

PSC Progress Report 2019

Strategic Objectives Review (as at May 17th, 2019)

Key to progress indicator colours

	Initiatives / projects on schedule
	Initiatives / projects behind schedule
	Serious difficulties being experienced
	Not yet scheduled to start
	Initiatives / projects completed

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>		<p>Long-term development goals defined</p>	<p><i>Progress to date:</i></p> <p>Establishment of vision for standard-setting and criteria for projects for the next SDP by the PSC-SC</p> <p>Preparation of the general strategy to be included in the SDP 2020-2025 (to be approved by the PSC-SC and Governing Board in 2019)</p> <p><i>Key next steps:</i></p> <p>Approve the SDP 2020-2025, continue to develop and monitor the SDP 2017-2019 projects and initiate the implementation of the SDP 2020-2025 initiatives</p> <p>After the approval of the SDP, evaluate other measures to be taken to implement the strategy (other than the SDP initiatives)</p>
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>1. Develop and maintain the FIPP encompassing INTOSAI's expertise in standard setting function as a standard setting board for INTOSAI's Framework of Professional Pronouncements and represent the broad views of INTOSAI's members on standards-setting issues.</p>	<p>FIPP fully operational and performing</p>	<p><i>Progress to date:</i></p> <p>Continued maintenance of FIPP membership</p> <p>New FIPP Chair selected</p> <p>Overall assessment of the current process for selecting FIPP members, by the PSC, CBC, KSC and FIPP Chairs</p> <p><i>Key Risks:</i></p> <p>A relevant number of FIPP members cannot attend the physical meetings, affecting FIPP's work and the decisions taken at the meetings <u>Mitigating actions:</u></p> <p>1) PSC-SC recommended FIPP to schedule its meetings as much in advance as possible; 2) in the selection process, make sure that the candidate and the supporting SAI are fully aware of the commitment of taking part at the meetings; 3) assess the possibility of INTOSAI financing (at least partly) the participation of the members from smaller SAIs at the meetings (where the absence is caused by the financial state of the employing SAI)</p>

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<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>2. Strengthen standard setting governance structure to enhance the trust of INTOSAI members, donors, and other stakeholders in INTOSAI's standards-setting function.</p>	<p>Governance structure improved</p>	<p><i>Progress to date:</i></p> <p>Strengthen <u>the</u> PSC-SC's role in the governance of FIPP, as discussed at the PSC-SC meeting in 2018</p> <p>Recommendations issued by the PSC-SC in 2018 to FIPP in order to guide future work and to improve aspects of the whole standard setting process (most of them already implemented).</p> <p>Increase the engagement between FIPP Chair , the Goal Chairs and Subcommittee Chairs to identify and discuss relevant issues to improve the standard setting process</p> <p><i>Next steps:</i></p> <p>Follow up of the recommendations issued by the PSC-SC</p> <p>Discuss with the relevant actors the need to better define roles and responsibilities in the standard setting process</p> <p><i>Key Risks:</i></p> <p>Lack of clarity about the roles and responsibilities of the different actors in the process lead to tensions/disputes that undermine the efficiency and quality of the standard setting process <u>Mitigating actions:</u> 1) Improve the communication among different actors; 2) assess the need to develop additional regulations to clarify roles and responsibilities</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment

<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>3. Establish adequate technical support function to ensure efficient operation and high quality in drafting of standards and to promote the wide recognition, acceptance and use.</p>	<p>INTOSAI provided with adequate technical support services</p>	<p><i>Progress to date:</i> Proposal for the implementation of a Proof of Concept for the TSF approved by the PSC-SC and Governing Board in 2018 Definition of the job profiles and additional operational elements regarding the TSF (to be presented to the PSC-SC in 2019) <i>Next steps:</i> Selection of TSF members TSF to start work in the first quarter of 2020 <i>Key Risks:</i> 1) Not getting enough suitable candidates applying for the TSF. <u>Mitigation action:</u> adequate communication to SAIs about the relevance and importance of this function in order to encourage SAIs to second suitable staff. 2) Lack of clarity of the different concrete activities to be performed by the TSF staff. <u>Mitigation action:</u> In addition to the approved TSF papers, after the selection of the staff the PSC will ensure adequate communication among the involved actors, including a first in-person meeting to frame how the TSF will work and define in detail which activities will be performed</p>
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<p>1.1 Provide strong organizational framework to support INTOSAI’s standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>4. Establish and maintain an advisory group, including the current observer in the PSC as well as representatives of users, international audit organizations, and other relevant partners.</p>	<p>New advisory function implemented</p>	<p><i>Progress to date:</i></p> <p>MoUs with IIA and IFAC signed.</p> <p>Additional external institutions agreed to participate in the Advisory Body (GIFT, GIZ, OECD, CIPFA and ICGFM)</p> <p>Advisory Group consulted and involved in the development of the next SDP</p> <p>Invitation to the advisory group organizations to contribute in the exposure draft phases of the current SDP projects</p> <p><i>Next steps:</i></p> <p>Continue to involve Advisory Group institutions in the development of SDP projects and other standard setting developments, as relevant</p> <p>Discuss within the PSC other ways of engaging with the advisory group organizations</p> <p><i>Key Risks:</i></p> <p>Advisory Group institutions are not used to their potential in the standard setting process in INTOSAI, leading to the loss of their involvement. <u>Mitigating action:</u> Involve Advisory Group institutions in the development of SDP projects and other standard setting developments, as relevant and study another ways of engaging external stakeholders</p>
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Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>6. Further develop the ISSAI website to ensure continue and steady growth in the number of visitors and that it is as accurate and useful as possible.</p>	<p>ISSAI website improved</p>	<p><i>Progress to date:</i></p> <p>Promote the website in the INTOSAI community</p> <p>Development of videos (posted at the ISSAI and PSC websites) to better inform the community about the IFPP, the migration process to the IFPP and the new Due Process for Professional Pronouncements.</p> <p>Discussion with users on changes needed on the issai.org website.</p> <p><i>Next steps:</i></p> <p>Prepare new version of the ISSAI website to reflect the new IFPP and to implement some of recommended changes for improvement.</p> <p><i>Key Risk:</i></p> <p>ISSAI website is more focused on users that are already involved in INTOSAI work and not on the needs of general SAI auditors. <u>Mitigation action:</u> further develop the website making useful information for the everyday work of auditors more accessible.</p>
<p>1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.</p>	<p>2. Strengthen standard setting governance structure to enhance the trust of INTOSAI members, donors, and other stakeholders in INTOSAI's standards-setting function.</p>	<p>ISSAIs availability increased</p>	<p><i>Progress to date:</i></p> <p>Include in the ISSAI.org webpage links to (non-official) translations</p> <p>Proposal establishing a new arrangement for translation of pronouncements (to the INTOSAI official languages) presented to the PSC-SC in 2019</p> <p><i>Next steps:</i></p> <p>Implement the new arrangement for translations (if the proposal is approved by the PSC-SC)</p> <p>Make a new round of consultations to find translations for other national languages and include the links in the ISSAI website</p> <p><i>Key risks:</i></p> <p>Good translations of the ISSAIs are not available in many languages. <u>Mitigating actions:</u> 1) guarantee that good translations for the ISSAIs are available in the 5 official INTOSAI languages; 2) encourage and make available the translation of the pronouncements into other languages.</p>

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<p>1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.</p>	<p>5. Monitor INTOSAI's standard-setting activities to ensure that the overall due process for professional pronouncement is followed and facilitate further development and improvement if necessary.</p>	<p>Due process monitored SDP 2020-2025 approved</p>	<p><i>Progress to date:</i></p> <p>Implementation of the SDP 2017-2019 monitored</p> <p>Process for development of SDP 2020-2025 approved by the PSC-SC in 2018</p> <p>90 day consultation period with SAI, INTOSAI bodies and external stakeholders finalized</p> <p>Process for developing the new SDP followed, with extensive consultation with the Goal Chairs and PSC Subcommittees' Chairs during the development of the plan</p> <p>SDP proposal presented to PSC-SC in 2019 (for approval)</p> <p><i>Next steps:</i></p> <p>Take the SDP 2020-2025 proposal to INTOSAI Governing Board for approval</p> <p><i>Key Risks:</i></p> <p>Excessively long development periods for new and revised standards. <u>Mitigating actions:</u> monitor the development of individual projects to identify when they risk not meeting -the agreed timetable, and identify which action can be taken;</p> <p>Deadlock in the development process of a pronouncement due to differences in opinion of project group and the FIPP. <u>Mitigating action:</u> 1) foster communication between project groups and FIPP; 2) examine options for dispute resolution.</p> <p>Pronouncements of low quality are approved. <u>Mitigating action:</u> Make sure due process is followed by all parties involved.</p> <p>Limited knowledge about the content, scope, purpose and importance of the ISSAI in the SAI community. <u>Mitigating actions:</u> conduct awareness raising and capacity building activities in regions/SAs;</p>

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1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs as well as education and training standards.	2. (...) Ensure sufficient coordination between the development of new guidance and any related INTOSAI initiative to support ISSAI implementation and sound professional practices.	Support to CBC provided	<p><i>Key risks:</i></p> <p>SAIs and INTOSAI bodies do not use the ISSAIs as basis for auditor education and certification programmes. <u>Mitigating action:</u> PSC (in consultation with the goal chairs) to design and implement a communication strategy to disseminate information about the ISSAIs</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs as well as education and training standards.	8. Collaborate closely to develop a competency framework and certification program established under goal 2.	Support to CBC provided	<p><i>Progress to date:</i></p> <p>Participation by the PSC Chair and the PAS on the task force on INTOSAI auditor professionalization</p> <p><i>Next steps:</i></p> <p>Continue support to the task force on INTOSAI auditor professionalization</p>

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<p>1.4 Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)</p>	<p>5. Monitor INTOSAI's standard-setting activities to ensure that the overall due process for professional pronouncement is followed and facilitate further development and improvement if necessary.</p>	<p>Projects under the responsibility of the PSC in the 2017-2019 SDP completed</p>	<p><i>Progress to date: see status report of SDP projects</i></p> <p><i>Next steps: see status report of SDP projects</i></p> <p><i>Key Risks:</i> SDP is not fully implemented. <u>Mitigating action:</u> Monitor the development of individual projects to make sure they are following the agreed timetable.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment

<p>1.4 Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)</p>	<p>9. Collaborate closely on initiatives taken under goal 3 to promote knowledge sharing and develop expertise that can be leverage in the development of INTOSAI's professional pronouncements.</p>	<p>Support to the KSC provided</p>	<p><i>Progress to date:</i></p> <p>Discussion with the PSC Subcommittees to explore the best and most efficient way for them to participate in projects under the responsibility of the KSC (when required)</p> <p><i>Next steps:</i></p> <p>Relevant PSC Subcommittees continue to participate in the development of projects under the responsibility of the KSC</p> <p><i>Key Risks:</i></p> <p>PSC Subcommittees do not have enough resources to fully engage on all SDP projects that foresee their participation. <u>Mitigating action:</u> Instead of being full members of project groups, in some cases, PSC subcommittees can have a consultative or advisory role.</p>
<p>Strategic objective (as per SP 2017-22)</p>	<p>Strategies & initiatives (as per SP 2017-22)</p>	<p>Progress indicator</p>	<p>Action items and other comment</p>
<p>1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure that the standards are as useful and relevant as possible.</p>	<p>10. Collaborate closely with IDI, other INTOSAI bodies, other international standard setter and partners who share the overall goal of promoting strong, independent and multidisciplinary SAIs and encourage good governance.</p>	<p>Collaboration with INTOSAI bodies and other partners broadened</p>	<p><i>Progress to date:</i></p> <p>PSC Subcommittees work in the 3i Programme according to the ToR signed</p> <p><i>Next steps:</i></p> <p>Continue support to IDI's programmes.</p> <p><i>Key Risks:</i></p> <p>Lack of coordinated initiatives between the PSC, the IDI, the CBC and Regional Organizations aiming at supporting and monitoring the implementation of ISSAIs. <u>Mitigating action:</u> design and propose coordinated initiatives.</p>
<p>Strategic objective (as per SP 2017-22)</p>	<p>Strategies & initiatives (as per SP 2017-22)</p>	<p>Progress indicator</p>	<p>Action items and other comment</p>

<p>1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure that the standards are as useful and relevant as possible.</p>	<p>7. Implement a monitoring system to obtain feedback from SAIs on their implementation of the ISSAIs and their practical experience using the ISSAIs in audits or as basis for national standards and to feed this information back into the standard-setting process.</p>	<p>Standard setting process takes into consideration feedback received from ISSAI implementation</p>	<p><i>Progress to date:</i></p> <p>Preliminary discussion with IDI on how their programs and field experience can create an understanding of the use of INTOSAI standards by the SAI community</p> <p>Consultation process for new SDP included some questions on the use of standards by the community, the benefits expected, and gaps in the framework perceived by SAIs.</p> <p>Participation on discussion during the Regional Forum lead by IDI on ISSAI compliance</p>
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			<p><i>Next steps:</i></p> <p>Continue exploring with IDI ways in which their programs can support the PSC in collecting the information needed on ISSAI implementation</p> <p>Explore other possible sources of information on ISSAI implementation</p> <p>Continue discussions between the PSC, subcommittees, IDI and others about ISSAI compliance</p> <p><i>Key risks:</i></p> <p>Lack of common understanding of what ISSAI compliance means in practice.</p> <p>-<u>Mitigating actions:</u> discuss and enhance this concept to seek a clear understanding.</p> <p>SAIs do not offer feedback regarding ISSAI implementation. <u>Mitigating action:</u> Encourage the application of diagnostic tools such as iCAT and SAI PMF and the sharing of the results</p> <p>Lack of systematic monitoring process regarding ISSAI implementation - current data is not reliable. <u>Mitigating action:</u> Design and implement process</p> <p>The standard setting process does not take into consideration feedback from the SAIs about the implementation of ISSAIs. <u>Mitigating action:</u> create a feedback loop.</p> <p>SAIs do not have the necessary capacity to implement the ISSAIs. <u>Mitigating action:</u> support the development of capacity in SAIs (trainings, external support, monitoring).</p> <p>Lack of knowledge by SAIs about their needs and demands that might be addressed by ISSAIs. <u>Mitigating action:</u> encourage SAIs to apply diagnostic tools such as SAI PMF.</p>
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