

PAS progress report to the PSC Steering Committee - period of May 2010 to June 2011

PSC SC meeting – Wellington, June 22 and 23, 2011

1. Second mini-survey sent to PAS Members:

During the period of July 7th to the 15th 2010, PAS Chair conducted a survey addressed to 100 SAIs. These were SAIs that either did not respond to the survey conducted by INTOSAI's Performance Standards Committee in 2006 or did not indicate that they applied any of the standards indicated for Performance Audit (PA) listed in the survey.

In order to implement the Work Plan for 2011 – 2013 regarding the creation of activities to promote and discuss PA, PAS needed to identify more clearly the universe of SAIs that do not carry out performance audit and to gather some information about these Institutions.

25 SAIs answered the survey. From the total, 19 of them carry out PA and 6 do not. From the 6 SAIs that do not carry out PA, 5 plan to or have interest in conducting performance audit. The major problems identified are lack of human resources with technical skills; work force involved in other types of audit activities; lack of mandate; lack of financial resources; and lack of interest of Parliament, public administration and public regarding information on performance. As informed by the respondents, 2 out of 5 SAIs have started pilot audits and intend to start proper PA within the next two years.

2. 4th PAS Meeting:

The 4th Meeting was held in Brasília, from September 27 to 30, 2010. The main theme was the execution of the PAS Work Plan 2011-2013.

The Work plan focuses on actions to disseminate performance auditing among Intosai members and to encourage the use of Intosai documents on performance auditing (ISSAI 3000 and ISSAI 3100). Among these actions, PAS will participate in the Awareness raising strategy and promote the exchange of experiences and information on the PAS website, making the site a tool for knowledge sharing.

PAS Chair informed the Subcommittee members about the survey carried out in July of 2010 and the results were discussed.

Another theme of the meeting was the production of practical documents on Performance Audit (item 6 below).

Besides the Awareness raising project, PAS is also engaged in the Project for the Harmonization of the ISSAIs (items 4 and 5). PAS participation in both Projects was carefully discussed.

3. International Seminar on the Sustainability of Performance Audit:

PAS members who came to the 4th Meeting of the Subcommittee participated in the International Seminar on the Sustainability of Performance Audit. The Seminar was hosted by the Brazilian Court of Accounts to participants of the three levels of the Brazilian government and to PAS members. Three PAS representatives, from the SAI of Brazil, SAI of Sweden and the European Court of Auditors, made presentations during the event.

4. Participation in the Awareness Raising Project:

The first PAS participation in the Awareness Raising process was in October of 2009, even before the establishment of the Project. In that occasion, PSC and the SAI of Poland organized a seminar on ISSAIs awareness raising to the Euro Sai. Three PAS representatives participated in the event, presenting to the Euro Sai delegates important aspects of PA and the Intosai standards in the area.

PAS planned to participate in the 1st meeting of the Project Team, held in January of 2011, in Copenhagen. However, it was not possible and, consequently, a specific task was not assigned to PAS during the meeting. PAS is now starting its participation in the Project team meetings.

Nevertheless, we are already involved in actions to disseminate the existence of ISSAIs and encourage their use. From July 29 to August 6, in Buenos Aires, the World Bank, the IDB, the IFAC and other Institutions will host the CReCER Conference 2011, an event that discusses issues related to Latin America and Caribbean Region economic growth. A delegation headed by the President of the Brazilian Court of Audit and Chair of the PAS, Minister Benjamin Zymler, will make presentations about the ISSAIs, including the use by the Brazilian Court in different areas. In the talks, the Brazilian delegation will use the presentations produced by the PSC and CAS for the Awareness Raising Project.

5. Participation in the Project for the Harmonization of the ISSAIs:

PAS chose three representatives to integrate the Project team: auditors from the SAI(s) of Austria, Brazil and Sweden.

They participated in the 1st meeting of the whole project team, in the end of March/beginning of April of 2011, in Copenhagen. At the present phase of the Project, the main task of PAS representatives in the team is the development of the draft of ISSAI 300, about principles of performance audit. Besides that, PAS has contributed to the writing of the draft of ISSAI 100.

6. Practical documents on Performance Auditing:

Considering some of the results identified by the survey carried out in June of 2010, PAS members gathered in Brasília during the 4th meeting decided that PAS would produce documents that will help SAIs in practical aspects of performance auditing. These new practical documents will be called **Performance auditing – practical aspects**. They will have a maximum of five pages and are not considered standards.

The themes and the SAIs in charge of each theme are as follows:

1. Selecting Audit Topics	Pre-planning	Norway/ South Africa
2. Communication in the Audit Process	Conducting	Denmark/Sweden/ Norway
3. Safeguarding Quality in the Audit Process	Conducting	Netherlands/ Sweden
4. Making Performance Audit Reports Reader-friendly	Reporting	Brazil/Australia/ UK
5. Setting the Audit Questions and Criteria	Planning	ECA/ Sweden

Each group of SAI(s) will prepare drafts to be circulated among PAS members for comments and suggestions. The final version of the documents will be presented for approval of the Subcommittee during PAS next meeting, in February of 2012.

7. 5th PAS Meeting:

The Austrian Court of Audit will host the next PAS Meeting, in February of 2012.