



INTOSAI DEVELOPMENT INITIATIVE (IDI):

BOARD MEETING MINUTES

10 November 2022

CASE: Board meetings | VENUE: Expo Mag, Rio de Janeiro, Brazil | PRESENT:

Name	Position	Board Status
Mr. Karl Eirik Schjøtt-Pedersen	Auditor General, Office of the Auditor General, Norway	Chair of the Board
Ms. Lara Taylor-Pearce	Auditor General, Audit Service Sierra Leone	Vice-Chair of the Board
Ms. Åse-Kristin Berglihn Hensen	Director General, Office of the Auditor General, Norway	Board Member
Ms. Kristin Amundsen	Deputy Director General, Office of the Auditor General, Norway	Board Member
Ms. Pamela Monroe-Ellis	Auditor General, Auditor General's Department, Jamaica and Secretary General CAROSAI	Board Member
Ms. Helena Lindberg	Auditor General, Swedish National Audit Office	Board Member
Ms. Eva Theisz	Head, International Department, Swedish National Audit Office	Accompanying Ms. Lindberg
Ms. Johanna Gårdmark	Project Director, Swedish National Audit Office	Accompanying Ms. Lindberg
Ms. Margit Kraker	Secretary General of INTOSAI, President Austrian Court of Audit	Board Member
Ms. Silke Steiner	Head of INTOSAI General Secretariat, Austrian Court of Audit	Accompanying Ms. Kraker
Ms. Tsakani Maluleke	Auditor General, South Africa and Chair, INTOSAI CBC	Board Member
Mr. Cobus Botes	Senior Manager, International Relations, CBC Secretariat	Accompanying Ms. Maluleke
Mr. Tashi	Auditor General, Royal Audit Authority of Bhutan	Board Member
Mr. Agus Joko Pramono	Vice Chairman, Audit Board of Indonesia	Board Member
Mr. Yudi Ramdan Budiman	Director of Public Relations and International Cooperation Bureau, Audit Board of Indonesia	Accompanying Mr. Pramono
Mr. Einar Gørrissen	Director General	IDI Secretariat
Ms. Archana Shirsat	Deputy Director General	IDI Secretariat
Mr. Ola Hoem	Deputy Director General	IDI Secretariat
Mr. Brynjar Wiersholm	Deputy Director General	IDI Secretariat
Ms. Petra Schirnhöfer	Senior Manager (Attended online)	IDI Secretariat
Mr. Martin Aldcroft	Senior Manager (Attended online)	IDI Secretariat
Mr. Shourjo Chatterjee	Manager	IDI Secretariat

WELCOME AND OPENING REMARKS

The Chair welcomed Board members to the meeting and expressed his happiness at the reintroduction of in-person Board meetings.

APPROVAL OF THE AGENDA

Decision: The Board approved the agenda.

1. CONFIRMATION OF REGISTER OF RELATED PARTIES AND RELATED ENTITIES AND DISCLOSURE OF PERCEIVED AND ACTUAL CONFLICTS OF INTEREST

The Chair pointed out that the Director General (DG) represents IDI in the Supervisory Committee on Emerging Issues (SCEI). Other Board members confirmed the correctness of the register of related parties and related entities. They did not report any conflict of interest with any items on the agenda.

Decision: IDI Secretariat will update the register with the above change.

2. Appointments to the IDI Board

The Chair elaborated on the discussions in the IDI Board's Nomination and Remuneration Committee (NRC) regarding the selection of replacements for Ms. Taylor-Pearce and Ms. Monroe-Ellis whose second terms as Board members will come to an end on 31 December 2022. The NRC recommended to the Board to appoint Ms. Nancy Gathungu, Auditor General, Kenya and Mr. Hussam Al-Angari, President, General Court of Audit, Saudi Arabia as new IDI Board members. NRC also recommended the appointment of Ms. Tsakani Maluleke as the new Vice Chair of the Board and Mr. Tashi as a new member of the NRC.

Decision: The IDI Board agreed with the NRC recommendations, and appointed Ms. Gathungu and Mr. Al-Angari to the IDI Board with effect from 1st January 2023. Ms. Maluleke and Mr. Tashi confirmed their acceptance of their new positions on the IDI Board.

3. Tour d'horizon from Director General

The DG briefed the Board on the following issues:

- *Long term financial outlook:* IDI funding has grown significantly over the last years, both in terms of the volume of support and the number of donors. Some concerns are emerging in terms of continued funding at the same levels from a few donors in light of the challenging economic situation in many countries. New avenues for balancing funding with costs are being actively explored. These include mobilising new donors, increased in-kind contributions and leveraging blended delivery options.
- *Sanctions, boycotts and exclusion of member states and SAIs:* Current political developments globally have affected normal open interactions between different member states and their SAIs. This also impacts IDI. Such issues are proposed to be discussed in the next Board meeting. Linked to this is the need to discuss the process for/appointment of new Board members.
- *Pilot of the Professional Education for SAI Auditors Certification (PESA-P):* Based on the INTOSAI Competency Framework, the pilot took more than 800 SAI auditors through each stage of the certification process. Partners in the Task Force on INTOSAI Auditor Professionalisation (TFIAP), INTOSAI Bodies and SAIs have played a key role in the successful development and delivery. The next step is to scale up PESA to other languages and make this available on a regular and predictable basis.

- *SAI Afghanistan staff in exile*: Through continued efforts, six of the 16 management staff and their families evacuated have now successfully been resettled in other countries. There is also indication that the previous Auditor General will leave for the US shortly. Strong collaboration with SAI UAE continuing to find solutions for the remaining staff in the camp.
- *IDI's participation in INCOSAI*: Busy week with launch of three IDI initiatives – Equal Futures Audit, Climate Change Adaptation Actions Audit, and Leveraging on Technological Advancement. Meeting with PAP-APP Heads of SAIs and signed MOUs with SAIs Brazil, Indonesia, Saudi Arabia and the INTOSAI Financial Audit and Accounting Subcommittee (FAAS). DG presented on SAI independence at the International Forum on Government Auditing taking place in parallel to INCOSAI. Many other side meetings and informal discussions held at the IDI booth.

The Board appreciated IDI's engagement and positive feedback from other stakeholders at INCOSAI.

4. IDI Operational Plan and Budget 2023

The IDI Secretariat presented the IDI Operational Plan 2023. This is the last year of the current Strategic Plan and most initiatives continue into 2023. These include initiatives launched in 2022 like Together (Human Resources, Ethics and Gender), Mastery (Leadership Masterclasses), Crisp (Crisis and Risk Management). Three new initiatives launched at INCOSAI will be initiated during the year. New rounds will be offered for other initiatives like SAI Young Leaders and PESA.

The Board recommended an update on page 6 of the Operational Plan Highlights document to remove the clubbing of Parliaments with other key SAI stakeholders and highlight them separately as the main stakeholders. The Board also suggested that IDI consider sustainability reporting in the public sector as an area for future support.

The Board appreciated the inclusion of performance indicators, and emphasised the importance of being able to demonstrate the impact IDI makes, as well as the outputs delivered such as number of people trained. The Board asked whether an impact evaluation might be an option at the end of the Strategic Plan. The Secretariat clarified that an evaluation/study exploring IDI's contribution to sustainable SAI outcomes, and efforts to communicate IDI's impact, was possible and was one of the recommendations in the mid-term evaluation. However previous advice was that a strict impact evaluation was not possible in IDI's case due to challenges identifying what would have happened in the absence of IDI's support (the counterfactual).

The Secretariat presented the 2023 Budget, developed with the assumptions that there will be normal travels without pandemic related restrictions and that all unspent donor funds (around 10.8 million NOK) at the end of 2022 can be carried forward into 2023. Projected 2023 funding, including this carry forward, is 118 million NOK. Number of donors is stable at around 15 with renewed funding likely from the EU, FCDO UK, Irish Aid, SAI Saudi Arabia and SECO. New grants are likely from Asian Development Bank and Global Affairs Canada. NOK 3,5 million budgeted to be carried forward to 2024.

Staff complement of 54 positions is projected. Staff increase of four is due to scaled-up support locally, delivering on new platforms and increased HR support. There will be new projects within work streams and increased spending in Madagascar, DRC and South Sudan. There will be a 19% increase in delivery costs due to increased activity particularly in bilateral support and generally higher price levels including currency effects.

The Board mentioned that while there is currently a surplus owing to a large carry forward from 2021, going forward it will be necessary to balance annual income and spending. A long-term budget analysis is necessary for a better understanding of the budget. The Secretariat clarified that donors are comfortable with the levels of carry forwards between years within multi-year grant agreements (though individual donor balances need to be fully spent by the end of grant agreements). Owing to the absence of necessary reserves, it also becomes necessary to have carry forwards. The Board was of the opinion that the surplus/ carry forwards should reflect the source of the funding.

Decisions:

- The IDI Board approved the Operational Plan and Budget 2023.
- Secretariat to incorporate necessary changes on page 6 of the Operational Plan Highlights.
- Secretariat will provide a long-term budget analysis at the next Board meeting.
- In 2024, the Secretariat will explore an evaluation/study of the contributions of the IDI Strategic Plan 2019-2023 to sustainable SAI outcomes, and efforts to better communicate IDI's impact.

5. EMPLOYMENT OF IDI STAFF LOCATED OUTSIDE NORWAY

The Secretariat informed on the importance to employ full time staff also outside Norway. In doing so however, there have been challenges in ensuring legal compliance. This is required for IDI to be a responsible and legally compliant employer. Based on four alternatives the Secretariat recommended employing foreign based staff through 'Employer of Records (EoR)' as the most viable option. The alternative to set up legal entities in up to ten countries would be too costly. The Secretariat further clarified that such EoRs are private agencies which ensure compliance with all statutory requirements of employing staff outside Norway. They would also provide guidance to both IDI and the staff on local working conditions and requirements. Staff contracts will be with the EoR but the staff will be designated as IDI staff and will be governed by IDI rules and decisions There will be no reduction in the salaries or pension of the current IDI staff as a result of the change. While these agencies levy their service charge, the overall cost would be less compared with external and internal costs If handled by IDI admin and also compared to expatriate benefits if all staff relocated to Norway. Only global EoRs with presence in a number of countries will be considered. The Board was of the view that this arrangement will provide flexibility to IDI in terms of human resources and will ensure legal compliance.

Decision: The Board approved the engagement of EoRs for employing IDI staff outside Norway.

6. UPDATE OF THE IDI CORPORATE AND DEVELOPMENTAL RISK

The Secretariat presented changes to the register. The rating of Risk 5 on in-kind contributions has been revised. Risk 15 has been incorporated with regards to future pandemic situations. Risk 14 on reputational risks of association/non-association has been renamed. The Secretariat suggested mentioning the risk arising from deliberately not associating with certain SAIs and stakeholders due to underlying political trends.

The Board appreciated the splitting of the register into two parts. The register will be revisited in the context of the new IDI vision and new Strategic Plan 2024-2029. The Board mentioned that risk 15 perhaps is too narrow in focussing overly on the pandemic and also discussed the changes proposed regarding risk 14

Decision: The Board approved the update of the IDI Corporate and Developmental Risk Register.

7. GSAI UPDATE

The Secretariat provided an update on the Global SAI Accountability Initiative (GSAI). Its launch in early 2023 with four SAIs – Dominica, Haiti, Kyrgyzstan and Honduras – has been approved by the INTOSAI-Donor Steering Committee. Two additional SAIs are likely to be added shortly. Funding has been assured by EC for the initial component of the initiative. Other funding is being explored.

8. MODE OF FUTURE BOARD MEETINGS

The Board discussed the different possibilities regarding organising future Board meetings. The frequency, location and mode of the Board meetings were discussed. The participation of observers at the Board meeting and the annual dialogue with donors etc. was also discussed. The following decisions were made:

Decisions:

- Have two regular IDI Board meetings during the year (March and November) with the option of calling additional meetings.
- Have one of the meetings in-person (usually March with the option of attending virtually) and one virtually (usually November).
- Rotate the hosting of the physical meetings, and where possible arrange these in connection with other key INTOSAI events. Utilise the opportunity to appreciate and learn about issues relevant to the different regions where the physical meeting takes place.
- There won't be any permanent observers to the IDI Board. Observers can join for specific issues and Donors can meet the IDI Board separately.
- Annual Strategic Dialogue with representatives of the INTOSAI-Donor Steering Committee and donors to be conducted as needed.

9. POST MEETING SELF ASSESSMENT

The Board mentioned the need for additional time for discussing the development of the new strategic plan. It recommended that the Secretariat be given the opportunity to address each question separately during the discussions. This will pre-empt additional questions from other members.

10. ANY OTHER BUSINESS

A. Changes to the IDI Board Rules of Procedure

i. Term of DG: The Rules of Procedure are silent on the term of the DG. The NRC recommended the addition of a new paragraph to the appendix, paragraph 4.m as follows: "The Director-General shall be appointed for a period of five years. The appointment may be renewed for such further period or periods as the Board may decide. No single extension shall exceed five years"

ii. Travel entitlement for IDI Board members: The Secretariat mentioned the need for a change in the IDI Board Rules of Procedure to revise the travel entitlements of IDI Board members in connection with attending Board meetings or other engagements on behalf of IDI. These were proposed changed to equate those of IDI staff. Paragraph 3 a has been updated to read " Travel costs for Board members for attending Board meetings, other Board engagements or for representing IDI at events will be covered and will include air fare (as applicable to IDI staff), hotel accommodation and meals (as part of conference package or in addition as applicable)"

Decision: The Board approved the changes.

B. DG's Contract

The current DG's contract expires on 31 December 2023. The IDI Board expressed strong satisfaction with the performance of Einar Gørrissen as DG of IDI in the closed session of the Board meeting on 27 June 2022. The NRC discussed the issue and recommended an extension of his term by five years.

Decision: Based on the recommendation of the NRC, the Board approved a 5-year extension of contract as Director General for Mr. Einar Gørrissen. Mr. Gørrissen accepted the extension.

11. CLOSING

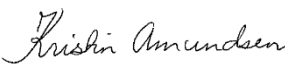
The Chair and Board members thanked the outgoing members Ms. Lara Taylor-Pearce and Ms. Pamela Monroe-Ellis for their exceptional service to the IDI Board. The outgoing members placed on record their appreciation of seeing IDI grow and flourish as an organisation, as well as the wonderful cooperation with the other members.



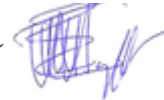
Karl Eirik Schjøtt-Pedersen



Åse Kristin Berglihn Hemsén



Kristin Amundsen



Lara Taylor-Pearce



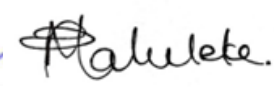
Pamela Monroe Ellis



Helena Lindberg



Margit Kraker



Tsakani Maluleke



Tashi



Agus Joko Pramono

Annex: Summary of discussions of the strategic planning seminar on 9 November

Name	Position	Board Status
Mr. Karl Eirik Schjøtt-Pedersen	Auditor General, Office of the Auditor General, Norway	Chair of the Board
Ms. Åse-Kristin Berglihn Hemsén	Director General, Office of the Auditor General, Norway	Board Member
Ms. Kristin Amundsen	Deputy Director General, Office of the Auditor General, Norway	Board Member
Ms. Lara Taylor-Pearce	Auditor General, Audit Service Sierra Leone	Vice-Chair of the Board
Ms. Pamela Monroe-Ellis	Auditor General, Auditor General's Department, Jamaica and Secretary General CAROSAI	Board Member
Ms. Helena Lindberg	Auditor General, Swedish National Audit Office	Board Member
Ms. Johanna Gardmark	Project Director, Swedish National Audit Office	Accompanying Ms. Lindberg
Ms. Eva Theisz	Director, Department for International Affairs, Swedish National Audit Office	Accompanying Ms. Lindberg
Mr. Ronald Rödl*	Director General, INTOSAI General Secretariat, Austrian Court of Audit	Representing Board Member Ms. Margit Kraker
Mr. Herbert Baumgartner	Deputy Director, INTOSAI General Secretariat, Austrian Court of Audit	Accompanying Mr. Rödl representing Ms. Kraker
Mr. Jan Van Schalkwyk	Executive Director, Office of Auditor General of South Africa	Representing Board Member Ms. Tsakani Maluleke
Mr. Agus Joko Pramono	Vice Chairman, Audit Board of Indonesia	Board Member
Mr. Yudi Budiman	Director of Public Relation & International Cooperation, Audit Board of Indonesia	Accompanying Mr. Pramono
Mr. Tashi	Auditor General, Royal Audit Authority of Bhutan	Board Member
Mr. Einar Gørrissen	Director General	IDI Secretariat
Ms. Archana Shirsat	Deputy Director General	IDI Secretariat
Mr. Ola Hoem	Deputy Director General	IDI Secretariat
Mr. Brynjar Wiersholm	Deputy Director General	IDI Secretariat
Ms. Petra Schirnhöfer**	Senior Manager	IDI Secretariat
Mr. Martin Aldcroft**	Senior Manager	IDI Secretariat
Mr. Shourjo Chatterjee	Manager	IDI Secretariat

* IDI Board members are appointed in their individual capacities and are not represented by others but may bring one accompanying person to Board meetings. Based on the fact that this is not a Board meeting but a seminar, Board rules do not apply, and representation is allowed.

**Joined the seminar online

The seminar started with a quick update on the **mid-term evaluation** of the implementation of IDI's current Strategic Plan. The evaluation is almost completed and feeding into IDI's strategic planning process. The IDI Secretariat had shared the report summary, including conclusions and recommendations, with the Board. Overall, the evaluation is very positive. Before finalisation, the full report will be shared as a draft version with the Board, IDI's core donors and the SAIs that participated in the evaluation for comments. Further discussions on the report, including on the management response, will take place in the March 2023 Board meeting.

IDI's new Strategic Plan 2024–2029

The Chair structured the discussions around I) high-level strategic considerations, II) more detailed strategic discussions and decisions linked to the suggested strategic priorities and III) financial aspects.

I) High-level strategic considerations:

Board members agreed to keep IDI's work streams of the current Strategic Plan. The selected strategic priorities will cut across IDI's work and work streams during the next Strategic Plan period. They also agreed to the IDI Secretariat's suggestion to update the vision to include sustainability. The vision now reads "*Independent, credible and **sustainable** SAIs for better societies and improved lives*". The Board emphasised that sustainability had multiple meanings, and should be taken to include a sustainable IDI, sustainable SAIs, and SAIs that contribute to sustainable development.

II) Detailed discussions and decisions on suggested strategic priorities:

Sustainability: The Board agreed on having sustainability as a strategic priority of the next Strategic Plan both in relation to IDI's support to SAIs as institutions and in their work as well as in relation to IDI itself. Board members reminded the IDI Secretariat

- to make sure to include INTOSAI regions and IDI's mandate for developing country SAIs in its strategic thinking on sustainability
- to focus on SAIs delivering audit impact – which also requires audit quality
- to define what we mean by sustainability in IDI
- to look at the role of SAIs in sustainability reporting

Digitalisation: The Board agreed on having digitalisation as a strategic priority and on the IDI Secretariat's suggested foci including SAIs as organisations and their audit work. IDI should also consider the needs of more challenged SAIs where their environment may not yet support extensive digitalisation efforts.

Raising SAI profiles: The Board agreed this as a strategic priority bearing in mind that SAIs need

- to produce high-quality and high-impact reports that can influence and send a message to the public. That includes regular reports such as on the financial statements
- to focus more on communications

Professionalisation: The Board noted that Professionalisation is a foundation for credible SAIs making a difference, and cuts across IDI's work, contributing to the different dimensions of sustainability. It is also the foundation of audit quality, which is a prerequisite for effective audits that contribute to governments making better use of technology, and other high impact audit

work that helps raise SAI profiles. The Board agreed that professionalisation should remain as one of IDI's permanent work streams and something to which all IDI delivery contributes, but should not be identified as a separate strategic priority. The Board agreed on the strategic approach suggested by the IDI Secretariat as part of the work stream function.

The Board did not have detailed discussions of IDI's suggested delivery mechanisms but advised on focussing on the quality of IDI's delivery, over quantity.

III) Financial aspects:

The Board agreed that all three aspects – resource mobilisation, cost minimisation and portfolio prioritisation – need to be considered. The Board asked the IDI Secretariat to produce a more detailed paper for the March Board meeting. The paper should give a high-level view of the costs of delivering the Strategic Plan and explore different revenue streams, including the possibility of fees for certain services, whilst ensuring those most in need are not left behind. Overall, the Board urged IDI to take a conservative approach to growth due to the global economic situation and potential risks to existing funding sources and encouraged further diversification of funding and efforts to build up IDI reserves.