

Report by the Forum for INTOSAI Professional Pronouncements (FIPP) Professional Standard Committee Steering Committee (PSC SC) 19 October 2021

Status of FIPP activities 2020/2021

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Motion

The PSC SC is requested to take note of the report of FIPP activities 2020/2021 and the status of the projects in the IFPP Strategic Development Plans for 2017-2019 and 2020-2022.

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1. FIPP meetings

Due to the Covid-19-situation all FIPP meetings 2020/2021 were carried out by web-meetings. The web-meetings in particular have shown that this media enhances agility and provides an opportunity to be more flexible in inviting participants (working-groups and subcommittees) into the FIPP meetings in order to discuss the SDP-projects. This opens up a unique possibility for real time guidance and alignment with project groups and provides a flexibility in order to enhance the process from draft to a pronouncement. FIPP has in addition invited observers from all three goal chairs (CBC, KSC and PSC) to each meeting in 2020/2021. All FIPP meetings are documented at the FIPP web-page: <https://www.intosaifipp.org/fipp-meetings/>

2020

13th FIPP meeting carried out as a series of teleconferences 9 – 11 March, 4 April and 16 April

FIPP web-meetings – 3 sessions June 2020

FIPP web-meetings – 3 sessions September 2020

FIPP web-meetings – 4 sessions October 2020

FIPP web-meetings - 3 sessions November 2020

2021

FIPP web-meetings – 3 sessions February 2021

FIPP web-meetings – 3 sessions April 2021

FIPP web-meetings – 2 sessions June 2021

FIPP web-meetings – 4 sessions September 2021

FIPP web-meetings – 2 sessions October 2021

FIPP web-meetings – 3 sessions December 2021

2. Status of projects from the IFPP Strategic Development Plan 2017-2019

The Governing board endorsed five pronouncements from the SDP 2017-2019 in 2020, while a number of pronouncements are still under development.

2.a Pronouncements endorsed by the INTOSAI Governing Board in 2020

ISSAI 200 A more principles-based and future-proof ISSAI 200
ISSAI 2000 Application of Financial Audit Standards
GUID 4900 Guidance on authorities and criteria to be considered while examining the regularity and propriety aspects in Compliance Audit
GUID 5250 Consolidating and aligning the audit of public debt with ISSAI 100
GUID 5330 Guidance on auditing disaster management

2 b Pronouncements to be endorsed by the INTOSAI Governing Board in 2021

GUID 2900 Guidance to the financial auditing standards
GUID 5320 Guidance on Performance Audit on Privatisation

2.c On-going pronouncement projects from SDP 2017-2019

No.	Title	Status	Endorsement
#2.3	GUID 5000 Using ISSAIs in accordance with the SAI's mandate and carrying out combined audits	Project Proposal conditionally approved at the 12 th FIPP meeting December 2019 – An outline of the GUID and the project proposal will be further discussed by FIPP depending on decisions by the PSC. The project is awaiting clarification by the PSC. The project group is on hold to January 2022.	
#2.5	GUID 5150 Consolidated and improved guidance on understanding internal control in an audit	Project proposal is being developed by the project group and has been initially appraised by FIPP February 2020. The project is awaiting clarification by the PSC and the subcommittees.	
#2.6	GUID 5160 Consolidated and improved guidance on reliance on the work of internal auditors	An updated project proposal was approved by FIPP in the FIPP web-meetings in September 2020. The project is now awaiting clarification by the PSC and the subcommittees.	

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#2.7	GUID 5340 Guidelines on audit of Public-Private Partnerships (PPP)	An updated Exposure Draft with Explanatory Memorandum has been discussed by FIPP at the FIPP web-meeting in September 2021. FIPP found the draft not yet ready for approval and will distribute a list of key issues that need to be solved to the project group and KSC. KSC will discuss measures to support the project group in the final stages of the project.	Planned for GB 2022
#2.8	GUID 5101 Consolidating and aligning guidance on IT-audit with ISSAI 100	Endorsement version has been prepared by the project group, but based on the exposure comments, FIPP concluded that the GUID was not ready for approval at the 11th FIPP meeting, June 2019. At the 12th FIPP meeting, December 2019, FIPP reviewed the amended endorsement version with a gap analysis and FIPP carried out a new appraisal against the criteria. FIPP concluded that the GUID 5101 should not be forwarded to the INTOSAI Governing Board due to the feedback received in the exposure phase.	Will not be forwarded to GB due to feedback in the exposure phase.
#2.1 1	GUID 5280 Public Procurement Audit	An updated Exposure Draft with Explanatory Memorandum has been discussed by FIPP at the FIPP web-meeting in September 2021. FIPP found the draft not yet ready for approval and will discuss the draft again at the upcoming FIPP meeting in October 2021. After the meeting, FIPP will distribute a list of key issues that need to be solved to the project group.	Planned for GB 2022

3. Status of projects from the IFPP Strategic Development Plan 2020-2022

Project	Status	Approval
Component 1 Reviewing and refining the conceptual framework	Initial review and analysis. A survey was distributed by the PSC Secr to the INTOSAI community on how to identify the needs of the INTOSAI community. Prior to the distribution, FIPP gave feedback on the survey draft as invited by the PSC Secr. Due to a delay in the timeframe caused by a request from SAIs to postpone the deadline, no general conclusions will be drawn at the current stage, but a status report will be presented by the PSC to the Governing Board in November 2021.	Status report SDP 2020-2022 regarding Component 1 to GB 2021.
Component 2 Development work on key topics	Proposal for an SDP-update and an initial scoping paper At the June 2020 web-meetings, FIPP discussed possible topics for an SDP-update based on: a) FIPP's analysis of the input received from the INTOSAI community in the SDP process, and b) the topics included in the Component 2 of the approved SDP 2020-2022	

	<p>FIPP concluded that the following project be included in an SDP-update:</p> <ul style="list-style-type: none"> • scoping paper on Guidance for implementing INTOSAI P-50 Principles of SAIs of jurisdictional activities, • scoping paper for the Revision of ISSAI 140 Quality Control for SAIs <p>The Governing Board approved the two projects to be included in the SDP 2020-2022 under Component 2.</p>	
Revision of ISSAI 140 Quality Control for SAIs	<p>The project was approved by the Governing Board November 2020 to be included in the SDP 2020-2022 after recommendation by FIPP.</p> <p>An initial analysis of the project has been developed by the TSF on recommendation from the PSC. FIPP has developed a list of key issues to be considered when developing the project proposal. The key issues will be further discussed at the FIPP October 2021 meeting. The PSC will appoint a project lead and call for candidates to ensure a high-quality revision of the pronouncement.</p>	
Guidance for implementing INTOSAI P-50 Principles of SAIs of jurisdictional activities	<p>The project was approved by the Governing Board in November 2020 to be included in the SDP 2020-2022 after recommendation by FIPP.</p> <p>An exposure draft for the GUID is expected to be discussed at the FIPP October 2021 meetings.</p>	
<p>Component 3 Professional Pronouncements dealing with Auditor Competence -</p> <ul style="list-style-type: none"> • ISSAI 150 Auditor Competence • GUID 1950 Guidance on the development of competency frameworks for auditors • GUID 1951 Guidance on the development of pathways for professional development of auditors 	<p>An update of the IFFP classification regarding the COMPs in the framework was approved by the Governing Board after recommendation by FIPP in November 2020.</p> <p>After the approval by FIPP of a revised project proposal in February 2021, the project group has developed three exposure drafts: 1 ISSAI and 2 GUIDs. The ISSAI 150 was first under discussion at the FIPP June 2021 meeting, where FIPP discussed and gave input to key issues in the draft. The project lead was present and contributed to the discussion. FIPP identified the need for an update of the ISSAI 100 to correspond to the new ISSAI 150 and facilitate the inclusion of a new principle of auditor competency management in the IFPP.</p> <p>FIPP appraised and conditionally approved the Exposure Drafts ISSAI 150 and the two GUIDs including an Explanatory Memorandum at the FIPP September meeting 2021. These draft pronouncements will be on exposure on issai.org</p>	Planned for GB 2022

<p>Update ISSAI 100 Fundamental Principles of Public-Sector Auditing</p>	<p>In connection with the appraisal/approval of the Component 3 pronouncements, a need for an update of ISSAI 100 was identified. The update of ISSAI 100 has been developed in close collaboration with the PSC and the CBC. The draft of the updated ISSAI 100 will be on exposure on issai.org.</p>	<p>Planned for GB 2022</p>
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4. The planning process for the next IFPP Strategic Development Plan

The current Strategic Develop Plan for the IFPP formally expires by 2022. It is one of FIPP’s obligations to provide a proposal to the PSC Steering Committee on the process for developing the next Strategic Develop Plan for the IFPP.

The due process for the IFPP provides that the planning process as well of the content of the SDP shall be decided on by the PSC Steering Committee on the basis of proposals from FIPP.

FIPP will work closely with the PSC Chair on this matter and draw on the support and collaboration of the PSC Secretariat with the aim of developing a strong proposal on the planning process for the next SDP for decision by the PSC Steering Committee in first half of 2022.

5. Other main tasks achieved by FIPP 2020/2021

1. In addition to the projects from the IFPP Strategic Development Plans of 2017-2019 and 2020-2022, FIPP has given guidance to projects that could in the future be considered to be part of a new Strategic Development Plan. These include:

- An update of GUID 5202 on Sustainable Development
- GUID on Cooperation between SAs and the three branches

2. FIPP internal SWOT 2020.

In 2020, FIPP’s members participated in an internal survey and analysis of the Strengths, Weaknesses, Opportunities and Threats (SWOT) related to a) FIPP’s internal processes and b) external processes and practice related to INTOSAI’s standard-setting. The results of the external part of the SWOT was communicated and discussed with the three Goal Chairs (CBC, KSC and PSC) regarding how to improve the processes and communication.

As an initial outcome, FIPP has redeveloped its website to improve the transparency and predictability of FIPP’s proceedings and to improve the communication with working groups and Goal Chairs, as well as with the broader INTOSAI community. This is an on-going work-in-progress. FIPP is also exploring other technical means to give the INTOSAI community a broader insight in and transparency to the work of FIPP.

3. FIPP’s working procedures

FIPP is currently in the process of revising its working procedures. The primary aim of the revision is to adjust the working procedures to the “new normal” of virtual meetings and draw on the experiences of the “lessons-learned” of the last few years of FIPP’s work. An updated draft will be finalized in 2022.

