

SAI PMF Progress Note (for the period August 2020 – August 2021), and What Happens Next?

Prepared by the IDI for the CBC Meeting, September 2021

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 2020-22. The IDI is tasked with the operational responsibility for the roll out of SAI PMF. The CBC and the IDI are supported by an Independent Advisory Group (IAG), consisting of SAIs and development partners.

The purpose of this report is twofold. Firstly, to provide the CBC, the IAG and other stakeholders with key information about progress towards achievement of the SAI PMF Strategy 2020-22 and the 2021 SAI PMF annual plan. Due to COVID-19 the budget was revised and presented to the IDI Board in June. In line with agreements, the IDI will prepare a thorough progress report for the whole of 2021 as part of its Performance and Accountability report for 2021. Secondly to present key focus areas for the remainder of 2021 and 2022.

PROGRESS NOTE

1. Progress against SAI PMF Strategic Outcomes

Although the IDI Operational Plan for 2021 has been revised, the milestones for the SAI PMF strategy outcome indicators have not been adjusted. The outlook for end of 2021 is in general promising.

SAI PMF strategy outcome indicator 1

As per the SAI PMF Implementation Strategy, a first key objective is to establish SAI PMF as a widely recognised tool in the INTOSAI community. There has been steady progress in the number of finalised SAI PMF assessments globally¹. There are 88 completed assessments to date. 10² of the assessments that are currently in draft report phase or independent review phase, are expected to be finalised in the coming months, 3 of these are repeat assessments. There is still a risk that ongoing SAI PMF assessments take longer to finalise due to COVID-19. The target of 75 first assessments by end of 2021 has already been exceeded. The outlook is that repeat assessments and published assessments will be under target by end of 2021.

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

Milestone 2021: 120	Actuals as of August 2021: 105	Outlook end 2021: 115
a) 75 b) 20 c) 25	a) 79 b) 9 c) 17	a) 86 b) 12 c) 18

SAI PMF strategy outcome indicator 2

The second outcome emphasises the importance of reports being of high quality. To that end, the IDI offers to arrange for independent review, resulting in a formal statement that the report meets quality criteria. The indicator looks into the cumulative number of independent reviews done. Of the 88 assessments finalised per

¹ SAI PMF assessments are counted in the IDI SAI PMF monitoring system if the SAI has submitted corresponding information to the IDI, including on the start and end dates of the assessment, the approach employed, the assessment team members, and the objectives and use of results of the assessment. The majority of SAIs also choose to share the report confidentially with the IDI, even when they don't request an independent review.

² This is a careful estimate as there are 22 reports currently in independent review stage. IDI has done our best judgement also considering that some of the reports are assessments that we don't expect to be finalized.

August 2021, 58 have been independently reviewed by the IDI. This corresponds to 66% of SAI PMF reports finalised and is a clear sign that quality of reports is taken seriously, and that the independent review function is highly relevant. Twenty-two additional reports are currently in an independent review process by the IDI.

SAI PMF Strategy Outcome Indicator 2: Percentage of all (i.e. cumulative) finalised SAI PMF assessments that includes an IR statement demonstrating independent verification of facts, as well as proper application of the SAI PMF methodology

Milestone 2021: 64%	Actuals as of August 2021: 66%	Outlook end 2021: 69%
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SAI PMF strategy outcome indicator 3

Finally, the third strategic outcome looks into the actual use of the SAI PMF assessment results. The SAI PMF team collects data on this via a survey, as well as through regular contact with SAIs and assessment teams. By July 2021 most finalised assessments have been used by the SAI for developing or revising the SAI strategic plan and/or for planning of capacity development.

SAI PMF Strategy Outcome indicator 3: Percentage of all (i.e. cumulative) finalised SAI PMF assessments (all countries) that are reported as having been used as basis for SAI strategic planning and/or capacity building projects.

Milestone for 2021: 90%	Actuals as of August 2021: 87%	Outlook end 2021: 89%
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2. Key activities and achievements against the SAI PMF functions

SAI PMF function 1: Strategic governance and advice

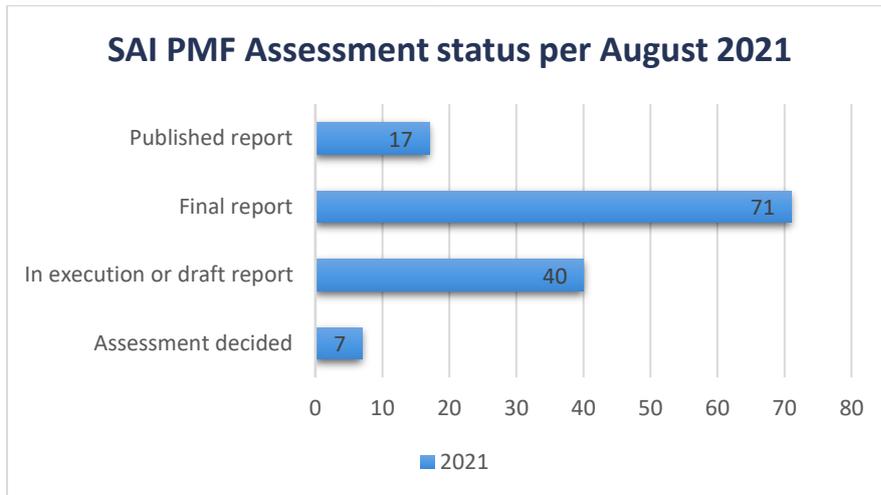
Responsibility for providing strategic governance and advice lies primarily with the CBC, supported by the IAG. A key task for the first half of 2021 has been to implement the SAI PMF communication strategy that was developed in 2020 under the lead of CBC. Several success stories have been developed to raise awareness and share experiences on how SAI PMF has been utilized and benefited SAIs.

In 2020, the approach for the light touch revision of the SAI PMF framework was decided and agreed, and a plan and milestones were developed with the objective of finalising the process by INCOSAI 2022. Progress have been made and work has been initiated in terms of reaching the second key milestone on revising the jurisdictional indicators and aligning those to the IFPP framework.

Under the lead of CBC an evaluation of the SAI PMF implementation strategy 2017-2022 has been initiated. The purpose is to take stock of achievements and shortcomings in the current implementation strategy. This will allow for identification areas of improvement to support further implementation to ensure SAI PMF continues to provide value. The evaluation results are expected to feed into the development of the upcoming SAI PMF implementation strategy. The final evaluation report will be submitted 8 November 2021. It is important to note that the evaluation will consider the implementation of the SAI PMF strategy and the governance and programme delivery arrangements. However, examination of the SAI PMF framework is beyond the scope.

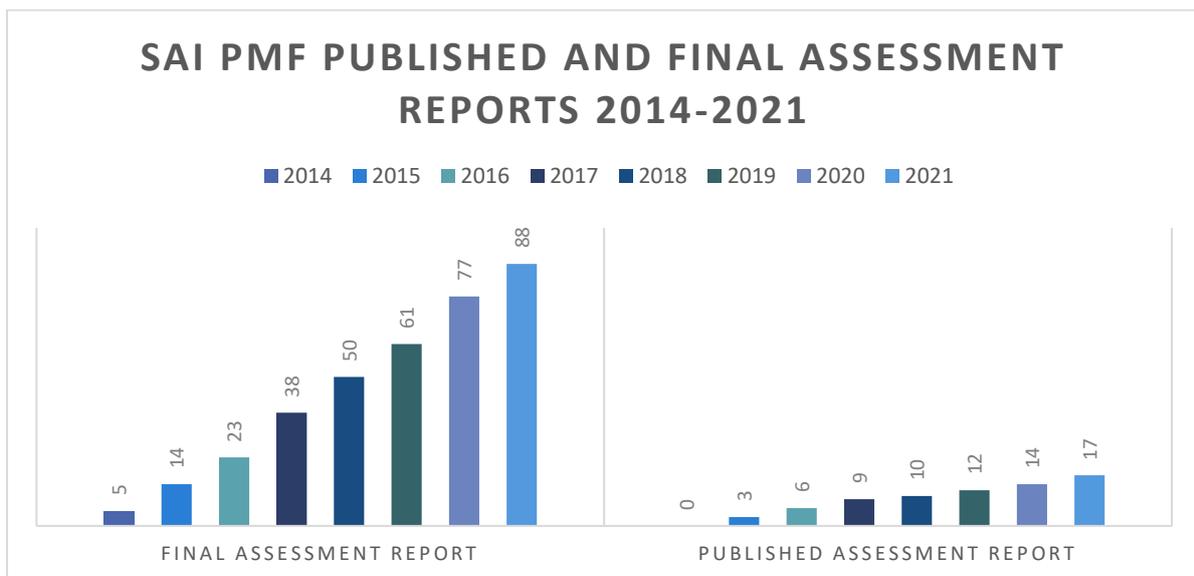
SAI PMF function 2: Conduct of SAI PMF assessments

Figure 1 Assessment status per August 2021



Data: SAI PMF monitoring sheet. Data for 2021 until August ³

Figure 2 Progress of SAI PMF assessments 2014-2021, published and final assessments

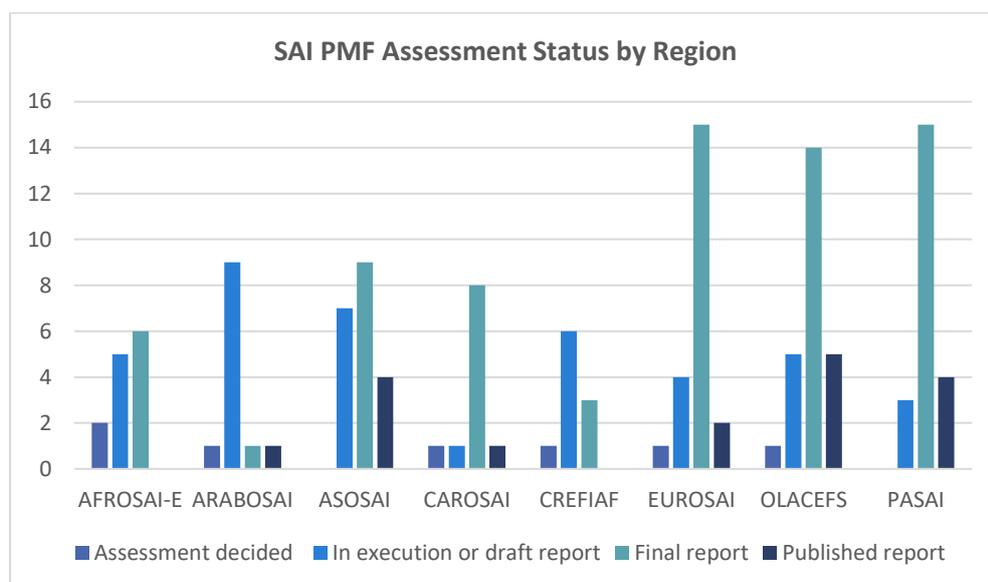


Data: SAI PMF monitoring sheet. Data for 2021 until August.

The decision whether or not to carry out a SAI PMF assessment lies with the Head of SAI, but the IDI has a key responsibility for supporting and providing guidance to SAIs and assessment teams. As demonstrated by Figure 1 and 2, global conduct of SAI PMF assessments since its inception has been impressive. Per August 2021 there are 17 published assessments and 71 final assessment reports, which brings the total up to 88 finalized assessments. It is also worth noting that a notable number of assessments are in a draft report or independent review stage expected to be finalised by the end of 2021 or beginning of 2022.

³ For two of the reports a summary has been published.

Figure 3 Progress of SAI PMF assessments, regional figures



Data: SAI PMF monitoring sheet. Data for 2021 until August.

As demonstrated in Figure 2, all INTOSAI regions have embraced the SAI PMF framework although there are some regional variations in the uptake.

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 IDI. It relates to being the global training body, support function and knowledge centre for SAI PMF. During last year the following activities were implemented with respect to the development and refinement of guidance and training materials:

- Guidance on using SAI PMF for monitoring purposes has been finalized. The guidance will be translated and published on the IDI website;
- Tool kit on how to conduct a repeat assessment and how to compare results between two assessments has been finalised. This will be used as a basis for developing a self-running course which will be launched in the second half of 2021;
- Guidance on publication and sharing of SAI PMF results has been drafted and is expected to be finalized in the coming weeks. Some work still remains on collecting SAI experiences which can be integrated in the guide;
- Continuous revision of course material;

Delivery of courses and workshops is another key activity of the IDI with the objective of raising awareness and supporting the quality of SAI PMF assessments. Two basic stand-alone courses have been delivered in the past year as eLearning. Trainings have also been delivered as eLearning through larger programmes such as the CAROSAI SAI PMF facilitation programme as you can read more about under function 4. 2020 was a year of quick transitions where in May 2020 the first SAI PMF training in history was delivered as eLearning. The training was delivered for the CAROSAI region as part of a SAI PMF facilitation programme. In 2021, IDI has built on lessons learned from 2020 to improve its approach.

Table 1 SAI PMF training events August 2020 – August 2021

Type	Location, date and region
SAI PMF Basic courses	eLearning, December 2020
	eLearning August 2021

SAI PMF Independent review course	Through online tools in a more flexible manner. Reviewers have been trained one-to-one or in small groups. Four reviewers have been trained the past year with knowledge of Arabic, French, and English.
SAI PMF review course*	eLearning, CAROSAI*

*Part of a facilitation programme under function 4.

With the objective of streamlining the assessment process including remote support to assessment teams, the IDI is currently in a process of acquiring an application to digitize the SAI PMF framework and assessment process. The aim is to have a first version of the application ready by year-end.

Global monitoring

The above-mentioned SAI PMF application will also be utilized for global monitoring of assessments and aggregate results.

Additionally, it is worth noting that data from SAI PMF assessments has been used as part of the Global Stocktaking Report which will be published in September 2021 where SAI PMF data has contributed to gain greater insight into SAI performance globally.

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

A core activity under Function 4 is the provision of initiatives and programmes that facilitate the conduct of SAI PMF assessments and use of its results. Last year most SAI PMF assessments have been supported under this function either through the SPMR Initiative or a SAI PMF facilitation programme.

In early 2019, IDI launched the global roll-out of the SPMR Initiative which has the objective of promoting “strategically managed SAIs and INTOSAI regions leading to higher performance”. SPMR supports SAIs in strategic and operational planning, monitoring and reporting on performance and SAI PMF is an integrated part. Participating SAIs receive support in carrying out a SAI PMF assessment at the start to determine their strengths and weaknesses holistically and objectively. A repeat SAI PMF assessment of progress and performance improvements (end of strategic period) is also envisaged. SPMR is currently rolled out in six INTOSAI regions (AFROSAI-E, ASOSAI, EUROSAI, CREFIAF, ARABOSAI and OLACEFS). The IDI provides two sequenced SAI PMF training courses (on planning and methodology and on review of draft reports), as well as continuous support to assessment teams. With over 40 SAIs currently participating in SPMR the SAI PMF global roll-out has received a significant boost. The SAI PMF courses under SPMR were mostly delivered in 2019/2020. The past year has still seen continued support to assessment teams. Several assessments have been finalised and a majority of the remaining are in a draft report or independent review stage.

A facilitation programme also entails extensive support to the conduct of SAI PMF assessments, resembling SAI PMF support provided under SPMR, but no further support in the use of results.

- The CAROSAI facilitation programme was initiated May 2020 for four SAIs and has been delivered as eLearning. All four assessments have been fully finalised. A successful closing of the programme and strong and commendable achievement of the four SAIs which finalized their assessments in a year.
- The PASAI programme was initiated in May 2019 for five SAIs. Four assessments have been finalised and one report is in independent review stage. This programme also saw great achievements and progress where several assessments were finalized in around a year.

SAI PMF function 5: Independent Review

One of the key responsibilities of the IDI is to maintain the independent review (quality assurance) function for SAI PMF assessments. This entails an independent review of both the terms of reference and the draft SAI PMF report, to ensure adherence to the methodology. Over the last year the IDI has completed nineteen independent reviews that have resulted into final reports. Another twenty-two reports are currently in the independent review process.

3. Resource overview

The staffing situation in the IDI as regards SAI PMF team is considered stable. Next to three dedicated SAI PMF managers, most of IDI staff working on capacity development have been trained in the methodology, and several have participated and/or supported an assessment. Associated staff costs are covered under IDI's budget.

Additionally, an associate Ms Nila Eka Putri from the Audit Board of the Republic of Indonesia (BPK) is providing in kind support to IDI. Ms Putri was the Team Leader of the SAI PMF assessment conducted of BPK and will support the SAI PMF team within IDI for the remainder of 2021.

Programme spending has been heavily reduced for 2020 and 2021 as a consequence of COVID-19. Costs for regional facilitation are covered mainly by the SPMR budget (funded by the Swiss Secretariat of Economic Affairs, SECO, and IDI basket funding). IDI basket funding covers the stand-alone regional facilitation programme in CAROSAI. And there is earmarked funding from SAI Qatar for SAI PMF activities in ARABOSAI which is implemented under SPMR.

2020

Budget figures for 2020 (table 2) is based on the revised budget approved in October. More frequent budget revisions were conducted as COVID-19 created a highly uncertain situation. On programme spending, budget execution for 2020 was 65%. By end-year there was a notable underspending related to function 3 and 5. On function 3 IDI took longer time than planned to develop some guidance material, therefore less translation costs were incurred. Function 5 goes to costs for independent reviews. It can be challenging to know the exact timing for independent reviews since assessments may take longer than originally planned.

The budget still demonstrates that emphasis is placed on regional facilitation, as done both within SPMR and stand-alone facilitation programmes.

Table 2 SAI PMF budget and spending 2020 (figures in NOK)

	2020 – revised budget October*	2020 – actual
Function 1 - Strategic governance and advice	0	257
Function 2 - Conduct of assessments	0	0
Function 3 - Guidance and monitoring	284 524	120 140
Function 4 - Regional facilitation	986 677	817 546
Function 5 - Independent review	438 400	172 090
TOTAL	1 709 601	1 110 033

*The budget figures included approved in October was based on a scenario with no travel.

2021

Budget figures for 2021 (table 3) is based on the revised budget approved in June. The initial budget for 2021 prepared in 2020 was quite prudent planning for very limited travel. The revised budget approved in June does not include any travel costs on SAI PMF activities. The budget is in large dedicated to communication activities and the evaluation of the SAI PMF implementation strategy (function 1), purchase of the SAI PMF application and development and translation cost of guidance material (function 3), and independent review (function 5).

Actual spending for the remainder of the year is projected to remain in line with the budget approved in June.

In table 3 staff costs per 31. July 2021 have also been included which gives an impression of the allocation between programme costs and staff costs. Under function 3 staff costs will be proportionally lower as there is a higher portion of costs allocated to the SAI PMF application which will be developed using external expertise.

Table 3 SAI PMF budget and spending 2021 (figures in NOK)

	2021 – revised budget June	2021 – actual up to 31. July 2021 (programme costs)	2021 – actual up to 31. July (staff costs)*
Function 1 - Strategic governance and advice	450 000	1 421	198 061
Function 2 - Conduct of assessments	0	0	0
Function 3 - Guidance and monitoring	974 894	41 019	320 905
Function 4 - Regional facilitation	6 827	1 812	180 028
Function 5 - Independent review	506 643	102 659	169 547
TOTAL	1 938 364	146 911	868 541

*Staff costs are included for 2021 only. From 1 January 2021 IDI has used a new system to register staff time and could retrieve this data.

What Happens Next?

We will in the following briefly present high-level plans for the remainder of 2021 and 2022. COVID-19 still presents a factor of uncertainty, but some travel may resume in 2022. Discussion will continue regarding what will be the optimal balance between remote support and face to face support. IDI envision using more eLearning and blended approaches also when travel can resume, to deliver trainings and support.

In the current circumstances SAIs may have other priorities and less resources available to conduct an assessment. It is still important for any SAI to conduct an evidence-based and holistic assessment of its own performance which can constitute an important tool for a SAI in a time of crisis, be it COVID-19 or any other crisis as a basis for strategic decision making and prioritization. There is some indication that SAIs are still interested in conducting SAI PMF assessments although it is challenging to estimate this clearly.

In collaboration and fruitful discussions with the CBC, IAG and other key stakeholders these will be the SAI PMF focus areas for 2021 and 2020:

- React to the findings from the evaluation of the SAI PMF implementation strategy. The results will feed into the new SAI PMF implementation strategy which should be developed before INCOSAI 2022. (Function 1)
- Complete the light touch revision of the SAI PMF framework. Consider more extensive revisions to the SAI PMF framework and initiate this process. (Function 1)
- Continuous communication activities and awareness raising aligned to the communication strategy. (Function 1)
- Take advantage of the technical developments to digitize the SAI PMF framework and assessment process. The aim is to have a first version of the SAI PMF application ready by end of 2021. In 2022 it should be utilized on real assessments during the pilot phase. (Function 3)
- Continuous support to the conduct of SAI PMF assessments and use of the results. SPMR round 2 will be launched in the second half of 2021 for a smaller number of SAIs. (Function 3 and 4).

Additional focus areas in providing support are:

- Repeat assessments: IDI will provide guidance, launch a self-running course, and integrate in other trainings on SAI PMF.
- Publication and sharing of results: IDI will provide guidance and support as needed.