

INTOSAI



INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS
ORGANISATION INTERNATIONALE DES INSTITUTIONS
SUPÉRIEURES DE CONTRÔLE DES FINANCES PUBLIQUES
INTERNATIONALE ORGANISATION DER
OBERSTEN RECHNUNGSKONTROLLBEHÖRDEN
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66nd Meeting of the Governing Board of INTOSAI

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**Report of the INTOSAI
Capacity Building Committee**

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Report of the INTOSAI Capacity Building Committee

Introduction

Since its inception at XVIII INCOSAI in 2004, the Capacity Building Committee (CBC) has made great strides in developing the capacity of SAIs under the thoughtful leadership of the SAI of Morocco. The need for a continued coordinated effort of capacity building that is aligned to INTOSAI strategic objectives and responsive to international trends was once again confirmed at the XXI INCOSAI in Beijing in 2013 when a new CBC chair, SAI South Africa, and vice chair, SAI Sweden, were appointed and mandated to advance the capacity development agenda of INTOSAI. With collaboration being the key driver, the new CBC leadership developed a concept paper as a first step in outlining a vision of the way forward and fulfilling a clearer strategic and value-adding role for the CBC. In developing the concept paper, the CBC leadership consulted with the chairs of the CBC subcommittees, the Goal 2 Liaison and the chairs of the Professional Standards Committee, the Knowledge Sharing Committee, the Finance and Administration Committee, the IDI Board and the Secretary-General of INTOSAI.

The final concept paper focused on a strategic role for the CBC as the INTOSAI advocate for value-adding, purposeful and cost-effective capacity development at both institutional and individual auditor level. Capacity development is the foundation of SAIs' continual growth as model institutions that benefit society.

The envisioned value-adding role of the CBC included:

- Supporting regional working groups by positively influencing their capacity development approaches and plans for maximum benefit to their SAIs;
- Promoting coordinated capacity development, preventing duplication of efforts, while promoting inter-regional development cooperation;
- Creating opportunities for all who are interested in the capacity building agenda of INTOSAI to have vigorous and strategic discussions on capacity development opportunities and challenges;
- Building and nurturing relationships with other actors in the SAI capacity development arena, inside and outside of INTOSAI, in particular the PSC, and KSC, the IDI and Donor Steering Committee (while the Governing Board remains responsible for the overall implementation of the INTOSAI strategic goals, the complementary functions of the CBC, PSC, KSC, IDI and DSC require closer working relationships in support of mutual efforts aimed at professional standard setting and building capacity to implement these standards);
- Integrating the work of the different bodies of the CBC into a more agile and flexible structure, involving more CBC members in active work within the committee;

- Exploring opportunities and encouraging initiatives for the certification of public sector auditors and the related accreditation of SAIs and/or INTOSAI regional structures; and
- Continuing the important current work of the CBC and its subcommittees.

Annual CBC meeting 2014

These value proposition elements represented the primary areas of focus at the 2014 annual CBC meeting that took place in Lima, Peru, from 9 to 11 September. In addition to the members of the CBC and its subcommittees representing 25 SAIs, the meeting was attended by capacity building representatives from all seven regions of INTOSAI, the General Secretariat, the IDI and a number of donors.

The programme included discussions on the following themes, as well as current and potential new work streams:

- The capacity development impact of coordinated audits, peer reviews and the SAI Performance Measurement Framework;
- Strengthening professionalization efforts through structured development;
- Strengthening SAI capacity by forging strategic partnerships;
- Inter-regional cooperation – options for inter-regional and cross-regional cooperation;
- Building capacity to meet expectations in the Post-2015 Development Agenda;
- SAI capacity development supply side – strengthening peer-to-peer support (facilitated by AFROSAI-E Secretariat);
- IntoSAINT as a capacity development tool;
- Capacity building of SAIs in fragile or post-conflict countries.

Each of the seven INTOSAI regions and three sub-regions was also provided with an opportunity to present a high-level profile of their region and its key activities. The PSC chair, a representative of the KSC, the Director-General of the IDI, the INTOSAI Director of Strategic Planning, and a representative of the Goal 2 Liaison also provided input to the annual meeting, while the SAI of Korea provided a brief update on the INTOSAI Platform for Cooperation with the UN.

During the meeting the CBC also dealt with the following matters that it wishes to bring to the attention of the Governing Board:

- Received satisfactory progress reports from the CBC subcommittees;
- Welcomed the launch of a new CBC website at www.intosaicbc.org

- Noted that a draft Guide to Managing IT will be finalised before the end of the year, and that translation of the CBC Guides into as many languages as possible will continue;
- Welcomed a report from the Advisory Committee on the SAI Capacity Development Database to the effect that the database was very well maintained by the IDI, and approved the proposal that in future the IDI will report thereon directly to the CBC at its annual meeting;
- Accepted the offer of the SAI of Sweden to host the annual CBC in 2015, and that of the SAI of South Africa to host the annual CBC meeting in 2016.

Way forward and 2015-16 work plan

Following intense discussions during the three-day meeting, the CBC identified a substantial number of potential initiatives for the CBC to pursue over and above the work to which the CBC subcommittees were already committed. INTOSAI will benefit most, however, if the CBC deals with strategic capacity development issues rather than operational matters. The CBC has adopted a cautious approach: The goals and initiatives identified for inclusion in the work plan 2015-216 focus on continuing the work of the existing work streams, with the addition of new goals aimed at identifying strategic capacity development challenges and opportunities, facilitating regional cooperation and enhancing capacity development information exchange.

The 2015-16 CBC work plan builds equally on the active involvement of the CBC’s members and on the CBC’s strong partnership with the INTOSAI regions, the IDI, the INTOSAI-Donor Cooperation, the other main committees of INTOSAI, as well as a number of other stakeholders within and outside the INTOSAI Community.

The following are the **goals** and **key initiatives** from the CBC work plan for the next two years until XII INCOSAI:

Goals	Key initiatives
1. Facilitate regional capacity development cooperation and integration	Establish an inter-regional capacity development forum for regular strategic dialogues between the regions, the CBC, the IDI, and other INTOSAI stakeholders. Discussions will focus on key capacity development trends, opportunities and challenges and will promote INTOSAI’s capacity development priorities in order to strengthen current and future efforts.
2. Enable capacity development through knowledge sharing	Maintain a website that provides ease of access to an optimum range of capacity development information, trends and best practices. Facilitate knowledge sharing through the CBC work streams, the CBC inter-regional forum and the CBC annual meeting, while encouraging sharing of good practice examples with wider audiences.

Goals	Key initiatives
3. Promote professional development as an anchor for SAI capacity development	Support further research on the topic of certification at auditor and SAI level, including wider consultation with different SAI models and relevant external actors and the development of a core competency framework for public sector auditing.
4. Promote the benefits of cooperative audits as a capacity development tool	Complete review of ISSAI 5800 (Guide for Cooperative Audits) and prepare for Governing Board approval.
5. Support the verification of capacity development efforts	Prepare ISSAI 5600 (Peer Review Guide) for approval at XXII INCOSAI and continue to disseminate the results of peer reviews while promoting the capacity development benefits of peer review.
6. Support specific SAI capacity development needs through guides and other publications/ development of tools	Facilitate a stock take of capacity development instruments available within and outside INTOSAI and propose solutions to address the gaps.
7. Engage with development community to strengthen SAI capacity development	Continue, in cooperation with the IDI, to act as focal point for INTOSAI's engagement with the OECD and the broader development community.
8. Promote IntoSAINT as a capacity development tool	Support the institutionalization of IntoSAINT within INTOSAI structures.
9. Promote support for capacity development of SAIs in fragile and post-conflict countries	Identify and document strategies and best practices for capacity building of SAIs in fragile or post-conflict countries.

It is important to note that a number of the above initiatives are long-term initiatives and although they will commence during 2015-16, they will not be completed during this period.

The above goals and initiatives have been incorporated into a detailed CBC Joint Work Plan that is available on the CBC website at:

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

Matters for Governing Board endorsement

The following matters are presented to the Governing Board for endorsement in terms of Chapter IV.1 of the *Handbook for INTOSAI Committees*:

- Change in membership – the SAIs of China and Indonesia as new members of the CBC.
- The goals and key initiatives from the joint CBC work plan for the period 2015-16.

END