

Impact of COVID – 19 on SAI of Egypt's Organizational Capacities, Working Methods and Processes.

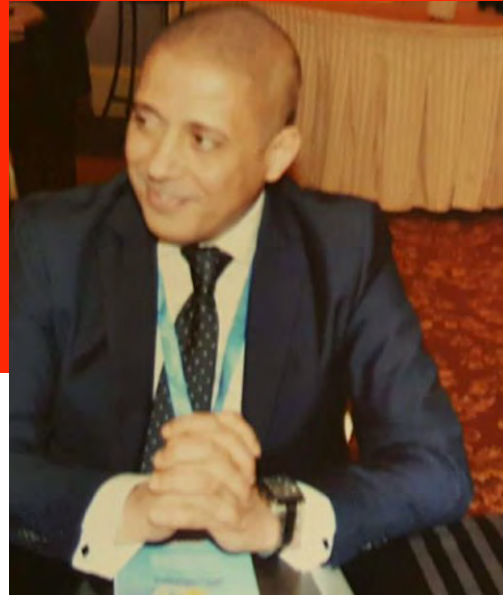


Accountability State Authority

Central Department of International Relations and Conferences



ASA's Presenter



Sherif Nayel, CIA , CMA, CIPA, FESAA, Msc, ACCADIPIFR, AAC

Head of International Relation Section

Agenda

01



Summary

02



Context

03



Emergency Stage

04



Post –Emergency Stage



Summary

Summary

- I. The COVID-19 Pandemic has posed significant challenges .
- II. The role of Accountability State Authority (ASA) is being recognized as crucial to supporting the Egyptian government response mechanisms.
- III. During the emergency stage, the primary focus of governments is on safeguarding livelihoods and public health.
- IV. In the post-emergency phase, significant spending over relatively short time frames could create a heightened level of value-for-money risks.

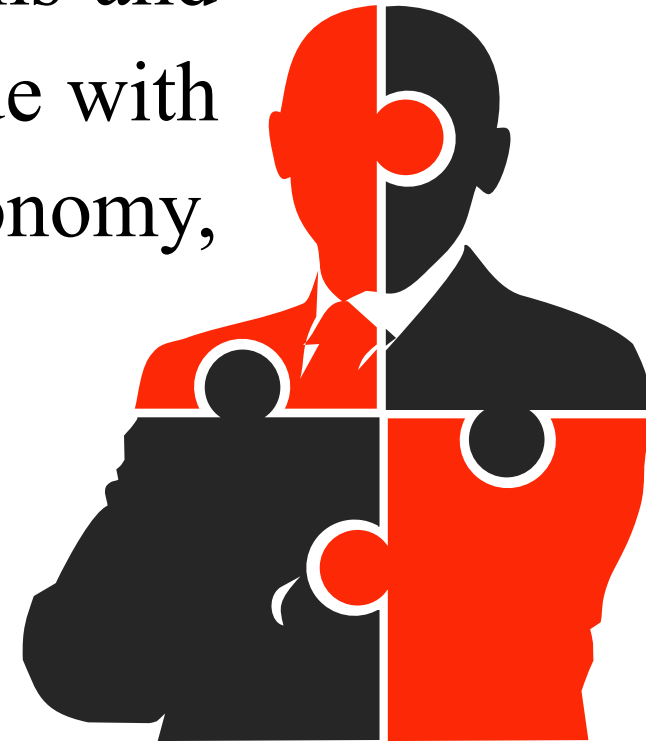




Context

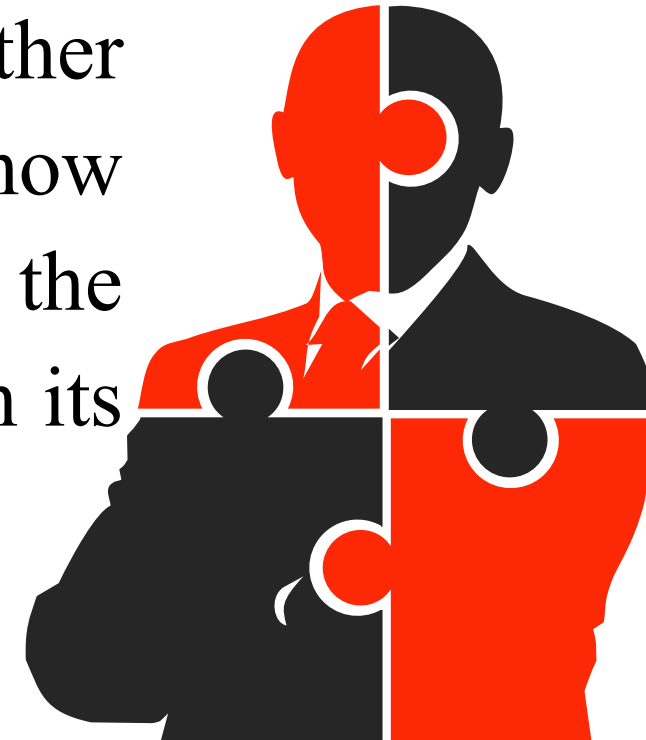
COVID-19 Impacts

Government has announced partial lockdowns of economic activities, and financial packages to provide emergency support to our citizens and businesses. Many decisions are being made with no regards to established principles of economy, efficiency, and effectiveness.



ASA's Transition Measures

The ASA depended on the relevant technical resources such as ISSAI 5500 series, provides generic guidance on auditing disaster-related aid. Also, ASA use other practical guidance on what, when- and how to audit during COVID-19 provided by , the INTOSAI Development Initiative through its COVID-19 .



ASA's Response to COVID-19 Pandemic

In the emergency stage, the focus of government is to manage ongoing health crises, mitigate social impacts and ensure business continuity.

The post-emergency stage starts when the COVID-19 incidence and death curves are substantially declining .

ASA have differing focuses in these stages.



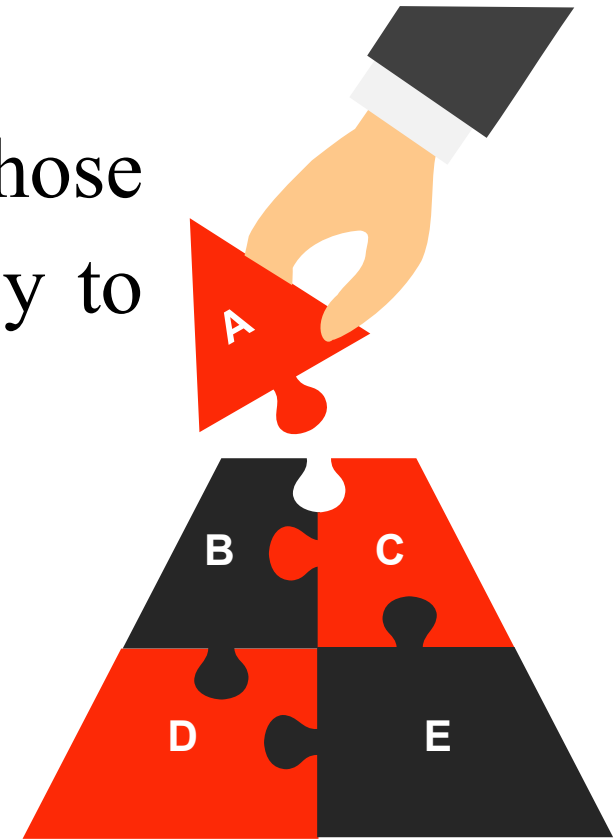


Emergency Stage

Maximize ASA's Value and Importance

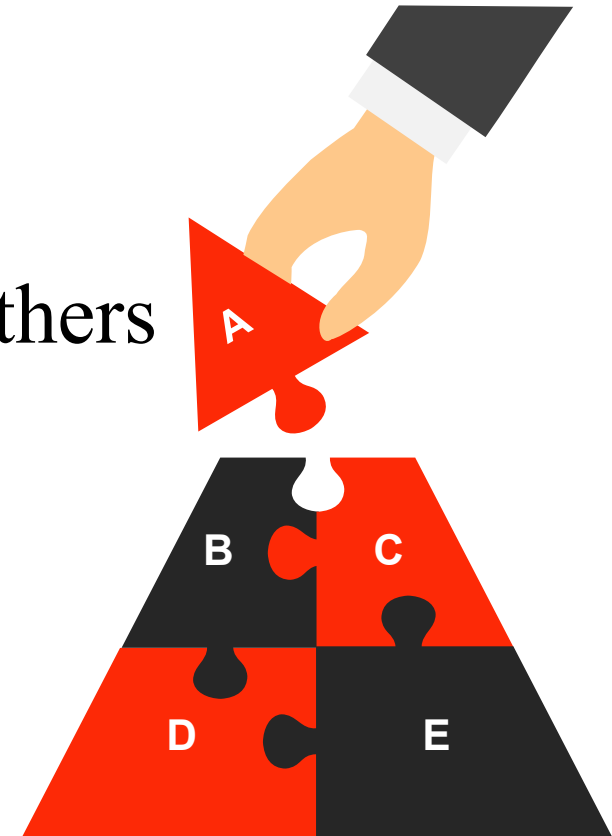
During emergencies, the risk of fraud and corruption tends to increase.

ASA audits can play a deterrent role to those who will take advantage of the emergency to misuse public funds.



KEY PRINCIPLES

- I. Prioritize safety of people .
- II. Raise awareness on the risks of emergency activities .
- III. Audit technology .
- IV. Secure audit trails .
- v. Sharing of knowledge and experiences with others
SAIs
- VI. Keep communicating



ASA's Role during Emergency Stage

ASA response to operational challenges during the emergency stage

Audit plans and programs prepared prior to COVID-19 will need substantial adjustments. Auditees' responses to audit inquiries will be delayed, along with the issuance of financial statements.

ASA assesses plans to identify the needed to supplement the skills and tools required for specific parts of a COVID-19 emergency audit.

ASA have been leveraging the efficiency of audits through the use of information and communication technologies.



ASA's Role during Emergency Stage

Maintain Effective Communication with Key Stakeholders

ASA communicate with auditees and other stakeholders.

ASA take an advisory role for accounting to respond to COVID19, without compromising the accountability framework.



ASA's Role during Emergency Stage

Conduct Real-Time Audits

Real-time audits are typically post audits but performed in a more immediate time frame to provide inputs for course correction of emergency activities.

ASA also consider real-time audits of compliance with new protection measures or the effectiveness of national crisis management.



ASA's Role during Emergency Stage

ASA needs to revisit risk assessment

In many cases, the government's COVID-19 emergency stage decisions will affect the economy, efficiency and effectiveness.

Financial controls can be diluted, records can be lost, quantitative financial limits removed .





Post - Emergency Stage

When government opens up public activities, ASA will be able to resume regular audit programs and initiate post audits of COVID-19 emergency operations

As Egyptian business returns to normalcy. ASA will have the responsibility to ensure transparency and accountability.



KEY PRINCIPLES

- . Plan compliance, financial and performance audits
- . Government's own assessments of COVID-19 response and build on them
- . Use professional judgment
- . Technology
- . Timely audit output



ASA's Role Post Emergency Stage

Plan for the recovery audit during the emergency phase.

The key considerations should include:

- Governments' high-priority programs in terms of materiality and risk .
- Determination of which audits are possible to execute given data availability.
- Missing audit trails.
- Leveraging of pre-audit and internal audit work, where possible.
- Available and required skills of audit staff and actions to be taken to map the skill gap.



ASA's Role Post Emergency Stage

Ensure auditee for auditing.

ASA should communicate closely with governmental entities responsible for funding and managing the crises .

A high-level forum established in the government should help to ensure that audit issues are addressed properly and promptly.



ASA's Role Post Emergency Stage

Use Professional Judgment.

The professional judgment of auditors gains higher levels of significance during performance audits of the COVID-19 response.



ASA's Role Post Emergency Stage

Use the government's own evaluation as a base and review it further

ASA minimizes the technical aspect of COVID-19 responses by focusing on the appropriateness of the government's evaluation process.



ASA's Role Post Emergency Stage

Categorize COVID-19 expenditures for auditing procedures.

ASA uses the auditing procedures most appropriate to each particular set of transactions and issues.

ISSAI 5520 presents as many as 17 inherent risk factors associated with key disaster-related aid activities.



ASA's Role Post Emergency Stage

ASA auditing of procurements in alignment with actions taken during the COVID-19 emergency. Procurements play a key role in public expenditure during an emergency response, and the ASA's focus be appropriately aligned.



ASA's Role Post Emergency Stage

Coordinate work with Supervisory Agencies

ASA coordinate its activities with other anti-corruption agency like Administrative Control Authority for strengthening systems and ensuring transparency and accountability.



ASA's Role Post Emergency Stage

Gov- Tech Leverage in Auditing

COVID-19 is likely to accelerate digital payments in the government.

Audits should enhance readiness, with appropriate skills and tools, to identify control risks in these environments.



A 3D rendered red puzzle piece stands upright in the center of the frame. The background is a dark grey surface covered with a grid of puzzle pieces, each with a subtle embossed outline. The lighting is dramatic, coming from the upper left, which creates a bright highlight on the top edge of the red piece and casts a dark shadow to its right and slightly forward. The overall composition is centered and balanced.

THANK YOU