

## SAI PMF

### Annual Progress Report September 2017 – August 2018

Prepared by the SAI PMF team in IDI, 13.08.2018

#### 1. Introduction and purpose of this report

The Supreme Audit Institutions Performance Measurement Framework (SAI PMF) was officially endorsed at INCOSAI on the 8th of December 2016. The tool is firmly anchored in the INTOSAI Strategic Plan 2017-22, under Goal 2 “Capacity Development”. The CBC has assumed responsibility as a strategic lead on SAI PMF and is monitoring the execution of the SAI PMF Implementation Strategy 2017-19. The IDI is tasked with the operational responsibility for the further roll out of SAI PMF and has set up a SAI PMF program team to this end. The CBC and the SAI PMF team within IDI are supported by an Independent Advisory Group (IAG), consisting of SAIs and development partners.

The purpose of this progress report is to provide the CBC, the IAG and other stakeholders with information about progress towards achievement of the SAI PMF Strategy 2017-19 and the 2018 SAI PMF annual plan.

#### 2. Progress against SAI PMF Strategic Outcomes

As per the SAI PMF Implementation Strategy, a first key objective is to establish SAI PMF as a widely recognized tool in the INTOSAI community. There has been steady progress in the number of finalized SAI PMF assessments globally. There are 49 completed assessments, and another 9 reports currently in independent review process and likely to be finalized in the coming months. Thus, the target of 55 assessments for 2018 is highly likely to be met by the end of the year.

##### SAI PMF Strategy Outcome Indicator 1: Cumulative number of SAIs with a SAI performance report based on the SAI PMF framework a) First time assessment b) Repeat assessment

Milestone 2018: **55**

Realization August 2018: **49**  
a) 47 b) 2

Outlook end 2018: **58**

The second SAI PMF Implementation Strategy outcome emphasizes the importance of reports being of high quality. To that end, the SAI PMF team offers to arrange for independent review, resulting in a formal statement that the report meets quality criteria. The indicator looks into the independent reviews done over the last three years. Of the 31 SAI PMF reports that have been finalized between August 2015 and August 2018, 19 have been independently reviewed by the IDI. This corresponds to more than 60% of SAI PMF reports finalized within the last three years and is a clear sign firstly that quality of reports is taken seriously, and secondly that the independent review function is highly relevant. Nine additional reports are currently in an independent review process.

##### SAI PMF Strategy Outcome Indicator 2: Percentage of conducted assessments finalized the last three years that includes a QA statement demonstrating independent verification of facts, as well as proper application of the SAI PMF methodology

Milestone 2018: **58%**

Realization August 2018: **61%**

Outlook end 2018: **71%**

Finally, the third strategic outcome looks into the actual use of the SAI PMF assessment results. The SAI PMF unit collects data on this via an annual survey. Among the 31 finalized assessments in the last three years, in 23 instances the SAIs have used the SAI PMF findings for developing or revising the SAI strategic plan and/or for planning of capacity development. It should be noted that it is only in exceptional cases that SAI PMF results are not used for at least of those objectives. Other purposes may include demonstrating values and benefits to citizens, or to help build a culture for performance improvement in the SAI.

**SAI PMF Strategy Outcome indicator 3: Percentage of conducted assessments finalized the last three years that are reported as having been used as basis for SAI strategic planning and/or capacity building projects.**

**No targets for 2018**

Target for 2019: LDC & LI = 80%; LMI = 75%; UMI = 65%; HI =50%

**23 of 31 (75%)** SAI PMF assessments finalized in the last three years for which data on use of results is available indicate that the results have been used either for strategic planning and/or capacity building projects.

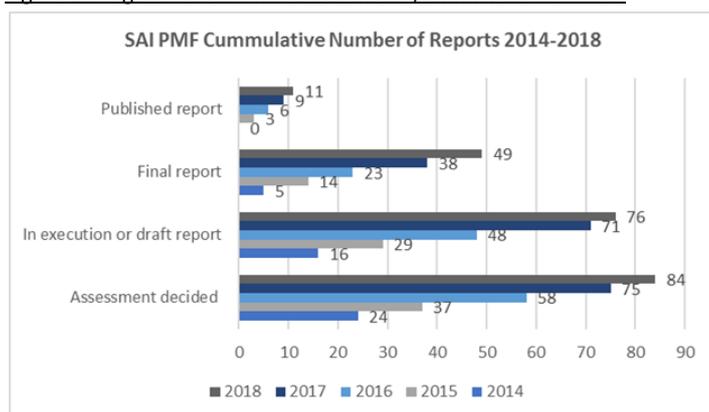
### 3. Key activities and achievements against SAI PMF functions

#### *SAI PMF function 1: Strategic governance and advice*

Responsibility for providing strategic governance and advice lies primarily with the CBC, supported by the IAG. This entails monitoring the SAI PMF strategy, decisions connected to eventual future revision of SAI PMF, establishing platform for communication on strategic matters, and ensuring engagement by both INTOSAI and donor communities. In the last year, the SAI PMF team supported CBC in the development of the SAI PMF communication strategy and in the preparation of various presentations at relevant fora.

#### *SAI PMF function 2: Conduct of SAI PMF assessments*

**Figure 1 Progress of SAI PMF assessments, cumulative numbers**



Data: SAI PMF monitoring sheet. Data for 2018 until 01 August only.

The decision whether or not to carry out a SAI PMF assessment lies with the SAI Head, but the SAI PMF team has a key responsibility for supporting and providing guidance to SAIs and assessment teams. During the last year, such bilateral support was provided to the SAIs of Armenia, Philippines, Finland, Tunisia, Denmark and a number of the Pacific SAIs. Support to SAIs inquiring on planning a new assessment was given to the SAIs of Antigua, St. Kitts and Nevis, Israel, Myanmar, Colombia and Costa Rica.

Global conduct of SAI PMF assessments has been impressive. Since the piloting phase started in September 2012, there have been 113 SAIs where an assessment has been proposed, including 11 SAIs with a repeat assessment. Of those, in 84 instances the Head of the SAI has made a decision to conduct a SAI PMF assessment. In total, 49 assessments have been finalised, of which 11 are published. Currently, there are 27 ongoing SAI PMF assessments, including nine in independent review stage. Figure 1 shows that there has been a strong increase in assessments since 2014, which underscores the steady growth in the interest and understanding of the usefulness of the tool.

#### *SAI PMF function 3: Support of Assessment Quality and Global Monitoring*

Support to ensure quality of assessments is one of the key responsibilities of the SAI PMF team. It relates to being the global training body, support function and knowledge centre for SAI PMF. This includes development of guidance and training materials, delivery of training courses and workshops, providing ad-hoc support to SAIs and assessors, and development of a pool of experts to support SAI PMF roll-out in different languages.

During the last year, following activities were implemented with respect to the development of guidance and training materials:

- Refinement and further adjustments to the basic training course materials;
- Translation of basic training course materials into Arabic;

- Initial work on developing the SAI PMF advanced course materials;
- Overview of tracking changes between different versions of SAI PMF for use in repeat assessments;
- Development and gathering of feedback on a draft independent review guidance note.

Delivery of courses and workshops is another key activity of the SAI PMF team with the objective of raising awareness and supporting the quality of SAI PMF assessments. Table 1 summarizes the realised training and workshop events in the last year.

**Table 1 SAI PMF training events September 2017 – August 2018**

Type	Location	Date	Region	Participants
SAI PMF Basic course	Philippines, Manilla	October 2017	ASOSAI	29
SAI PMF Basic course	Casablanca, Morocco	December 2017	ARABOSAI	37
SAI PMF Basic course	Oslo, Norway	May 2018	Worldwide	27
SAI PMF Basic course	Paramaribo, Suriname	June 2018	CAROSAI	20

Two more basic training courses in Peru and in Spain are planned until the end of 2018. A SAI PMF advanced training course and an independent review course are also under consideration.

With respect to global monitoring, the SAI PMF team revised the monitoring system for keep track of SAI PMF assessments. As a part of the annual progress survey distributed in July 2018, additional information on the persons who had participated in assessment teams during the years was collected. This will feed into an ongoing work to revise the monitoring system for trained and experienced SAI PMF assessors in order to be able to better target efforts to develop regional and global pools of resource persons on SAI PMF.

#### ***SAI PMF function 4: Facilitate SAI PMF assessments and use of assessment results***

Activities under Function 4 include the development of regional implementation plans on SAI PMF based on needs and resources, as well as the provision of programs that facilitate the conduct of SAI PMF assessments and use of its results.

In 2017, the SAI PMF team initiated the process for developing regional implementation plans for 2018-19. Those implementation plans shall lay down agreements for delivery of regional training courses and events, knowledge-sharing activities, and other needs-based support. To support the process, in November 2017 the team sent out a communication package for all regions, which includes a paper on the key elements of SAI PMF, and overview of support available, four experience stories from SAIs that have completed the assessment, as well as a template with instructions for drafting the regional implementation plan. On this basis, dialogue on preparation of regional implementation plans has commenced in all but one INTOSAI regions. SAI PMF implementation plans have been finalized for ASOSAI, CAROSAI, OLACEFS and PASAI.

A second element to Function 4 are programs to facilitate conduct of SAI PMF assessments. Those entail a coordinated regional approach to undertaking SAI PMF, where the assessment teams are given appropriate training in the SAI PMF methodology through a series of sequenced modules. This is supplemented by support and guidance from resource persons and peers during the assessment. A pilot program is currently being finalized in PASAI, in good cooperation with the PASAI secretariat. For 2019, there are preliminary agreements on facilitation programs in ASOSAI and ARABOSAI.

Next to facilitation programs targeting specific regions, the SAI PMF team is also involved in activities to enhance the use of SAI PMF results. In that respect, it collaborates closely with other IDI programs, such as the Strategy, Performance Measurement and Reporting (SPMR) program. The latter was launched in 2015, with the objective of

promoting “strategically managed SAIs and INTOSAI regions leading to higher performance”. The SAI PMF will be an integrated part of this program, as one key feature of the program will be to support the use of SAI PMF at various stages of the strategic management process, including: assessing the current situation (developing a baseline); developing performance indicators, monitoring and evaluation of performance (end of strategic period). As part of the pilot phase of SPMR, staff from the SAI PMF team participated in a launch workshop in PASAI that had a strong SAI PMF element. It is expected that this engagement will become stronger during the global roll-out of SPMR in 2019. Another area where SAI PMF is expected to play a strong role is the provision of support to SAIs under the Global Call for Proposals (GCP) Tier 2 initiative.

#### ***SAI PMF function 5: Quality Assurance / Independent Review***

One of the key responsibilities of the SAI PMF team is to maintain the independent review (quality assurance) function for SAI PMF assessments. A first stage of the independent review process covers a check of the draft terms of reference for a before-standing SAI PMF assessment. So far, independent reviews of terms of reference have been done for 40 out of 78 assessments where terms of references have been agreed. The SAI PMF team has worked towards strengthening the emphasis in various training and awareness-raising materials as to the importance of quality checking the terms of reference for assessments with view of quality.

As regards the independent review of the draft reports, over the last year the SAI PMF team has completed eight independent reviews that have resulted into final reports. Another nine reports are currently in the independent review process. 25 out of the 49 assessments finalized since 2014 have been checked for quality by the SAI PMF team, or by someone on their behalf.

#### **4. Operational challenges and mitigation strategies**

***Turnover and technical of staff has been a concern but has been addressed. The delivery of planned inputs has not been affected.*** The head of the SAI PMF team, who had been involved in the development of the SAI PMF framework for several years, left at the end of 2017. This left the team temporary understaffed. However, as of April 2017, the team consists of three full-time program managers, supported by a coordinator with 0.5 FTE. The IDI Deputy Director General in charge of the program department where the team is placed, took over the role of head of the team. To ensure that all program managers develop quickly their technical skills, all of them have been or are going to be involved in assessments in 2018. They are furthermore supported by an external expert with strong SAI PMF experience who is working with the team to build their knowledge and supplement them. As a result, all activities have been delivered as planned, and there has been very limited work pressure, even when the team was temporarily understaffed in the first quarter of 2018. Going forward, IDI staff working on programs closely linked to SAI PMF (such as SPMR) will be joining SAI PMF assessments to ensure broad competence in IDI, and to support work in the French and Arabic languages

***There is need to focus more efforts on developing a core of independent reviewers in different languages.*** In 2017, a lot of efforts went into promoting the SAI PMF tool, delivering training, preparing guidance etc. This contributed to a comparatively high number of assessments finalized, and also in a high number of requests for independent review. As the SAI PMF team is responsible for ensuring the independent review function, more attention should have been paid at the planning stage with regard to developing appropriate capacity given anticipated needs, in particular in French and Arabic. With a limited number of people able to do an independent review, there have been delays in the process. One of the three SAI PMF program managers has already been trained to do independent reviews, and the other two will likely commence with such work later in 2018. An independent review course to be delivered in December 2018 will address the need for developing a broader cadre of independent reviewers with different language skills.

***More efforts should go into preparing resource persons to facilitate SAI PMF trainings.*** Previously, the approach for engaging resource persons from SAIs to support training delivery has been to provide presentation notes and have a

short meeting prior to the training to discuss any questions. This has resulted in resource persons not being sufficiently comfortable with the training material. As of 2018, the approach for preparing resource persons has changed, and a full day of face-to-face preparation with the facilitators' team has been included in the planning of trainings. For SAI PMF facilitated programs, preparation of resource persons will cover a one week workshop.

***Take-up of SAI PMF varies significantly across regions, despite similar level of IDI engagement.*** Five years after the launch of the SAI PMF pilot phase, monitoring data shows that despite similar number of training courses provided in certain regions, the number of SAI PMF assessments can be very different. Cultural differences in the attitude towards performance measurement, level of communication and engagement with the INTOSAI region, donor involvement, as well as language issues are among the explanatory factor thereof. The response towards ensuring more equal take up of SAI PMF requires a targeted and differentiated approach. This is reflected in the SAI PMF regional implementation plans that have been developed in 2018, and whose implementation will be a core activity in 2019.

## **5. Outlook for 2019**

In 2019, the SAI PMF team plans to continue its work as the operational lead on the three SAI PMF functions as per the SAI PMF Implementation Strategy. Some specific activities from the draft 2019 plan to be highlighted are as follows:

- Arrange for an external evaluation of the SAI PMF implementation strategy and use the findings to support CBC in developing the new SAI PMF implementation strategy;
- Continued support and under circumstances involvement in SAI PMF assessments, based on SAI needs;
- Focus on advanced training courses and development of strong regional pools of SAI PMF assessors;
- Delivery of facilitated programs on SAI PMF in ASOSAI and ARABOSAI (to be confirmed), as well as in conjunction with the roll-out of the SPMR program;
- Development of a cadre of trained independent reviewers.

## **6. Resource overview**

Compared to 2017, the staffing situation in the SAI PMF team has improved significantly, as two new SAI PMF managers joined in April 2018. Associated staff costs are covered under IDI's budget.

In terms of program spending, 2018 activities have assumed less resources than in 2017, mainly due to the finalization of the PASAI regional facilitation program. Program management costs in 2018 include the fees of the independent expert supporting the SAI PMF team. Spending on Function 1 entails travel to various meetings such as a peer review conference in Bratislava in June 2018. Costs under Function 2 relate to the involvement of SAI PMF team members in assessment teams as part of their professional development. The largest spending occurs in Function 3, which covers individual SAI PMF training courses, as well as material development and translation. As no facilitation programs are ongoing in 2018, Function 4 does not assume any finances. Finally, as many of the independent reviews are outsourced, related costs are seen under Function 5.

Currently, program spending on SAI PMF faces a gap of ca. 500,000 NOK. This is due to the fact that SAI PMF is one of the few IDI programs financed entirely by core funding, with no earmarked support. As a consequence, if no additional funds can be mobilized, there may be a need to delay the execution of one or two training courses to early 2019. The SAI PMF team is exploring the various possibilities in terms of optimizing training delivery.

Table 2 SAI PMF budget and spending 2017-2019

	2017 - actual	2018 - budget	2018 – actual up to 10/08	2019 – indicative budget, to be approved
Program management	91 822	356 400	153 980	178 200
Function 1 - Strategic governance and advice	32 349	49 734	21 060	124 376
Function 2 - Conduct of assessments	52 547	339 188	223 037	87 480
Function 3 - Guidance and monitoring	1 064 839	1 721 270	404 861	1 017 540
Function 4 - Regional facilitation	2 556 713	0	0	1 173 528
Function 5 - Independent review	319 545	364 500	89 480	364 500
<b>TOTAL</b>	<b>4 117 815</b>	<b>2 831 092</b>	<b>892 418</b>	<b>2 945 624</b>

## 7. Annex 1: Details of outputs achieved September 2017 – August 2018

Output	SAIs/ details
<b>49 SAI PMF assessments conducted since 2013</b>	Afghanistan, Argentina, Bangladesh, Barbados, Bhutan*, Brazil, Brazil Repeat assessment, Burkina Faso, Colombia, Cook Islands, Costa Rica, Cuba, Cyprus*, Czech Republic, Djibouti, Dominican Republic, Ecuador, El Salvador, Georgia, Guatemala, Honduras, Ireland, Jamaica, Kosrae, Latvia, Mexico, Mongolia, Nepal*, New Zealand, Nicaragua, Norway (2017 assessment), Palestine, Papua New Guinea, Peru*, Saudi Arabia, Sierra Leone, Slovak Republic, Slovak Republic Repeat Assessment, Sri Lanka, Suriname, Swaziland, Trinidad & Tobago, Tonga, Tuvalu, Turkey, Uganda, Vietnam, Yap
<b>Independent review of SAI PMF report</b>	Armenia, Georgia, Jamaica, Solomon Islands, Suriname, Tonga, Tuvalu, Georgia, Cape Verde, Samoa, Kosrae, Yap, Sri Lanka, Portugal, Guam, Pohnpei, Zambia
<b>Independent review of ToRs</b>	Guyana, Philippines, Sri Lanka, Nauru
<b>SAI PMF Basic training course delivered in ASOSAI</b>	Armenia, Bhutan, Indonesia, Korea, Maldives, Nepal, Papua New Guinea, Philippines, Sri Lanka, Singapore, and Thailand
<b>SAI PMF Basic training course delivered in ARABOSAI</b>	Algeria, Egypt, Iraq, Jordan, Kuwait, Lebanon, Mauritania, Morocco, Oman, Palestine, Qatar, Sudan and Tunisia
<b>SAI PMF basic training course delivered in Oslo</b>	IDI staff, Tanzania, Norway, Fiji, Sweden, Greece, Austria, World Bank, Global Affairs Canada, GIZ
<b>SAI PMF basic training course delivered in CAROSAI</b>	Antigua, Belize, Grenada, Guyana, Montserrat, St. Lucia, St. Kitts, St. Vincent and Grenadines, Suriname
<b>SAIs supported in PASAI as part of SMPR</b>	Cook Islands, Guam, Kosrae, FSM, Pohnpei, Marshall Islands, Solomon Islands, Samoa, Tuvalu, Yap
<b>Provision of ad-hoc guidance</b>	Armenia, Philippines, Finland, Tunisia, Denmark, Pacific SAIs, Antigua, St. Kitts and Nevis, Israel, Myanmar, Colombia and Costa Rica
<b>Awareness-raising presentations</b>	For GAB-Saudi Arabia, AFROSAI-E and SAI Netherlands
<b>SAI PMF training and guidance materials</b>	Revised basic training course materials, draft guidance on independent reviews
<b>SAI PMF monitoring tools</b>	Monitoring systems for tracking of assessments and for trained assessors revised
<b>SAI PMF communication materials and activities</b>	SAI PMF communication package, article for EUROSAI magazine, presentation on SAI PMF on peer review conference Bratislava, translation of SAI PMF video into Arabic, Spanish and French, revision and update of SAI PMF website, new design of SAI PMF document in all languages

