



**INTOSAI  
PSC**

Professional  
Standards  
Committee

## **INTOSAI GOVs AND THE IFPP – A PROPOSAL FOR THE PSC-SC ABOUT HOW TO HANDLE THE INTOSAI GOVs THAT ARE NOT LINKED TO ANY ON GOING SDP PROJECT**

At the INCOSAI 2016, INTOSAI approved a new framework for its professional pronouncements, the IFPP – INTOSAI Framework of Professional Pronouncements. The previous ISSAI Framework was composed by four levels of documents and the INTOSAI GOVs. The current framework comprises three group of pronouncements – the principles (INTOSAI-P), the standards (ISSAI) and the guidance (GUID). In the new framework, the INTOSAI GOVs are not retained as a separate category, but merged into the GUIDs category, according to the different initiatives contained at the Strategic Development Plan (SDP) 2017-2019.

In the ISSAI framework, there were eleven INTOSAI GOVs:

- 9100 – Guidelines for Internal Control Standards for the Public Sector
- 9110 – Guidance for Reporting on the Effectiveness of Internal Controls: SAI Experiences in Implementing and Evaluating Internal Controls
- 9120 – Internal Control: Providing a Foundation for Accountability in Government
- 9130 – Guidelines for Internal Control Standards for the Public Sector – Further Information on Entity Risk Management
- 9140 - Internal Audit Independence in the Public Sector
- 9150 - Coordination and Cooperation between SAIs and Internal Auditors in the Public Sector
- 9160 - Enhancing Good Governance for Public Assets
- 9200 - The Importance of an Independent Standard-setting Process
- 9250 - The Integrated Financial Accountability Framework (IFAF)
- 9300 - Principles for External Audit Arrangements for International Institutions
- 9400 - Guidelines on the evaluation of public policies

According to the SDP 2017-2019, complemented by the IFPP's document "Renumbering and relabeling of pre-existing ISSAIs and INTOSAI GOVs into the IFPP" (<http://www.psc-intosai.org/standard-setting/strategic-development-plan-sdp/sdp-2017-2019.htm>), the previous INTOSAI GOVs would be integrated to the new IFPP in two different ways:

- I - directly relabeled and renumbered as GUIDs; and
- II – input/reviewed by one of the current SDP projects.

Therefore, the first group would be automatically carried on to the new framework as GUIDs, going through minor editorial changes. For the second group, the new proposed pronouncement would include the relevant aspects of the previous INTOSAI GOV and lead to its withdrawal from the framework.

I – Directly relabeled and renumbered (carried on as an IFPP document with minor editorial changes)

This is the case of the following documents:

INTOSAI GOV 9160 – relabeled as GUID 5260

INTOSAI GOV 9200 – relabeled as GUID 9010

INTOSAI GOV 9300 – relabeled as GUID 9020

INTOSAI GOV 9400 – relabeled as GUID 9030

II – Input/reviewed by one of the current SDP projects

INTOSAI GOVs 9100, 9110, 9120 and 9130 – they are all related to Internal Controls and would be considered in SDP project 2.5 (“Consolidated and improved guidance on understanding internal control in an audit”)

INTOSAI GOVs 9140 and 9150 – related to internal audit and would be considered in SDP project 2.6 (“Consolidated and improved guidance on reliance on the work on internal auditors”)

INTOSAI GOV 9250 – it would be considered in SDP project 2.10 (“Consolidating and aligning the audit of disaster related aid with ISSAI 100”).

By September, for INCOSAI 2019, the full relabeling and renumbering exercise will be concluded and the ISSAI website will be reformulated to reflect the new framework. The previous INTOSAI GOVs listed in the first group will be included as GUIDs.

The project 2.6 is under development. It is not going to be finalized by INCOSAI 2019, so the new ISSAI website will include the previous INTOSAI GOVs 9140 and 9150, without their labels and numbers, as provisional documents, until the project is concluded in 2022 (expected).

The project 2.10 is also under development, but in the approved project proposal, the working group highlighted that “the content of INTOSAI GOV 9250, which aims at promoting a better and more coherent accounting practices in such complex environments, does not fit into a GUID on the audit of disaster management.”. Therefore, the content of this INTOSAI GOV will not be included as input for that project.

Regarding project 2.5, the Internal Controls Subcommittee has informed that it is not going to submit a project proposal during this year, which means that there is no ongoing work related to the INTOSAI GOVs 9100, 9110, 9120 and 9130.

Therefore, there is a need to make a decision on what to do with the INTOSAI GOVs 9100, 9110, 9120, 9130 and 9250 after the migration to the IFPP is concluded and the new framework is implemented.

There are three possible options to deal with this situation.

The first one is, considering that the IFPP no longer contains INTOSAI GOVs as a separate category, to withdraw those INTOSAI GOVs from the framework of professional pronouncements. The content of those documents could be preserved and published as non-IFPP documents.

A second alternative is to keep the valuable content of these documents in the framework, relabeling and renumbering them to include these documents as GUIDs in the 9XXX series, in the same way it is being done with the INTOSAI GOVs 9200, 9300 and 9400, as mentioned before. As the proposal for the new SDP includes a broad revision of the content of the framework, these documents would be included in this revision.

Another option that would also result in keeping these documents in the framework, would be to include a project on internal controls in the next SDP and proceed in the same way it will be done with the INTOSAI GOVs related to internal audit and several other pronouncements, that are being reviewed as part of current SDP projects.

We believe that the second option above would be the most adequate, as it is the same approach taken by the current SDP regarding INTOSAI GOVs that are not being used as inputs in any SDP project. This way we will keep the content available to auditors, SAIs and external stakeholders, the same way it is available now, before the migration is concluded. The broad revision of the content of the framework that is being proposed for the next SDP would include these documents.

Regarding the first alternative, it would involve a considerable amount of effort, as the withdrawn of pronouncements requires a series of procedures (as established in Due Process). Also, there is a risk that in the broad assessment of the content of framework (that is being proposed for the next SDP) the conclusion is that some of the content of these INTOSAI GOVs should be part of the framework.

About the third possibility, it is not quite aligned with the general approach of the proposal for the next SDP, which is to make a broad revision of the content of the framework. It would also require that the project group responsible for the development of the new pronouncements works with a strict timeline, in order to eliminate the provisional section of the ISSAI website as soon as possible (see paragraph above about project 2.6). Finally, it would be a solution that would only be applicable to the documents related to internal controls, but not the INTOSAI GOV 9250.

Therefore, considering the aspects mentioned above, we propose that the PSC-SC approves:

- a) that the INTOSAI GOVs 9100, 9110, 9120, 9130 and 9250 should be relabeled and renumbered to fit into the GUIDs category (9XXX series);
- b) to mandate FIPP to propose the new numbers and titles for these documents, in order to allow the PSC Secretariat to include these documents in the reformulated ISSAI website.