

**Memorandum of Understanding for co-operation  
between the Organisation for Economic Co-operation and  
Development the International Organization of Supreme Audit  
Institutions in the area of Measurement of the Progress of Societies**

**1) Background and aim of the co-operation**

The International Organization of Supreme Audit Institutions (INTOSAI) is a professional organisation of supreme audit institutions (SAI) whose member countries belong to the United Nations or its specialized agencies. INTOSAI provides an institutionalised framework and a forum for its 188 member supreme audit institutions to help develop and transfer knowledge, improve government auditing worldwide and enhance professional capacities, standing and influence of member SAIs in their respective countries. INTOSAI is an international, autonomous, independent and non-political organisation with special consultative status with the Economic and Social Council (ECOSOC) of the United Nations.

The Organisation for Economic Co-operation and Development (hereinafter, the "OECD") brings together the governments of member countries committed to good governance and the rule of law to: support sustainable economic growth, boost employment, raise living standards, maintain financial stability, assist other countries' economic development and contribute to growth in world trade.

The aim of this Memorandum of Understanding (hereinafter, the "MoU") is to establish and to develop co-operative working relationships between INTOSAI and the OECD (hereinafter, the "Parties") in the area of key national indicators of social and economic development strategy and societal progress, on the respective competence of the Parties and providing appropriate technical and other advice thereof.

**2) Motivation and objective of the co-operation**

2.1 It is recognised that the OECD:

- a) launched in 2004 the World Forum on "Statistics, Knowledge and Policy", with the aim of discussing how systems of key indicators can support policy discussions;
- b) organised the second World Forum in June 2007 (Istanbul, Turkey) on "Measuring and Fostering the progress of Societies";

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- c) as follow-up to the Istanbul Forum, proposes to launch a Global Project on "Measuring the progress of societies" (hereinafter, the "Global Project"), in co-operation with other international and regional organisations;
- d) shall comply with the OECD Programme of Work and Budget approved by OECD Council and established in accordance with OECD Ministerial mandates, and priorities defined by Committees and Working Groups;
- e) shall comply with OECD rules and procedure.

2.2 It is recognised that the INTOSAI:

- a) Performs activities related to public auditing and its scope cannot go beyond this.
- b) Has no responsibility whatsoever on the implementation of public policies by the governments and public bodies of its member countries.
- c) Discussed the issue of key indicators in its XIX Congress, held in 2007, identifying the development of key indicators of overall countries' performance as an important issue for its future work;
- d) Decided to establish a working group on key national indicators open to INTOSAI members;
- e) Decided to pursue the collaboration with the OECD in relation to national key indicators and the assessment of the effectiveness of social and economic development strategy carried out by the countries.

2.3 Taking into account these elements, the OECD and INTOSAI recognise the mutual interest in co-operating to assess the effectiveness of national strategies for social and economic development through statistical indicators and, therefore, have agreed to work together and enter into this MoU to formalize a non-exclusive framework of cooperation pursuant to which the Parties may explore opportunities for cooperation and collaboration on matters of common interest, including, but not limited to, firstly implementing collaboration in the area of measurement of social progress and secondly providing assistance for programs and projects related to the assessment of the effectiveness of social and economic development strategies.

2.4 These and any other activities agreed to between the Parties shall be subject to the respective internal objectives, functions, policies and procedures of the Parties.

### 3) Areas of the co-operation

The Parties wish, in particular, co-operate in the following areas of activity:





3.1 Active participation and collaboration by the Parties in the following areas of collaboration:

3.1.1. The Global Project would have four key goals:

- a) **Foster a global discussion on how to assess societal progress and effectiveness of social and economic development strategies on a national, regional and global level.** In order to measure and achieve progress, people need to know what "progress" looks like, what consequences their activity may lead to and how to coordinate the results with people's expectations. There can be no single answer, but by bringing together different communities, cultures and interest groups the project will debate and recognise differing views and find common ground. Such a discussion will benefit anyone seeking to assess societal progress and effectiveness of social and economic development strategy at the sub-national or national level, but it will be important at the global level too.
- b) **Galvanise people and institutions to action.** By bringing together an engaged global community of practice, the Global Project would facilitate the collaboration of diverse groups and the sharing of success stories about the development and use of key national indicators, thereby fostering the development of evidence-based public choice and a fact-based civic dialogue, improving the transparent and public functioning of modern societies.
- c) **Improve the effectiveness of result-focused indicator work and their use for making development strategy.** By sharing best-practices among those working on key national indicator initiatives, and strengthening international comparisons, the Global Project would improve the ways in which such indicator sets are developed, disseminated and, most importantly, practically used. In addition to a technical discussion about indicators, an important element of cooperation would be to foster professional opinion exchange on the ways in which policies can be improved through the use of key national indicators.
- d) **Make a key contribution to a range of projects, cognizant of the international discussion** in the run-up to 2015 when the set of existing Millennium Development Goals and Indicators will be reviewed.



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3.1.2 The cooperation's goals may be achieved by carrying out the tasks pertaining to the following areas of activity:

- a) Statistical research on the measurement of societal progress, as well as on development and usage of key national indicators for strategies of social and economic development in all dimensions;
- b) Exchange of knowledge on the use of innovative ICT tools to facilitate the transformation of statistics into knowledge;
- c) Establishment of a global network to foster the measurement of progress and development and usage of key national indicators for strategies of social and economic development in each and every country;
- d) Development of a global infrastructure to facilitate the exchange of knowledge and opportunities on assessment of societal progress and development and usage of key national indicators at local, national and global levels to bring about evidence-based policy discussions and decision-making.

3.2 The Parties may exchange information, as necessary and appropriate, in the interest of identifying additional areas in which, and the concrete activities for which, effective and practical cooperation may be possible as means of carrying out joint activities and programs within the framework of this MoU.

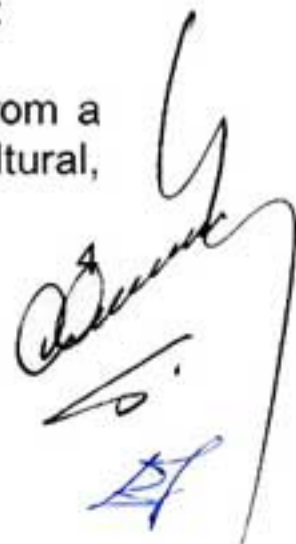
Any exchange of information between the Parties shall be subject to the internal policies and procedures of the respective organizations, including those policies for the hiring of consultants and other services.

#### 4) Content of the co-operation

4.1 The Global Project would be overseen by the Global Project Board, and managed and implemented by cooperation between the OECD and other international, supranational and/or regional organizations, including INTOSAI. INTOSAI will be a "partner" subject to its Strategic Plan, its independence principles and its own goals, functions, policies and internal procedures. In all cases, INTOSAI will participate in these endeavors through its Working Group on Key National Indicators.

4.2 By signing this MoU, INTOSAI, through its Working Group on Key National Indicators, will offer its technical assistance to the OECD, which in no case will entail the use of economical resources, regarding superior auditing-related issues, in order to help attaining the following Global Project's key outcomes:

- a) A **handbook on how to measure progress in practice**, starting from a solid theoretical/statistical framework and taking into account cultural, institutional and technical issues;





- b) A **knowledge base** containing recommendations on how to develop indicators on specific domains not yet covered by other research groups;
- c) **Exchange knowledge and experiences on innovative ICT tools to present progress indicators** to increase society's knowledge about economic, social and environmental phenomena and underpin public discourse on these issues;
- d) A **global network** of institutions whose aim is to measure national/regional/local progress;
- e) **Technical and organisation assistance** for those wishing to measure progress;
- f) A **global infrastructure** where:
  - i) Data on world progress indicators, as well as those developed in each country, would be easily available and freely accessible to citizens all over the world;
  - ii) Users could interact with indicators using attractive graphic interfaces and participate in global conversations based on solid and comparable statistical information.
- g) **World and regional events**, to be organised every two-three years, to foster policy discussions on societal progress based on solid statistics and convergence towards world progress indicators.

4.3 As "partner", INTOSAI, through its Working Group on Key National Indicators, will explore opportunities to:

- a) Support the activities within the Global Project in all countries participating in INTOSAI;
- b) Contribute to establishing recommendations on different fields related to public auditing as to how to use the key national indicators in measuring progress of societies in different countries;
- c) Comment on the need to establish and sustain national initiatives aimed at using the key national indicators for assessment purposes;
- d) Advise OECD on the priorities that the Global Project might address;
- e) Provide, with the assistance of the OECD and other organisations participating in the Global Project, training and support to institutions participating in INTOSAI on the development of key country's performance indicators; and
- f) Facilitate communication between the Global Project and institutions participating in INTOSAI.



- 4.4 Other activities and deliverables may be decided as the project develops upon agreement between the OECD, INTOSAI and other partners, subject to their respective internal objectives, functions, policies and procedures.

#### 5) Channel of Communication and Notice

- 5.1 For the purpose of facilitating the implementation of the working arrangements to be established by the Parties of this MoU, the channel of communication for the Parties shall be:

5.1.1 For INTOSAI:

**Mr. Arturo González de Aragón, C.P.A.**

Auditor General of Mexico

Chairman of the INTOSAI Governing Board

Auditoría Superior de la Federación

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WWW: <http://www.asf.gob.mx> & <http://www.intosai.org/>

**Dr. Sergey Vadimovich Stepashin**

Chairman of the Accounts Chamber

of the Russian Federation (Schetnaya Palata) and Chairman of the Working Group on Key National Indicators (INTOSAI Goal 3)

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WWW: <http://www.ach.gov.ru>

5.1.2 For the OECD:

**Mr. Enrico Giovannini**

OECD Chief Statistician and Director

OECD, Statistics Directorate



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E-mail: [enrico.giovannini@oecd.org](mailto:enrico.giovannini@oecd.org), [jon.hall@oecd.org](mailto:jon.hall@oecd.org) &  
[stat.contact@oecd.org](mailto:stat.contact@oecd.org)  
WWW: <http://www.oecd.org/> & <http://www.oecd.org/std>

- 5.2 Either Party hereto may, by notice in writing to the other Party, designate additional representatives or substitute other representatives for those designated in Section 5.1 of this Section 5.

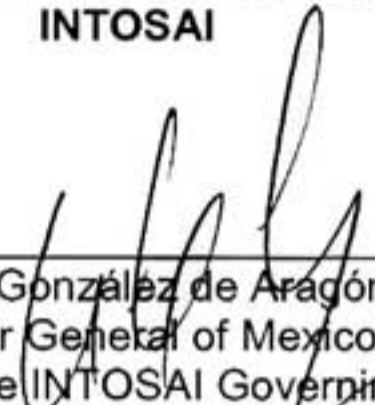
## 6) Miscellaneous

- 6.1 This MoU does not represent any commitment with regard to funding on the part of the Parties. Any such commitment shall be reflected in separate agreements that may be entered into by the Parties under this MoU, to the extent prescribed by the policies and procedures of each of the Parties. Furthermore, this MoU does not represent any commitment on the part of any of the Parties to give preferred treatment to the other(s) in any matter contemplated under this MoU or otherwise.
- 6.2 This MoU will come into effect upon its signature by the Parties. It will be extended automatically every twelve (12) months subject to the inclusion of any activities conducted under this MoU in the OECD Programme of Work and Budget. This MoU may be amended by written arrangement between the OECD and INTOSAI.
- 6.3 Any dispute relating to the interpretation or application of this MoU will be amicably settled.
- 6.4 It is understood that the immunities of the OECD and INTOSAI are not waived by this MoU.
- 6.5 Any party may withdraw from this MoU by giving six (6) months prior written notice to the other party. Such withdrawal shall not affect contractual obligations already entered into by any of the Parties under this MoU, until the withdrawal becomes effective.
- 6.6 Pursuant to the Parties' policies and procedures with respect to the disclosure of information, the Parties may make this MoU publicly available.



**IN WITNESS WHEREOF**, the Parties hereto, each acting through its duly authorized representative, have signed this Memorandum of Understanding in two (2) original counterparts in the English language.

**INTERNATIONAL ORGANIZATION OF  
SUPREME AUDIT INSTITUTIONS,  
INTOSAI**

  
\_\_\_\_\_  
Arturo González de Aragón  
Auditor General of Mexico  
Chairman of the INTOSAI Governing Board

[Date and place of signature:

13/02/2009  
Mexico City

**ORGANISATION FOR ECONOMIC  
CO-OPERATION AND DEVELOPMENT,  
OECD**


  
\_\_\_\_\_  
Angel Gurría  
Secretary-General

[Date and place of signature:

10/12/2008, Paris ]

**WITNESSES**


**INTERNATIONAL ORGANIZATION OF  
SUPREME AUDIT INSTITUTIONS,  
INTOSAI**

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\_\_\_\_\_  
Sergey Vadimovich Stepashin  
Chairman of the Accounts Chamber  
of the Russian Federation (Schetnaya Palata)  
and Chairman of the Working Group on Key  
National Indicators (INTOSAI Goal 3)

[Date and place of signature:

6/02/2009 Moscow

**ORGANISATION FOR ECONOMIC  
CO-OPERATION AND DEVELOPMENT,  
OECD**

  
\_\_\_\_\_  
Enrico Giovannini  
Chief Statistician and Director

[Date and place of signature:

10/12/08 Paris ]