



**2021 Annual Meeting of the
INTOSAI Working Group on Public Debt
19-20 May 2021
via Zoom**

MINUTES OF MEETING

The 2021 Annual Meeting of the INTOSAI Working Group on Public Debt (WGPD) was held virtually via Zoom in two batches on May 19 and 20, 2021. This year’s team is entitled “Auditing Public Debt in a Crisis (COVID-19 Considerations and the Public Debt Auditor’s Experience).”

MEETING ATTENDEES

BATCH 1		BATCH 2	
SAI	Name	SAI	Name
Bhutan	1. Tshering 2. Tashi Lhamo	Argentina	1. José Mira 2. Edda Zanarello 3. Cassella Guillermo
China	3. DING Yue 4. Wang Shaonan	Austria	4. Angelika PAterniak
Georgia	5. Tsothe Karkashadze 6. Lasha Kelikhashvili 7. Nino Bitsadze	Brazil	5. Alessandro Aurélio Caldeira 6. Joaquim Ramalho de Albuquerque 7. Tito Belchior Silva Moreira
India	8. Parveen Mehta 9. Vidhu Sood 10. D Jaisankar	Bulgaria	8. Anna Todorova
Indonesia	11. Ramadhan Nugraha Putra 12. Maria Santi 13. Ami Rahmawati 14. Kusumu Ayu Rusnasanti 15. Dominika Rosana 16. Laode Nusriadi 17. Selvia Vivi Devianti 18. Zikra	Chile	9. Francisco Nahmias

BATCH 1		BATCH 2	
Jordan	19. Dr. Bilal Okasheh	Egypt	10. Ashraf Galal 11. Nahla Mahmoud 12. Wael Farouk 13. Lubna Hussien
Kuwait	20. Dina Al Abdulhadi 21. Reem Al Saif	Finland	14. Matti Okko 15. Jonna Carlson
Lithuania	22. Vita Andriulytė 23. Giedrė Stalaušienė Nomed Poteliūnienė	North Macedonia	16. Branko Smilevski 17. Biljana Stojanovska 18. Ali Tahiri 19. Hristina Gocheva Nachovska 20. Gorica Nikolovska 21. Katerina Breshkovska
Maldives	24. Hussain Niyazy 25. Mohamed Shan 26. Nazmeena Mohamed	Portugal	22. Teresa Ferreira 23. Fátima Cortes 24. Zaida Sousa 25. João Miguel
Moldova	27. Alina Certan 28. Tatiana Ailoi 29. Violeta Balan	Romania	26. Carmen B.
Pakistan	30. Madeeha Maqbool	South Korea	27. Heejin LEE 28. Joohyung LEE
Philippines	31. Michael G. Aguinaldo 32. Roland C. Pondoc 33. Cora Lea A. Dela Cruz 34. Alexander B. Juliano 35. Luzvi P. Chatto 36. Roland Rey 37. Cleotilde Tuazon 38. Winnie Rose H. Encallado 39. Fortunata M. Rubico 40. Villa Bernaldo 41. Manolo C. Sy 42. Nilda Plaras 43. Emily Oida 44. Edna Santos	Philippines	29. Michael G. Aguinaldo 30. Cora Lea A. Dela Cruz 31. Villa Bernaldo 32. Cleotilde Tuazon 33. Ma. Ferreros Ferreros 34. Edna Santos 35. Emily Oida 36. Normita Narvaez 37. Rhea Piano 38. Jonathan B. Beltran 39. Sharmain Oviedo 40. Alodie Malapitan 41. JV Valle 42. Emiden Cabanero

BATCH 1		BATCH 2	
	45. Lorna D. Cabochan 46. Normita Narvaez 47. Ma. Theresa Ferreros 48. Rhea Piano 49. Sharmaine Oviedo 50. JV Valle 51. Alodie Malapitan 52. Emiden Cabanero 53. Ma. Theresa S. Alfanza 54. Rene Nagano 55. Vince Inovejas		43. Ma. Theresa S. Alfanza 44. Vince Inovenas 45. Rene Nagano 46. Gaerly Amparo Sison
Qatar	56. Faisal Al-Thani 57. Noof Al-Kaabi	United States	47. Dawn Simpson
Russia	58. Elena Asonova 59. Evgeny Baharev 60. Maria Makarova	UNCTAD	48. Daniela Magalhães Prates
Seychelles	61. Gamini Herath 62. Hilarry Rene	IDI	49. Archana P. Shirsat
Thailand	63. Pitikhun Nilthanom 64. Pattarawarin Boonchoo 65. Sutthida Paiboon 66. Phongsawat Maneewong 67. Chutapa Sri-ngarm	IMF	50. Obert Nyawata 51. Karla Vasquez
Yemen	68. Muaad Aldubai 69. Abubaker Salem Balamash 70. Ahmed Ashaybani	World Bank	52. Lea Hakim
UNCTAD	71. Daniela Magalhães Prates		
IDI	72. Archana P. Shirsat		
IMF	73. Obert Nyawata 74. Karla Vasquez		
World Bank	75. Lea Hakim		

Mr. Michael G. Aguinaldo, Chairperson of the WGPD and the Commission on Audit of the Republic of the Philippines, presided both batches of the meeting. Representatives from the IMF, UNCTAD, World Bank, and INTOSAI Development Initiative (IDI) attended the virtual meeting in both batches as guest resource speakers. Volunteer SAIs composed of the SAIs of India, Indonesia and Georgia (1st Batch) and SAIs of Finland, Portugal, Brazil and Argentina (2nd Batch) also made their respective presentations relative to the meeting theme.

MEETING PROCEEDINGS

1. Ms. Emiden Cabanero and Ma. Theresa S. Alfanza, WGPD Secretariat, presented some reminders before the start of the meetings for batches 1 and 2, respectively.
2. Mr. Aguinaldo opened the meeting by welcoming all the participants and guest speakers. The Chairperson then delivered the Chair's Report, in which he discussed about what had transpired in the Working Group (WG) since the last virtual meeting in August 2020.
3. Some of the highlights of the Chair's report include, among others, the approval of the revised WGPD Terms of Reference and GUID 5250 on November 10, 2020; the IDI-WGPD co-branding of the IDI Audit of Public Debt Management – the Handbook for SAIs on the Audit of Public Debt Management in December 2020; and the capacity building webinars of the World Bank and IMF that took place in various dates of this year.

4. Currently, the WG has five (5) active non-IFPP projects, four (4) of which are at the development of exposure draft stages, namely: 1) Guidelines in the Audit of Fiscal Exposures –Implications for Debt Management; 2) Guidelines in the Audit of Government Guarantees; 3) Compendium Document on Debt Authorization and Contracting; and 4) Research paper on the Mapping of SAIs Mandates on the Audit of Public Debt, Institutional Capacities, and the Regional Organizations’ Support and Resources. Meanwhile, the Compendium of Case Report: Recent Health and other Crises and its Impact to Public Debt Management is at the project proposal stage.

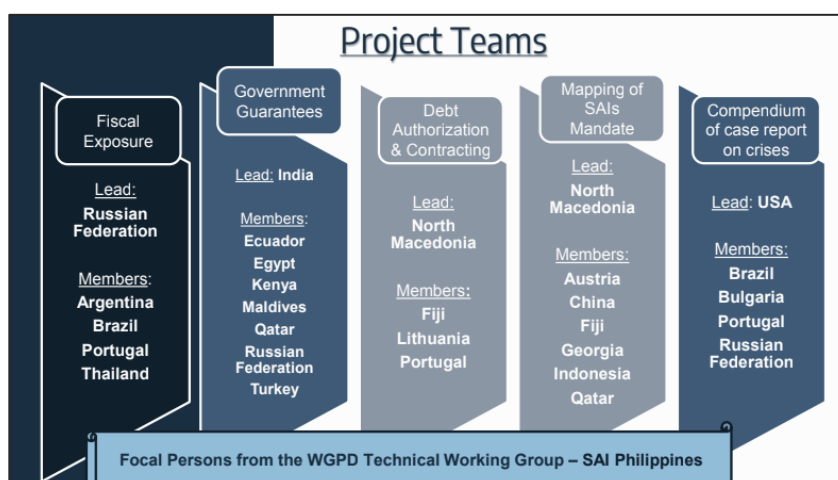


Figure 1: Composition of WGPD Project Teams

5. The Project Proposals for the four projects aforementioned underwent rigid review by the WGPD-TWG, in accordance with the Guidance on Quality Assurance levels and procedures for QA evaluation for non-IFPP products developed jointly by the INTOSAI Goal Chairs and the INTOSAI Development Initiative (IDI) and approved by the INTOSAI Governing Board. The project proposals on the Guidelines in the Audit of Government Guarantees, Compendium on Debt Authorization and Contracting, and Mapping of SAIs Mandates on the Audit of Public Debt, were placed at QA level 2, and thus, were approved by the WGPD Chair; while the project proposal on the Guidelines on the Audit of Fiscal Exposures was placed at QA level 1, which is equivalent to the Due Process for IFPP

products. Following the QA Guidance, this project was approved by the Steering Committee of the INTOSAI KSC, upon the recommendation of the WGPD Chair.

6. The Chairperson said that the WGPD shall continue its strong collaboration and consultation with and among the WGPD members, as well as the World Bank, IMF, IDI and other stakeholders for effective knowledge-sharing and capacity building initiatives.
7. Lastly, the Chair agreed to defer the development of the project on Public Debt Glossary and Public Debt Bibliographies to the next WGPD work plan based on the result of the survey conducted among SAI members on February 26, 2021.
8. For Batch 1 of the meeting, the Chair's report was followed by a joint presentation from the International Monetary Fund (IMF) representatives, Mr. Obert Nyawata, Senior Economist, Monetary and Capital Markets, and Ms. Karla Vasquez, Senior Counsel, Legal Department, IMF. Mr. Nyawata and Ms. Vasquez presented about "Public Debt Management, Transparency, and the Impact of COVID-19." The first part of the presentation was about Sovereign Debt Management during the COVID-19 which was followed by a discussion on the governance and transparency issues for public debt management during the COVID-19 in the legal context. The presenters delivered information on recent debt developments during the COVID-19 and its impact in advanced countries, emerging markets as well as low-income countries and sound debt management responses to COVID-19. In the legal perspective, the preexisting vulnerabilities impacting debt transparency during the pandemic such as debt coverage and reporting requirements, among others, were discussed as well as the existing legal issues on specific fiscal measures and the challenges that SAIs may face in performing their mandates.
9. For Batch 2, the first presentation was from the United Nations Conference on Trade and Development (UNCTAD) representative, Ms. Daniela Magalhães Prates, Senior Economic Affairs Officer, Debt and Development Finance Branch. Ms. Prates presented about "Public Debt Landscape" in the stakeholder perspective. Ms. Prates began the presentation

enlightening the participants on the public debt situation during the COVID-19 which has resulted in the sharp increase of public debt in 2020. Subsequently, she provided data showing the developing countries' external public debt situation which was further exacerbated by the COVID-19 crisis, such as increase in debt service and decrease in revenue in foreign and domestic currencies resulting to increased public debt vulnerability. In response, she argued that there is a need to revisit the current international system to address unsustainable sovereign debt as well as the UN long-standing forum to advance creditor-debtor dialogue to lead a durable solution to developing countries' external debt sustainability even after the current crisis.

10. The next guest speaker is Ms. Lea Hakim, Debt Management Facility Program Manager and Senior Economist, Global Macro and Debt Analytics, The World Bank. Ms. Hakim discussed about Debt Transparency during the COVID-19 pandemic. Her presentation consists of a discussion about two pillars of debt transparency which include comprehensive and timely reporting of public and publicly guaranteed debt (could be direct and indirect reporting) and Transparent borrowing practices. Reporting of data must be easily accessible, comprehensive, accurate and timely to ensure effective use by the public.
11. Next, Ms. Archana P. Shirsat, Deputy Director General of the INTOSAI Development Initiative (IDI) shared about the IDI reflections on auditing in COVID-19 times through her presentation entitled *Experiments with audit and education approaches*. Before she began her presentation, Ms. Shirsat sought the support of the WGPD members for the quality check of the Arabic, French, and Spanish translations of the *Audit of Public Debt Management: A Handbook for Supreme Audit Institutions*, an IDI-WGPD global public good (GPG). Ms. Shirsat provided recommendations to guide and improve SAIs' audit approaches that could help auditors during the current pandemic. She shared about the agile audit approach as well as the portfolio of experiments that the IDI has recently launched.

12. After the presentation of Ms. Shirsat, Mr. Aguinaldo requested feedback from the group on their concurrence to the assistance that the WGPD could extend to IDI for the quality review of the translated versions of the IDI-WGPD Handbook. The details of which shall be further communicated by the WGPD Secretariat through a letter to formally seek the response of the members.
13. Select SAIs presented topics relevant to this year's meeting theme, "Auditing Public Debt in a Crisis (COVID-19 Considerations and the Public Debt Auditor's Experience)." The first batch of SAI presenters include the SAIs of India, Indonesia and Georgia. Ms. Vidhu Sood, Principal Director of the Comptroller and Auditor of India, presented about the public debt landscape in the audit perspective. Ms. Sood shared about the troubling impact of the COVID-19 pandemic in SAI India. She then went on presenting the pre-and post-pandemic debt scenario, risks leading to spiraling debt load and accompanying issues and challenges as well as approaches on managing future debt burdens.
14. Thereafter, representatives from the Audit Board of the Republic of Indonesia, Mr. Ramadhan Nugraha Putra and Ms. Maria Santi, both Senior Auditors, made a joint presentation on the *Audit from Home and From Office: Auditor's work in a COVID-19 Pandemic, BPK Experience*. They presented BPK's auditing legal framework, challenges faced by auditors and auditees, as well as how their SAI had addressed these challenges through the creation of committees to establish audit policy during the outbreak, use of IT infrastructures, and team management, among others.
15. Ms. Nino Bitsadze, Budget Analyst, SAI Georgia. Ms. Bitsadze shared the findings of the "Follow-up Audit of Public Debt Management of Georgia", particularly on ensuring the sustained implementation of audit recommendations, and assessing improvements in PDM. Ms. Bitsadze mentioned that public debt is one of the most important sources of funding in their country and it has increased significantly in recent years, highlighting the importance of effective public debt management and the role of SAI in ensuring this.

16. For the second batch, Ms. Jonna Carlson, Senior Auditor, National Audit Office of Finland, presented about *Auditing Government Debt Management in Exceptional Circumstances*. Ms. Carlson shared about their SAI's experience and strategies as regards auditing government debt management during this crisis as well as the strategies and properly implemented operations that their SAI has undertaken to mitigate the result of the pandemic.
17. Ms. Teresa Ferreira, Chief Auditor, Court of Auditors, SAI Portugal, shared the fiscal transparency reports as a result of the actions undertaken by their SAI in promoting transparency to address the current challenges brought by the COVID-19 crisis.
18. Mr. José Mira and Ms. Edda Zanarello, Liaison Cabinet Officer and Audit Team Supervisor, respectively, of the SAI of Argentina made a joint presentation on *Post-pandemic auditing: Challenges for SAIs*. They shared some findings of sovereign debt audit related to debt management strategy as well as their efforts to address and improve their SAI's practices and standards. They also presented standards and legal aspects for auditing debt restructuring processes.
19. Mr. Joaquim Ramalho de Albuquerque, Director for Public Debt Control, Economic Policy and Federal Accounting of SAI Brazil discussed about the *Pandemic Impact on Brazilian Public Debt*. He presented about the impact of COVID-19 on Brazil's economy and how SAI Brazil follows measures and controls to mitigate its impacts.
20. The SAI members and stakeholders' presentations were followed by a Question-and-Answer (Q&A) portion facilitated by the WGPD Secretariat. During the first batch, Chairperson Aguinaldo raised a question to IMF/World Bank/UNCTAD/IDI if there is available data on what percentage of a country's budget is recommended to be allocated for economic stimulus or social safety nets such as the percent allocation for COVID-19 response i.e. vaccines and strengthening healthcare systems, among others. Mr. Nyawata, responded that they don't have data on this yet in terms of debt management perspective,

however, their colleagues working in macro-finance issues may have the data relative to this. Mr. Aguinaldo requested the information for possible benchmarking. Further, Ms. Prates of the UNCTAD said that they have no access to such specific data also; however, the UN has data on SDGs investment where we could find information on the expenditures related to the SDGs. She would share the information once they have gained access to such.

21. Since Ms. Hakim is no longer present during the Q&A portion due to time difference, questions to Ms. Hakim were sent by the WGPD Secretariat to her email. Further, the availability of possible courses offered by the World Bank and other stakeholders will be coordinated and disseminated by the Secretariat to the members in due course.

22. Before formally adjourning the meeting, the Chairperson gave a wrap-up of discussions and way forward, the highlights of which are as follows:

- a. For the remaining 1-1/2 years of the WGPD Workplan 2020-2022, the WGPD intends to pursue the completion of all planned activities in support of the overall objectives of the INTOSAI KSC and the INTOSAI in general;
- b. Specifically, the WGPD, thru the Secretariat and the TWG, shall continuously provide necessary assistance to all members and the project teams, in particular, to ensure that ongoing projects are completed on time and projects' objectives are achieved for the benefit of the WGPD members in the audit of public debt;
- c. The IT Secretariat shall also strengthen its coordination with the COP Manager to further enhance the usefulness of the WGPD Community Portal;
- d. On capacity building initiatives, the WGPD will intensify its collaboration with the WB/IMF/UNCTAD and will tap the available resources of the IDI and INTOSAI regional organizations to support the capacity development initiatives of the WGPD

on public debt. Specifically, it shall endeavor to formalize the planned joint webinar proposed by the WB in June as well as forge stronger collaboration with the IMF, UNCTAD, and the IDI on similar initiatives.

- e. The Chair also encouraged the adoption of the GUID 5250 and the IDI-WGPD Handbook on the Audit of Public Debt Management as guidance materials for public debt audits. In the next few days after the meeting, the WGPD Secretariat shall get the comments of the WGPD members on the assistance that the WG can provide to the IDI on the quality review of the translated versions of the IDI-WGPD Handbook on audit of public debt.
- f. The WGPD will also create a project team to be in-charge of preparing the WG's six-year Strategic Plan (2023-2028), in accordance with the INTOSAI and KSC Strategic Plans, and the three-year Work Plan (2023-2025). The WGPD shall soon conduct a survey for this purpose.
- g. There was no decision arrived at as regards the hosts for the next annual meetings as such will depend on the improvement of the international situation in view of the current pandemic. However, should the situation improve, the SAIs of Bhutan and Indonesia will confirm with their SAI Managements regarding their interests to host the 2022 and 2023 meetings, respectively.

23. After the presentation of wrap-up and way forward, the WGPD Secretariat showed a short AVP on a look back of the WGPD's accomplishments under the leadership of Chairperson Aguinaldo. This was followed by a series of short messages from select member SAIs conveying their gratitude and appreciation to the Chair. Incidentally, the expiration of Mr. Aguinaldo's term of office as Chairperson of SAI Philippines was also announced at the meeting.

24. Lastly, the Chair officially adjourned the meeting by thanking all the participants, guest speakers, and guests for participating in the meeting and for their relentless support to the WGPD, as well as to the WGPD Technical Working Group and Secretariat for the successful meeting preparation.

-END-