



ANEXOS



Anexo 1a



INTOSAI
PSC

Professional
Standards
Committee

17th Steering Committee Meeting

Professional Standards Committee

Agenda

On 06 October 2020, 12h00 (GMT+2) via Microsoft Teams (invitation sent by Alan Findlay)

Agenda Item	
1. Welcome remarks and adoption of agenda (and group photo) <i>Supporting document: Agenda</i> Action needed from PSC-SC members: adoption of Agenda	Oral
2. Review of the Strategic Objectives of Goal 1 and Crosscutting Priorities <i>Supporting document: PSC Progress Report PSC-SC</i>	Written
3. Report of status of project on SDP 2017-2019 <i>Supporting document: Status of SDP Projects</i> <i>Annex FIPP report PSC SC (by FIPP)</i> <i>Issai.org for ISAs (by FIPP)</i>	Written
4. ISLO Network <i>Supporting document: ISLO network</i>	Written
5. Translation of pronouncements <i>Supporting document: Translation of pronouncements</i>	Written
Questions or Comments on items 2-5? Action needed from PSC-SC members: Take note of reports	Oral
6. Miscellaneous <i>Supporting document: Use of PSC funds</i> <i>Letter from SAI Japan</i> Action needed from PSC-SC members: Approve use of PSC funds and observer status of SAI Japan in the PSC-SC	Written/Oral

7. Technical Support Function <i>Supporting document: TSF</i>	Written/Oral
8. Implementation of SDP 2020-2022 <i>Supporting document: Letter on Component 1</i> <i>Component 1 review</i> <i>Component 1 review: First progress</i> <i>Component 2 – to PSC-SC (by FIPP)</i> <i>Component 3 – to PSC-SC (by FIPP)</i> <i>Annex FIPP report to PSC SC (by FIPP)</i> Action: Approval of the proposed update to the SDP	Written/Oral
Discussion	
9. INTOSAI Strategic Planning <i>Supporting document: Conclusions of Joint Seminar</i> <i>GCC strategic review and proposals for</i> <i>improvement</i>	Oral
10. Closing	Oral

Obs. Reports and other supporting documents are posted on psc-intosai.org



Anexo 1b

17th PSC SC Meeting (held virtually in Teams)

06/10/2020

List of Participants:

n.	Name	Organization
1	Bruno Dantas	PSC / SAI Brazil
2	Paula Hebling Dutra	PSC / SAI Brazil
3	Paulo Soeiro	PSC / SAI Brazil
4	Raisa Ojala	PSC / SAI Brazil
5	Ricardo Becker	PSC / SAI Brazil
6	Alan Findlay	PSC / ECA
7	Geoffrey Simpson	PSC / ECA
8	Jan Gregor	PSC / ECA
9	Radek Majer	PSC / ECA
10	Wener Vlasselaer	PSC / ECA
11	Karen Bell	CAROSAI
12	Wang Zonglei	CAS
13	Cobus Botes	CBC / SAI South Africa
14	Jan Van Schalkwyk	CBC / SAI South Africa
15	Johanna Gårdmark	CBC / SAI Sweden
16	Daniel Boutin	FAAS / SAI UAE
17	Einar Gørrissen	FIPP / IDI
18	Mahmood H. Mahmood	FIPP / SAI Bahrain
19	Åse Hemsén	FIPP / SAI Norway
20	Sarah Frederikke Lillehaug	FIPP / SAI Norway
21	Alexandra Popovic	FIPP / SAI Sweden
22	Berryl Davis	FIPP / SAI USA
23	Kristoffer Blegvad	FIPP / SAI Denmark
24	James Gunn	IAASB
25	Paweł Banaś	ICS / SAI Poland
26	Archana Shirsat	IDI
27	Francis Nicholson	IIA
28	Gerry Cox	IIA
29	Jil Austin	IIA
30	Herbert BAUMGARTNER	INTOSAI General Secretariat
31	Monika Gonzales Koss	INTOSAI General Secretariat
32	Heather Santos	INTOSAI Journal / SAI USA
33	Kulwant Singh	KSC / SAI India
34	Vani Sriram	KSC / SAI India
35	Mariana Calderon Aramburu	OLACEFS / SAI Mexico
36	Soo Jung koh Yoo	OLACEFS / SAI Mexico
37	Hege Larsen	PAS / SAI Norway
38	Morten Nordberg	PAS / SAI Norway
39	TW	SAI China
40	Xia Li	SAI China
41	XING Jianfeng	SAI China
42	Sébastien Lepers	SAI France
43	Collete Drinan	SAI IRELAND

44	SAI Japan 1 (unidentified)	SAI Japan
45	SAI Japan 2 (Unidentified)	SAI Japan
46	Nadia Arely Santillan Garcia	SAI MEXICO
47	Pavel Sukov	SAI Russia
48	Manal Alduhaymi	SAI Saudi Arabia
49	Peter Rostedt	SAI Sweeden
50	Kristie Conserve	SAI USA
51	Mark Keenan	SAI USA
52	Michelle Sager	SAI USA
53	Matti Mattila	TSF / SAI FINLAND
54	Amnon Mwasakatili	TSF / SAI TANZANIA
55	George Haule	TSF / SAI TANZANIA
56	Svetlana Klimenko	Worldbank



Anexo 2

Progress Report 2020



**INTOSAI
PSC**

Professional
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REPORT HIGHLIGHTS

The INTOSAI Strategic Plan for the period of 2017-2022 stresses the relevance of systematically reviewing INTOSAI's performance as a means of having solid information to facilitate decision-making and better establishing the Organization's long-term strategies and plans. In order to do that, the Strategic Plan provides that the Goal Chairs lead the assessments of the progress towards the achievement of the plan's objectives, working in close cooperation with each other, their subcommittees and working groups, as well as with the General Secretariat.

The PSC secretariat would like to present its Progress Report, that encompasses its main activities since INCOSAI 2019. In line with the 2017 decision by the PSC, CBC and KSC, the Committee's achievements are presented in the form of a dashboard, which lists the activities carried out in order to achieve each of the strategic objectives under Goal 1. From these, we would like to highlight the following:

1. **Discussion on roles and responsibilities in INTOSAI standard setting** – Since extensive changes were made to the standard setting structure and process, the PSC has continued to discuss the functioning, roles and responsibilities, including all relevant actors. The objective is to continuously evaluate and improve standard setting activities and outputs.
2. **Technical Support Function (TSF)** – Following the selection process carried out in the end of 2019, the supporting SAIs (SAI Tanzania and SAI Finland) signed an MoU with the PSC and the three selected staff members were able to start their activities.
3. **Further progress on the migration of the ISSAI Framework into the INTOSAI Framework of Profession Pronouncements (IFPP)** – as approved by the XXII INCOSAI in 2016, the ISSAI framework was replaced by the IFPP by 2019. In time for INCOSAI 2019 the new issai.org website was launched with all pronouncements in English update on content and visual. Since then, the PSC secretariat finalised the migration of all the documents available in Spanish, French and German. The available documents in Arabic are the last batch of documents to be migrated. Support from INTOSAI members from Arab-speaking countries will be greatly appreciated to finalise this process.
4. **Development of the new PSC website** – a new and easier to use PSC website is launched to facilitate access to documents and other resources to all PSC members.
5. **Implementation of the SDP 2017-2019** – The new text of ISSAI 200 was approved by FIPP in December 2019 and will be presented to Governing Board in November 2020. In addition, since INCOSAI 2019, three documents were exposed in the issai.org website and are soon expected to be submitted to Governing Board for approval either in 2020 or 2021.
6. **Implementation of the SDP 2020-2022** –
Component 1: An initial analysis was presented to the community. Feedback is expected until the end of September.
Component 2: The staff in the Technical Support Function, the working groups and FIPP are further analysing proposed topics to be included as projects.
Component 3: The Task Force on Auditor Professionalisation and the FIPP have defined to develop one ISSAI and one GUID on competencies. The category COMP will be removed as a IFPP category,
7. **Network of INTOSAI Standards Liaison Officers (ISLO)** – In order to improve communication and feedback on the use of standards, the PSC has launched the ISLO network, with members from SAI methodology experts that are constantly informed of developments in INTOSAI standard setting activities and invited to contribute.

8. **Intense cooperation between subcommittees and between experts in FAAS/PAS/CAS in SDP projects** – Current SDP projects required intense cooperation between PSC subcommittees on joint projects. The subcommittees also provided extensive expert advice to project groups under KSC.
9. **Join coordination from Goal Chairs** – PSC, CBC and KSC are conducting intensive discussions on how to move the Goal Chair Collaboration forward with a view to maximize common areas of cooperation and more effective use of INTOSAI resources.
10. **New procedure for translations** – Following the call for language groups to volunteer to be part of a pool of translators, several SAIs have stepped up. However, we are renewing our call so we are able to operationalise our new procedure for translations.

PSC Progress Report 2020

Strategic Objectives Review (as at September, 2020)

	Initiatives / projects on schedule
	Initiatives / projects behind schedule
	Serious difficulties being experienced
	Not yet scheduled to start
	Initiatives / projects completed

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.	1. Develop and maintain the FIPP encompassing INTOSAI's expertise in standard setting function as a standard setting board for INTOSAI's Framework of Professional Pronouncements and represent the broad views of INTOSAI's members on standards-setting issues.	FIPP fully operational and performing	<p><i>Progress to date:</i></p> <p>Maintenance of FIPP membership.</p> <p>Active engagement with FIPP leadership to follow, guide, facilitate and support the Forum's activities.</p> <p><i>Next steps:</i></p> <p>Continue engagement with FIPP leadership and maintenance of FIPP membership.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.	2. Strengthen standard setting governance structure to enhance the trust of INTOSAI members, donors, and other stakeholders in INTOSAI's standards-setting function.	Governance structure improved Strategic guidance to INTOSAI standard setting provided	<p><i>Progress to date:</i></p> <p>Permanent discussion and engagement with relevant actors to ensure the continued operation of INTOSAI standard setting activities.</p> <p>Joint Seminar with actors involved in standard setting promoted an open discussion on roles and responsibilities in INTOSAI standard setting.</p> <p>Intense dialogue between Goal Chairs on issues identified during Joint Seminar with the objective of improving efficiencies and building trust from all actors.</p> <p><i>Next steps:</i></p> <p>Further clarify roles and responsibilities in standard setting through continued discussions between the Goal Chairs, FIPP and project groups.</p> <p>Assess the need to develop additional regulations or changes to current ones to clarify roles and responsibilities.</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>3. Establish adequate technical support function to ensure efficient operation and high quality in drafting of standards and to promote the wide recognition, acceptance and use.</p>	<p>INTOSAI provided with adequate technical support services</p>	<p><i>Progress to date:</i> TSF operational since the first trimester of 2020, with a manager from SAI Tanzania, and two officers (Sai Tanzania and SAI Finland) MoUs signed with both SAIs.</p> <p><i>Next steps:</i> Monitor the workload, manage the demands, prioritize and make adjustments to the TSF to ensure effectiveness Carry out selection process to maintain TSF staff number.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>4. Establish and maintain an advisory group, including the current observer in the PSC as well as representatives of users, international audit organizations, and other relevant partners.</p>	<p>New advisory function implemented</p>	<p><i>Progress to date:</i> New discussions about strengthening and expanding MoU with IIA. Consultation with IFAC on new INTOSAI strategic plan and comments on IFAC's new strategic plan with a view to enhancing the role of public audit in the organisation. Appointment of a new representative to the Consultative Advisory Group of the IPSASB.</p> <p><i>Next steps:</i> Continue to involve Advisory Group institutions in the development of SDP projects and other standard setting activities, as relevant Discuss within the PSC other ways of making the most of the engagement with the advisory group organizations</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>6. Further develop the ISSAI website to ensure continue and steady growth in the number of visitors and that it is as accurate and useful as possible.</p>	<p>New ISSAI website launched</p>	<p><i>Progress to date:</i></p> <p>New ISSAI website launched and fully operational</p> <p>Develop videos (posted on the ISSAI and PSC websites) to better inform the community about exposure drafts and how to contribute to the development of new and revised pronouncements and the IFPP.</p> <p>Promotion of the new website during INCOSAI, the INTOSAI Journal and on social media.</p> <p><i>Next steps:</i></p> <p>Develop more content for the new platform, especially on the use of ISSAIs and other pronouncements, including a step-by-step guide on how to download ISA Standards</p>
<p>1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.</p>	<p>2. Strengthen standard setting governance structure to enhance the trust of INTOSAI members, donors, and other stakeholders in INTOSAI's standards-setting function.</p>	<p>ISSAIs availability increased</p>	<p><i>Progress to date:</i></p> <p>Links on ISSAI.org webpage to (non-official) translations</p> <p>New arrangement for translation of pronouncements (to the INTOSAI official languages) approved.</p> <p><i>Next steps:</i></p> <p>Continue seeking SAIs to form language groups for future translation of new pronouncements.</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress Indicator	Action items and other comment
<p>1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.</p>	<p>5. Monitor INTOSAI's standard-setting activities to ensure that the overall due process for professional pronouncement is followed and facilitate further development and improvement if necessary.</p>	<p>Due process monitored</p>	<p><i>Progress to date:</i></p> <p>Implementation of the SDP 2017-2019 monitored.</p> <p>Coordination and facilitation of projects with delays and difficulties.</p> <p><i>Next steps:</i></p> <p>Continue to monitor remaining projects under SDP 2017-2019</p> <p>Continue following implementation of the SDP 2020-2022</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs as well as education and training standards.</p>	<p>2. (...) Ensure sufficient coordination between the development of new guidance and any related INTOSAI initiative to support ISSAI implementation and sound professional practices.</p>	<p>Support to IDI provided</p>	<p><i>Progress to date:</i></p> <p>PSC subcommittees support IDI in development of handbooks and other professional support material as well as educational initiatives</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs as well as education and training standards.</p>	<p>8. Collaborate closely to develop a competency framework and certification program established under goal 2.</p>	<p>Support provided</p>	<p><i>Progress to date:</i></p> <p>Participation on the task force on professionalization.</p> <p><i>Next steps:</i></p> <p>Continue supporting CBC in the development of competency pronouncements</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.4 Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)	5. Monitor INTOSAI's standard-setting activities to ensure that the overall due process for professional pronouncement is followed and facilitate further development and improvement if necessary.	<p>Projects under the responsibility of the PSC in the 2017-2019 SDP completed</p> <p>Projects under the responsibility of the PSC in the 2020-2022 SDP completed</p>	<p><i>Progress to date:</i></p> <p>Exposure draft of GUID 4900, GUID 5330, ISSAI 2000 and GUID 2900 posted on ISSAI website for comments</p> <p>Endorsement version of GUID 4900 submitted to FIPP</p> <p>ISSAI 200 endorsement version approved, translations in all five languages finalized</p> <p>Initiatives to conciliate differing views on project 2.3</p> <p>Subcommittees commenting of various drafts, according to their specialisation</p> <p>Project 2.6 submitted to FIPP's appraisal</p> <p>Initial review prescribed by Component 1 of the SDP 2020-2022 presented to working bodies for comments and feedback</p> <p><i>Next steps:</i></p> <p>Present ISSAI 200 for Governing Board approval</p> <p>Continue following and monitoring projects currently in due process</p> <p>Continue engaging with actors involved in INTOSAI standard setting to carry out Component 1 of SDP 2020-2022</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.4 Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)	9. Collaborate closely on initiatives taken under goal 3 to promote knowledge sharing and develop expertise that can be leverage in the development of INTOSAI's professional pronouncements.	Support to the KSC provided	<p><i>Progress to date:</i></p> <p>Relevant PSC subcommittees participation in projects under the responsibility of the KSC, in advisor or reviewer roles, according to their specialisation.</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure that the standards are as useful and relevant as possible.	10. Collaborate closely with IDI, other INTOSAI bodies, other international standard setter and partners who share the overall goal of promoting strong, independent and multidisciplinary SAIs and encourage good governance.	Collaboration with INTOSAI bodies and other partners broadened	<p><i>Progress to date:</i></p> <p>PSC Subcommittees work in IDI initiatives</p> <p>Comments on IFAC's strategic plan</p> <p><i>Next steps:</i></p> <p>Continue support to IDI's programmes</p> <p>Continue participation with IFAC to enhance the public sector perspective in the organisation's work.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure that the standards are as useful and relevant as possible.	7. Implement a monitoring system to obtain feedback from SAIs on their implementation of the ISSAIs and their practical experience using the ISSAIs in audits or as basis for national standards and to feed this information back into the standard-setting process.	<p>Standard setting process takes into consideration feedback received from ISSAI implementation</p> <p>Network of liaison officers for INTOSAI standards operational</p>	<p><i>Progress to date:</i></p> <p>Launch of the network of liaison officers for INTOSAI standards to promote communication and dialogue.</p> <p>Comments and suggestions on the questions for the Global Stocktake survey and internal scan of the TFSP</p> <p><i>Next steps:</i></p> <p>Increasingly use the liaison officer network as a way to raise awareness of the importance of feedback to the standard setting process, and to encourage them to provide that feedback.</p> <p>Engage with IDI and other INTOSAI bodies in the application and analysis of results of the global stocktaking survey</p> <p>Continue exploring with IDI ways in which their programmes can support the PSC in collecting the information needed on ISSAI implementation</p> <p>Explore other possible sources of information on ISSAI implementation</p> <p>Continue discussions between the PSC, subcommittees, IDI and others about ISSAI compliance</p>

	Initiatives / projects on schedule
	Initiatives / projects behind schedule
	Serious difficulties being experienced
	Not yet scheduled to start
	Initiatives / projects completed

PSC Progress Report (2020)

Crosscutting Priorities review (as of September, 2020)

Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
Crosscutting Priority 1: Advocating for and supporting the independence of SAIs.	SDP 2017-2019 implemented SDP 2020-2022 approved	<i>Ongoing activities:</i> Implement the SDP 2017-2019 aiming at providing and maintaining professional standards for the SAIs (SP 2017-2022) SDP proposal approved by the INCOSAI in 2019
Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
Crosscutting Priority 2: Contributing to the follow-up and review of the SDGs within the context of each nation's specific sustainable development efforts and SAIs' individual mandates.	Support to the indicated SDG activities timely provided	<i>Ongoing activities:</i> Consideration on the need to develop a pronouncement on the audit of SDGs
Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
Crosscutting Priority 3: Ensuring effective development and coordination among standards-setting, capacity development, and knowledge sharing to support SAIs and improve their performance and effectiveness.	Collaboration and coordination improved	<i>On-going activities</i> Joint work to maintain the governance of FIPP, including the maintenance and active participation of membership Coordinated efforts during the implementation of the SDP Participation in the Goal Chairs Collaboration initiative, including a presentation of a joint statement on different themes to the Governing Board Joint discussions with the Goal Chairs on a common proposal for the new INTOSAI strategic plan

Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
<p><u>Crosscutting Priority 4:</u> Creating a strategic and agile INTOSAI that is alert to and capable of responding to emerging international opportunities and risks.</p>	<p>Collaboration with external organizations improved</p>	<p><i>On-going activities:</i> Strengthening the partnership with IFAC, IIA and World Bank (PSC Advisory partners) Participating in the PFAC and SCEI deliberations on the COVID 19 pandemic Monitoring impact of the COVID 19 pandemic on the IFPP and resources being issued by other organisations.</p>
Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
<p><u>Crosscutting Priority 5:</u> Building upon, leveraging, and facilitating cooperation and professionalism among the regional organizations of INTOSAI.</p>	<p>SDP implemented Support in standard setting activities provided</p>	<p><i>On-going activities:</i> Implementing the SDP, to provide high quality professional pronouncements for the SAIs Survey led by the CAS with the INTOSAI community to better understand the extent to which SAIs use and/or rely on the work of internal auditors for the conduct of compliance audit with an aim to provide the inputs to the “Guidance on reliance on the work of internal auditors” under the ICS.</p>



Anexo 3a



INTOSAI

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PSC – CBC – KSC

STATUS OF THE SDP 2017-2019 PROJECTS (As of 30 September 2020)

Projects finalised

Project 1.1 (Updating the preamble of INTOSAI-P 10 to include a reference to the UNs resolutions on SAIs) – approved by INTOSAI Governing Board in 2018

Project 2.8 - GUID 5100: Audit of information systems – approved by INTOSAI Governing Board in 2019

Project 2.12 - INTOSAI-P 50: Principles of Jurisdictional Activities of SAIs – approved by INTOSAI Governing Board in 2019

Project 3.11 – GUID 5290: Audit of Key National Indicators – approved by INTOSAI Governing Board in 2019

Projects with endorsement versions expected to be presented to Governing Board for approval in 2020

Project 1.2 – ISSAI 200: Financial Audit Principles – Endorsement Version approved by FIPP.

Project 1.3 – ISSAI 2000: Application of Financial Audit Standards/GUID 2900: Guidance to the financial auditing standards – Project group is analysing comments and preparing endorsement versions for FIPP’s appraisal. If time allows, they will be presented to GB 2020.

Project 2.2 – GUID 4900: Guidance on Authorities and Criteria to be considered while examining the regularity and propriety aspects in Compliance Audit – Endorsement Version submitted to FIPP for appraisal in October 2020. If approved, it will be presented to GB 2020.

Project 2.9 – GUID 5250: Guidance on the Audit of Public Debt – Endorsement Version approved by FIPP.

Project 2.10 – GUID 5330: Guidance on Auditing Disaster Management – Project group is analysing comments and preparing endorsement version for FIPP’s appraisal. If time allows, it will be presented to GB 2020.

Projects under development

PSC	2.3 Using ISSAIs in accordance with the SAI’s mandate and carrying out combined audits.	Compliance Audit Subcommittee	Project proposal under review
	2.5 Consolidated and improved guidance on understanding internal control in an audit	Internal Control Subcommittee	Project proposal under review
	2.6 Consolidated and improved guidance on reliance on the work of internal auditors.	Internal Control Subcommittee	Exposure draft submitted to FIPP for appraisal in October’s meeting



INTOSAI

Goal Chairs
Collaboration
PSC – CBC – KSC

KSC	2.7 Consolidating and aligning guidance for audits of Privatisation with ISSAI 100	GUID on Privatisation	Project group under the KSC	Exposure draft submitted to FIPP for appraisal in October's meeting
		GUID on Public Private Partnership (PPP)	Project group under the KSC	Adjusting exposure draft after FIPP's appraisal in September
	2.11 Public Procurement audit		Working Group on Public Procurement Audit	Exposure draft being prepared

Projects that were discontinued based on project group recommendation

2.1 Provide Guidance on Financial Auditing

3.8 Obtaining an understanding of Economy, Efficiency and Effectiveness of an entity and applying relevant methods in the context of a performance audit

Projects not initiated

3.1 Global INTOSAI messages on SDGs in the context of the INTOSAI framework of professional pronouncements and possible needs for guidance.

3.2. Global INTOSAI messages about audit arrangements and independent standard setting in the context of the INTOSAI framework of professional pronouncements.

3.3. Competency pronouncements. The project is intended to address the need for professional pronouncements for auditor competence, as identified in the newly revised IFPP

3.4. Providing a clear set of INTOSAI Core Principles

3.5. Consolidate and refining the organizational requirements for SAIs

3.6 Cross-cutting issues in ISSAI 3000 and 4000 – requirements for direct reporting engagements and guidance on related technical issues

3.7 Auditing of implementation of state budgets and consolidated state accounts

3.9 Obtaining an understanding of laws and regulations and other authorities regulating public entities in the context of a compliance audit



Anexo 3b

Annex – Status of FIPP activities in 2019 and 2020

Content

1. FIPP meetings
2. Status of projects from the IFPP Strategic Development Plan (SDP) 2016-2019
 - 2.a Pronouncements endorsed by the INTOSAI Governing Board in 2019
 - 2.b On-going pronouncement projects from SDP 2016-2019
3. Status of projects from the IFPP Strategic Development Plan (SDP) 2020-2022
4. Other tasks achieved by FIPP in 2019

**

1. FIPP meetings

In 2019, FIPP had three regular meetings and the Joint Seminar on INTOSAI standard setting. In total, FIPP members had 14 meeting days during 2019.

In the first half of 2020, FIPP were unable to meet physically due to the Covid-19-situation, but carried out a number of teleconferences as an alternative to the cancelled 13th FIPP meeting in Sofia, Bulgaria.

2019

- 10th FIPP meeting, 4 – 8 March in Paro, Bhutan
- 11th FIPP meeting 25 – 28 June in Riga, Latvia
- Joint Seminar 2 – 3 December in Oslo, Norway
- 12th FIPP meeting 4 – 6 December in Oslo, Norway

2020

- 13th FIPP meeting carried out as a series of teleconferences 9 – 11 March, 4 April and 16 April

2. Status of projects from the IFPP Strategic Development Plan 2016-2019

The Governing board endorsed three pronouncements from the SDP 2016-2019 in 2019, while a number of pronouncements are still under development.

2.a Pronouncements endorsed by the INTOSAI Governing Board in 2019

INTOSAI-P 50 Jurisdictional activities
GUID 5100 Guidelines for Audit of Information Technology
GUID 5290 Guidelines for Audit of Key National Indicators (KNI)

2.b On-going pronouncement projects from SDP 2016-2019

No.	Title	Status	Endorsement
#1.2	ISSAI 200 - A more principles-based and future-proof ISSAI 200	Endorsement version conditionally approved by FIPP.	Planned for GB 2020
#1.3	ISSAI 2000 Application of Financial Audit Standards	Exposure draft conditionally approved by FIPP in April 2020. After 3 months of INTOSAI exposure endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.1	GUID 2900 Guidance to the financial auditing standards	Exposure draft conditionally approved by FIPP in April 2020. After 3 months of INTOSAI exposure, endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.2	GUID 4900 Guidance on authorities and criteria to be considered while examining the regularity and propriety aspects in Compliance Audit	Exposure draft conditionally approved April 2020. After 3 months of INTOSAI exposure, endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.3	GUID 5000 Using ISSAIs in accordance with the SAI's mandate and carrying out combined audits	Project Proposal conditionally approved at the 12 th FIPP meeting December 2019 – an outline and the project proposal will be discussed further in FIPP depending on a PSC decision on the project.	
#2.5	GUID 5150 Consolidated and improved guidance on understanding internal control in an audit	Project proposal is being developed by the project group and has been initially appraised by FIPP February 2020. Will be discussed first with FIPP Chair and Vice Chair, LO and Project lead prior to an approval by FIPP. Planned to be put on agenda at FIPP meeting in 2020.	
#2.6	GUID 5160 Consolidated and improved guidance on reliance on the work of internal auditors	Exposure draft is being developed by the project group. Planned to be forwarded to FIPP to the 14 th FIPP meeting in August/September 2020 for appraisal/approval.	
#2.7	GUID 5320 Guidelines on audit of privatisation	Exposure draft is being developed by the project group. An exposure draft was appraised by FIPP March 2020, but FIPP found the draft not yet ready for approval and have distributed list of key issues to project by LO. Planned to be put on the agenda at a FIPP meeting in 2020.	

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#2.7	GUID 5340 Guidelines on audit of Public-Private Partnerships (PPP)	Exposure draft is being developed by the project group, but the drafting has been delayed. Will be discussed at a later FIPP meeting.	
#2.8	GUID 5101 Consolidating and aligning guidance on IT-audit with ISSAI 100	Endorsement version has been prepared by the project group, but based on the exposure comments, FIPP concluded that the GUID was not ready for approval at the 11th FIPP meeting, June 2019. At the 12th FIPP meeting, December 2019, FIPP reviewed the amended endorsement version with a gap analysis and carried out a new appraisal against the criteria. FIPP concluded that the GUID 5101 should not be forwarded to the INTOSAI Governing Board due to the feedback received in the exposure phase.	Will not be forwarded to GB due to feedback in the exposure phase.
#2.9	GUID 5250 Consolidating and aligning the audit of public debt with ISSAI 100	Endorsement version has been approved by FIPP and will be sent to the INTOSAI Governing Board 2020	Planned for GB 2020
#2.10	GUID 5330 Guidance on auditing disaster management	Exposure draft was conditionally approved by FIPP April 2020. After 3 months of INTOSAI exposure, endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.11	GUID 5280 Public Procurement Audit	Exposure draft was considered not ready for appraisal by FIPP at the 11th FIPP meeting 2019. FIPP plan to engage with the project group regarding the draft and expects to place the document on FIPP's agenda in 2020.	

3. Status of projects from the IFPP Strategic Development Plan 2020-2022

Project	Status	Approval
Component 1 Reviewing and refining the conceptual framework	The project is in an early stage.	
Component 2 Development work on key topics	Not initiated yet.	
Component 3 Competency Pronouncements (COMPs)	<p>Project proposal is being developed by the project group.</p> <p>A draft project proposal was discussed at the 12th FIPP meeting December 2019. An updated project proposal based on the comments from FIPP was presented to FIPP in March 2020.</p> <p>On the basis of the reworked proposal, FIPP has developed a paper to PSC Steering Committee regarding an update of the SDP 2020-2022 for the Component 3 and a request to review the IFPP classification regarding the COMPs in the framework.</p> <p>After PSC-SC approval of this update, CBC will forward a revised project proposal for FIPPs appraisal/approval – preferably in 2020.</p>	<p>Approval of update of SDP 2020-2022 and update of IFPP Classification principles in which the COMP category is removed as a separate category planned for PSC SC meeting in 2020</p> <p>Endorsement of update of SDP 2020-2022 regarding COMPs planned for GB 2020</p>

4. Other main tasks achieved by FIPP in 2019

1. FIPP completed the approval of all Editorial Changes from the old ISSAI framework to the IFPP. The PSC Secretariat supported the process of implementing editorial changes.

2. FIPP analyzed input received from the INTOSAI community regarding the next IFPP Strategic Plan and made a compilation of draft SDP initiatives / projects as input to the SDP 2020-2022. FIPP completed its part of the SDP planning process and developed a proposal on the new SDP for decision by the PSC Steering Committee and chairs of CBC and KSC and endorsement by the INTOSAI Governing Board. FIPP reviewed the content of the IFPP and analyzed proposed projects from subcommittees, work streams, task forces and working groups of the PSC, CBC and KSC as well as inputs and suggestions from the wider INTOSAI community. This resulted in a number of potential areas where it

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may be relevant to take initiatives in 2020-2025. FIPP obtained inputs from the goal chairs on the prioritisation of these areas which formed the basis of FIPP's final proposal on the SDP. The PSC Secretariat supported the process of gathering inputs and elaborating the proposed SDP.



Anexo 3c

Issai.org and accessibility of the financial audit standards

In connection with FIPP's work on the new ISSAI 2000 and GUID 2900 on financial auditing, we have observed that the issai-website no longer provides links to the individual ISAs. Information on this fact is included in the introduction part of the exposure draft for ISSAI 2000.

This fact has raised a number of concerns in FIPP. It creates a challenge for users of the ISSAIs as well as for the overall INTOSAI ambition - towards which FIPP works – of providing a clear and use-friendly set of ISSAIs.

FIPP's role and mandate concern however only the content of the IFPP and not the way the IFPP is presented on issai.org and the ISSAIs are made available to SAIs and auditors. We have therefore found it relevant to ask the PSC Steering Committee to consider the matter.

FIPP kindly requests the PSC Steering Committee to add a topic on 'accessibility of financial auditing standards (ISSAI 2000-series) for INTOSAI members' to agenda of the next meeting.

This would enable assessing costs and benefits for INTOSAI of providing access to the ISSAIs on financial auditing through the issai.org. We hope the PSC Steering Committee will be able to conclude on the matter in due time before the ISSAI and GUID are to be approved in their endorsement version by FIPP.

It is FIPP's observation, that it would contribute to clarity and further the use of the ISSAIs in line with INTOSAI strategic goals if all ISSAIs – including the ISSAIs on financial auditing - could be made easily available on issai.org.

Background

In the INTOSAI Framework of Professional Pronouncements (IFPP) the international standards on auditing (ISA) are included in the ISSAIs in the category of *ISSAI 2000-2899 Financial Audit Standards*. The ISAs are issued by the International Federation of Accountants (IFAC). The content is decided on by the International Auditing and Assurance Standards Board (IAASB), which is established by IFAC.

While IFAC standards are focused and generally designed for private sector audits, INTOSAI is a standard-setter for public-sector auditing aiming to serve the community of SAIs. Since there could be certain differences between private sector financial auditing and the role and function of SAIs, INTOSAI and IFAC have in the past had a well-established collaboration on the development of the financial audit standards. This collaboration originally had a number of elements: INTOSAI representatives participated in IAASB's task forces when new ISAs were developed and INTOSAI had a designated member of IAASB, who could ensure the public-sector perspectives were considered. In addition INTOSAI *supplemented* the ISAs by developing its own *practice notes* (PN) to each ISA.

Consequently, the ISSAIs for financial audit then comprised the International Standards for Auditing (ISA) issued by IFAC and the corresponding PN developed by INTOSAI by means of PSC's Financial Audit and Accounting Subcommittee (FAAS).

It was part of the good collaboration between INTOSAI and IFAC that these ISSAIs (consisting of the ISAs and the PN), were made publicly available on the issai-website. This gave the INTOSAI community and the users of the issai-website an easy access to all ISSAIs, including the financial audit standards. Originally the ISA and PN was published in one document (the ISSAI). Later these were split into two different documents so the issai-website provided a direct link to each ISA as well as each accompanying PN.

The current problem

For some reason the easy access to the financial audit standards has been lost in recent years together with most other elements of the INTOSAI-IFAC collaboration on financial auditing.

In terms of financial auditing, the IFPP is expected to include:

- 1) ISSAI 200 which was recently endorsed by INCOSAI and defines INTOSAI's financial auditing principles
- 2) a new ISSAI 2000 on the application of ISAs by SAIs/auditor who have adopted the ISSAIs as their standards and refers to these in their audit reports, and
- 3) the full set of ISAs developed and maintained by IFAC as these are incorporated as ISSAIs 2200-2815
- 4) a new GUID 2900 (a guideline) comprising former (but updated) PNs with limited further development.

The new draft ISSAI 2000 and GUID 2900 are currently at the stage of exposure drafts.

The ISSAI webpage is INTOSAI's authoritative channel that defines the standards that are applicable within INTOSAI. However, the ISSAI webpage no longer includes the ISSAIs for financial audit but rather a link to the iaasb.org

webpage, where only the ISAs are available. Within the IFAC/IAASB framework the ISA's form part of a wider framework (Handbook) of standards of which only the ISAs are relevant for the ISSAIs.

Furthermore, the issai.org webpage visitors are advised to register / log in to access the ISA, which can be done only by filling a questionnaire. The removal of links for the issai-website to the individual ISAs have therefore also in practice made them much less accessible for INTOSAI's members.

The webpage issai.org include an (interpretable) explanation for the link between the ISSAI and the ISA but unlike the situation earlier, the documents named ISSAI 2000-2899 no longer exist, neither as single documents nor as IAASB has done with the ISAs - include each ISA in one document called "Handbook...". Consequently, the 'package' of public sector financial auditing standards is nowhere available in its entirety.

INTOSAI's goals

INTOSAI strategic plan, Goal 1 defines, among others, the following strategic objectives:

1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.

1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure the standards are as useful and relevant as possible.

The strategic objectives would suggest that INTOSAI should aim to remove all potential obstacles to enhanced application of ISSAIs, which imposes:

- as easy and understandable accession to pronouncements as possible,
- as clear demonstration of added value of INTOSAI pronouncements as possible, and
- on-going dialogue between the standard-setters and users to ensure constant updating of pronouncements.

Feedback from individual FIPP members and their representing SAIs as well as from the IDI indicate that the chosen solution to get access to the financial audit ISSAIs do not contribute to the strategic objectives of goal 1. Stakeholders also believe that the regularity of updating ISAs would not impose a significant workload in terms of monitoring and updating the issai.org webpage.

The need for clarity

From FIPP's side, our main concern is that the lack of links to the individual ISSAI/ISA on financial auditing creates an element of unclarity that can easily lead to misunderstandings:

- it could signal that INTOSAI is no longer (as strongly) behind its endorsement of the ISAs. It makes it less clear that the ISAs are part of INTOSAI's standards – the ISSAIs – and that SAIs must comply with ISAs in their financial audits if they wish to assert that they comply with the ISSAIs (cf. ISSAI 100). At least it creates an unnecessary practical barrier for SAIs and auditors who wishes to use the ISAs.

- it could also be seen to lower the status and value of the issai-website and work against the overall ambition that INTOSAI aims to develop the ISSAIs into one clear and consistent set of standards covering all three types of auditing. At least it means that INTOSAI expects users of issai.org to search in other places to establish the full set of ISSAIs

- in addition, there is a risk of confusion as to what extent other IFAC-standards than the ISAs also have a relevance within the ISSAIs. At least it means that the users of issai.org will need to be well informed on the full IFPP and authority of the ISSAIs as well as the structure of IFAC's standards in order to understand which standards apply to a financial audit in accordance with the ISSAIs.



Anexo 3d



Financial Audit and Accounting Subcommittee (FAAS)

Dear fellow members of the Steering Committee of the Professional Standards Committee,

The purpose of this message is to help clarify some of the points raised by the Forum for INTOSAI Professional Pronouncements (FIPP) regarding the inclusion of the International Standards on Auditing (ISAs) in the IFPP.

Since the strategic decision was reached to incorporate the International Standards on Auditing (ISAs) developed by the International Auditing and Assurance Standards Board (IAASB) into INTOSAI's auditing framework, the INTOSAI community has worked very hard to help ensure the technical integrity of this integration. INTOSAI continues to work very closely with the IAASB to ensure that the public sector perspective is understood during the ISA development process. The former Controller and Auditor General of New Zealand is presently an IAASB member. INTOSAI is also well represented on the Consultative Advisory Group (CAG) of the IAASB with a SAI representative from U.S GAO serving as the Chair and a SAI representative from Canada serving as a member. Both SAI representatives are members of FAAS and actively participate in FAAS activities. SAIs also participate in ISA development activities by commenting on documents exposed for comment by IAASB. Lastly, an IAASB representative attends FAAS annual meetings to explain current ISA developments and to receive feedback from FAAS members on these developments. The current arrangements can certainly always be improved upon but this is simply to provide comfort that SAIs presently have a very strong voice in the ISA development process.

The ongoing financial audit project to develop GUID 2900 and ISSAI 2000 aims to improve the quality of the existing financial audit guidance presently found in the Practice Notes. FAAS had observed in 2015 that the Practice Notes had not been updated for many years and had therefore not kept up with changes in the ISAs. The decision to present this guidance in a single document was reached in order to facilitate access to the information by SAI auditors and to facilitate the required future maintenance of this information. We recently concluded a very successful exposure process and received a high volume of high quality feedback from the INTOSAI community on both GUID 2900 and ISSAI 2000. A FAAS project team is currently in the process of analyzing this useful feedback and is working very closely with their FIPP Liaison for this project to ensure that all exposure comments are appropriately cleared.

IAASB is presently working to improve the presentation of the ISAs on their website in order to facilitate access to this information. Historically the ISAs were presented in a pdf document that was saved on a password protected website. Changes to how the IAASB presents the ISAs on their website are highly relevant to INTOSAI's decision on how the ISAs should be integrated into the IFPP from a logistical perspective. FAAS intends to make a recommendation to the PSC on this once IAASB has established their new solution. Some of the feedback we have received during the exposure process for GUID 2900 and ISSAI 2000 also supports the need to facilitate access to the ISAs in the IFPP.



Financial Audit and Accounting Subcommittee (FAAS)

Lastly, we wish to clarify the FIPP observation that the ISAs are a “private sector standard”. The ISAs are a principles-based auditing standard that is designed to audit historical financial information prepared by entities participating in all sectors including the public sector. Presently the ISAs are the generally accepted international standard for auditing historical financial information. Public sector auditors throughout the world, including INTOSAI members, successfully apply the ISAs when auditing historical financial information produced by the governments they audit.

Due to the importance of the inclusion of the ISAs in the IFPP, FAAS certainly agrees with the need to closely monitor this key element of INTOSAI’s standard-setting strategy to ensure the continued appropriateness.

Dr. Harib Al-Amimi
FAAS Chair

October 5, 2020



Anexo 4



**INTOSAI
PSC**

Professional
Standards
Committee

17th PSC Steering Committee Meeting

Agenda item 4: Network of INTOSAI standards liaison officers

Background

At its meeting in 2019, the PSC-SC noted that the implementation and maintenance of the ISSAIs and INTOSAI products is an INTOSAI-wide task that involves contributions from all levels: global, regional, and individual SAI.

The steering committee resolved to improve communication on standards and on related issues by establishing a network of INTOSAI standards liaison officers (ISLO).

The ISLOs would be nominated by those SAIs that wish to take part, as well as by the various committees, structures and specialised bodies. The ISLO network would provide a method and focus for receiving feedback at INTOSAI level, but also for targeted communication on standards issues back into the community, dialogue around the standard-setting process, and the application of the framework in practice.

The network

The PSC contacted all Heads of SAIs, INTOSAI Committees, Working Groups, Subcommittees and INTOSAI Regional Working Groups asking them to nominate someone to act as the INTOSAI standards liaison officer. Within SAIs we recommended that the ISLO be an experienced member of staff or management, either working in the methodology field or having a keen interest and knowledge about the issues involved. In total, we received 49 positive responses from SAIs.

Our communications

We have shared a number of communications with the ISLO network. There were a number of exchanges on substantial matters, ranging from discussions on component 1 of the PSC's Strategic Development Plan (SDP) 2020-2022, on the reasons why the ISAs were no longer included on the www.issai.org website and on translating the International Standards of Supreme Audit Institutions. There were also a number of items for consultation and action such as the invitation to participate in the survey on fraud, corruption and other irregularities as well as announcing the annual call for expression of interest for the FIPP.

Next steps

Based on the limited experience to date, we are happy that the ISLO network has thus far created a single point of contact in SAIs, and INTOSAI working groups and bodies; has eased quick and easy communication at bilateral and multilateral levels; and has been a major step towards the promotion of two-way communication and dialogue amongst INTOSAI entities.

There are still many SAIs and INTOSAI entities which are not part of the network, and we will continue our efforts to encourage them to participate.



Anexo 5



17th PSC Steering Committee Meeting

Agenda item 5: Translation of Pronouncements

Introduction

INTOSAI's pronouncements are used by many SAIs in their day-to-day work. The quality of the pronouncements thus reflects directly on the credibility and the image of INTOSAI as a whole.

For pronouncements to be accessible and useful they need to be clearly drafted, unambiguous and readily understandable by any practitioner. Although English is the original drafting language for the vast majority of pronouncements, having them available in the five official INTOSAI languages is of major reputational importance, and a requirement under due process¹.

At the meeting of the PSC-Steering Committee in 2019, delegates welcomed the PSC secretariat's proposal to encourage the establishment of a network of volunteer SAIs, in specific language groups, able to undertake the translation and revision of documents. The steering committee mandated the PSC secretariat to establish guidelines on how this might be organised and could work in practice².

This report i) recaps on the need and background to establishing a network of volunteer SAIs, ii) outlines the feedback from our consultation with SAIs, and iii) proposes concrete guidelines to harness and direct the new translation procedures.

1) The need and background to establishing a network of volunteer SAIs

Current policy and practice on translation

Current practice is that unless another approach has been agreed, the working group³ responsible for drafting the pronouncement is also responsible for organising the translation of the approved endorsement version into the five official INTOSAI languages⁴. Current translation options include: translations being made by the members of the working group itself, for a fee by commercial

¹ "Unless other mechanisms have been established, the working group is responsible for translation of the approved endorsement version into the five official INTOSAI languages" Due Process for INTOSAI's framework of professional pronouncements, stage 3, page 9.

² Draft minutes of the 16th PSC Steering Committee Meeting.

³ For the sake of simplicity and line with the due process for the INTOSAI Framework of Professional Pronouncements (Section 1.1), we use the term "working group" throughout this document to mean any INTOSAI working group, subcommittee, task force or project group that carries out work in accordance with the due process. This includes any preliminary or *ad hoc* working groups established for the purpose of specific tasks as well as any existing working groups (subcommittees) that form part of the general structure of the PSC, CBC or KSC.

⁴ Due Process for INTOSAI's Framework of Professional Pronouncements, page 9.

professional translators, ex gratia by professional translators working for a SAI or other relevant organisation, or by auditors of an SAI which works in the target language. These will remain the fall-back options if no suitable voluntary translation possibilities can be found.

A sustainable, quality translation framework

The PSC-SC accepted last year that translation of pronouncements by SAIs, by their own translators or auditors, would be the only sustainable and cost-effective way forward for INTOSAI.

Specifically, the committee noted that there are a number of SAIs worldwide which have language departments to translate documents using INTOSAI language combinations. When they have spare capacity, they may be willing to translate INTOSAI pronouncements, particularly if deadlines are flexible. A major advantage of this proposal is that SAI translators already have considerable knowledge of translating in the field of public audit and are familiar with the relevant terminology.

Alternatively, there may be experienced auditors in those SAIs working in one of the INTOSAI official languages, who know the subject matter (and have a good command of English) and who may be willing and have the time to undertake the translation of a document with the approval of their employer.

In both cases, the SAIs involved may have a strong incentive to contribute to this task and ensure quality, as their audit staff are likely to be the ones who will make the greatest use of the resulting translations.

Finally, the PSC-SC also accepted that any pronouncement submitted for translation also undergo a mandatory revision (the formal term for checking) to ensure its quality. This would normally be done as an independent review of the translation accuracy, and correct use of terminology. This practice is not currently widespread amount existing INTOSAI pronouncements.

II) Feedback from our consultation with SAIs

Our translation and revision partners

In March 2020, the PSC secretariat identified and contacted those SAIs which work in French, German, Spanish and Arabic and sought their commitment to this scheme. We had positive responses from four SAIs offering us possibilities to translate and revise into German and Arabic subject to their availability and workload⁵. Although the response was lower than we would have liked (especially from French and Spanish speaking SAIs), we are confident that the scheme is nonetheless viable, and that other partners will take part as the arrangement expands.

⁵ SAI Austria, SAI Germany, SAI Qatar, SAI United Arab Emirates

III) *Guidelines to harness and direct the new translation procedures*

Guidelines to harness SAI corporate and individual translation capacity

Working within the parameters outlined in section (i), a working group requiring a translation will contact the INTOSAI Technical Support Function (TSF) who will arrange for the translation and revision to be made by one of our SAI partners in the language combination(s) available⁶. The working group concerned would arrange, as before, for translations in all other language combinations.

For those translations and revisions arranged by the TSF, the TSF will take responsibility to coordinate and answer any queries arising from the translators. A major benefit of this approach would be to enable an exchange of ideas between auditors and translators in order to align terminology and promote consistent translations. To help with this, all translators would additionally be encouraged to consult, and use critically the INTOSAI Online Glossary⁷ (available in all INTOSAI languages), as well as considering setting-up specific databases at working level to benefit from expert input.

Translators and revisers would not be required to format the translated text. To ensure consistency, the TSF and the PSC secretariat would do this at a later stage when uploading the document to www.issai.org

The next steps ...

- The PSC-SC is requested to take note of this document, and mandate the PSC secretariat to report back to the committee after one year on the functioning of these arrangements;
- The PSC secretariat should continue its efforts to encourage more SAIs with translation capacity to commit to the network of volunteer SAIs for translation.

⁶ This will ensure a level of coordination of the requests going to the SAIs / translators concerned.

⁷ <http://www.intosaiglossary.org.mx/Main.aspx>



Anexo 6a



Introduction

This report outlines the use of PSC funds from June 2019 (the date of the last PSC-SC meeting), to the 30 September 2020.

During the course of this period, the daily management of the PSC funds was transferred from the ECA to the INTOSAI General Secretariat. All arrangements are governed by a strict protocol. Neither the ECA nor the TCU have the appropriate legal frameworks to allow funds from third parties to be held in their names or to be appropriately shown in their accounting frameworks. We are grateful to our colleagues at the INTOSAI General Secretariat for their help in this matter.

Receipts and payments for the period concerned

€	Description
53,706	Brought forward
11,295	New ISSAI website
18,596	Translating /formatting standards & guidance
19,001	INTOSAI Strategic Goal contribution 1 st half-year 2019
20,894	INTOSAI Strategic Goal contribution 2 nd half-year 2019 and the 1 st half-year 2020
<u>63, 710</u>	<u>Total PSC funds available as at 30/09/2020</u>

The payments relating to the translation and the formatting of standards and guidance consisted primarily in the relabelling and the renumbering of standards as we migrated to the IFPP. In addition, there were additional costs associated with the translations of the original standards from English into the other four official INTOSAI languages (Arabic, French, German and Spanish), and for a graphic designer to format all documentation into the new design (see www.issai.org).

The costs associated with the new ISSAI website paid for a professional web designer to create a new site, and implement new features and content.

Analysis of receipts and payments

In the budget presented to the Steering Committee at last year's meeting, we anticipated expenditure of €5,000 for the production and dissemination of publicity materials for the

PSC booth at the XXIII INCOSAI meeting in Moscow, and €10,000 for initial travel costs for the Technical Support Function.

We are happy to report that all costs for the PCS XXIII INCOSAI booth, including the very popular activity book, were met by the TCU and the ECA at no cost to the PSC budget.

The INTOSAI Technical Support Function (TSF) has been up and running successfully since June 2020, see agenda item 7. Our budget last year included estimated travel costs for TSF staff and PSC chair and vice-chair members to attend an initial physical meeting. As it transpired, the effects of Covid-19 meant that our plans to meet and train in person with the TSF colleagues could not take place.

Anticipated payments 01/10/20 until the next PSC-SC

The table below shows the payments we anticipate within the next 12 months.

Short title	€ (estimated)	Detailed description
TSF initial travel costs	10,000	Travel costs for selected staff to attend first physical meeting of the TSF
License fee	1,000	License renewal (plus upgrades) for animation app <i>Powtoon</i> to create videos for the websites (costs for 2018, 2019 & 2020)
Migration of Arabic standards to the IFPP	18,000	Relabeling, renumbering and formatting of standards in Arabic.
Total	29,000	

General INTOSAI surplus

For information, the INTOSAI Policy, Finance, and Administration Committee (PFAC) has submitted a program document for the distribution of up to 700,000 EUR from the accumulated INTOSAI surplus funds to assist INTOSAI member SAIs and the seven Regional Organisations regarding their continuity of operations to respond to immediate needs caused by the COVID-19 Pandemic.

Conclusion

The PSC-SC is requested to take note of the report on the use of PSC funds and approve the anticipated payments for the coming year.



Anexo 6b



President
MORITSA Yuji

BOARD OF AUDIT

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January 31, 2020

Our Ref: J20003BR

Minister José Mucio Monteiro Filho
Chair of the PSC and
President of Federal Court of Accounts, Brazil
Tribunal de Contas da União
Setor de Administração Federal
Sul Qd 4 Lt 01
70042-900 Brasília DF
Brazil

Application for continuation of observer status at the PSC Steering Committee

Dear Minister José Mucio Monteiro Filho,

First of all, let me express my appreciation for your strong leadership as the PSC Chair and your strenuous efforts toward elaborating INTOSAI pronouncements.

Based on a letter from your SAI dated 31 October 2017, the Board of Audit of Japan (BOA) has been approved to join the Steering Committee as an observer of the PSC from 2018 to 2020. Since then, the BOA has participated actively in two Steering Committee meetings to contribute to discussions on standard-setting activities and has issued substantive comments on inquiries on various proposed standards. In addition, thanks to the experiences as ASOSAI Capacity Development Administrator, the BOA has provided ASOSAI members with Capacity Development activities based on the latest trends in the PSC. I would like to express our sincere appreciation to the PSC Chair and the PSC Steering Committee (PSC-SC) members for providing this valuable opportunity to be a PSC-SC observer.

The IFPP was approved by INCOSAI in 2019, and from 2020, I understand that the PSC will continue to be more active, including implementing SDP2020-2022 based on the evaluation of SDP2017-2019 and establishing an ISLO to improve communication among SAIs.



President

MORITA Yuji

BOARD OF AUDIT

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In order to further contribute to such activities of the PSC, we apply for the PSC-SC Observer status from 2021 to 2023, following the current three years term until 2020. Accordingly, based on item 4.2 of the PSC terms of reference, let me inform you why we apply for continued observer status as follows:

Since the BOA served as a PSC goal liaison from 2014 to 2016 before becoming an observer of the PSC-SC, the BOA has attended PSC-SC meetings for six years from 2014 to 2019 and contributed actively to discussions on standard setting activities.

In addition, as mentioned above, as ASOSAI Capacity Development Administrator since 2000, the BOA has been engaged in capacity development activities for ASOSAI members and implemented capacity development activities utilizing ISSAI and others.

We believe that, by using the knowledge and experiences obtained through these activities, we can substantively contribute to future discussions in the PSC-SC.

For these reasons, the BOA strongly hopes to continue participating in the PSC activities toward strengthening and maintaining the capacity of SAIs.

We are profoundly grateful for your continued efforts at the PSC in ensuring high quality public sector auditing standards. Your positive consideration in this matter would be greatly appreciated.

Sincerely yours,

MORITA Yuji

President

Board of Audit of Japan



Anexo 7



Agenda item 7 – technical support function

Introduction

The idea behind an INTOSAI Technical Support Function (TSF) arose from one of the strategic objectives for Goal 1 (Professional Standards) in the INTOSAI Strategic Plan 2017-2022. This was to provide a strong organisational framework to support INTOSAI and to offer high-quality technical support services to INTOSAI standard setting activities and available to the whole INTOSAI community.

The INTOSAI TSF will initially consist of two TSF officers and one manager, who will be responsible for the team. We received many strong applicants for the TSF posts, all of whom we interviewed. After careful consideration of their relative merits, the Goal Chairs selected three candidates whose terms of engagement have been formalised with the PSC through memoranda of understanding.

The TSF will function initially as a distance-based support service. Thus, TSF staff will work under the direct authority of the PSC but continue to be based at their current place of employment under the same terms and conditions as at present. Their initial commitment is for one year, which can be renewed.

The TSF has been functional since May 2020.

Getting the job done

The TSF have been involved in sourcing background information and carrying out explorative research work on topics from the Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements 2020 – 2022:

- Component 1: one member has carry out analysis do support the review proposed as part of this component.
- ISSAI 140: exploring the scope of a possible project aimed at providing clear, consistent and adequate standards for the organisation of quality control within SAIs taking into account different organisational models, and ensuring consistent use of terminology;
- Fraud and Corruption: How the IFPP can provide improved support to SAIs in addressing fraud and corruption. In this respect the TSF are running an extensive survey covering inter alia the extent to which the IFPP and the ISSAIs provide sufficiently valid guidance on what are the SAI's role and tasks in fight against irregularities, as well as on future needs;
- SDGs: Specifically, how the existing ISSAIs and GUIDs are used in auditing the SDGs, and if there are further needs arising from this.
- Support to project group and subcommittees on summarizing issues and the options going forward with the GUID on combined audits.

For many years, the FIPP was keen to have a functioning TSF, and thus it is no surprise that the initial requests for support came from the FIPP Chair and Vice-Chair.



Anexo 8a



INTOSAI
PSC

Professional
Standards
Committee

www.psc-intosai.org

Date: 19.8.2020

Dear Colleagues,

Component I Review: progress August 2020

Due to the current circumstances, the Component 1 Review (C1R) has progressed more slowly than expected (notably compared with the February 2020 schedule). Rather than provide the INTOSAI governing board with the planned full report at its meeting in November 2020, we now aim to submit to the board a progress report with initial conclusions, and the identification of issues on which the C1R will continue to work in detail. We will then present the full report to the 2021 governing board meeting.

The challenging working conditions, and the fact that the analysis is proving more complex than expected due to the number of issues involved, means that the overall objective of C1R is now for the results to be reflected in the next SDP to be approved at the 2022 INCOSAI. This means that any concrete proposal for updating the framework, and projects for individual elements of content, will only enter due process in 2023, in order to allow sufficient time for thorough preparation.

Accompanying this letter is the initial analysis carried out by the PSC secretariat, with valuable support from the recently established technical support function (TSF). The analysis examined the structure and substance of some of the main documents of the framework, including the identification of:

- instances of repetition across documents, both in terms of form and content;
- problems of referencing within and across the documents;
- issues with clarity of drafting, including suggested reformulations that might help; and
- the extent to which the framework meets its stated aims of being principles-based.

The accompanying annexes provide more detail on the results of the initial analysis. These documents are intended to provide an effective basis for discussion with the other INTOSAI working bodies. As such, we look forward to receiving your feedback on the issues raised by this initial analysis. The spreadsheets containing the full analysis will be available on the new <http://www.psc-intosai.org> (under “projects”) which will be launched very soon.

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In addition we are particularly interested in eliciting your views on a number of key issues set out below:

1. Principles-based standards are ones which set out what should be achieved, but not how they should be achieved. To what extent do you think that the IFPP in its current form achieves this aim?
2. The IFPP currently contains principles in the form of INTOSAI-Ps (covering mostly organisational issues), as distinct from ISSAI principles covering audit issues. Do you think this distinction between the different types of principles should be maintained, or if the framework would improve in clarity if it contained a single set of consistently conceived and presented principles?
3. The framework currently presents in ISSAIs 100, 200, 300 and 400 those requirements to be taken into account by those who wish to prepare their own standards or follow those prepared by others, and additional detailed requirements in 2000, 3000 and 4000 for those who wish to implement the standards directly. The requirements set out in these two levels of documents are, of course, interlinked (and the issues connected with this approach set out in the interim report). Is this distinction necessary, or could the material be merged and an indication given of the minimum?
4. The ISSAI framework is currently very extensive (some 260 pages), partly due to extensive amounts of repetition. Would you see benefits in clarity and application in slimming down the core framework (ISSAIs), in favour of extending guidance and good practice through GUIDs or other supporting material in a more dynamic and accessible way?
5. The current framework maintains a strict differentiation between currently defined audit 'types' (performance, compliance and financial audit) as if they are undertaken as distinct tasks. Does this reflect reality, or would reality be better served by recognising these as distinct types of audit objectives, a combination of which are often addressed in individual tasks?
6. Do you believe that the content of the ISSAIs and GUIDs is easily identifiable, and it is clear what needs to be applied or used in what circumstances? Could accessibility be improved if the content was provided in a single online searchable resource, rather than individual pdf documents?
7. In terms of financial audit objectives, the IFPP contains no requirements additional to those provided in the International Standards on Audit issued by IFAC, which contain increasing amounts of public sector-specific material. Should this have an impact on the way the IFPP presents its material on auditing financial statements or other financial information, and its content?

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In order to produce the progress report for the governing board mentioned above, we would appreciate your contributions no later than the **end of September**. We also intend to discuss some of these and other issues arising out of the initial analysis at the PSC-SC virtual meeting on October 6th, 2020. We are also at your disposal should you wish to discuss any of these points either by phone or video call.

We hope to count on your interest and committed participation in this important and challenging project.

Kind Regards,

PSC Secretariat

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Anexo 8b



COMPONENT ONE OF THE STRATEGIC DEVELOPMENT PLAN: ANALYSIS OF THE FRAMEWORK AND NEXT STEPS

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COMPONENT ONE AS PART OF THE STRATEGIC DEVELOPMENT PLAN

1. The 2016 INCOSAI established a planning tool to guide and organise its standard setting work: the Strategic Development Plan (SDP). The first SDP had the very clear aim of taking forward the necessary initiatives to migrate the former ISSAI framework into the new IFPP (INTOSAI Framework for Professional Pronouncements). This has [mostly] been achieved.
2. The development of the subsequent plan for 2020-2022, based on inputs from a wide consultation and a technical review of the current documents, identified the need for further analysis of the IFPP in order to better define, scope and plan its future development.
3. As a result, the SDP 2020-2022 has as its overall objective to focus the core framework on the essential and make it simple, principles-based and future-proof. The guidance and other supporting material is to be as useful as possible by making it up-to-date in content, accessible in format and flexible in application¹. In order to achieve this, the SDP established three components, the first being “*reviewing and refining the conceptual framework*”.

THE OBJECTIVE OF COMPONENT ONE

4. The aim is to look at the **clarity** (of concepts and drafting) and **presentation of the framework**. The review will **neither question the formal requirements, nor make proposals for factual changes to the substance of those requirements (and therefore the way audits are done)**. Development of new pronouncement material (components 2 and 3 of the SDP) can continue in parallel, but be cognisant of the outcome of this project.

WORK DONE SO FAR – INITIAL ANALYSIS OF THE FRAMEWORK

5. We reviewed pronouncements concerning performance and compliance auditing (ISSAIs 100, 300, 400, 3000, 4000, GUID 3910 and 3920). The provided supporting document² and table 1 illustrate the approach we took to assess the pronouncements in respect of their structure, the underlying requirements and corresponding explanations.
6. We did not review pronouncements concerning financial auditing given the ongoing due process for ISSAI 200 and practice notes (as well as the fact the requirements are those set out in International Standards on Auditing (ISAs) issued by IFAC on which we do not have direct power to change).

Type of comparison	Compared pronouncements
Structure (headings and requirements)	ISSAI 100 vs ISSAI 300 vs ISSAI 400 ISSAI 100 vs ISSAI 300 vs ISSAI 3000 ISSAI 100 vs ISSAI 400 vs ISSAI 4000 ISSAI 3000 vs ISSAI 4000
Full text (incl. explanations)	ISSAI 100 vs ISSAI 300 vs ISSAI 3000 ISSAI 100 vs ISSAI 400 vs ISSAI 4000 ISSAI 3000 vs GUID 3910 vs GUID 3920

EXECUTIVE SUMMARY OF THE KEY POINTS IDENTIFIED

7. We identified a number of issues that hamper the clarity and ease of use of the pronouncements we assessed. Some are connected to the way IFPP is set up, and some to the structure of the individual pronouncements. A number of these issues are legacy of the

¹ https://www.issai.org/wp-content/uploads/2019/10/2_SDP-FINAL.pdf (see page 7)

² ISSAI comparison.xls; provided separately

times when pronouncements were drafted by different teams with little or no coordination and oversight in the form of quality control body of the likes of today's FIPP.

8. As regards relations between pronouncements, the most visible problem we found was a significant level of repetition across pronouncements, often using the same wording, and sometimes an illogical progression of detail (paragraphs 13-19). Linked to this is also uncertainty through an inconsistent approach to making references across pronouncements (paragraphs 20-27).
9. Another major issue we identified is an unclear difference between principles and standards and the volume of information they should present together and separately. We also point to the confusing use of the term "principle", which leads to a question if alternatives should be sought to maintaining principles in their current form (paragraphs 28-37).
10. We reflect on the future possibilities of rethinking the current concept of having separate "audit types" and moving towards auditing objectives linked to performance, compliance or financial statements (paragraphs 38-39).
11. Issues linked to the individual pronouncements include their structure, resulting in multiple placement of entries within the same document (paragraphs 40-41), inconsistencies in introducing requirements with headings (paragraph 42) or even misleading headings (paragraph 43), and cases of a disproportional level of detail in certain requirements, which could be more conveniently placed in the explanations (paragraph 44). We also identified cases of unclear drafting, and on a sample of such cases proposed alternative wording as an example of how they could be improved (paragraphs 45-47).
12. Finally, we elaborate on the fact that the IFPP is not an entirely principles-based framework yet, as is the stated objective (paragraphs 48-50).

WHAT WE FOUND – ISSUES CONCERNING THE IFPP AS A WHOLE

Pronouncements convey the same message, using mostly – but not always – the same wording, and sometimes with an illogical progression of detail

13. The ISSAIs contain two sets of pronouncements, which differ by how users should apply them:
 - the hundred-series ISSAIs (known as the ISSAI principles) are meant to serve as a basis for users who wish to develop their own or national standards in line with ISSAIs.
 - the thousand-series ISSAIs (known as the ISSAI standards), represent the authoritative set of documents for SAIs who wish to state that they carry out their audit in accordance, and comply with ISSAIs in full;
14. ISSAI 100 (fundamental audit principles) requests users to comply with ISSAIs 200, 300 or 400 (principles covering the specificities of audit of financial statements, performance and compliance). Also, all hundred series ISSAIs invite users to take account of corresponding ISSAIs of the thousand series – the standards.
15. It would be reasonable to expect that:
 - the hundred-series pronouncements set out the fundamental audit principles and the essential specifics for the audit of financial statements, performance and compliance. Issues common to pursuing all audit objectives should be set out in the fundamental principles. There should be no repetition across these pronouncements when explaining the key concepts, adhering to the spirit of mutual exclusivity and collective exhaustivity.
 - the authoritative thousand-series pronouncements would set out all the necessary information, without the need for the user to consult any other "higher" principles document.

16. However, we found a significant number of cases of practically identical or similarly worded requirements across the pronouncements assessed.
17. As regards similarities across the hundred-series ISSAIs, we found that:
- requirements in ISSAI 100 are drafted in a more general manner than those in ISSAIs 300 and 400.
 - at first glance, ISSAI 300 follows more the concept of mutual exclusivity *vis-à-vis* ISSAI 100 than ISSAI 400. ISSAI 300 does not elaborate on a seven and ISSAI 400 on four out of the 17 principles in ISSAI 100 (see parts A of annexes 1 and 2 respectively).
 - However, ten principles of ISSAI 100 still have a matching requirement in ISSAI 300, and 13 such principles in ISSAI 400 (see parts A of annexes 1 and 2 respectively). This is not always justified, as many of the issues covered therein either repetitions or issues applicable to auditing either performance or compliance³.
 - In the same vein and most importantly, six of the seven requirements exclusive to ISSAI 300 and all five requirements currently exclusive to ISSAI 400 are in fact applicable to auditing the other audit objectives, and should be rather listed in ISSAI 100 (see parts B of annexes 1 and 2 respectively).
18. As regards similarities between hundred and thousand-series ISSAIs, we found that:
- 14 of the 17 requirements in ISSAI 300 have a matching requirement in ISSAI 3000 (see annex 3). The three remaining ISSAI 300 requirements also have a matching requirement in ISSAI 3000, but provide more detail – rather than less as one would expect – than ISSAI 3000 (which covers the gap in the explanation following the requirement concerned).
 - 16 of the 18 requirements in ISSAI 400 have a matching requirement in ISSAI 4000 (see annex 4). Two requirements in ISSAI 400 are not reflected directly in ISSAI 4000.
 - The issue of repetitions across pronouncements also applies to explanatory material, as illustrated on the example in annex 5.
19. In practice, requirements and explanations which concern basic general and process-related basic audit elements (e.g. professional judgement, documentation, quality control, audit objectives, audit criteria, risk issues) are repeated across the mutually linked documents, rather than only being mentioned once and then setting out the truly unique specificities for the different audit ‘types’.

Inconsistent approach to making references across pronouncements

20. We identified two approaches to making referencing between pronouncements: direct and general.
21. Direct referencing takes two forms:
- The pronouncement sets out that a particular issue is addressed elsewhere.
As an example, ISSAI 300 refers to ISSAI 100, the INTOSAI-Ps and SAI organisational requirements for coverage of ethics and independence matters. In the case of references made to ISSAI 100 this represents a reversed progression in providing information.
 - The pronouncement specifically sets out that it elaborates on entries already covered in “higher” or “same level” pronouncements, but provides a specific perspective.

³see ISSAI comparison.xls; provided separately

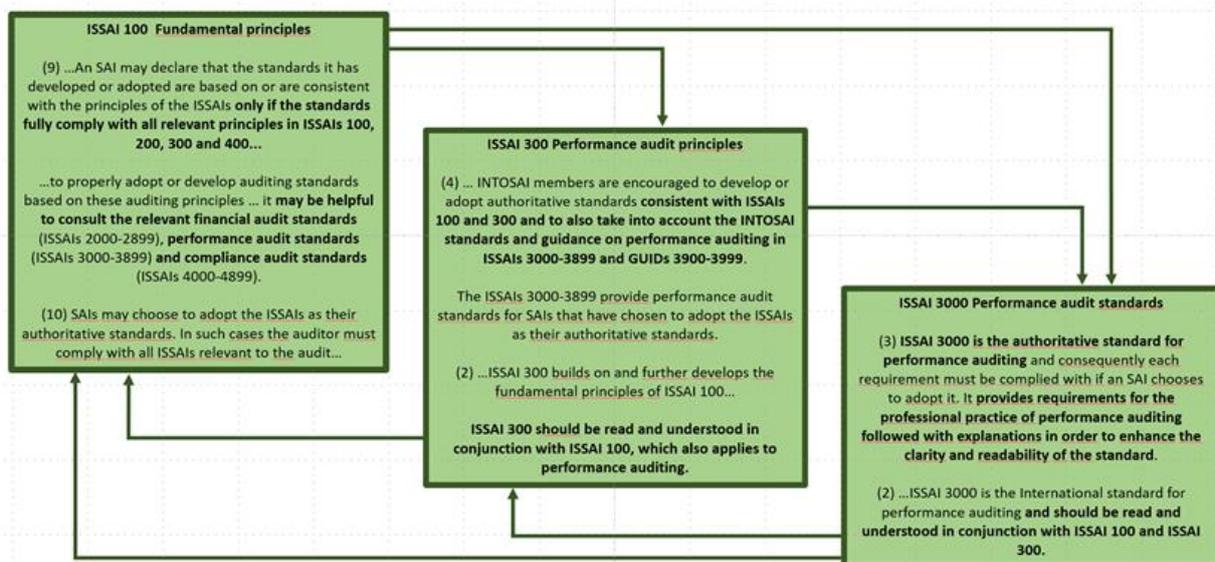
As an example, ISSAI 300 specifically refers to ISSAI 100 in respect of entries on audit risk, quality control, materiality or professional judgement, and elaborates on them further with details relevant to auditing performance objectives. We found that such referencing is highly inconsistent throughout IFPP, because many other “lower” level requirements elaborate in greater detail on issues covered “higher”, but do not include such a reference. This causes uncertainty, because the users cannot be sure if they should consult the complementing pronouncement concerned.

22. General referencing, where pronouncements request or encourage the users to consult other pronouncements. The bulleted text presents how this works in practice (see Figure 1):

- ISSAI 100 (fundamental audit principles) requests users to comply with ISSAIs 300 or 400 (as relevant), and recommends that ISSAIs 3000 and 4000 also be consulted.
- ISSAI 300 and 400 confirm this link by indicating that they should be read and understood in conjunction with ISSAI 100, and invite users to take account of pronouncements of the thousand series (3000 and 4000 as appropriate).
- However, ISSAI 3000, which is the ultimate authoritative standard for auditing performance issues, also sets out that it should be read and understood in conjunction with ISSAI 100 and ISSAI 300.

Figure 1

Mutual referencing in documents concerning performance audit



23. It would be reasonable from users to expect that authoritative pronouncements contain all the information necessary to carry out an audit. So, requesting them to consult “higher”, mostly more general pronouncements addressing the same issue in lesser detail causes uncertainty, is inconvenient for users as well as unconventional. It should be noted that such an approach is not applied for ISSAI 4000 (compliance audit standards), and hence inconsistent.

24. The framework does not currently support making specific references to “lower” level pronouncements (e.g. *for more information on subject X see ISSAI Y, paragraph Z*), although this could facilitate significantly users’ orientation in and work with the overly complex IFPP.

25. Moreover, referencing within and across documents is complicated by the absence of numbering the individual requirements in ISSAIs 300, 400, 3000 and 4000. These pronouncements have numbered paragraphs, with no distinction of whether the paragraph

represents definitions, introductory text, general concepts, requirements or the accompanying notes. As an example, if reference should be made to the last requirement of ISSAI 4000 (on follow up), this would be ISSAI 4000:232, even if the pronouncement contains only 35 requirements⁴.

26. ISSAI 4000 sets out that some of the requirements are to some extent influenced by or shared with audits of financial statements or performance, and in such cases, it refers to ISSAI 2000 series and ISSAI 3000 as appropriate. However, there are no such references throughout the remainder of the pronouncement (and nor in the financial and performance pronouncements), leaving any knowledge of such links it to the users' imagination or extremely advanced knowledge of the framework.
27. However, ISSAIs 400 and 4000 (audit of compliance) do cover audit of performance objectives under entries on the audit of propriety.

An unclear difference between principles and standards, and the requirements they present

28. Similarities between the hundred- and thousand-series ISSAIs illustrated in the previous section open a more fundamental question on if there should not be a more profound difference between these pronouncements, and the content, meaning and application of principles.
29. Indeed, the IFPP consists of three types of documents. INTOSAI principles (INTOSAI-Ps) address institutional matters and include core material such as are the Lima and Mexico declaration. It can be argued that practically all INTOSAI members subscribe to these principles. The second type are standards (ISSAIs – International Standards for Supreme Audit Institutions), which directly concern audit work. Finally, there are guidelines (GUIDs) which complement the ISSAIs by providing process or subject matter specific advice or set out good practice.
30. As explained in the previous section, the ISSAIs contain two sets of pronouncements: the thousand-series standards and the hundred-series principles.
31. This illustrates the unconventional – and potentially misleading – approach to the use of the term “principles” in the IFPP. The term “principles” applies to the INTOSAI-Ps, to the hundred-series ISSAI pronouncements labelled principles, and requirements set out in these pronouncements also called principles.
32. The IFPP does not elaborate sufficiently the key difference between the individual requirements in the hundred- and thousand series ISSAIs. The difference is partially covered in the outdated (pre-IFPP) drafting rules, requesting that principles (in the hundred-series ISSAIs) be introduced with the verb “should” and requirements (in the thousand-series ISSAIs) with the verb “shall”.
33. In the absence of further IFPP guidance, public sources can be used to shed light on the issue. General definitions describe principles as fundamental assumptions or statements of commitment, while standards are examples of a measure or rule in support of the principle^{5,6}.

⁴ 4000:45, 4000:48, 4000:52, 4000:58, 4000:64, 4000:71, 4000:74, 4000:77, 4000:80, 4000:85, 4000:89, 4000:96, 4000:99, 4000:101, 4000:107, 4000:110, 4000:121, 4000:125, 4000:131, 4000:137, 4000:144, 4000:153, 4000:158, 4000:170, 4000:172, 4000:179, 4000:184, 4000:188, 4000:191, 4000:202, 4000:210, 4000:218, 4000:221, 4000:225, 4000:232

⁵ <https://wikidiff.com/standard/principle>

⁶ <https://www.linkedin.com/pulse/understanding-hierarchy-principles-policies-standards-wally-beddoe>

34. IIA7 standards may serve as a suitable benchmark, or source of inspiration for IFPP. Similarly to the IFPP, IIA standards contain mandatory and recommended guidance, and work with the concept of principles and standards. However, the IIA framework adheres to the definitions set out in the paragraph above.
35. The IIA's mandatory guidance comprises:
- 10 core principles, with no explanatory text, which an internal audit function is requested to honour (see annex 6);
 - a definition of internal audit (text of the length of one paragraph);
 - a code of ethics (one document); and
 - standards (one document).
36. Given that the IIA standards are one document, there is no need for a labelling or numbering. Instead, each individual IIA requirement has a unique number (see annex 6), facilitating orientation and referencing in the framework.
37. Turning back to the IFPP with this approach in mind it raises the question of whether there could be alternatives to maintaining the hundred-series ISSAIs as separate pronouncements, whilst still satisfying the objective of providing SAIs both with authoritative pronouncements and a pronouncements to serve as basis on which to base their own standards.

Audit types vs auditing specific objectives

38. The review confirmed previously voiced assumptions that all “audit types” are ultimately linked to compliance, following the arguments that:
- financial audit is effectively an audit of a compliance nature, but specifically focused on the audit of financial statements -compliance with the rules and requirements of the accounting framework etc;
 - the assessment of 3Es (performance audit), even in the absence of formal criteria and needing to develop them or benchmark against best or peer practice, is ultimately judging whether one complies or not (with a degree of assurance) with the chosen criteria; and
 - “propriety” aspects of compliance audit refer directly (sound financial management) or indirectly (actions of individuals) to performance aspects.

In effect, it would be worth exploring if the notion of “compliance” audit as a distinct and separate audit type is justified by the reality. In effect, the same applies to “performance” and “financial” audit as distinct audit types rather than different types of audit objective.

39. That said, it is still important to recognise that auditing compliance with criteria for performance type of objectives, compliance with criteria set out in formal documents (laws and regulations), and compliance with rules applicable to auditing financial statements are core audit procedures, unique in pursuing specific audit objectives.

⁷ The Institute of Internal Auditors

WHAT WE FOUND – ISSUES CONCERNING INDIVIDUAL PRONOUNCEMENTS

Unintuitive and sometimes multiple placement of entries within the same and across multiple pronouncements

40. A pronouncement typically consists of two parts:

- a general, non-requirements part which typically sets out the purpose and authority of the document, the framework for the ‘audit type’ covered, and key elements; and
- a section with the requirements, labelled “principles” in ISSAIs 100, 300 and 400. This includes general requirements (e.g. quality control, professional judgement), and requirements linked to the audit process (from planning to follow-up).

41. We identified several examples of an inconsistent approach to recording requirements in the pronouncements, which can be summarised as follows (specific examples available in annex 7):

- elements mentioned twice, both in the general part that ostensibly does not present requirements, and under requirements (e.g. criteria, subject matter);
- elements currently placed under general requirements that would better fit being placed under those concerning process (e.g. audit criteria, audit risk, audit approach, audit objectives etc.); and
- similar elements not mentioned in the same section of the pronouncements (e.g. ISSAI 400 covers audit risk under general requirements, but risk assessment and risk of fraud under requirements concerning the audit process).

Inconsistency in introducing requirements with headings

42. The use of headings in pronouncements is very helpful in separating sections covering specific issues, be it for a single or multiple requirements on the subject. However, they are not used consistently. For instance, the section on reporting in ISSAI 300 uses headings to introduce individual requirements, whilst the corresponding section in ISSAI 3000 has no headings, even though it sets out multiple corresponding requirements (see the ISSAI comparison document provided separately).

Misleading headings

43. Some headings provide misleading information on the material they cover. For example:

- requirements in ISSAIs 100 and 400 do not cover team management under the heading “Audit team management and skills”; and
- the requirement in ISSAI 100 does not mention ‘follow-up’ procedures under the heading “Reporting and follow up”, but addresses this in the explanatory note.

Disproportional level of detail in certain requirements

44. We identified isolated cases where requirements provide an excessive level of detail that may actually complicate compliance with the requirement. We consider that much of the information could be covered in the explanation instead. The examples concerned are in annex 8.

Clarity of drafting not always optimal

45. The ability to produce clear unambiguous text is a very demanding skill that is not easy to master. Furthermore, in order to ensure clarity and accessibility a single body of text such as the IFPP benefits from a single drafting approach and style. This is not currently the case, largely because the current material has been prepared over time by different working bodies and authors, and with little or no quality control focused on this aspect.

46. To illustrate the issue, we proposed on a sample of cases improvements that might help in an upcoming review of the pronouncements (see annex 9).
47. We also identified cases when the terminology used is unclear and inconsistent. This includes the following cases:
- terms which could be replaced by clearer entries, that do not require an immediate looking up in a glossary (e.g. laws and regulations instead of authorities, auditee instead of responsible party);
 - inconsistency in the use of the terms (*individual*) auditor(s), (*individual*) SAI(s), *audit team*;
 - certain adjectives of an excessively subjective nature should be avoided in the requirements, and used as little as possible in the explanatory section (e.g. appropriate, suitable – “the auditor must select suitable criteria that ...” is less clear than “the auditor must select criteria that...”).

Not an entirely principles-based framework

48. Finally, we assessed the extent to which documents can be considered principles-based, as is the stated ambition of the current SDP⁸.
49. We found that the IFPP is not an exclusively principles-based framework, as it gives instructions or sets out how issues should be achieved or what form they should have. As an example for further reflection we provide references to material setting out:
- what a report must contain, or what skills a SAI must possess (see paragraph 44 and annex 8);
 - the obligation to provide separate conclusions/opinions when assessing in one audit task compliance issues and financial statements⁹;
 - how evidence can be collected¹⁰
50. For the framework to be considered purely principles-based, instructions should be turned to guidance.

⁸ https://www.issai.org/wp-content/uploads/2019/10/2_SDP-FINAL.pdf (see page 7)

⁹ ISSAI 4000, paragraph 16

¹⁰ ISSAI 4000, paragraph 169

Annex 1: Comparison of requirements between ISSAIs 100 and 300
A) Similarities in requirements

Note: bold text indicates repetition across the compared ISSAIs.

All principles of ISSAI 100 (17)	Corresponding principle of ISSAI 300
SAIs should establish and maintain appropriate procedures for ethics and quality control	(no corresponding requirement)
Auditors should comply with the relevant ethical requirements and be independent.	(no corresponding requirement)
Auditors should maintain appropriate professional behaviour by applying professional scepticism , professional judgment and due care throughout the audit.	Auditors should exercise professional scepticism , but also be receptive and willing to innovate.
Auditors should perform the audit in accordance with professional standards on quality control	Auditors should apply procedures to safeguard quality , ensuring that the applicable requirements are met and placing emphasis on appropriate, balanced and fair reports that add value and answer the audit questions.
Auditors should possess or have access to the necessary skills	Collectively, the audit team should have the necessary professional competence to perform the audit.
Auditors should manage the risks of providing a report that is inappropriate in the circumstances of the audit	Auditors should actively manage audit risk , which is the risk of obtaining incorrect or incomplete conclusions, providing unbalanced information or failing to add value for users The wording differs but some elements in the explanation are not unique to performance audit only and should be covered in ISSAI 100.
Auditors should consider materiality throughout the audit process	Auditors should consider materiality at all stages of the audit process. Thought should be given not only to financial but also to social and political aspects of the subject matter, with the aim of delivering as much added value as possible.
Auditors should prepare audit documentation that is sufficiently detailed to provide a clear understanding of the work performed , evidence obtained and conclusions reached	Auditors should document the audit in accordance with the particular circumstances thereof. Information should be sufficiently complete and detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations.
Auditors should establish effective communication throughout the audit process	Auditors should maintain effective and proper communication with the audited entities and relevant stakeholders throughout the audit process and define the content, process and recipients of communication for each audit.
Auditors should ensure that the terms of the audit have been clearly established	(no corresponding requirement)
Auditors should obtain an understanding of the nature of the entity/ programme to be audited	(no corresponding requirement)

Auditors should conduct a risk assessment or problem analysis and revise this as necessary in response to the audit findings	(no corresponding requirement)
Auditors should identify and assess the risks of fraud relevant to the audit objectives.	(no corresponding requirement)
Auditors should plan their work to ensure that the audit is conducted in an effective and efficient manner	Auditors should plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.
Auditors should perform audit procedures that provide sufficient appropriate audit evidence to support the audit report	Auditors should obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit objectives and questions and issue recommendations.
Auditors should evaluate the audit evidence and draw conclusions	(no corresponding requirement)
Auditors should prepare a report based on the conclusions reached	Auditors should strive to provide audit reports which are comprehensive, convincing, timely, reader-friendly and balanced. <i>The wording of the requirement differs but the explanation covers partially the same issues and some most elements therein are not unique to performance audit only, so and should be covered in ISSAI 100.</i>

B) Overview of requirements unique to ISSAI 300 as compared to ISSAI 100

Comments	Principles of ISSAI 300 with no corresponding match in ISSAI 100
<i>All audits have an objective they pursue: compliance with laws and regulations, 3E, or requirements set out for financial statements. A relevant principle should be included in ISSAI 100.</i>	Auditors should set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness.
	Auditors should choose a result-, problem- or system-oriented approach, or a combination thereof, to facilitate the soundness of audit design.
<i>All audits are based on assessing against criteria, which correspond to the audit objective. A relevant principle should be included in ISSAI 100.</i>	Auditors should establish suitable criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness.
<i>Selecting audit topics is also relevant for auditing compliance objectives. A relevant principle should be included in ISSAI 100, with a disclaimer of non-applicability for the audit of financial statements.</i>	Auditors should select audit topics through the SAI's strategic planning process by analysing potential topics and conducting research to identify risks and problems.
<i>Recommendations are also relevant for auditing compliance objectives and SAIs may even choose to issue recommendations relevant to auditing financial statements. A relevant principle should be included in ISSAI 100.</i>	If relevant and allowed by the SAI's mandate, auditors should seek to provide constructive recommendations that are likely to contribute significantly to addressing the weaknesses or problems identified by the audit.
<i>This principle applies to all audits regardless of the objective they pursue. A relevant principle should be included in ISSAI 100.</i>	Auditors should seek to make their reports widely accessible, in accordance with the mandate of the SAI.

Following up is also applicable to other audits regardless of the objectives they pursue. The entry in ISSAI 100 in taking the form of explanatory text should be turned to a principle and elaborate on the common issues.

Auditors should follow up previous audit findings and recommendations wherever appropriate. Follow-up should be reported appropriately in order to provide feedback to the legislature together, if possible, with the conclusions and impacts of all relevant corrective action.

Annex 2: Comparison of requirements between ISSAIs 100 and 400
A) Similarities in requirements

Note: bold text indicates repetition across the compared ISSAIs.

All principles of ISSAI 100	Corresponding principle of ISSAI 400
SAIs should establish and maintain appropriate procedures for ethics and quality control	(no corresponding requirement)
Auditors should comply with the relevant ethical requirements and be independent.	(no corresponding requirement)
Auditors should maintain appropriate professional behaviour by applying professional scepticism, professional judgment and due care throughout the audit.	Auditors should plan and conduct the audit with professional scepticism and exercise professional judgement throughout the audit process
Auditors should perform the audit in accordance with professional standards on quality control	Auditors should take responsibility for the overall quality of the audit. <i>The wording differs but addresses the same issue</i>
Auditors should possess or have access to the necessary skills	Auditors should have access to the necessary skills.
Auditors should manage the risks of providing a report that is inappropriate in the circumstances of the audit	Auditors should consider audit risk throughout the audit process <i>The wording differs but addresses the same issue</i>
Auditors should consider materiality throughout the audit process	Auditors should consider materiality throughout the audit process.
Auditors should prepare audit documentation that is sufficiently detailed to provide a clear understanding of the work performed, evidence obtained and conclusions reached	Auditors should prepare sufficient audit documentation.
Auditors should establish effective communication throughout the audit process	Auditors should maintain effective communication throughout the audit process.
Auditors should ensure that the terms of the audit have been clearly established	(no corresponding requirement)
Auditors should obtain an understanding of the nature of the entity/ programme to be audited	Auditors should understand the audited entity in the light of the relevant authorities.
Auditors should conduct a risk assessment or problem analysis and revise this as necessary in response to the audit findings	Auditors should perform a risk assessment to identify risks of non-compliance.
Auditors should identify and assess the risks of fraud relevant to the audit objectives.	Auditors should consider the risk of fraud.
Auditors should plan their work to ensure that the audit is conducted in an effective and efficient manner	(no corresponding requirement)
Auditors should perform audit procedures that provide sufficient appropriate audit evidence to support the audit report	Auditors should gather sufficient appropriate audit evidence to cover the audit scope
Auditors should evaluate the audit evidence and draw conclusions	Auditors should evaluate whether sufficient and appropriate audit evidence has been obtained and form relevant conclusions.

<p>Auditors should prepare a report based on the conclusions reached</p>	<p>Auditors should prepare a report based on the principles of completeness, objectivity, timeliness and a contradictory process.</p> <p>The wording of the requirement differs but the explanation covers partially the same issues and some most elements therein are not unique to performance audit only, so and should be covered in ISSAI 100.</p>
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B) Overview of requirements unique to ISSAI 400 as compared to ISSAI 100

Comments	Principles of ISSAI 400 with no corresponding match in ISSAI 100
<p>This principle applies to all audits regardless of the objective they pursue. A relevant principle should be included in ISSAI 100.</p>	<p>Auditors should determine the audit scope.</p>
<p>All audits are based on assessing against criteria, which correspond to the audit objective. A relevant principle should be included in ISSAI 100.</p>	<p>Auditors should identify the subject matter and suitable criteria.</p>
<p>This principle applies to all audits regardless of the objective they pursue. A relevant principle should be included in ISSAI 100.</p>	<p>Auditors should understand the control environment and the relevant internal controls and consider whether they are likely to ensure compliance.</p>
<p>This principle applies to all audits regardless of the objective they pursue. A relevant principle should be included in ISSAI 100.</p>	<p>Auditors should develop an audit strategy and an audit plan.</p>
<p>Following up is also applicable to other audits regardless of the objectives they pursue. The entry in ISSAI 100 in taking the form of explanatory text should be turned to a principle and elaborate on the common issues.</p>	<p>Auditors should follow up instances of non-compliance when appropriate.</p>

Annex 3: Comparison of similarities in requirements between ISSAI 300 and ISSAI 3000

Bold text indicates repetition across the compared ISSAIs.

All principles of ISSAI 300	Corresponding requirements of ISSAI 3000
Auditors should set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness	The auditor shall set a clearly-defined audit objective(s) that relates to the principles of economy, efficiency and/or effectiveness
Auditors should choose a result-, problem- or system-oriented approach, or a combination thereof, to facilitate the soundness of audit design.	The auditor shall choose a result-, problem or system-oriented audit approach, or a combination thereof.
Auditors should establish suitable criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness.	The auditor shall establish suitable audit criteria, which correspond to the audit objective(s) and audit questions and are related to the principles of economy, efficiency and/or effectiveness.
Auditors should actively manage audit risk, which is the risk of obtaining incorrect or incomplete conclusions, providing unbalanced information or failing to add value for users.	The auditor shall actively manage audit risk to avoid the development of incorrect or incomplete audit findings, conclusions, and recommendations, providing unbalanced information or failing to add value
Auditors should maintain effective and proper communication with the audited entities and relevant stakeholders throughout the audit process and define the content, process and recipients of communication for each audit.	The auditor shall plan for and maintain effective and proper communication of key aspects of the audit with the audited entity and relevant stakeholders throughout the audit process. <i>Illogical progression of detail in favour of ISSAI 300. ISSAI 3000 covers the essence of the extra elements set out in this principle in the relevant accompanying explanation.</i>
Collectively, the audit team should have the necessary professional competence to perform the audit. This would include sound knowledge of auditing, research design, social science methods and investigation or evaluation techniques, as well as personal strengths such as analytical, writing and communication skills.	The SAI shall ensure that, the audit team collectively has the necessary professional competence to perform the audit. <i>Illogical progression of detail in favour of ISSAI 300. ISSAI 3000 covers the extra elements of this principle in the relevant accompanying explanation)</i>
Auditors should exercise professional scepticism, but also be receptive and willing to innovate.	The auditor shall exercise professional judgment and scepticism and consider issues from different perspectives, maintaining an open and objective attitude to various views and arguments. The auditor shall be willing to innovate throughout the audit process.
Auditors should apply procedures to safeguard quality, ensuring that the applicable requirements are met and placing emphasis on appropriate, balanced and fair reports that add value and answer the audit questions.	The SAI shall establish and maintain a system to safeguard quality, which the auditor shall comply with to ensure that all requirements are met, and place emphasis on appropriate, balanced, and fair audit reports that add value and answer the audit questions.
Auditors should consider materiality at all stages of the audit process. Thought should be given not only to financial but also to social and political aspects of the subject matter, with the aim of delivering as much added value as possible.	The auditor shall consider materiality at all stages of the audit process, including the financial, social and political aspects of the subject matter with the goal of delivering as much added value as possible.
Auditors should document the audit in accordance with the particular circumstances thereof. Information should be sufficiently complete and	The auditor shall document the audit in a sufficiently complete and detailed manner.

<p>detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations.</p>	<p>Illogical progression of detail in favour of ISSAI 300. ISSAI 3000 covers the extra elements of this principle in the relevant accompanying explanation.</p>
<p>Auditors should select audit topics through the SAI's strategic planning process by analysing potential topics and conducting research to identify risks and problems.</p>	<p>The auditor shall select audit topics through the SAI's strategic planning process by analysing potential topics and conducting research to identify audit risks and problems.</p>
<p>Auditors should plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.</p>	<p>The auditor shall plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.</p>
<p>Auditors should obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit objectives and questions and issue recommendations.</p>	<p>The auditor shall obtain sufficient and appropriate audit evidence in order to establish audit findings, reach conclusions in response to the audit objective(s) and audit questions and issue recommendations when relevant and allowed by the SAI's mandate.</p>
<p>Auditors should strive to provide audit reports which are comprehensive, convincing, timely, reader-friendly and balanced.</p>	<p>The auditor shall provide audit reports, which are a) comprehensive, b) convincing, c) timely, d) reader friendly, and e) balanced.</p>
<p>If relevant and allowed by the SAI's mandate, auditors should seek to provide constructive recommendations that are likely to contribute significantly to addressing the weaknesses or problems identified by the audit.</p>	<p>The auditor shall provide constructive recommendations that are likely to contribute significantly to addressing the weaknesses or problems identified by the audit, whenever relevant and allowed by the SAI's mandate.</p>
<p>Auditors should seek to make their reports widely accessible, in accordance with the mandate of the SAI.</p>	<p>The SAI shall make its audit reports widely accessible taking into consideration regulations on confidential information.</p>
<p>Auditors should follow up previous audit findings and recommendations wherever appropriate. Follow-up should be reported appropriately in order to provide feedback to the legislature together, if possible, with the conclusions and impacts of all relevant corrective action.</p>	<p>The auditor shall follow up, as appropriate, on previous audit findings and recommendations and the SAI shall report to the legislature, if possible, on the conclusions and impacts of all relevant corrective actions.</p>

Annex 4: Comparison of similarities in requirements between ISSAI 400 and ISSAI 4000

Note: bold text indicates repetition across the compared ISSAIs.

All principles of ISSAI 400	Corresponding requirements in ISSAI 4000
Auditors should plan and conduct the audit with professional scepticism and exercise professional judgement throughout the audit process.	The auditor shall exercise professional judgment throughout the audit process. The auditor shall exercise professional scepticism, and maintain an open and objective mind
Auditors should take responsibility for the overall quality of the audit.	The SAI shall take responsibility for the overall quality of the audit to ensure that the audits are carried out in accordance with relevant professional standards, laws and regulations, and that the reports are appropriate in the circumstances.
Auditors should have access to the necessary skills.	The SAI shall ensure that the audit team collectively has the necessary professional competence to perform the audit.
Auditors should consider audit risk throughout the audit process.	The auditor shall perform procedures to reduce the risk of producing incorrect conclusions to an acceptable low level. <i>The wording differs but addresses the same issue.</i>
Auditors should consider materiality throughout the audit process.	The auditor shall determine materiality to form a basis for the design of the audit, and re-assess it throughout the audit process.
Auditors should prepare sufficient audit documentation.	The auditor shall prepare audit documentation that is sufficiently detailed to provide a clear understanding of the work performed, evidence obtained and conclusions reached. The auditor shall prepare the audit documentation in a timely manner, keep it up to date throughout the audit, and complete the documentation of the evidence supporting the audit findings before the audit report is issued
Auditors should maintain effective communication throughout the audit process.	The auditor shall communicate in an effective manner with the audited entity and those charged with governance throughout the audit process.
Auditors should determine the audit scope.	<i>(no corresponding requirement)</i>
Auditors should identify the subject matter and suitable criteria.	Where the SAI has discretion to select the coverage of compliance audits, the auditor shall define the subject matter to be measured or evaluated against criteria
Auditors should understand the audited entity in the light of the relevant authorities.	The auditor shall have an understanding of the audited entity and its environment, including the entity's internal control, to enable effective planning and execution of audit.
Auditors should understand the control environment and the relevant internal controls and consider whether they are likely to ensure compliance.	The auditor shall have an understanding of the audited entity and its environment, including the entity's internal control , to enable effective planning and execution of audit.
Auditors should perform a risk assessment to identify risks of non- compliance.	<i>(no corresponding requirement)</i>
Auditors should consider the risk of fraud.	The auditor shall consider the risk of fraud throughout the audit process, and document the result of the assessment.
Auditors should develop an audit strategy and an audit plan.	The auditor shall develop and document an audit strategy and an audit plan that together describe

	<p>how the audit will be performed to issue reports that will be appropriate in the circumstances, the resources needed to do so and the time schedule for the audit work</p>
<p>Auditors should gather sufficient appropriate audit evidence to cover the audit scope</p>	<p>The auditor shall plan and perform procedures to obtain sufficient and appropriate audit evidence to form a conclusion with the selected level of assurance</p>
<p>Auditors should evaluate whether sufficient and appropriate audit evidence has been obtained and form relevant conclusions.</p>	<p>The auditor shall compare the obtained audit evidence with the stated audit criteria to form audit findings for the audit conclusion(s).</p>
<p>Auditors should prepare a report based on the principles of completeness, objectivity, timeliness and a contradictory process.</p>	<p>The auditor shall prepare an audit report based on the principles of completeness, objectivity, timeliness, accuracy and contradiction</p>
<p>Auditors should follow up instances of non-compliance when appropriate.</p>	<p>The auditor shall decide follow up on opinions/conclusions/ recommendations of instances of non-compliance in the audit report when appropriate.</p>

Annex 5: Example of repetitions in explanations between ISSAIs of the hundred- and thousand series

Note: bold text indicates repetition across the compared ISSAIs, making use of colour to facilitate orientation. Standard black text indicates text unique to the pronouncement on that subject.

ISSAI 300 on audit objectives	ISSAI 3000 on audit objectives
<p>Requirement</p> <p>(25) Auditors should set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness.</p>	<p>Requirement</p> <p>(35) The auditor shall set a clearly-defined audit objective(s) that relates to the principles of economy, efficiency and/or effectiveness.</p> <p>(36) The auditor shall articulate the audit objective(s) in sufficient detail in order to be clear about the questions that will be answered and to allow logical development of the audit design.</p> <p>(37) If the audit objective(s) is formulated as audit questions and broken down into sub-questions, then the auditor shall ensure that they are thematically related, complementary, not overlapping and collectively exhaustive in addressing the overall audit question.</p>
<p>Explanation</p> <p>The audit objective determines the approach and design of the engagement. It could simply be to describe the situation. However, normative audit objectives (are things as they ought to be?) and analytical audit objectives (why are things not as they ought to be?) are more likely to add value. In all cases, the auditors need to consider what the audit pertains to, which organisations and bodies are involved and for whom the ultimate recommendations are likely to be relevant.</p> <p>Well-defined audit objectives relate to a single entity or an identifiable group of government undertakings, systems, operations, programmes, activities or organisations.</p> <p>Many audit objectives can be framed as an overall audit question which can be broken down into more precise sub-questions. They should be thematically related, complementary, not overlapping and collectively exhaustive in addressing the overall audit question.</p> <p>All terms employed in the question should be clearly defined. The formulation of audit questions is an iterative process in which the questions are repeatedly specified and refined, account being taken of known relevant information on the subject as well as feasibility. Instead of defining a single objective or overall audit question, auditors may choose to develop several audit objectives, which need not always be broken down into sub-questions.</p>	<p>Explanation</p> <p>(38) An audit objective(s) can be thought of as audit questions about the subject matter on which the auditor seeks to obtain answers, based on the audit evidence obtained. A well-defined audit objective(s) relates to government undertakings, systems, operations, programmes, activities or organizations that are related to the subject matter. The formulation of audit questions is an iterative process in which the questions are repeatedly specified and refined, account being taken of known relevant information on the subject as well as feasibility</p> <p>(39) Many audit objectives can be framed as an overall audit question, which can be broken down into sub-questions that are more precise. Instead of defining a single audit objective or overall audit question, the auditor may choose to develop several audit objectives, which need not always be broken down into questions and sub-questions.</p>



Annex 6: Structure of the IIA mandatory guidance

IIA mandatory guidance

core principles

- Demonstrates integrity.
- Demonstrates competence and due professional care.
- Is objective and free from undue influence (independent).
- Aligns with the strategies, objectives, and risks of the organization.
- Is appropriately positioned and adequately resourced.
- Demonstrates quality and continuous improvement.
- Communicates effectively.
- Provides risk-based assurance.
- Is insightful, proactive, and future-focused.
- Promotes organizational improvement.

IA definition

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Code of Ethics

(1 document)

Standards

(1 document)



Example of an IIA standard

Numbering of individual requirements,
not entire documents

1120 – Individual Objectivity

Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.

Interpretation:

Conflict of interest is a situation in which an internal auditor, who is in a position of trust, has a competing professional or personal interest. Such competing interests can make it difficult to fulfill his or her duties impartially. A conflict of interest exists even if no unethical or improper act results. A conflict of interest can create an appearance of impropriety that can undermine confidence in the internal auditor, the internal audit activity, and the profession. A conflict of interest could impair an individual's ability to perform his or her duties and responsibilities objectively.

Annex 7: Examples of a varying approach to recording elements in pronouncements

Note: an entry in a pronouncement is understood as having a dedicated text (typically introduced by an appropriate heading), or a requirement (principle) on the subject. Isolated mentions in the explanation concerning another subject are not considered a dedicated entry in the pronouncement.

subject matter	ISSAI 100	ISSAI 300	ISSAI 400	ISSAI 3000	ISSAI 4000
general part	x	x	x	-	x
requirements (general)	-	-	-	x	-
requirements (process)	-	-	x	-	x

audit criteria	ISSAI 100	ISSAI 300	ISSAI 400	ISSAI 3000	ISSAI 4000
general part	x	x	x	-	-
requirements (general)	-	x	-	x	-
requirements (process)	-	-	x	x	x

risk of fraud	ISSAI 100	ISSAI 300	ISSAI 400	ISSAI 3000	ISSAI 4000
general part	-	-	-	-	-
requirements (general)	-	-	-	x	x
requirements (process)	x	-	x	-	x

materiality	ISSAI 100	ISSAI 300	ISSAI 400	ISSAI 3000	ISSAI 4000
general part	-	-	-	-	-
requirements (general)	x	x	x	x	-
requirements (process)	-	-	-	-	x

audit scope	ISSAI 100	ISSAI 300	ISSAI 400	ISSAI 3000	ISSAI 4000
general part	-	-	-	-	x
requirements (general)	-	-	-	-	-
requirements (process)	-	-	x	-	-

understanding the entity	ISSAI 100	ISSAI 300	ISSAI 400	ISSAI 3000	ISSAI 4000
general part	-	-	-	-	-
requirements (general)	-	-	-	-	-
requirements (process)	x	-	x	-	x

Annex 8: Examples of a disproportional level of detail in requirements

The audit report shall include the following elements (although not necessarily in this order):

- a) Title.
- b) Identification of the auditing standards.
- c) Executive summary (as appropriate).
- d) Description of the subject matter and the scope (extent and limits of the audit).
- e) Audit criteria.
- f) Explanation and reasoning for the methods used.
- g) Findings.
- h) Conclusion(s) based on answers to specific audit questions or opinion.
- i) Replies from the audited entity (as appropriate).
- j) Recommendations (as appropriate).

Source: ISSAI 4000:210 concerning the report structure for direct reporting engagements

The audit report shall include the following elements (although not necessarily in this order):

- a) Title.
- b) Addressee.
- c) Description of the subject matter information, and when appropriate the underlying subject matter.
- d) Extent and limits of the audit including the time period covered.
- e) Responsibilities of the responsible party and the auditor.
- f) Audit criteria.
- g) Identification of the auditing standards and level of assurance.
- h) A summary of the work performed and methods used.
- i) Opinion/conclusion.
- j) Replies from the audited entity (as appropriate).
- k) Report date.
- l) Signature.

Source: ISSAI 4000:218 concerning the report structure for attestation engagements

In the SAIs with jurisdictional powers, the auditor shall consider the role of the prosecutor or those responsible for dealing with judgment issues within the SAI, and shall also include as appropriate, the following elements in both direct reporting and attestation engagements:

- a) Identification of the responsible parties and the audited entity.
- b) The responsible person(s) involved and their responsibilities.
- c) Identification of the auditing standards applied in performing the work.
- d) Responsibilities of the auditor.
- e) A summary of the work performed.
- f) Operations and procedures etc. that are affected by non-compliance acts and/or possible unlawful acts.

This needs to include, as appropriate:

- A description of the finding and of its cause,
 - The legal act which has been infringed (the audit criteria),
 - The consequences of the non-compliance acts and/or possible unlawful acts.
- g) The responsible persons and their explanations regarding their non-compliance acts and /or possible unlawful acts, when appropriate.
 - h) The auditor's professional judgment which determines whether there is personal liability for non-compliance acts.
 - i) The value of the loss/misuse/waste created and the amount to be paid due to personal liability.
 - j) Any measures taken by responsible persons during the audit to repair the loss/misuse/waste created.
 - k) The management's arguments on the non-compliance/unlawful acts.

Source: ISSAI 4000:221 concerning the report structure for SAIs with jurisdictional powers

Collectively, the audit team should have the necessary professional competence to perform the audit. This would include sound knowledge of auditing, research design, social science methods and investigation or evaluation techniques, as well as personal strengths such as analytical, writing and communication skills.

Source: ISSAI 300:30 concerning skills

Annex 9: Examples of drafting with potential to improve

Original drafting and source	Possible alternative
Auditors should possess or have access to the necessary skills (ISSAI 100; 39).	All audit staff working on a task should have the necessary knowledge and skills, or be provided with appropriate additional expertise [through the use of internal or external experts].
Auditors should conduct a risk assessment or problem analysis and revise this as necessary in response to the audit findings. (ISSAI 100; 46)	The auditor should conduct a risk assessment, [and where appropriate a problem analysis], when planning the audit, and update it as necessary throughout the audit process.
Auditors should choose a result-, problem- or system-oriented approach, or a combination thereof, to facilitate the soundness of audit design. (ISSAI 300; 26)	The auditor should design the audit in a way that allows to achieve the audit objectives effectively and economically [, through a result-, problem- or system-oriented approach, or a combination thereof].
Auditors should actively manage audit risk, which is the risk of obtaining incorrect or incomplete conclusions, providing unbalanced information or failing to add value for users (ISSAI 300; 28)	The auditor manages the risk of making incorrect conclusions, providing unbalanced information and failing to add value for users.
The auditor shall communicate assurance about the outcome of the audit of the subject matter against criteria in a transparent way. (ISSAI 3000; 32)	When reporting on the results of the audit, the auditor should disclose criteria against which the evidence was assessed.
The SAI shall establish and maintain a system to safeguard quality, which the auditor shall comply with to ensure that all requirements are met, and place emphasis on appropriate, balanced, and fair audit reports that add value and answer the audit questions. (ISSAI 3000; 79)	The SAI establishes and maintains a system for quality control, with which the auditor shall comply. Note: <i>It is unclear why the quality control issue is associated with the need to provide a balanced and fair audit report that addresses the audit questions and adds value to the users (any more than other aspects of the audit process).</i>
The auditor shall acquire substantive and methodological knowledge during the planning phase. (ISSAI 3000; 98)	During the audit planning phase the auditor should research the audit topic, and identify the most appropriate audit approach.
The auditor shall analyse the collected information and ensure that the audit findings are put in perspective and respond to the audit objective(s) and audit questions; reformulating the audit objective(s) and audit questions as needed (ISSAI 3000; 112).	The auditor analyses the audit evidence against the criteria in order to conclude on the audit objectives. When reporting on the audit, the objectives may need to be reformulated to reflect the conclusions reached [, if the initially planned objectives could not be concluded on].



Anexo 8c

Implementation of SDP 2020-2022

Progress report on Component
One for the Governing Board



INTOSAI
PSC

Professional
Standards
Committee

Component ONE of the Strategic Development Plan: Analysis of the IFPP

(Progress report at 2 October 2020)

1. The aim of this report is to provide the governing board with an account of the progress made on implementing component one of the 2020-2022 Strategic Development Plan. In it we describe the work done in reviewing the INTOSAI Framework of Professional Pronouncements, provide an overview of key issues we identified in the preliminary stage of the analysis, and give an outline of the next steps.

Component one as part of the Strategic Development Plan

2. The 2016 INCOSAI established a planning tool to guide and organise its standard setting work: the Strategic Development Plan (SDP). The first SDP had the very clear aim of taking forward the necessary initiatives to migrate the former ISSAI framework into the new INTOSAI Framework for Professional Pronouncements (IFPP). This has mostly been achieved.
3. The second SDP covering 2020 to 2022 built on input from a wide consultation and technical review of current documents. Recognising that the migration to the IFPP resulted in little change to the underlying documents, it set an overall objective ***“to slim down the core framework to the essential by making it simple, principles-based and future-proof”*** and ***“...to ensure it is useful by making it up-to-date in content, accessible in format and flexible in application”***¹. In order to progress towards achieving this, the SDP established three components: the first being *“reviewing and refining the conceptual framework”*.

Implementing Component One

4. The aim of component one is to review and analyse the **clarity** (of concepts and drafting) **and presentation of the framework**.
5. The review **will not question the formal requirements** of the framework content, **nor make proposals for changes to the substance of those requirements**. As such the review will not propose changes to the way audits are done and so auditors will continue to work as they do currently. Development of new pronouncement material (components two and three of the SDP) continue in parallel, while being cognisant of the outcome of this project.
6. We have started the process by reviewing the pronouncements for the audit of performance and compliance, both in respect of their structure and content.
7. The pronouncements concerning the audit of financial statements are somewhat different. The requirements are those set out in International Standards on Auditing (ISAs) issued by IFAC, over which INTOSAI has no responsibility nor the direct power to change. Furthermore, many of the key documents in this area developed by INTOSAI are currently under review. We therefore gave first priority to analysis of the performance and compliance content; that on financial will follow.
8. Because of the working conditions caused by the ongoing pandemic, the component one review has progressed less quickly than we had hoped. The situation is also likely to

¹ https://www.issai.org/wp-content/uploads/2019/10/2_SDP-FINAL.pdf (see page 7)

have been instrumental in the low response to our call for participation in the project². However, recent outreach by the PSC secretariat across the community has stimulated considerable interest (see next para), and we are expecting many more contributions to the process.

9. The review work has been undertaken by the PSC secretariat team, with support from the newly-established Technical Support Function. We are pleased to have received written feedback to the first stage of the analysis from the Capacity Building Committee, Performance Audit Subcommittee, Compliance Audit Subcommittee, Internal Control Subcommittee, Working Group on the Value and Benefits of SAIs, Compliance Audit Subcommittee and FIPP.
10. Work on the review will continue during the remainder of 2020 and in 2021, starting first with an analysis of the first round of feedback received, identification of any further points, and then deepening the analysis in specific areas. We aim to present the results of the comprehensive analysis, and identification of possible options and recommendations on the way forward to the governing board at the 2021 meeting. The resulting projects will represent a basis for inclusion in the new SDP for 2023-2028. All projects will subsequently go through the established due process.
11. In the next steps we intend to:
 - examine and analyse the first round of feedback received, and take this into account in the analysis;
 - extend the analysis to material covering the audit of financial statements and information (financial audit), as well as any other material points of interest;
 - further the analysis on the key points already identified (see below), ensuring extensive detailed consultation as necessary; and
 - issue a technical survey to all SAIs on the main issues to ensure the widest possible input and feedback.

In undertaking this review we aim to make the process evidence-based, and as **inclusive, transparent and objective** as possible.

Summary of the key points identified to date

12. We identified a number of issues that hamper the clarity and ease of use of the pronouncements we assessed. These notably include the IFPP structure, links between pronouncements, and the structure individual pronouncements.
13. A number of these issues are legacy of the organic growth of the framework, whereby individual pronouncements were drafted at different times by different teams.
14. As regards the structure of the framework and links between pronouncements, we identified the following:
 - a significant level of repetition across pronouncements, sometimes not using the same wording, and sometimes involving an illogical progression of detail;
 - unclear relationship between pronouncements, and inconsistencies in making references across the framework;

² Invitations sent to CBC, KSC, working bodies of PSC and FIPP in February 2020.

- framework not yet principles-based, despite this being a stated objective, and no clear description – or common understanding – of what this means;
 - unclear difference between the requirements in the form of principles and standards in the individual pronouncements (more linked to the name of documents rather than the nature of their content), and the volume of information they should present together and separately;
 - multiple usage of the term ‘principle’ across the entire framework (INTOSAI-Ps and ISSAI pronouncements 100, 200, 300 and 400);
 - possible issues – constraints and complexities – arising from the definition of audit types;
 - meaning, content and placing of guidance, both within and outside the framework.
15. Issues linked to the individual pronouncements include:
- their complicated structure, resulting in multiple placement of entries within the same document, and sometimes misplaced entries;
 - inconsistencies in introducing requirements with headings and misleading headings;
 - cases of a disproportional level of detail in certain requirements, which could be more conveniently covered placed in the explanations; and
 - cases of unclear drafting and inconsistent approach to using terminology (saying the same things in different ways).
16. Other points may arise as we continue the analysis

Other considerations

17. The IFPP is a framework made available in the public domain and for the benefit of both public audit professionals, as well as the users of our output. This is in the spirit of the INTOSAI’s underlying belief that shared experience is mutually beneficial. In turn, the quality of the framework and its contents – notably clarity, relevance and usability – reflects directly on the credibility of INTOSAI.
18. Since the framework was first conceived, considerable time and resources have been devoted to bringing the content to its current comprehensive form. The result – which has had a marked impact on public audit worldwide – is an undoubted testament to the commitment and hard work of all those involved. As we consider the future direction and development of the next generation of the framework, we have the responsibility to build on this strong legacy.
19. During the time INTOSAI has been developing the framework, the world has changed significantly. There are now many new opportunities arising from developments in communication and information management technologies. INTOSAI strives to be at the forefront of such developments and to lead by example.
20. Taking these issues into account, and learning from practical experience and feedback received, the review has shown that the IFPP should be:
- relevant and useful for the developing and developed SAIs alike, requiring us to explore what this means in practice and how it should be reflected in the framework;
 - attractive for potential new users, particularly young auditors who have been brought up in an ‘online’ world;

- easy to access and intuitive to use, notably in facilitating the identification of all relevant material;
- future proof (including reducing the amount of subsequent updating needed), as far as this can be achieved in practice; and
- be based on common agreed standards (so ensuring an appropriate minimum) rather than simply reflecting current practice.

Conclusions

21. Following a slow start, largely caused by the coronavirus pandemic but also the complexity of the task, the component one review has now started to elicit a considerable amount of input, some quite passionate. This is a positive sign that the issues raised are important. More practically, the different points of view are helping to enrich the analysis and better frame the issues.
22. That said, much of the input received thus far is from SAIs and working bodies that have been heavily involved in the preparation of the framework. In order to widen the consultation to widest possible range of SAIs, most of whom are normal users of the framework, we intend to prepare a focusing technical survey to get feedback on some of the key issues raised. This will help ensure the review is inclusive, and as far as possible based on empirical evidence.
23. It is also important to emphasise that the component one review is not the end of a process, but another step on the journey that should help set the template for the future of the framework (or “next generation of ISSAIs” as FIPP described it in their input to the current SDP), and the principles underpinning it. It should result in the identification of the development work projects to be undertaken by INTOSAI’s working bodies (where the specialised expertise resides). Naturally, these projects will pass through the due process.
24. Achieving the goal will be a time-consuming and demanding process for all the parties involved. It will require involvement of the goal chairs as well as FIPP, and may result in a need for higher degree of cooperation between the CBC, KSC and PSC and their working bodies.
25. We will present the next report with the results of the analysis and options and recommendations on the way forward to the 2021 GB. This will in turn provide the basis for input to the strategic planning for standard setting for the 2023-2028 period.



Anexo 8d

Proposal from FIPP to the PSC Steering Committee and chairs of CBC and KSC resulting from component 2 of the SDP 2020-2022

Component 2 of the SDP 2020-2022 aims at establishing the full list of new projects that will be launched during 2020-2022 in order to develop, revise or withdraw INTOSAI Professional Pronouncements. It is the ambition of the SDP that this list of projects is to be finalized for the Governing Board by its meeting in November 2020.

Any conclusions and recommendations relevant for the SDP will need to be considered by the appropriate INTOSAI bodies before they can be presented to the Governing Board for endorsement. These bodies are defined by the Due Process for the INTOSAI Framework of Professional Pronouncements on the basis of article 4 of the statutes of INTOSAI. The basic roles and responsibilities with regard to updates of the SDP and changes in the IFPP are defined as follows (cf. section 1.1. of the Due Process for the IFPP):

Decisions on the organisation of the planning process and the content of the SDP shall be taken by the PSC Steering Committee with the consent of the chairs of the CBC and KSC, and shall be based on proposals elaborated by FIPP.

The planning process shall include public consultations to encourage input from all interested parties as a minimum every three years. The PSC and the chairs of the CBC and KSC ascertain that all relevant needs are addressed by the strategic development plan in line with the objectives of goal 1, 2 and 3 of INTOSAI's strategic plan. FIPP takes initiative to propose amendments and updates to the plan as needed. The PSC consults with all affected parties before the plan is finalised and presented to the INTOSAI Governing Board for endorsement.

The Due Process also specifies that each of the INTOSAI bodies involved – FIPP as well as the PSC Steering Committee and the chairs of CBC and KSC – must decide on the matter in accordance with their respective terms of references and working procedures.

Attached you will find FIPP's proposal to the PSC Steering Committee and the chairs of CBC and KSC in conclusion of component 2. FIPP kindly asks the PSC Steering Committee and the CBC and KSC Chair to:

Approve the attached proposed SDP-update entitled '**Addition to the Strategic Development Plan for the IFPP 2020-2022 in conclusion of Component 2 - List of projects to be launched in 2020-2022 to develop, revise or withdraw INTOSAI Professional Pronouncements**'.

The approval will allow the PSC Chair to present the update to the INTOSAI Governing Board for endorsement.

How has this proposal been developed?

In 2018 the PSC Steering Committee including the chairs of CBC and KSC decided on the planning process that should be used to develop the SDP 2020-2022. This process involved a wide opportunity to all INTOSAI members and external stakeholders to provide input, a specific invitation to subcommittees, working groups, task forces and work streams of the PSC, CBC and KSC to suggest projects within their field of expertise as well as a review across the full IFPP carried out by FIPP. The process

was organized by the PSC Secretariat in collaboration with the chairs of FIPP and the CBC and KSC. This resulted in a proposal from FIPP in April 2019 on the initiatives that should be taken through the SDP during 2020-2022 including initial preparation for the period 2022-2025. The PSC Steering Committee decided after the annual meeting in 2019 that there was further need to explore the initiatives prior to a decision, as reflected in the Strategic Development Plan for the IFPP 2020-2022. The initiatives were divided into three categories or components where Component 2 covers *Development work on key topics*. FIPP has in 2019-2020 continued the work to specify the list of projects on development, revision or withdrawals that are to be launched in 2020-2022 and have in consultation with the KSC, the CBC and the PSC arrived at the final list presented in the SDP update for 2020 (attached).

Three potential projects will be further discussed with the relevant WG under KSC before we conclude on the way forward for these topics:

- Fraud and corruption
- Sustainable Development Goals (SDGs)
- Cooperation between SAIs and the three branches

As part of the preparation for the current SDP, many SAIs provided inputs covering the first two topics. Following an initial analysis from the TSF, FIPP concluded that we should explore the need for the pronouncements together with the appointed INTOSAI experts for the topics, namely the Working group on the fight against corruption and money laundering and Working group on SDGs and key sustainable development indicators. The outcome could be a possible update of the SDG under component 2 in 2021. FIPP will appoint a Liaison Officer as a link between the working groups and FIPP.

The initiative to develop a GUID on cooperation between SAIs and the three branches was presented by the KSC to be further discussed regarding placement inside the framework. Based on the presentation from the responsible project group under the Working Group on Values and Benefits of SAIs (WGVBS), FIPP concluded that there is a need for a further scoping of the project as well as a more current assessment of the need for the project prior to a conclusion on whether to include it in the framework or not. FIPP will appoint a Liaison Officer as a link between the working groups and FIPP.

Addition to the Strategic Development Plan for the IFPP 2020-2022 in conclusion of Component 2

List of projects to be launched in 2020-2022 to develop, revise or withdraw INTOSAI Professional Pronouncements

The INTOSAI Framework on Professional Pronouncements comprises all documents through which INTOSAI conveys principles, standards and guidance related to the role of SAIs and their conduct of audits. This aims to ensure that:

- any messages officially conveyed by INTOSAI on auditing related matters are considered and approved through INTOSAI's Due Process before they are pronounced
- all documents are issued through one authoritative channel – www.issai.org – and comes across as a clear and consistent set of INTOSAI principles, standards and guidance
- the different needs for new or improved INTOSAI principles, standards and guidance are considered and prioritized through the Strategic Development Plan for the IFPP before any new projects to develop, revise or withdraw pronouncements are launched

The Due Process for the IFPP requires that *any initiative* to develop, revise or withdrawn INTOSAI professional pronouncements should be taken through the Strategic Development Plan for the IFPP.

The new projects that can be launched in 2020-2022 for the purpose of developing, revising or withdrawing INTOSAI professional pronouncements.

Project A	New ISSAIs on quality management of SAIs (Revision of ISSAI 140)
Project B	Guidance for implementing INTOSAI P-50 Principles of SAIs of jurisdictional activities

The scope and purpose of the projects are further defined in the below. The list of projects has been proposed by FIPP on the basis of the input obtained from the wider INTOSAI community and has been decided on by the PSC Steering Committee and the chairs of CBC and KSC. The list is endorsed by the Governing Board through this paper, which will form an addition to the SDP endorsed in 2019.

The chairs of PSC, CBC and KSC will, in consultation with the chair of FIPP jointly determine the timing of each individual project to ensure capacity and coordination as necessary. The group of chairs will take initiative to launch the projects by organizing a project group for each project. The project group will undertake the drafting work and develop the draft in collaboration with the relevant subcommittees, working groups, task-forces or working streams of PSC, CBC and KSC. All projects will be subject to guidance, directions and approval by FIPP as provided for by the Due Process and the resulting pronouncements will be subject to endorsement by INCOSAI.

During 2021-2022 a new Strategic Development Plan will be developed for the purpose of determining projects that can be launched after 2022. **Any working groups or other parties within INTOSAI who**

see any additional needs to develop, revise or withdraw pronouncements are encouraged to make a proposal to this effect during the planning process in 2021-2022.

The development of any new pronouncements is generally only feasible when a solid 'raw material' of common professional concepts and common understanding of existing practices within the INTOSAI community has been achieved. The subcommittees, working groups, task-forces and work streams of PSC, CBC and KSC have a pivotal role in accumulating and developing knowledge on sound auditing practices within their field of expertise based on the practical experiences of auditors across the world. The individual subcommittees/working groups/task-forces/work streams may share their expertise and experience through working papers and other material that are made available through the various websites of the subcommittees. They provide the views and perspectives of the authors and but do not represent INTOSAI's positions. Key working contributions that live up to a set of quality criteria established by the goal chairs may be recognized as 'INTOSAI Common Goods'. These documents have not been considered through INTOSAI's Due Process and is not mandatory to comply with. The IFPP serves to extract the most important insights resulting from all work done over the last many years in a clear and consistent set of INTOSAI Principles (INTOSAI-P), Standards (ISSAI) and guidance (GUID) which have the endorsement of the full INTOSAI community.

The projects presented on this list concern areas where there is a sufficient need for development or revision of INTOSAI principles, standards or guidance and where FIPP has deemed that sufficient ground work has already been done through working papers, 'INTOSAI Common Goods' or in other ways to provide the basis for an successful project. The Technical Supporting Function (TSF) may serve as means to consolidate and improve this basis for the projects further and help facilitate the launch and completion of the project in collaboration with the project group and FIPP.

Project A – New ISSAIs on quality management of SAIs (Revision of ISSAI 140)

INTOSAI has pronounced in ***ISSAI 100 – Fundamental principles of public-sector auditing*** that “[e]ach SAI should establish and maintain procedures for [...] quality control on an organisational level that will provide it with reasonable assurance that the SAI and its personnel are complying with professional standards and the applicable ethical, legal and regulatory requirements.” This fundamental principle is supported by ISSAI 140 – Quality Control for SAIs, which defines six elements of the overall system of quality control of a SAI and provides principles and further guidance for each of these. The current version of ISSAI 140 was issued by INTOSAI in 2009 and was the very first INTOSAI standard dealing with quality management at the organizational level. A number of subsequent developments and shortcomings makes a revision necessary:

- The ISSAI 140 is based on and refers explicitly to IFAC's *International standard on quality control*, ISQC-1. ISQC-1 provides IFAC's requirements to audit firms and underpins the legal requirements on the organization of quality control in private auditing firms defined by legislators and regulators in many countries. The ISQC-1 is however currently undergoing revision and is expected to be replaced by new IFAC standards on quality management. INTOSAI has not taken part in the development of the new IFAC standards and it will be relevant to consider their relevance for SAIs and reflect this in the IFPP.

- It has been clarified in 2013 and 2016 that the ISSAIs provide auditing principles that are relevant for all SAIs (regardless of which standards they use) as well as requirements and application material that apply specifically to SAIs that have chosen to adopt the ISSAIs as their auditing standards and assert compliance with ISSAIs in their audits. ISSAI 140 predates this clarification of the authority of the ISSAIs and it should be developed to provide sufficiently clarity for SAIs who conduct their audits in accordance with the ISSAIs as well as SAIs who asserts compliance with other standards.

The project will result in INTOSAI pronouncements in the category of *ISSAI 140-199 Organisational Requirements*, which might possibly be supported by guidance in the category of *GUID 1900-1999 Organisational Guidance*. If relevant, these categories can be further refined in the course of the projects through amending the *classification principles*. The Due Process provides that such amendments can be proposed by FIPP for decision by the PSC Steering Committee and the chairs of CBC and KSC and are subject to endorsement by the INTOSAI Governing Board.

The resulting ISSAI or ISSAs should serve the needs of all INTOSAI members and take account of the different ways SAIs are organized, the different auditing engagements they carry out under their mandates and the different standards they may apply while adhering to the auditing principles of the ISSAIs. In order to support SAIs that have chosen to refer to the ISAs (and not solely the ISSAIs) in their financial audit reports, the new ISSAI(s) on quality management/control/assurance will provide requirements at the *same level* as the IFAC standards on quality control, which are referred to in the ISAs. It will be the ambition of the project to adjust and supplement IFAC's requirements as needed to meet the circumstances, under which INTOSAI's members carry out their financial, compliance and performance audits and the constitutional or jurisdictional functions and status some SAIs have.

Project B – Guidance for implementing INTOSAI P-50 Principles of SAIs of jurisdictional activities

Approximately 35% of all SAIs are courts that perform jurisdictional activities. ISSAI 100 para 15 point out the important relationship between this jurisdictional authority and the characteristics of public-sector auditing. In 2016, relevant SAIs took the initiative to include the activities in jurisdictional SAIs in the IFPP to address characteristics of such SAI models. The project started out with the objective of producing a GUID as the needs assessment performed by the group of drafters identified the need for more guidance for jurisdictional activities. As the project developed, the drafters – together with FIPP – identified the need to create an anchor for jurisdictional activities in the INTOSAI P-category. This pronouncement was not considered as a way to fully address the needs of court model SAIs, but as a basis for the development of future pronouncements. In 2019, the INTOSAI P-50 «*Principles of jurisdictional activities of SAIs* » was endorsed by the Governing Board.

After the endorsement of INTOSAI P-50, the group of drafters have continued working to address the needs of SAIs with court models. Their analysis has identified a need for guidelines supporting both the SAIs and the auditors working in these environments. The relevant working group has demonstrated the need for such a guideline through a survey on best practices that has been circulated among relevant SAIs.

INTOSAI P-50 consists of 12 principles. The scope of this GUID will be to develop a best practice for jurisdictional activities for all 12 principles, based on an analysis of practices among the relevant SAIs. The objective for this pronouncement will be to provide guidance for the principles in INTOSAI P-50 and not to provide guidance for the audit types. The GUID will not contradict or overlap with the content of the ISSAIs.

The current definition of GUIDs in IFPP link this group of pronouncements to the ISSAIs, stating that a GUID is:

non-mandatory more specific and operational guidance on how to apply the ISSAIs.

Developing a GUID in relation to INTOSAI P-50 requires an update to the classification principles before the pronouncement can be included in the IFPP. The Due Process provides that FIPP can propose such amendments for decision by the PSC Steering Committee and the chairs of CBC and KSC. The amendments are subject to endorsement by the INTOSAI Governing Board. FIPP will develop a proposal for this update for the PSC-SC meeting and the Governing Board in 2021.

This GUID will elaborate on principles and not on audit standards, and will not cover a specific subject matter. The proposed GUID will be placed either in the organizational level 1900-series GUIDs or in the current 9000-series.



Anexo 8e

Proposal from FIPP to the PSC Steering Committee and chairs of CBC and KSC resulting from component 3 of the SDP 2020-2022

It is one of the main ambitions of the SDP 2020-2022 to launch the development of professional pronouncements on the relevant competencies of auditors undertaking audits on the basis of the ISSAIs. Component 3 of the SDP therefore aim at clarifying how such pronouncements can best be included in the IFPP. It is the ambition of the SDP that the conclusions of Component 3 are to be finalized for the Governing Board by its meeting in October 2020.

Any conclusions and recommendations relevant for the SDP will need to be considered by the appropriate INTOSAI bodies before they can be presented to the Governing Board for endorsement. These bodies are defined by the due process for the INTOSAI Framework of Professional Pronouncements on the basis of article 4 of the statutes of INTOSAI. The basic roles and responsibilities with regard to updates of the SDP and changes in the IFPP are defined as follows (cf. section 1.1. of the due process for the IFPP):

Decisions on the organisation of the planning process and the content of the SDP shall be taken by the PSC Steering Committee with the consent of the chairs of the CBC and KSC, and shall be based on proposals elaborated by FIPP.

The planning process shall include public consultations to encourage input from all interested parties as a minimum every three years. The PSC and the chairs of the CBC and KSC ascertain that all relevant needs are addressed by the strategic development plan in line with the objectives of goal 1, 2 and 3 of INTOSAI's strategic plan. FIPP takes initiative to propose amendments and updates to the plan as needed. The PSC consults with all affected parties before the plan is finalised and presented to the INTOSAI Governing Board for endorsement.

The term 'classification principles' refers to the principles established in 2007 by the document "the International Standards of Supreme Audit Institutions – INTOSAI's Framework of Professional Standards". The classification principles define the scope of the framework of professional pronouncements and the different categories of pronouncements included therein, whether in the form of ISSAIs, other standards, guidance, principles or other relevant formats. If FIPP identifies a need to amend the classification principles, FIPP shall develop a proposal to this effect for inclusion in the strategic development plan for the framework of pronouncements.

The due process also specify that each of the INTOSAI bodies involved – FIPP as well as the PSC Steering Committee and the chairs of CBC and KSC – must decide on the matter in accordance with their respective terms of references and working procedures.

FIPP has considered Component 3 of SDP 2020-2022 during the 12th meeting in Oslo in December 2019 and the 13th meeting organized through teleconferences in March-April 2020 in light of the COVID-19 pandemic'. FIPP's deliberation has been based on a very well elaborated and extensive material presented by the CBC chair. This has included extensive efforts to build a solid material on competencies, identify the needs of SAIs as well as analyzing the existing pronouncements in the IFPP. The process in FIPP's meetings has involved an exchange of questions and answers as well as direct engagement with the CBC Chair at FIPP's meeting in order to identify and clarify the relevant purpose and classification of INTOSAI's future pronouncements on competencies. During this process the CBC secretariat, the FIPP project liaison and the secretariat of the FIPP chair has worked closely



Anexo 8f

Annex – Status of FIPP activities in 2019 and 2020

Content

1. FIPP meetings
2. Status of projects from the IFPP Strategic Development Plan (SDP) 2016-2019
 - 2.a Pronouncements endorsed by the INTOSAI Governing Board in 2019
 - 2.b On-going pronouncement projects from SDP 2016-2019
3. Status of projects from the IFPP Strategic Development Plan (SDP) 2020-2022
4. Other tasks achieved by FIPP in 2019

**

1. FIPP meetings

In 2019, FIPP had three regular meetings and the Joint Seminar on INTOSAI standard setting. In total, FIPP members had 14 meeting days during 2019.

In the first half of 2020, FIPP were unable to meet physically due to the Covid-19-situation, but carried out a number of teleconferences as an alternative to the cancelled 13th FIPP meeting in Sofia, Bulgaria.

2019

- 10th FIPP meeting, 4 – 8 March in Paro, Bhutan
- 11th FIPP meeting 25 – 28 June in Riga, Latvia
- Joint Seminar 2 – 3 December in Oslo, Norway
- 12th FIPP meeting 4 – 6 December in Oslo, Norway

2020

- 13th FIPP meeting carried out as a series of teleconferences 9 – 11 March, 4 April and 16 April

2. Status of projects from the IFPP Strategic Development Plan 2016-2019

The Governing board endorsed three pronouncements from the SDP 2016-2019 in 2019, while a number of pronouncements are still under development.

2.a Pronouncements endorsed by the INTOSAI Governing Board in 2019

INTOSAI-P 50 Jurisdictional activities
GUID 5100 Guidelines for Audit of Information Technology
GUID 5290 Guidelines for Audit of Key National Indicators (KNI)

2.b On-going pronouncement projects from SDP 2016-2019

No.	Title	Status	Endorsement
#1.2	ISSAI 200 - A more principles-based and future-proof ISSAI 200	Endorsement version conditionally approved by FIPP.	Planned for GB 2020
#1.3	ISSAI 2000 Application of Financial Audit Standards	Exposure draft conditionally approved by FIPP in April 2020. After 3 months of INTOSAI exposure endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.1	GUID 2900 Guidance to the financial auditing standards	Exposure draft conditionally approved by FIPP in April 2020. After 3 months of INTOSAI exposure, endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.2	GUID 4900 Guidance on authorities and criteria to be considered while examining the regularity and propriety aspects in Compliance Audit	Exposure draft conditionally approved April 2020. After 3 months of INTOSAI exposure, endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.3	GUID 5000 Using ISSAIs in accordance with the SAI's mandate and carrying out combined audits	Project Proposal conditionally approved at the 12 th FIPP meeting December 2019 – an outline and the project proposal will be discussed further in FIPP depending on a PSC decision on the project.	
#2.5	GUID 5150 Consolidated and improved guidance on understanding internal control in an audit	Project proposal is being developed by the project group and has been initially appraised by FIPP February 2020. Will be discussed first with FIPP Chair and Vice Chair, LO and Project lead prior to an approval by FIPP. Planned to be put on agenda at FIPP meeting in 2020.	
#2.6	GUID 5160 Consolidated and improved guidance on reliance on the work of internal auditors	Exposure draft is being developed by the project group. Planned to be forwarded to FIPP to the 14 th FIPP meeting in August/September 2020 for appraisal/approval.	
#2.7	GUID 5320 Guidelines on audit of privatisation	Exposure draft is being developed by the project group. An exposure draft was appraised by FIPP March 2020, but FIPP found the draft not yet ready for approval and have distributed list of key issues to project by LO. Planned to be put on the agenda at a FIPP meeting in 2020.	

15. May 2020

#2.7	GUID 5340 Guidelines on audit of Public-Private Partnerships (PPP)	Exposure draft is being developed by the project group, but the drafting has been delayed. Will be discussed at a later FIPP meeting.	
#2.8	GUID 5101 Consolidating and aligning guidance on IT-audit with ISSAI 100	Endorsement version has been prepared by the project group, but based on the exposure comments, FIPP concluded that the GUID was not ready for approval at the 11th FIPP meeting, June 2019. At the 12th FIPP meeting, December 2019, FIPP reviewed the amended endorsement version with a gap analysis and carried out a new appraisal against the criteria. FIPP concluded that the GUID 5101 should not be forwarded to the INTOSAI Governing Board due to the feedback received in the exposure phase.	Will not be forwarded to GB due to feedback in the exposure phase.
#2.9	GUID 5250 Consolidating and aligning the audit of public debt with ISSAI 100	Endorsement version has been approved by FIPP and will be sent to the INTOSAI Governing Board 2020	Planned for GB 2020
#2.10	GUID 5330 Guidance on auditing disaster management	Exposure draft was conditionally approved by FIPP April 2020. After 3 months of INTOSAI exposure, endorsement version to be forwarded to FIPP for approval September 2020.	Planned for GB 2020
#2.11	GUID 5280 Public Procurement Audit	Exposure draft was considered not ready for appraisal by FIPP at the 11th FIPP meeting 2019. FIPP plan to engage with the project group regarding the draft and expects to place the document on FIPP's agenda in 2020.	

3. Status of projects from the IFPP Strategic Development Plan 2020-2022

Project	Status	Approval
Component 1 Reviewing and refining the conceptual framework	The project is in an early stage.	
Component 2 Development work on key topics	Not initiated yet.	
Component 3 Competency Pronouncements (COMPs)	<p>Project proposal is being developed by the project group.</p> <p>A draft project proposal was discussed at the 12th FIPP meeting December 2019. An updated project proposal based on the comments from FIPP was presented to FIPP in March 2020.</p> <p>On the basis of the reworked proposal, FIPP has developed a paper to PSC Steering Committee regarding an update of the SDP 2020-2022 for the Component 3 and a request to review the IFPP classification regarding the COMPs in the framework.</p> <p>After PSC-SC approval of this update, CBC will forward a revised project proposal for FIPPs appraisal/approval – preferably in 2020.</p>	<p>Approval of update of SDP 2020-2022 and update of IFPP Classification principles in which the COMP category is removed as a separate category planned for PSC SC meeting in 2020</p> <p>Endorsement of update of SDP 2020-2022 regarding COMPs planned for GB 2020</p>

4. Other main tasks achieved by FIPP in 2019

1. FIPP completed the approval of all Editorial Changes from the old ISSAI framework to the IFPP. The PSC Secretariat supported the process of implementing editorial changes.

2. FIPP analyzed input received from the INTOSAI community regarding the next IFPP Strategic Plan and made a compilation of draft SDP initiatives / projects as input to the SDP 2020-2022. FIPP completed its part of the SDP planning process and developed a proposal on the new SDP for decision by the PSC Steering Committee and chairs of CBC and KSC and endorsement by the INTOSAI Governing Board. FIPP reviewed the content of the IFPP and analyzed proposed projects from subcommittees, work streams, task forces and working groups of the PSC, CBC and KSC as well as inputs and suggestions from the wider INTOSAI community. This resulted in a number of potential areas where it

15. May 2020

may be relevant to take initiatives in 2020-2025. FIPP obtained inputs from the goal chairs on the prioritisation of these areas which formed the basis of FIPP's final proposal on the SDP. The PSC Secretariat supported the process of gathering inputs and elaborating the proposed SDP.



Acuerdo 9a

**Key conclusions from the joint seminar, INTOSAI Standard Setting
Goal Chair Collaboration - Forum for INTOSAI Professional Pronouncements
2.-3. December 2019 Oslo, Norway**

1. Enhance opportunities for direct face-to-face interactions between project groups and FIPP – especially in the early stages of a pronouncements project (initial assessment /scoping, development of project proposal)

- Responsible for the task: FIPP

2. Prepare a work plan for the development of INTOSAI as a professional standard setter (and implications for all INTOSAI structures) as set out in the INTOSAI strategic plan 2017-2022 and in the Abu Dhabi Declaration. Including the following steps:

a. Organize a broad process within PSC/CBC/KSC/FIPP to carry out ‘gap analysis’ of the current situation by defining and comparing FIPP with criteria relevant for a standard-setting board

(to be discussed at the GC meeting in March 2020)

b. Identify different solutions applied by other standard-setters regarding the functions and relations at the three levels:

- governance/oversight
- standard-setting board
- development of draft pronouncements

c. Prepare proposal for the PSC SC meeting May 2020 based on the analysis (a. and b.) – in consultation with relevant stakeholders

d. In the meantime, agree on practical ways to improve the relations between governance/oversight, standard setting board, and providers of draft pronouncements

- Responsible for the task: Goal Chairs and FIPP Chair (first initiative by PSC Chair) in consultation with all relevant working bodies

Decisions on any improvements in FIPP working procedures: FIPP

Decisions any changes in FIPP TOR: Steering committee for goal 1

Component 1 in the SDP 2020-2022:

Advisory group: Open voluntary membership.

Task of advisory group: To identify opportunities for improvements in the IFPP and highlight dilemmas.

Discussed by FIPP at coming meetings as well as working bodies as needed.

Sign-off procedure by appropriate bodies and processes for recommendations going to the Governing Board. Any detailed proposals on SDP projects will need to be considered by FIPP and the PSC SC.

At least a status update to governing board next year – possibly longer timeline is needed.



Acuerdo 9b

GCC strategic review and proposals for improvement

The conclusions from the Joint seminar on INTOSAI standard setting that took place in Oslo, on December 2019 suggest the PSC, together with the goal chairs and FIPP draft a work plan for the development of INTOSAI as a professional standard setter and consider implications for all INTOSAI structures.

We recognize that INTOSAI standard setting has changed significantly over the past four to five years. While we are continuing to absorb these changes, we can already point to areas in which responsibilities are unclear and where there are gaps in the processes. We are also aware of differing views on the purpose of a number of the current structures. It is important to recognise and address these challenges as we move towards the next INTOSAI strategic plan.

That's is why the Goal Chairs have discussed the issues raised in the Join seminar in the context of the next INTOSAI strategic plan. During 2020, PSC CBC and KSC have reflect on the goal chairs collaboration, our joint responsibilities on standard setting but also going beyond and looking into the many areas in which the work of the three Committees intertwine and/or complement each other. Our main objective is to work closely to provide support effectively and efficiently to further SAI professionalisation and performance.

After an alignment of visions and principles among the three Committee chairs, we are now in the process of bilateral discussions with other INTOSAI actors to further develop our proposal for improvement and with the IDI team on the global survey and the task force on strategic planning's internal scan so they can collect more data so we can better identify needs.

The opportunity of another planning cycle is one of improving structures and clarifying roles, but it is also one of imagining how our organisation can better fulfill its mission and better serve the SAI community.

On a practical note, any changes in relevant documents, like terms of reference etc, will of course be presented, discussed and approved by the PSC Steering Committee, according to INTOSAI rules.

The blue text attached is the working document being developed by the goal chairs outlining our principles and enabling mechanisms as basis for engaging with actors within INTOSAI.



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GCC strategic review and proposals for improvements

1. Introduction

One of the five crosscutting priorities of the current INTOSAI strategy is to “ensure effective development and coordination among standard setting, capacity development and knowledge sharing to support SAIs and improve their performance and effectiveness”.¹

Over the last six years INTOSAI’s Strategic Goals 1, 2 and 3 have worked increasingly closely to produce high quality public sector auditing standards and related material, and to help SAIs develop their capacities and acquire the knowledge they need to apply auditing standards and best practices effectively, to improve their performance and to increase the impact of their work.

In preparation for the upcoming INTOSAI strategic review under the leadership of the Task Force on INTOSAI Strategic Planning, the secretariats of the Strategic Goals 1, 2 and 3 reviewed their past collaboration in order to identify what worked well and where there was room for improvement. We then built on this analysis to devise a strategy and approach to defining INTOSAI’s support for SAI professionalism and performance for the 2023-28 period in the most relevant way, and then how we organise ourselves to provide this support effectively and efficiently.

2. A shared vision and mission

2.1 GCC vision

Our vision for INTOSAI’s professional affairs is to provide SAIs with high quality professional support to meet their needs, by harnessing and leveraging INTOSAI’s resources in an efficient and effective way. The application of modern technologies will allow a focus on subject matter and activities rather than structures, and facilitate flexible and collaborative working to provide the widest possible input.

¹ Crosscutting priority 3.



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2.2 GCC shared mission

Our mission is to promote the professionalism and performance of SAIs by: providing clear, relevant and rigorous professional pronouncements and supporting material; helping SAIs develop the requisite capacity to apply these resources in order to produce high quality audits; and collecting, creating and sharing knowledge within and across the SAI community.

2.3 GCC shared objectives

In moving our collaboration efforts forward, we envisage the following shared objectives:

- To fully integrate our work-plans by having a single “strategic development plan”;
- To speak as one voice on matters of professionalism in INTOSAI;
- To further improve the experience of SAIs regarding:
 - The relevance and usability of INTOSAI professional pronouncements,
 - The value of application guidance to assist with the implementation of INTOSAI professional pronouncements, both generally and in dealing with very unique or specialist audit environments, and
 - Service offerings to improve professionalism and performance, both at individual and institutional level;
- To optimally utilise the resources and expertise available within INTOSAI that could support the vision on providing SAIs with high quality professional support.

3. Enabling mechanisms

3.1 Main enabling mechanism

In considering how to best implement our shared mission, the GCC is actively considering:



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- a) Analysing the professional needs of SAIs, both individually and collectively (such as through INTOSAI regions)²;
- b) Developing a single long term strategic plan³ to address the professional needs of SAIs covering all the standards, support and services we expect to deliver;
- c) Giving life to this strategic plan by means of individual goal-specific strategies, objectives, and action plans to be addressed through work streams;
- d) Monitoring and evaluating progress of the strategic plan, and updating it where required; and
- e) Consulting and cooperating with relevant INTOSAI and external stakeholders.

3.1 Other enabling mechanisms

We will also establish, promote and/or support the following bodies or initiatives in order to give effect to its shared mission:

- a) Global INTOSAI surveys / stocktakes;
- b) FIPP, and related bodies and functions;
- c) A facility for involving, consulting and supporting INTOSAI regional bodies (e.g. expanding, and combining, the CBC Regional Forum and the INTOSAI Coordination Platform to promote and coordinate professional affairs at INTOSAI global and regional levels).
- d) The IDI as an independent INTOSAI body also supporting the professionalism, development and performance of SAIs.
- e) Outside stakeholders, e.g. IFAC (IAASB, IAESB), IIA, etc.

² The regional organizations of INTOSAI are an important way of reaching out effectively, and as a key information source.

³ Currently the SDP covers only the IFPP, but would be expanded to encompass the core CBC and KSC contributions to SAI professionalism and performance.



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4. Practical things to do to reinforce future GCC cooperation, including enhancing the footprint of the GCC, e.g.
 - a) Re-engineer and reorient the GCC modus operandi;
 - b) “Revive” the GCC at the level of our principals – make a proposal to our principals and formalise
 - c) Establish an output-driven identification of logical workstreams.
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