



**Paula Hebling Dutra**  
**INTOSAI Professional Standards Committee (PSC)**  
**Brazil**

**24 September 2020**

**Dear Paula**

**Feedback – Component 1 of the Strategic Development Plan (SDP)2020 – 2023**

Thank you very much for providing us with an opportunity to provide inputs on some of the initial work done regarding component 1 of the current SDP. As the secretariat of the INTOSAI Capacity Building Committee, we decided that it may be constructive to provide you with overall perspectives from both the chair (SAI South-Africa) and vice-chair (SAI Sweden).

Our overall inputs are as follows:

1. We appreciate the fact that this exercise represents the start of a longer process of consultation, but we do want to highlight the need for extensive consultation with the users of the INTOSAI Framework of Public Pronouncements, covering both the developed and developing worlds. From our experience here in South-Africa, through our representation on our independent audit regulator's Committee for Auditing Standards, we know how difficult it is for standard-setters, regulators and professional bodies to commit to a process of sourcing feedback on the practicality and value-add of existing standards, but we also understand the immense value of the insights that can be gained from extensive consultation in this regard. We acknowledge the need to keep the current momentum with further professionalisation in INTOSAI (a process that has the auditing standards as a strong foundation) and can therefore understand some of the aspirations outlined in your thinking around component 1. At the same time, we also need to guard against losing a huge portion of our community by progressing so far on this journey that SAIs lose trust in their own abilities to adopt these standard or that the framework change so often that adoption becomes an ever-moving target.

2. On a related note, we need to stress the value of extensive guidance to make the implementation of standards a reality. For many SAIs this becomes an essential part of the journey to adoption of credible auditing standards. We also want to highlight the value, even for mature SAIs with a proud track-record of adopting credible auditing standards, of guidance that deals with specific unique circumstances (just think about the value of the guidance on auditing of disaster management that could be used in the auditing of government's responses to the current pandemic). A framework of professional pronouncements without extensive guidance as an inherent part of this framework is, in our view, unthinkable in the INTOSAI community.
3. Having highlighted the need for extensive guidance, it is important to talk about the other side of the equation. Guidance should be needs-driven and not arise only as a result of a SAI or a work-group's ambitions to see its hard work contained within the IFPP. The recent efforts from the Goal Chair Collaboration mechanism to create a quality framework for documentation that sits outside the IFPP should probably be expanded to a point where there is a credible and easily accessible space where these documents and products that clearly do not belong in the IFPP, can be housed. We will be supportive of a process where the current guidance documents are "sifted" to clearly distinguish between guidance that belongs within and outside the IFPP. We also believe that the INTOSAI Knowledge Sharing Committee (KSC) as the goal chair that oversees many of the working groups that produce these guidance document, can play a very constructive role to guide the community in this regard, channelling the deliverables to the most appropriate home.
4. The term "principle-based" standards appear to be a loaded term and, as we embark on further work on component 1, may need to be clarified. Auditing standards that have been so stripped-down to principles, without appropriate and detailed application guidance, may make adoption of these standards difficult and even subjective in certain environments.
5. Lastly, we acknowledge the extensive duplication that currently exists within the IFPP. This is understandable given the history of work done in this regard in INTOSAI. As the framework matures, this should be taken care of in the process of revising each of the standards and one may argue that the evolution proposed in component 1 may not necessarily be required to achieve that. An example is the current work on the proposed ISSAI 150 where we aim to "find a home" for all references to the importance of auditor competencies and competency development. In the current set-up, there may be the potential for overlaps with what exists in ISSAI 130 and 140, but one can easily foresee that a revision of ISSAI 130 and 140 (at an appropriate time) will allow for a scaling down of


the commentary on competency development in favour of what will be contained in ISSAI 150.

When it gets to the detailed responses to the seven questions you posed to us, we found a massive correlation between the two submission from SAI South-Africa and SAI Sweden, and we decided to submit only one of these – the very well-crafted submission from SAI Sweden.

It is, however, important to reflect on the fact that we tackled the responses to the questions from two very different viewpoints. As you are now doubt aware, SAI Sweden has played a very active role in standard-setting in INTOSAI over the years and that experience clearly shows in the responses provided. We moved from a very different point of view. We asked our technical division to respond to the questions. The technical specialist that did the work is a public sector auditor with far more than a decade's experience in our office, with many of these spent in the technical division. Her experience with INTOSAI and more specifically the IFPP is, however, quite limited (you may recall that SAI South-Africa has adopted the International Standards of Auditing (the ISAs) and not the IFPP). What was interesting is that her responses, as a relative "novice" in working with the IFPP, correlated so well with that of SAI Sweden. Contrary to the commentary we often make in our collaboration as goal chairs, she actually specifically commented on how well organised the IFPP is (referring specifically to the "diagram" that drives the lay-out) and complimented the ease-of-use of the web-site.

I trust that you will find these reflections, coupled with the detailed responses from our CBC colleagues in Sweden, useful in moving forward with efforts around Component 1. We wish you all the best with the hard work to provide INTOSAI with the possible solution to its needs regarding auditing standards and guidance.

Kind regards

 24/9/2020

Jan van Schalkwyk  
INTOSAI CBC secretariat / SAI South-Africa

