



# Audit of Public Debt Management

A handbook for Supreme Audit Institutions

Presentation for Annual WGPD Meeting,  
Hyderabad, India, 11-13 July 2018



# About the Handbook

- IDI global public good developed as a part of the IDI programme on Auditing Lending and Borrowing Frameworks.
- An update on the IDI-WGPD Public Debt Audit Guidance issued in 2012.
- Subject to requirements of Protocol for Quality Assurance of IDI's GPGs.

# Structure of the Handbook

*‘how to’  
guidance’ to  
public debt  
auditors in SAs in  
conducting  
financial,  
performance, or  
compliance audits  
of the different  
aspects of public  
debt  
management.*

## Public Debt Management Issue

- Legal framework for PDM
- Institutional and organizational arrangements for PDM
- Debt Management Strategy Development
- Borrowing Activities
- Public Debt Service Activities
- Debt Reporting
- On-Lending Activities
- Public Debt Information System

## How to audit Public Debt Management Issue

- Audit methodology applicable to subject matter
- Audit objectives
- Audit criteria
- Sources of evidence
- Illustrations



# Protocol for Quality Assurance of IDI GPGs

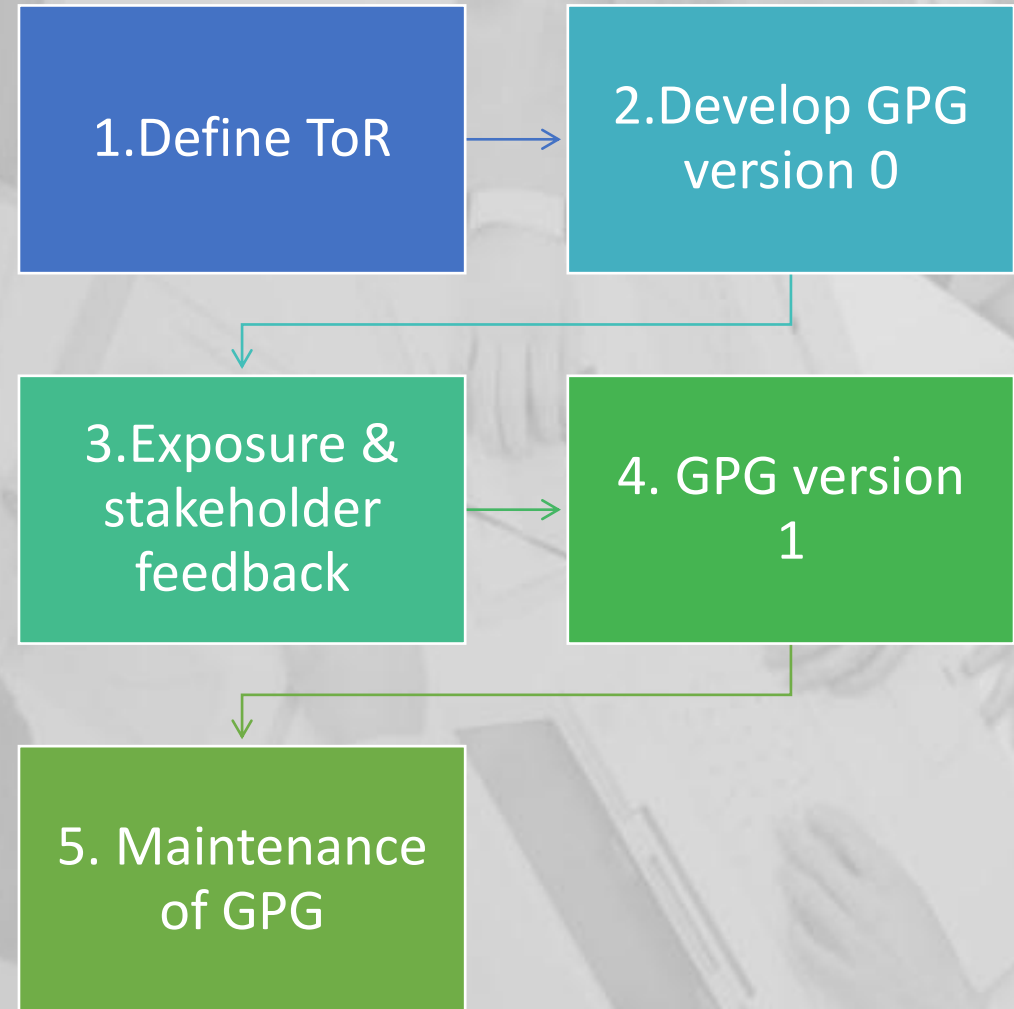


## Protocol for Quality Assurance of IDI's Global Public Goods

### Definition

IDI's Global Public Goods (GPGs) are products and tools created by the IDI for contributing to global knowledge creation, capacity development and enhanced performance of SAIs. These products and tools are freely available to SAIs, all other stakeholders involved in supporting SAIs, and members of the public at large, such that the use by one party does not preclude the use by another.

<http://www.idi.no/en/idi-library>



# Current Status of the Handbook

1. Developed by a team of global experts and resource persons including WGPD members

Version 0 ( English)  
exposed for comments  
until July 11  
Arabic, Spanish & French  
version until August 28

Version 0 sent to WGPD  
team working on GUID  
2.9

Version 1 to be modified  
as per comments and  
published in 2018

<http://www.idi.no/en/idi-library>



## Outside Due Process

- The 70th INTOSAI Governing Board approved the Joint Paper on quality assuring public goods developed and published **outside due process**
- All new public goods published on or after 1 December 2017 to conform to these principles and carry quality assurance statement
- Goal chairs and IDI to oversee process for their own products
- Draft of certificate to be signed by the Goal chair and affixed on the document agreed to by the Goal Chairs.



**5 Elements of quality assurance system for public goods outside Due Process**

- Different levels of quality assurance for different public goods
- Will not cover products such as draft , blogs, postings etc.
- All public goods to be accompanied by a statement of quality assurance
- The statement might include either a revision or an expiry clause
- Apply to all public goods published on or after 1<sup>st</sup> Dec 2017



## Different levels of quality assurance for different goods

- Products subjected to quality assurance process ***equivalent*** to INTOSAI due process
- Products subjected to ***more limited*** quality assurance processes involving stakeholders from outside the body or WG responsible for product's initial development
- Products subjected to ***rigorous*** quality control measures within the body or working group responsible for their development



# **Quality Assurance Certificate of the Chair of the Working Group/Subcommittee**

This is to certify that **<<name of the non-IFPP document>>** which is placed at level **<<level of QA according to the paper on Quality Assurance on Public goods developed outside the Due Process>>** of Quality Assurance as defined in the paper on “Quality Assurance on Public goods developed outside Due Process” approved by the INTOSAI Governing Board in November 2017 has been developed by following the Quality Assurance processes as detailed below:

**<<list of the key quality assurance processes followed in developing the document as (i).....(ii).....(iii).....>>**

- The product developed is consistent with relevant INTOSAI Principles and Standards. The structure of the product is in line with the drafting convention of non-IFPP documents.
- The product is valid till **<<last date till which the product will be valid>>** and if it is not reviewed and updated by **<<last date till which the product will be valid>>**, it will cease to be a public good of INTOSAI developed outside the Due Process.
- **[Signature of Chair(s) of the Working Group(s)/Subcommittee(s)/Workstream(s)]**
- **[Name of the INTOSAI Organ]**

## Chair

Based on the assurance provided by the Chair of the Working group on <<*name of the working group*>> and the assessment by the Goal Chair, it is certified that <<*name of the non-IFPP document*>> which is placed at level <<*level of QA according to the paper on Quality Assurance on Public goods developed outside the Due Process*>> of Quality Assurance as defined in the paper on “Quality Assurance on Public goods developed outside Due Process” approved by the INTOSAI Governing Board in November 2017 has been developed by following the Quality Assurance processes as detailed below:

- <<*list of the key quality assurance processes followed in developing the document as*
  - *(i)*.....
  - *(ii)*.....
  - *(iii)*.....>>
- The product is valid till <<*last date till which the product will be valid*>> and if it is not reviewed and updated by <<*last date till which the product will be valid*>>, it will cease to be a public good of INTOSAI developed outside the Due Process.
- 
- [Signature of the Goal Chair(s)]
- [Name of the Goal Committee]



# IDI-WGPD Cobranding ?

- Agreement on the level of quality assurance
  - IDI protocol requires QA equivalent to INTOSAI due process.
  - Cobranded products needs to have the same level of QA as required by IDI protocol.
- Cobranded product will require QA certificate of WGPD Chair, KSC Chair and IDI.



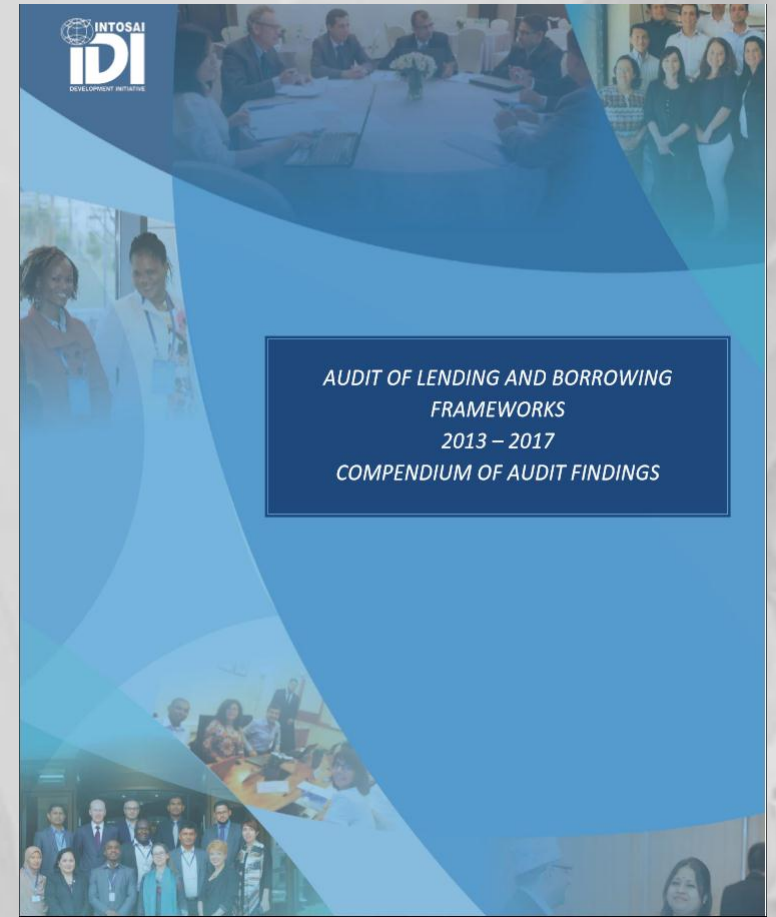
# ALBF Results

22 audit reports forwarded to relevant authorities

12 SAIs have published audit reports

**Community of Practice for Public Debt Auditors**

Independent evaluation of ALBF programme



Compendium of audit findings in English and Spanish