



INTOSAI DEVELOPMENT INITIATIVE (IDI):

BOARD MEETING MINUTES

29–30 March 2023

CASE: Board meetings | VENUE: Pretoria, South Africa and virtual | PRESENT:

Name	Position	Board Status
Ms. Tsakani Maluleke	Auditor General, Office of Auditor General of South Africa and Chair, INTOSAI CBC	Vice-Chair of the Board; chairing the meeting in the absence of the Chair
Mr. Jan Van Schalkwyk	Executive Director, Office of Auditor General of South Africa	Accompanying Ms. Maluleke
Mr. Cobus Botes	Senior Manager, International Relations, CBC Secretariat	Accompanying Ms. Maluleke
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. Nancy Gathungu	Auditor General, Office of the Auditor General, Kenya	Board Member
Ms. Helena Lindberg	Auditor General, Swedish National Audit Office	Board Member
Ms. Johanna Gårdmark	Project Director, Swedish National Audit Office	Accompanying Ms. Lindberg
Mr. Tashi	Auditor General, Royal Audit Authority of Bhutan	Board Member
Mr. Hussam Alangari	President, General Court of Audit, Kingdom of Saudi Arabia	Board Member
Ms. Manal S. Alduhaymi**	Head of International Relations Executive Office, General Court of Audit, Kingdom of Saudi Arabia	Accompanying Mr. Alangari
Ms. Silke Steiner	Head of INTOSAI General Secretariat, Austrian Court of Audit	Representing Ms. Margit Kraker, Board Member
Mr. Herbert Baumgartner**	Deputy Director, INTOSAI General Secretariat, Austrian Court of Audit	Accompanying Ms. Steiner
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	IDI Secretariat
Mr. Martin Aldcroft	Senior Manager	IDI Secretariat
Mr. Shourjo Chatterjee*	Manager	IDI Secretariat
Mr. Martin Strat***	Manager, PwC Norway	Auditor

* Participated remotely, **Participated Remotely in agenda items 1-4 *** Participated remotely in agenda items 7 and 8

Apologies

Mr. Karl Eirik Schjøtt-Pedersen	Auditor General, Office of the Auditor General, Norway	Chair of the Board
Ms. Margit Kraker	Secretary General of INTOSAI, President Austrian Court of Audit	Board Member

WELCOME AND OPENING REMARKS

Ms. Maluleke, Vice-Chair of the IDI Board chaired the meeting in the absence of Mr. Schjøtt-Pedersen. As host of the meeting she welcomed all the participants to Pretoria. She welcomed Mr. Alangari and Ms. Gathungu as new members to the Board.

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 informed the Board that the register will be updated with the notification received regarding Mr. Pramono's position as Vice-Chair of Independent Audit Advisory Committee (IAAC), United Nations having ended in December 2022.

Ms. Amundsen informed the Board about engagement with UNDP. However, the register does not need an update on this issue. The register has been updated with the details of the two new Board members.

Decision: The Board approved the register. The Secretariat will update the register with the above change.

2. Tour d'horizon from Director General

The DG began with conveying the regrets of the Chair who could not attend the meeting owing to illness. He thanked the officiating Chair and the colleagues from the Office of the Auditor General of South Africa for facilitating the meeting. He briefed the Board on the following issues:

- *SAI independence:* IDI has already received reported alleged infringements from four countries for 2023. The replacement of the Auditor General of Somalia is a matter of concern even though it was done within Somalia's legal framework. IDI is processing the cases of Poland and Montenegro. Developments in Sierra Leone and Colombia are being monitored. IDI expects a continued growth of alleged infringements and SIRAM cases in the coming years.
- *Update on resettlement of staff at risk from SAI Afghanistan:* Sustained efforts of different partners in the INTOSAI community have led to several staff being resettled in different countries around the world.
- *Human Resources in the IDI:* The process of transferring staff based outside Norway to an Employer of Records is in progress as per the decision of the Board in the November 2022 meeting. This will also help IDI in avoiding any financial or legal non-compliance. The results of an IDI wide anonymous work environment survey with a 94% response rate were shared. IDI scored well in 37 out of 38 domains. High scores were received in areas like appreciation of work achievements by management, ability to influence decision making, setting one's own work pace and influencing the amount of work assigned, equality with regards to gender and age, and organization's interest in securing the health and wellbeing of staff. A couple of issues of concern included perceived instances of bullying and differential treatment at workplace owing to cultural background.
- *Financial situation:* Financial monitoring has been tightened. Travels and physical meetings are being regulated to manage overall costs. However, there hasn't been a need to postpone or cancel any event. Funding contracts have been signed recently with Global Affairs Canada, ADB and EU for GSAI.

Additional funding through the Norwegian Parliament is being pursued. Strategic Support Unit will also be working on a funding strategy where means of accessing resourcing outside the traditional donor community will be explored.

Decisions:

An update to be provided on measures that the Secretariat takes going forward on bullying etc.

3. Setting the IDI Strategy 2024–2029

The Secretariat presented the draft IDI Strategic Plan 2024–2029:

The Strategic Plan represents an evolution building on the successes of the current strategic plan, including continued and deepening implementation of the six work streams. It also aims to provide more permanent and predictable support on which SAIs can rely in the long term. Three overriding strategic priorities will guide IDI's strategic direction for 2024–29: Sustainability, Digitalisation and Raising SAI profiles¹. Sustainability (with its social, economic and environmental components) responds to global trends such as inequalities, global economic challenges and climate change. Digitalisation responds to how global technology trends are changing the world and the way we live, and how governments are using technology to change delivery of government services. Raising SAI profiles responds to global trends of democratic backsliding, increasing authoritarianism and low levels of trust in government, which have led to diminishing independence, profile and impact of SAIs. These are not separate to the IDI work streams, but overriding strategic priorities to which all IDI work streams already contribute, and which will drive the evolution of IDI's support over the next six years.

- Each of the DDGs reflected on the implications of the new SP for the work of their departments. Under the new SP the Professional and Relevant work streams plan to focus on sustainable audit practices, bringing technology to the SAI audit world, strengthening SAI audit mandate, SAI audit relevance, audit quality, audit impact and strong stakeholder coalitions. The work streams will be restructured to be more integrated and focus on competent SAI audit professionals, effective SAI leaders, professional & relevant SAI audit practices and raised SAI audit profiles. The main new development is the establishment of The IDI Centre for SAI Audit Professionals, The Centre envisions providing predictable, regular and long-term support for developing competent SAI auditors through guidance, certification, professional education and continuous professional development. The activities of the Centre will be scaled based on SAI demand and available IDI resources. Another new idea is to set up shared services arrangements, by creating and maintaining resources pools in different areas, starting with quality management. The department will work across the two workstreams to create change agents, provide holistic support for core audit practices, manage quality and grow SAI Young Leaders. The Relevant SAIs workstream will continue to facilitate innovation, impact and audit of trending areas like climate change, equality, SDGs and technology.
- IDI's Bilateral Support will continue for SAIs as well as through PAP-APP and GSAI initiatives. Efforts will be made to increase technical and financial support. Structural challenges will be addressed including modalities for SAIs to receive donor support.
- Well governed SAIs work stream will continue with the current set of initiatives viz. CRISP, TOGETHER, MASTERY and PICTURE that have been launched in 2021–2022. Support will also continue for SAI PMF and the SPMR initiative. A SAI Governance Academy will be set up to focus on governance and other emerging issues for SAI middle managers.
- Independent SAIs work stream will go beyond independence and work with effective Institutional strengthening, especially working towards stronger accountability ecosystems at the country level.

¹ Though an alternative name for 'Raising SAI Profiles' will be explored

Support will be provided to improve SAIs' ability to connect with other stakeholders, address integrity risks and strengthen accountability systems.

- The Global Foundations Unit will continue to support the INTOSAI–Donor Cooperation as its secretariat and participate in a review of the IDC Strategy. Existing partnerships with the International Monetary Fund, International Budgetary Partnership and Inter–Parliamentary Union will be strengthened and new partnerships established. Brokerage role will be sustained.

IDI emphasized that the Strategic Plan document was written at a level that aims to find the balance between setting high level strategic direction, allowing for flexibility in implementation, providing clarity to SAIs in the support IDI will offer, and providing a basis around which IDI's partners can provide support. Additional documents need to be developed to support the strategic plan, specifically a results framework, outline portfolio and financial plan. These will be drafted for discussion at the June Board meeting, and will cover the period 2024–26.

Decisions:

Based on the feedback received from the Board, the following will be undertaken towards finalizing the draft plan leading to the June 2023 Board meeting:

- **Continuity** from current SP needs to be emphasised. Demonstrate outreach and success stories from current strategic plan through numbers, weblinks; emphasise IDI is building on these successes, not starting new initiatives
- **Permanent and predictable** support SAIs can rely on. Make this a central theme of the Strategic Plan, as well as improving flexibility of how IDI support is accessed by SAIs.
- **Roles and responsibilities** of IDI vis-a-vis INTOSAI and the regional bodies should be clear. Emphasise IDI's role is to support capacity of developing country SAIs. Show links to the INTOSAI Strategic Plan & Goal 2 plan, creating synergies and improving coordination with regional organisations.
- **Raising SAI Profiles** is well supported but needs to be rephrased into something that emphasises the mutually reinforcing relationship between strong accountability ecosystems, SAI independence, SAIs delivering value & impact, and SAI public profile.
- **Advocacy** is a broad area, beyond SAI independence, potentially covering everything in INTOSAI–P12 and contributing to raising SAI profiles globally and nationally. SDG audits showed that advocacy and partnering need to sit alongside capacity development to deliver impact. Ensure IDI's advocacy efforts are coordinated with INTOSAI's Global Voice². Take a careful approach to advocacy in politically sensitive areas, building on principles agreed with the Board. Possible development of IDI advocacy strategy, which can link back to UN resolutions, and include coordination with INTOSAI global voice. The Board suggested wording IDI's advocacy approach as: "IDI plays a sustained, consistent, proactive role in advocating for SAI independence and the value and benefits of SAIs, in collaboration with other INTOSAI bodies".
- **SAIs' role in combatting corruption** to be emphasised in a short box. SAIs focus on prevention and are part of a broader accountability ecosystem where each stakeholder must play their role. Keys to success are professional auditors acting ethically and with integrity, high quality audits, awareness of corruption risks and red flags, timely reporting, and effective relationships with key stakeholders (e.g. executive, Parliament, media, CSO, law enforcement and prosecuting agencies). Recognise that specific SAI mandates, roles, powers and relationships vary between countries. INTOSAI, not IDI, leads on global work, e.g. with UNODC, G20.

² Suggested approach: messages agreed with CBC Chair, PFAC Chair, INTOSAI Chair and Secretary General, IDI Chair, other relevant INTOSAI organs, and signed by the INTOSAI Chair, Secretary General and IDI Chair.

- **Sustainability** of IDI to be addressed directly, possibly in the Governance Annex, referring to an IDI funding strategy, improving resource mobilisation and cost minimisation, investing in scalable, flexible services, and minimising recurrent costs of permanent initiatives
- **Enablers** to be cross-checked against INTOSAI goal 2 plan

4. IDI Portfolio 2024-2026

Drawing on the discussions on the strategic plan 2024-2029, the Secretariat presented an update on the IDI portfolio. The portfolio has evolved with the development of the strategic plan. The portfolio is subject to the global economic uncertainties and related financial uncertainties for IDI. The upcoming portfolio will be linked to the three strategic priorities. It will show the planned delivery at specific times. A longer term financial plan will be developed especially for the 'permanent' services. It was clarified that the permanent services will typically outlast the upcoming strategic plan's six-year period. However, owing to multiple uncertainties, no commitment can be possible in the event of IDI moving out of Norway.

Decisions:

Based on the feedback received from the Board, the following will be undertaken towards finalizing the portfolio leading to the June 2023 Board meeting:

- **Centre for SAI Audit Professionals** should be clearer on links to, and roles, of the regions
- **Shared services** should be clear this is going beyond facilitating capacity development to providing services for SAIs, and describe the role for those regions willing and able to partner
- **Competency management** will be appropriately considered in the IDI Portfolio

Future Work

- **Results framework** – look at linkage to the 10 indicators under INTOSAI Goal 2. Need 3-5 key performance indicators at the strategic plan level, which could be included in the strategic plan.
- **Outline portfolio and financial plan 2024-26** – retain strategic agility; prioritise and make choices; match to SAI demand and absorption capacity; consider resource person availability. Consider how IDI can secure funding without reducing funding for other INTOSAI bodies.

Funding

- **IDI Reserves and INTOSAI Funding:** Secretariat will make a formal request to INTOSAI General Secretariat to increase its annual contribution to IDI from the current five percent. It will also seek funding from potential INTOSAI surplus. This will help in bolstering IDI's reserves. Efforts may be to explore other channels for increasing the corpus to meet any financial exigencies.

5. PROCESS FOR APPOINTING NEW BOARD MEMBERS

The DG presented three options recommended by the Nomination and Remuneration Committee (NRC) for consideration of the Board for upcoming appointment of new members:

1. Continue current practice of transparent and competitive recruitments as embedded in the Rules of Procedure
2. IDI Board members nominate candidates, (within the criteria related to EEA membership, gender and developing country representation), and where the NRC shortlists from these, conduct interviews and make recommendations to the Board
3. Option 1 is selected in the case that there are no criteria required for recruiting the new Board member to meet the required composition of the Board. In the case where there are one or more

criteria that need to be met in recruiting the new Board member option 2 is selected

Decision: The Board approved continuing with the open, transparent and competitive process and also use the Board members' networks for identifying suitable candidates.

6. IDI PERFORMANCE AND BUDGET REPORT

The IDI Secretariat presented the 2022 PAR. Results were presented against the June 2022 update of the Operational Plan. Outreach figures for 2022 were strong again with SAI staff participating in 29 long-term capacity development initiatives. 168 SAIs and almost 2800 SAI staff participated in total. 62% of targets were reached or exceeded and 15% were close or on track. Most of the targets that could not be reached pertained to the newly launched initiatives of the Well Governed SAIs work stream which were in the development and pilot stage. Most are now on track of being achieved in 2023 and the adjustments made have enhanced the quality of the deliverables.

IDI's Budget Report showed increased expenditure compared to 2021 owing to resumption of travel and in-person events post pandemic. Donor support and overall funding level has been stable. Carry forward of grants to 2023 was at lower levels as compared to previous year.

Board members commended the IDI Secretariat on its performance and improved presentation of financial information.

Decision: The Board approved the IDI 2022 Performance and Accountability Report with a correction on page 6 in the 'Highlights' document.

7. IDI'S FINANCIAL STATEMENTS AND EXTERNAL AUDITOR'S PRESENTATION

The Secretariat presented the Annual Financial Statements and Notes for 2022. The annual audit, done by PwC, concluded with an unmodified opinion. The audit further stated that there was no requirement for issuing a management letter as there was no instance of material misstatement or additional need for monitoring risk items. Internal controls and financial reporting had been effective.

Decision: The IDI Board approved IDI Financial Statements 2022.

8. EXTERNAL AUDITOR'S PRESENTATION ON IDI INTERNAL CONTROL SYSTEM

There have been minor changes in the framework for 2022. It has been audited by external auditors as part of annual audit. There were no audit comments on any of the components of the maturity matrix. The Board noted the information.

9. UPDATE OF THE IDI CORPORATE AND DEVELOPMENTAL RISK REGISTER

The Secretariat updated the Board on one proposed change. Risk 14 on reputational risks of association/non-association. Residual risk decreased from high to moderate.

Decision: The Board approved the update to the register with one change. Risk 14 will be split into two risks: One risk (risk 14) looking at the risk of cooperating with stakeholders, including SAIs, that may have poor records related to human right issues, corruption etc. and one risk (now risk 15) dealing more concretely with the risk of negative public action or campaigns against IDI. The Board also suggested to keep the residual risk ranking as high.

10. IDI RESPONSE TO THE MID-TERM EVALUATION OF THE IDI STRATEGIC PLAN 2019–2023

The Secretariat presented IDI's draft response to the evaluation. Reasons were discussed for full acceptance of 11 recommendations, partial acceptance of five recommendations and non-acceptance of four. Some of the recommendations are already being implemented while others will be done in the new Strategic Plan. Some of the recommendations that are not accepted were discussed in detail. IDI does not have the capacity to increase its services to additional languages like Portuguese and Russian. Regarding conducting an impact evaluation, IDI clarified that while it will do an outcome evaluation or review at the end of the strategic plan period, absence of a counterfactual makes a formal impact evaluation impossible. On the recommendation to work with other public audit bodies, despite some countries having multiple public external audit bodies, IDI will continue to engage primarily with the INTOSAI members.

Decision: The Board approved the management response.

11. UPDATE ON IDI AUDIT AND EVALUATIONS MONITORING DATABASE

The Secretariat updated the Board on the changes in the IDI Audit and Evaluations Monitoring Database during 2022. The changes have been summarised in a report as per the decision of the Board in its meeting in March 2022. The position of accepted, settled and open recommendations pertaining to four evaluations, one due diligence review and one audit during the strategic plan 2019–2023 period was presented.

The Board noted the update.

12. WORKING WITH AND SUPPORTING SAIS IN A POLARISED WORLD

The Secretariat updated the Board about the challenges faced by IDI during the previous year in view of the increasing politicisation and polarisation of the global geopolitical situation owing to among other things crises, coups and wars. The Board had previously decided on 5 principles to guide IDI's engagement with SAIs in Countries Under Sanctions and Other Concerns. Discussions took place on the issues of the meaning of IDI being "non-political", excluding SAIs from IDI initiatives, and IDI's preparation for dealing with the risk of operating in an increasingly polarised world.

Decision: The Board recommended continuing with the current approach and sticking to the previously approved principles. IDI should also interact closely with the respective regions for better appreciation of the context.

13. POST-MEETING SELF ASSESSMENT OF THE BOARD

The Chair thanked the IDI Secretariat for a well-prepared meeting. Board members thanked the Chair for a well-facilitated meeting that allowed for strategic discussions. They also thanked the Chair and colleagues at the Office of Auditor General of South Africa for hosting the well conducted meeting at Pretoria.

14. ANY OTHER BUSINESS AND NEXT MEETINGS

Dates for the next meetings during 2023 were shared. Both the meetings on 26 June 2023 and 29 November 2023 will be conducted virtually. The Chair formally closed the meeting.




Karl Eirik Schjøtt- Pedersen



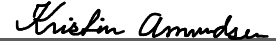
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Tsakani Maluleke



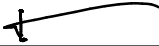
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Åse Kristin Berglihn
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Kristin Amundsen (May 8, 2023 09:31 GMT+2)

Kristin Amundsen



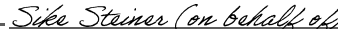
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Helena Lindberg (May 3, 2023 15:50 GMT+2)

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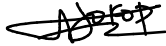
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Margit Kraker



Tashi (May 11, 2023 13:59 GMT+6)

Tashi



Agus Pramono (May 14, 2023 21:36 GMT+7)

Agus Joko Pramono



Nancy Gathungu (May 11, 2023 07:09 GMT)

Nancy Gathungu