

**MINUTES OF THE 17th MEETING OF THE
INTOSAI WORKING GROUP ON IT AUDIT
TOKYO, JAPAN (21-23 MAY, 2008)**

The 17th meeting of the INTOSAI Working Group on IT Audit was held in Tokyo, Japan from 21 to 23 May, 2008. The meeting was presided over by **Mr. Vinod Rai**, Comptroller & Auditor General of India and Chairman of the Working Group. The following delegates attended the meeting:

<i>SAIs</i>	<i>DELEGATES</i>
Australia	Mr. Wayne Jones
Bhutan	Mr. Gattu Dupka
Bhutan	Ms. Sonam Delma
Brazil	Minister Walton Alencar Rodrigues
Brazil	Mr. Mauricio de Albuquerque Wanderley
Brazil	Mr. André Pacheco
Canada	Mr. Richard Brisebois
Canada	Ms. Marie-Claude La Salle
China	Dr. Sun Baohou
China	Mr. Wang Zhiyu
China	Ms. Yang Li
China	Mr. Xing Jianfeng
Colombia	Mr. Julio Cesar Turbay Quintero
Colombia	Ms. Paola Andrea Jiménez Indaburu
Colombia	Mr. Bernanrdo Oyuela López
Ecuador	Abogado Carlos Ramón Póllt Faggioni
Ecuador	Dr. Nelson Duenas Lopez
India	Mr. Vinod Rai
India	Ms. Sudha Krishnan
India	Mr. S. Alok
India	Dr. Ashutosh Sharma
Japan	Mr. Ryoichi Doi
Japan	Mr. Tomohiro Shinozaki
Japan	Ms. Takako Nishimura
Japan	Mr. Shinichiro Asakawa
Japan	Mr. Takashi Aoyagi
Japan	Ms. Tsuneko Sato
Japan	Mr. Tomohiro Kobata
Japan	Ms. Satoko Mametsuka
Kuwait	Mr. Osama Alfaris

<i>SAIs</i>	<i>DELEGATES</i>
Kuwait	Mr. Mohammad Aljasmi Ahmad
Lithuania	Dr. Irmantas Aleliūnas
Netherlands	Mr. Fon Linders
Netherlands	Mrs. Eefje Leydesdorff
Norway	Mr. Thor Kristian Svendsen
Norway	Ms. Erna Jorgensen Lea
Oman	Mr. Nasser H. AL Rawahy
Oman	Mr. Said Al Hajri
Pakistan	Dr. Talat Imtiaz
Poland	Mr. Sanislaw Jarosz
Poland	Mr. Slawomir Grzelak
Qatar	Mr. Mohammed AL-Emadi
Qatar	Mr. Khalid A.Aziz AL-Essaily
Russian Federation	Mrs. Alla Petrenko
Russian Federation	Mr. Nikolay Nekhoroshkin
South Africa	Mr. Eddie Pelcher
South Africa	Mr. Andrew America
Sweden	Mr. Bjorn Undall
United Kingdom	Mr. Stephen Doughty
United States of America	Mr. Madhav Panwar
Zimbabwe	Ms. Laiza Chikowore
Zimbabwe	Ms. Vongai Shiri

Mr. Pritom Phookun of INTOSAI Development Initiative, Norway attended the meeting as observer.

1. Agenda item 1: Welcome Address

At the outset the President Board of Audit Japan, **Mr. Kazuhiko Fushiya** welcomed **Mr. Vinod Rai** the Chair of the INTOSAI Working Group on IT Audit and all the other delegates to the city of Tokyo and wished that the meeting would be successful in continuing the good work done by the Group.

2. Agenda item 2: Opening Remarks

Mr. Vinod Rai, the Chair of the Working Group and Comptroller and Auditor General of India, thanked **Mr. Fushiya** for the excellent arrangements made for the conduct of the meeting. He stressed on the fact that though the entity has a new name, its objective remains the same. He drew the attention

of the public auditors towards the challenges in the field of IT especially e-governance and expressed the hope that the deliberations in the meeting would be fruitful. He informed the delegates about new member SAIs of the Working Group i.e. SAI's of Australia, Jamaica, South Africa and Switzerland and welcomed the delegates from the SAIs of Australia & South Africa who were present at the meeting. The strength of the Working Group now stands at 36.

3. Agenda item 3: Brief on INCOSAI 2007

Mrs Sudha Krishnan from SAI India gave a brief on the important decisions at the 19th INCOSAI at Mexico. She highlighted the changes in the Working Groups, the Governing Board and the various Goals of the Strategic Plan of INTOSAI.

4. Agenda item 4(a): Updates on: intoIT

Mr. Steve Doughty of SAI UK provided an update on 'intoIT', the website and on the Reference List of Material on Performance Audit'. The themes decided for the next two editions of the journal were 'Audit of ERP Systems' and 'Audit Documentation Systems'. For the 27th edition Norway would provide the country focus article and for the 28th edition it would be SAI South Africa. SAIs who agreed to contribute for the 27th edition are India, China, Columbia and Netherlands. For the 28th edition contributions were agreed to by SAIs of Oman, Pakistan, China and Brazil. During the discussions suggestions were made to include articles from the private sector in the journal but the final consensus was to maintain the public audit identity of the journal.

5. Agenda item 4(b): Working Group Website

SAIs of Russia and China informed that the IT Audit courseware has been translated into Russian and Chinese. The Russian content is already hyperlinked to the Website and the Chinese version would be uploaded shortly.

6. Agenda item 4(c): Reference List of Material on Performance Audit

On the suggestion of SAI UK it was decided to combine the agenda item on 'Reference List of Material on Performance Audit' with the website for future meetings. SAI UK also requested the members to regularly update the database from their SAIs.

7. Agenda item 5: Reports on Ongoing Projects (a) IT Governance

Mr. Richard Brisebois of SAI Canada provided an update on 'IT Governance'. Of the five sub-projects, subprojects 1, 3 and 4 on 'Collecting material from the 5th Performance auditing Seminar', 'Collection of various SAI's work on IT Governance' and 'Producing Interim Progress report of the Task force', respectively were completed. Sub project 2 on 'Collection of reference material on IT Governance' was seen to be partially completed and SAI Netherlands, the sub project leader, assured its completion by 2009. Sub project 5 on 'Setting up a database based on the survey results of INTOSAI members' would continue till 2009. All SAIs were encouraged to provide material to populate the database. Regarding other areas such as 'Training material on IT Governance' & 'Adapting private sector material for public sector' it was felt that in view of the rapid developments in the field of IT Governance these may be suspended as of now and reviewed at a later stage. **Ms. Marie-Claude La Salle** of SAI Canada also shared the results of a survey done by ISACA on IT Governance with the delegates. The discussion centered

around the use of frameworks/standards for IT Audit and saw participation from several countries including the SAIs of South Africa, India, Canada and Netherlands.

8. Agenda item 5: Reports on Ongoing Projects (b) Guidelines for Auditing Systems Development

On 'Guidelines for Auditing Systems Development', SAI China presented the draft audit guidelines, and based on the suggestion from SAI South Africa it was decided that these may be put up on the Website for comments from other SAIs. The final report after taking into account the comments would be presented in 2009.

9. Agenda item 5: Reports on Ongoing Projects (c) Elaborate on E-Governance Risks

Mr. Madhav S. Panwar and **Mr. Bjorn Undall** from SAIs of USA and Sweden respectively, presented the timeline of completing the two E-governance projects on schedule by 2009, by bringing out material on 'The risks for E Governance projects and mitigation strategies to address them'. Three new members i.e SAIs of Canada, Norway and UK have decided to join the project. SAI India also agreed to contribute to this project. Regarding the project on 'Performance auditing of E-Governance', SAI USA informed that this too would be completed by 2009.

10. Agenda item 5: Reports on Ongoing Projects (d) IT Tools for Electronic Audit Papers

On 'IT Tools for Electronic Work Papers', SAI Poland informed the members that because of resource constraints it could not conduct the test run of the software. The test run is proposed to be done in 2009 and it would share the experience with the Working Group members.

11. Agenda item 5: Reports on Ongoing Projects (e) Measures Taken to Counter Fraud in IT Environment

SAI Netherlands requested for a one year shift in the timeline and the project is proposed to be completed by 2010; SAI Netherlands assured that it would give the project the highest priority.

12. Agenda item 5: Reports on Ongoing Projects (f) Scoping Paper on SAP in Public Administration

Regarding the project on ‘SAP in public administration’, SAI Netherlands informed that the project would be completed on schedule and would present the report at the next meeting of the Working Group in Qatar.

13. Agenda item 6: Discussion on Performance Auditing Seminar

It was decided that for the 6th Performance Auditing Seminar the topic of the seminar would be decided in the 18th meeting next year. Meanwhile, members could send their suggestions to the Chair or SAI-USA who are the Co-coordinator of the editorial Board for the 5th Performance Auditing Seminar. A CD containing the papers presented at the 5th Performance Auditing Seminar at Oman was circulated by SAI-USA to the members.

14. Agenda item 7: Cooperation with IDI

IDI gave a report on the activities related to the Working Group especially on the ‘E-Course on IT Controls’, and shared information about the activities in ASOSAI, CAROSAI and AFROSAI-E. It was stated that overall, the completion rate of the course was higher for the Internet based version than the CD based version, and this aspect would be factored in for future activities. It was also stated that it was desirable that all those who were nominated for the programme should finish the course. The Working Group thanked IDI for its continued interest in the activities of the Working Group.

15. Agenda item 8: Discussion on suggestion received from members

SAI Ecuador presented three project topics for discussion which were ‘Ethics in Electronic Business’, ‘Internal Control of Information Technologies (Information Systems)’ and ‘Creation of a Data Bank of Cases of Audit of Information Technologies’. After a lively discussion in which SAIs of South Africa, UK and India participated, it was decided that these topics would be left open for further consideration and comments of members. It was also agreed that SAI Ecuador would redefine their project proposal ‘Internal Controls of Technologic Information’ in more detail for discussion at the next meeting.

16. Agenda item 9: Country Paper Presentations

Three Country papers were presented by SAIs of China, Oman and India.

- SAI China presented a paper on ‘Disclosure and Disposal of Fraud in IT Environment’. SAI Zimbabwe enquired about the potential conflict between sharing of information with law enforcement agencies and issues relating to confidentiality which was replied to by SAI China by referring to the legal position in China.
- SAI Oman did a presentation on ‘Working Paper Management in SAI Oman’, an internal initiative of SAI Oman.
- SAI India presented a paper on ‘Risks in ERP implementation’ which was based on the audit done by SAI India, using CoBIT of the ERP implementation (Oracle E-Biz Suite) in the World Health Organization at Geneva. Queries raised by SAIs of Canada and USA on the methodology and risk assessment process were replied to.

All the papers presented were appreciated by the delegates.

17. Agenda item 10: Detailed Programme for the 18th meeting of the Working Group

SAI Qatar gave an update on the preparations for the next meeting proposed to be held in Doha in April 2009. It was decided that SAI Qatar, after consultation with the Chair, would communicate the exact dates for the meeting later this year.

18. Agenda item 11: Discussion on Venue for the 19th Meeting of WGITA

It was decided that SAI China would be the host for the 19th meeting of the Working Group in 2010 which would be preceded by the 6th performance auditing seminar. The topic of the seminar would be decided in the 18th meeting next year.

19. Agenda item 12: Any Other item for discussion with permission of the Chair

There was no item for discussion.

20. Agenda item 13: Closing Remarks and Summing up

At the end, the Chairman **Mr. Vinod Rai**, thanked **Mr. Kazuhiko Fushiya**, the President of the Board of Audit Japan and his dedicated team of officers who facilitated the meeting. He also thanked all the delegates for actively contributing to the deliberations of the meeting.

The Chairman of the Working Group declared the meeting closed.