on gravesites.

Accountability of the State Audit Office

4. The auditors of the State Audit Office are responsible for issuing an audit report that is based on appropriate, sufficient and credible audit evidence obtained during the audit.

Accountability of the Audited Entity

5. The Ministry of Defence, the Ministry of Foreign Affairs and Society *Brothers' Cemetery Committee* (unified registration No. 40008004852) are responsible for compliance with regulatory enactments and the truthfulness of the information provided to the auditors.

Scope of the Audit

6. The audit has been conducted in accordance with international auditing standards recognised in the Republic of Latvia. The audit was planned and performed so as to gain sufficient assurance that the responsible authorities of the Republic of Latvia have ensured the fulfilment of the obligations of the Republic of Latvia provided for in the Agreement on gravesites.
7. The scope of the audit has been established in accordance with the Decision regarding the implementation of parallel audit measures, whereby the State Audit Office and the Accounts Chamber have agreed on the issues to be examined during the audit that are essential in achieving the audit objectives.
8. The audit was conducted from 01 January 2010 to 31 December 2010.
9. In order to ensure the attainment of the audit objectives and the fulfilment of the Decision regarding the implementation of parallel audit measures, the following inspections were conducted at the Ministry of Defence, the Ministry of Foreign Affairs and Society *Brothers' Cemetery Committee*:
 - 9.1. the activities of the responsible authorities of the Republic of Latvia in ensuring the compilation of lists regarding Russian gravesites on the territory of the Republic of Latvia;
 - 9.2. the activities of the responsible authorities of the Republic of Latvia in ensuring the maintenance of Russian gravesites on the territory of the Republic of Latvia;
 - 9.3. the activities of the Republic of Latvia, in accordance with Article 5(3) of the Agreement on gravesites,¹ in ensuring additional construction and maintenance of Latvian gravesites on the territory of the Russian Federation, at its own discretion and upon coordination with the Russian side;
 - 9.4. the fulfilment of the obligations of the Republic of Latvia provided for in Article 13 of the Agreement on social protections² in ensuring the clean-up, improvement and preservation of sites of remembrance and mass gravesites of soldiers on the territory of the Republic of Latvia and in not creating obstacles for the performance of funeral rituals of deceased military pensioners and their family members.

¹ Article 5, Paragraph 3 of the Agreement on the status of Latvian gravesites in the Russian Federation and the status of Russian gravesites on the territory of the Republic of Latvia, concluded between the government of the Republic of Latvia and the government of the Russian Federation on 18.12.2007.

² Agreement on social protections for military pensioners of the Russian Federation residing on the territory of the Republic of Latvia and their family members, concluded between the government of the Republic of Latvia and the Russian Federation on 30.04.1994.

Summary

10. The responsible institutions of the Republic of Latvia do ensure the fulfilment of the obligations of the Republic of Latvia under the Agreement on gravesites with respect to the compilation of lists of Russian gravesites. However, because, until August 2011, the Latvian and Russian sides had not agreed on the integration of the data included in the lists (a mode of registration that would be acceptable to both parties) and procedures for information exchange, there exists a risk that the volume of information prepared by each side, including the lists, are not being compiled in the format and to the standard of quality to ensure their usability for attaining the objectives laid down in the Agreement on gravesites. Therefore, the State Audit Office invites the responsible authorities of the Republic of Latvia to take the necessary steps to call a meeting of the Mixed Committee in order to agree on the integration of the data included in the lists and procedures for the exchange of information.
11. Local governments have a varied interpretation of their function, prescribed by the law,³ in maintaining gravesites on their administrative territory; therefore, a risk exists that proper maintenance of all Russian gravesites on the territory of the Republic of Latvia is not being ensured. For the purpose of eliminating said risk, the Republic of Latvia has embarked on developing draft legislation aiming to assign a special status to military gravesites and define an institution in charge of maintaining gravesites and the responsibilities thereof.
12. The Republic of Latvia does ensure the fulfilment of the obligations provided for in the Agreement on social protections⁴ by not creating obstacles to the performance of funeral rituals of deceased military pensioners and their family members, as funeral ceremonies are arranged in accordance with general funeral traditions, thus not restricting the national and religious traditions of the peoples residing in Latvia.

³ Section 15, Paragraph one, Clause 2 of the Law on Local Governments.

⁴ Article 13 of the Agreement on social protections for military pensioners of the Russian Federation residing on the territory of the Republic of Latvia and their family members, concluded between the government of the Republic of Latvia and the Russian Federation on 30.04.1994.