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Given the *Journal's* use as a teaching tool, articles most likely to be accepted are those that deal with pragmatic aspects of public sector auditing. These include case studies, ideas on new audit methodologies, or details on audit training programs. Articles that deal primarily with theory would not be appropriate.

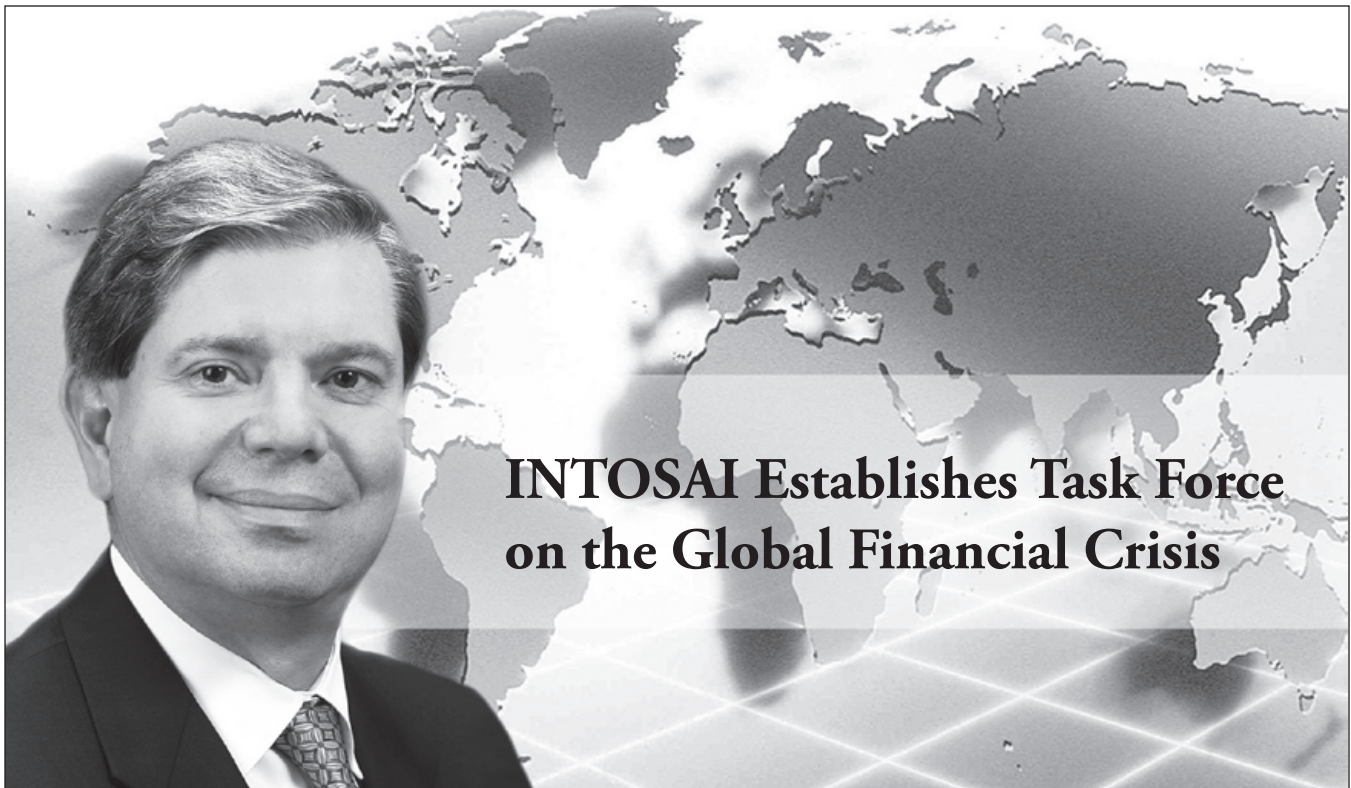
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Gene L. Dodaro

*Acting Comptroller
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“To ensure continued stability and protect the economic gains of both developed and developing countries, we need to consider deep and systemic reforms based on an inclusive multilateralism for a global financial system that can better meet the challenges of the 21st century.”

Statement on the global financial crisis by the U.N Secretary-General, November 2008

The current financial crisis presents many challenges to countries around the world and to their supreme audit institutions (SAI). It demands that SAIs redouble their efforts to help provide accountability and lessons learned for their governments. Although SAIs differ in their legal authorities and mandates, they are generally well positioned to provide independent and objective analyses of these events and can contribute much to efforts to address them. In keeping with these concerns and considerations, the INTOSAI Governing Board established the Task Force on the Global Financial Crisis at its 58th meeting in Vienna in November 2008. The U.S. Government Accountability Office (GAO) is pleased to have been asked to chair this important effort.

The initial meetings of the INTOSAI Task Force on the Global Financial Crisis convened via teleconference on February 26, 2009, to discuss challenges that SAIs are facing in the current economic situation. To accommodate time zones differences, two teleconferences were organized, and representatives from 17 of the 23 task force member countries participated. The first teleconference was held with SAI

representatives from Austria, Canada, Chile, Cyprus, Estonia, Hungary, Italy, Mexico, Morocco, Netherlands, Russia, Spain, Sweden, and the United Kingdom. The second teleconference was held with SAI representatives from China and Indonesia.

Discussion during both teleconferences focused on member feedback on the draft terms of reference previously circulated by GAO. Specifically, the terms of reference cover the task force's proposed purpose, goals and objectives; meeting and reporting procedures; membership and organization; and expected products and outcomes. The proposed goals of the task force include developing recommendations for SAIs to help minimize the impact of future financial crises, developing resources for SAIs to use to monitor and audit financial regulatory systems, and building relationships with key international organizations. Members provided positive feedback on the draft terms of reference and made a number of suggestions to refine the goals, objectives, and scope. Some countries provided written comments to the draft prior to the meeting, and each country provided oral comments during the teleconferences. Most notably, members expressed interest in expanding the scope of the task force to cover fiscal crises and oversight of economic stimulus packages in addition to issues exclusively related to the financial crisis.

Members also discussed various options for dividing task force participants into sub-groups—for example, by language, type of auditing system, or financial versus economic issues. The task force will explore establishing its own Web site to provide specific information on the terms of reference, the work plan, and other task force products and plans to report at the 2010 INCOSAI in South Africa. In addition, this *Journal* will help task force members stay informed and connected.

In summary, major decisions made during these teleconferences include the following:

- Consensus was reached on including broader economic issues, such as stimulus packages, in the scope of the task force's terms of reference.
- Collaboration will be sought with the INTOSAI Public Debt Committee and the Key National Indicators Working Group on any cross-cutting issues.
- An in-person meeting of the task force will be arranged in the near future.
- Members will discuss further specifics on subdividing the task force during upcoming meetings.
- Outreach to countries not currently members of the task force may be conducted, as necessary.

In the United States, GAO has been given a significant role in the oversight of government responses to the financial crisis. Currently, GAO is required to report every 60 days on its findings related to the oversight of the \$700 billion in Troubled Asset Relief Program funds the U.S. government has allocated to provide asset relief to financial institutions. As of mid-March 2009, GAO had testified at eight U.S. congressional hearings on the status of efforts to address transparency and accountability in this process and has issued numerous reports on topics such as modernizing the regulatory system. Additionally, GAO has been tasked with

conducting bimonthly reviews of the use of government stimulus funds in 16 states and selected localities. In accordance with the American Recovery and Reinvestment Act (ARRA), GAO will collaborate with state and local auditors and inspectors general from various federal agencies to examine how these funds are being used at the state and local levels and the extent to which they are achieving the purposes of ARRA. We recognize that these reporting requirements may not be the norm for SAIs in other countries and look forward to future discussions on the varying roles held by SAIs in this time of opportunity for the auditing community.

These are challenging times for all of us. As we begin to identify and leverage the collective efforts of SAIs, the task force will be reaching out to you for your insights, experience and expertise on the demands and effects of the crisis.

For additional information, contact GAO at spel@gao.gov.

NEWS

IN

brief



Azerbaijan

Authorizing Legislation of SAI Amended

The legislative acts that regulate the activities of the Azerbaijan Chamber of Accounts were amended in 2008. These amendments enhanced the status of the Chamber of Accounts and its staff, increased the provisions for them, and expanded the scope of the Chamber's activities and authorities.

In December 2008, a new Deputy Chairman was appointed and three auditor members of the Chamber were reappointed by the Parliament for a new term of office.

Currently, 18 national rules on public sector auditing are being prepared. The rules are based on INTOSAI standards.

For additional information, contact the Chamber of Accounts:

E-mail: office@ach.gov.az, chairman@ach.gov.az, f.ibrahimov@ach.gov.az

Web site: www.ach.gov.az

Bahrain

National Audit Court Annual Report

The National Audit Court (NAC) issued its fifth annual report in October 2008. The report included the NAC's opinion on the final accounts of the government for the fiscal year ended December 31, 2007. It also included performance and special assignment reports prepared for the same period. The report is submitted to H.M. the King, the Ministerial Cabinet, and the Representatives Council (the Parliament).

For additional information, contact the NAC:

E-mail: nac@nac.gov.bh

Web site: www.nac.gov.bh

Brazil

New President of the Court of Audit

In January 2009, the nine ministers of the Brazilian Court of Audit (TCU) unanimously elected Minister Ubiratan Diniz de Aguiar as the Court's new president.



Ubiratan Diniz de Aguiar

Minister Ubiratan Aguiar has been a minister at the TCU since May 2001. Previously, he was a federal representative (1987–2001), a state representative (1979–1987), and a city councillor (1967–1971). Throughout his professional and political life, he has been dedicated to the field of education. He began his career as a teacher and was Secretary of Education of the State of Ceará. In 1988, he signed the federal constitution as a member of the constituent assembly, having helped to write the constitution's chapter on education and culture.

In exercising its constitutional mandate, the TCU performs various roles:

judicial, auditing, educational, advisory, informational, punitive, rulemaking, and ombudsman. Because of his ongoing commitment to education, Minister Ubiratan Aguiar highlights the importance of the TCU's educational role. He believes that the TCU should intensify its involvement in capacity building of public managers and cooperation with other government auditing agencies by sharing experiences and knowledge.

As President of the TCU, Minister Ubiratan Aguiar is working to build a government auditing network that encompasses a number of public oversight agencies—including the executive branch's main internal auditing agency, the city and state court of accounts, and internal auditing departments in the legislative and judicial branches. To promote integration and cooperation, the TCU is promoting information exchanges with agencies such as the Central Bank, the Internal Revenue Agency, the Office of the Public Prosecutor, and the Financial Activities Auditing Council.

In addition to emphasizing the importance of partnerships with other Brazilian agencies and institutions, Minister Ubiratan Aguiar values the TCU's international cooperation with INTOSAI and views it as a rich source of opportunities for technical and institutional development.

For additional information, contact the TCU:

E-mail: arint@tcu.gov.br, omirpl@tcu.gov.br
 Web site: www.tcu.gov.br

Iraq

Training and Development Activities during 2008

The Board of Supreme Audit (BSA) has continued its efforts to develop the skills of its audit teams through internal and external training courses. The BSA has also equipped a group of trainers to assist in its staff development activities. During 2008, 356 BSA staff participated in 49 training programs outside Iraq, while 934 staff took part in 77 training programs held in training centers within the country.

BSA is seeking to establish a training center that provides services and technical assistance to its auditees. BSA has set up training courses on topics such as internal control, rules of internal auditing, and performance auditing. During 2008, 253 employees of different auditees participated in 15 training courses sponsored by BSA.

Additional training programs and workshops were held in cooperation with the United National Development Program during 2008. Four BSA staff worked with an external expert in Amman, Jordan, to prepare an anticorruption and fraud guide. Eight staff participated in a program to develop their practical audit skills in cooperation with the National Audit Office of the United Kingdom. A train the trainer program on work planning and government management was held in Lebanon. Finally, 15 staff participated in a course in Italy on procurement auditing.

For additional information, contact the BSA:

E-mail: bsairaq@yahoo.com
 Web site: www.bsairaq.net

Jordan

Amendment of the Audit Bureau Legislation

In 2007, the Jordanian Audit Bureau's scope of audit was expanded to include public establishments, municipal and corporate service councils, and corporations in which the government has 50 percent or more of the shares. Previously, the Audit Bureau's oversight covered only ministries, government departments, general official institutions, and municipal and rural councils. The head of the bureau has the right to access reports and information on financial and administrative matters. He also has the right to ask all governmental offices to provide him with statements or explanations on matters concerning the Audit Bureau's functions.

Completion of Twinning Project

In June 2006, a twinning agreement was signed between the Audit Bureau, the National Audit Office of the United Kingdom, and the German SAI (BRH). Under this agreement, the European Union provided a grant through the Ministry of Planning in Jordan for a 2-year project, which ended in June 2008.

The project goals included the following:

- draft an organizational structure for the Audit Bureau based on effective international models and prepare related job descriptions;
- draft Audit Bureau amendments that comply with international audit standards and the best professional practices in the audited entities;
- draft a financial audit manual containing audit procedures, checklists, and audit programs;

- prepare a performance audit manual; and
- prepare a human resources management manual including procedures and policies and a strategic training plan.

For additional information, contact the Audit Bureau:

E-mail: info@ab.gov.jo

Web site: www.audit-bureau.gov.jo

Latvia

New Auditor General Appointed

In December 2008, the Parliament of Latvia (Saeima) appointed Inguna Sudraba to serve a second 4-year term as the Auditor General. In January 2009, Mrs. Sudraba was sworn into office before the Saeima.



Inguna Sudraba

During her second term as Auditor General, Mrs. Sudraba would like to work to improve the State Audit Office so that the return on funds committed to the office's budget can be assessed with certainty.

For additional information, contact the State Audit Office:

E-mail: lrvk@lrvk.gov.lv

Web site: <http://www.lrvk.gov.lv>

Lithuania

International Conference on Public Auditing

In January 2009, the National Audit Office of Lithuania (NAOL) and the Lithuanian Parliamentary Committee on Audit held a conference in Vilnius to commemorate the NAOL's 90th anniversary. At the conference, the Auditor General of Lithuania, Rasa Budbergytė, stressed the need to find new points of contact between the different entities in the public finance control system to enhance parliamentary control and strengthen the focus on implementing the NAOL's audit recommendations.

Ms. Budbergytė noted that the impact of public audit on public management is limited by the lack of political will and efforts to implement the NAOL's recommendations. Although statistics indicate that most of the recommendations are implemented, those that require the greatest effort and political will often are not translated into actions. She expressed the hope that the new Seimas (Lithuanian

Parliament) and government would have a stronger resolution to institute changes.

Several speakers underscored the need to enhance parliamentary control. Irena Degutienė, First Deputy Speaker of the Seimas, stated that parliamentary control of the implementation of public audit recommendations was needed to translate the insights expressed in NAOL audit reports into reality. She expressed her strong belief that the current Seimas and Committee on Audit would actively seek the implementation of NAOL recommendations by the executive branch. Loreta Graužinienė, Chairman of the Committee on Audit, noted that a close partnership between the government and the Seimas was still lacking and was needed to properly implement the NAOL recommendations.

The European Union (EU) Commissioner responsible for Financial Programming and Budget, Dalia Grybauskaitė, stated that a transparent and open financial system is needed to ensure the efficient use of EU funds.



Participants in the international conference organized by the Lithuanian SAI and the Parliamentary Committee on Audit to celebrate the SAI's 90th anniversary.

She also pointed to the need for simpler rules to aid beneficiaries and for control institutions to play a broader and more active role.

According to Herbert Bösch, Chairman of the Budget Control Committee of the European Parliament, decisive changes are needed in the EU accountability system. Mr. Bösch also stated that to receive the maximum benefit from EU funds and to use them in accordance with EU rules and standards, the European Court of Auditors must be reformed and national parliaments and SAIs must be actively involved. “Until then, the Member States’ accountability to the European level is insufficient,” affirmed Mr. Bösch.

In his speech, Vitor Caldeira, President of the European Court of Auditors, noted that the EU has demonstrated significant progress in improving financial management. However, to increase transparency and accountability in the use of EU funds, the bodies involved in management, supervision, and audit at all levels must be engaged.

For additional information, contact the NAOL:

E-mail: nao@vkontrola.it
Web site: www.vkontrola.it

Moldova

Fifteenth Anniversary of Court of Accounts

The Court of Accounts of Moldova is celebrating its 15th anniversary in 2009. The court was established in 1994 in accordance with the provisions of the constitution and legislation passed in December 1994. Over the past 15 years, it has gone through a significant process of institutional growth and has focused on improved operations as an external

financial control body, institutional strengthening, and staff training. It has also sought to be recognized as an integral part of the rule of law in the Republic of Moldova.

Since 2006, the Court of Accounts has entered a new stage resulting from the formation of a common financial control system and improvements in its legal framework and institutional capacity. It has endeavored to be established and function as an SAI in accordance with international standards and European Union best practices in external public audit. During this short period, its strategic development plan (April 2006-December 2010) has been approved and implemented. Its key goals are institutional strengthening, capacity building, developing people, and increasing the impact of its work.

In addition, new legislation effective in January 2009 shifted the court’s function from external financial control to a new external audit system within the new public financial management system.

The court is undergoing a transition in 2009. During the first 6 months, the court is continuing to act as an external control body, albeit one that carries out a significant volume of pilot audit work. The top priority for the year will be implementing the new law and related activities—for example, promoting the law internally and externally, developing a new organizational chart, and adjusting internal acts and regulations to the provisions of the new law.

The court’s 150 employees are the keys to success as each contributes to establishing a modern and efficient SAI in the Republic of Moldova.

For additional information, contact the Court of Accounts:

E-mail: cdc@ccrm.gov.md
Web site: <http://www.ccrm.md>

Mongolia

New Auditor General Appointed

In January 2009, Radnaa Choijamts was appointed as the Auditor General of Mongolia.

A member of Parliament from 2000 to 2008, Mr. Choijamts served as an economic and social policy advisor to the Speaker of Parliament of Mongolia before succeeding Javzmaa Lkhamsuren as Auditor General.

From 1979 to 2000, Mr. Choijamts worked in Mongolia’s Bulgan province, where he held prominent positions including that of governor. From 1974 to 1979, he worked as an engineer in the State Central Institute for National Construction Cartography and Bureau of Construction Cartography and Budget in Dundgovi province.

Mr. Choijamts was born on November 7, 1951, in Bulgan province. He graduated from Mongolian National University with a bachelor’s degree in engineering and has a master’s degree in government administration.

For additional information, contact the Mongolian National Audit Office:

E-mail: mnao@mnao.pmis.gov.mn,
mnaoadmin@magicnet.mn
Web site: www.mnao.pmis.gov.mn/welcome

Nepal

Audit General Testifies Before Committee Restructuring Constitutional Bodies

In January 2009, Bachchu Ram Dahal, the Acting Auditor General of Nepal, appeared before the Committee for Determining the Form of Constitutional Bodies (CDFCB) to discuss the present structure and function of the Office of the Auditor General and

the proposed structure of the SAI under Nepal's new constitution. In accordance with its mandate, the Constituent Assembly (CA), which was formed following an election in April 2008 and declared Nepal a Federal Democratic Republic in May 2008, is writing a new constitution and formed CDFCB to recommend the structure of constitutional bodies under the new constitution.



Bachchu Ram Dahal, the Acting Auditor General of Nepal, during the presentation to the CDFCB

The Acting Auditor General briefed the CDFCB members on the structure of the Office of the Auditor General; the legislative procedures for appointing the Auditor General; and the office's functioning, reporting, and auditing frameworks. Mr. Dahal focused the committee's attention on the model of the Nepali SAI, its independence, and the scope of its audits under the new constitution. An overview of several international models for external audit—the parliamentary, the judicial, and the board models—was also presented before the committee.

The lawmakers expressed serious concerns about corruption issues and the SAI's role in controlling corruption. Mr. Dahal informed the committee that the Office of the Auditor General

has identified numerous examples of weak internal management controls and cases of corruption; however, the investigation of corruption is outside its mandate. A separate institution, the Investigation of Abuse of Authority, is in charge of investigating corruption.

Finally, the CDFCB asked the Nepali SAI to provide legislative hardware and software from different countries, the *Mexico Declaration on SAI Independence*, and information on different types of SAIs in democratic countries around the world.

Mr. Dahal assured the CDFCB that the Nepali SAI is committed to supporting the committee by providing details on the SAI structure to be included in the new constitution and by performing a comparative study of the organizational structure, independence, and mandates of different types of SAIs around the world.

For additional information, contact the Office of the Auditor General:

E-mail: oagnep@ntc.net.np, infoag@most.gov.np
 Web site: www.oagnepal.com

Netherlands

Pilot Workshops to Assess Integrity Risks Held in South Africa and Yemen

In November 2008 and January 2009, the Auditor General of South Africa (AGSA) and the President of the Central Organization for Control and Auditing (COCA) of Yemen hosted pilot SAINT, or Self-Assessment INTegrity, workshops. SAINT is an instrument developed for use in the public sector by the Netherlands Court of Audit (NCA) in cooperation with the Dutch Ministry of the Interior and the Bureau of Integrity of the City of

Amsterdam. (For additional information about SAINT, see the article in the April 2008 issue of this *Journal*.) The NCA adapted the SAINT instrument for INTOSAI members to help SAIs assess integrity risks and the resilience of integrity management systems. This version has been given the name IntoSAINT. Additional pilots will be held in 2009 and early in 2010.

During the workshops, a group of carefully selected participants assessed the vulnerability profile of their SAIs with the assistance of two moderators from the NCA. Step by step, the moderators guided the participants through the methodology to identify inherent vulnerabilities and factors enhancing vulnerability resulting in an assessment of the vulnerability profile. Next, this profile was compared with the maturity level of the integrity control system. Based on this analysis, the participants formulated recommendations to either reduce vulnerabilities or strengthen integrity controls. Immediately after the workshops were completed, the results and the recommendations were presented to SAI management.

The first IntoSAINT pilot, which took place in South Africa in November 2008, was coordinated by Avryl Kemp from AGSA and moderated by Ina de Haan and Juul Vos-Schellekens from the NCA. Terence Nombembe, Auditor-General of South Africa, opened the workshop and expressed his hope that AGSA would learn from the SAINT methodology and benefit from its results.

COCA of Yemen hosted the second IntoSAINT workshop in January 2009. Ahmed Ashaybani, General Director of Technical Cooperation for COCA, coordinated the event, and Hans Benner and Frans Schouren from the NCA acted as moderators. Abdullah Abdullah Alsanafi, President of COCA,



Participants in the IntoSAINT workshop in Yemen in January 2009.

stressed the value of SAINT not only for COCA but potentially also for other organizations in the Yemeni public sector.

Organizing IntoSAINT workshops emphasizes the principle that SAIs have to lead by example, especially in matters concerning the integrity of the public sector. IntoSAINT also helps SAIs exchange ideas and experiences about enhancing integrity.

The initial pilot workshops were a success, and the experiences will be used to improve the instrument and develop ideas about training moderators, thus creating opportunities for further implementation.

For additional information, contact the NCA:

E-mail: internationalaffairs@rekenkamer.nl

Web site: www.rekenkamer.nl

Thailand

Grant to Strengthen Institutional Capacity

The Office of the Auditor General (OAG) of Thailand has been awarded an Institutional Development Fund grant from the World Bank to strengthen its institutional capacity and performance in public audits. The grant provides technical assistance to enhance OAG operations in performance audit, procurement audit, audit authority, enforcement and sanctions, and financial audit. The project was launched in 2008 and will improve the OAG's audit methodology.

The OAG is constructing a training center in Chonburi province that will be used to train staff from not only the OAG but also neighboring SAIs in a cooperative effort to improve audits and good governance throughout the region. The training center is expected to be completed in 2010.

The OAG is placing increased emphasis on environmental audits

by starting pilot projects that can be incorporated into other major audits. The OAG is also trying to create mandates for all audits in the new organic act that is pending approval by the parliament.

For additional information, contact the OAG:

E-mail: int_rela@oag.go.th

Web site: www.oag.go.th

European Court of Auditors

Workshop on the Role of European Union SAIs in the Financial and Economic Crisis

In February 2009, the European Court of Auditors (ECA) hosted a workshop in Luxembourg on the role of European Union (EU) SAIs in the current financial and economic crisis. This workshop took place under the auspices of the Contact Committee of the Supreme Audit Institutions of the EU.

Before the workshop, the German and Netherlands SAIs and the ECA surveyed the EU SAIs on their role in the current financial market crisis. According to the responses the German SAI presented at the beginning of the workshop, all EU Member States have responded to the global financial crisis, with 93 per cent undertaking concrete measures. In 70 percent of the cases, these measures took the form of state guarantees and, in 63 percent of the cases, participation in the equity capital of the beneficiary institutions. Also, 70 percent of the respondents indicated that they have a specific mandate to audit rescue packages.

Some SAIs provided insights into their respective national situations. The

discussions that followed focused on questions relating to the mandate for auditing banks, the potential advisory role of the SAI in this process, and SAI reporting procedures. Delegates repeatedly stated that a coordinated cross-border action is necessary to cope with the crisis. The experience gained in former financial and economic crises should be taken into account now, and short-term measures should be compatible with the long-term goals. The explicit task of the SAIs is to ensure transparency and confidence.

The members of the EU contact committee stated that they wish to continue cooperating on this subject. For this purpose, a network of experts is to be created so that the auditors of the EU SAIs can quickly and easily share their experiences.

For further information please contact the ECA or the German SAI:

E-mail: euraud@eca.europa.eu,
Martina.Hampel@brh.bund.de
Web site: <http://eca.europa.eu>,
www.bundesrechnungshof.de

Correction

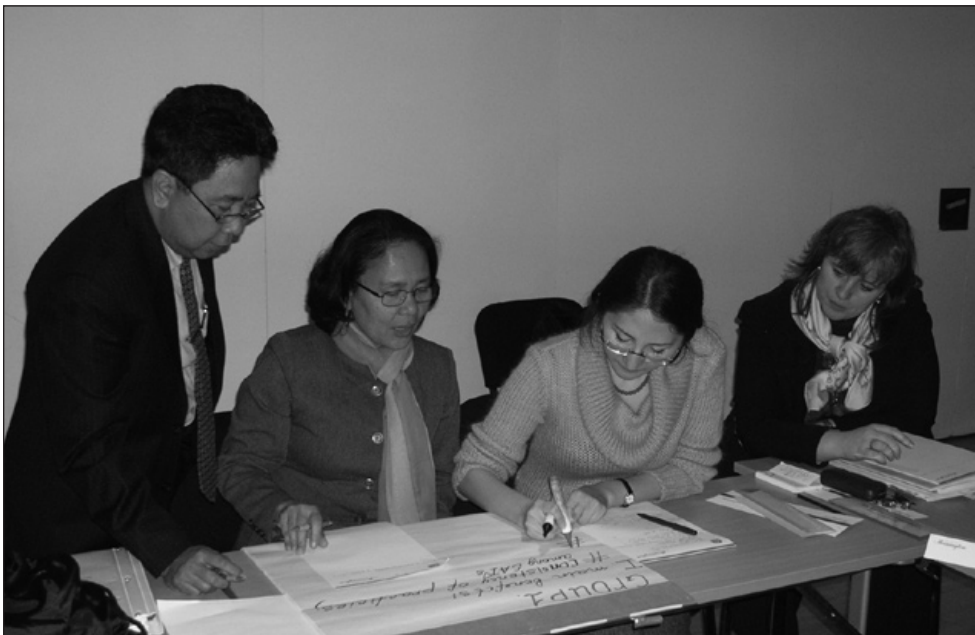
In the January 2009 *Journal*, we incorrectly reported that the XX INCOSAI would be the first INTOSAI congress held on the African continent. The X INCOSAI was held in Nairobi, Kenya, in 1980 and the XV INCOSAI was held in Cairo, Egypt, in 1995.

Financial Audit Guidelines to Be Available in 2010

by Camilla Brodén and Jonas Hällström, INTOSAI Financial Audit Guidelines Subcommittee

The Financial Audit Guidelines: What Are They?

In 2010, after 6 years of work, the Financial Audit Guidelines Subcommittee (FAS) will present the INTOSAI Financial Audit Guidelines at the XX INCOSAI in South Africa. Representatives from SAIs around the world contributed to the development of the guidelines, which promote a common framework for SAIs and will enhance the quality of audit work internationally.



Financial audit experts working at a reference panel meeting in 2008.

The Financial Audit Guidelines consist of 40 International Standards of Supreme Audit Institutions (ISSAI), which cover relevant areas or processes included in financial audits and describe how best to apply International Standards of Auditing (ISA) in the public sector environment. The first four ISSAIs are the following:

- ISSAI 1000 – *Implementation Guidelines on Financial Audit—Introduction*
- ISSAI 1001 – *Bridge between INTOSAI Auditing Standards and ISAs*
- ISSAI 1002 – *General Considerations When Applying ISAs in the Public Sector*
- ISSAI 1003 – *Glossary to Financial Audit Guidelines*

These introductory ISSAIs will be followed by 36 ISSAIs that consist of a practice note developed by FAS and a corresponding ISA. Each ISSAI will be numbered according to a framework developed by the INTOSAI Professional Standards Committee, and the ISSAI numbers will correspond with the numbering of the ISAs. Since many SAIs have mandatory tasks that go beyond auditing financial statements for regularity and internal controls, SAIs may also need to apply the Compliance Audit Guidelines,

editor's note

INTOSAI's Financial Audit Guidelines are about to become a reality. This set of internationally developed, comprehensive guidelines will soon be available for public sector auditors around the world to use as a reliable tool when carrying out their daily tasks.

which are being developed by the Compliance Audit Guidelines Subcommittee. Those guidelines are to be approved by the INCOSAI at the same time as the Financial Audit Guidelines.

The guidelines and practice notes will be available in Arabic, English, French, German, and Spanish for delegates to use in their respective SAIs. The guidelines will be easy to use and accessible for all.

International Involvement in the Work of the FAS

Since the project began, FAS' work has been chaired and administered by the Swedish National Audit Office (SNAO) and has involved many financial audit experts appointed by almost 100 SAIs. The FAS secretariat comprises seven staff members from the SNAO, who have contributed on a full - or part-time basis to make the project evolve into its present form.



The FAS chair and members of the FAS secretariat at a meeting in London in 2008.

To reach the goal of having a comprehensive set of guidelines acceptable to SAIs around the world, many of the appointed experts have become involved in different FAS or International Auditing and Assurance Standards Board (IAASB) subgroups or task forces and have worked in a collaborative manner to share their experiences. The challenge of keeping to the main goal has been manageable because the contributing SAIs have consistently demonstrated flexibility and a willingness to add value. In addition, the significant responsibilities that dedicated members of the subcommittee

have taken on have been another crucial factor in producing the high quality of the FAS work. FAS members are from Cameroon, Canada, the European Court of Auditors, Mexico, Namibia, Norway, South Africa, South Korea, Sweden, the United States, and the United Kingdom. In addition, an IAASB technical staff member attends FAS meetings as an observer.

Why Use the Financial Audit Guidelines?

The Financial Audit Guidelines make the ISAs applicable to the public sector by developing relevant guidance and thoroughly analyzing ISA requirements. The guidelines can also be used as authoritative reference standards in applying fundamental INTOSAI principles. Individual SAIs can use them as a basis for developing financial audit manuals.

The main goal is to apply the Financial Audit Guidelines as the authoritative reference standards for audit work. FAS strongly encourages all SAIs to apply the ISSAIs, including the ISAs and the guidance contained in the practice notes.

The Financial Audit Guidelines enhance confidence in and the credibility of our financial audit work. The ISAs have been recognized globally as the standards for financial audits. In some private sector environments, laws will require the use of ISAs, which are becoming more accepted internationally. By applying the ISAs together with the practice note, public sector auditors around the world will have the same professional standards, which will not only add to their credibility and professionalism, but also provide a basis for cooperation among SAIs and auditors in different environments.

How to Implement the Guidelines

As with all INTOSAI standards and guidelines, the Financial Audit Guidelines are not mandatory for members of INTOSAI. However, the advantages of adopting them are obvious. Sharing the same standards and guidelines will make it possible to have regional education or training activities together with other SAIs. It will be easier to share experiences between SAIs, and there will be greater understanding on the part of all concerned.

FAS recognizes that implementing the Financial Audit Guidelines is an enormous and challenging task, which should not be taken lightly. To assist in the proper application of the guidelines, a significant amount of education and training will be required and internal manuals will need to be developed. In some SAI environments, introducing this comprehensive set of standards could influence the entire way that financial audits are conducted; in others, fewer adjustments in the audit process will be needed. However, each SAI may need to analyze the need for implementation activities based on its environment and existing practices.

FAS responsibilities will not include implementation initiatives; however, after 2010, the FAS will provide introduction and training materials to support implementation.

Credibility

The high quality guidance in the Financial Audit Guidelines will be relevant and useful to the majority of SAIs. Representatives of all geographical regions have given input to the development of the practice notes, and the geographical diversity in the comments on our work has been important in gaining the necessary credibility for the final product. Furthermore, using globally accepted standards will enhance confidence in and credibility of our work as auditors. Having a common framework will help ensure professionalism and make it easier to live up to the expectations of different governments and societies around the world.

For additional information, please contact the FAS Secretariat:

E-mail: projectsecretariat@riksrevisionen.se

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Case Study: Societal Perceptions of the Superior Audit Office of Mexico

by Arturo González de Aragón, Auditor General of Mexico.

One of the technical themes to be discussed at the XX INTOSAI Congress to be held in South Africa in 2010 will be the value and benefit of supreme audit institutions (SAI). The public's perceptions of the work we carry out and its impact on public administration are an important aspect of this discussion.

SAI auditing involves, above all, a commitment to society to oversee the use of public assets and to foster responsible and service-oriented conduct by government officials. It also involves being an effective instrument to reduce waste, improve the quality of public service, and attain the goals of public programs in accordance with the criteria of efficiency, effectiveness, and economy. In view of this commitment, SAIs would do well to ask how much society really knows about their role and performance.

The citizens of any society have a right to know the final destination of public resources collected from taxes, as well as the way programs and public policies use these resources to improve the collective quality of life. A strong culture of transparency and accountability within countries is the foundation for modern, democratic, and honest governments that are truly committed to society. If governmental performance and its outcomes are openly reviewed, public debate can become less subjective and can be based on relevant national issues.

The Mexican Experience

In 2000, Mexico passed a constitutional amendment designed to create a new and independent SAI with technical and managerial autonomy. This legislation resulted in the establishment of the Superior Audit Office of Mexico (SAO), whose goal is to ensure a professional auditing practice that substantially improved upon the performance of its predecessor, the Contaduría Mayor de Hacienda. Consequently, there was an important incentive to determine whether this new SAI was meeting the expectations of the citizenry.

In recent years, the SAO learned of several studies regarding its performance that different civil organizations or prominent public university investigators had carried out. Even though the results of those studies were positive, the SAO decided, at the end of 2007, to carry out its own research to better understand the citizenry's perceptions of its activities. The SAO carried out this research with the support of the National Autonomous University of Mexico, the country's main research center.

Results of the Survey

The survey asked respondents their views on the SAO's duties, credibility, trustworthiness, progress in the fight against corruption, and other related elements. The results showed that while a significant percentage of the full population is not fully

familiar with the SAO's tasks and responsibilities, those that do understand them have a positive opinion: more than 75 percent approved of the results of the SAO's work and its performance in carrying out its auditing duties.

About 77 percent of the population believes it is important for public institutions to be held accountable and act with transparency and agrees that the SAO's research outcomes should be more widely disseminated.

Many sectors of the population are interested in cases of governmental corruption. Of the general population, about 76 percent are interested in the cases of irregularities identified by the SAO. For this reason, although the SAO's tasks are very technical and only a qualified minority fully understands them, the SAO believes it must make an effort to offer all citizens simple, clear, and concise information.

The survey results revealed some interesting findings related to specialized sectors of the population (for example, members of the Congress, audited entities, state audit institutions, and the media).

Of these specialized sectors, 83 percent consider transparency and accountability very important issues; only 17 percent think these are somewhat or not important issues. The SAO's independence of entities it audits is also important. The survey results show that the majority deem external control the most reliable approach to promoting transparency in the use of public resources. There are doubts concerning the autonomy of internal control bodies, even though their responsibilities are highly valued as a complement to the activities of external control bodies.

Regarding the quality of the audits, 67 percent believe that the SAO's work is performed with technical rigor. The SAO has intensified its quality control measures by certifying its processes under the ISO 9001-2000 International Standard in the light of international best practices.

An adequate supreme auditing practice benefits not only society but also the audited entities themselves. Between 67 and 70 percent—including the audited entities—believe that the SAO's findings and recommendations have helped to improve administrative processes.

Important results flow from a process to (1) follow up on the recommendations the SAO issues as a result of its audits and (2) assess compliance with commitments stemming from administrative improvements, process reengineering, simplification, and corrective actions. The audit's main goal should be quality improvement through corrective and preventive measures, not just the imposition of sanctions.

Collaboration in the fight against corruption is a key component of supreme auditing. A significant majority (75 percent) believe that the SAO as an institution is achieving this objective.

As a result of its auditing tasks, the SAO has identified 13 broad opacity and risk areas in public administration where government actions can be improved. This proactive attitude has fostered important law, public policy, and administrative process amendments, thereby correcting irregularities that represent a high cost to society.

The perception of the SAO's neutrality should also be pointed out: 74 percent consider its performance as independent from the government, 72 percent as impartial, and 67 percent as autonomous.

The survey shows that almost 7 years after the SAO was established, 75 percent of the surveyed sample believe that its work has a reasonable degree of credibility. This is primarily the result of important constitutional and legal amendments that have allowed the SAO to conduct more effective work than its predecessor.

Regarding the SAO's technical staff, 83 percent believe that it possesses the expertise necessary to conduct auditing tasks, while the 73 percent believe that its personnel strictly comply with all due regulations when carrying out their tasks.

In 2008, the SAO was subject to an international peer review of its performance auditing practices, with the participation of the SAIs of the United States of America, the United Kingdom, Canada, and Puerto Rico. The final outcome was largely favorable, as the review found that the SAO complies with INTOSAI standards.

An SAI must complement its technical practices with a professional and responsible attitude and ethical values, which it fosters in working with its collaborators. In this regard, we were pleased to learn that the majority consider that the SAO performs its work with objectivity (74 percent) and integrity (79 percent) and that its performance is efficient (68 percent).

Conclusions

The survey showed that society places a high value on transparency and accountability and that these values are regarded as indispensable conditions for fully exercising society's right to oversee the honest and efficient use of public assets.

The research also concluded that the Superior Audit Office of Mexico has positioned itself as a trustworthy institution that ensures the rights of society and acts with objectivity, efficiency, integrity, and independence.

We believe that INTOSAI's membership can benefit from our experience and conduct related surveys to objectively assess the ways in which their own societies perceive their SAIs' performance and their impact on improving the services rendered by public entities.

During the XX INTOSAI Congress, we will have the opportunity to further discuss these issues, which undoubtedly are of significant interest to our fellow SAIs. In this way, we will once again make INTOSAI's motto a reality: "Mutual Experience Benefits All."

For additional information, please contact the SAO at agonzaleza@asf.gob.mx.

A graphic featuring a spotlight on the left casting a beam of light onto the title. The title is set against a background of a stylized globe. The text "Spotlight on" is in a cursive font, and "THE STRATEGIC PLAN" is in a bold, serif font.

Spotlight on THE STRATEGIC PLAN

by Kirsten Astrup, INTOSAI Director of Strategic Planning

In the last issue of the *Journal*, I promised that I would write about INTOSAI's progress in developing its strategic plan for 2011–2016 in this issue. Preparations for the new strategic plan began at the XIX INCOSAI in Mexico City in November 2007, and the plan is to be ready for translation and printing in the summer of 2010 so that we can present it at the XX INCOSAI in South Africa in November 2010. We are now half way through this period and, therefore, it is appropriate to look at our achievements to date and the outlook for the coming months.

In the July 2008 issue of the *Journal*, I tried to explain why we need a strategic plan using the image of SAIs as mountain climbers. Every SAI wants to reach the top of the mountain, but we have different paths to climb—some have to face steep rocks or waterfalls and others have to fight a snowstorm. The plan helps us think ahead, find solutions through mutual efforts, and go forward together in a synchronized manner.

The strategic plan itself can be compared to a pyramid. Many of us who participated in the XIX INCOSAI visited the ancient city of Teotihuacán, “The City of the Gods,” the largest and most important pre-Aztec city of central Mexico, about 50 km northeast of modern Mexico City. Settled by 400 B.C., the city had a population of about 200,000 in its prime, making it one of the largest cities in the world at the time. It was the region's major economic and religious center. It had some 2,000 single-story apartment compounds as well as great plazas, temples, a river channeled into a canal, and palaces of nobles and priests.



Kirsten Astrup

The biggest building there is the Pyramid of the Sun. One of the largest structures of its type in the Western Hemisphere, it rises 66 meters above ground level and measures approximately 220 by 230 meters at its base. About 765,000 cubic meters of material were used to build the pyramid. It is amazing how this structure, and of course the pyramids in Egypt, could have been built without the help of the machines and technology we have today.



The Pyramid of the Sun in Teotihuacán

I would like to compare the structure of the Pyramid of the Sun to the structure of our strategic plan. The pyramid has four sides, each of which is equally important. If any one of the sides had been missing, the pyramid could not have been built. Similarly, our current strategic plan is based on four equally important strategic goals, which support each other in the same way as the four sides of the pyramid:

- *Goal 1: Accountability and Professional Standards*
- *Goal 2: Institutional Capacity Building*
- *Goal 3: Knowledge Sharing and Knowledge Services*
- *Goal 4: Model International Organization*

In our plan, the building blocks are the dedicated work of our committees, working groups, task forces, and individual SAIs, resulting in layers of results, better qualified auditors, improved working methods, benchmarks, and standards. Each of the four strategic goals is needed and complements the other goals:

- we have to increase our accountability and conduct our work in accordance with the highest professional standards;
- in order to do so, we need to build the capacity within our organizations;

- and we have to work together and share knowledge so SAIs are not reinventing the wheel; and, lastly,
- we must aim high together, building a model international organization that others respect and look upon as a role model.

But let's go back to our progress on the new plan and look at some milestones. At its March 2008 meeting in Washington, the Finance and Administration Committee laid down our approach to updating the plan:

- The activities and programs supporting each of the four goals would likely change, but mission, vision, and goals would remain the same.
- The chairs of the four goals were given the responsibility to lead the initial work under their respective goals.

To assist the chairs in their work on the new strategic plan and to ensure that the updates were harmonized, letters were sent to the goal chairs to initiate the work and lay out a common approach when gathering information for the update.

During the summer of 2008, the goal chairs worked on their proposed strategies in a thorough and professional way, asking for input from subcommittees, working groups, and task forces and consulting steering committee members, among others. The introduction to the plan and the existing strategies and programs sections were updated, taking into account what had been implemented under the current plan and the expected outcomes by INCOSAI 2010.

A first draft was presented to the established Task Force on the Update of the Strategic Plan, which is chaired by the SAI of the United States, at a meeting in London in October 2008. Based on discussions with the task force at that time, the draft plan was divided into two documents.

The first document is called *Report on Strategic Plan 2005-2010: Platform to build the next strategic plan on*. This document describes the results and achievements from implementing the first strategic plan and presents the INTOSAI organizational structure. By giving an overview of the results for each goal at the end of the plan period, the report provides an information basis or platform for the second strategic plan, which will be adopted by the XX INCOSAI in South Africa in 2010. It presents the existing strategies, programs, and organizational structure for each goal, describing the progress that has been made and the anticipated situation when the new plan is launched.

The second document, *Strategic Plan 2011-2016*, focuses on the future without giving any historical information. Its structure is the same as that of the current plan. INTOSAI's mission, vision and goals remain the fundamentals that the plan is based upon. This document presents the proposed strategies for the next strategic plan period as drafted by the goal chairs.

During the Governing Board meeting in November 2008, no major changes were proposed to the draft. But as the plan is updated, it will need to reflect the concepts

and issues contained in the donor funding program of the Global Partnership for Supporting the SAI Community. I hope that these updates can be incorporated before the next Governing Board meeting in November 2009.

The two draft documents mentioned above will soon be presented to you for your consideration and feedback. I look forward to receiving your responses.

In the July issue of the *Journal*, I will write about the importance of knowledge sharing, as I have just returned from the first meeting of the Knowledge Sharing Steering Committee in India.

Please feel free to contact me at astrup@rechnungshof.gv.at if you have any comments or would like to give feedback on issues related to the implementation of INTOSAI's strategic plan.

INSIDE 20th United Nations/INTOSAI Symposium Held in **INTOSAI** Vienna

In cooperation with the United Nations (UN), the INTOSAI General Secretariat organized the 20th UN/INTOSAI Symposium in Vienna, Austria, February 11-13, 2009. The topic was “INTOSAI—Active partner in the international anti-corruption network; Ensuring transparency to promote social security and poverty reduction.”

This was the most successful UN/INTOSAI Symposium in the more than 40 years’ history of these events. More than 170 participants represented 68 different SAIs (including 40 heads of SAIs) and high-ranking representatives from eight different international organizations and institutions: the Institute of Internal Auditors (IIA), Interpol, German Technical Cooperation (GTZ), the Organisation for Economic Co-operation and Development (OECD), the European Anti-Fraud Office (OLAF), the UN Office on Drugs and Crime, the UN Department of Economic and Social Affairs, and the World Bank.



Participants in the 20th UN/INTOSAI Symposium in Vienna in February 2009.

The participants and speakers stressed the importance of independence, adequate training, and public reporting by SAIs. They agreed that because SAIs oversee all government operations, they are uniquely positioned to fight corruption. They stated that INTOSAI considers its main task to be increasing transparency, promoting good governance, guaranteeing accountability, fighting corruption, and strengthening public confidence in government institutions and their work. They also noted that INTOSAI

must lead by example in the fight against corruption and that the organization has fulfilled its responsibility to ensure transparency and prevention through a host of activities and measures.

Recommendations

The symposium adopted recommendations by an overwhelming majority. (See <http://www.intosai.org/blueline/upload/sympconcl1602e.pdf> for the complete text of the conclusions and recommendations.)

Participants agreed on the need to promote integrity by building a culture that rejects corruption and ensures responsible governance. They also underscored the need to maintain and enhance accountability and transparency and to deter fraud and corruption.

Participants recommended that the required legal bases (anti-corruption laws, including codes of conduct and codes of ethics) be created and strengthened to adequately address corruption, fraud, and mismanagement in the public and private sectors. Participants also recommended that close international cooperation be fostered to optimize the exchange of information and know-how and to increase needed training activities.

In addition, the participants advocated the need for SAIs and INTOSAI to collaborate closely with international organizations (for example, the UN organizations, the World Bank, the OECD, Interpol, the IIA, OLAF, and civil society) in anticorruption networks.

The INTOSAI Working Group on the Fight against International Money Laundering and Corruption strongly proposed the following:

- strengthening cooperation between INTOSAI and SAIs to (1) prevent and detect corruption and money laundering and (2) facilitate the exchange of information as well as the development of typologies and guidelines used by SAIs;
- strengthening cooperation between INTOSAI and international organizations involved in fighting corruption;
- identifying national rules, measures, policies, and programs for SAIs to detect and prevent corruption; and
- identifying relevant anti-money-laundering and corruption training programs and cooperating with IDI when specialist training is needed.

The symposium unanimously agreed that INTOSAI should draft standards and best practice notes for SAIs to fight corruption, fraud, and mismanagement and to foster the appropriate communication of such standards and notes by involving the INTOSAI Development Initiative and other stakeholders.

The participants also stated that the INTOSAI strategic plan for 2011–2016 should pay attention to the fight against corruption and mismanagement.

The participants stressed the importance of ensuring an appropriate constitutional framework in line with the Lima and Mexico declarations. This framework should provide for a comprehensive audit mandate, with unlimited access to information, and allow for the open publication of SAI reports. Furthermore, it should support institutional capacity building and staffing required for SAIs' organizational and financial independence. These are considered prerequisites for enhancing the credibility of SAIs in the fight against corruption, fraud, and mismanagement. In this regard, it would be helpful to work out guidance for implementing the Lima and Mexico declarations and to emphasize the importance of appropriate training and peer reviews.

The 13 recommendations of the symposium culminated in the conviction that the Lima and Mexico declarations should be integrated in the body of law governing the international community of nations through a pertinent UN resolution, as these texts protect the independence of SAIs, which is required for effective government audit.

Conclusions

The 20th UN/INTOSAI Symposium demonstrated in a convincing manner that INTOSAI is an active partner in tackling the risks posed by corruption, fraud, and mismanagement. Much has been achieved and those areas where work is in progress, as well as those in need of more fundamental assistance, have been identified.

INTOSAI is unique in its global reach, and its members have experience in every type of operational government system. SAI staff often see examples of corruption in their day-to-day work and report these findings to judicial authorities without fear or bias.

With the right support and investment, there is always more that can be done to prevent corruption and fraud; the conclusions and recommendations of the 20th UN/INTOSAI Symposium rightly draw attention to these areas. Nevertheless, the results of the symposium discussions clearly demonstrate that although there are many areas for further work, INTOSAI and its members are active and effective partners in the fight against corruption, fraud, and mismanagement.

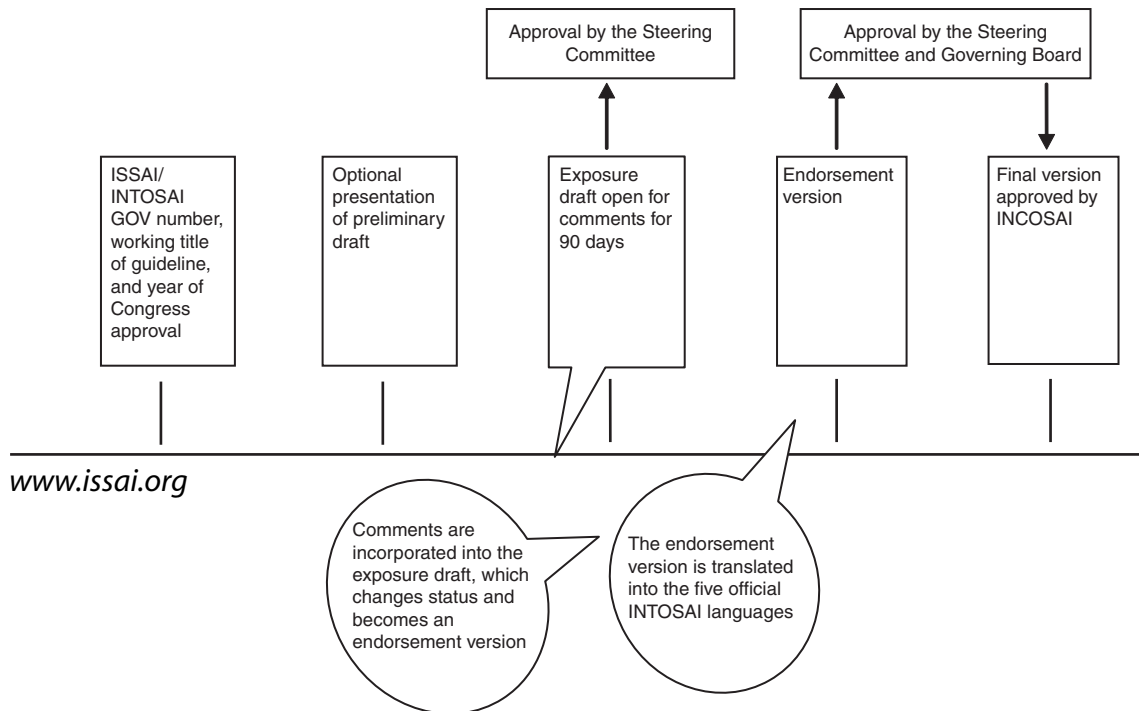
For further information, contact the INTOSAI General Secretariat:

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Web site: www.intosai.org

New Publication Process for ISSAIs Approved

At the October 2008 Professional Standards Committee (PSC) steering committee meeting in Beijing, China, the delegates adopted a new publication process for International Standards of Supreme Audit Institutions (ISSAI) and INTOSAI Guidance for Good Governance (INTOSAI GOV). The new process does not differ significantly from the previous procedure and can best be illustrated in figure 1.

Figure 1: Publication Process for ISSAIs

The most significant new features are the following:

- Exposure drafts now require the approval of only the PSC steering committee.
- The point of access for exposure drafts is now www.issai.org, but comments should be forwarded directly to the subcommittee or project responsible for elaborating the guidance.
- Subcommittees and projects are required to forward to the PSC Secretariat an overview of comments received on an exposure draft for display on www.issai.org.

E-mail Update Service

Immediately before the steering committee meeting, the PSC Secretariat launched an e-mail update service on www.issai.org. This free service is offered to all those interested in public sector auditing and is particularly relevant to those who want to be notified immediately when new exposure drafts of ISSAIs and INTOSAI GOVs are posted on the Web site and are open for professional comments. At present, 14 exposure drafts are open for comment on the ISSAI Web site. These drafts deal with transparency and accountability, compliance audit guidelines, and financial audit guidelines.

For additional information see www.issai.org.

Knowledge Sharing Steering Committee Holds Initial Meeting in New Delhi

The first meeting of the Knowledge Sharing Steering Committee was held March 5 and 6, 2009, in New Delhi. The primary purpose of the meeting was to inaugurate the committee and approve its draft terms of reference. The steering committee was established to implement the decision at the XIX INCOSAI to create a knowledge sharing and knowledge services committee so that the functioning of goal 3 would be consistent with the other goals in the strategic plan.

Representatives of 10 of the goal 3 working groups and task forces attended the meeting, along with liaisons from goals 1 and 2; the INTOSAI Director of Strategic Planning; and representatives of the INTOSAI General Secretariat, the INTOSAI Development Initiative (IDI), and this *Journal*. During the meeting, members of the committees, working groups, and task forces and other participants presented reports on progress achieved to date and plans for the future.

Vinod Rai, Comptroller and Auditor General of India and chairman of the steering committee, welcomed the delegates at a reception held at the Taj Mahal Hotel the evening before the official meeting began and on the first day of the meeting, which was held at the offices of the Comptroller and Auditor General of India.

Alexander Semikolennykh, the goal 3 liaison from the Russian Federation Chamber of Accounts, indicated his SAI's support for the draft terms of reference and agreed that the terms conformed to the strategic plan for 2005–2010 and the responsibilities INTOSAI recommends for the goal liaison. He further stated that the Chamber looks forward to working closely with the committee chair and facilitating interaction with all SAIs to achieve the strategic objectives of goal 3.

In remarks on behalf of INTOSAI General Secretary Josef Moser, Gertrude Schlicker stressed the importance of knowledge sharing, which is directly linked to INTOSAI's motto, "Mutual Experience Benefits All." She affirmed that knowledge sharing can, therefore, be considered one of the main pillars of INTOSAI.

Kirsten Astrup, INTOSAI Director of Strategic Planning, reported on the development of the INTOSAI strategic plan, emphasizing adherence to the principles of consultation and consensus in its development. The goal structure of the 2011–2016 strategic plan remains unchanged from the previous plan, but changes are being made to activities and plans as INTOSAI makes progress towards its goals.

IDI's presentation was made by Magnus Borge, Director General, and Elizabeth Wallman, Project Manager. They highlighted the concept of knowledge management and IDI's establishment of a knowledge management team in 2008. The team's work led them to an awareness of the four components of knowledge management—creating, capturing, applying, and sharing knowledge. They emphasized that all the elements are necessary to enhance SAI performance.

Muriel Forster, the new *Journal* editor, reported that the *Journal* will be seeking input from committee members and the INTOSAI membership on ways to keep the *Journal* useful and vital and will also be focusing on enhancing its Web site (www.intosaijournal.org).

Reports from Goal 3 Task Forces and Working Groups

Representatives of 10 of the goal 3 task forces and working groups reported on their goals and activities.

■ *Communications Strategy Task Force (Austria)*

To improve communications inside and outside of INTOSAI, the task force is developing its draft communication framework, its Web site-linked template for INTOSAI product executive summaries, and its support for the 2009 INTOSAI theme—*independence*.

■ *Working Group on Accountability for and Audit of Disaster-related Aid (European Court of Audit)*

The working group's goal is to develop guidance and good practices and promote a standard information structure to improve the efficiency and effectiveness of assistance provided in disasters. Using its experience from the INTOSAI tsunami task force, the working group is approaching international standard-setting bodies and will report to the XX INCOSAI with proposed guidance to be adopted. The working group's Web site is <http://www.intosai-tsunami.org>.

■ *Working Group on Environmental Auditing (Estonia)*

The working group's central theme is climate change and its goals are to provide more guidance materials, facilitate joint and concurrent audits, enhance information dissemination, and increase cooperation with international organizations. Currently, the group's activities include developing audit guidance materials, a coordinated climate change audit with multiple SAIs, a biodiversity training course, and a Web page. The working group's Web site is <http://www.environmental-auditing.org>.

■ *Program Evaluation (France)*

This working group has focused on the definition and methodology of evaluation and promoted good practices and implementation. Its report addressing the challenges, definition, planning issues, and conduct of program evaluations is being translated into INTOSAI's official languages and should be submitted at the XX INCOSAI.

■ *Information Technology (India)*

The working group's goal is to support SAIs in developing their knowledge and skills in the use and audit of information technology (IT). Its ongoing projects include developing IT governance reference materials, an IT database on e-governance, guidance for audit systems development, strategies to address risk for e-governance projects, IT tools for electronic workpapers, and measures to counter fraud in the IT environment. The working group's Web site is www.intosaiitaudit.org.

■ *Public Debt (Mexico)*

The goal of this working group is to publish guidelines and other informative materials for SAIs to use to encourage proper reporting and sound public debt management. The working group is reviewing members' analyses and feedback to enhance its strategic plan based on recommendations from the XIX INCOSAI, developing a database of experts on public debt auditing to assist IDI in its capacity-building activities, and working with IDI and the United Nations Conference on Trade and Development to implement a transregional capacity-building program to audit public debt management. The working group's Web site is www.intosai@d.org.mx.

■ *Key National Indicators (Russian Federation)*

The goal of this working group is to support (1) SAIs in their efforts to assess the efficiency and effectiveness of government activities based on key national indicators and (2) INTOSAI in promoting the development and use of key national and supranational indicators. The working group signed a memorandum of understanding with the Organisation for Economic Co-operation and Development (OECD) focusing on developing cooperation and conducting training on OECD's global project to measure the progress of societies. Future projects include devising a logic model for designing and implementing national strategies, creating communication networks for evaluating social and economic development, and providing training on implementing key national indicators. The working group's Web site is <http://intosai4kni.org>.

■ *Value and Benefits of SAIs (South Africa)*

The scope of the working group is threefold and focuses on:

- examining independence, transparency, quality assurance, and relevance in the performance of SAI activities,
- examining the impact of auditing, and
- developing appropriate measurement indicators and tools.

This working group and others face a major challenge in contacting SAIs when the contact details on SAI Web sites are not current. The working group's first meeting was held March 9-11, 2009, in Sun City, South Africa, and it expects to finalize its work before the XX INCOSAI, where the value and benefits of SAIs is a congress theme.

■ *Privatization, Economic Regulation and Public-Private Partnerships (United Kingdom)*

The goals of the working group are to identify and examine problems facing SAIs in the audit of privatization, exchange information on SAI experiences in this area, and facilitate dissemination of information to INTOSAI members. The group has produced multiple sets of guidelines, technical cases, and a guide to and dictionary of privatization terms, among other products. The United Kingdom has held the secretariat for the working group since 1993 and has requested that another member take over this responsibility; however, no SAI has indicated a willingness to do so to date. The 15th meeting of the working group was held in Moscow March 17-18, 2009. The working group's Web site is <http://www.nao.org.uk/nao/intosai/wgap/home.htm>

For the meeting's closing presentation, the SAI of Denmark briefed the committee on the INTOSAI framework of International Standards of SAI (ISSAI) and INTOSAI Guidance on Good Governance (INTOSAI GOV). The ISSAI framework merges all existing and new INTOSAI standards and guidelines; it currently includes about 80 official standards and guidelines developed by working groups under goals 1 and 3. The briefing explained the process for publishing ISSAIs and INTOSAI GOVs, from the original draft prepared by an SAI to the official INTOSAI document. The Web site (www.issai.org) provides guidance and documents and includes a service whereby subscribers can sign up to receive e-mail updates on selected issues.

With the conclusion of the working group's presentations, the committee membership reviewed and agreed to the steering committee's draft terms of reference. According to the terms, the chair agreed to coordinate working group activities, consult with the membership, ensure that committee activities are consistent with the strategic plan, develop a knowledge sharing committee work plan and Web site, and report annually to the INTOSAI Governing Board.

With all business concluded, Mr. Rai closed the conference. The SAI of India will incorporate the comments on the terms of reference and will circulate the proceedings to the committee membership. Mr. Rai added that the committee will facilitate and promote its work through Web sites and will align its work plan with the timing of the XX INCOSAI. He also pledged to maintain regular consultation with the committee's membership until the next committee meeting in 2010.

For additional information contact Sudha Krishnan, Office of the Comptroller & Auditor General of India, at krishnanS@cag.gov.in.

Working Group on Environmental Auditing Meeting Held in Qatar

In January 2009, the INTOSAI Working Group on Environmental Auditing (WGEA) held its 12th meeting in Doha, Qatar. This was the largest INTOSAI working group meeting held to date, with 192 representatives from 66 countries attending, including 20 heads of SAIs.

The main topics addressed at the meeting included auditing environmental agreements and conventions and the management of natural resources, climate change, emerging topics, and lessons learned on environmental auditing. There were interactive parallel sessions on projects related to climate change, sustainable energy, fisheries, forestry, and minerals and mining. There was also a tutorial on waste management. The Chair of the WGEA would like to thank the SAIs of Norway, the Czech Republic, South Africa, Indonesia, Tanzania, and Canada for successfully leading the sessions. The feedback questionnaire showed that these interactive sessions were much appreciated and provided one of the main learning components of the meeting.



Participants in the 12th meeting of the INTOSAI Working Group on Environmental Auditing in Qatar.

In recent years, working group members have devoted a lot of attention to reducing our own footprints on the environment and making SAIs “greener” and environmentally friendly. During this meeting, the National Audit Office of the United Kingdom led a panel discussion on sustainability in a modern audit office. The session focused on four key questions:

- What sustainability topics can we audit?
- How should we audit government operational impacts?
- What good sustainability practices have we identified that we should adopt ourselves?
- What are the benefits or risks from external reporting of SAIs’ operational impact on the environment?

The heads of the Brazilian and Indonesian SAIs and representatives from the SAIs of China and the United States provided valuable information on their experiences. This led to active discussions among the assembly members.

Experts from international organisations gave keynote addresses sharing their experiences. These experts were Stephen Lintner from the World Bank, Martin Parry from the Intergovernmental Panel on Climate Change, Arnold Kreilhuber from the United Nations Environment Programme (UNEP), Kalev Sepp from the International Union for Conservation of Nature, and Marwan Hamada from the Ministry of Environment of Qatar.

During the meeting, 17 SAIs made presentations sharing their knowledge and work with participants, and 7 additional SAIs contributed reports on important environmental auditing work to the meeting compendium. This knowledge sharing is the most important factor in making the working group meetings a success. In addition, 10 countries presented relevant issues audited in their country through a poster display organized during the meeting. Before the main working group meeting, 69 participants from 37 countries attended the first training course on biodiversity. The WGEA Secretariat's desire is that SAIs in every INTOSAI region take responsibility for sharing knowledge on how to audit biodiversity issues with other SAIs and that more audits will be conducted on these topics in the coming years.

The organizers wish to thank all the delegates for their active participation and valuable input. Special thanks go to Salah Ghanim Al-Ali and his staff at the State Audit Bureau of Qatar for their excellent organization and warm hospitality as hosts of the meeting.

All the meeting materials and other relevant information on environmental auditing can be found on the WGEA's website: www.environmental-auditing.org.

The next WGEA meeting is to be held in June 2010 in China. Everyone is invited to participate!

For additional information, contact the WGEA Secretariat in the National Audit Office of Estonia:

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IDI UPDATE



IDI Update keeps you informed of developments in the work and programs of the INTOSAI Development Initiative. To find out more about IDI and to keep up to date between editions of the *Journal*, look at the IDI website: www.idi.no.

IDI-AFROSAI F/CREFIAF Train the Trainer Program

IDI and AFROSAI-F/CREFIAF (the regional organization for French-speaking Africa) are delivering another train the trainer program, which will give the region a new group of IDI-certified training specialists. A 7-week Course Design and Instructional Techniques Workshop took place in Tunisia in February and March 2009. The workshop included a module on capacity building that will enable the participants to introduce and facilitate capacity-building initiatives in their SAIs. As part of this workshop, the participants designed a course on audit methodology. This course is to be used in 2010 and 2011 to train a large number of auditors from the regional SAIs.

IDI/ASOSAI Blended Train the Trainer Program

IDI and ASOSAI are running a blended learning program to train a new group of IDI certified training specialists in the region. In March 2009, the program instructors held a 2-week meeting in Bhutan to plan and prepare for the remaining part of the program. After the Course Design and Development Workshop held in Vietnam in November 2008, the 37 program participants completed a 6-week practicum. During this phase, they collaborated online on the project Web site to design and develop audit courses on Developing a Strategic Plan for SAIs and Developing the Professional Capacity of SAIs. The participants will reconvene in China for the Instructional Techniques Workshop in May 2009.

IDI/OLACEFS Needs Assessment Program

IDI and OLACEFS launched a Needs Assessment Program in the region in 2008. The program is being delivered twice because of the regional SAIs' strong interest in the topic. In September 2008, teams from the first group of eight SAIs attended the Needs Assessment Workshop. After the workshop, they performed institutional needs assessments of their SAIs. In February 2009, the needs assessment teams held a 1-week review meeting in Panama so that the teams could present the results of the needs assessments conducted in their SAIs and get feedback on their reports from peers. During the meeting, participants also commented on the needs assessment tools and framework they used to assess their SAIs' needs. Another objective of this review meeting was to suggest ways to proceed and use the results of these assessments to develop SAI capacity.

The second round of the Needs Assessment Program will be launched in 2009. The instructors met in Costa Rica in March 2009 to plan and prepare for the next workshop, which will be delivered in June 2009 to needs assessment teams from nine SAIs in the region.

CAROSAI Meetings and Master Classes for Human Resource Development

Several meetings were held in CAROSAI in February 2009. The first was a 1-day meeting of the Regional Institutional Strengthening Committee, which determined

the terms of reference for four committees established to implement the CAROSAI strategic plan for 2008–2011 and to develop and adopt an operational plan for 2009. Following this, the National Audit Office of United Kingdom delivered a 2-day Master Class on Human Resource Development for SAI heads and senior management. This meeting was followed by a needs assessment focus group to consolidate and confirm the results of the needs assessment survey carried out in December 2008 and January 2009 and to discuss plans to address the needs of SAIs in the region. Finally, a day was set aside for a strategic planning meeting for the Capacity Building Program on Quality Assurance for Financial Audits. The program design for the proposed quality assurance program was also discussed with the heads of CAROSAI SAIs.

IDI and Liaison with the INTOSAI Community

IDI representatives attended and reported at the following events in recent months: meeting of the INTOSAI Working Group on Environmental Auditing (Qatar), EUROSAI Training Committee meeting (Portugal), meeting of the CAROSAI Regional Institutional Strengthening Committee (St. Lucia), inaugural meeting of the AFROSAI Capacity Building Committee (South Africa), steering committee meeting of the INTOSAI Knowledge Sharing Committee (India), meeting of Subcommittee 1 of the Capacity Building Committee (Sweden), ARABOSAI/EUROSAI Conference (France), and the meeting of the PASAI Transitional Working Group and Subregional Audit Support program (New Zealand). The IDI's annual board meeting was held in Oslo on March 18.

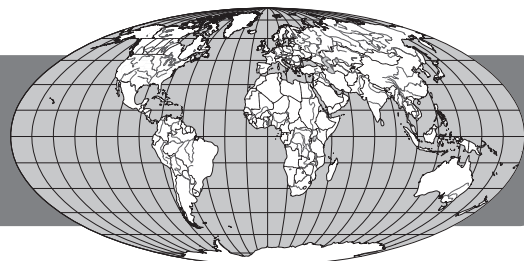
Contacting IDI

For additional information, contact IDI:

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Web site: www.idi.no

INTOSAI 2009 Events



<p>April</p> <p>19-23 18th meeting of the Working Group on IT Audit, Doha, Qatar</p> <p>21-22 Financial Audit Guidelines Subcommittee meeting, Luxembourg</p> <p>21-23 Meeting of the Working Group on Key National Indicators, Beijing, China</p> <p>28-30 3rd Performance Audit Subcommittee (PAS) Meeting, Oslo, Norway</p>	<p>May</p>	<p>June</p> <p>9-11 Meeting of the Working Group on the Value and Benefits of SAIs, South Africa</p> <p>17-19 6th Professional Standards Committee Steering Committee meeting, Brasilia, Brazil</p> <p>24-26 Meeting of the Working Group on Accountability for and Audit of Disaster-related Aid, Korea</p>
<p>July</p> <p>14-16 Meeting of the Working Group on the Fight Against International Money Laundering and Corruption, Jakarta, Indonesia</p> <p>20-24 PASAI Congress, Palau</p> <p>TBD Meeting of the Working Group on IT Audit, Doha, Qatar</p>	<p>August</p> <p>3-6 Meeting of the Working Group on Environmental Auditing Steering Committee, Bali, Indonesia</p>	<p>September</p>
<p>October</p> <p>4-10 XIX OLACEFS General Assembly, Asunción, Paraguay</p>	<p>November</p> <p>16-18 59th INTOSAI Governing Board, Cape Town, South Africa</p>	

TBD = To be determined

Editor's Note: This calendar is published in support of INTOSAI's communications strategy and as a way of helping INTOSAI members plan and coordinate schedules. Included in this regular *Journal* feature will be INTOSAI-wide events and regionwide events such as congresses, general assemblies, and board meetings. Because of limited space, the many training courses and other professional meetings offered by the regions cannot be included. For additional information, contact the Secretary General of each regional working group.

