



ECIIA General Assembly | 28 October 2021 | Virtual meeting
Draft Minutes

Those Present:

Management Board:

THOUVENOT Thierry (President); MANNING Paul (Vice-President), MARMALIDOU Verra (Treasurer); BENDERMACHER John (observer); DE ALZUA Manuel (observer); MOTEL Jens (observer); MOCQUARD Philippe (FR official representative); LAGERSTEDT Kristiina (observer); TURCONI Massimiliano (observer); KOLLAR Robert (HU official representative) VANDENBUSSCHE Pascale (Secretary General, observer)

Official Representatives-Voting members AND Observers:

Full Name	Country	Status
Anna Zavou Christoforou	Cyprus	Observer
Astrit Alijaj	Albania	Official Representative
Bracht, Andrea	Germany	Speaker
Carolina Baltazar- ECIIA	Belgium	ECIIA Staff
Dimitar Neshev	Bulgaria	Official Representative
Dorothea Mertmann	Germany	Official Representative
Effie Kokka	Greece	Official Representative & Nomination Com. Member
Elam, Peter	UK & Ireland	Official Representative
Ellen Brataas	Norway	Official Representative & Audit Com. Member
Fargion Roberto	Italy	Official Representative
Gabrielle Rudolf von Rohr	Switzerland	Official Representative
Hedy Hoomatalu	Estonia	Official Representative
Indra Ozola	Latvia	Official Representative
Iveta Reinholde	Latvia	New ECIIA Board member
Jasna Turković	Croatia	Official Representative
Javier Faleato	Spain	Official Representative
Jens Motel	Germany	ECIIA Board Member
Jesper Siddique Olsen	Denmark	Official Representative
Jim Johanson	Finland	Official Representative
John Bendermacher	Belgium	ECIIA Board Member
Kaarina Sinersalo	Finland	Official Representative
Kristiina Lagerstedt	Finland	ECIIA Board Member
Leticia Lucas	Luxembourg	Official Representative
Ljirim Amitti	NorthMacedonia	Official Representative
Manuel DE ALZUA	Spain	ECIIA Board Member
Margarida Theias	Portugal	Official Representative
Matej Dražek	Bulgaria	Official Representative
Melvyn neate	Melvyn	Speaker



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Mirela Poleac	Luxembourg	Observer
Norbert Wagner	Austria	Audit Committee member
Paul Manning	UK & Ireland	ECIIA Board Member
Peter Hartog	Netherlands	Official Representative
Philippe Mocquard	France	Official Representative
Piołunowicz, Maciej	Poland	Official Representative
Pivoňka Tomáš	Czech Republic	Official Representative
Plas, L. van der	Netherlands	New ECIIA Board member
Rajalahti Martta	Finland	New ECIIA Board member
RÓBERT KOLLÁR	Hungary	ECIIA Board Member
Rubio Reinoso, Sonsoles	Spain	Observer
Stina Nilsson Kristiansson	Sweden	Official Representative
Thomas Schwalb	Austria	Official Representative
THOUVENOT Thierry	Luxembourg	ECIIA President
Turconi Massimiliano	Italy	ECIIA Board Member
Marmalidou Verra	Greece	ECIIA Board Member

The General Assembly started at 5.15 pm.

1. Welcome

Th Thouvenot welcomes everybody and opens the meeting. He thanks everyone (volunteers, Committees-Board members and ECIIA staff) for the hard work and the support to ECIIA. The votes have been made in advance due to the complex voting system of ECIIA (various number of votes). In total, 25 countries have participated to the votes (60 votes) and the quorum is 90%, and in the GA 30 countries are present, that represent 61 votes from a total of 67 the quorum is obtained (91%).

Questions may be raised via the chat function and participants may be live if wanted.

The simple voting system (open voting by raising hands) is applied.

2. Minutes of 2020 General Assembly

No comment has been received and the minutes are approved.

3. Membership

IIA UK & Ireland has sent an official letter to the ECIIA President based on the article 5 of the articles of association:

- IIA UK & Ireland will cease to be a full member of ECIIA as from January 1, 2022
- IIA UK & Ireland applies to become an ECIIA affiliate as from January 1, 2022



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Th Thouvenot thanks IIA UK & Ireland for the support and the important role played . It is important that this partnership remains through the involvement of IIA UK and Ireland representatives in the various ECIIA Committees and working groups and that they keep helping ECIIA in promoting the role of internal audit across Europe.

95% of the members agree to welcome IIA UK & Ireland as an affiliated members as from January 1, 2022. 3% has no opinion and 2% disagree.

4. Report of the Management Board and PACC (2020-2021)

All participants have received the annual report with the details of the activities and the European Regulations.

Despite the covid, ECIIA has maintained its activities and adapted to the new world (webinars, virtual meetings,...).

The Committees have been active in answering consultations, issuing papers on key topics.

A Banking Forum will be organised on November 4 with CAEs and ECB-EBA, and an Insurance Forum will take place on December 1.

5. ECIIA transformation

Th. Thouvenot thanks the NIs and the CEOs and more specifically J. Faleato and P. Mocquard who have been very instrumental in the discussions regarding ECIIA strategy.

This presentation is for information and the objective is to update everyone on the strategic discussions at ECIIA Board.

The key objective of ECIIA is advocating EU Institutions. but on top, at ECIIA Board, it is discussed to add some services performed at European level. The pandemic has impacted the business model of the NIs: digitalisation, the remove of border for the services. It has facilitated the development of cross border services and pan European activities have increased with cost and quality advantages. We need to better frame these new services in a proper governance format, taking legal/fiscal aspects into consideration.

We need to adapt the ECIIA governance to fit it with the new purpose/activities. To achieve this change, discussions are ongoing and the ECIIA Board structure needs to be adapted accordingly: with a mix of elected practitioners and CEOs of NIs, to get the right balance of representation of the 2 activities at Board level.

There is no rational to change what is today effective (PACC, advocacy governance) and the advocacy part will remain unchanged. We will need to set up a committee for the new services under the oversight of the Board.

J Faleato thanks Th. Thouvenot for his leadership in Europe.

He confirms, on behalf of the CEOs, that the project is still work in progress.

The idea is to adapt ECIIA to a new reality and not to make a drastic transformation.

There are a lot of pan European projects (they will be presented later) and the NIs will finance these projects, ECIIA financials will not be impacted by these changes.

The timeline is long to permit feedback and go in details in the changes, a final document will be presented at the upcoming GA for approval.

6. Financial report (2020)

V. Marmalidou explains that the 2020 financials and starts with the balance sheet that is as follow:



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	2020	2019	2018
	Euro	Euro	Euro
Liabilities	36,219	45,825	39,416
Cost Reserves	185,000	185,000	185,000
Retained earnings	356,605	398,307	386,718
Total	577,824	629,132	611,134
Assets - Cash and Cash equivalents	563,870	530,651	420,989
Receivables	13,414	98,481	190,145
Total	577,824	629,132	611,134

The P&L has been impacted by a decrease in the PACC costs (digital events, meetings and publications, no travel cost) , while the website costs are increasing due to a new back office platform (Organica) not budgeted, and the office expenses are over the budget (lawyer fees, conference project management).

The membership fees are in line and there is no conference revenue.

The Net result is a loss of 41.703 Euros compared to a budgeted loss of 45.500 Euros. The results of ECIIA are very dependant on the existence of conference revenues and the current financial model is not viable on the long run.

All figures in Euro	2020 Actual	2020 Budget	2019 Actual	2018 Actual
RECURRING COSTS				
Public Affairs	99'941	161'000	131,382	103,930
Website	12'276	5'000	3,085	16,016
Office expenses	77'777	59'500	86,878	26,824
General assembly cost (net)	3'000	0	0	0
Financial (-)income/costs	402	0	519	-21
TOTAL RECURRING COSTS	193'396	225'500	221,865	146,749
RECURRING INCOME	151'693	155'000	152,872	155,168
RESULT from RECURRING OPERATIONS	-41'703	-70'500	-68,993	8,419
CONFERENCE INCOME	0	25'000	80,582	142,569
NET RESULT	-41'703	-45'500	11,590	150,988

The report of the external auditors (Regis Cazin) has been shared and they gave an unqualified opinion on the 2020 accounts.

7. Report of the audit committee for the 2020 financial figures

N. Wagner , member of the audit committee, has presented the report.
The Committee has reviewed the accounts and the main comments are:
- the accounting system has been changed and the new company is performing better
- the transfer from the KBC Account to BNP has not been made because of covid (need to travel to the bank)
-the report of the external auditor was available before the review of the audit committee

The audit committee agrees with the financial statements as stated at the General Assembly and invites the General Assembly to approve them.

The vote for the approval of the 2020 Financial Accounts is made by 98% of the members. 2% do not have an opinion.

8. Discharge of the current Board members and External auditor

93% of the members discharge the Board members, 3% did not agree and 4% had no opinion.

The vote for the discharge of the External auditors (Regis Cazin) is made and 97% of the members agree. 3 % has no opinion.

9. Appointment of the Board members, and the Audit committee members and the Nomination Committee members

The 3 new Board members elected are:
-Martta Rajalahti, IIA Finland (95% of positive votes)
-Leen Van Der Plas, IIA Netherlands (93% of positive votes, 5% no opinion and 2% against)
-Iveta Reinholde, IIA Latvia (80% of positive votes, 15% against and 5% no opinion)

P Mocquard is confirmed as IFACI representative, Paul Manning as IIA UK & Ireland representative, and Jens Motel as IIA Germany representative, at majority (97%).3% had no opinion.

K Sinersalo is elected as ECIIA Audit Committee member, at unanimity.

R Kollar is elected as ECIIA Nomination Committee member, at majority (93%).

Th. Thouvenot congratulates the new BoD / Committee members and welcomes them.

Th. Thouvenot thanks the departing Board members for the great support and the achievements made.



On behalf of ECIIA Board and ECIIA members, J. Bendermacher thanks Th. Thouvenot for his support, his time and the launch of effective activities (PACC, Banking Committees,...).

There is a small break and a mini Board meeting is taking place.

10. Appointment of the new President.

Th. Thouvenot informs everyone that the Board has decided to nominate J. Bendermacher as the new ECIIA President.

M. Turconi is elected as Vice President.

J. Bendermacher also welcomes the new Board members and invites them to present themselves.

L Van der Plas works for ING for 30 years and has been active at IIA Netherlands for 6 years; he looks forward to the cooperation in the future.

M.Rajalahti thanks everyone, she has a strong experience in banking and internal Audit. She thanks everyone for the support.

I.Reinholde is academic and internal auditor and has a wide experience and wants to support internal audit in the future.

M. Turconi is happy with his new role and will support the transformation of ECIIA and the industrial committee.

J Bendermacher is active in auditing since 40 years, represents IIA Belgium and has been active at IIA Global and IIA Netherlands levels. He wants to connect all stakeholders and strengthen the advocacy activities.

11. New challenges for internal auditors in Europe

The Chairs of the ECIIA Committees are invited to share their views (A. Bracht (Banking), M Neate (Public Sector), M Turconi (Industrial))

They are invited to comment the risk in focus results and explain the challenges in each sector.

A.Bracht confirms that the key risks are very relevant for the banking industry. Transformation of business model is the first one (digitalisation, competition from non-banking), digital disruption would be the second (the tendency increased with covid).

Cyber and data security are number one on Risk in Focus and are important for everyone.

Another important topic for banking is AML and is not on risk in focus list, internal audit spend more time on this field than before

Outsourcing and third party: the banking sector is more reliant on them and it is an increasing risk and more work for IA as you need to ensure that the third party are compliant with banking standards.

Regulatory change is important (ECB, local regulations), they are increasing as each one wants to play a role. We have to comply with various regulators.

There are less specific risks for banks compared to the past: credit risks, market risks are less important because they are very mature now.

For the next 5 years, ESG will be on the agenda as it will affect all the departments of the bank.



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M. Neate mentions that climate change, digitalization are relevant for the public sector. The covid challenges provide opportunities to add value and IA must have capabilities to fulfill the role. Cyber and data risk are important: the public sector is very vulnerable to attack. It is difficult to employ specialists – outside help is required (co/outsourcing).

Business continuity disaster and response is another one: pandemic was on risk list but resilience has not been testing enough before covid.

Supply chain risk is also very important (eg hospitals...) for the public sector.

Climate change and sustainability: governments must take a leading role, monitoring key indicators and IA must be involved in this new journey.

Internal audit will raise the challenges and here are 3 suggestions:

-the changes in risks can become threats: stay close to the Audit Committee, close to the staff

-look forward : get the right skills, methodology...

-embrace changes to improve the way internal audit works

M. Turconi is surprised about climate change, sustainability. It is not new for industrial companies, it is about reporting and taxonomy but it is also process, controls about the targets and it should be on top of the list since few years.

Cyber and data security are also crucial for industries (delivery, supply chain) and it is the top risk to address in the coming years.

Digital disruption, AI: companies speed up the project in digitalization: IA has an important role to play to support the business and ensuring the key controls are in place (quality, transport...)and the business focuses on key risks. Many IA departments accelerate the digitalization (data analytics, remote auditing) and it should remain on top of "classical activities"

Communication is still a struggle (AC, Board, Management) for IA: tendency to be very detailed, specific terminology, very long reporting. We must be more focus.

J. Bendermacher thanks everyone for the interesting insights and all the NIs that participated to the Risk in Focus report that is very useful for all CAEs for the audit plan.

12. The European CEOs Group

J. Faleato, Chair of the European CEOs Group, shared the projects developed at European level for the benefits of all the National Institutes.

The Group is made of CEOs from European Institutes(17), it is an open group for CEOs, being staff and willing to work on European projects. They meet virtually every 2 weeks.

The Group also supports ECIIA in its activities.

The objective is to define projects for European collaboration. It was very helpful, during covid period, to share the way to become virtual.

The group worked on:

- Risk in focus : report, board member summary, round tables
- Benchmark place: benchmark tools
- Training for certificates
- Sarah
- Workplace for communication

The initiatives are developed by some Nis, but are available for the whole ECIIA network.

All NIs may leverage on these projects.

Commented [JB1]: Is this clear to the readers?

13. ECIIA plan (2021-2022)

J. Bendermacher explains the 2021/2022 objectives:

- Review ECIIA governance
- Reinforce relations with NIs and IIA Global
- PACC purpose: connecting with EU regulators....

Key words: "sharing information and sharing developments amongst ECIIA members"

We want collaborate with IIA Global (both sides) on advocacy initiatives, messages. EIRG is important and must be aligned with ECIIA activities.

We started a new initiative: short survey to advocacy contacts (at NIs) to know what they need and what they have to share. ECIIA will organise a workshop to discuss the survey outcome and share information early 2022.

The organisation of ECIIA PACC has been adapted: creation of an industrial committee, virtual multi committees working groups (focus on a certain topic) and a new committee for advocacy with NIs.

The Industrial Committee will start with limited capacity and a focus on sustainability before being enlarged.

The Subcommittee on advocacy is a practical committee, they develop the annual survey and workshop, create the information sharing platform, and improve the communication between ECIIA and NIs.

The main results of the first survey with NIs are:

- Few have an advocacy plan and few have specific advocacy messages (most use IIA Global ones)
- Multiple NIs promote IA also at universities and to young people
- Many NIs want to promote the 3 lines in practice

It was interesting to note that most NIs are interested in the topics that we have on our list. A suggestion was to create videos for all NIs on key advocacy messages.

The Banking Committee main achievements are: the strong relation with EBA, ECB; the development of a certificate for Financial Services and the annual Forum. For 2022, webinars, benchmark and paper about modern IA will be developed.

The Insurance Committee main achievements are: various position papers, webinars and the first Forum on December 1. For 2022, meetings with EIOPA and new position papers (ESG, resilience, digital) are on the agenda.

The Public Sector Committee is assessing the standards in the public sector and it is a difficult task. Together with EUROSAL, they have issued a publication about Integrated reporting in the public sector and organised webinars around the subject. A Forum will take place begin 2022. For 2022, a new project will be defined with EUROSAL and we will go on advocating AC in the public sector and recommend standards.

The Committees are supporting strongly the ECIIA advocacy activities. Besides the Committees, we have a Workgroup with ecoDa and Ferma about the role of IA in sustainability and we will launch a Workgroup about 3 lines together with IIA Global.

14. Forecast 2021 & Budget 2022

All figures in Euro	2022 Budget	2021 Budget	2021 Forecast	2020 Actual	2019 Actual	2018 Actual
RECURRING COSTS						
Public Affairs	108'000	136'000	99'478	99'941	131'382	103'930
Website	12'000	2'500	12'000	12'276	3'085	16'016
Office expenses	74'000	85'500	81'935	77'777	86'878	26'824
General assembly cost (net)	3'000	0	3'000	3'000	0	0
Financial (-)income/costs	500	0	500	402	519	-21
TOTAL RECURRING COSTS	197'500	224'000	196'913	193'396	221'865	146'749
RECURRING INCOME	144'000	150'000	151'957	151'693	152'872	155'168
RESULT from RECURRING OPERATIONS	-53'500	-74'000	-44'956	-41'703	-68'993	8'419
CONFERENCE INCOME	0	25'000	0	0	80'582	142'569
NET RESULT	-53'500	-49'000	-44'956	-41'703	11'590	150'988

Regarding the 2021 forecast, there will be no conference revenues, but the costs have been reduced (no travel costs), it leads to a forecasted loss of 44.596 Euros.

The budget is presented for 2022. The assumption is no change in the activities and no conference revenues, the membership fees decrease (due to the departure of IIA UK & Ireland), the costs are in line with 2021 and we end up with a loss of 53.500 Euros.

The budget has been approved at majority (97%) and there is 3% without opinion.

15. Future ECIIA conferences

The ECIIA 2022 conference is planned in Brussels on October 6 & 7, 2022.

16. Future ECIIA GA



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The GA will take place on October 8, 2022.

17. Any other business

No remarks.

The General Assembly ended at 07.05 PM



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