

**INTOSAI**



**INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS**  
**ORGANISATION INTERNATIONALE DES INSTITUTIONS**  
**SUPÉRIEURES DE CONTRÔLE DES FINANCES PUBLIQUES**  
**INTERNATIONALE ORGANISATION DER**  
**OBERSTEN RECHNUNGSKONTROLLBEHÖRDEN**  
**ORGANIZACIÓN INTERNACIONAL DE LAS**  
**ENTIDADES FISCALIZADORAS SUPERIORES**  
المنظمة الدولية للأجهزة العليا للرقابة المالية العامة والمحاسبة

**REPORT BY THE INTOSAI GENERAL SECRETARIAT**

**TO THE 13<sup>TH</sup> PSC STEERING COMMITTEE**

**COPENHAGEN**

**MAY 2016**



Rechnungshof, Dampfschiffstrasse 2,  
1031 Vienna · Vienne · Wien · Viena  
Austria · Autriche · Österreich · Austria  
Tel. +43 (1) 711 71-8474 · Fax +43 (1) 718 09 69  
E-mail: [intosai@rechnungshof.gv.at](mailto:intosai@rechnungshof.gv.at) · World Wide Web: <http://www.intosai.org>

## **1. INTOSAI Initiatives in regard to UN Agenda 2030 and the SDGs**

**According to the explicit invitation of the UN Secretary General to get actively involved in the Agenda 2030 INTOSAI is taking a number of steps and initiatives regarding the SDGs.**

### **1.1 XXII INCOSAI Theme I**

**Theme I of the coming XXII INCOSAI s in Abu Dhabi from 5 -11 December 2016 will be “How INTOSAI can contribute to the UN 2030 Agenda for Sustainable Development, including good governance and strengthening the fight against corruption”.**

**The procedures for preparing the themes for the XXII INCOSAI have been changed. There are no longer country papers, but instead the regions are asked to prepare a regional response to the two theme information papers. The theme information papers were sent to the Regions in January 2016 and a lot of positive response from the Regions has been received.**

**There has also been a INTOSAI-wide survey on the two Congress-themes. At the beginning of March, the survey was sent to all the INTOSA member-SAIs with questions about the themes, role of SAIs in SDGs and professionalization. The questions in the survey follow the thread from the theme information papers, which were discussed on occasion of a theme meeting held in advance of the 67th GB in November 2015.**

**In March a social media campaign was launched that is supposed to engage the audit community in discussions about the Congress themes and the role of SAIs and how INTOSAI can respond to the growing expectations from the international community.**

**The regional papers, the results from the survey, and the outcome of the social media campaign will provide the foundation for the theme papers and drive the discussions and decisions that will take place during the XXII INCOSAI.**

## **1.2 INTOSAI - UN Engagement**

**The participation of the INTOSAI Secretary General in the ECOSOC High Level Political Forum on sustainable development in July 2015 and in the Development Cooperation Forum was seized for negotiations regarding the Sustainable Development Goals to strengthen SAIs and improve the public accounting system. This intervention sparked broad interest.**

**INTOSAI participation is also foreseen for HLPF in July 2016 for the follow-up and review of the 2030 Agenda. There INTOSAI organizes as part of the ministerial segment a special side-event on the significant role of SAIs in implementing the Sustainable Development Goals (SDGs), and to obtain the support of the United Nations in this regard.**

**Furthermore INTOSAI is involved in the UN Intergovernmental Committee of Experts on Sustainable Development Financing working on institutional arrangements, policy coherence, synergies and governance issues.**

**GS participated in March 2016 in a meeting of the UN Statistical Commission to include the following SAI related indicators for the implementation of Target 16.6 in the current draft list of indicators:**

- Percentage of SAIs meeting the criteria of independence set out by the declaration of Mexico and**
- Percentage of (national) governments applying improved public accounting systems.**

**In April 2016 the Secretary General intervened personally in the annual 15th**

**Session of the UN Committee of Experts on Public Administration (CEPA) on “Ensuring effective and innovative implementation, monitoring and impact evaluation of the policies identified in support of the SDGs” to underline the important role of SAIs. On this occasion the Secretary General of INTOSAI met, among others, UN Under-Secretary-General Wu Hongbo, ECOSOC President Oh Joon and Chef de Cabinet of UN Secretary General Ban Ki-moon, Edmond Mulet underlining the important role of SAIs in the Agenda 2030. There exists a good chance that Ban-Ki-moon will participate in the coming XXII INCOSAI.**

### **1.3 KSC -IDI**

**The KSC is recognized as the hub for Sustainable Development Goals and therefore, the KSC and the IDI are developing a comprehensive programme on Auditing the implementation of SDGs. The programme has the following fourfold results framework:**

- Community of Practice for Auditing implementation of SDGs;**
- Guidance on Auditing preparedness for implementation of SDGs;**
- Cooperative audits on auditing preparedness for implementation of SDGs; and**
- Documentation of lessons learned and publication of a Compendium of Audit findings.**

**The Community of Practice for SDG is already hosted at the IDI-KSC Community Portal. The other components of the programme are planned for 2016 to 2018.**

## **2. INTOSAI Strategic Plan 2017-2022**

**The Task Force on Strategic Planning has worked out under the chairmanship of the USA, a draft of the third Strategic Plan (2017-2022), taking into consideration the results and recommendations of the Task Force on Financial Foresight (TFFF) and the results of a broad survey among all INTOSAI**

members and external stakeholders.

There was overwhelming agreement among the INTOSAI membership to keep the four main strategic goals of INTOSAI. The TF members agreed in principle on the following 5 crosscutting strategic priorities in INTOSAI:

**Strategic Priority 1. Independence of SAIs**

**Strategic Priority 2. Contributing to the follow-up and review of the SDGs within the context of each nation's specific sustainable development efforts**

**Strategic Priority 3. Effective coordination among standards-setting knowledge sharing, and capacity development to support SAIs and improve their performance**

**Strategic Priority 4. A strategic and agile INTOSAI that is alert to and capable of responding to emerging opportunities and risks**

**Strategic Priority 5. Building upon, leveraging, and facilitating cooperation among the regional organizations of INTOSAI**

The broad issue of standard setting in INTOSAI will be linked to the new role of SAIs and INTOSAI recognized by the UN regarding the SDGs.

The next plan includes clear evaluation, performance indicators and risk management components as well as a high level finance plan. Further work related to the monitoring and assessing of the SDGs provides especially good opportunities in this regard.

The Plan was sent in April 2016 to all INTOSAI members for their comments until end of July 2016. After the necessary translations and including the

comments of all members the XXII INCOSAI will hopefully approve the new Plan in the second week of December 2016.

### **3. INTOSAI Statutes**

In 2015 a Task Force on INTOSAI Statutes was created by GB. Members of the TF: Chair of the Governing Board (China) as chair of the Task Force, Vice Chair of the Governing Board, Secretary General, Head of the Task Force on Strategic Planning, Chair of the Finance and Administration Committee, Chairs of INTOSAI Goal Committees 1 – 3, IDI, Secretary Generals or Chairs of INTOSAI's seven Regional Organizations.

The first goal is to review and ensure the necessary changes are implemented into the current Statutes as to reflect current structure, operational and governance practice. The second goal is to work with the Task Force on Strategic Planning to review the draft 2017-2022 Strategic Plan and prepare for the necessary conforming Statute changes should the plan call for and the changes be adopted at the INTOSAI Congress in 2016.

In the 1<sup>st</sup> meeting of the TF in March 2016 important progress was made and a complete revised version of the Statutes was presented for comments. Main points are the inclusion of the Goal Committees, adding new organs (Journal and Emerging Issues Committee) and creation of „Related Entities“ (Regional Organisations and IDI); IDI and the Journal are now mentioned in special articles, the autonomy of the Regional Organisations is explicitly mentioned, regarding the GS INTOSAI it is mentioned that the GS provides strategic and central administrative support to INTOSAI and to act as leading liaison with the United Nations. Furthermore it is foreseen the a portion of the INTOSAI budget will be dedicated to each of the four strategic goals.

In a second meeting on 21 July the TF will finalize the draft and then send it to all INTOSAI members for comments. XXII INCOSAI should approve the Statutes in December 2016.

#### **4. INTOSAI new membership Category**

Until now we have full and associate members.

On occasion of the 67th Governing Board in November a third membership category, affiliate members, was approved. This new membership category with rights equal to those of associate members is an effort to accommodate inclusion of overseas territories of INTOSAI member countries. Dependent territories can be viewed as an affiliate of a full member of INTOSAI. SAIs that are affiliate members will be welcomed at all INTOSAI functions and activities and benefit from INTOSAI's knowledge sharing programs; but, they will not be allowed to vote. This membership category does not apply to subnational/regional audit authorities. The qualifications for SAIs to be affiliate members include:

- **Must be a recognized member of an INTOSAI regional group,**
- **Must be the SAI of an overseas or dependent territory of a member of INTOSAI,**
- **Must have independent audit authority over the territory in question, and**
- **Have approval from the home country SAI to join INTOSAI**

#### **5. INTOSAI-wide Peer Review Project**

The Austrian Court of Audit (ACA) in its capacity as the General Secretariat of INTOSAI has jointly initiated with the Austrian Development Agency an initiative for a 1st INTOSAI wide peer-review project on the subject of independence.

The peer review is realized on the basis of the 8 Principles of Independence as defined in the Mexico Declaration and in accordance with ISSAI 5600.

The aim of this peer-review project is as follows:

- **It will serve to identify problems related to the 8 principles of independence**

as defined in the Mexico Declaration for the reviewed SAI at the national level. For the peer-reviewed SAIs, the reports on the status of their independence shall be an instrument for enforcing the principles of independence by using the reports as effective tools to approach their Parliaments and media.

- It will also help the whole INTOSAI community to identify further necessary measures for improving the independence on the basis of the results of these peer reviews and serve as best practice example for further similar projects within INTOSAI (e.g. SDG audits/monitoring projects).

All peer reviews have already been realized by teams consisting of two to three auditors from the ACA and one auditor from a SAI from the respective region who were nominated by the seven INTOSAI Regional Organizations,

The expected results are as follows:

#### **Result 1**

Seven peer review reports on compliance with ISSAI 10, including recommendations

#### **Result 2**

A published comparative cross-cutting report (including scorecard) including recommendations for further action on international level provided to INTOSAI (including IDI) and UN bodies as well as development partners.

#### **Result 3**

A report on lessons learnt in the context of the peer reviews on independence provided to INTOSAI as basis for further like-minded peer reviews.

#### **Result 4**

A drafted and adopted concrete action plan based on the recommendations from the peer reviews for INTOSAI and UN bodies as well as development

**partners.**

**This action plan, which includes a to do list (drafted by the INTOSAI General Secretariat) based on the recommendations from the peer reviews, will concretely define who on international level will do what and when in order to implement the recommendations from the peer reviews. All participating institutions at a conference in Vienna at the end of 2017 shall agree this action plan.**