

Progress Report 2020



**INTOSAI
PSC**

Professional
Standards
Committee

TABLE OF CONTENTS

Report Highlights

Strategic Objectives Review

Objective 1.1: Provide strong organizational framework to support INTOSAI’s standard setting 4

Objective 1.2: Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI’s members 6

Objective 1.3: Promote the ISSAIs as a source for the development of auditor education 7

Objective 1.4: Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)..... 8

Objective 1.5: Monitor the implementation and adoption of standards 9

Cross Cutting Priorities Review

Priority 1: Advocating for and supporting the independence of SAIs10

Priority 2: Contributing to the follow-up and review of the SDGs 10

Priority 3: Ensuring effective development and coordination among Goals 10

Priority 4: Creating a strategic and agile INTOSAI 11

Priority 5: Building upon, leveraging, and facilitating cooperation and professionalism among the regions 11

REPORT HIGHLIGHTS

The INTOSAI Strategic Plan for the period of 2017-2022 stresses the relevance of systematically reviewing INTOSAI's performance as a means of having solid information to facilitate decision-making and better establishing the Organization's long-term strategies and plans. In order to do that, the Strategic Plan provides that the Goal Chairs lead the assessments of the progress towards the achievement of the plan's objectives, working in close cooperation with each other, their subcommittees and working groups, as well as with the General Secretariat.

The PSC secretariat would like to present its Progress Report, that encompasses its main activities since INCOSAI 2019. In line with the 2017 decision by the PSC, CBC and KSC, the Committee's achievements are presented in the form of a dashboard, which lists the activities carried out in order to achieve each of the strategic objectives under Goal 1. From these, we would like to highlight the following:

1. **Discussion on roles and responsibilities in INTOSAI standard setting** – Since extensive changes were made to the standard setting structure and process, the PSC has continued to discuss the functioning, roles and responsibilities, including all relevant actors. The objective is to continuously evaluate and improve standard setting activities and outputs.
2. **Technical Support Function (TSF)** – Following the selection process carried out in the end of 2019, the supporting SAIs (SAI Tanzania and SAI Finland) signed an MoU with the PSC and the three selected staff members were able to start their activities.
3. **Further progress on the migration of the ISSAI Framework into the INTOSAI Framework of Profession Pronouncements (IFPP)** – as approved by the XXII INCOSAI in 2016, the ISSAI framework was replaced by the IFPP by 2019. In time for INCOSAI 2019 the new issai.org website was launched with all pronouncements in English update on content and visual. Since then, the PSC secretariat finalised the migration of all the documents available in Spanish, French and German. The available documents in Arabic are the last batch of documents to be migrated. Support from INTOSAI members from Arab-speaking countries will be greatly appreciated to finalise this process.
4. **Development of the new PSC website** – a new and easier to use PSC website is launched to facilitate access to documents and other resources to all PSC members.
5. **Implementation of the SDP 2017-2019** – The new text of ISSAI 200 was approved by FIPP in December 2019 and will be presented to Governing Board in November 2020. In addition, since INCOSAI 2019, three documents were exposed in the issai.org website and are soon expected to be submitted to Governing Board for approval either in 2020 or 2021.
6. **Implementation of the SDP 2020-2022** –
Component 1: An initial analysis was presented to the community. Feedback is expected until the end of September.
Component 2: The staff in the Technical Support Function, the working groups and FIPP are further analysing proposed topics to be included as projects.
Component 3: The Task Force on Auditor Professionalisation and the FIPP have defined to develop one ISSAI and one GUID on competencies. The category COMP will be removed as a IFPP category,
7. **Network of INTOSAI Standards Liaison Officers (ISLO)** – In order to improve communication and feedback on the use of standards, the PSC has launched the ISLO network, with members from SAI methodology experts that are constantly informed of developments in INTOSAI standard setting activities and invited to contribute.

8. **Intense cooperation between subcommittees and between experts in FAAS/PAS/CAS in SDP projects** – Current SDP projects required intense cooperation between PSC subcommittees on joint projects. The subcommittees also provided extensive expert advice to project groups under KSC.
9. **Join coordination from Goal Chairs** – PSC, CBC and KSC are conducting intensive discussions on how to move the Goal Chair Collaboration forward with a view to maximize common areas of cooperation and more effective use of INTOSAI resources.
10. **New procedure for translations** – Following the call for language groups to volunteer to be part of a pool of translators, several SAIs have stepped up. However, we are renewing our call so we are able to operationalise our new procedure for translations.

PSC Progress Report 2020

Strategic Objectives Review (as at September, 2020)

	Initiatives / projects on schedule
	Initiatives / projects behind schedule
	Serious difficulties being experienced
	Not yet scheduled to start
	Initiatives / projects completed

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.	1. Develop and maintain the FIPP encompassing INTOSAI's expertise in standard setting function as a standard setting board for INTOSAI's Framework of Professional Pronouncements and represent the broad views of INTOSAI's members on standards-setting issues.	FIPP fully operational and performing	<p><i>Progress to date:</i></p> <p>Maintenance of FIPP membership.</p> <p>Active engagement with FIPP leadership to follow, guide, facilitate and support the Forum's activities.</p> <p><i>Next steps:</i></p> <p>Continue engagement with FIPP leadership and maintenance of FIPP membership.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.	2. Strengthen standard setting governance structure to enhance the trust of INTOSAI members, donors, and other stakeholders in INTOSAI's standards-setting function.	Governance structure improved Strategic guidance to INTOSAI standard setting provided	<p><i>Progress to date:</i></p> <p>Permanent discussion and engagement with relevant actors to ensure the continued operation of INTOSAI standard setting activities.</p> <p>Joint Seminar with actors involved in standard setting promoted an open discussion on roles and responsibilities in INTOSAI standard setting.</p> <p>Intense dialogue between Goal Chairs on issues identified during Joint Seminar with the objective of improving efficiencies and building trust from all actors.</p> <p><i>Next steps:</i></p> <p>Further clarify roles and responsibilities in standard setting through continued discussions between the Goal Chairs, FIPP and project groups.</p> <p>Assess the need to develop additional regulations or changes to current ones to clarify roles and responsibilities.</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>3. Establish adequate technical support function to ensure efficient operation and high quality in drafting of standards and to promote the wide recognition, acceptance and use.</p>	<p>INTOSAI provided with adequate technical support services</p>	<p><i>Progress to date:</i> TSF operational since the first trimester of 2020, with a manager from SAI Tanzania, and two officers (Sai Tanzania and SAI Finland) MoUs signed with both SAIs.</p> <p><i>Next steps:</i> Monitor the workload, manage the demands, prioritize and make adjustments to the TSF to ensure effectiveness Carry out selection process to maintain TSF staff number.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>4. Establish and maintain an advisory group, including the current observer in the PSC as well as representatives of users, international audit organizations, and other relevant partners.</p>	<p>New advisory function implemented</p>	<p><i>Progress to date:</i> New discussions about strengthening and expanding MoU with IIA. Consultation with IFAC on new INTOSAI strategic plan and comments on IFAC's new strategic plan with a view to enhancing the role of public audit in the organisation. Appointment of a new representative to the Consultative Advisory Group of the IPSASB.</p> <p><i>Next steps:</i> Continue to involve Advisory Group institutions in the development of SDP projects and other standard setting activities, as relevant Discuss within the PSC other ways of making the most of the engagement with the advisory group organizations</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.1 Provide strong organizational framework to support INTOSAI's standard setting including a permanent standard setting board (the FIPP), a technical support function and independent advisory function.</p>	<p>6. Further develop the ISSAI website to ensure continue and steady growth in the number of visitors and that it is as accurate and useful as possible.</p>	<p>New ISSAI website launched</p>	<p><i>Progress to date:</i></p> <p>New ISSAI website launched and fully operational</p> <p>Develop videos (posted on the ISSAI and PSC websites) to better inform the community about exposure drafts and how to contribute to the development of new and revised pronouncements and the IFPP.</p> <p>Promotion of the new website during INCOSAI, the INTOSAI Journal and on social media.</p> <p><i>Next steps:</i></p> <p>Develop more content for the new platform, especially on the use of ISSAIs and other pronouncements, including a step-by-step guide on how to download ISA Standards</p>
<p>1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.</p>	<p>2. Strengthen standard setting governance structure to enhance the trust of INTOSAI members, donors, and other stakeholders in INTOSAI's standards-setting function.</p>	<p>ISSAIs availability increased</p>	<p><i>Progress to date:</i></p> <p>Links on ISSAI.org webpage to (non-official) translations</p> <p>New arrangement for translation of pronouncements (to the INTOSAI official languages) approved.</p> <p><i>Next steps:</i></p> <p>Continue seeking SAIs to form language groups for future translation of new pronouncements.</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress Indicator	Action items and other comment
<p>1.2 Ensure that the ISSAIs are sufficiently clear, relevant and appropriate to make them the preferred solution for INTOSAI's members. The ISSAIs should be widely recognized by all stakeholders as the authoritative framework for public sector auditing.</p>	<p>5. Monitor INTOSAI's standard-setting activities to ensure that the overall due process for professional pronouncement is followed and facilitate further development and improvement if necessary.</p>	<p>Due process monitored</p>	<p><i>Progress to date:</i></p> <p>Implementation of the SDP 2017-2019 monitored.</p> <p>Coordination and facilitation of projects with delays and difficulties.</p> <p><i>Next steps:</i></p> <p>Continue to monitor remaining projects under SDP 2017-2019</p> <p>Continue following implementation of the SDP 2020-2022</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs as well as education and training standards.</p>	<p>2. (...) Ensure sufficient coordination between the development of new guidance and any related INTOSAI initiative to support ISSAI implementation and sound professional practices.</p>	<p>Support to IDI provided</p>	<p><i>Progress to date:</i></p> <p>PSC subcommittees support IDI in development of handbooks and other professional support material as well as educational initiatives</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
<p>1.3 Promote the ISSAIs as a source for the development of auditor education and certification programs as well as education and training standards.</p>	<p>8. Collaborate closely to develop a competency framework and certification program established under goal 2.</p>	<p>Support provided</p>	<p><i>Progress to date:</i></p> <p>Participation on the task force on professionalization.</p> <p><i>Next steps:</i></p> <p>Continue supporting CBC in the development of competency pronouncements</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.4 Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)	5. Monitor INTOSAI's standard-setting activities to ensure that the overall due process for professional pronouncement is followed and facilitate further development and improvement if necessary.	<p>Projects under the responsibility of the PSC in the 2017-2019 SDP completed</p> <p>Projects under the responsibility of the PSC in the 2020-2022 SDP completed</p>	<p><i>Progress to date:</i></p> <p>Exposure draft of GUID 4900, GUID 5330, ISSAI 2000 and GUID 2900 posted on ISSAI website for comments</p> <p>Endorsement version of GUID 4900 submitted to FIPP</p> <p>ISSAI 200 endorsement version approved, translations in all five languages finalized</p> <p>Initiatives to conciliate differing views on project 2.3</p> <p>Subcommittees commenting of various drafts, according to their specialisation</p> <p>Project 2.6 submitted to FIPP's appraisal</p> <p>Initial review prescribed by Component 1 of the SDP 2020-2022 presented to working bodies for comments and feedback</p> <p><i>Next steps:</i></p> <p>Present ISSAI 200 for Governing Board approval</p> <p>Continue following and monitoring projects currently in due process</p> <p>Continue engaging with actors involved in INTOSAI standard setting to carry out Component 1 of SDP 2020-2022</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.4 Work towards and ensure the continued development and maintenance of the INTOSAI Framework of Professional Pronouncements (IFPP)	9. Collaborate closely on initiatives taken under goal 3 to promote knowledge sharing and develop expertise that can be leverage in the development of INTOSAI's professional pronouncements.	Support to the KSC provided	<p><i>Progress to date:</i></p> <p>Relevant PSC subcommittees participation in projects under the responsibility of the KSC, in advisor or reviewer roles, according to their specialisation.</p>

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure that the standards are as useful and relevant as possible.	10. Collaborate closely with IDI, other INTOSAI bodies, other international standard setter and partners who share the overall goal of promoting strong, independent and multidisciplinary SAIs and encourage good governance.	Collaboration with INTOSAI bodies and other partners broadened	<p><i>Progress to date:</i></p> <p>PSC Subcommittees work in IDI initiatives</p> <p>Comments on IFAC's strategic plan</p> <p><i>Next steps:</i></p> <p>Continue support to IDI's programmes</p> <p>Continue participation with IFAC to enhance the public sector perspective in the organisation's work.</p>
Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Progress indicator	Action items and other comment
1.5 Monitor the implementation and adoption of standards and feed any problems or issues back into the standard-setting process to ensure that the standards are as useful and relevant as possible.	7. Implement a monitoring system to obtain feedback from SAIs on their implementation of the ISSAIs and their practical experience using the ISSAIs in audits or as basis for national standards and to feed this information back into the standard-setting process.	<p>Standard setting process takes into consideration feedback received from ISSAI implementation</p> <p>Network of liaison officers for INTOSAI standards operational</p>	<p><i>Progress to date:</i></p> <p>Launch of the network of liaison officers for INTOSAI standards to promote communication and dialogue.</p> <p>Comments and suggestions on the questions for the Global Stocktake survey and internal scan of the TFSP</p> <p><i>Next steps:</i></p> <p>Increasingly use the liaison officer network as a way to raise awareness of the importance of feedback to the standard setting process, and to encourage them to provide that feedback.</p> <p>Engage with IDI and other INTOSAI bodies in the application and analysis of results of the global stocktaking survey</p> <p>Continue exploring with IDI ways in which their programmes can support the PSC in collecting the information needed on ISSAI implementation</p> <p>Explore other possible sources of information on ISSAI implementation</p> <p>Continue discussions between the PSC, subcommittees, IDI and others about ISSAI compliance</p>

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PSC Progress Report (2020)

Crosscutting Priorities review (as of September, 2020)

Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
Crosscutting Priority 1: Advocating for and supporting the independence of SAIs.	SDP 2017-2019 implemented SDP 2020-2022 approved	<i>Ongoing activities:</i> Implement the SDP 2017-2019 aiming at providing and maintaining professional standards for the SAIs (SP 2017-2022) SDP proposal approved by the INCOSAI in 2019
Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
Crosscutting Priority 2: Contributing to the follow-up and review of the SDGs within the context of each nation's specific sustainable development efforts and SAIs' individual mandates.	Support to the indicated SDG activities timely provided	<i>Ongoing activities:</i> Consideration on the need to develop a pronouncement on the audit of SDGs
Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
Crosscutting Priority 3: Ensuring effective development and coordination among standards-setting, capacity development, and knowledge sharing to support SAIs and improve their performance and effectiveness.	Collaboration and coordination improved	<i>On-going activities</i> Joint work to maintain the governance of FIPP, including the maintenance and active participation of membership Coordinated efforts during the implementation of the SDP Participation in the Goal Chairs Collaboration initiative, including a presentation of a joint statement on different themes to the Governing Board Joint discussions with the Goal Chairs on a common proposal for the new INTOSAI strategic plan

Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
<p><u>Crosscutting Priority 4:</u> Creating a strategic and agile INTOSAI that is alert to and capable of responding to emerging international opportunities and risks.</p>	<p>Collaboration with external organizations improved</p>	<p><i>On-going activities:</i> Strengthening the partnership with IFAC, IIA and World Bank (PSC Advisory partners) Participating in the PFAC and SCEI deliberations on the COVID 19 pandemic Monitoring impact of the COVID 19 pandemic on the IFPP and resources being issued by other organisations.</p>
Crosscutting Priority (as per SP 2017-22)	Progress indicator	Action items and other comment
<p><u>Crosscutting Priority 5:</u> Building upon, leveraging, and facilitating cooperation and professionalism among the regional organizations of INTOSAI.</p>	<p>SDP implemented Support in standard setting activities provided</p>	<p><i>On-going activities:</i> Implementing the SDP, to provide high quality professional pronouncements for the SAIs Survey led by the CAS with the INTOSAI community to better understand the extent to which SAIs use and/or rely on the work of internal auditors for the conduct of compliance audit with an aim to provide the inputs to the “Guidance on reliance on the work of internal auditors” under the ICS.</p>