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The editors invite submissions of articles, special reports, and news items, which should be sent to the editorial offices at:

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Given the *Journal's* use as a teaching tool, articles most likely to be accepted are those that deal with pragmatic aspects of public sector auditing. These include case studies, ideas on new audit methodologies, or details on audit training programs. Articles that deal primarily with theory would not be appropriate.

The *Journal* is distributed to INTOSAI members and other interested parties at no cost. It is also available electronically at <http://www.intosaijournal.org> or <http://www.intosai.org> and by contacting the *Journal* at spel@gao.gov.

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SAIs and the audit of extractive industries

Extractive industry resources provide an opportunity for current generations to redeem what they have borrowed from their grandchildren, and restore what they inherited from their forefathers.

by John F. S. Muwanga

Auditor General of Uganda and Chair of INTOSAI Working Group on Audit of Extractive Industries

The products of the extractive industry are a common good for the citizens of a nation. Regrettably this reality has seldom been realized in many developing nations, where the abundance of natural resources from the extractive industries has not created the much-needed relief from poverty. Instead, the natural resources have turned out to be a source of mounting problems, which have culminated in hostility, conflict and aggression— thus creating a scenario which is often referred to as the “resource curse.”

The resource curse

When compared to countries with much less natural resource endowment, many countries with rich natural resources—particularly in the developing world—continue to exhibit both slow economic growth characterized by weak governance structures and greater vulnerability to conflict. This resource curse phenomenon is inextricably linked to a lack of accountability and transparency in the extractive sector. In a nation, strengthening institutions of accountability is one of the necessary tools to transform the discovery of natural resources, however modest, into revenue flows that will bring about improved and significant impact on the quality of life of its citizens.

Supreme audit institutions (SAIs) are a critical link in this chain. SAIs are mandated to provide assurance to citizens that the governance structures that oversee the utilization of public resources are sound, transparent, and attain best value. SAIs must therefore assume a significant role in the oversight of this key sector.

This role can help in creating a conducive environment, one that will generate economic growth and promote the welfare of citizens while also ensuring that the processes of extraction does not amount to irreversible environmental damage.

Within the INTOSAI community the roles of SAIs in the extractive sector vary tremendously. SAIs are faced with many challenges, particularly those arising from the technical complexity of this sector (lack of knowledge of business processes, the government set-up, and associated risks) as well as the need for capacity building and retention of specialized staff. The mandate of the SAIs may also be constrained by the absence of an adequate legal framework.

Working Group on the Audit of Extractive Industries

It is with these considerations in mind that the INTOSAI community established a »

“The extractive industry presents great opportunities for the impact of SAIs’ work on the lives of citizens to be realized, due to this sector’s significant potential and, when it is properly managed, its considerable revenue contribution.”

— John F. S. Muwanga

Working Group on the Audit of Extractive Industries (WGEI) in October 2013 during the XXI INCOSAI conference held in Beijing. This was a landmark in the progress toward facilitating SAIs to acquire appropriate skills and expertise to provide needed guidance in the audit of extractive industries.

The WGEI provides an appropriate forum for SAIs to work together to promote better understanding of the sector and to effectively play their role in the promotion of transparency and accountability of public funds. The WGEI working group will provide the opportunity for members to learn best practices from each other. In addition, an opportunity will be created to form strategic liaisons and to partner with actors central to achieving WGEI objectives. Key actors in this partnership will include—among others—national governments, development partners (donors), revenue authorities and civil society organizations. Through this working group, SAIs can improve the management of extractive industries: there is an emerging trend in recognition of their role in this sector, and an overwhelming willingness by various players to support their initiatives. And, the coming together of SAIs to confront extractive industries challenges as a community provides better synergetic opportunities.

Empowering SAIs

Some SAIs, especially in developing countries, may not yet have the mandate to audit certain entities, especially where private companies are involved. This calls for the urgent expansion of the mandate of SAIs to be able to audit Public Private Partnership (PPP) arrangements in the extractive industry. Sovereign governments should work closely with SAIs and empower them to acquire this mandate. Further, they should encourage SAIs to take leadership in fostering transparency and accountability through such initiatives as becoming signatories to world agreements such as the Extractive Industries Transparency Initiative (EITI).

The extractive industry presents great opportunities for the impact of SAIs’ work on the lives of citizens to be realized, due to this sector’s significant potential and, when it is properly managed, its considerable revenue contribution. There is a need to protect nations against the “resource curse,” and SAIs, if they are adeptly empowered, are ably placed to contribute significantly to this cause. As SAIs form the nation’s pillar upon which accountability and transparency initiatives are anchored, particularly in developing countries, they can and should be used as tools to bring about the transformation of extractive industry revenue windfalls into sustainable development outcomes.

A message from the Journal's president

by James-Christian Blockwood

Managing Director of Strategic Planning and External Liaison for the United States Government Accountability Office and President of the International Journal of Government Auditing



INTOSAI's International Journal of Government Auditing (IJGA) has, since its inception in 1974, endeavored to create a forum for meaningful knowledge sharing among public auditors worldwide.

Through our printed pages, our online articles, and our social media posts, IJGA works to foster community among INTOSAI members. In keeping with INTOSAI's motto that "mutual experience benefits all," the IJGA invites public auditors to share their challenges and concerns, as well as their best practices, so that these can be applied by auditors individually, regionally, and across the globe.

It is my privilege to assume the role of the IJGA Board's newest President, and to oversee the publication of the IJGA on behalf of the INTOSAI community. The IJGA operates with an independent editorial policy, and we are always interested in receiving new submissions, ideas and input from INTOSAI members.

As we have shared with you in the past, the IJGA is moving toward a stronger web presence. We believe that a freer flow of information, through more interactive tools and technologies, will provide a more robust knowledge-sharing experience for our readers.

We are currently exploring options for updating our website that will involve additional content such as photo galleries, and audio and video clips, from various INTOSAI events. We would also like to include resource sections and topic pages for subjects such as INTOSAI working groups, task forces, congress reviews, audit profiles, case studies and best practices.

The IJGA is also interested in working with other INTOSAI bodies, such as committees and regional working groups, to find ways to streamline and facilitate INTOSAI's communications and strengthen knowledge sharing and social media strategies.

Additional content and more interactive technologies will increase the value of the IJGA to our readers. We believe, for example, that discussion forums dedicated to specific articles or topics will enable readers to discuss the material presented, and interviews with the authors of featured articles will provide a venue for further dialogue. While these innovations will entail initial financial investments, we believe these short-term budget increases will provide greater long-term value for INTOSAI members.

In order to further modernize the IJGA, we are currently updating our protocols, bylaws and procurement policies to enhance efficiency and increase our service to INTOSAI. We believe in maintaining good governance and sound financial operations. Toward that end, the Journal is audited every year by external auditors. Their report is submitted to the INTOSAI Secretariat and is also included in the report the U.S. Comptroller General presents at the annual INTOSAI Governing Board meeting.

The IJGA is only able to exist and thrive due to the support of INTOSAI membership dues, as well as contribution of staff and other resources. We appreciate the in-kind contribution of those INTOSAI members who provide translation services, and who contribute articles, editorials and updates. In order to capitalize on INTOSAI expertise in both the journalism and accountability communities, we are exploring ways in which we can expand the IJGA Board to include additional Board and Advisory members.

The IJGA will continue to operate with innovation, transparency and accountability as its key drivers. I am excited by the opportunities inherent in my new role as President of the IJGA, and I look forward to serving INTOSAI and its members.

News

from SAIs around the world

ALSAI holds scientific conference

The main theme of the conference held last October was "National Audit Serving National Governance." Participants included 120 representatives from around the world.



From October 29-30, 2014 the Albanian State Supreme Audit (ALSAI) held its third scientific conference. The conference's main theme was "National Audit Serving National Governance."

Conference participants included about 120 representatives from academia, such as professors from the University of Tirana; representatives of the supreme audit institutions (SAIs) of Poland, Austria, Croatia, Turkey, Kosovo and Montenegro; diplomatic missions in Albania; representatives of the Directorate-General for Budget of the European Commission; researchers

and promoters of audit and public finance; and auditors of ALSAI.

During the second day of the conference, we were honored by the attendance of the President of the Republic of Albania, His Excellency, Mr. Bujar Nishani; the United States Ambassador in Tirana, Mr. Alexander Arvizu; and the MP of the European Parliament, Mr. Igor Soltes.

The conference was co-chaired by Dr. Bujar Leskaj, Chairman of ALSAI; Mr. Robert Gielisse of the Directorate-General for Budget; and Mr. Jacek Jezierski,

former President of the Polish SAI and currently the Adviser to the Polish SAI's president.

Twenty-eight papers were presented by national and international personalities and experts of external public audit and public finance. Among the prominent papers were those of Mr. Robert Gielisse; Presidents of the Croatian and Montenegrin SAI's, Mr. Ivan Klesić and Mr. Milan Dabović; the papers of the Turkish Court of Accounts auditors; and the findings and recommendations provided by distinguished professors of accountability, audit, risk analysis and Albanian finance.

Following the 28 papers introduced, moderators concluded that the main challenge in many countries is increasing the quality of public finance management, to use as a tool to optimize the implementation of national objectives in strategic development. By improving processes and budgetary institutions, the quality of public finance rises.

Also, efficiency, effectiveness and transparency are three fundamental objectives of a modern budget.

Fiscal rules, plans and middle-term frameworks, and performance budgeting have been shown to be effective in accomplishing these objectives. The SAIs can improve the lives of citizens by ensuring that public funds and projects are being properly managed.

SAIs can also contribute to the effectiveness of governance by supervising and evaluating government activities, and by detecting deficiencies in governance and national control. These SAIs can have a key role in fighting corruption and preventing financial fraud by identifying risks.

The fourth scientific conference of ALSAI, to be held this year, will have as its main theme, "Audit of risks in public economy sectors and public institutions audited by ALSAI."

**For more information contact the
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Term ends for Australia's AG

Ian McPhee's statutory 10-year term as Auditor-General for Australia concluded on March 10, 2015, and temporary arrangements have been put in place for Mr. McPhee to hold office pending the appointment of his successor.

Mr. McPhee has served Australia's public sector for 44 years. He started as a cadet at the Australian National Audit Office (ANAO) in 1971 and after some periods working for other agencies, including the Australian Bureau of Statistics and the Department of Finance, he was appointed as Deputy Auditor-General from 1995 to 2003.

He returned to the Department of Finance from 2003 to 2005 as Deputy Secretary Financial Management Group, before being appointed as Auditor-General on March 11, 2005.

Other positions he has held include Chair of the OECD Accruals Symposium, member of the Australian Accounting Standards Board, member of the Australian Auditing and Assurance Standards Board, and member of the International Auditing and Assurance Standards Board.

Mr. McPhee recently received recognition for his contributions: he received the Order of Australia for distinguished service to public administration, particularly in the area of accountability and policy development, to the enhancement of public sector performance and to professional auditing and assurance standards. In 2002 Mr. McPhee was

recognized for outstanding public service to public sector accounting and auditing, and received the Public Service Medal.

There have been many challenges in the 10 years Mr. McPhee has led the ANAO and he believes that the office has responded well by "achieving better results through the sound application of risk-based auditing, taking advantage of technology to drive efficiencies and the judicious use of partnering arrangements (with accounting firms)."

Under Mr. McPhee's leadership the ANAO has not only made a significant contribution to improving Australian government public administration, but has also maintained a focus on supporting improvements to public administration within the broader international community.

Mr. McPhee has encouraged and valued cooperating with international colleagues in pursuit of best practice public sector auditing, and has played a key role in building enduring partnerships between the ANAO and the Board of Audit of the Republic of Indonesia and the Papua New Guinea Auditor-General Office.

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SAI Azerbaijan implements SDP

Main goal of strategic development plan is to support capacity building

The Chamber of Accounts of the Republic of Azerbaijan has implemented its Strategic Development Plan for 2012-2014.

Among the main goals of the Strategic Development Plan (SDP) for 2012-2014 is to support the Chamber of Accounts' capacity building. This will allow the Chamber to better contribute to a) building skills on performance audit, b) upgrading financial audit, c) enhancing the legal and standards framework, and d) upgrading human resources and training systems.

Toward this end, documents such as the Rules, the Guideline on Performance Audit, and the Strategic Plan on Performance Audit for 2015-2016 were drafted to enhance capacity building on performance audit. Also, pilot audits were conducted in two fields of public interest, and activities corresponding to accepted methodology took place.

Activities on upgrading financial audit covered upgrading the legal framework on financial audit according to INTOSAI standards, as well as developing the Guideline on Financial Audit, conducting two pilot risk-based financial audits, and using computer-aided audit tools.

Concerning the enhancement of the legal and standards framework, the new draft law of the Republic of Azerbaijan on the Chamber of Accounts was developed based on international best practices and legislation, and ISSAIs were translated into Azeri.

Activities related to upgrading human resources and training systems included the assessment of the training needs, and development of the Strategy on Human Resources and Related Implementation Plan and the Training Strategy and Program. Seminars were held on human resources and a training course curriculum. Also, multi-staged trainings were held and study tours were organized to benefit from the developed SAIs' best practices.

The SDP was implemented through the project "Consultancy Services to Sssist the Chamber of Accounts in Implementing its Strategic Development Plan for 2012-2014," within the Corporate and Public Sector Accountability Project, financed by a grant from the Swiss Confederation managed by the World Bank. The results were presented to and discussed with stakeholders during an international conference.

The Chamber of Accounts recognizes the success of ensuring sustainable development, and implementing functions defined with the Chamber's position in the public financial administration system. In February 2015 the Chamber determined these to be the main goals of the SDP for 2015-2017.

For more information contact the Chamber of Accounts of the Republic of Azerbaijan

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SAI Bangladesh builds capacity

SAI Bangladesh strives for international cooperation and audit quality

To make public financial management more efficient and effective, supreme audit institutions (SAIs) and the donor community can work together for improved audit quality assurance. This cooperation is a way toward realizing high quality financial reporting and credible auditing systems. SAI Bangladesh is relentlessly trying to achieve this goal through a variety of activities.

SAI Bangladesh and its global relationships

As part of achieving its vision, SAI Bangladesh signed a Memorandum of Understanding (MoU) with the National Audit Office of China, the Accounts Chamber

of Russia, the State Audit Bureau of Kuwait, and the Commission of Audit of the Philippines. In the MoU the parties agreed to the following:

- Exchange of experience in improving methodology for state financial control;
- Cooperation in professional training opportunities and improving the professional standards of personnel;
- Exchange of information and documentation on the activities of the SAIs;
- Organization of joint research projects and audits, as agreed upon according to the laws of the SAIs' countries.

International seminar and workshop

Toward developing the professional capacity of its staff, SAI Bangladesh is working as a proactive partner in organizing international seminars and workshops. SAI Bangladesh worked as the facilitator in organizing the IDI-ASOSAI ISSAI Compliance Assessment Tools (iCAT) Review Workshop held in Dhaka, Bangladesh December 8-12, 2014. Thirty-two participants from 13 SAIs, including Bangladesh, Bhutan, Cambodia, China, Indonesia, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, the Philippines and Thailand participated in this workshop. The workshop was delivered by a resource team comprising seven mentors from five SAIs, including Bangladesh, Bhutan, Brazil, Norway, Philippines, and from European Court of Auditors.

Under the 3i Programme, SAIs have signed the Statement of Commitments to use the iCATs and make implementation strategies based on iCAT results. The workshop was organized to provide further support to SAIs in completing the iCATs and implementing the ISSAIs. The objectives of the workshop were to:

- provide ISSAI facilitators and their SAIs an update on the new Level 3 ISSAIs and their implications for ISSAI implementation;
- receive SAI feedback on the use of iCATs and document lessons learned;
- review and receive feedback on iCATs by experts and mentors; and
- discuss ways to use iCAT findings in crafting an ISSAI Implementation Strategy.

During the workshop, the SAI teams started reviewing and revising the iCATs. At the end of the workshop, the SAI teams agreed to finalize their revised iCATs based on the discussion and feedback received from the mentors.

Multi-donor cooperation

A technical assistance project named Strengthening Public Expenditure Management Program-B (SPEMP-B) is being organized by SAI Bangladesh. The SPEMP-B is a capacity building, multi-donor funded project led by the World Bank. The project focuses on organizational strengthening, enhancing the quality of audit, and strengthening institutional capacity of the Financial Management Academy (FIMA), the training institute of SAI Bangladesh. As part of the SAI capacity building and professional development plan, SPEMP-B has already started the International Public Financial Management (IPFM) course in collaboration with the Chartered Institute

of Public Finance & Accountancy (CIPFA), UK. This is now a highly prestigious qualification for all finance professionals. To enhance the institutional capacity of SAI Bangladesh and compete with the professional world, a MoU has been signed between CIPFA UK and SAI Bangladesh. Remarkable progress has been made so far. A total of 258 participants have been enrolled for the CIPFA Certificate Course, and others have signed up for the Diploma Course and for Advanced Diploma Course. So far 87 officials have passed the CIPFA Certificate Course, and 14 officials have passed the Diploma Course and are now enrolled for the Advanced Diploma Course. This is a step forward for the professional qualification of SAI members.

Human resources management

SAI Bangladesh is aiming to enhance its professional quality under a comprehensive framework. National and international experts are helping in this endeavor. The consulting firms of SPEMP-B Project of SAI Bangladesh have already submitted two reports on:

- Human Resources Management (HRM) Plan
- Competency Framework

The HRM Plan is an assessment of the current situation and recommendations for future activity. The HRM Plan and the Competency Framework are prepared in line with SAI Bangladesh's current Strategic Plan 2013-18, setting out its objectives in developing and managing its human resources for better audit quality. SAI Bangladesh is now undergoing the implementation of the HRM plan and the Competency Framework.

Automation in auditing using home-grown software

SAI Bangladesh has accorded utmost priority to capacity building for "Auditing in IT Environments." For this purpose, a software application called the Audit Monitoring and Management System (AMMS) is being implemented. The AMMS is a customized database application that helps the audit directorates to plan, schedule and manage audit assignments more efficiently, and to monitor and track the disposition of the large number of audit observations raised by the Audit Directorates of SAI Bangladesh.

For more information contact the Office of the Comptroller and Auditor General of Bangladesh

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Website: www.cagbd.org**

SAI Japan issues audit report

Mr. Teruhiko Kawato, President of the Board of Audit, left, and Mr. Shinzo Abe, Prime Minister of Japan. Source: Official Website of the Prime Minister of Japan and His Cabinet



On November 7, 2014, Teruhiko Kawato, President of the Board of Audit of Japan (the Board), submitted the annual report for fiscal year 2013 to Prime Minister Shinzo Abe.

The report contains the results of audits the Board conducted in 2013-2014 on the final accounts of the annual expenditures and revenues of the State and government-affiliated institutions for fiscal year 2013.

The Cabinet then submitted the report, together with the audited final accounts of the expenditures and revenues of the State, to the National Diet (Diet).

The Board seeks to respond to matters deliberated at the Diet, of high public interest, and/or reported by the media, in a timely and appropriate manner, by conducting audits agilely and flexibly. In the latest annual report, the Board reported issues on, among others,

- recovery from the Great East Japan Earthquake
- securing the safety of people's livelihoods
- the proper and impartial operation of systems and projects

- the proper execution of budget and the appropriate management of public accounts
- the handling of assets, funds, and other stocks
- the efficient use of administrative expenses and the effectiveness of projects
- social security
- environmental preservation

The Board is able to report to the Diet and the Cabinet at any time on the presented opinions, demanded measures, and matters which the Board finds particularly necessary to report even prior to the completion of the Audit Report for that fiscal year. In 2013-2014, eight such cases were reported. The Diet is also able to request the Board to conduct audits upon specific matters and report the results.

For more information contact the Board of Audit of Japan

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State Audit Bureau of Kuwait

The State Audit Bureau of Kuwait (SAB) has been involved in several activities in recent months.

Within the framework of the Cooperation Agreement signed with the Netherlands Court of Audit, SAB hosted a training program on “Open Data/ Open Spending” January 26-27, 2015. The SAB also participated in the XIII Assembly of ASOSAI and the 6th ASOSAI Symposium on “Leveraging Technology to Enhance Audit Quality and Effectiveness,” held February 10-13, 2015, in Malaysia.

The SAB attended the 5th meeting of ARABOSAI working group on Strategic Planning, February 23-25, 2015.

Within the framework of the Cooperation Agreement signed with the Mongolian National Audit Office, the SAB planned to host the 6th training program on “Oil Audit” March 15-19, 2015. SAB also planned to participate in the ARABOSAI 51st Executive Board Meeting March 23-25, 2015, in Tunis.

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SAI Latvia strives for new reforms

In 2014 the State Audit Office of Latvia (SAO) continued carrying out reforms and, while consistently implementing its strategy, many enhancements were introduced that will help assure efficient and lawful management of public funding, creating a more open and transparent decision making process in the public sector and calling to account those responsible for squandering public funds.

A new sector has been established within the SAO in which experts conduct audits on topical issues in the public discourse. Last year auditors assessed the compliance of public transport ticket prices set by Rīgas Satiksme, a company operating public transport and vehicle hire, and found significant irregularities and infringements. These results have been in the center of media and Latvian public attention for many months. Attention was once again fuelled by the Riga City Council’s decision to further increase the cost of public transport tickets.

Significant publicity and debates were caused also by audits on the efficiency and compliance of public funding expenditures in municipalities. The SAO’s Action Plan prescribes that during a period of three years, each of the 119 municipalities of Latvia should be subjected to an audit at least once.

Although this decision has caused widespread unrest among the municipalities and within the Latvian Association of Local and Regional

Governments, the SAO is convinced of the necessity of this step due to the raised attention and the growing number of complaints received by citizens concerning the misuse of public property in their local municipalities. This is the reason why the SAO has paid increased attention to the expenditures of the municipalities—it has discovered cases of illegal handling of public assets, such as the use of public company funds for private needs, and other significant infringements.

The SAO’s cooperation with law enforcement authorities has become more successful, and a more rapid response to audit results can be observed. The significance of this collaboration is illustrated by the fact that the Prosecutor General, during his speech in the annual meeting of prosecutors, pointed to the need for an increased attention to those criminal proceedings which began based on evidence found in SAO audits. Law enforcement authorities have been informed of cases of infringements found in 13 audits in 2014.

A new instrument has been introduced to facilitate the means for holding perpetrators responsible for their actions. Our amendments to the Law on Prevention of Squandering of the Financial Resources and Property of the Public Persons have been introduced, stating that an auditee, or its supervisory institution, is obliged to report to the SAO the results of an assessment of those responsible for squandering »

public property within five months of audit report approval. Thus we shall observe fewer cases when no action is taken following the audit.

One of the most important preconditions for reaching our goals is a well-informed society. Therefore the SAO strives to reach the public using new communication tools. We are now creating videos on audit results. On the homepage of our website we provide information not only about finished audits, but also about ongoing and scheduled audits, progress of the implementation of audit recommendations and their financial impact, and progress of law enforcement investigations on possible violations. We use both our website's homepage and our social networks to ask the public to share both concerns and information which might be useful for audits.

We also discuss topical issues and answer citizens' questions during our regional discussions.

Our Auditor General is convinced that with professional and persistent work we can improve our performance and reach the goal set for 2017, which calls for a ratio of one euro spent on the upkeep of SAO services to a five euro return for the state budget in the form of reduced irregularities and more efficient use of public funds.

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National Audit Office of Lithuania

2014 NAO Peer review

November 2014 saw the completion of a peer review on the performance of the National Audit Office of Lithuania (NAOL). The main objective of the peer review—carried out by experts from the supreme audit institutions (SAIs) of Norway and Finland, and from the team leader, the European Court of Auditors—was to assess to what extent the audit practices of the NAOL comply with the International Standards of Supreme Audit Institutions (ISSAIs).

The evaluation entailed assessing the core processes of financial (regularity) and performance audits, audit selection, planning, execution, quality control, cooperation with audited entities, preparation of audit reports, follow-up, and NAOL's relations with the Parliament of the Republic of Lithuania.

The overall conclusion of the peer review report stressed that the NAOL's audit practices are compliant with the ISSAIs.

Among other good practices identified, notable are the NAOL's appropriate communication with its stakeholders, effective quality control and reporting processes, and a sound audit documentation system.

The peer review report presented to the NAOL staff and the Parliamentary Committee on Audit noted that the NAOL has appropriate skills and expertise for conducting its activities: the audit staff has a wide range of backgrounds and qualifications and are capable of working in various audit areas.

The experts also emphasized constructive cooperation with auditees: auditors systematically discuss audit criteria with their auditees and, when reporting, take account of action plans prepared by auditees in response to audit recommendations.

The report revealed that the NAOL's relationship with the Parliament is constructive, with members of the Parliament considering the NAOL to be a modern institution widely respected in the public sector.

The Committee on Audit in particular sees the NAOL as a crucial partner in pursuing better financial management and accountability through well-drafted and useful audit reports and recommendations.

Another area which received positive evaluation is the NAOL's system for documentation, review, and monitoring of audit work.

The peers also found the NAOL's reports to be well-structured, appropriate in length and clearly

written, with particular attention paid to drafting relevant and practical recommendations. Special reference was made to the swift completion of audits, enabling the NAOL to respond quickly to stakeholder needs and produce timely audit reports.

The peer review report identified opportunities for improvement and contained valuable recommendations that would contribute to further advancement of the institution's performance.

The full text of the 2014 peer review report is available on the official website of the NAOL at http://www.vkontrole.lt/en/docs/NAOL_peer_reviewEN.pdf.

National Audit Office of Lithuania will monitor fiscal policy

Following the adoption of the euro, and the enactment of the Republic of Lithuania Constitutional Law on the Implementation of the Fiscal Treaty on January 1, 2015, the National Audit Office of Lithuania (NAOL) has been mandated to implement the function of an independent fiscal institution.

The Law on National Audit Office has, accordingly, been amended. To this end, the Budget Policy Monitoring Department has been established at the NAOL.

As part of the new function, the NAOL will monitor compliance with fiscal discipline rules in Lithuania, which are applicable to the members of the European Union Economic and Monetary Union, and the implementation of the targets laid down in the legislation.

Before the enactment of the Constitutional Law on the Implementation of the Fiscal Treaty, the NAOL used to assess the budget before its submission to the Parliament.

The NAOL will now assess the budget formation at each of its stages, monitoring the achievement not only of the annual but also of the medium-term objectives in the field of sustainability of public finances.

As part of the monitoring of the budgetary policy, the NAOL will prepare the opinions

- on the approval of the economic development scenario;
- on the compliance of the current or expected situation to the definition of exceptional circumstances;
- on the compliance of the structural impetus targets proposed by the Government and submitted to the Parliament for approval, and of the guidelines on the measures for implementing these targets with the requirements laid down in the Constitutional Law on the Implementation of the Fiscal Treaty;
- on the structural impetus target laid down in the Draft Budget Law for a given year and on the need for additional measures (in monetary terms) for implementing this target.

The NAOL will submit these opinions to the Parliament and make them available to the public.

This way the NAOL will contribute to enhancing Lithuania's capacities to carry out a responsible fiscal policy in order to achieve sustainable economic growth and stable public finances, and to avert a debt crisis.

For more information contact the National Audit Office of Lithuania

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SAI Maldives appoints new AG

Hasan Ziyath was appointed as the Auditor General of Maldives on November 24, 2014. He was nominated by the President of Maldives and was approved by the Parliament.

Mr. Ziyath says that, "as a member of ASOSAI, I and SAI Maldives will endeavor our contribution to more expansion and strengthening the mutual relations between our institutions within

ASOSAI and other regional groups."

Mr. Ziyath succeeds Mr. Niyaz Ibrahim.

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An eventful year for the Malta National Audit Office

by Charles Deguara
Deputy Auditor General of the
National Audit Office of Malta

“As an autonomous, independent, professional and non-political organisation, the International Organisation of Supreme Audit Institutions (INTOSAI), which last year celebrated its 60th Anniversary, has promoted good governance by enabling Supreme Auditing Institutions (SAIs) to help their respective governments improve performance, enhance transparency, ensure accountability, maintain credibility, fight corruption, promote public trust, and protect the interests of their citizens.”

—Preamble to the Beijing Declaration,
October 2013

This statement encapsulates very clearly the critical mission and responsibility of every SAI. It leaves no doubt as to the fundamental role of the Maltese National Audit Office (NAO) in ensuring that public resources are invariably used in the best manner possible and in line with prevailing financial rules and regulations.

Undoubtedly, 2014 has been a most eventful one for the Office and its staff. Besides the usual publication of a considerable number of audit reports, scrutinizing various activities across the public administration, the NAO has also organized various events to commemorate its 200th anniversary.

It was around October 1814, when the British Governor General Thomas Maitland considered it necessary to establish an Audit Office to address various shortcomings, such as lax accounting practices and poor financial information, prevailing within the Maltese public service of the time.

It surely comes as no surprise that the importance of having a vibrant and effective National Audit Office was highlighted during two separate

events organized by the Office to commemorate this significant milestone. During the inaugural speech of the XXII Commonwealth Auditors General Conference, hosted by the NAO in March 2014, which was attended by 87 Auditors General and other senior officials from 35 Commonwealth countries, the then-President of the Republic, H.E. Dr. George Abela, acknowledged that “the state audit institution is by far one of the key pillars of a healthy democracy in any one country, and Malta is no exception to this.”

Likewise, during her first official visit to the NAO, the President of Malta, H.E. Ms. Marie-Louise Coleiro Preca, conveyed her appreciation to the commitment and dedication shown by NAO staff and, as in the case of previous presidents, pledged her support to the Office so that it could continue its scrutiny in the best interest of Maltese society.

A similar message of appreciation was likewise conveyed by the Honorable Angelo Farrugia, President of the House of Representatives, who during his address at the aforementioned Commonwealth Conference highlighted his active support to the Office in carrying out its constitutional mandate. As officers of Parliament, the Auditor General as well as his Deputy report directly to the Honorable Speaker and, therefore, such support is of particular importance.

A major factor contributing to this Office’s sustained high level of credibility enjoyed within Maltese society stems precisely from the NAO’s operational independence from all political parties and any other pressure group—an autonomy which the NAO zealously safeguards.

Ultimately, as rightly stated by the present Auditor General, Anthony C. Mifsud, in an interview carried in a local daily newspaper, our staff have to “maintain our objectivity and always have to report factually.”

This is due not simply to the fact that the principle of total autonomy is enshrined in the Constitution

itself, but even more so because successive governments have de facto fully respected this essential condition to have in place an effective and relevant auditing institution which could carry out its mandate without any interference or hindrance.

This crucial aspect for every SAI is duly emphasised by the INTOSAI Lima (1977) and Mexico (2007) Declarations.

Everyone agrees that commemorating such important anniversaries is indeed commendable; however, it is equally true that such occasions should also serve to project the institution into the future, particularly through the development of a clear vision, which would enable and facilitate the timely attainment of its goals and objectives. Ultimately, as the great American President Thomas Jefferson said, “I like the dreams of the future better than the history of the past.”

One of the most important challenges that the NAO faces is ensuring that the Office remains

relevant. Unless its audits and assignments remain relevant to Parliament, to whom it reports, thereby enabling adequate parliamentary scrutiny, and to the taxpayer, whose interests it seeks to safeguard, it surely would not be in a position to meet the objectives highlighted in this article’s opening quote.

Fundamentally, this necessitates that the subjects chosen for scrutiny are indeed ones which could improve the operations of government entities in terms of efficiency, effectiveness and economy and which therefore result in an enhanced service delivery to their clients—that is, the taxpayer. Only thus can its description as the “guardian of the public purse” be duly justified.

**For more information contact the
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Myanmar hosts ICAEW workshops

With the support of the Institute of Chartered Accountants in England and Wales (ICAEW), a two-day review of Myanmar’s Professional Qualification Syllabus Workshop was held at the Office of the Auditor General of the Union, in Naypyitaw, Myanmar, February 10-11, 2015.

The 25 delegates were headed by the Director General (Administration, Training and Research Department) from the Office of the Auditor General of the Union (OAGU), and included two delegates from the Myanmar Institute of Certified Public Accountants and three delegates from the Yangon Institute of Economics.

Dr. Mark Campbell, head of International Capacity Building, and two specialist consultants, Mr. Mike Turner and Mr. Stephen Lamdin from ICAEW, also attended the workshop.

During the workshop, the delegates reviewed and

agreed to the detailed syllabus of the new professional qualification.

On February 17-18, 2015, a train-the trainer workshop was held at OAGU. Fourteen delegates from OAGU and seven delegates from different ministries attended the workshop. This workshop covered topics such as principles of an effective training course, how to plan a training session, teaching writing skills for a strategic level exam, practical training, and presentation skills. Mr. Mike Turner, ICAEW specialist consultant, delivered the two-day program.

**For more information contact the Office
of the Auditor General of the Union**

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SAI New Zealand: Using its unique perspective to maximize value

Supreme audit institutions (SAIs) see across an entire public sector, which gives us a unique perspective.

To make the most of that perspective, the New Zealand SAI has been using a multi-year themed approach to our work program. Examples of our work program themes are: preparing for future needs, service delivery, governance and accountability, and investment and asset management.

Each of our work program themes culminates in an overview report to Parliament that draws together our findings and insights.

In our first overview report, “Reflections from our audits: Our future needs—is the public sector ready?,” we drew on work from 2012-13 to discuss how well the public sector was preparing for the future. We were pleased to find that the report resonated with a range of broadly-based public audiences.

What characterizes our overview reports is their focus on a public audience. This allows us to move away from the technical and complex information generally needed for specific assurance purposes in annual and performance audits. We look to create a brief and readable summary of our observations, using descriptive headings to tell the story that is set out in the full text. To test whether our headings have captured the essence of the story, we try the same structure as a base for speeches and public discussion forums.

But preparing a report is only the starting point for communicating our overview reflections. As we get more experience in preparing overview reports, we challenge ourselves to expand the ways we communicate with the public; for example, through social media

and community groups. We weave our observations and our story about the public sector into other topics that are of particular interest to our audiences. This helps bring our work ‘to life’ and make it relevant to each audience.

A bonus benefit of this themed approach is that, when we signal topics that we intend to focus on in future years, many public entities begin to improve and strengthen these areas without us needing to carry out detailed audit work.

The most significant challenges when preparing an overview report are the amount of synthesizing required and the call it makes on our judgement. We start with the findings and recommendations of all our audits relating to the theme.

Our Office leadership takes close ownership of, and personal responsibility for, the judgements on which matters to emphasize and what reflections to draw. The preparation of each overview report is carried out in turn by individual members of the Leadership Team, in partnership with the Auditor-General, and with development support from the Leadership Team as a whole.

Our next overview report will be about service delivery. In it, we look to see how well the public sector is providing services to the public of New Zealand.

For more information contact the Office of the Auditor-General of New Zealand

**Email: reports@oag.govt.nz
Website: www.oag.govt.nz**

Thailand appoints new AG, Chairman

On September 25, 2014, Professor Chaisit Trachoetham, Mr. Pisit Leelavachiropas, and six members were appointed by the King as, respectively, the Chairman of the State Audit Commission, the Auditor General, and Members of the State Audit Commission.

According to the Organic Act on the State Audit 1999, the State Audit Commission shall have powers and duties in connection with the formulation of state

audit policies. The Auditor General shall be responsible for the performance of official affairs of the Office of the Auditor General, and shall report directly to the Chairman of the State Audit Commission.

For more information contact the OAG Thailand

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SAI Romania hosts SAI Italy

The official visit of the President of the Italian Corte dei Conti to the Romanian Court of Accounts



Raffaele Squitieri, President of the Italian Corte dei Conti, visited the Romanian Court of Accounts January 17-20, 2015.

The official visit of Mr. Raffaele Squitieri, President of the Italian Corte dei Conti to the Romanian Court of Accounts took place in the period January 17-20, 2015, and was hosted by Mr. Văcăroiu, President of the Romanian Court of Accounts.

The members of the Italian delegation were Mr. Raffaele Squitieri, President of the Italian Corte dei Conti, and Mr. Giovanni Coppola, Head of International Relations and Liaison Officer.

The positive cooperation framework in which the two institutions are involved and the fact that the Romanian-Italian relations are transposed into the Enhanced Strategic Partnership, signed by Foreign Affairs Ministers on January 9, 2008, were highlighted during the official meeting.

The visit of the Italian delegation to Romania included a meeting with Mr. Valeriu Zgonea, Chairman of the Romanian Chamber of Deputies. The fruitful bilateral relations of the two countries and the cooperation between the national parliaments and SAIs were mentioned and praised on this occasion.

Annual Public Report

The Romanian Court of Accounts has recently published its annual public report for 2013. The report has six chapters regarding the main findings of the financial audits and compliance audit missions conducted in 2014, as well as the conclusions and recommendations

of performance audits. It also includes a separate chapter on the internal control system assessment and a chapter dedicated to activities performed by the Audit Authority for European Union funds.

The annual public report has been submitted to the Parliament and made available to the media. The report was highly appreciated both by MPs and by taxpayers, and the findings were highlighted in the printed media, on television shows and in online publications.

In keeping with the provisions of ISSAI 20 and 21—Principles of Transparency and Accountability—the Romanian Court of Accounts issued its 2014 activity report. The report includes data and information on the institutional organization, on its activities and output, on its international activities, and on the human and financial resources available in 2014.

The 2014 activity report describes our effort to apply good practices in the organization, and the effective use and administration of state and public sector financial resources. In this context, and so as to implement the institutional development strategy, we laid more emphasis on performance audit missions in 2014.

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GAO issues revision of internal control standards

by Kristie Conserve, International Relations Program Specialist, and Kristin Kociolek, Assistant Director of Financial Management and Assurance
United States Government Accountability Office

IN AN AGE of shifting environments, evolving demands, changing risks, and new priorities, government entities, including Supreme Audit Institutions (SAIs), constantly look for ways to improve their performance. By implementing an effective internal control system, SAIs can work more efficiently and effectively to achieve their goals.

Internal control—an organizational process used to help an entity achieves its objectives—is a matter of great interest to SAIs worldwide. SAIs can play a key role in establishing internal control standards. In the United States, the U.S. Government Accountability Office (GAO) publishes Standards for Internal Control in the Federal Government (also known as the “Green Book”), which sets the internal control standards for federal entities. Because GAO issued the most recent Green book in 1999, GAO recognized the need to update the standards in order to adapt to various changes in the ways the government operates.

What is the Green Book?

Internal controls are the plans, methods, policies, and procedures organizations, including governments, use to ensure that they are meeting their objectives. These objectives can be broadly classified into three categories:

operations, reporting, and compliance. Internal control helps an organization operate more efficiently and effectively, report reliable information about its operations, and comply with applicable laws and regulations.

GAO’s Green Book defines the standards for internal control in the federal government. The document provides an overall framework for establishing and maintaining an effective internal control system. The new edition of the Green Book, issued September 2014, retains the five components of internal control found in past editions, and presents 17 new principles that enumerate management responsibilities in implementing and overseeing an effective internal control system. Each principle has important characteristics, called attributes, which explain principles in greater detail.

The five components and 17 principles of internal control are:

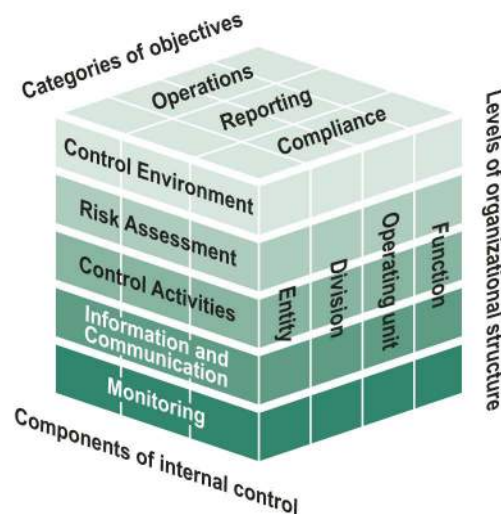
Control Environment is the foundation for an internal control system. It provides the discipline and structure to help an entity achieve its objectives.

- The oversight body and management should demonstrate a commitment to integrity and ethical values.



Source: GAO. | GAO-14-704G

- The oversight body should oversee the entity’s internal control system.
- Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity’s objectives.
- Management should demonstrate a commitment to recruit, develop, and retain competent individuals.
- Management should evaluate performance and hold individuals accountable for their internal control responsibilities.



Sources: COSO and GAO. | GAO-14-704G

Risk Assessment assesses the risks facing the entity as it seeks to achieve its objectives. This assessment provides the basis for developing appropriate risk responses.

- Management should define objectives clearly to enable the identification of risks and define risk tolerances.
- Management should identify, analyze, and respond to risks related to achieving the defined objectives.
- Management should consider the potential for fraud when identifying, analyzing, and responding to risks.
- Management should identify, analyze, and respond to significant changes that could impact the internal control system.

Control Activities are the actions management establishes through policies and procedures to achieve objectives and respond to risks in the internal control system, which includes the entity’s information system.

- Management should design control activities to achieve objectives and respond to risks.
- Management should design the entity’s information system and related control activities to achieve objectives and respond to risks.
- Management should implement control activities through policies.

Information and Communication refers to the quality information management and personnel communicate and use to support the internal control system.

- Management should use quality information to achieve the entity’s objectives.
- Management should internally communicate the necessary quality information to achieve the entity’s objectives.
- Management should externally communicate the necessary quality information to achieve the entity’s objectives.

Monitoring includes activities management establishes and operates to assess the quality of performance over time and promptly resolve the findings of audits and other reviews.

- Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.
- Management should remediate identified internal control deficiencies on a timely basis.

How can a SAI use the Green Book to Establish Internal Control Standards?

In order to improve its performance, an SAI can incorporate the concepts from the Green Book into their internal control standards. The Green Book can serve as a guide to design, implement, and operate internal controls to achieve its objectives related to operations, reporting, and compliance. Based on applicable laws and regulations, an SAI can determine how to appropriately adapt the standards presented in the Green Book as a framework for the organization.

Internal control is advantageous to a SAI in many ways. First, it provides management with added confidence regarding the achievement of objectives. Second, internal control provides feedback on how effectively an entity is operating. Finally, it helps reduce risks affecting the achievement of the entity’s objectives.

Conclusion

Internal control is a dynamic, iterative, and integrated process built into the day to day operations of an organization. The Green Book can be used as a resource for auditors to model criteria for an effective internal control system and use that criteria to audit government entities.

In addition, SAIs could, by using this tool, continually evaluate their own internal control system in order to improve performance.

Introducing preventive audit in local government:

the case of Greece

by Dr. Kontogeorga Georgia, Hellenic Court of Audit

Editor's Note: This article might be especially relevant to those SAIs who, like Greece, audit local governments and municipalities.

According to the International Standards for SAIs (ISSAIs), pre-audit by a supreme audit institution (SAI) has the advantage of being able to prevent damage before it occurs, but has the disadvantage of creating an excessive amount of work and of blurring responsibilities under public law.

The task of pre-audit involves the authorizing of public expenditure. Typically the control body receives all payment orders and supporting documentation, checks that the transaction has been authorized, that it is legal and regular, and that there is sufficient provision for it in the budget. It then either sanctions the payment or, where the transaction does not meet these criteria, returns it to the auditee for amendment (Crespo, 2005, p.6).

However this system has been characterized as costly and inefficient. Cogliandro (2000) argues that a strict examination of the legality causes delays in the delivery of public services and weakens the responsibility of management. Yet, despite the undoubted usefulness of preventive control, there is nevertheless a tendency to minimize its scope and content (Crespo, 2005).

Contrary to this trend, the Hellenic Court of Audit (HCA) still audits in advance almost all expenditures of central government and public entities, with the

exception of municipalities: until recently, these have been excluded from the preventive audit of the HCA. The a priori audit of expenses of the public sector in Greece has been in existence for over a century, but in local government it became mandatory only as of 2005 onwards.

This traditional form of audit of all the transactions of public entities leads public managers to rely heavily on conducting ex-ante audit of their expenditures by the Court. Moreover, HCA is still the only SAI in Europe limited to the legality and regularity of public expenditure, as it had not been empowered to assess the performance of public policies until the recent reforms. Over the past three years a number of legislative reforms have been aimed at modernizing the existing mode of public expenditure control, and its alignment with international standards. All of this turns Greece into a special case.

As the external auditor, the SAI has the task of examining the effectiveness of internal audit. In Greece, the task of internal auditing is assigned on the services of the State General Accounting Office, and organized structures of internal audit do not exist within public organizations (although a relevant law was passed in 2006 for the creation of separate internal audit departments within public organizations, but it has never been widely implemented). Greek municipalities, even now, are excluded from this rule, and their expenses are sent directly to the services of Commissioners of HCA

“Data highlight a problem concerning the compliance of municipalities in Greece, at least compared with the other financial management categories. This fact is partly due to the absence of internal control services.”

— Dr. Kontogeorga Georgia

for review and visa. As a consequence, municipalities operate practically without organized internal control departments.

Data Analysis

In the data included each year in the Annual Reports of the HCA, a plethora of repeated infringements of financial legislation by audited entities has been noted, and from the year 2005 onwards (year of introduction of a priori audit) the majority of findings refers to the financial management of municipalities.

The local government has been organized in Greece in two tiers. The structure of this organization was reformed in recent years with the goal of making local government more efficient, effective, responsible and transparent, both in terms of function and in terms of services to its citizens. The current administrative division of Greece was formed according to the program ‘Kallikratis’ and has been in force since January 1, 2011. According to this program, the local authorities of the first and second tier were reformed demographically and spatially in larger geographical units by merging municipalities, communities and local prefectures. Today the country is divided into 325 municipalities (first tier local government) and 13 regions (second tier local government) (Ministry of Interior, 2012). Before the reform, in Greece there were 914 municipalities and 120 communities. The number of municipalities was large in relation to the size (132,270 square kilometers) and the population (about 11 million inhabitants) of the country.

Initially, the Presidential Decree (P.D.) 172/1997 subjected the three major municipalities of the country

(Athens, Piraeus and Thessaloniki) to the preventive audit of the HCA, followed by the P.D. 133/2001, which included the municipalities of Heliopolis and Peristeri. Law 3202/03 provided for the extension of preventive audit on public expenditure of all municipalities with a population of more than 5,000 citizens, which eventually took place in 2007.

In economic literature, the concept of compliance is generally measured in terms of the number or rates of deviant behaviors, such as crimes per capita or the number of road accidents in relation to the total population (Levy, 2002). Consequently, the rates of deviant activity of public entities identified by the ex-ante audit could constitute an objective (quantitative) index for measuring compliance.

An analysis of the data of the Annual Reports of the HCA for 1998-2009 shows that in the framework of exercising an expenses preventive audit, out of the payment orders (on average 1,495,271) of all financial management categories—Legal Entities of Public Law, Local Government Authorities (LGA), Special Accounts and Broader Public Sector—submitted for audit to the competent Commissioners Departments of HCA, on average 8,891 payment orders are returned (due to violations, omissions, etc.) not-certified to public entities for amendment. This number corresponds to 0.57 percent of the total number of payment orders annually submitted for preventive audit, while audit on the part of LGA expenses seems to be detecting violations at, on average, 1.06 percent of the total number of payment orders submitted for audit (almost double compared to other categories), as shown in Tables 1 and 2.

Interest focuses on the extension of preventive »

HCA is still the only SAI in Europe limited to the legality and regularity of public expenditure, as it had not been empowered to assess the performance of public policies until the recent reforms.

TABLE 1:
Non-certified (returned) payment orders per financial management category for the period 1998-2009

Year	Central Government	Legal Entities of Public Law	Special Accounts	Local Government	Total
1998	643	6,821*		431	7,895
1999	919	5,136*		317	6,372
2000	1,417	5,111	33	310	6,871
2001	1,093	4,718	36	184	6,031
2002	935	5,572	31	251	6,789
2003	1,087	5,275	51	456	6,869
2004	841	4,639	16	271	5,767
2005	1,076	1,338	24	5,372	7,810
2006	1,078	3,908	28	7,500	12,514
2007	696	4,662	14	7,486	12,858
2008	876	3,621	23	7,443	11,963
2009	1,898	5,776	9	7,264	14,947
Average	1,047	4,715	27	3,107	8,891

TABLE 2:
Non-certified (returned) payment orders per financial management category for the period 1998-2009

Year	Central Government	Legal Entities of Public Law	Special Accounts	Local Government	Average per year %
1998	0.270	0.611*		1.657	0.636
1999	0.350	0.505*		0.895	0.583
2000	0.473	0.517	0.383	0.879	0.563
2001	0.339	0.533	0.681	0.554	0.527
2002	0.290	0.660	0.608	0.588	0.537
2003	0.315	0.632	0.576	1.179	0.676
2004	0.215	0.558	0.193	0.587	0.388
2005	0.282	0.667	0.318	1.474	0.685
2006	0.281	0.404	0.330	1.185	0.550
2007	0.138	0.489	0.167	1.325	0.530
2008	0.227	0.377	0.295	1.226	0.531
2009	0.460	0.589	0.385	1.176	0.653
Average	0.303	0.543	0.394	1.060	0.571

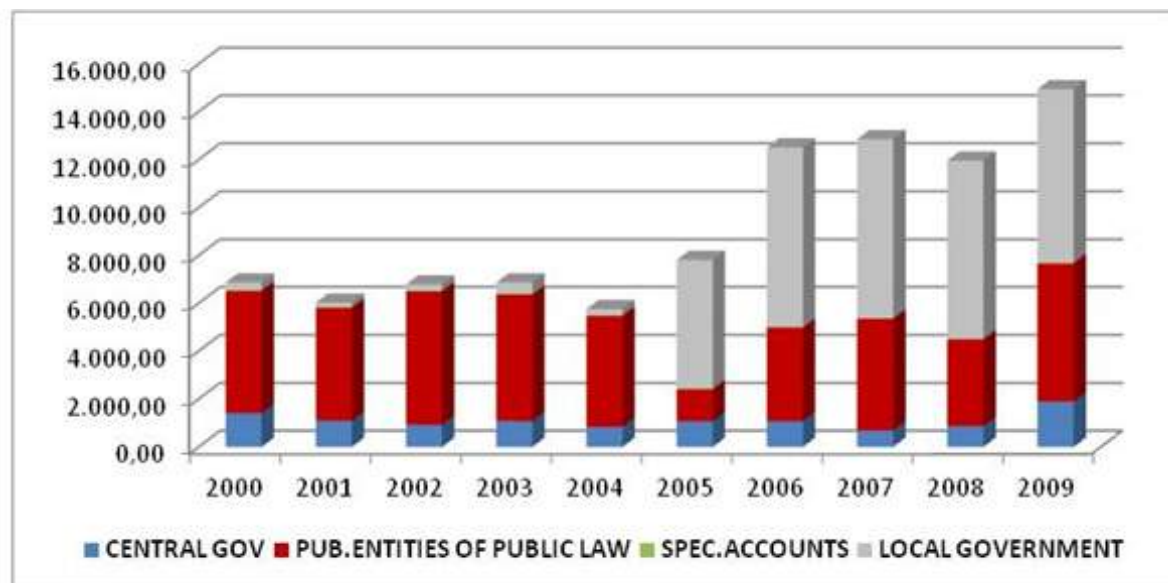
*For the years 1998 & 1999 there are only aggregated data for these two categories

audit to the LGA as of 2005, as, from this year onwards, more than half of payment orders that are annually returned non-certified (of all financial management categories) refer to their financial management, as illustrated in

Graph 1 .

It seems therefore that data highlight a problem concerning the compliance of municipalities in Greece, at least compared with the other financial management categories. This fact is

GRAPH 1: Non-certified (returned) payment orders



Source: Kontogeorga G. (2012, p.167)

partly due to the absence of internal control services.

However, financial management in local government seems to be a common area of concern across the world.

Conclusions

During the last three years a number of legislative reforms has taken place in Greece. These reforms are included in the effort to restrict ex-ante audit and to modernize the audit of public expenses, which is imposed both by the imperatives of international standards and by the increasing need for transparency and accountability, particularly in view of the current financial crisis.

However, the introduction of preventive audit in municipalities in 2005 revealed that there are significant weaknesses in its financial management. More specifically, municipalities show the highest rates of deviation from the legislation compared to other categories, since more than half the findings refer to such financial management.

One might say that this result is partly expected, since the first implementation period of a reform usually requires a transitional adjustment period.

Although questions remain as to the effectiveness of ex-ante audit of expenses on public organizations in Greece, undoubtedly its inclusion in the financial management of municipalities from 2005 to the present highlights a problematic situation. Whether this fact is due to the first implementation period of the reform or has other, deeper causes, it is a matter to be answered in the near future.

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Partnering across the Pacific

A regional cooperative audit of climate change adaptation and disaster risk reduction strategies in a number of Pacific Island states

by Claire Kelly

Cooperative Audit Adviser

What is cooperative auditing?

A cooperative audit is an audit conducted more or less simultaneously by two or more autonomous auditing bodies or supreme audit institutions (SAIs), but with a separate audit team from each body, usually reporting only to its own governing entity and only on matters within its own mandate. With this approach, the methodology and audit approach are shared. An additional feature of cooperative auditing is that an overview report can be compiled based on the key findings arising from the individual SAI reports (INTOSAI 2007)

The cooperative approach has proved to be a valuable environmental auditing tool enabling SAIs to assess individual jurisdictional responses to broader regional environmental impacts and to share lessons, through the regional report, that may be of benefit to other jurisdictions facing similar environmental challenges. This is the fourth cooperative audit undertaken by the Pacific Association of Supreme Audit Institutions (PASAI) members on environmental topics.

Why audit climate change adaptation and disaster risk reduction strategies?

The countries of the Pacific are among the most vulnerable to the effects of climate change. Rising sea levels, cyclones, tsunamis, food security, and coastal erosion are real and daily threats. Settlements and societies that live in areas prone to climate change and that are dependent on scarce resources are particularly vulnerable to these impacts. Over the past few years, Pacific Island Forum Leaders have reaffirmed climate change remains the single greatest threat to the livelihoods, security and well-being of the peoples of the Pacific. In

acknowledging this, climate change is a standing item on the agenda of the Pacific Island Forum.

Partnering to address climate change was recognized at the Third UN Conference on Small Island Developing States (SIDS) held in Samoa in September 2014. Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC), Christiana Figueres, said she had three major takeaway points from the conference: SIDS taking the lead in climate change issues despite their vulnerabilities; the SIDS leadership in partnership to address the issues; and that SIDS, as tiny as they are, are challenging the rest of the world to follow their lead (SPREP 2014).

The outcome statement of the SIDS conference was the SIDS Accelerated Modalities of Action (SAMOA) Pathway (SIDS 2014). The UN is promoting that the SAMOA Pathway remain a 'live' document in the lead-up to the 2015 United Nations Convention on Climate Change to be held in Paris in December. The United Nations is continuing to build momentum towards the Paris Conference, when leaders are expected to reach a landmark treaty.

"Addressing climate change is essential for realizing sustainable development. If we fail to adequately address climate change, we will be unable to build a world that supports a life of dignity for all," warned United Nations Secretary-General Ban Ki-moon when addressing Member States at a briefing in February 2015. Mr. Ban also emphasized that resilience must be strengthened, especially in the small island states and least developed countries.

Pacific governments also face challenges in recovering from natural disasters. Pacific Island states have considerable experience in responding to natural disasters such as cyclones and other extreme weather events. Given the expectation (IPCC 2013) that the



The adverse effects of climate change present significant risks to the sustainable development goals of Pacific Island states and long-term effects may threaten the very existence of some of these states, especially low-lying coral atolls.

frequency, intensity and/or duration of extreme weather events and corresponding natural disasters will increase in the region as a result of the impact of climate change, efforts to build on effective responses to natural disasters makes sense.

While historically, at the global level, there has been a two-track approach addressing the issues of climate change and disaster risk reduction separately, policy makers are increasingly promoting the need for an integrated approach. As experience with both climate change adaptation and disaster risk reduction grows, there is increasing recognition that these two fields share a common focus: reducing the vulnerability of communities and contributing to sustainable development.

In light of this, many governments of Pacific Island states have started taking action to integrate climate change adaptation and disaster risk reduction into their national policies, plans and activities. This approach recognizes that in the short- to medium-term, many impacts of climate change may

manifest themselves through change in the frequency, intensity or duration of extreme weather events and corresponding natural disasters.

A recent IPCC report noted that for countries with a high sensitivity (meaning a small change in climate can have a large impact) or a low capacity to adapt to climate change, the net costs will be significantly larger than the global average.

Studies have shown that adequate adaptation is economically, socially and environmentally sustainable, and is likely to be far less costly than inaction. As the United Nations Development Program noted, “Every dollar spent on preparing for disasters saves around seven dollars in economic losses” (UNDP 2012).

Valuable lessons can be learned from responses to disasters to inform the development of climate change adaptation measures. For these reasons, PASAI Auditors-General decided there was merit in examining administrative arrangements that underpin individual Pacific Island state responses to the challenges of climate change and disaster risk reduction. »

The countries of the Pacific are among the most vulnerable to the effects of climate change. Rising sea levels, cyclones, tsunamis, food security, and coastal erosion are real and daily threats.

Which SAIs took part in the regional cooperative audit?

Ten SAIs from eight Pacific Island states participated in the audit and were drawn from the sub-regions of Micronesia, Polynesia and Melanesia. Eight of these ten SAIs have reported publically on the findings of their individual audits: Cook Islands, Federated States of Micronesia (FSM), the FSM State of Kosrae, the FSM State of Pohnpei, Fiji, Palau, Samoa and Tuvalu. The key findings of these eight audit reports form the basis of the regional overview report, which will shortly be available on the PASAI website.

Support for cooperative auditing

The audit was a combined effort involving the INTOSAI Development Initiative (IDI), the Asian Development Bank (ADB) and PASAI. Australia's Victorian Auditor-General's Office (VAGO) also provided support to audit teams. The INTOSAI Regional Working Group on Environmental Auditing (RWGEA) was significantly involved in planning and clarifying the scope of the cooperative audit. The Secretariat of the Pacific Regional Environment Program (SPREP) provided specialist technical expertise on climate change adaptation and disaster risk reduction measures in the Pacific. SPREP also advised the audit teams with technical climate change matters over the course of their audits.

Overall audit objective

The approach to the audit agreed by the PASAI Congress was slightly different to previous regional cooperative audits by PASAI. Because different regions of the Pacific have different vulnerabilities to climate change effects and severe weather events, the 2012 PASAI Congress approved an umbrella audit topic enabling individual SAIs to develop audit objectives and lines of enquiry relevant to their specific jurisdiction. The approved broad audit topic, to be filled in as appropriate to each participant, was: "To assess the effectiveness of climate change adaptation and disaster risk reduction strategies, plans and financing in the ___ sector of ___ (country)."

This approach resulted in audit topics grouping around three main themes:

- preparedness for climate change effects (three SAIs)
- planning for and managing climate change effects, such as coastal erosion (three SAIs)
- managing climate change effects on food security (four SAIs)

Consolidated regional findings

Audit findings from the eight published audit reports clustered around the following key performance themes:

- governance arrangements, including legal and policy frameworks, mainstreaming and coordinating responses across government agencies, vulnerability assessments and strategy development, and coordination between responsible agencies
- project implementation, including project-level governance—that is coordination and project management, financing and human resource capacity constraints
- monitoring and reporting

Overall regional conclusion

Overall, the regional audit concluded that the Pacific Island states audited as part of the regional coordinated audit are not well placed to respond effectively to the threats and challenges arising from climate change.

The audits identified technical and administrative skills that need to be developed to ensure an effective response to climate change risks. These include:

- technical and research skills to carry out high-quality climate vulnerability and risk assessments and to develop relevant plans and policy responses
- administrative capabilities such as submission writing to secure available adaptation funding
- capacity to soundly project manage on-the-ground funded adaptation measures, monitor results and acquit grants

“Addressing climate change is essential for realizing sustainable development. If we fail to adequately address climate change, we will be unable to build a world that supports a life of dignity for all.”

—United Nations Secretary-General Ban Ki-moon

A further complicating factor in the Pacific is the number of funding agencies involved in implementing climate change adaptation projects. This increases the need for robust systems and processes to be in place at all levels of government, including at the level of individual project implementation.

Impact of regional cooperative audits

Connecting with other regional organizations on the issue of climate change will be a key component of addressing the issues outlined in the regional cooperative audit. For example, at a recent meeting of the Governing Board of PASAI, a representative from the Pacific Islands Forum Secretariat welcomed PASAI's cooperative auditing on climate change and disaster risk reduction strategies. Over the past few years Forum Leaders have reaffirmed that climate change remains the single greatest threat to the livelihoods, security and well-being of the peoples of the Pacific. In acknowledging this, climate change issues continue to be on the agenda of the Forum Economic Ministers Meeting (FEMM). The forum sees the regional audit report as an important contribution to the regional discussion on climate change adaptation and disaster risk reduction. This highlights the importance of PASAI's approach to work collaboratively with key stakeholders in the region so that its audit work is relevant to and informs key regional imperatives.

More information

For more information about the regional cooperative audit, please contact the report's author, Claire Kelly, Cooperative Audit Adviser at clairekelly2009@gmail.com or PASAI's Capacity Building Advisor, Ms. Sina Palamo-Iosefo at sina.iosefo@pasai.org.

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Good Practice Guides

An innovative advisory tool for public managers

by **Birgit Meichsner, Senior Audit Manager, and Markus Bangert, Audit Manager, Federal Performance Commissioner's Support Unit Bundesrechnungshof, Germany**

THE GERMAN SUPREME Audit Institution (SAI) has developed numerous findings that are of a representative nature beyond the individual case under audit. The guides, published since 2013, are designed to better provide public managers with useful advice. They are to contribute to improving the compliance and performance of government operations and transactions.

For this purpose, suitable findings are concisely edited and arranged in a clear format to help federal departments and agencies avoid typical irregularities. The collection of guides is to be systematically expanded in order to cover all sectors of government operations and transactions.

The collection of guides is subdivided into 14 chapters and can be accessed via the German SAI's website (www.bundesrechnungshof.de). The publisher is the President of the German SAI, in his capacity as Federal Performance Commissioner. The German SAI already introduced the guides as an innovative advisory tool during a workshop at the IX EUROSAI Congress held in The Hague, June 2014.

Goals of the Guides

During our audits, we often uncover typical irregularities that occur government-wide; for example, in connection with efficiency/capital expenditure appraisals, contract awarding, procurement and grants, and also in the fields of organization, human resources management and information technology. These audit findings are usually only communicated to the auditees. This means that, as a rule, not all federal managers have access to the findings, and so these findings often cannot be taken into account when planning for the future.

The President of the German SAI traditionally also holds the position of the Federal Performance Commissioner (FPC). In this role, he is tasked to enhance federal government performance by putting forward proposals, reports or opinions.

It was the idea of the FPC to make audit findings of cross-cutting and/or fundamental significance available to all federal managers in a compact and clearly arranged form. For this purpose, the findings are edited and presented as Good Practice Guides. The objective of the guides is to furnish federal managers with quickly accessible information on certain issues and to help them with future decision-making. Furthermore, the FPC wishes to raise awareness concerning error-prone administrative procedures. The collection is to be continuously expanded and, as a matter of principle, cover all fields of government activity.

The guides are to be helpful tools not only for federal managers,

but also for administrative staff, especially as these staff members take on new functions and need quick information on issues with which they are not familiar. The same applies to auditors of the German SAI who need to acquaint themselves with new issues.

Bases of the Guides

Suitable bases for formulating Good Practice Guides are audit findings developed by the German SAI that, to some extent, can be of general validity for government operations and transactions. This applies especially to findings generated by a cross-cutting or multi-agency audit of similar issues. It is also possible, however, that similar irregularities are uncovered by different audits. Other conceivable bases would be individual cases of fundamental significance. However, such a case has not occurred so far.

It is important that potential arguments of the auditees can be taken into account when formulating a Good Practice Guide. Therefore, the guides are usually based on completed audit assignments.

Recommendations, which include a judgment on the merits of policy decisions and which aim at amending existing legislation, are not suitable as a basis of our guides. As the guides are addressed to the public administration, they should only include recommendations which can be directly implemented by the administration itself. This is, for instance, not the case where amendments of legislation are proposed.

Structure of the Guides

The guides are structured similarly to the rulings of German courts of law. Each guide is preceded by the core recommendations made (guidelines).

Each guideline is complemented by a brief explanation on the background of the matter audited, which begins with brief elucidations on the legal situation and the audit approach. This is followed by a summary of the findings, and conclusions necessary to understand the guidelines. To help the reader get a quick grasp on which background information pertains to which recommendation, both the recommendations and the items of background information are numbered.

The guides also may include supplementary notes. Such notes may point out new developments, more recent audit findings or improvements already achieved. Advice on further information developed by the German SAI (e.g. expert opinions, guidelines or manuals) may also be useful. Where the German Parliament's Budget Committee or Public Accounts Committee has endorsed

the German SAI's recommendations, this can be shown in the notes. Support by parliamentary bodies is important because the German SAI has no powers of enforcement vis-à-vis the audited bodies.

The structure of the guides is to be illustrated by the following extract from the guide, "Steering of Road Construction Programs:"

Guidelines

(t) Road construction programmes should include projects only where the program goals can be achieved within the scheduled programme duration.

...

Background

In the years 2008-2010, the German SAI audited several road construction programs. For these programs, extra budget funds were appropriated on top of the normal road construction budget in order to start new building projects.

(t) The selection of projects was neither transparent nor were construction periods aligned with scheduled program duration. The program goals did not significantly differ from the general goals which the authorities responsible for road construction defined under their general requirements planning. It was therefore no surprise that there was no justification for including or not a project in a program.

...

Notes

In its meeting of February 25, 2011, the Parliament (Public Accounts Committee – PAC) endorsed the 2010 annual report item "Targets not met, cost and time overruns in road construction programs." The above guidelines present the Parliament's resolution in a generalized form. ...

It is plain at first glance that the guides are not intended to pinpoint past irregularities but rather to provide proactive advice. This is one of the reasons why the guides are usually formulated in an abstract way; i.e., auditees are not mentioned in most cases. To furnish quick information on the topic in question, the guides are worded as concisely as possible. As a rule, they do not exceed three pages.

Structure of the collection of guides

The collection of guides is divided into 14 chapters. Each chapter addresses a cross-departmental issue of government operations and transactions (e.g., compliance, efficiency, staff, capital expenditure, procurement, information technology). Thus, all federal government departments and agencies can generally find suggestions for their mission performance in each chapter. It is not necessary, therefore, to rearrange the guides if departmental remits change.

Each guide is included in one chapter of the collection and is assigned a serial number. If there are doubts in which chapter a guide is to be placed, such placement is to be governed by the major issue involved. The example given above was assigned serial number 01 and included in chapter 10 ("Capital expenditure, e. g., on construction projects").

Procedure for drafting and publishing guides

The German SAI's internal procedure for drafting and

publishing guides is described below. It refers to the national legal bases, to the way in which the external audit function is organized in Germany and to the FPC's special tasks. Other SAIs may have to proceed differently if they wish to formulate such guides. The procedure must be in line with the respective national circumstances.

In the German SAI, the first step for the relevant Panels of Members is to analyze whether their audit results concern typical irregularities in government operations and transactions and are therefore suitable as input for a guide. In the next step, the Panels check whether the audit results are still up to date. This is because such guides are always based on audit work done in previous years. Where essential organizational or legal changes have supervened, no guide should be issued. If, as a result of such analysis, the relevant Panel decides to work out a guide, it produces a draft. When the draft touches on the remits of other Panels, these Panels must be involved.

The FPC's central service unit supports and advises the Panel in the formulation of guides, ensures consistency in their presentation and coordinates the procedure. It submits the draft guides to the FPC for approval.

The FPC is the guides' publisher. Before deciding about their publication, he involves the German SAI's Board. All audit divisions are represented on the Board, which takes the German SAI's major decisions. The Board advises the FPC on his decision.

The guides approved by the FPC in the light of the Board's consultation are communicated to all federal government departments and other interested federal entities by means of an electronic newsletter. In addition, they are posted on the German SAI's website (www.bundesrechnungshof.de). This gives permanent access to the guides' current versions.

Updating guides

Published guides need to be continuously reviewed to make sure they are still up to date. Adjustments or deletions will be necessary especially where legal bases change or audit findings are no longer up to date due to other reasons. The procedure for changing or deleting guides is similar to that for drafting and publishing. The relevant Panel suggests changing or deleting a guide. In such cases, the FPC will take his decision after consultation with the Board.

Current status of the collection of guides

In March 2013, the FPC published a first set of 22 guides. Feedback was universally positive. In November 2013 another five guides were published. In early 2015, 13 more guides were added. The intention is to continuously expand the collection, and to cover the broadest possible range of issues.

At the EUROSAI congress held in The Hague in June 2014, the German SAI presented the guides in a workshop as an innovative approach to achieving good governance. The workshop's participants considered this tool as valuable because it provides a channel for communicating fundamental audit findings to a wide audience in a clearly arranged form. Other SAIs have access to the guides on the web. English translations will be progressively made available.

Inside INTOSAI



ASOSAI

13th Assembly and 6th Symposium both held in Malaysia

INTOSAI's motto "Mutual Experience Benefits All" was in evidence February 10-13, 2015, as 180 delegates from 39 countries gathered in Kuala Lumpur, Malaysia, for the Asian Organization of Supreme Audit Institutions' (ASOSAI) XIII Assembly.

Also attending the conference were observers from International Organization of Supreme Audit Institutions (INTOSAI), INTOSAI Development Initiatives (IDI), African Organization of Supreme Audit Institutions (AFROSAI), European Organization of Supreme Audit Institutions (EUROSAI), Confederation of Asian and Pacific Accountants (CAPA), and representatives from the international donor organizations and the Malaysian Institute of Accountants.

Mr. Shashi Kant Sharma, President of ASOSAI and Comptroller and Auditor General of India, delivered a strong opening address. He emphasized whether a SAI functions effectively depends on the environment in which it operates: "Responsive executive and robust legislative processes that guarantee independence of a SAI are the key to its performance."

The host of the conference, Auditor General of Malaysia Tan Sri Ambrin Buang, introduced the Prime Minister of Malaysia, Dato' Sri Mohd Najib bin Tun Hj Abdul Razak. The Prime Minister commended ASOSAI for its invaluable service for 36 years, noting the organization's contributions to individual achievement, national development and regional progress. He recognized the important role of government auditors

in strengthening governance and ensuring integrity in the public sector.

Dr. Sun Baohou, Deputy Auditor General of the China National Audit Office congratulated ASOSAI for its achievements over the past 35 years. He noted that both ASOSAI and INTOSAI share the aspiration to promote good governance.

Dr. Josef Moser, Secretary General of INTOSAI, conveyed his gratitude to ASOSAI members for supporting the initiative of the UN General Assembly Resolution A/69/228, which was adopted last year. (Editor's note: See related article in January 2015 edition of the Journal.)

Mr. Krishnan Sangaran Subramanian of SAI India presented the ASOSAI Journal's Award of Excellence for the best article published in the ASOSAI Journal over the previous three years. This year, the award was presented to the SAI of Turkey and was accepted by Mr. Recai Akyel, President of the Turkish Court of Accounts.

The delegate from SAI of India noted that to enhance knowledge sharing and make the effort more participatory, it plans to move from the distribution of a printed ASOSAI Journal to electronic distribution. This transition is expected to save nearly \$4,000 each year and make a small contribution towards ASOSAI "Green Initiative."

At the end of a full day of committee meetings and progress reports, Tan Sri Ambrin Buang, Auditor



Dato' Sri Mohd Najib bin Tun Hj Abdul Razak, Guest of Honor for the Opening Ceremony of the XIII ASOSAI Assembly, is received by the Auditor General of Malaysia.

General of Malaysia, accepted the Chair of ASOSAI for 2015-2018. He said that during his three-year tenure, he will focus on implementing the strategic priorities highlighted in the ASOSAI Strategic Plan 2016-2021: capacity building, knowledge sharing, and establishing ASOSAI as a regional role model institution. He stressed that the success of the Strategic Plan depends on the close cooperation among ASOSAI members with INTOSAI, regional groups, and other international agencies.

The Assembly adopted a new electronic voting system to elect six Governing Board members and two Audit Committee members for 2015-2018. The six newly elected Governing Board members were the SAIs of Indonesia, Nepal, Pakistan, Saudi Arabia, Thailand and Turkey. The SAIs of Jordan and Mongolia assumed the posts as Audit Committee members.

The Assembly coincided with the 6th ASOSAI Symposium held February 12. The event attracted 801 participants from the public and private sectors, including the 180 ASOSAI delegates and observers.

This year's Symposium theme was "Leveraging Technology to Enhance Audit Quality and Effectiveness." The symposium is an ideal platform for member SAIs to leverage the use of technology in auditing and identify new auditing tools.

The new ASOSAI Chairman, Tan Sri Ambrin Buang, said that selection of the theme was apt; government systems, processes and procedures have been

transformed as technology has been used to increase the efficiency and effectiveness of public service delivery.

He added that auditors need to pay attention to issues on governance, legal mandate, security risks management and internal controls to ensure the integrity and credibility of technology infrastructure. They also must equip, upgrade and update their competencies in carrying out quality Information Technology (IT) audit.

The Secretary General of ASOSAI, Mr. Hwang Chan-Hyun, stressed the need for SAIs to establish an IT-based audit system to secure professionalism and the transparency of their audits, thus enhancing citizen trust.

The Symposium's morning forum was moderated by the Comptroller and Auditor General of India. Four panellists from the SAIs of Australia, China, Pakistan and Vietnam participated in the panel discussion. In the afternoon session, speakers from private entities such as Audit Command Language (ACL) Services Ltd, private audit firms (PWC and KPMG) and IDI shared their insights and experiences on IT related topics.

The 49th ASOSAI Governing Board meeting held on February 13, 2015, approved two proposed research topics: "Risk-Based Assessment on Financial Audit" and "Audit of Public Private Partnership Arrangements." It was determined that the hosts for the 50th meeting in 2016 and the 51st meeting in 2017 will be, respectively, the SAI of Thailand and the SAI of Indonesia.

CAROSAI

Secretary General retires

After six years as Secretary General and Director of Audit of the Supreme Audit Institute (SAI) of St. Lucia, Mrs. Averil James-Bonnette embarked on early retirement beginning December 1, 2014.

Under Mrs. James-Bonnette's leadership, CAROSAI worked closely with a number of institutions, including the INTOSAI Development Initiative (IDI), the World Bank, the Inter-American Development Bank and several regional bodies such as AFROSAI-E, PASAI and OLACEFS.

CAROSAI benefitted greatly from several capacity development training programs, peer to peer exchanges, workshops, conferences and regional projects aimed at strengthening the member SAI's institutional and professional capacities.

A dedicated, committed, enthusiastic and passionate leader, Mrs. James-Bonnette always put in the extra time and effort towards the institutional and human development of her SAI, as well as CAROSAI member SAIs. She has demonstrated a commitment to excellence on which the CAROSAI region has come to depend.

As the Secretary General of CAROSAI, Mrs. James-Bonnette participated as a facilitator at several of the IDI and CAROSAI workshops in the region. By doing so she ensured that she fulfilled her role as an IDI training specialist, which she attained in 2002.

"You will be missed by the entire CAROSAI region, where you worked tirelessly towards the improvement of the audit profession. Your commitment to CAROSAI and your SAI has been outstanding," said Mr. Leigh Trotman, Auditor General of Barbados and member of the Executive Council.

Mrs. Sharman Ottley, the former Chairman of CAROSAI, expressed her most sincere thanks to Mrs.



Averil James-Bonnette

James-Bonnette for the enthusiasm, dynamism and thoroughness which she exhibited as Secretary General of CAROSAI.

Miss Florence Lee, Auditor General of Montserrat, commenting on Mrs. James-Bonnette's retirement, said that the former Secretary General performed her duties with much zeal, understanding and care. Mr. Dean Evanson, Auditor General of Antigua, also expressed similar sentiments in that Mrs. James-Bonnette will be truly missed by the CAROSAI community for her commitment, which was truly inspirational.

In her departing words to the membership, Mrs. James-Bonnette expressed that she sincerely appreciated the professional and personal friendships that she cultivated with the members of CAROSAI over the past several years.

The CAROSAI Secretariat wishes Mrs. James-Bonnette well as she embarks on a new chapter in her life.

“You will be missed by the entire CAROSAI region, where you worked tirelessly towards the improvement of the audit profession. Your commitment to CAROSAI and your SAI has been outstanding.”

—Leigh Trotman, Auditor General of Barbados and member of the Executive Council

CAPACITY BUILDING COMMITTEE

Subcommittee on Peer Review

Quality and excellence are rarely achieved spontaneously; they need to be managed into the organization and should be based on continuous improvement. It is vital that a Supreme Audit Institution (SAI) provides good work—the SAI’s reputation is based on the quality of its output.

SAIs can only achieve respect and authority if they can demonstrate they are managed to high standards. INTOSAI’s Capacity Building Committee (CBC) and its Subcommittees’ activities help to achieve excellence.

The INTOSAI community should use peer review, among other tools, for the sake of balanced and continuous development.

The CBC Subcommittee on Peer Review continues to map, assess and promote best practices and quality assurance through voluntary peer reviews according to the Joint Work Plan arising from the annual CBC Meeting held in Lima, Peru, September 9-11, 2014.

In this workplan, Goal 6 is to support verification of capacity development efforts (peer and/or self-assessments using ISSAI 5600). Initiative 6.2 is to continue to assess and document existing peer review arrangements in the INTOSAI community, and disseminate the results of peer reviews.

The SAI of Slovakia conducts an annual e-mail survey on peer reviews within the INTOSAI community. In 2014, survey questionnaires were sent to 170 INTOSAI members.

In the second half of January 2015, the questionnaire was sent and received via e-mail by all INTOSAI members listed in the INTOSAI membership roster on the INTOSAI

website (193 SAIs excluding the SAI of Slovakia), less 10 SAIs that couldn’t receive the mail for various reasons. The INTOSAI General Secretariat, Regional Working Group secretariats, and supranational organizations IDI and OECD (as INTOSAI partners) were also among the recipients.

The mailing to INTOSAI members contained a letter from SAI Slovakia’s President Ján Jasovský, addressed to all SAI heads, which underlined the importance of the peer reviews.

Jasovský highlighted one item in the questionnaire inquiring whether the recipient SAI would be interested in being included in the list of potential reviewing SAIs.

The ultimate aim is to create a pool of potential peer reviewers that could be easily contacted by the SAI that wishes to undertake a peer review. Such “matchmaking” could facilitate peer review preparation.

In order to lead by example, SAI of Slovakia’s President in his letter offered the organization’s capacity to be a reviewing SAI for interested SAIs.

The SAI of Slovakia also embarked on the SAI of Latvia’s peer review as the lead, alongside the SAIs of the United States, the Netherlands, Poland, Denmark and the European Court of Audit. This peer review is to be finished by July 2015.

The results of the peer review survey are to be presented to the INTOSAI community on the CBC website in May 2015.

For more information, visit the CBC’s website at www.intosaicbc.org

Peer reviews provide benefits to all participants; they help to hold a mirror to the SAI audit processes.

See the Joint Work Plan arising from the annual CBC meeting held in 2014:

www.intosaicbc.org/wp-content/uploads/2014/05/CBC-work-plan-2014-2016.pdf

EUROPEAN COURT OF AUDITORS

In memoriam of Henrik Otbo

by the private office of Henrik Otbo at the European Court of Auditors



Henrik Otbo

On Monday morning February 2, 2015, the Court received the sad news that the Danish Member Mr. Henrik Otbo had passed away the day before.

Henrik Otbo was born in 1949. He had been a Member of the European Court of Auditors since March 2012. He had also worked at the Court from 1984 to 1989.

Most of his career, however, was spent at the Danish National Audit Office where he served 16 years as Auditor General. During those years he greatly influenced the development of Danish governance and financial management. He had vision, and understood the necessity of professionalizing the Audit Office if it was to have a continuous impact on public administration and not just be a bureaucratic supervisory body.

At the same time he worked hard to communicate key messages and audit conclusions in a brief, clear

and precise way, so they could be followed up by the auditees and stakeholders.

The focus on professionalization meant that the National Audit Office participated in numerous peer reviews of other countries' supreme audit institutions (SAIs). The Danish National Audit Office was also invited to participate in the Global Audit Leadership Forum—a group of the foremost National Audit Offices in the world.

In 2004 Henrik Otbo was appointed by INTOSAI as Chairman of the newly created Professional Standards Committee, whose aim was to create common international audit standards. Henrik Otbo continued as Chairman until his resignation as Auditor General in 2012.

After his resignation he continued to follow, from the sideline, the culmination of this work when, in Beijing in October 2013, a number of international audit standards addressed to SAIs were adopted.

Henrik Otbo was very proud to work as the Danish Member of the European Court of Auditors. In the CEAD-Chamber (responsible for coordination, evaluation, assurance and development) he found a platform from which he was able to continue being a champion of getting results and encouraging sound financial management—always with the incentive to make the best use of taxpayers' money. He would emphasize the importance of achieving good results whenever the opportunity arose—for instance, when talking to Members of the European Parliament or Commission.

At the European Court of Auditors he continued his quest to modernize and improve. He involved himself in the reform of the Court's annual report—the so-called 2014+ work. He wanted an annual report where the works of others would play a bigger role, and where clear replies to the following questions could be found: where did things go wrong, why did they go wrong and what should be done about it?

Being a former elite athlete, Henrik Otbo demanded much of himself and others. He placed

great emphasis on loyalty and expected that his employees had the organization's best interests at heart. At the same time, Henrik Otbo was the first to provide back-up when needed.

Henrik Otbo was a big man in every way. Wherever he was, he would strive towards modernization, streamlining and focusing on results, while never losing sight of the people who contributed towards the institutions' achievements and recognising their efforts.

Henrik Otbo's funeral took place February 6, 2015, in his hometown of Farum, Denmark. Apart from his family and friends, there were many former colleagues from the National Audit Office, representatives from

ministries, public institutions and politicians as well as a delegation from the Court who paid their last respects to Henrik Otbo.

Very many letters of condolences were received by the European Court of Auditors from SAIs and other organizations all over the world. Henrik Otbo will be greatly missed. Our thoughts go to his family, which has suffered a great loss by his untimely demise.

**For more information, contact the
European Court of Auditors**

E-mail: liaison.officer@eca.europa.eu

Website: <http://www.eca.europa.eu>

FINANCE AND ADMINISTRATION COMMITTEE

Task Force on Strategic Planning

The INTOSAI Task Force on Strategic Planning (TFSP) held its third meeting and second in-person meeting on March 5, 2015, at the Rechnungshof (Austrian Court of Audit) in Vienna, Austria. Auditors General and staff representing 15 Supreme Audit Institutions (SAI), the INTOSAI Development Initiative (IDI), and the INTOSAI Secretariat participated in the day-long discussion of INTOSAI's next strategic plan. The discussion covered a wide range of issues such as SAI independence, INTOSAI standard-setting and SAI capacity development, and the increasing global expectations for INTOSAI and SAIs.

The TFSP meeting followed the 2.5 day 23rd United Nations (UN)/INTOSAI Symposium on "UN Post-2015 Development Agenda: The Role of SAIs and Means of Implementation for Sustainable Development." The Symposium underscored the growing global recognition—and importantly, expectation—of the central roles of INTOSAI and SAIs in monitoring and assessing the implementation of the forthcoming Sustainable Development Goals and related national sustainable development efforts. The recognition of these roles was prominently shown in the United Nations General Assembly resolution of December 2011, "Promoting the efficiency, accountability, effectiveness, and transparency

of public administration by strengthening supreme audit institutions" (A/66/209), and of December 2014, "Promoting and fostering the efficiency, accountability, effectiveness and transparency of public administration by strengthening supreme audit institutions" (A/69/228). The General Assembly Resolutions, as well as the discussion and conclusions of the Symposium, provided the broad context for the Task Force's meeting.

The Task Force reviewed key decision points that need to be considered in the context of the next plan covering the period 2017-2022. The key decision points were developed based on a number of inputs including the results of the Task Force's internal and external scans and related planning efforts underway within INTOSAI, the discussion during the first in-person meeting of the Task Force on November 5, 2014, and input from Task Force members. Most recently, more than 23 TFSP participants from 13 SAIs developed the key decision points during a working meeting hosted by the U.S. Government Accountability Office January 28-29 in Washington, D.C.

INTOSAI General Secretary Dr. Josef Moser opened the March 5 meeting and emphasized the content of the UN/INTOSAI Symposium and the implications for INTOSAI's next Strategic Plan. He noted that it »

is essential to show in the new plan the indispensable role of independent and capable SAIs as well as the improvement of the public accounting system in the efficient, effective, transparent, and accountable implementation of the Post-2015 Development Agenda and the Sustainable Development Goals (SDG). Further, he emphasized that all SAIs must be aware of the important role they have to play regarding the implementation, monitoring and controls of the SDGs and also of the opportunity to show all stakeholders the value and benefit of SAIs in this context.

Finance and Administration Committee Chairman Dr. Osama Faqeeh also addressed the Task Force and highlighted the growing worldwide recognition for INTOSAI. Such recognition also creates greater responsibilities for the organization. He noted that we have ambitious goals and priorities as well as challenges that accompany such demanding high expectations for our organization. INTOSAI has achieved much during implementation of its first two strategic plans and it is important to acknowledge how far our organization has come while also remaining aware of the diversity and special needs of INTOSAI's membership and the opportunities that exist for continued accomplishments in the future.

The Task Force agreed on a structure for the next INTOSAI Strategic Plan as well as the broad parameters for the content of the plan. The text of the plan will be drafted during the coming months as the Task Force looks to the November Governing Board meeting as a major milestone for previewing the plan prior to circulating a first draft among all INTOSAI members in early 2016.

As agreed at the March meeting and in alignment with the internal scan, the Task Force will base the plan on INTOSAI's current mission, vision, values, and goals, with modifications to reflect the evolving role of INTOSAI, especially with regard to standard-setting. Building on this foundation, the new plan is intended to build upon INTOSAI's core functions and achievements in standard-setting, SAI capacity development, and knowledge sharing. Task Force members shared suggestions and perspectives on how best this could be accomplished.

The Task Force agreed on five broad crosscutting priorities that will provide the underpinning and context to help focus INTOSAI's work in the coming years:

- Independence of SAIs
- Monitoring and assessment of the Sustainable Development Goals within the context of each SAI's audit mandates

- Effective coordination among standard-setting, knowledge sharing, and SAI capacity development efforts that build upon and leverage INTOSAI's diverse regional groups to help SAIs improve their value and benefits to citizens and stakeholders
- A strategic and agile INTOSAI that is alert to and capable of responding to emerging opportunities and risks
- Closer cooperation and coordination with the INTOSAI regional organizations

These crosscutting priorities will be reflected in the activities for each of INTOSAI's Strategic Goals during the period from 2017-2022. Similar to the current strategic plan, the goals will remain as follows:

- Goal 1. Accountability and Professional Standards
- Goal 2. Institutional Capacity Development
- Goal 3. Knowledge Sharing and Knowledge Services
- Goal 4. Model International Organization

To further focus the efforts of each Strategic Goal, the Task Force agreed to develop two or more Strategic Objectives for each goal to identify and further clarify the expected results for each goal, plans to measure and report on each goal, and specific activities to focus the efforts for each goal. The Strategic Objectives will reflect the outcomes that INTOSAI is trying to achieve within the timeframe of the next strategic plan. The goal chairs will work with the Task Force and the regions to develop Strategic Objectives during the next several months.

The next plan will include clear performance management, evaluation, and enterprise risk management components as well as a high level financing plan. Furthermore, there was broad agreement to explore additional opportunities for cooperative and coordinated audits among SAIs. Work related to the monitoring and assessing of the SDGs provides especially good opportunities in this regard.

Finally, the Task Force also engaged in a robust discussion of options to assure that INTOSAI's governing structure reflects the ambitious and important priorities of our organization. The Task Force will continue to discuss how to assure that the current configuration of the Governing Board and the Finance and Administration Committee are positioned to lead the organization, discuss and approve the strategic direction of the organization, and play an important role in overseeing implementation of INTOSAI's goals.

The Task Force on Strategic Planning continues to welcome all questions, comments and suggestions. It can be reached at INTOSAIstrategicPlan@gao.gov

OLACEFS

Capacity Building Committee

The OLACEFS Capacity Building Committee (CCC) introduces the development of new administrative software called the “Education Management System.” This software optimizes the academic management of the Committee through the registration of participants, courses, academic activities and the certification of the different CCC lines of actions.

This software is intended to unify the CCC management process in order to reduce costs and maximize results. The system presents four modules: academic programming, registrations, coordination and certification.

The benefits of the tool are:

- Standardization of information through the use of course catalogs, instructors and certifications
- Order and control to administer documentation such as attendance, evaluations, registration and certificates
- Teamwork, as this tool presents several profiles, and every user can have access to more than one profile simultaneously
- Templates for certification allow the



identification of several capacity building activities

Importance of implementing this OLACEFS tool for SAIs:

- Validating every participation through the delivery of certificates and diplomas relating to activities performed under the CBC
- Codifying certificates and diplomas issued in a unique platform and with a validation code
- Registering courses, experts and participants enables the gathering and use of specific statistics

OLACEFS

Coordinated Audit on Information Technology Governance

Due to information gathered based on technical standards and best practice models internationally recognized within the governance framework of supreme audit institutions, an information technology (IT) coordinated audit on IT governance is under development.

The coordinator of this audit is the Court of Account of Brazil and the SAI participants are from Bolivia, Brazil, Chile, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Panama, Paraguay and Peru.

On July 21-25, 2014, a training workshop and planning meeting was held in order to share the concept

levelling and discussion of the matrix for the coordinated audit. In addition, the workshop was useful to define specific objectives, criteria audits and research lines.

Following the planning, there will be a consolidation workshop of the coordinated audit on Information Technology Governance was planned for March 24-26, 2015, in San Jose, Costa Rica.

The purpose of this meeting is to compile the findings, as the information will be useful to know the status on information technology governance of OLACEFS countries.

UN/INTOSAI Symposium

Role of SAIs and the Means of Implementation for Sustainable Development

At the 23rd UN/INTOSAI Symposium held in Vienna, Austria, March 2-5, 2015, participants focused on the role that institutions—citizens, parliaments, governments, supreme audit institutions (SAIs), the United Nations (UN) itself, and key development partners—will play in ensuring progress toward the goals of sustainable development in the Post-2015 era.

More than 150 delegates from 70 countries and six international organizations met to discuss the need to include all parties in the effort to ensure that Post-2015 goals are met.

During the Symposium, it was the role of the supreme audit institutions (SAIs) that attracted the most attention. Leaders from 43 SAIs participated, listened to more than 20 presentations, and contributed to three different breakout sessions where three key questions were discussed:

- What are the expectations of the SAIs regarding sustainable development issues?
- What are the prerequisites for SAIs to effectively engage in the Post-2015 development agenda?
- What have been the experiences and opportunities of SAIs to effectively engage in the Post-2015 development agenda?

The President of Austria, Mr. Heinz Fischer, welcomed the delegations and was the first to acknowledge and confirm the important role of SAIs. He noted the opportunity that SAIs, together with the United Nations, have to address the challenges and opportunities presented by the Post-2015 Development Agenda.

In his presentation, Secretary General of INTO-SAI Dr. Josef Moser noted challenges of public sector accounting frameworks. He emphasized the need for SAIs to have a guaranteed right to audit financial statements or public accounts, and to conduct compliance audits and performance audits. Dr. Moser also reminded delegates that citizens rely heavily on SAIs for transparency and government accountability.

Mr. Wu Hongbo, the United Nations Under-Secretary-General for Economic and Social Affairs, said that this Symposium reflected the importance that the UN and INTOSAI were placing in advancing sustainable development. Its universal agenda will aspire, through 17 goals and 169 related targets, to a better life for all. He

reminded us that integration is important—SAIs will need to allocate more resources to performance audits so as to be able to advise on the efficiency, effectiveness and economy of government policy implementation.

Ms. Carman Lapointe, the Under-Secretary-General for the United Nations Office of Internal Oversight Activities, discussed the evaluation results of the Millennium Development Goals (MDGs). She said that there had been a number of capacity gaps that had not been resourced; the monitoring and evaluation framework had varied considerably, and that there were not provisions made for rigorous evaluation. She said that performance audit is a great tool to support monitoring and evaluation of the sustainable development goals (SDGs). A great challenge identified by Ms. Lapointe is reliable data at a local, regional and global level. She concluded by inviting SAIs to collaborate with UN System Oversight Bodies to share methodologies and to jointly identify challenges facing the Post-2015 Development Agenda.

The Chair of the United Nations Economic and Social Council (ECOSOC), Mr. Martin Sajdik, said the international community will require information about the impact of the SDGs—the review of their implementation must be a multi-level process, at a national, regional, and global level. SAIs, as instruments of monitoring and review, can ensure public accountability, thus ensuring preconditions for the implementation of SDGs.

Mr. Zhang Tong, Chief Accountability Auditor for the Chinese National Audit Office (CNAO), spoke about the positive role played by audit institutions in promoting sustainable economic and social development in China.

After these introductory presentations, delegates heard from representatives of other institutions that play a role in ensuring the successful implementation of sustainable development goals.

Mr. Amitabh Mukhopadhyay, former Director General of SAI India, appealed to SAIs to appreciate the vulnerable and weak position of citizens. He called for strong institutions—such as SAIs—to help citizens hold governments to account. SAIs can also play a key role in the fight against corruption. He also noted that SAIs can keep watch on public-private partnerships and strengthen accountability associated with such instruments, conduct performance auditing of the health sectors, and audit the regulatory process and

Participants focused on the role that institutions—citizens, parliaments, governments, the United Nations (UN) itself, and key development partners—will play in ensuring progress toward the goals of sustainable development in the Post-2015 era.

the government's discretion as applied to the use of key resources such as land, water and fossil fuels. Delegates were reminded that SAIs have a special responsibility in alerting citizens about the long-term sustainability of public finances—SAIs were therefore challenged to live up to the expectations created by ISSAI 12 on the Value and Benefits of Supreme Audit Institutions – Making a Difference to the Lives of Citizens.

Mr. Michael Linhart, Secretary-General for Foreign Affairs of Austria, reminded delegates of the three pillars—social, economic and environmental—of sustainable development of the Post-2015 Agenda. In order to fulfil these expectations, he suggested that SAIs must be able to audit all relevant areas of national public administration, and to make their findings available to the public at large.

Delegates raised some concerns that not all SAIs have the requisite mandate to fulfill such an important function. Also, global partners in sustainable development must consider how the independence of SAIs can be promoted, and how their capacities can be developed.

Ms. Margaret Saner, Chair of the United Nations Committee of Experts in Public Administration, said we should not underestimate the changes that will be required by the Post-2015 Development Agenda. She said that one challenge would be to translate global goals into national and local ones, for which policies must be developed. There would be governance risks and challenges associated with this process, and that leadership attitude and behavior would be a key success factor. She appealed to SAIs to assess the SDGs without

making people so risk averse that public servants would not want to try new things.

Ms. Jennifer Thompson of the World Bank said that SAIs are essential for the management of public resources. She added that because more than a billion people live in extreme poverty, the maximization of resources must be achieved.

Einar Gorrison of the INTOSAI Development Initiative elaborated on the challenges and opportunities for SAIs in capacity building. He pointed out seven important factors for the future of capacity development landscape:

- Increased recognition of the value-adding role of SAIs, and support for SAI capacity development
- The importance of needs-based and sustainable capacity development support
- The importance of SAI leadership
- The importance of ISSAIs as a platform for SAI capacity development
- The importance of SAIs demonstrating relevance and leading by example as model institutions
- The opportunities offered by new technology.

On the second day of the Symposium, delegates began to focus on the possibilities of SAIs to effectively engage in the Post-2015 development agenda.

The SAI of Mexico said the contribution SAIs can make to sustainable development should focus on policy audits. For example, SAIs will need to apply stringent methods for evaluating the outcomes of public policies »

Three key questions were discussed:

1. What are the expectations of the SAIs regarding sustainable development issues?
2. What are the prerequisites for SAIs to effectively engage in the Post-2015 development agenda?
3. What have been the experiences and opportunities of SAIs to effectively engage in the Post-2015 development agenda?

and do more results-based auditing, SAIs can be the independent voice necessary for objective and clear reasoning about the attainment of public policies, but it is important that governments take up SAI recommendations, which identify the challenges and risks of sustainable development.

The SAI of South Africa spoke on the need to attend to capacity at both an institutional and organizational level and at the level of the individual audit professional. The traditional audit disciplines provided the base for the value-adding role of SAIs, but SAIs also need to be responsive to the changing environment.

The SAI of Brazil spoke about the fact that public debt solvency remains the main factor determining public financial sustainability. Transparency and reliability are also essential to fiscal sustainability. The SAI of Brazil also shared some information on certain initiatives of the TCU to strengthen public sector governance, including the definition of fiscal targets, public debt management, budget management performance, and credit recovery performance.

The SAI from the United Arab Emirates called for an acceptable financial reporting framework for financial sustainability. The UAE asked stakeholders to realize that SAIs operate within resource constraints. SAIs must advocate for acceptable financial reporting frameworks, as well as competent accounting frameworks and audit personnel.

SAI Austria said that the public accounts are a key instrument, informing citizens of the financial status of the state. The improvement of accounting systems is therefore key to providing solid information such as the cash flow statement, the balance sheet and the operating statement. Since its introduction in Austria, accrual accounting has greatly enhanced the value of financial statements. SAIs can and should contribute to and support government accounting reforms.

The SAI of Ghana made a presentation on their auditing experiences related to development goals:

- audits of water provision to rural communities – the audit resulted in the World Bank intervening and assisting with the completion of projects that had come to a halt;
- protection of the ecosystem – this audit gave rise to parliamentary intervention;
- increasing food production, which assisted development partners and decision makers to make better-informed decisions;
- the effect of mining activities on local communities;
- forest conservation, and
- physical infrastructure.

These examples that SAI Ghana shared indicate the important and valuable contribution SAIs have to offer to the Post-2015 Development Agenda.

The SAI of the United Kingdom spoke on the extent to which performance audits of SAIs can support economic development and growth. Such performance audits could focus on the diversity of public policy questions, such as improving the national infrastructure, raising the skill level of the population, and developing balanced and effective regulatory regimes.

In summarizing the events of the preceding three days, the Symposium's Technical Chair, Mr. Kimi Makawetu, Auditor-General of South Africa, noted that expectations of the role SAIs could play in the Post-2015 Development agenda are diverse and range across a broad spectrum. Although these are all potentially good opportunities for SAIs to become even more relevant, it will not be easy for SAIs, and INTOSAI, to meet all of these expectations. While SAIs embrace the importance of SDGs, we must be careful not to overstretch given the limited resources available to SAIs.

UN Resolution A 69/228

New resolution of UN General Assembly calls for stronger SAIs through the post-2015 Development Agenda

by Robert Sattler

Director of the General Secretariat, INTOSAI

The INTOSAI community has achieved a major step to strengthen supreme audit institutions (SAIs) worldwide: its efforts of the last years to anchor the important role of SAIs in the Post-2015 Sustainable Development Goals have resulted in the adoption of a respective resolution by the United Nations (UN) General Assembly.

With Resolution A 69/228 passed on December 19, 2014, the General Assembly clearly recognizes the importance of strengthening SAIs worldwide. They can accomplish their tasks objectively and effectively only if they are independent of the audited entity and are protected against outside influence, as the document states.

The resolution also underlines the important role of SAIs in promoting the efficiency, accountability, effectiveness and transparency of public administration, which is conducive to the achievement of national development objectives and priorities as well as the internationally agreed development goals.

It again takes note of the Lima and Mexico Declaration and encourages Member States to apply, in a manner consistent with their national institutional structures, the principles set out in those Declarations. Furthermore, the United Nations encourage Member States and relevant United Nations institutions to continue and to intensify their cooperation, including capacity-building, with INTOSAI.

This cooperation is aimed at the promotion of good governance at all levels by ensuring efficiency, accountability, effectiveness and transparency through strengthened SAIs and the improvement of public accounting systems.

This resolution finally also encourages all Member States to give due consideration to the independence and capacity-building of SAIs in

a manner consistent with their national institutional structures. The Member States are called upon to improve public accounting systems in accordance with national development plans in the context of the Post-2015 Development Agenda. Continuing international cooperation to support developing countries is considered to be an important factor in this context. This cooperation should include capacity-building and the exchange of knowledge and best practices in the area of public accounting and auditing.

With the common efforts of its members, INTOSAI has so far been able to attain other important results in 2014: it actively and successfully contributed to a series of UN documents and decisions calling for strengthened SAIs. The United Nations Economic and Social Council (ECOSOC) Ministerial Declaration, for instance, highlighted the importance of good governance, rule of law, transparency and accountability at all levels.

The ECOSOC furthermore acknowledged the indispensable role of SAIs and capacity-building for safeguarding governmental accountability with regard to the use of public funds and their performance in achieving development goals. It called upon the Member States to give due consideration to the importance of SAI independence in the context of the Post-2015 Development Agenda.

As another important step, the draft of the Sustainable Development Goals (SDGs) contains two target components relevant for capacity-building of SAIs, one factor being the development of effective, accountable and transparent institutions at all levels and another the enhancement of international support for implementing effective and targeted capacity-building in developing countries.

The new resolution of United Nations General Assembly underlines the important role of SAIs in promoting the efficiency, accountability, effectiveness and transparency of public administration.



All INTOSAI members now are called upon to intensify their efforts to encourage governments to increase the independence of SAIs, their capacities as well as to improve the public accounting systems by incorporating these elements in the Post 2015 Development Agenda.

Finally, the UN Secretary-General expressly underlined the need for strengthening SAIs as national oversight mechanisms in the Synthesis Report on the Post-2015 Agenda.

All this, together with the recently adopted UN General Assembly Resolution, is the successful result of the common tireless efforts of the entire INTOSAI community of the last years in the spirit of strengthening government audit worldwide.

In 2015, the preparations for the Post-2015 Development Agenda will be continued intensively and are planned to be concluded by the end of 2015. In order to reach the goal of anchoring independence and capacity-building for SAIs as well as the improvement of public accounting systems in the Post-2015 Development Agenda, continued joint efforts in pursuing this aim will be necessary.

Targeted and tailored information about this resolution is key. Therefore, the INTOSAI General Secretariat informed all INTOSAI members about the content of the resolution only a few days after its adoption. It called upon every single SAI to inform the responsible national and international bodies accordingly and to disseminate the document in the framework of the different INTOSAI functions.

The INTOSAI General Secretariat especially seized the opportunity provided by the 23rd UN/INTOSAI Symposium March 2-4, 2015, to discuss expectations in SAIs and prerequisites as well as possibilities for SAIs to effectively engage in the Post-2015 Development Agenda. The results of this very well attended symposium (more than 150 participants with more than 70 SAIs represented), its conclusions and recommendations will be brought into the forthcoming Post-2015 Development Agenda discussions on UN

level. (*Editor's note: For further information please see the Symposium-related article in this Journal.*)

Furthermore, the Austrian Court of Audit initiated a peer review project in order to strengthen the independence of SAIs in the INTOSAI regions together with the Austrian Development Cooperation (ADC).

The aim of this peer review project is twofold. On the one hand the objective is to identify problems related to the eight principles of independence as defined in the Mexico Declaration for the reviewed SAI on national level. The report on the status of its independence should serve the reviewed SAI as an instrument to enforce the principles of its independence using it as an effective tool to approach the respective Parliament and the media.

On the other hand it will also help the whole INTOSAI community to identify further measures necessary to improve the independence on the basis of the results of these peer reviews. In doing so this peer review project will also contribute to the implementation of the new Resolution A 69/228 of the UN General Assembly.

The implementation of the new resolution is not only relevant since it takes special note of the interest of INTOSAI in the post-2015 development agenda. It also creates an important instrument that will contribute to improving the framework conditions for sustainable development in a lasting way.

With Resolution A 69/228, which follows the Resolution A/66/209 of 2011, and thanks to the commitment of all members of INTOSAI, the community of SAIs once again succeeded in positively influencing the start of the negotiations on the post-2015 development agenda in 2015. With these developments INTOSAI has made a significant step to meet the

goals of the initiative: strengthen independence and capacity-building for SAIs and improve public accounting systems – thus strengthening public auditing worldwide.

This resolution provides an excellent opportunity for SAIs to engage in national and regional meetings and conferences where discussions on the development goals will be held.

All INTOSAI members now are called upon to

intensify their efforts to encourage governments to increase the independence of SAIs, their capacities as well as to improve the public accounting systems by incorporating these elements in the Post 2015 Development Agenda and to seek their involvement in monitoring the implementation of the goals at the national, regional and global level.

Value and Benefits of SAIs: Mexico

Innovating to better communicate our work

Editor's Note: "The Value and Benefit of SAIs" is a new column the Journal will be featuring in upcoming issues. If you would like to submit news of SAIs that are finding ways to demonstrate their relevance and importance, please contact INTOSAIJournal@gao.gov

At the Supreme Audit Institution of Mexico (ASF), we are conscious that the major value of auditing is the information that is provided by its results. Hence, on the occasion of the recent submission of our Report on the 2013 Public Account to Congress—comprising more than 1,400 individual audit reports—the ASF issued, for the first time, a General Report that incorporates 1) a long-term vision of the significance of our work in understanding government, while looking at the root of the

problems, and 2) a direct, clear and simple message.

Based on the audits performed, the General Report identifies those conditions that give rise to vulnerabilities in 13 different areas related to the operation of government institutions. This sort of analysis is aimed at fostering a new culture in public governance that is focused on priority issues according to their impact on the overall government sector, and that allows for concrete solutions to common and ongoing structural problems.

The General Report is also intended to provide relevant and concrete information to the citizens, thus enabling them to understand the value and benefits of our work. In this sense, it is worth noting that the report also includes, for the first time, a section about the benefits, both financial and non-financial, of supreme auditing.

This General Report (available in Spanish at www.asf.gob.mx) is another endeavor of the ASF to better communicate the significance of its work and its relevance to the democratic system.



IDI Update

IDI Update keeps you informed of developments in the work and programs of the INTOSAI Development Initiative (IDI). To find out more about the IDI and to keep up to date between editions of the Journal visit the IDI website: <http://www.idi.no> For information related to the ISSAI Implementation Initiative (3i Programme), please visit <http://www.idicommunity.org/3i>

IDI Board meets in Oslo

The IDI Board met in Oslo on March 12-13, 2015. The Board welcomed Ms. Margareta Aberg, Auditor General of Sweden, as a new member. She replaces Mr. Jan Landahl, her predecessor. The IDI Performance and Accountability Report 2014, Financial Statement 2014, and the IDI Board's Annual Report 2014 were approved. The results-based performance and accountability report has been prepared as per IDI's operations against the IDI Operational Plan 2014-2015 and the IDI Strategic Plan 2014-2018. These documents are available at www.idi.no. Other strategic issues discussed included IDI Governance Review, IDI Bilateral Support, certification of public auditors within the INTOSAI framework, and the INTOSAI strategic plan.

INTOSAI regions identify capacity development priorities at IDI Planning and Prioritization Workshop

The workshop was held December 1-3, 2014, in Oslo. Representatives from all INTOSAI regions attended and deliberated on their respective regions' capacity development requirements over the remaining period of the IDI Strategic Plan 2014-2018. Valuable inputs were received from the representatives of the INTOSAI regions in shaping the forthcoming IDI programs. The workshop built on the information furnished by supreme audit institutions (SAIs) through the 2014 Global Survey and the identified areas discussed in the IDI Board meeting mentioned above. The global priorities, and the priorities for each of the regions, were discussed and finalized during the workshop. Pursuant to the discussions the programs on enhancing the SAI role in countering fraud and corruption and SAI-stakeholder relations are being launched

by IDI in 2015. The programs on supporting ISSAI implementation (including certification) and enhancing eLearning capacity will continue. In 2015 IDI plans to take up preliminary work like planning and design for the programs on supporting SAIs in institutional capacity development and SAI strategy, performance and reporting program, and the SAI Young Leaders Program.

SAI capacity development database to be updated biannually

At the 7th INTOSAI-Donor Steering Committee meeting in Paris in 2014, the Steering Committee reiterated the importance of updating information in the SAI Capacity Development Database <http://www.saidevelopment.org/default.aspx> as an actively used tool to coordinate and monitor SAI capacity development initiatives. As a result, the INTOSAI-Donor Secretariat agreed to establish a regular procedure for database updates. This will encourage and remind all members to enter relevant information and keep up-to-date project information.

Beginning in 2015 the Secretariat will request database updates twice a year, in March and October. The first request was sent out to registered users in March 2015. The Secretariat will control the quality of the information received to ensure a complete update before the summer. The second request will be sent out after the annual Steering Committee meeting, usually in September or October, in a reminder to registered users and main contacts from all organizations in the INTOSAI-Donor Cooperation. Received updates will also be followed by a quality control.

The Secretariat hopes that the updated procedures will contribute to more up-to-date and valid information in the database. The formal consultation period on the SAI PMF pilot

version was launched in December 2014. All SAIs and other stakeholders had been requested to send comments to the SAI PMF by March 31, 2015. Comments will be consolidated and published, as will the Task Team's formal response to the comments. The discussion forum SAI PMF Virtual Community was also used for submitting comments during the consultation period. Comments submitted this way are visible to all members of the SAI PMF community. The SAI PMF Community Portal can be accessed at: <http://www.idimoodle.org/virtualcampus/course/category.php?id=9>

ISSAI Implementation Initiative (3i Program)

IDI- CREFIAF 3i Management Workshop held in Cameroon

This workshop was held in Cameroon December 9-11, 2014. In the workshop, SAIs discussed a range of ISSAI implementation topics, products and ideas regarding implementation of ISSAIs.

The workshop aimed at developing ISSAI awareness in SAI top management; providing a platform for sharing experiences related to ISSAI Implementation; providing for discussions on strategic considerations for implementation, including risks and challenges; presenting ISSAI Compliance Assessment Tools (iCATs); briefly discussing ISSAI implementation handbooks; and discussing and committing to starting ISSAI implementation using 3i products.

Organized by the IDI and CREFIAF (Supreme Audit Institutions of French-speaking sub-Saharan African countries), the workshop was hosted by the SAI of Cameroon. Thirty-eight senior managers from 18 SAIs, including SAI heads, attended the workshop. All the participating SAIs signed the Statement of Commitment to use iCATs and formulate ISSAI implementation strategies. The workshop was facilitated by resource persons from the IDI and CREFIAF. With this workshop in CREFIAF, the 3i Program has been launched in all INTOSAI regions.

iCAT Review Workshops conducted

iCAT review workshops were organized by the IDI for participating SAIs from four INTOSAI regions. The main aim of the workshops was to support SAIs in conducting iCATs by providing for expert review and feedback on completed iCATs. The workshops also provided updates on the new level 3 ISSAIs and their implications for ISSAI implementation.

The Asian Organization of Supreme Audit Institutions (ASOSAI) iCAT review workshop was held in Bangladesh December 8-12, 2014. Thirty-three participants from 13 SAIs participated.

The Caribbean Organization of Supreme Audit Institutions (CAROSAI) iCAT review workshop was held in Trinidad and Tobago November 17-21, 2014. Twenty-two participants from nine SAIs were involved.

The Pacific Association of Supreme Audit Institutions (PASAI) iCAT review workshop was held in Fiji November 24-28, 2014. Twenty-one participants from 9 SAIs participated in the workshop.

IDI-OLACEFS 3i Facilitation Adaptation meeting held in OLACEFS

The meeting was held December 3-10, 2014, in Uruguay. The meeting redesigned the course contents for the facilitation workshop previously delivered in English. The SAIs of Argentina, Brazil, Mexico and Uruguay contributed the resource persons for this meeting.

IDI-CBC support program

Audit Review Meeting for Cooperative Revenue Audits held in CAROSAI

The meeting was held in Grenada November 3-7, 2014. Capacity development interventions for all six SAIs (12 participants) which participated in the program were successfully completed. This was achieved through expert guidance and training in planning of revenue audits. Pilot audits completed by all six SAIs and corresponding draft audit reports were reviewed by experts and modified. »

Review Meeting of HRM strategies and customization of regional HRM manual conducted

Following the Human Resource Management workshop in December 2013, capacity development interventions for 14 SAIs (28 participants) for dissemination and implementation of the CBC Human Resource Management Guide were completed in 2014. Thirteen SAI teams conducted the needs assessment for developing human resource management strategy in their respective SAIs. Draft strategies were reviewed by peers and resource persons at a review meeting of HRM strategies held in Senegal November 4-14, 2014.

The second part of the meeting involved discussions on how to customize the CBC Human Resource Management manual for the CREFIAF region. The customization is currently under development and is expected to be ready by January 2015 for use by the SAIs in the region.

Audit Review Meeting for Cooperative Audit of Extractives in AFROSAI-E

The meeting took place in South Africa November 24-28, 2014. Six SAIs (12 participants) participated in the program. Draft audit reports prepared by all seven SAIs were reviewed by experts and modified.

Capacity Development Program on IT Audit

Following an e-learning course earlier in the year, SAI teams from 19 SAIs from different INTOSAI regions met in Warsaw, Poland for an Information Technology (IT) Audit Planning Meeting. At this meeting, held December 8-23, 2014, the SAI teams developed draft IT audit plans, under the expert guidance and support of experts from WGITA. The SAIs are expected to conduct audits based on their plans and get together again for audit review meetings to discuss their draft audit reports.

Audit of Lending and Borrowing Frameworks

Audit Planning Meeting held for English-speaking SAIs

The meeting was held in China November 24-28, 2014. Sixteen SAIs from ASOSAI, AFROSAI-E and EUROSAI participated in the meeting. Experts reviewed the pre-studies for pilot audits. The draft audit plans for selected pilot audits were also reviewed by experts and peers.

Audit Planning Meeting held for Spanish-speaking SAIs

Eight SAIs from OLACEFS participated in the meeting in Paraguay. Experts reviewed the pre-studies for pilot audits January 26-30, 2015. Audit design matrices completed by participating teams were reviewed by experts and peers.

IDI's support for Development and Implementation of Regional Plans

IDI joined ASOSAI's Strategic Planning Task Force in 2014 as an observer to provide technical guidance and professional support in the development of ASOSAI's Strategic Plan 2016-2021. As a part of this support IDI, in cooperation with ASOSAI, organized and facilitated a meeting of task force members in South Korea November 17-19, 2014. This meeting resulted in a revised draft that included a strategic shift from training to blended capacity development programs. For the first time performance indicators and a resource plan were introduced in the strategic planning document. IDI also provided support in the design of the plan document for submission at ASOSAI Assembly. The draft plan was approved at the XIII ASOSAI Assembly held in Kuala Lumpur February 10, 2015.

Training events for donors and SAIs in Cairo and Bangkok

The training events regarding working with SAIs and SAI PMF-training have been delivered twice in the last quarter. In November, training for donors was delivered to 25 participants in Cairo, and in January, 17 donor staff members participated in the Bangkok training. Each training event was followed by the delivery of SAI-PMF training, for, respectively, 33 and 22 participants. For the SAI-PMF training donor staff was joined by representatives from nine SAIs in Cairo, and seven SAIs in Bangkok. For both events, the United States Agency for International Development (USAID) hosted the training in their regional training centers.

Stakeholder communication through IDI's participation in meetings

IDI engaged with its stakeholders through participation in various meetings. IDI participated in the 66th meeting of the INTOSAI Governing Board



Eight supreme audit institutions from OLACEFS participated in the meeting in Paraguay, held January 26-30, 2015.

in Vienna, Austria, November 5-7, 2014. Updates on the activities and plans of IDI and the INTOSAI-Donor Secretariat were presented.

The Board endorsed a plan for the INTOSAI Task Group on certification to conduct further research on the topic of certification, at auditor and SAI levels, to consolidate efforts for SAI assessments to evaluate institutional structures, processes, and tools in support of increased professionalization of SAIs. IDI will be part of the task group led by the INTOSAI Capacity Building Committee to work on a certification scheme for the professional staff of INTOSAI member SAIs.

During the meeting of the ARABOSAI Institutional Strengthening Committee held in Rabat, December 15-17, 2014, IDI reported on progress made in the implementation of the ongoing IDI/ARABOSAI capacity development cooperation programs; namely, the 3i program and the certification program for training specialists. The Committee also discussed future cooperation programs with IDI.

At the Annual Meeting of the OLACEFS Assembly at Cusco City, Peru, November 24-28, 2014, the global opportunities and regional needs for capacity development were discussed. Specific importance was given to the 3i Programme and SAI PMF. An update on IDI programs was provided and the white paper about certification within INTOSAI was discussed.

Contacting IDI

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INTOSAI-Donor Cooperation Update



Update on the SAI Performance Measurement Framework

Nepal becomes the first SAI to publish its assessment report, the consultation period closes while the pilot period is extended, and SAIs begin sharing experiences of SAI PMF assessments with their peers.

At a press conference on February 15, 2015, the Office of the Auditor General of Nepal (OAGN) became the first SAI to publish the assessment results from the application of the SAI Performance Measurement Framework (SAI PMF). The report is available via the OAGN website, www.oagnep.gov.np.

The assessment had numerous purposes, primarily to inform the next OAGN strategic plan through the identification of strengths and weaknesses, and to inform the content of possible future support from development partners and peer SAIs. The report also provides a baseline against which future performance changes can be measured and monitored. The assessment was conducted as a peer review by a team from SAI India.

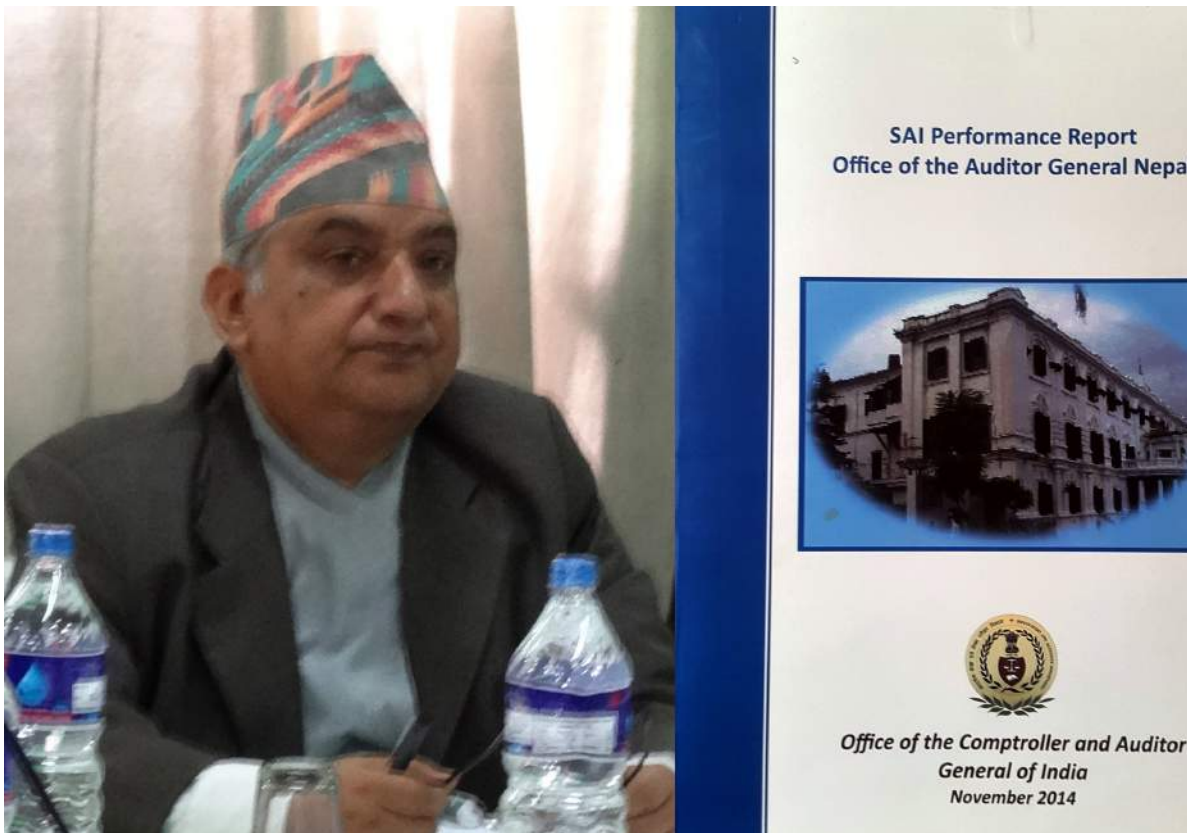
In publishing its SAI Performance Report, the Honorable Auditor General Bhanu Prasad Acharya noted that while the report highlighted some of the current

challenges faced by the office, the OAGN was strongly committed to accountability and transparency, and had a duty to lead by example in the public sector in these areas. He further noted that publication of the report was another step in enhancing the credibility of the OAGN with citizens, Parliament, government agencies and the donor community.

A number of other SAIs are currently considering the most appropriate ways to use their draft and final SAI PMF assessment reports. One SAI has recently agreed to share its report amongst SAIs and assessment teams for learning purposes, and another is preparing to publish its report as soon as the quality assurance process is finalised. It is encouraging to see SAIs embracing the SAI PMF, and living up to the spirit of ISSAI 20, to report publicly on their performance.

Progress on SAI PMF Piloting

The Working Group on the Value and Benefits of SAIs (WGVBS) set a target of having 20 SAI PMF pilots undertaken. This was to ensure that the SAI PMF was tested in a variety of countries, covering different INTOSAI regions, SAI models, countries with different administrative heritages, and SAIs of different sizes and at different levels of development. It was also considered necessary to obtain and analyze the indicator and dimension scores from such a sample, to ensure the measurement scale used in SAI PMF is properly calibrated: indicators are neither



too hard nor too soft, but appropriate to measure performance changes over time.

At the time of writing, 20 SAIs had agreed to terms of reference for their SAI PMF assessments. Fifteen had reached at least the draft report stage, and four more may be expected to reach the draft report stage in the forthcoming months. A number of other SAIs are also known to be applying the SAI PMF in various ways, but have not informed the SAI PMF task team of their progress.

A survey to update information on SAI PMF progress is currently underway. It appears that close to 20 SAIs will have produced at least draft SAI PMF reports before the SAI PMF task team meets in Oslo in May 2015.

So far so good.

However, the SAI PMF Task team, coordinated and supported by the INTOSAI-Donor Secretariat in IDI, does not yet have access to all of these reports and feedback from the SAIs and assessors involved.

At present, only eight draft SAI PMF assessment reports (including the original three pilots) have been shared with the task team. Scores and the summary assessment from one further report have also been shared. To complete the piloting of SAI PMF, the task team urgently requires access to draft or final SAI PMF assessment reports. Such reports will be treated as confidential, and not shared with any stakeholders without the written approval of the head of the SAI.

Sharing Knowledge and Experiences on SAI PMF

As the pilot period draws to a close, IDI has arranged a number of workshops to share knowledge on SAI PMF between SAIs and assessment teams. These events were planned in response to observations in 2014 that there was a need for greater sharing of SAI PMF experiences, the development of a wider pool of potential assessment team leaders and quality assurance reviewers, and greater sharing of draft and final assessment reports.

Such events were held in the Asian Organization of Supreme Audit Institutions (ASOSAI) and the Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS) in March, with another event planned for the European Organization of Supreme Audit Institutions (EUROSAI). The workshops cover the following themes: sharing experiences on the process of planning, implementing and reporting SAI PMF assessments; undertaking analysis to identify the factors influencing performance; and training and practice undertaking quality assurance reviews of SAI PMF assessments. The workshops conclude with an opportunity for interested SAIs to have their draft SAI PMF assessments quality assured by teams of participants from peer SAIs.

Feedback from the first such workshop, kindly hosted by the OAGN, was very positive. SAIs and members of the assessment teams from Nepal, Bhutan »

In publishing its SAI Performance Report, the Honorable Auditor General Bhanu Prasad Acharya noted that while the report highlighted some of the current challenges faced by the office, the OAGN was strongly committed to accountability and transparency, and had a duty to lead by example in the public sector in these areas.

and Palestine shared their assessment experiences and provided feedback to the SAI PMF task team. This sharing of experiences identified many issues that were important to consider in the design of the assessment, and to reflect in the SAI PMF Terms of Reference (ToR). Participants from another five countries, all currently planning assessments, found this session invaluable.

Some key lessons learned included:

- Formulation and agreement on the ToR for the assessment was critical to success in all cases. Most challenges identified during assessments could have been avoided by identifying and addressing issues at the ToR stage.
- ToRs need to be based on a good understanding of the SAI, especially the way in which it combines different audit types (financial, compliance and performance), and be clear on how samples of audit files will be selected.
- Composition of the assessment team is crucial, particularly in ensuring the whole team has the knowledge and experience of the audit types conducted by the SAI, as well as the non-audit domains to be covered in the assessment, and experience conducting similar assessments.
- Whichever assessment model is chosen—self-assessment, peer assessment, external assessment—active involvement by SAI staff and the head of the SAI is fundamental to a high quality assessment. Awareness-raising activities for a broad cross-section of stakeholders is essential prior to commencing the assessment.
- Within the scope of each possible assessment approach, SAI PMF planning should seek to maximize SAI ownership and report credibility.
- For peer and external assessments, participation of a member of the SAI in the assessment team—for example as a shadow team member (not involved in scoring indicators)—adds value in understanding the SAI and its environment, and accessing information.
- Quality assurance (QA) at the ToR, draft report and final report stage can add significant value to the assessment and increase the credibility of the results. QA needs to cover both verification of the facts, and the proper application of the SAI PMF methodology. It is unlikely that one person will have the country specific knowledge and the necessary SAI PMF experience to meet both objectives.
- The detailed design of the quality assurance process should be agreed at the ToR stage, especially in assessments where more than two parties are involved (e.g. SAI, assessment team, external financier). It is important to know who owns the report, who will issue the report, which bodies draft versions of the report will be sent to, and in what sequence.
- Language issues need to be considered carefully at the ToR stage. While some key documents can be translated, it will never be practical to translate audit files, so some team members must be fluent in the language in which audit documentation is maintained. Participation of members of the

SAI, or local audit experts, in the assessment team can be crucial here.

- External and peer assessments are starting to follow a similar pattern: request from the SAI, and selection of team members and drafting of ToRs; one-week awareness-raising mission, including short SAI PMF training and agreement on the ToRs; 4-6 week desk-based planning phase in which documents are obtained and initial analysis performed; two-week field mission for scoring the indicators, first draft of the summary assessment analysing SAI performance and discussing draft findings with the SAI; a desk-based report writing phase followed by quality assurance and finalization of the assessment.
- Drafting the final report takes considerably longer than expected, especially when the team leader returns to their 'day job' and is unable to focus on the report fulltime.

The workshop also enabled participants to improve their skills in writing the SAI PMF summary assessment of performance, and undertaking a SAI PMF quality assurance review. The workshop included using root cause analysis to identify possible causes of SAI performance in terms of internal capability and capacity within the SAI, as well as in the external environment in which the SAI operates. For the final two days of the workshop, participants broke into groups and undertook a live quality assurance review of the SAI Performance Report for the Office of the Auditor General of Nepal. The results of the review are being shared with OAG Nepal to share with its stakeholders.

Launch of the SAI PMF Virtual Community

The SAI PMF Virtual Community was launched in December 2014 on behalf of the WGVBS. A virtual platform has been provided for certified assessors to be able to access relevant material for SAI PMF assessments, and raise questions about the tool and process through a dedicated discussion fora.

The platform provides support to users, as well as feedback to developers of the SAI PMF. All assessors who have attended SAI PMF training have been provided with user profiles to enable them to enter and use the virtual platform.

Closure of SAI PMF Consultation Period and Pilot Period

A 90-day consultation on the SAI PMF pilot version officially closed March 31, 2015. At the time of writing, a number of formal submissions had been received, each making positive contributions towards

the improvement of the SAI PMF. Similarly, the planned pilot period for SAI PMF also closed March 31, 2015. However, under advice from the WGVBS, the pilot period will be extended until May 8, 2015, to allow time for the completion of a number of pilots that are currently underway.

While the task team is starting to analyse and respond to the consultation responses and pilot experiences, there remains an opportunity for further comments to be taken into consideration in the revisions to SAI PMF. All submissions received up to May 8 will be considered by the SAI PMF task team when it meets in Oslo, May 11-15, 2015. Submissions received after this date may be considered on a case by case basis, but will not be reflected in the Task Team's formal proposal to the WGVBS.

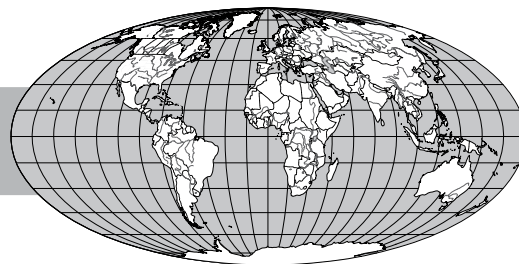
Refinement of the SAI PMF: Way Forward

Key milestones planned in the refinement of the SAI PMF are as follows:

- May 11-15, 2015: 4th SAI PMF Task Team Meeting, Oslo, Norway, to review lessons from SAI PMF pilots and results of consultations
- July 2015: Submission of report to WGVBS on 'Consideration of the SAI PMF Task team regarding consultation comments and experiences from pilots'
- August 2015: WGVBS meeting to discuss report 'Consideration of the SAI PMF Task team regarding consultation comments and experiences from pilots,' followed by report publication
- October 26-30, 2015: 5th SAI PMF Task Team Meeting, Capetown, South Africa, to begin development of SAI PMF endorsement version
- December 2015: SAI PMF version 3.1 shared with Task Team
- February 2016: SAI PMF version 3.2 shared with reference group
- April 2016: Submission of SAI PMF endorsement version to WGVBS for approval; consideration of need for re-exposure for 90 days
- August 2016: Approval of SAI PMF endorsement version by WGVBS, for submission to INTOSAI Knowledge Sharing Committee
- September 2016: Knowledge Sharing Committee approval for submission to the Governing Board
- December 2016: Governing Board refers SAI PMF endorsement version to INCOSAI for final endorsement; INTOSAI endorses SAI PMF; SAI PMF final version published

And then, of course, the hard work starts...

INTOSAI 2015 Events



April	May 11-12 23 rd Meeting of Working Group on IT Audit, Warsaw, Poland 13-14 2 nd Meeting of the Working Group on Financial Modernization and Regulatory Reform, Washington, D.C., U.S.A. 14-15 12 th Meeting of the Finance and Administration Committee	June 24-26 EUROSAI-OLACEFS Joint Conference, Quito, Ecuador
July	August	September 8-10 Meeting of the Capacity Building Committee, Stockholm, Sweden 21-24 Meeting of the Subcommittee on Internal Control Standards, Bucharest, Romania

Editor's Note: This calendar is published in support of INTOSAI's communications strategy and as a way of helping INTOSAI members plan and coordinate schedules. Included in this regular *Journal* feature will be INTOSAI-wide events and regionwide events such as congresses, general assemblies, and board meetings. Because of limited space, the many training courses and other professional meetings offered by the regions will be included according to space available. For additional information, contact the Secretary General of each regional working group. For contact information visit <http://www.intosai.org/regional-working-groups.html>

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