Draft Meeting Minutes (as of 2nd August 2013)
INTOSAI CBC Steering Committee Meeting
Rabat, Morocco - June 21, 2013

The CBC Steering Committee meeting took place in Rabat, Morocco, on June 21, 2013. The meeting was hosted by the Court of Accounts of the Kingdom of Morocco and attended by representatives from the SAIs of Morocco-CBC Chair, United Kingdom– Chair of Subcommittee 1-, Peru – Chair of Subcommittee 2, Slovak Republic –Chair of Subcommittee 3-, Sweden, Austria– General Secretariat of INTOSAI, Observer, Denmark - Goal1 Chair, Observer, South Africa - Observer, as well as INTOSAI Development Initiative (IDI). SAI USA, Goal2 Liaison, attended the meeting via a teleconference.

I – Welcome Statement

Mr. Driss Jettou, First President of the Court of Accounts, in his capacity as Chair of the CBC opened the meeting by addressing a welcoming statement to all the participants. He also paid tribute to all the CBC members for their firm commitment towards the achievement of the CBC goals, as well as for their continuous efforts in achieving the objectives of INTOSAI. To conclude his statement, Mr. Jettou seized the opportunity to pay tribute to his predecessor Dr. Ahmed El Midaoui for his efforts and contributions as Chair of the CBC from its inception in 2005 until the year 2012.

II – Goal Liaison - USA

On behalf of the Goal2 Liaison, Ms. Mary Mohiyuddin, Capacity Building Coordinator at the US GAO, took part in the meeting through a telephone conference. In the name of the Goal Liaison, Ms. Mohiyuddin thanked the CBC Chair for hosting the meeting and expressed the GAO’s regret for not being able to attend in person. She then recalled the efforts of the CBC in advancing INTOSAI’s Goal 2 in building the professional capacities of SAIs in a number of ways, such as training, information sharing and development activities. Ms. Mohiyuddin also acknowledged the outstanding realizations of the CBC in producing guides and materials to help SAIs enhance their effectiveness and build their capacities. She commanded the role of Mr. Driss Jettou and his predecessor Dr. Ahmed El Midaoui in carrying out the work to achieve the strategic objectives set for the CBC, as well the chairs of three CBC Subcommittees for their outstanding contributions and works in this regard.

Ms. Mohiyuddin recalled the importance of the work led by the CBC in helping SAIs around the world and in ensuring accountability, transparency, good governance and the effective use of public funds. She also encouraged the participants to have a healthy discussion of the
future work of the committee, and to share their ideas and expectations as to allow the Chair of INTOSAI Strategic Plan Task Force to organize the collective work of the CBC members and achieve success for capacity building.

To conclude her statement, Ms. Mohiyuddin paid tribute once again to the leadership of Morocco and expressed the Goal Liaison’s support for the existing proposal for South Africa and Sweden to take on the lead of the committee as Chair and Vice Chair, respectively. Finally, she wished the participants a fruitful and constructive meeting, and renewed the Goal Liaison’s readiness to continue to support the successful achievement of the committee’s objectives.

III – Approval of the meeting agenda and the minutes of the last CBC Steering Committee Meeting

The CBC Chair invited the meeting participants to express their comments on the agenda items and share their potential remarks about the minutes of the last CBC Steering Committee Meeting held in Oslo, Norway in 2012. Both items were approved.

IV – CBC Chair Report - Morocco

In his report, the CBC Chair recalled the main objectives of the meeting, indicating that holding it at this particular time of the year is an opportunity for the CBC and its related parties to discuss their achievements during the past year and plan future activities before presenting them to the larger INTOSAI community at the forthcoming INCOSAI in Beijing - China. He also considered the meeting as an important step for the approval of the pending guides and materials produced by the three CBC subcommittees. He also mentioned that two other prominent points of discussion in the meeting are the transition in the CBC Chairmanship, as well as the future strategy of the committee and its adaptation to the overall strategy of INTOSAI, IDI and the other partners from the donor community.

In his report, Mr. Jettou highlighted the achievements of the CBC with regard to the promotion of SAIs’ independence, awareness raising about public audit, the sharing of knowledge and experience among SAIs, and the mobilization of the international community of donors to sustain capacity building activities. He also stressed that SAIs’ capacity building is a long term process that requires continuous efforts, commitment, clear vision, and adequate human and financial resources.

The CBC Chair also highlighted the major achievements of the committee and its three subcommittees in meeting the objectives of the INTOSAI Strategic Plan under Goal 2, stressing the important contribution of the US GAO, as the CBC Goal Liaison, the permanent assistance of the INTOSAI General Secretariat, and the commitment and hard work of the CBC three subcommittees chaired by the UK, Peru, Germany, and most recently the Slovak Republic in the development and translation of the 12 guides and the provision of information resources for the benefit of the large community of INTOSAI. In the same line, he also
evoked other regional workshops that have been organized with support from the UK Department for International Development (DFID) to serve the same purpose.

Mr. Jettou then informed the meeting participants about the Court of Accounts’ intention to step down from its position as CBC Chair. In this regard, he informed the participants that a process of discussions and consultation has already been initiated since the last Governing Board Meeting in Chengdu—China in 2012 with SAI leaders from different INTOSAI regions, namely from the United States, United Kingdom, Norway, Saudi Arabia, France, India, Austria and South Africa to identify potential candidates for succession in the CBC Chairmanship. In light of these consultations, South Africa and Sweden have been suggested as potential successors in the positions of Chair and Vice Chair respectively. This succession plan is to be presented to the next Governing Board and INCOSAI for approval and adoption.

Finally, the CBC Chair thanked once again Dr. El Midaoui for his leading role as CBC Chair, as well as all the CBC members for their hard work and devotion in serving the large INTOSAI community.

V- CBC Subcommittee 1 Report - UK

Mr. David Goldsworthy, representative of the UK National Audit Office and Chair of CBC subcommittee1, opened his speech by addressing a thank you note to SAI Morocco for its leadership and praising Mr Jettou as well as Dr. Ahmed El Midaoui’s chairmanship of the CBC over the last nine years.

Mr. Goldsworthy’s report was based on the minutes of the last CBC Subcommittee 1 meeting, held in Tunis between 6 and 7 June 2013. One of the main points he tackled was the growing role that INTOSAI regions play in leading and developing capacity building activities. He also pointed out that this role is still obstructed by numerous constraints, among which are the lack of resources, disparity between regions, lack of high-level support for regional cooperation, inadequacy between the INTOSAI tools and the needs of SAIs in some INTOSAI regions. He also stressed the need for connecting and sharing via the tools of information technology to provide permanent training and distance support on the one hand, and reduce the costs of organizing training events on the other. Mr. Goldsworthy also stressed the importance of local ownership of INTOSAI tools and materials as these have to be adapted and contextualized according to the local needs and specificities of SAIs.

Mr. Goldsworthy recommended that the CBC should consider giving more thought and space on the agenda to facilitating exchange and cooperation between the regional secretariats, in a way to allow them to be more actively engaged in designing the meetings’ agendas. He also suggested that the Working Group on Value and Benefits of SAIs, when it finishes its work, will need a home and the CBC would be the most appropriate place.

With regard to the developments of the INTOSAI-Donor Cooperation, many suggestions have been made as, for instance, the launching of another global call for proposals at the INCOSAI in 2014, providing assistance to SAIs in developing applications for grants that respect the
formats required by the donors, as well as making more use of SAIs in auditing donor funds in areas of common interest such as the extractive industries.

In his report, Mr. Goldsworthy also emphasized the necessity to enhance the benefits of the INTOSAI CBC website and find ways to make it more visible and accessible by the international community of SAIs.

The importance of having the CBC guides and materials translated into the main INTOSAI regional languages was also highlighted to facilitate their ownership and use by SAIs in those regions. At the same line, he mentioned that other guides and materials are being developed in areas such as business continuity, IT management and cost effectiveness of training. He also stressed that this process of producing guides and papers should be maintained by continuously adapting these products and providing assistance for SAIs to implement them and make better use of them. In addition, Mr. Goldsworthy mentioned other aspects to be further developed in the future, namely capacity building supply side from SAIs, cooperation with the United Nations and work with parliaments.

Finally, he recommended a reform of the current structure of the CBC and the roles of its various subcommittees to better meet the INTOSAI strategic objectives and new challenges with the aim of operating more effectively and less expensively. The idea is to consolidate the CBC in one major committee to meet once a year. He informed the participants that in its last meeting in Tunis, SC1 has already recommended its dissolution and its wish to be merged within one single committee. He also suggested that at the next INCOSAI, a presentation could be made by the new CBC leadership on the new vision of the committee.

VI - CBC Subcommittee 2 Report- Peru

In his report to the Steering committee, Mr. Fuad Khoury Zarzar, Chair of Subcommittee 2, started by thanking SAI Morocco for hosting the CBC Steering Committee meeting and gave an overview on the three lines of action assigned to his Subcommittee.

Relating to the Database of Experts, the focus was put on the new platform of the database and also on the progress made so far with regard to the registration process, noting that the number of registered experts is still weak (41). In this regard, the INTOSAI General Secretariat has proposed to disseminate via a link on the INTOSAI website an invitation to members to activate the registration process. The efforts to disseminate the database include a brochure distributed by email, an article published in the INTOSAI Journal on 2011 and the ongoing development in cooperation with Mexico of a new integrated and more user-friendly database. Special issues were stressed regarding the presentation of a planning on the remaining actions to be conducted on a timetable that extends through the end of 2014.

Regarding the "Guide on Joint and Coordinated or Parallel Auditing Programs", the presentation mentioned its current status, the importance of these audits, and the necessity to disseminate the Guideline and its annexure among the members of Subcommittee 2 for approval. He also mentioned the need for coordination with the PSC to classify and number
the Guideline according to ISSAI Standards, as well as the progress in its translation process and the proposal to integrate it within the framework of the International Standards of SAIs (ISSAI) according to the relevant process.

As for "Guidelines for Internship Programs" the presentation stressed the encouragement of internship and visit programs to facilitate the visit of professionals from other SAIs to share knowledge in audit areas. It also focused on the importance of the Guidelines developed by the SAI Pakistan for internship programs and the proposition of the PSC to use this guideline as a Manual among INTOSAI members since it cannot be classified in any ISSAI Category.

The Guide on Cooperative Audit was then presented to and endorsed by the members of the CBC Steering Committee.

Moreover, discussions were suggested to take place between the CBC Subcommittee 2 and the PSC Secretariat to make sure the turning of the Guide into an ISSAI is made in compliance with the ISSAI Due Process before its presentation for final approval and adoption before the Governing Board.

VII - CBC Subcommittee 3 Report - Slovak Republic

The report presented by Mr. Vladimir Toth, representative of the SAI of Slovak Republic, Chair of Subcommittee 3, raised the main following points:

- The current status and tasks related to Sub-Committee 3;
- Assessment of the existing peer reviews and dissemination of peer review results;
- Promotion of an environment where voluntary peer reviews are seen as beneficial;
- Use events on top management level for distributing and promoting the ISSAI 5600 and related documents as peer review tools as much as promoting the advantages of the peer review in the INTOSAI community;
- Update of the peer review guidelines to provide best examples: in this regard, all SAIs involved in the peer review process were invited to share information on their experiences with the two mentioned documents and make proposals for improvement and modification;
- Invitation of new members to reach broader INTOSAI as the representatives of AFROSIAI and OLACEFS.

The report also presented the future activities in the Action Plan of Subcommittee 3 for the period 2013-2016. The main activities are:

- Further develop and update the peer review documentation;
- Gather more feedback on the ISSAI 5600 and revise it according to the Due Process for INTOSAI professional standards in order to present the amended ISSAI 5600 at the INCOSAI 2016;
- Continue to promote and improve peer review as a tool for quality assurance and capacity building within the INTOSAI community.

Mr Jettou congratulated SAI Slovakia for its new mandate and expressed the interest that the guide and checklist be updated.
VIII- INTOSAI Platform for Cooperation with the United Nations

Mr Jettou mentioned that SAI Korea, Chair of the INTOSAI platform for cooperation with the United Nations, was not able to attend the meeting. He recalled the issues, related to the UNDESA, that seem to have slowed down the project so far.

Ms Gonzalez, from the INTOSAI General Secretariat, explained that the relations between INTOSAI and the UN are developing well and that a major event between the two organizations took place in Vienna last March. She informed also that a project of cooperation between the two organizations is going on and that it will be presented as a Compendium of Innovative Practices on Citizen Engagement for Public Accountability Through Supreme Audit Institutions” next October in China.

IX - Report on IDI Activities and 3i Program- IDI, Norway

On behalf of IDI, Ms. Archana Shirsat presented the IDI report with an update on the following points: 3i Programme, IDI-CBC Programme, SAI PMF, and IDI Draft Strategic Plan 2014-2018.

She started her presentation by talking about the 3i results framework as the development of global public goods, ISSAI certification programmes, ISSAI Knowledge Network/Community of Practice, ISSAI Based Cooperative Audits, and SAI Level ISSAI Implementation Start up.

She also presented the Action Plan of 2013 that includes:

- ISSAI Certification Programme (Performance and Financial Audit)
- Cooperative Performance Audit on Public Debt (in PASAI)
- Product Development Meeting for ISSAI Implementation Handbook – Compliance Audit
- Mapping Workshop (in AFROSAI-E).

In her report, Ms. Shirsat informed the participants about the different types of contributions from IDI, Regions, PSC and Subcommittees as well as CBC that help achieve the goals set for the 3i programme and IDI activities. She highlighted the achievements under the 3i programme in terms of development of iCATs & ISSAI Implementation Handbooks, ISSAI Certification Programmes for 261 participants from 67 SAIs, five 3i management workshops for 77 SAIs and launch of the 3i Community Portal. She emphasized that the IDI is committed to rolling out 3i Programme Phase 1 in ARABOSAI, CREFIAF and OLACEFs. She updated the Committee on the status of funding in this regard. After that, she recalled the 3i experiences with regard to the understanding of ISSAIs, exercise of professional judgment, maintenance of tools and guidance, language issues and the need to look at the entire framework.
Ms. Shirsat updated the committee on developments in the SAI PMF. SAI PMF has been piloted in 4 four countries, four training courses have been held so far, draft roll out strategy has been developed. An updated version 3.0 of SAI PMF is planned to be piloted in 20 SAIs.

At the end of her report, she highlighted the IDI-CBC Cooperation Programme based on the participation at the CBC meetings, engagement with regions through annual meetings, translation of CBC guides, and identification of regional priority themes (OLACEFS/CREFIAF CAROSAI /AFROSAI-E). In addition to that, she pointed out the change in strategy: country ownership and demand, depth of capacity development, absorption capacity in regions, requirement of additional resources, monitoring and evaluation, as well as Group wise implementation and roll outs. As most of the audience had already seen the draft IDI Strategic Plan 2014-2018, she only presented some highlights of the draft plan namely:

- Emphasis on both performance and capacity;
- Integration of INTOSAI-Donor Cooperation role;
- Encompassing institutional capacity in addition to professional staff and organizational capacity;
- Bilateral support to SAIs;
- Distinction between SAI priorities and IDI outcomes.

**X – Report of the INTOSAI General Secretariat**

Ms Gonzalez started her presentation by reminding the participants about the two themes of the INCOSAI in Beijing as well as the special publication to be issued on the occasion of the 60th anniversary of INTOSAI.

She updated the participants about the last UN/INTOSAI Symposium in Vienna in March 2013 on “Audit and Advisory by SAIs: Risks and Opportunities, as well as Possibilities for Engaging Citizens” that witnessed the attendance of more than 150 representatives and resulted in 32 recommendations.

She also informed them about the contacts made at the UN by Dr. Moser where INTOSAI has been invited to actively contribute to the UN Post 2015 Development Agenda.

She mentioned as well the FAC annual meeting held in May in Washington, DC where the final proposals of the Task Force on Financial Foresight have been discussed and will be presented to INCOSAI. She also mentioned that the meeting has been an occasion to discuss the outcome of that Task Force on the future strategic planning process.

She then summarized the future challenges that include the need for knowledge dissemination, INTOSAI outreach as ambassador of public external auditing, as well as the development and maintenance of ISSAIs.

**XI – PSC Update**
Ms Shnipper and Ms Matthiasen shared with the CBC Steering committee members the results of the harmonization project as well as the PSC efforts in standard setting, including the improvement of coherence and constancy across ISSAI framework and the support in standard implementation.

They also presented one of the main new or updated standards to be submitted to the approval of the next INTOSAI Governing Board.

Finally, they informed the CBC members about the existing proposals at the PSC, consisting of a merger of responsibilities into one structure (in the period 2014-2016), the designation of a Standard Setting Board populated by experts, as well as the need for permanent funding.

**XII – Transition in the CBC Chairmanship**

CBC Chair referred to the INTOSAI procedures and guidelines with regard to Chairmanship transfer, and reminded the participants of the outcomes of his consultations with many SAIs in this regard (United States, the United Kingdom, Norway, Saudi Arabia, France, India, Austria and South Africa). He then paved the path for more discussions on his suggestion of passing the CBC Chairmanship on to South Africa as Chair and Sweden as Vice Chair since they have expressed their willingness to succeed Morocco in this position. Accordingly, he asked the representatives of the two SAIs to talk about their candidature to the aforementioned positions.

Mr. Thembekile Makwetu, representative of South Africa, thanked the participants and praised the role and work of the CBC for the past years. He also informed them of his SAI’s readiness to take on this position in joint collaboration with SAI Sweden. In this respect, he explained that this transition is being discussed by the two SAIs, and the outcomes of these discussions are expected to be presented to the INTOSAI community during the INCOSAI 2013 meeting.

On her part, Ms. Johanna Gardmark, from SAI Sweden, also thanked Morocco on its leadership and shared her agreement with Mr. Makwetu’s expectations for the role of the new candidates and informed the meeting attendees of Sweden’s eagerness to work under the leadership of South Africa.

**XIII – Governance Structure**

Mr. Goldsworthy re-expressed his view of the need to consider a restructuring of the CBC governance and to hold a yearly meeting for the whole CBC. In the same line, Mr. Zarzar, Chair of Subcommittee 2 considered the need to deeply reflect on and discuss the new mode of governance suggested by the UK. Mr Jetou said that the proposal of subcommittee 1 was interesting and worth consideration and discussion. He agreed that he would present to the full CBC Committee at INCOSAI this proposal for the future governance of CBC. Participants agreed that the UK would draft a paper describing how the Committee could operate in the future based on the discussions in Sub-committee 1 and the comments made in the Steering Committee meeting. The out-going and in-coming chair would then review the paper and
circulate it to the Sub-committee Chairs. In late August/early September they would convene a tele-conference in order to submit a proposal to the full CBC Committee on 20 October at INCOSAI.

**XIV - Conclusion**

At the end of the meeting, Mr. Driss Jettou, thanked the participants for their attendance and contributions to the meeting, and invited them to carry on their work within INTOSAI with a high spirit of cooperation, coordination and will to serve the general interest. Finally, he addressed his congratulations to the proposed in-coming Chair and Vice Chair of the INTOSAI CBC and wished them a most successful mandate. He then declared the meeting closed.