



**INTOSAI  
PSC** | Professional  
Standards  
Committee

[www.psc-intosai.org](http://www.psc-intosai.org)

## **Discussions with the PSC Subcommittees about the INTOSAI Standard Setting process Report September 2021**

The aim of this report is to summarize the discussions about the experience with the INTOSAI standard setting process of the PSC subcommittees: FAAS, CAS, PAS and ICS, and improvements that could be considered.

The discussions took place in May/June 2021, individually with each subcommittee. The subcommittees were asked to invite their members to participate. This report summarizes the suggestions on a general note, and in some cases stating the differences in the opinions. The discussions covered all parts of the process from the presentation of the themes to the INTOSAI Strategic Development Plan (SDP) and then through each phase of the Due Process.

### **Roles and responsibilities**

**On a general note, all stakeholders demand a clarification of the roles of the PSC, its subcommittees, the TSF and the FIPP in all phases of the standard setting process.** This lack of clarity in roles causes a lot of confusion, delays the process, and leaves many stakeholders unaware of the reasoning behind decisions. The PSC Secretariat is called to take a more proactive role in guiding the subcommittee's work, especially when it comes to more difficult projects.

There is also a need to clarify the role of the FIPP and comments given to draft pronouncements by other subcommittees as quality control or expert opinion. After the comments are sent, they have no chance to answer FIPP's clearance and they don't even get feedback on the reasons the comments were accepted or not. Participation of the project group in the FIPP in-person meeting was fruitful and with the online meetings, the FIPP has been able to invite even more people from the projects groups to the discussions. This has considerably improved the cooperation between the FIPP and the project groups. However, no feedback is given to those subcommittees that have sent their consultative comments to the project group. They expect to hear back why their comment were or were not approved and a protocol could be established to do this. Either the FIPP, the project or perhaps the TSF could be responsible for giving the feedback to the comments.

## Strategic Development Plan

Regarding the INTOSAI Strategic Development Plan (SDP), the stakeholders identified a deficiency in the presentation of the issues to be considered in terms of need and gaps in the IFPP. More transparency and stakeholder involvement are called for in the selection of the themes. Even though input is asked for the subcommittees, the process of decision is not transparent and INTOSAI wide. This results in a lack of engagement of the working bodies that are supposed to be working on the projects. The need should arise from the SAI level via the subcommittees, not from technical or administrative bodies, such as the FIPP. It's reasonable to claim that the PSC subcommittees are fairly representative for the INTOSAI community, therefore they may be more qualified to assess which topics are more relevant as pronouncements. However, it is important to stress that need assessments should be objective and consider the whole INTOSAI community. This mechanism should be properly established.

**In the scoping for the SDP the whole INTOSAI Community should be heard and the subcommittees should participate in all rounds of the process until a common agreement is achieved. The PSC must make it clear what kind of projects are expected.**

The final decision of the topics selected to the SDP should be justified and the reasoning shared with all stakeholders. The working groups that are supposed to be working on the project must have a right to decide whether a project - in areas that concern them – is included in the SDP. A classic situation is when a pronouncement is planned to include one or more specific audit types (a collaboration project): all parties that are supposed to be working with the project must agree before the project starts on their collaboration.

**Enough time must be allocated for the drafting of the SDP so that all stakeholders are heard and can agree on the result. In the case of collaboration projects, final decision on projects should be agreed with all the specialised working bodies that are supposed to be taking on the work.**

However, another important point is that the standard setters should discuss the relevance of including audit specific content in a subject matter specific GUID.

Another possible approach to the SDP could be a new kind of organization of the projects. Instead of a list of new documents to be drafted to the framework, the SDP could be organized in terms of expected outcomes to different themes. Not all subcommittees identify a need to draft new pronouncement at this point, but there is a need for more knowledge sharing, from which might arise a need to more guidance (inside or outside the framework) or even an ISSAI.

**Organize the SDP in components of expected outcomes that may include different kind of actions. Besides new pronouncements in the IFPP, there might be projects of revision/removal, practice notes outside the framework, knowledge sharing events and other activities that aim to achieve a certain goal. All standard-setting objectives should be very closely aligned with capacity building and knowledge sharing objectives since we are all pursuing a common overall objective.**

On a general note, the SDP 2020-2022 was perceived as a good document, even though the process of elaborating it must be improved to include the subcommittees in all phases of its drafting.

## Development of the projects

After selecting the themes to be worked on, the next important step is to identify all parties that are to be joined to work on the project proposal. This should not be done solely by the responsible working body, but through a joint effort of all those that are part the project.

**Begin every project with an initial project meeting that includes:**

**Sole project: only the project group, PSC, (other GC if the case), TSF and FIPP LO**

**Collaboration project: the project lead, all specialised bodies that will be drafting the document, PSC, (other GC if the case), TSF and FIPP LO**

**Consultation project: the project lead, bodies that are going to be consulted, PSC, (other GC if the case), TSF and the FIPP LO**

In this initial meeting, the GCs should give strategic guidance to the working group in order to get all actors on-board, committed and sharing a similar understand of the project.

The project proposal (or maybe more clearly referred to as the detailed project plan), is a crucial phase of all projects. There should be a better template for the contents of the plan, and a wider participation in the planning of the projects. There is an opportunity to improve the quality of the template to make it clearer, more concise, easier to fill in, and easier to update if necessary as a project progresses. The timeline should be clear at this stage: is it a project that needs the widest range of approval and can therefore take the time necessary, or is a project that needs to be completed quickly to respond to an emerging issue?

**Improve the project planning phase and create a better template for project proposals (detailed project plan). Include in the project planning phase the identification of the required experts and their roles (project team member or external consultant), definition of the project lead, communication between the experts and the project members, ensuring that resources will be available to contribute within the timescale required.**

On a general note, the Due Process is considered to be adequate and there is no specific need for changes in the phases of the process. The common complaint is about the time the process consumes and there is a demand to improve the agility of the process. This could be achieved by defining better the roles of the PSC and the FIPP, and including the project group in all events where their project is being discussed. Also the role of the TSF should be defined in the due process to allow the information that is generated by the TSF to be considered in standard-setting decisions in an appropriate and controlled manner.

**More detailed minutes of all meetings, including PSC/Subcommittee meetings and the FIPP meetings where the projects are discussed as well as GB meetings, should be prepared where they involve projects. Include hearing the stakeholders in the decision process, inviting expert committees to be heard and make all decisions transparent, including a justification and the reasoning behind the decision made, especially when there is a difference in opinion.**

There is a need to clarify the status of the documents outside the IFPP. It seems that the current Due Process encourages the preparation of documents outside the framework, since they can be produced and published more quickly. The problem is that we are going back to the pre-IFPP situation where we will have many documents being produced outside the framework with a limited quality control.

Producing and publishing knowledge sharing and implementation support material outside of the IFPP is possible and viable, however the content of the IFPP should be streamlined.

The PAS registered their position in the case of subject matter GUIDs, that could be either kept out of the IFPP or, alternatively, become better products by strictly keeping to the subject matter without including references to application of the different types of audit. What we have today, is a situation where subject matter specific guidance looks very different from one document to another.

In the opinion of ICS, keeping far from audit types is only one of many quality determinants. Much more fundamental is ISSAI level quality – improvement of ISSAIs should be PSC's priority. Without it better GUIDs cannot be ensured – as they should refer/supplement ISSAIs in subject-related matters.

#### **Define and agree on drafting documents outside the IFPP.**

As a standard-setter, we should define and agree on the nature of the information that should be in the framework and decide how the development of this information should be controlled to help ensure that it most effectively meets the identified needs of the intended users.

It seems that the priority for all other information should be to determine how to share it most effectively with the possible users and not how to control how it should be developed.

The subcommittees send their projects and/or feedback to projects to the FIPP through the responsible Goal Chair or the project group and feel that after that they do not get enough information from the discussions and steps that are taken. They don't know exactly what the GC decides and what the PSC decides and how are the discussion at the FIPP regarding their projects or the specialized feedback provided to the project group.

#### **Create a channel of communication between the subcommittees and the FIPP and share detailed minutes of GCs and PSC decisions and referrals to all stakeholders.**

Regarding the exposure period, there is a concern that not all SAIs are reached to send out their comments. It is of the interest of INTOSAI to get as many comments and views as possible. What comes to approving the disposition table, there is a concern that the FIPP membership is not necessarily sufficiently representative in relation to all audit types.

**Contact the regional organization to get help in circulating and even collecting the comments in their own languages and then translate to INTOSAI languages to post to [issai.org](http://issai.org) and also ask the working groups and subcommittees to circulate the documents.**

**Review FIPP members competencies in order to ensure that the all audit types are covered and that their expertise is as wide as possible. , The FIPP officer that evaluates the exposure comments has expertise in the respective audit type. Consider creating groups of FIPP member experts in complex projects instead of just one Liaison Officer. Keep the recruitment process transparent and make sure candidates from the subcommittees are aware ofo the vacancies in the FIPP and also in the TSF.**

#### **Other issues**

Other difficulties pointed out by the subcommittees include the structure of their membership. The member SAIs come from various backgrounds and their level of involvement varies.

**Proposal from the PSC regarding the structure of the subcommittee membership and its administration.**

There were no specific suggestions in what the proposal should contain, but an exercise could be conducted with the subcommittees to come up with a solution.

Regarding the work of the Technical Support Function (TSF) there is not yet that much experience, but it was pointed out that they have drafted the reports without hearing all stakeholders and based only in documental analyses.

**The TSF contact the stakeholders before starting to analyse and discuss the reports that involve other parties. Status of the TSF analyses must be defined (how binding or not are their conclusions).**

Regarding translation of the documents, the quality translations should be a continuous concern since not all translation reflect the essence of the original document in English.

**PSC to improve the quality of translations and improve the Network of Voluntary translators.**