

**Your Excellency, the President of the Portuguese
Parliament,**

**Dear Colleague, the President of the Portuguese Court
of Accounts,**

**Dear Colleague, the President of OLACEFS,
Ladies and Gentlemen,**

**Also on behalf of my colleagues, I would like to express
my deep gratitude to Mr. d'Oliveira Martins for his
kind invitation to Portugal and for the friendly words
of welcome he extended to us. We are all delighted to
be in this beautiful city of Lisbon and we look forward
to some lively and constructive discussions we will have
in the next few days.**

**I also thank you and the staff of the Portuguese Court
of Accounts very much indeed for organising this
Conference. I remember very well the EUROSAI
Congress held in Bonn two years ago and therefore I**

can appreciate your vast input of work and effort to make this Conference a success.

Moreover, dear Mr. d'Oliveira Martins, I would like to congratulate you on the theme chosen for this Fifth EUROSAI – OLACEFS Conference. The theme “Fiscal Sustainability, accounting and accountability” highlights the importance attached by the external audit community to a sound fiscal policy that is not dominated by concerns about election dates. Therefore, I very much welcome the fact that the issue of fiscal sustainability has for some time been perceived as a sensitive matter and a challenge that urgently needs to be faced.

Being a father of two daughters, my concern about this issue is not only of a professional but also of a personal nature. Will we be able to leave our children and grandchildren financially sound communities? Will we

together find a way of securing the future of coming generations? In spite of the current positive economic trend, the public debt in most countries has been steadily increasing. This results in higher interest expenditure and considerable burdens for maintaining the social security systems. We are virtually in the process of leaving large mortgages behind for our offspring.

The problem will be aggravated by demographic change. The ageing population in the Western industrial countries and the related financial burdens constitute an enormous challenge for policymakers.

Against this background, the fiscal sustainability of government operations has become an increasingly significant issue. The situation is similar in many European countries and is a cross-border phenomenon.

Last but not least, the design of the tax system is a key component of a sustainable fiscal policy. Today, it is no longer conceivable to make fiscal policy without consistent integration into the European and international environment.

As Supreme Audit Institutions, we wish to make a contribution towards overcoming these challenges.

Although it is up to policy makers to take the decisive steps towards solving the problems connected with inadequate fiscal sustainability, we as external government auditors can contribute in an advisory role, making available our expertise.

As external government auditors, we have the chance to develop recommendations independently of the constraints imposed by day-to-day policy, recommendations that are valid beyond the current

day and whose implementation may have a positive impact on the living conditions of future generations. Today in Portugal, we can do a first common step towards making this prospect real. This is why I hope for lively discussions among the Supreme Audit Institutions of EUROSAI and OLACEFS. I look forward to sharing views with all of you and thank you for your kind attention.