

SAI PMF Progress Note (for the period August 2021 – August 2022),

Prepared by the IDI for the CBC Meeting, September 2022

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 2017-22. The IDI is tasked with the operational responsibility for the rollout 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 2017-22 and the 2022 SAI PMF annual plan. In line with agreements, the IDI will prepare a thorough progress report for 2022 as part of its Performance and Accountability report for 2022. Secondly, to look ahead and present an outlook for the future. The new implementation strategy 2023-28 will take effect from next year and provides a direction for the future roll-out.

Achievements at a glance

This last year has seen great progress with the development of innovative and new products to support SAI PMF implementation mixed with the continuation of more established activities. Some of the products were planned to be finalised in previous reporting period but have been rescheduled due to reprioritization.

- New SAI PMF implementation strategy 2023-28 drafted under the lead of CBC.
- New guidance material on repeat assessments and using SAI PMF for monitoring purposes finalised.
- New SAI PMF training module introducing SAI PMF delivered.
- Material for the self-running repeat assessment course in English is finalised and the release of the course is scheduled for October.
- Light-touch revision of the SAI PMF framework completed, including a more comprehensive revision of the indicators assessing jurisdictional activities.
- e-SAI PMF, the online application, is scheduled to be launched in September.

PROGRESS NOTE

1. Progress against SAI PMF Strategic Outcomes

SAI PMF strategy outcome indicator 1 – Conducted Assessments

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 with 99 completed assessments to date. 6² of the assessments that are currently in draft report phase or independent review phase, are expected to be finalised in the coming months where 2 of these are repeat assessments. The target of 85 first assessments by end of 2022 has already been exceeded. The outlook is that repeat assessments and published assessments will be under target by end of 2022.

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

Target 2022: 140 a) 85 b) 25 c) 30	Actuals as of August 2022: 116 a) 87 b) 12 c) 17 ³	Outlook end 2022: 122 a) 91 b) 14 c) 17
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SAI PMF strategy outcome indicator 2 – Quality of Assessments

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 measures the cumulative number of independent reviews done. Of the 99 assessments finalised per August 2022, 68 have been independently reviewed by the IDI. This corresponds to 69% 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. The outlook for end 2022 is estimated to exactly meet the target of 70%.

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

Target 2022: 70%	Actuals as of August 2022: 69%	Outlook end 2022: 70%
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SAI PMF strategy outcome indicator 3 – Assessments results used

Finally, the third strategic outcome looks into the actual use of the SAI PMF assessment results. The SAI PMF team collects data on this through regular contact with SAIs and assessment teams⁴. By July 2022 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.

Target 2022: 90%	Actuals as of August 2022: 87 %	Outlook end 2022: 88%
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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 23 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.

³ For two of the assessments a summary is published.

⁴ Some years a survey is conducted. This has not been done this year.

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.

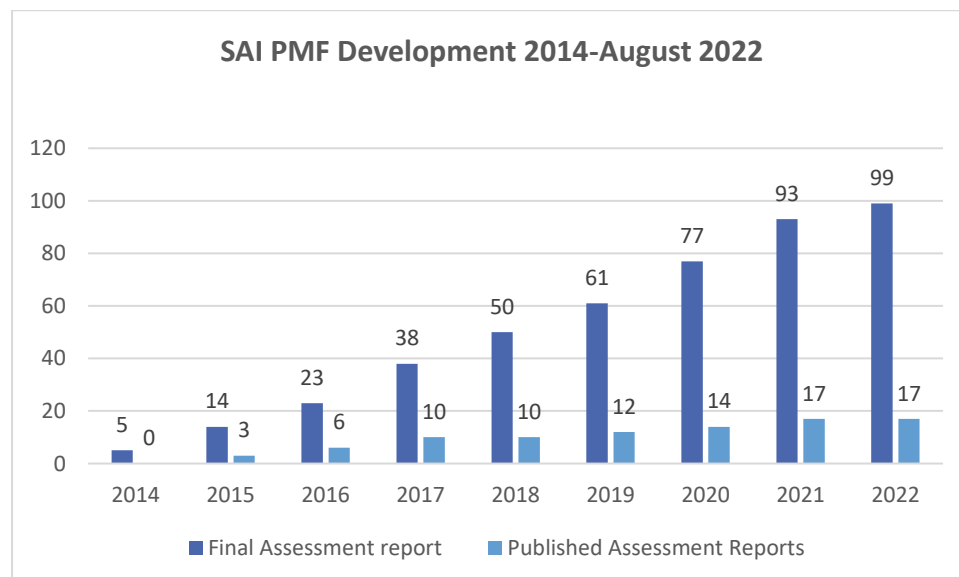
Under the lead of the CBC, the new SAI PMF implementation strategy 2023-28 has been drafted. Key sources for developing the strategy have been the findings from the external evaluation conducted of the current strategy 2017-2022, targeted consultation with the INTOSAI regions and inputs received through a broad consultation among key stakeholders.

Further implementation of the SAI PMF communication strategy has taken place with targeted communication toward Heads of SAIs and increased social media presence.

The light-touch revision of the framework has been finalised. This entails editorial revisions to align the framework with the INTOSAI Framework of Professional Pronouncements (IFPP). There has not been any change in the content of what you assess compared to the 2016 version except for the indicators that are assessing jurisdictional activities. These indicators have undergone more extensive revisions and have been aligned to INTOSAI-P 50 following an inclusive process where multiple SAIs with a jurisdictional function have partaken in the development, testing and have been consulted in the process. A 2022 version of the framework reflecting the revisions will be put forward for endorsement at the INTOSAI Congress in November 2022.

SAI PMF function 2: Conduct of SAI PMF assessments

Figure 1 Progress of SAI PMF assessments 2014-2022, published and final assessments

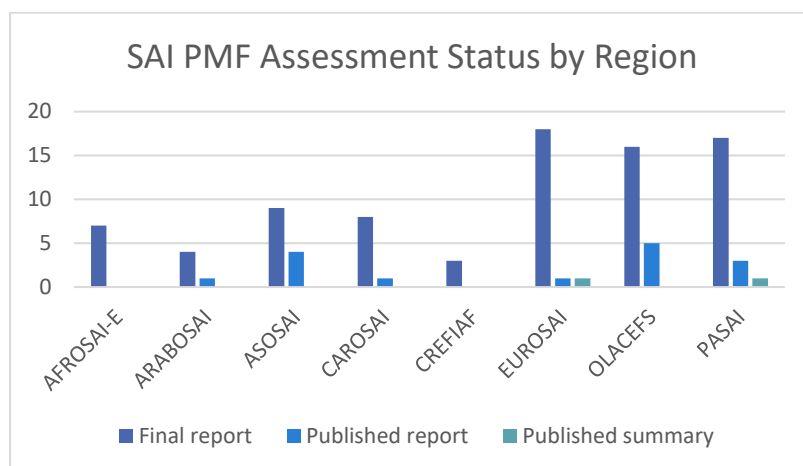


Data: SAI PMF monitoring sheet. Data for 2022 until August.

The decision on whether 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, the global conduct of SAI PMF assessments since its inception has been impressive. Per August 2022, there are 99 final assessment reports. Additionally, you can see the progress in the publication of reports which is unfortunately not increasing from 2021 to 2022 and will therefore continue to be a key focus area in the next

strategic period. Several assessments have been/will be initiated in 2022, indicating that SAIs and stakeholders continue to find the framework useful and are willing to dedicate resources to conducting an assessment.

Figure 2 Progress of SAI PMF assessments, regional figures



Data: SAI PMF monitoring sheet. Data for 2022 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. It is worth noting that there are several ongoing assessments in regions such as for instance CREFIAF and ARABOSAI that are not reflected in the illustration.

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

Support to ensure the 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 concerning the development and refinement of guidance and training materials:

- A tool kit on how to conduct a repeat assessment and how to compare results between two assessments has been finalised. The material is used as a basis for developing a self-running course which will be released in October 2022;
- A guidance on using SAI PMF for monitoring purposes has been finalised, which supports additional use of the framework without compromising on the core methodology;
- A guidance on publication and sharing of SAI PMF results has been drafted. This work has been delayed but is now expected to be finalized soon;
- Continuous revision of course material;

Delivery of courses and workshops is another key activity of the IDI to raise awareness and support the quality of SAI PMF assessments. The past year trainings have primarily been conducted in combination with facilitation programmes, see more information under function 4. Additionally, a new module was delivered as a global webinar in English, French, Spanish and Portuguese, introducing the SAI PMF and its use.

To better support assessments conducted and streamline the assessment process, the IDI is developing e-SAI PMF, an online application. The application is currently in the final stages of development and is expected to be launched in September 2022. The database that e-SAI PMF is built on will also be utilised for global monitoring of assessments and more convenient analysis of aggregate results on SAI performance.

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 the use of its results. Last year most SAI PMF assessments were supported under this function mainly through the SPMR Initiative.

In early 2019, IDI launched the global roll-out of round 1 of the SPMR Initiative, which aims to promote strategically managed SAIs and INTOSAI regions leading to higher performance". SPMR supports SAIs through a whole strategic management cycle where SAI PMF is an integrated part and participating SAIs receive support in carrying out a SAI PMF assessment where the results are used as one of the key sources for developing the SAI strategic plan. Last year round 2 was initiated for a small group of 8 SAIs where progress has been good, with several SAI PMF reports reaching 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. No facilitation programmes were delivered in the past year, but IDI is currently exploring the appetite for launching a new programme in the autumn of 2022.

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 ten independent reviews that have resulted into final reports. Another twenty-three reports are currently in the independent review process.

3. Resource overview

IDI's staffing situation regarding SAI PMF is considered stable. Next to three dedicated SAI PMF managers, most IDI staff working on capacity development have been trained in the methodology, and several have participated and/or supported an assessment particularly through the SPMR initiative. 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) provides invaluable 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 2022.

Programme spending in some areas continues to remain low because of COVID-19. Course delivery and support to assessments have largely been delivered remotely. The budgets prepared for 2021 and 2022 are based on the assumption that travel can resume but still reflect a blended approach where eLearning etc. should be utilised. Costs for regional facilitation are covered mainly by the SPMR budget (funded by the Swiss Secretariat of Economic Affairs, SECO, and IDI basket funding).

2021

Budget figures for 2021 and 2020 (table 1) are based on revised budgets approved in October. The budget figures for 2020 were based on a scenario with no travel. Total programme spending has been around 860 000 NOK higher compared to 2020. The increase in costs is mainly related to the development of e-SAI PMF balanced to some extent by reduced costs due to increased remote delivery of support and activities. The slight overspending for 2021 was mostly related to function 3 and the development of e-SAI PMF and function 4

using external consultants to conduct independent reviews. It has been challenging to estimate the costs for developing the application since it is customized, making it more unpredictable than acquiring shelf-ware.

The developments described above translate into a large portion of staff costs being dedicated to function 3 although staff costs will be proportionally lower as there is a higher portion of costs allocated to the SAI PMF application which is developed using external expertise. The staff costs dedicated to function 4 still demonstrates that emphasis is placed on regional facilitation, as done both within SPMR and stand-alone facilitation programmes although programme spending has been heavily reduced.

Table 1 SAI PMF budget and spending 2021 and 2020 (figures in NOK)

	2021 Budget and actuals		2020 Budget and actuals		2021 – actual staff costs *
	Budget	Actuals	Budget	Actuals	
Function 1 - Strategic governance and advice	450 000	279 321	0	257	383 311
Function 2 - Conduct of assessments	0	0	0	0	569 954
Function 3 - Guidance and monitoring	1 094 782	1 304 362	284 524	120 140	616 537
Function 4 - Regional facilitation	2 157	2 262	986 677	817 546	353 850
Function 5 - Independent review	295 104	383 059	438 400	172 090	194 047
TOTAL	1 842 043	1 969 003	1 709 601	1 110 033	2 117 698

*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.

2022

Budget figures for 2022 (table 2) is based on the revised budget approved in June. The total budget for 2022 is noticeable higher compared to 2021. A large portion of the increase is dedicated to function 3 and finalising the development of e-SAI PMF. Additional areas that are prioritised is the light-touch revision of the framework and developing communications material. Additionally, more face-to-face events were planned. Fewer of the traditional SAI PMF training courses will be delivered this year in anticipation of relooking the current module structure of our training courses.

2022 sees continued low programme costs on function 4 but staff costs still reflect that this is a prioritised area. Although the activity level has decreased compared to previous years which is natural in the aftermath of SPMR round 1 where an impressive number of over 40 SAIs participated.

Actual spending for the remainder of the year is mostly projected to remain in line with the budget approved in June. One main change is that the planned face to face advanced course will be rescheduled to 2023.

Table 2 SAI PMF budget and spending 2022 (figures in NOK)

	2022 – revised budget June	2022 – actual up to 31. July (programme costs)	2022 – actual up to 31. July (staff costs)
Function 1 - Strategic governance and advice	414 207	173 379	226 382
Function 2 - Conduct of assessments	208 592	0	145 883
Function 3 - Guidance and monitoring	2 762 860	1 354 553	856 686
Function 4 - Regional facilitation	5000	0	127 270
Function 5 - Independent review	70 000	17 188	82 407
TOTAL	3 600 659	1 664 747	868 541

Future strategic direction

For details on the new SAI PMF implementation strategy 2023-28, we refer you to the strategy document itself. We would still like to present some highlights here.

The new focus areas identified or more heavily emphasised in the new strategy are:

- Repeat assessments: awareness raising on the benefits and support.
- Publication and sharing of results: IDI will provide guidance and support as needed. This was also emphasised in the previous strategy, but increased efforts are envisioned.
- Explore the possibility of simplifying the IR process.
- Relook the SAI PMF course modules.
- Timely revisions to keep the framework relevant while balancing towards the comparability value.
- Beyond e-SAI PMF explore digital tools to support implementation and the possibilities of sharing open data at an aggregate level on SAI performance.

These are operational aspects and mixed with the continuation of more traditional activities, are envisioned contributing to the continued use of assessment results with high quality to build SAI capacity supporting strong, high-performing, and inclusive SAIs.

Successful operational implementation and achievements such as improvements at the SAI level through the use of SAI PMF depend on a range of stakeholders contributing and collaborating, such as SAIs, INTOSAI regions and bodies, development partners, CBC, IAG and IDI.

Lastly, we would like to show the calendar of upcoming events in 2022:

Resource persons workshop	December 2022
Small facilitation programme	Launch October 2022
Release repeat assessment self-learning course in English	October 2022
Launch e-SAI PMF in English, Spanish, French and Arabic	September 2022
Advanced training rescheduled	Early 2023