

**9th Meeting of the INTOSAI Working Group
on Value and Benefits of SAIs**
August 29-31, 2016
Arusha, Tanzania
Arusha International Conference Center

MEETING AGREEMENTS AND CONCLUSIONS

Final version

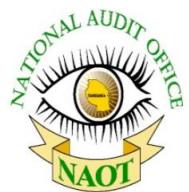
1. The Chair's annual report, the members' work progress, as well as this meeting's discussions and agreements, will be used as reference to prepare the corresponding reports to be presented during 8th meeting of the KSC Steering Committee (INTOSAI Goal 3), as well as during the 68th meeting of the INTOSAI Governing Board. These reports final version will be disseminated among the WG members for their reference.
2. The members took note on IDI's progress report in relation to the development and approval of the Endorsement Version of a single, global Performance Measurement Framework for SAIs (PMF) for assessing and monitoring SAIs' performance.

In this regard, after confirming that the process agreed during the 2015 meeting had been followed and that the exposure comments had been appropriately reflected from the pilot version, the WGVBS members approved the SAI PMF Endorsement Version and confirmed that it can be forwarded to the KSC Steering Committee for endorsement at its 8th meeting in September 2016.

In addition, the Working Group members discussed on the SAI PMF strategy after the Framework's potential endorsement by the XXII INCOSAI. In this sense, they took note on the decision of the Goal 2 and 3 Chairs that the responsibility for strategic governance of SAI PMF will shift from the Committee on Knowledge Sharing and Knowledge Services (KSC/WGVBS) to the Capacity Building Committee (CBC) from 2017 onwards, with IDI as operational lead.

Additionally, the members took note on the SAI PMF high level strategy 2017-2019, which is developed by an INTOSAI task team, but highlighted on the importance of the operationalization of the strategy and of an adequate performance measurement system.

With regards to the future role of the WGVBS, the members expressed their expectations for continuous communication and collaboration with the SAI PMF unit (an entity to be established within the CBC/IDI), not only in relation to the updating of the Framework, but also relating to the relevance the Framework implementation has



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to define the Working Group's agenda. To this end, the meeting participants expressed a wish to be kept informed on the Framework implementation and updating; this could be during the WGVBS annual meetings.

The WGVBS comments will be communicated by the IDI to the CBC for consideration.

3. Regarding the activities of the Forum of Jurisdictional SAIs Network of General Prosecutors, the participants took note on the progress report presented by the SAI of France. This report included the arrangements made for the "Paris Declaration", a key document listing the values and benefits of SAIs with jurisdictional functions, to be presented and signed by the Forum members and other parties during a side meeting of the XXII INCOSAI, in December 2016, in Abu Dhabi.

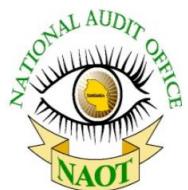
The meeting participants were acquainted with the Forum's proposal to hold a periodic plenary meeting. During the upcoming encounter, the Forum members will address the specific tools used by jurisdictional SAIs to fight against fraud and corruption.

Finally, the WGVBS members were informed on the Forum's objective to develop a guideline, which could internationally acknowledge the principles of jurisdictional SAIs.

4. In relation to the development of the *Guideline on Effective Practices of Cooperation between SAIs, the Legislature, the Judiciary and the Executive that focuses on the SAIs' ability to promote accountability that leads to administrative and/or corrective sanctions being imposed*, the members took note on the progress report (presentation), and the revised version submitted by the SAI of Jamaica, as project coordinator.

The members confirmed that their comments to the Draft 2 (presented during the 2015 meeting) were appropriately reflected in the document, but expressed the need to enrich both the drafting and contents (examples) of its annexure, before submitting the document as a WG final product to the KSC Steering Committee and to the INTOSAI Governing Board.

In this regard, the WG members approved the revised guideline and agreed upon presenting the document (without including the annexure) to the KSC Steering



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Committee during its 8th meeting in September 2016, so it could endorse its three months-exposure before the INTOSAI community.

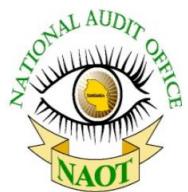
The WGVBS Chair will prepare, together with the project coordinator, the communication to be submitted to the INTOSAI community, so that the member SAIs could submit their comments to the revised guideline, and provide the information required to enrich the annexure to the guideline. The WG Chair will follow up the exposure period in coordination with the SAI of India, as KSC Chair.

The revised guideline and enriched annexure should be available for the WG members' reference at the end of the first quarter of 2017.

5. In relation to the presentation made by the SAI of South Africa regarding the results of the survey related to the implementation of ISSAI 12 principles, the task team's representative addressed both existing challenges and good practices identified considering the response provided by 18 out of the 19 WGVBS member SAIs. The members confirmed that the number of responses received, in comparison to the ones obtained in 2015, represents a more reliable sample of the INTOSAI community, and it helps to outline more robust conclusions on the matter, as foreseen by the WG members during its last meeting.

In compliance with the mandate given to the Task Team members (SAIs of Namibia, South Africa, and Mexico), the most challenging principles (3, 6, 7, 9 & 11) in the ISSAI 12 were identified. This information will allow to focus the Working Group's activities for the next period, including the role the WG could play to assist SAIs in reducing the challenges at implementing the referred principles. To this end, the members agreed upon identifying, supporting with documentary evidence, and spreading detailed information on the good practices within the INTOSAI community relating to the implementation of these principles.

6. Following a virtual presentation made by representatives of the Organisation for Economic Co-operation and Development (OECD), the WGVBS members recognized the increasing relevance of the use of Open Government Data by SAIs as a source to broaden and/or deepen the scope and impact of their audits.



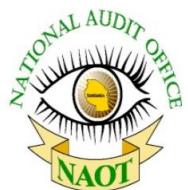
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During their participation, the OECD representatives highlighted the importance for SAIs to go beyond their traditional oversight function, in order to have a foresight focus, which could be key to strengthen their credibility. As referred by the OECD representatives, SAIs could create economic value by helping institutions to make a better use of data, and also by providing cross-government comparisons to ensure the comparability of data amongst various levels. Additionally, as one of the environment actors, SAIs could also raise the awareness of open data strategies, be aware of potential risks and opportunities in the open government data area, and use this approach to support their institutional endeavors to fight against corruption and money laundering, and to promote integrity in the public sector.

The WGVBS members decided to include this topic as part of its working agenda, considering that Open Government Data links supreme auditing with transparency. The WG Chair will maintain communication with the OECD representatives, who will provide the WG members with available on open government data, and expressed their interest in obtaining information on SAIs' experience in the subject.

Through the WGVBS Chair, the members could submit any comments related to the OECD presentation.

7. The Working Group members expressed their thankfulness to the representatives from the SAIs of China, Indonesia, Iraq and Peru, for contributing to the exchange of experiences and lessons learned on topics and challenges of mutual concern related to the value and benefits of SAIs. These SAIs made presentations, respectively, on
 - (1) an initiative to improve the audit system in the People's Republic of China to better promote the value and benefits of the SAI,
 - (2) the efficiency issues in monitoring state/regional loss by using IT application,
 - (3) the value and benefits of the Federal Board of Supreme Audit of Iraq to the society, and
 - (4) A good practice (*INFObras System*) at the Office of the Comptroller General of the Republic of Peru, using an information system to effectively oversee and control public works, to promote government transparency in the subject matter, and to encourage the citizenry participation.



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8. Stemming from the presentation of the SAI of Austria, as INTOSAI General Secretariat, the Working Group members took note on the work conducted by the Task Force on Strategic Planning regarding the drafting of the INTOSAI Strategic Plan for the period 2017-2022. The WG members were acquainted with the new features, crosscutting priorities for the INTOSAI, and the way forward for the Strategic Plan to be endorsed by the XXII INCOSAI.

The new INTOSAI Strategic Plan will be considered by the WG members to align, if necessary, the future approach of the WGVBS activities to effectively promote and communicate the value and benefit of SAIs.

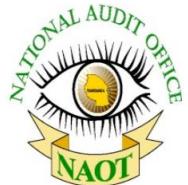
9. Regarding the roundtable discussion on *Audits Quality Control and its Impact on the Value and Benefits of SAIs*, the member SAIs recognized the diversity of institutional arrangements related to the implementation of a quality control policy, clarified the importance of the *tone of the top* for not limiting quality control to products but also outcomes, highlighted the relevance of the institutional principles guiding the quality management throughout the audit process and support activities, and made reference on SAI PMF as an adequate reference (although not the only one) for SAIs to verify the quality assurance.

The WG members agreed upon drafting a paper on the implementation of quality control in the audit process, which goes beyond the process defined in ISSAI 40. This paper will also address the level of independence, mandate and position within the institution, and guiding principles of the unit responsible for audit quality assurance.

In preparing this paper, the WGVBS Chair will consider information to be provided by the IDI on SAIs' experience in the subject matter after implementing SAI PMF.

The WG Chair will call for SAIs which voluntarily could join the task team responsible for drafting this paper, to be presented during the 2017 meeting.

10. Following the presentations of the papers regarding *the Risk Identification process in the Public Sector*, and *Risk Management Process in Supreme Audit Institutions*, the WG members agreed upon providing comments to the draft version, which will be



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afterwards enriched by the project coordinators (SAIs of Mexico and the United States of America, as well as SAIs of China and Mexico, respectively). The WGVBS Chair will submit the documents for the members' feedback by October 31, 2016, at the latest.

11. Stemming from the roundtable discussion on the Sustainable Development Goals (SDGs), the WGVBS Chair proposed to prepare a paper on a risk-assessment framework for SAIs to incorporate relevant SDGs-related programs in their annual audit plans. Before defining the next steps, the IDI will share information on the capacity development programme *Auditing Sustainable Development Goals*.
12. In relation to the *INTOSAI Tools*, the members took note on their status, as well as on the WG Chair's analysis, which presented a broad diversity in terms of purpose, users, platforms, updating, funding, quality assurance mechanisms, accountability before INTOSAI authorities, impact measurement, communication policies, and strategies for sustainability in the long run. Considering the WG mandate to promote and communicate their value and benefits, the Working Group Chair will present a motion before the KSC Steering Committee in order for the responsible entities to jointly prepare and/or harmonise, as far as possible, the INTOSAI Tools development, updating, quality assurance, outreach, and sustainability strategies.
13. The WGVBS Chair will liaise with each project coordinator, in order to jointly feed the corresponding section on the Working Group's Website (www.wgvbs.com.mx).
14. The host SAI, venue, and specific dates of the Working Group meeting in 2017 will be announced in due time by the WGVBS Chair.