

## Outcomes from the INTOSAI-Regions Coordination Platform, September 19-20, 2024

### Background

The INTOSAI Strategic Plan for 2023-28 outlines the organization's mission, vision, values, organizational priorities and strategic goal. The priority areas for achieving INTOSAI's strategic goal for capacity development is outlined in the Goal 2 Operational Plan 2023-25, developed in cooperation between the INTOSAI bodies primarily responsible for, or involved in, supporting SAI capacity development.

The INTOSAI-Regions Coordination Platform (IRCP) is a forum established to improve coordination and increase cooperation between INTOSAI's global bodies and the regional organizations, and it has grown into the natural arena for global coordination of SAI capacity development.

During two days in September 2024, the CBC and IDI organized a meeting in Bucharest, Romania, with representatives from all INTOSAI regional organizations, all strategic goal committees, the General Secretariat, and INTOSAI-Donor Cooperation to consider how to speed up progress in relation to the results areas identified in the Operational Plan as priorities for SAI capacity development.

Building on information from the INTOSAI Global Survey and the 2023 SAI Global Stocktake Report, as well as the information and experience of all participants, the meeting considered potentials for cooperation, synergies and different ways we can work better together to support greater progress in the identified priority areas for SAIs capacity development.

Our ambition is to repeat the exercise every two years, focusing on how well we, together, address the needs identified and to what extent we are making progress in relation to the priorities of the Goal 2 Operational Plan.

### The baseline

Based on the Global Stocktaking Report 2023, this is the status in relation to the results areas in the Operational Plan.

- 23% of SAIs have adopted competency frameworks for all audit professionals, namely financial, compliance, and performance auditors.
- 70% of the INTOSAI regional organizations replied that they were able to increase or at least maintain their current budget levels annually. Although there are indications that some regions are maintaining their budgets at an insufficient level.

- Quality management systems for all audit disciplines are present in 56% of SAIs.
- 60% of SAIs have audit follow-up systems or procedures for their compliance and performance audits, while 63% have follow-up systems in place for financial audit.
- 57% of SAIs publish annual reports on their performance and subject the annual report to external audit.
- 58% of SAIs that have completed a SAI PMF assessment and 9% have undergone a repeat SAI PMF assessment.
- 68% of SAIs have an external stakeholder engagement strategy that targets all the main actors in their accountability ecosystem.

Unfortunately, there are two areas for which we have still not been able to obtain reliable data, namely –

- The number of SAIs in low-income countries that have access to sufficient support from a peer SAI or an INTOSAI body, and
- The percentage increase in real terms of annual overall donor funding to INTOSAI bodies and/or individual SAIs.

Regarding these last two indicators, the lack of information is a joint challenge for INTOSAI and donors to address, and the CBC is in dialogue with the INTOSAI-Donor Cooperation.

## Outcomes of discussions in Bucharest

The summary below offers some highlights from the discussions. In addition to specific ideas related to the different issues, there were some common challenges and opportunities identified by the participants.

One such general issue was the need for more communication and advocacy about the critical areas of SAI professionalism targeted by Goal 2, and all available communication platforms within our community will have to be used to enhance communication and advocacy. The INTOSAI Journal has for a long time been an effective communication tool for INTOSAI, and includes a focus on capacity development. Furthermore, focus has been put on the importance of communication through the recently established Network of INTOSAI's Communication Officers (NICO) which is already being used very effectively to inform and promote key developments within our community. In addition, the CBC and IDI use their websites and social media platforms to promote capacity development.

It was also clear that there was a need for additional guidance and knowledge-sharing in areas such as SAIs' own transparency and accountability, audit quality management, follow-up of audit findings and recommendations, SAI performance measurement, and stakeholder engagement, in particular engagement with civil society. Fortunately, recent developments such as INTOSAI's adoption of ISSAI 140 and 150 have great potential to help focus SAIs' attention on audit quality management and competence management of SAI staff as vital aspects of SAI professionalism.

In relation to the specific Goal 2 results areas, the following is worth noting:

**Indicator 1 and 2: % of SAIs with competency frameworks in place for audit professionals and % of SAIs adhering to all four principles of ISSAI 150**

Proposed priorities focussed on improved advocacy to encourage implementation of the new ISSAI 150 and supporting GUIDs, including new efforts by the CBC Task Force on INTOSAI Auditor Professionalization (TFIAP) and initiatives on a regional level, such as dedicated webinars and workshops. To improve impact, it was suggested to put focus on Head of SAI level.

Other ideas included specific communication to regions and SAIs on ISSAI 150 advocacy and availability of public goods for professionalisation efforts.

The discussions highlighted proposed TFIAP case studies and IDI's PESA initiative, with focus on evolving the current certification program, ensuring availability of PESA in more languages and continuing the current emphasis on continuing professional development.

**Indicator 3: % of regional organizations able to annually increase/maintain their budget levels in real terms**

It was proposed that regional organisations' priorities should be made more transparent by publishing a comprehensive regional budget, information on regional initiatives and in-kind support. The report should also identify gaps in the regional capacity to address members' needs. The intention was for the regional organisations to be accountable and transparent with members, donors and partners.

Two initiatives that could be readily addressed are the publication of budgets and information sharing on regional initiatives (i.e. reports to the INTOSAI Governing Board and/or Congress) among regions, donors and partners.

**Indicator 4: % SAIs with appropriate quality management systems in place (all audit disciplines)**

The approval of ISSAI 140, Quality Management for SAIs, offers an opportunity to renew focus on the issues around audit quality. The discussion suggested prioritizing positive communication around the new standard, demystifying the concept of quality management, and, through better understanding, helping SAIs

understand which steps to take to make the transition from quality control to quality management.

There is great potential for regional cooperation in this area and there are also strong links to the initiatives in the Strategic Development Plan of the Professional Standards Committee. (Primarily the T initiative.)

#### **Indicator 5: % of SAIs with a systematic audit follow-up system and/or procedure**

For SAIs to achieve improved impact of its work, systematic follow-up of audits is a key component. Awareness raising and advocacy was identified as one important area to support SAIs. This could involve efforts to identify the causes for poor performance in this area, promoting the value of follow-up of audits and encouraging SAI collaboration with stakeholders for more effective follow-up.

A new working group has recently been formed within the Knowledge Sharing Committee, with focus on audit follow-up, which should support initiatives to promote and disseminate already existing resource materials, including the EUROSAI best practice guide and the IDI playbook.

#### **Indicator 6: % of SAIs with an external stakeholder strategy that include all the main actors in their accountability ecosystem (e.g. executive/government leadership, parliament, judiciary, anti-corruption agencies, media, civil society)**

Proposed priorities include promoting effective and appropriate stakeholder engagement strategies and practices with the help of already existing good practice guidance and by defining a global good practice for identifying appropriate SAI accountability ecosystems. Stakeholder communication should be embedded in SAI strategic planning and auditing processes and global, regional and national methodology need to reflect this.

Self-assessment of communication impact was raised as one possible initiative to put focus on the issue and track progress. Other suggestions included focusing on plain language to ensure clear communication and initiatives to educate stakeholders at global, regional and national levels. The inauguration of the CBC task force on citizen participation in audits, coupled with the work IDI is doing in promoting SAI-civil society engagement, will assist in bringing positive attention to this important area of SAI stakeholder relations.

#### **Indicator 7: % of SAIs publishing annual reports on their own performance and subject that to external audit**

SAIs publishing annual reports on their own performance and subjecting that to external audit is one very important way for SAIs to practicing what we preach, and global or regional ambassadors may be one way to put focus on the issue. To support progress in this area, it was proposed to develop a framework or best practice guidance on what needs to be reported and how that links to current

INTOSAI pronouncements, in particular INTOSAI-P 20. Support to SAIs in the form of gap-analysis was also discussed.

INTOSAI's Goal Chairs and other working bodies are seen as a potential resource for advocacy on the issue, and SAIs who are one step ahead can be encouraged to share their practices.

**Indicator 8: % of SAIs that have (a) completed a SAI PMF assessment, and (b) that have completed a repeat assessment**

The use of SAI PMF already has clear champions in the IDI and the CBC and some of the INTOSAI regional organizations. The discussions provided valuable inputs to their continued efforts to improve advocacy, enhance the framework and guidance material and further develop advice and support to implementation.

In the area of advocacy, focus will remain on new heads of SAI and efforts will be made to enhance existing communication materials and identify regional champions. The ongoing revision of the framework will be followed up by a strong promotional campaign underlining the value and benefits of undergoing a SAI PMF assessment. Efforts will also be made to lighten the process and to provide guidance on the pros and cons of so called “partial assessments”, coupled with expanding the use of e-SAI PMF, the digital version the SAI PMF, that lightens the use of the framework.

The IDI and CBC, with advice from the SAI PMF Independent Advisory Group, will also strengthen user feedback loops to support further improvements in the tool and its supporting processes.

**Indicator 9: % of SAIs in complex and challenging contexts/ low-income countries reporting that they have access to sufficient support from a peer SAI and/or an INTOSAI body to help implement their capacity development goals**

While this is an area where we lack baseline information, this will not prevent us from making every effort to improve performance in support of SAIs. One important point of departure is the exploration of the concept of “complex and challenging contexts” and what this means to INTOSAI. Coming to some level of joint understanding of this issue will also help identify and classify the needs that need to be addressed, and how that support can be provided. We also need to consider how to assess what can be considered “sufficient support.”

SAIs operating in complex and challenging contexts often do so with severely limited resources so one important job for INTOSAI is to help make their voices heard by putting focus on the issues they struggle with.

There are already several actors and initiatives who strive to support SAIs in complex and challenging contexts, such as the IDI, IDC and the CBC, and INTOSAI needs to ensure that there is minimal overlap and maximum coordination between efforts.

## Next steps

Following the workshop, the CBC is in the process of processing the notes from the discussions and identifying INTOSAI actors who can support progress in each of the areas above. The ambition is that a global champion in each of the results areas will drive the process over the next two years, in close collaboration with relevant INTOSAI partners, with the aim to accelerate progress so that better results can be achieved by the time the next INTOSAI global survey takes place in 2026.

The CBC acknowledges that capacity development is a joint responsibility and, therefore, appreciates the valuable contributions made to Goal 2 by INTOSAI's regional organisations, the INTOSAI-Donor Cooperation, the INTOSAI Development Initiative, and peer-provider SAIs, as well as external technical partners such as global and regional professional accountancy organisations.

Vital CBC partners over the next two years will be the IDI and the regional organisations. IDI's wide variety of SAI development programmes form the backbone of INTOSAI capacity development, and the CBC will continue to collaborate with IDI as a primary partner in many of the Goal 2 results areas. The regional organisations have an intimate knowledge of their member SAIs' needs and, therefore, essential advisers and partners for any development initiative.

The CBC has no doubt that these types of collaborations are essential for promoting SAI development and strengthening the capabilities of SAIs, and we remain committed to continuing the CBC's broad cooperation inside and outside of INTOSAI. We want to thank all our partners for their continued dedication and collaboration, and we look forward to achieving further milestones in the coming year.

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