



THE FOUNDATION INTOSAI DEVELOPMENT INITIATIVE (IDI): BOARD MEETING ON 10 MARCH 2016 –MINUTES

Case: File 013.24

VENUE: Office of the Auditor General of Norway, Oslo.

PRESENT:

The IDI Board:

Mr. Per-Kristian Foss, Auditor General of Norway, Chair of the Board

Mr. Per A. Engeseth, Director General, Office of the Auditor General of Norway, Board Member, Deputy Chair of the Board

Ms. Francine Giskes, Vice President, Netherlands Court of Audit, Board Member (Incoming Board Member)

Ms. Berit Mørk, Director General, Office of the Auditor General of Norway, Board Member

Ms. Tora Struve Jarlsby, Deputy Director General, Office of the Auditor General of Norway, Board Member

Mr. David Goldsworthy, Head of International Relations and Technical Cooperation, National Audit Office, United Kingdom (for Mr. Amyas Morse, Comptroller and Auditor General, United Kingdom)

Mr. Magnus Lindell, Deputy Auditor General, Swedish National Audit Office, (for Ms. Margareta Åberg, Auditor General, Sweden)

Ms. Rheah Kujinga, Deputy Auditor General, Office of the Auditor General of Zimbabwe (for Ms. Mildred Chiri, Auditor General, Zimbabwe)

Mr. Adriel Gionet, Director, International Relations, Office of the Auditor General of Canada (through video conference - Agenda Item 9 onwards; for Mr. Michael Ferguson, Auditor General, Canada)

Observers:

Mr. Kimi Makwetu, Auditor General of the Republic of South Africa and Chairman, INTOSAI Capacity Building Committee

Ms. Monika González-Koss, Director of Strategic Planning, INTOSAI General Secretariat (for Dr. Josef Moser, Secretary General, INTOSAI)

In Attendance:

Ms. Andrea Connell, Head of International Affairs, Netherlands Court of Audit

Mr. Jan Van Schalkwyk, Corporate Executive, Office of Auditor General, South Africa

Ms. Johanna Gårdmark, Project Director, Swedish National Audit Office and CBC Secretariat

Ms. Michelle Salvail, Principal, Office of the Auditor General of Canada (through video conference - Agenda Item 9 onwards)

Ms. Ellen Nyhus, Manager, KPMG Norway (agenda items 1-7)

Mr. Einar Gørrissen, Director General, IDI Secretariat

Ms. Archana Shirsat, Deputy Director General and Head of Capacity Development, IDI Secretariat

Ms. Yngvild Herje Arnesen, Acting Deputy Director General and Head of INTOSAI-Donor Secretariat, IDI Secretariat

Mr. Ola Hoem, Deputy Director General and Head of Administration, IDI Secretariat

Mr. Shourjo Chatterjee, Strategy & Knowledge Manager, IDI Secretariat

The discussions were taken up as per the following agenda items.

1. WELCOME, OPENING REMARKS.

The Chair opened the twentieth IDI Board Meeting and welcomed the participants. He accorded a special welcome to Ms. Francine Giskes, Vice- President of the Netherlands Court of Audit (NCA) as an incoming Board member and Ms. Rheah Kujinga, Deputy Auditor General of Zimbabwe who attended her first IDI Board meeting substituting for Ms. Mildred Chiri. He also thanked Mr. Arno Visser, President of NCA and outgoing Board member for his contribution to the IDI Board.

2. DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board members reported no potential conflicts of interest.

3. TOUR D’HORIZON

Einar Gørrissen, Director General (DG) gave the Board an overview of key events and developments affecting the IDI. He highlighted the following issues:

- a. The INTOSAI Common Forum to address standard-setting issues across the full Framework of Professional Standards has made an encouraging start. The work of the Common Forum is important in the context of the ISSAI Implementation Initiative as it is looking at ways of enhancing and professionalizing the standard setting function in INTOSAI. It is recommending a more narrow definition of auditing standards, a clear distinction between ‘Standards’ and ‘Guidance’ and proposes the introduction of educational standards. In the longer run, it also has the ambition to develop a maturity model to foster and monitor gradual implementation of the standards. While good progress has been made, he mentioned the challenges in working as per the voluntary INTOSAI service model. It is difficult to spare adequate time between meetings and progress is slowed down owing to the absence of dedicated secretarial resources in the Common Forum.
- b. In terms of the work to facilitate implementation of the ISSAIs, the DG also highlighted the efforts of the Task Team on INTOSAI Certification. The team has made good progress in developing the ‘Competency Framework’ for auditors. The ambition is to present this framework at the upcoming INTOSAI Congress (INCOSAI).
- c. Given the new and expanded portfolio of IDI programmes, the IDI entered into the Operational Plan 2016-2018 with a substantial funding gap. The IDI’s funding gap for the Operational Plan 2016-18 has been reduced, but remains significant. The short term funding gap for 2016 has been reduced from 4,7 million NOK to around 1 million NOK which is considered manageable. However, other sources of funding are being explored for 2017-2018 as well as initiatives to cut costs.

- d. The DG noted that the Programme Document for Phase 3 of the INTOSAI-Donor Cooperation has been approved. Discussions have also taken place regarding the further administration and management of SAI Performance Measurement Framework (SAI PMF) in the INTOSAI community upon its expected approval at INCOSAI. The recommendation of these deliberations is that the IDI should host a SAI PMF unit post 2016. The DG highlighted the importance of the Board discussing and agreeing on whether the IDI should continue to host the INTOSAI-Donor Secretariat and whether it would be willing to establish a SAI PMF unit.
- e. The DG also informed the Board that one SAI has questioned the IDIs current practice of having signed Statement of Commitments by participating SAIs for IDI programmes. Linked to this the IDI practice of gender requirements of female representation have also challenged. This issue has been included for discussion under 'Others' during the Board meeting. The use of statements of commitments and follow up by SAIs are crucial mechanisms for facilitating performance change in the SAIs. Mr. Makwetu enquired whether the problems with signature and follow up on the Statement of Commitments is a widespread issue. The DG clarified that even though follow up in some cases is an issue, the current reference is pertinent since the issue raised question the very concept of having programme specific Statement of Commitments as a tool for ensuring sustainability of capacity development efforts.
- f. Finally, the DG informed that all Board decisions from previous meetings have been acted upon by the secretariat except for the initiation of bilateral support for SAI, Yemen. This has been explored, but potential support has been put on hold owing to the restrictions on travel to Yemen for resource persons and travel from Yemen for beneficiaries.

DECISION:

The Board took note of the information.

4. APPOINTMENTS TO THE IDI BOARD

Based on the recommendation of the IDI Board Nomination Committee, the Board was presented with the proposal for appointment of Ms. Francine Giskes as an IDI Board member to fill the vacancy created by Mr. Arno Visser's resignation, until the remainder of the term of Mr. Visser ending 19 March 2017. The Board was also presented with the proposal for extension of the tenures of Mr. Michael Ferguson and Ms. Mildred Chiri for one year after the end of their tenures on 31 December 2015.

The IDI Chair has requested the Chair of the INTOSAI Governing Board and Secretary General of the INTOSAI to nominate two members to the IDI Board as per the scheme of reconstitution of the IDI Board. The Board requested Ms. Gonzalez-Koss for an update regarding the progress in nominating the two INTOSAI representatives to the IDI Board. She replied that the INTOSAI CBC Chair and the INTOSAI General Secretariat had been approached for taking up the nominations. While the CBC Chair has accepted the proposal, nomination of the member from the INTOSAI General Secretariat will take some more time owing to the process of appointment of the new Auditor General of Austria (and INTOSAI Secretary General) which is expected to be completed by August 2016. Thereafter, the nominations will

be referred to all INTOSAI members, a process which may take 2-3 months and will be followed up with approval at INCOSAI.

On request, The DG clarified that the nominated member need not necessarily be the head of an SAI, but that it remains important for the IDI to have a sufficient number of heads of SAIs, as well as key persons in INTOSAI as IDI Board members.

The IDI Secretariat will provide a draft shortlist of potential Board members for consideration of the Nomination Committee for the next round of appointment of new members for the Board, in line with the requirements of the revised IDI statutes.

DECISION:

The Board approved the appointment of Ms. Francine Giskes as an IDI Board member until 19 March 2017. The Board also approved the extension of the terms of Mr. Michael Ferguson and Ms. Mildred Chiri until 31 December 2016.

5. APPROVAL OF THE AGENDA

The Chair proposed the advancement of the agenda item on the use of electronic signatures on IDI Board documents from the end of the meeting to before that on approval of the IDI Board's Annual Report to agree on the modus operandi. Mr. Goldsworthy requested for an update on the IDI policy on financial reserves under 'Others'.

DECISION:

The Board approved the agenda with the proposed modifications.

6. USE OF ELECTRONIC SIGNATURES FOR APPROVAL OF BOARD DOCUMENTS

The DG discussed the issue regarding the use of electronic (scanned) signatures for approval of Board documents. Discussions on statutory requirements regarding signing have been held with the KPMG (as auditor of the IDI), the legal division of OAG Norway as well as the Norwegian Foundations Authority. From these discussions it has emerged that only the registered Board members can sign on the statutory Board documents including the Board's Annual report and Annual Financial Statements. The current practice of sending Board documents for signature of the Board members in case they do not participate in a Board meeting, carries a risk that they may be lost in transit in addition to cost and time implications. The Norwegian Foundations Authority has confirmed that they allow for electronic approval of such documents by e-mail by the Board members. These confirmation e-mails are to be archived in the organisation. Upon receiving the electronic approval, the scanned signatures of the Board members could then be inserted in the documents and sent to all stakeholders.

DECISION:

The Board approved the use of approval by e-mail and use of scanned signature for statutory documents.

7. IDI ANNUAL REPORTS 2015

A. IDI PERFORMANCE AND ACCOUNTABILITY REPORT 2015 AND APPENDIX TO THE IDI PERFORMANCE AND ACCOUNTABILITY REPORT 2015

The DG presented the IDI Performance and Accountability Report 2015. The report presents the integrated results across the IDI and is linked to the IDI Strategic Plan 2014-2018. It focusses on the results achieved by the IDI during 2015 with reference to the targets in the Operational Plan 2014-2015. An appendix detailing programme level results supports the report. He highlighted the IDI's wide outreach and sound results during 2015. He mentioned that based on the Board's recommendations, this year's report includes success stories from different SAIs. Beginning this year the number of capacity development days provided by the IDI has also been included in the report.

The Board members expressed their appreciation of IDI's performance during 2015 as well as the quality of the report. Mr. Lindell appreciated the distinction made in this year's report regarding certification of competence being different from certification of attendance. In response to his query regarding time recording for IDI activities which will make it easier to appreciate the full costs, it was clarified that time recording has been initiated on a pilot basis with the INTOSAI-Donor Secretariat. The long term implications of the IDI's bilateral support was discussed, where it was clarified that the current engagements have been limited to supporting the SAIs of Afghanistan and Somalia with conducting the iCATs, SAI PMF and leading on to the development of the Strategic Plan for SAI, Somalia. The bilateral portfolio has been limited, which is in line with the directions from the Board. In the case of Somalia, there is scope for increasing the engagement or for other development partners to step in after the needs have been mapped. With regard to the question of IDI possessing in-house competence to run the SAI Young Leaders programme, it was clarified that the IDI team at the Secretariat consisted of managers from SAIs in different regions. Besides being professional auditors, they also came from leadership positions and possessed capacity development skills. It was also explained that the IDI will follow its service delivery model that is based on partnerships, drawing on SAI resource persons and in kind contribution.

Mr. Goldsworthy recommended the use of the report as a marketing tool for the IDI's operations. Supplementary information was provided regarding the programmes on SAI Fighting Corruption and SAI Engaging with Stakeholders. Planning meetings have been held for both the programmes. SAI Fighting Corruption will be delivered at the global, regional and SAI levels. The three components include the Implementation of ISSAI 30, auditing the robustness of institutional frameworks for fighting corruption and supporting the establishment of SAI Stakeholder platform for coordinating anti-corruption efforts. Cooperation partners include the UNDP (GAIN), the INTOSAI Working Group on Fight Against Corruption and Money Laundering, INTOSAI regions amongst others. SAI engaging with stakeholders will involve developing Guidance for Stakeholder Mapping, stakeholder analysis and implementing the strategy for

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stakeholder engagement. The Effective Institutions Platform of the OECD will be a partner for this programme besides others. There has been substantial interest for both the programmes.

Mr. Makwetu commended the presentation of the monitoring of impact through the IDI results Framework. Ms. Connell discussed the issue regarding the limited resources in the IDI to support other stakeholders on the issue of electronic conference facilities. She was informed that while the IDI did not have resources to provide extensive support services for use of its electronic conferencing facilities, the IDI did have a provision for supporting INTOSAI regions in setting up their own platform. These discussions would be taken ahead with EUROSAI.

DECISION:

The Board approved the IDI Performance and Accountability Report 2015 and corresponding appendix. The report will be translated in all IDI languages and published.

B. THE IDI BOARD'S ANNUAL REPORT 2015

The IDI Boards Annual Report 2015 was considered by the Board. This report is a statutory requirement as per the reporting provisions applicable to the IDI as a Norwegian foundation. While the reporting on programme activities and outcomes is done through the Performance and Accountability Report, the Board's Annual Report contains statutory details like composition of the board, staffing, economy, gender, environmental issues etc. The DG informed that the IDI's operations during 2015 have been on track without any materially significant deviations. As discussed in the previous Board meetings, this report now includes information on the tenure of the Director General. Also in terms of the human resources, there has been a significant increase in absence due to illness in 2015 as compared to 2014. This is due to the long time illness of two staff members. Mr. Engeseth discussed the need for additional disclosure regarding the effect of air travel undertaken by the IDI on environmental pollution. Ms. Giske recommended that the IDI may explore the possibility of paying carbon tax to compensate for the air travel. In the context of the IDI's projected funding gap for the coming years, Ms. Jarlsby mentioned about the need for the Board to be informed about significant developments regarding the IDI's expenses in between the Board meetings. Ms. Nyhus from KPMG mentioned that many companies go into more detail on issues related to pollution (including air travels) in the Board's report, but providing such information is voluntary. She further confirmed that the report meets all the statutory requirements.

DECISION:

The issue of environmental pollution owing to travels will be supplemented in the context of nature of the IDI's mandate and efforts undertaken with regards to eLearning, video conference and hosting of events nearer to participants' SAIs. The possibility of payment of carbon tax will be explored. The revised report will be circulated to the Board members for electronic approval.

8. IDI FINANCIAL STATEMENTS 2015

The DG presented the IDI Financial Statements 2015 and Notes to accounts 2015. Ms. Nyhus provided assurance that all necessary controls are in place in IDI. An unqualified audit opinion will be issued.

On request from the Board, the DG reiterated that donor grants are recorded as revenue only when the money is actually used. Until then it is considered as donor liability. He highlighted the changes in the expenditure levels in respect of payroll and travel owing to the slight increase in staff and increased programme related travel. He also mentioned the reduction in the expenditure for IT services. He explained the overall regional distribution of programme expenditure as presented in Note 11.

In response to queries from Mr. Goldsworthy and Mr. Makwetu, Ms. Nyhus clarified that in Norway management letters are issued only in cases where the internal controls are not satisfactory. As this is not the case in IDI, there will be no management letter issued by the auditor. There is no system of positive confirmation in Norway, and the absence of management letter implies a positive confirmation. Mr. Goldsworthy mentioned that DFID, UK has changed its funding policy with increased overall support at the country level. Different ways through which Board members could contribute to facilitating IDI funding were discussed. This includes providing documentation on the IDI and awareness raising of the work of the IDI vis-à-vis development partners. Ms. Giskes also agreed to explore the possibility of funding from the Government of Netherlands for the IDI. Regarding the disclosure of donor funding, Mr. Makwetu mentioned that the financial statements need more details about the IDI's contracts with donors.

DECISION:

The Financial Statements were approved at the meeting. Other Board members not present in the meeting will approve the Statements electronically.

9. UPDATE ON THE IDI CORPORATE RISK REGISTER

The DG presented the updates since the last Board meeting. The only revision in scoring and risk coding is in case of Risk 4 on Sustainable Funding. The risk has been upgraded owing to the current funding gap.. The potential constraints placed on the quality of deliverables owing to the increased programme portfolio and reduced availability of resource persons have been discussed under Risk 3 which deals with the quality of deliverables. With regards to Risk 6 pertaining to Staff Safety, the draft IDI Crisis Management Plan has been developed. Suitable safety training for staff is being explored. H. With respect to Risk 7 (Staffing levels, diversity and skill sets), the rating has not been changed. However to the sharp depreciation of the Norwegian Kroner, may have implications in terms of attracting non-Norwegian applicants.

DECISION:

The Board members approved the updates.

10. IDI GOVERNANCE REVIEW

A. DRAFT IDI STATUTES AND DISCUSSION NOTE ON DRAFT IDI STATUTES

On behalf of the Task Force on Governance Review, Mr. Goldsworthy presented the draft IDI Statutes and the discussion note on the draft IDI statutes. The issue of managing the proper representation of Board members from EEA countries, gender balance and representation of members from developing countries, Norwegian members and INTOSAI representatives within the limitation of 10 members was discussed. Mr. Makwetu supported Mr. Goldsworthy's proposal of not making the 40% representation from developing countries a mandatory requirement but instead treat it as a desirable requirement. He also highlighted that the gender requirements can be ensured as part of the other mandatory requirements. Ms. Giske queried about the reason for having three members from OAG, Norway and whether it was a mandatory statutory requirement. It was clarified that it is not a statutory requirement. The number of Norwegian members is however in the new set up already being reduced from four to three (including the Chair), and it was an expectation from the Norwegian Parliament when establishing the IDI in Norway that there would be strong representation from OAG Norway on the IDI Board.

DECISION:

Point 5. of the draft IDI Statutes will be amended to reflect the intent of the Board to strive towards having four members from developing countries while meeting the other statutory requirements regarding Board composition of the Board. The statutes would be submitted to the authorities immediately after the approval by the IDI Board. It would however be clarified that the IDI is in a transition phase working towards compliance with the statutes.

B. DRAFT IDI BOARD'S RULES OF PROCEDURES INCLUDING DRAFT TERMS OF REFERENCE

Mr. Goldsworthy presented the draft rules and terms of reference. The Board discussed the document which provides the details to operationalise the IDI statutes in accordance with the Norwegian Act relating to foundations as also detail the high level procedural working of the IDI Board. The appendix encompasses the Terms of Reference (ToR) for the Nomination Committee of the IDI Board, Chair of the IDI Board, Vice-Chair of the IDI Board, individual IDI Board members and the Director General of IDI.

The document will be updated on the basis of the discussions and suggestions.

DECISION:

The following amendments will be incorporated and the draft recirculated:

- a. Point 8 to reflect that the IDI Board shall have a minimum of 1 and preferably 2 physical meetings every year. Additional meetings may be substituted by telephone or video.

- b. Point 15 to clarify the nature of observers to be invited and specifying that there shall be no permanent observers.
- c. Point 21. To incorporate all statutory documents including the Annual Financial Statements and the IDI Board's Annual Report.
- d. Point 25 to clarify that it pertains to complaints emanating from within the IDI.
- e. A separate provision explaining that even though appointed in their personal capacity, Board members appointed from the SAI community should review their continuation in the IDI Board upon the expiry of their association with INTOSAI and member Supreme Audit Institutions.

C. DISCUSSION NOTE ON INDUCTION PROGRAMME FOR NEW IDI BOARD MEMBERS

The DG presented the note and sought the Board's views regarding the purpose of the induction programme; whether the programme should be mandatory for the new Board members; the stipulated timeframes/ deadlines for the induction programme and the content of the programme. The need to develop an induction programme has been experienced in view of the IDI Governance Review recognising the absence of an induction programme for new IDI Board members as a weakness. Based on the findings of the review as also further work by the Task Force on Governance Review, the IDI Board in its meeting in March 2015 decided to implement an induction programme for its new members.

DECISION:

The members agreed with the purpose and the content including a visit to the IDI secretariat and an invitation to an IDI programme. The programme will be introduced with immediate effect and will include the explaining of roles and responsibilities of being an IDI Board member. It should not be a mandatory requirement as incoming board members may be otherwise familiar with the IDI's operations.

D. DISCUSSION NOTE ON THE IDI ADVISORY COMMITTEE

The DG presented the paper describing the purpose of the advisory body proposed to be reconstituted pursuant to the IDI Governance Review. He also discussed the link to the governance structure of the IDI; membership; location and possible title of this body. The Chair stressed that the creation of additional structures and meetings costs should be avoided. Mr. Lindell spoke about the possibility of using the CBC regional forum as an advisory mechanism since all the INTOSAI regions are represented there. He also highlighted the need for distinction between operational and strategic advice, mentioning that the meeting of the INTOSAI Policy, Finance and Administration Committee can serve as a forum for obtaining strategic advice. Ms. Jarlsby mentioned about the need to ensure appropriate information and advice

from the regions. Ms. Gonzalez Koss mentioned that a separate advisory body may not be needed as the IDI is well represented in all INTOSAI meetings including regional meetings.

DECISION:

The Board concluded that there is no need for a new and separate advisory body and that additional structures should be avoided. Discussions and inputs received by the IDI while participating in other regular forums may be summed up and presented to the IDI Board in the regular Board meetings.

The Secretariat will provide the Board with a feedback on the advice sought/received by the IDI in such forums over the previous year. This would be presented during the March meetings.

11. UPDATE ON IDI OPERATIONAL PLAN AND IDI BUDGET

The IDI Board had approved the IDI Operational Plan 2016-2018 and the IDI Budget 2016-2018 in its meeting on 3 November 2015. The budget for the respective years had a substantial funding gap and the IDI Board expressed a need to monitor the same. The DG informed the Board about the savings and carry forward from 2015 which contributes to the reduction of the funding gap for 2016. Excluding advance receipts, the net carry forward from 2015 to 2016 has been NOK 2.7 million. The current status of the funding gap for 2016-2018 was discussed. He explained that there had been one project that had been omitted in the previously approved budget for 2016 which needs to be supplemented with a project under the 3i Programme. Further, the budgeted funding for 2018 was reduced for the INTOSAI-Donor Secretariat as the contract with SECO only has a duration up to the end of 2017. He mentioned the new funding from MFA, Hungary for the SAI Fighting Corruption Programme; the possible increase in funding from the Norwegian Parliament through OAG Norway from 2017; as well as ongoing dialogue with a number of current and potential development partners. He also highlighted efforts to increase the volume of in-kind support as well as efforts to continue to cut costs across the IDI. The Secretariat will update the budget half way through 2016, and the updated budget would be circulated to the Board in June-July 2016.

DECISION:

The Board noted the information.

12. UPDATE ON THE INTOSAI-DONOR COOPERATION AND THE ROLE OF IDI AS HOST FOR SECRETARIAT

The DG informed about the Programme Document of the INTOSAI-Donor Cooperation for 2016-2018, which was approved by the INTOSAI-Donor Steering Committee in February. The Board expressed its concern at the delay in the process of approval of the document. The process of agreeing contracts with the donors providing funding to the INTOSAI-Donor Secretariat (I-DS) has now started. The Programme

Document foresees a change to the cooperation going forward, in that it wishes to limit its role in relation to SAI PMF to an advisory role after the expected approval at INCOSAI in 2016. In the previous programme period the Secretariat was spending over 50% of its time and resources on the SAI PMF. This will change with the new governance arrangements being proposed for SAI PMF. Accordingly, the budgets of the INTOSAI-Donor Secretariat for 2017-18 are lower. He recommended to the Board that the IDI should continue to host the Secretariat of the INTOSAI-Donor Cooperation for the next three years.

He also discussed the proposal regarding the administration of SAI PMF post its approval at INCOSAI 2016. As per 'Option 4' in the options paper for the SAI PMF post-2016 strategy, it is proposed that the responsibility for roll-out and support to SAI PMF assessments, including training, independent quality reviews and maintenance of the framework would be shifted from the I-DS to the IDI. The CBC will take on the role of the custodian of the SAI PMF from the INTOSAI Working Group on Value and Benefits of SAIs. His assessment was that some funding for this function may be available from regional development banks as well as bilateral donors with an interest in particular regions. Subject to the approval of the IDI Board in taking over the function, further funding would be explored. Mr. Engeseth mentioned that while it would be good for the IDI to continue hosting the I-DS, it is challenging in terms of the two different reporting lines of the Secretariat to the IDI Board and the INTOSAI-Donor Steering Committee. Members of the Board concurred that there should be a clarification of roles and responsibilities exercised by the IDI Board and IDC SC over the Secretariat. The IDI Board needs to exercise oversight.

Members also stressed that it is important to consider how the CBC will be linked to IDI as the future governance lead for SAI PMF in INTOSAI. Mr. Engeseth stressed the need for an organizational review that rationalizes the number and size of departments in the IDI.

DECISION:

The Board agreed that the IDI should continue to host the I-DS in phase 3 of the INTOSAI-Donor Cooperation (2016-2018). The Board also agreed that the IDI should take on the responsibility for the roll-out and support function for SAI PMF post-2016 following the likely endorsement of the framework at INCOSAI, as outlined in option 4 in the SAI PMF Options Paper and the 2016-2018 Program Document for the INTOSAI-Donor Cooperation. A letter should be sent from the IDI Board to the INTOSAI-Donor Steering Committee informing it of the Board's decision. The letter should also highlight that decisions on future program documents for the Cooperation should be made earlier in the project cycle, and that the Board would like to formalize the roles and responsibilities of the IDI Board and the IDSC in relation to the I-DS through an MOU or similar. The organization of the SAI PMF function within the IDI will be discussed further in the November 2016 Board meeting after the IDI Secretariat conducts an organisational review of the IDI.

13. LIABILITY INSURANCE FOR THE IDI BOARD

Ms. Jarlsby presented the proposal received for liability insurance for all the Board members.

DECISION:

The Board approved the procurement of the insurance on account of its comprehensive coverage and reasonable premium.

14. PERFORMANCE APPRAISAL OF THE IDI BOARD

The DG presented the discussion note regarding the performance appraisal of the IDI Board. The IDI Governance review had indicated that an element of evolving best practice in corporate governance is the practice of Boards to undertake their performance assessments on a regular basis. The IDI Board Task Force on Governance also supported this recommendation. Para 24 of the IDI Board-Draft Rules of Procedure also mentions about the performance appraisal of the Board. The discussion note presented the different issues relevant to the Performance Appraisal of the Board for the Board's consideration. These included the purpose, nature and frequency of the appraisal and the criteria for appraisal.

DECISION:

The Board agreed that the performance would be assessed by the Board itself during the November meeting. It may be taken up towards the end of the meeting. It will be conducted verbally and will cover the performance of the Board as a whole. The IDI management team may be a part of the discussions which may be considered for inclusion in the minutes of the Board meeting.

15. UPDATE ON THE IDI INPUT TO DEVELOPMENT OF NEW INTOSAI STRATEGIC PLAN

IDI is a member of the INTOSAI Strategic Planning Taskforce. The DG mentioned that comments have been provided by the IDI at every stage of the plan's development and the current draft takes care of the IDI's requirements reasonably well. It is more outward looking and the strategic priorities are strongly correlated to IDI's priorities. He however expressed some concern regarding the availability of resources for implementation of the plan, and the task ahead in developing a results framework.

Mr. Goldsworthy mentioned that there is need to specify responsibilities in view of the cross cutting priorities that work across the different INTOSAI goal areas. Mr. Makwetu and Mr. Engeseth also spoke about the need for specifying resources that would be necessary for implementation of the plan. Ms. Jarlsby mentioned the need to update the IDI's profile in the plan by inclusion of SAI-PMF pursuant to its approval at the Board meeting. Ms. Gonzalez Koss mentioned the importance of voluntary contributions in meeting the financial requirements of the INTOSAI Strategic Plan.

DECISION:

The Board noted the discussions.

16. IDI PREPARATIONS FOR INCOSAI 2016 AND BEYOND

The DG mentioned that the IDI is likely to facilitate one of the themes in the congress on 'SAIs leading by example' in association with AFROSAI-E Secretariat. IDI is also coordinating with the goal chairs regarding the booths that will be set up during the Congress. Mr. Goldsworthy highlighted the need for proper marketing of the booths.

DECISION:

The Board noted the discussions.

17. OTHERS

A. FINANCIAL RESERVES

Mr. Goldsworthy enquired about the IDI's policy of having financial reserves. He mentioned about the desirability of having three months of running costs as reserves. The DG informed that there is no legal requirement in Norway for maintaining reserves. Also, while efforts are being made to build up a small reserve, it is challenging as donors mostly have strict requirements on all funding being spent. Some un-earmarked money and grants received from some SAIs are however kept aside to maintain a small reserve.

DECISION:

The Board noted the discussions.

B. GENDER BALANCE REQUIREMENTS AND STATEMENT OF COMMITMENTS FOR IDI PROGRAMME PARTICIPATION

The IDI Secretariat submitted a detailed note explaining the issues raised by the head of an SAI, Saudi Arabia regarding gender requirements, detailed statement of commitments for IDI programmes and selection and nomination of participants for IDI programmes. Ms. Shirsat presented the issues raised and the current practice being followed by the IDI. The Board discussed all issues raised in the letter sent by SAI, Saudi Arabia. The Board unanimously agreed that in keeping with the IDI values, policies and requirements from key stakeholders, the current practice of gender balance requirements in IDI programmes needs to stay. The Board also agreed that in order to ensure SAI level implementation and sustainability, it is important to continue with programme specific statements of commitments for IDI programmes. The Board took note that the IDI followed standardized selection criteria, agreed with stakeholders for selection of participants. The Board also took note that selection tests were designed and developed by a team of experts from the regional and global level. The Board agreed that inviting nominations as per size of the SAI could be considered in consultation with the regions.

DECISION:

The Board agreed that a letter be sent by the Chair to SAI, Saudi Arabia, after approval by the Board, explaining actual IDI practice and conveying the IDI Board's views on matters raised in the letter.

C. DATES FOR THE NEXT IDI BOARD MEETING

The IDI Secretariat proposed that the next meeting be held in Oslo on 8 November 2016. The Board members were requested to confirm their availability to a separate e-mail to be sent in this regard.

18. CLOSING:

The Chair summarized the discussions. He closed the meeting with thanks to all the participants.

PER-KRISTIAN FOSS



PER A ENGESETH



BERIT MØRK



TORA STRUVE JARLSBY



FRANCINE GISKES



MARGARETA ÅBERG



MILDRED CHIRI



AMYAS MORSE



MICHAEL FERGUSON



EINAR GØRRISSEN
DIRECTOR GENERAL

