Independent Evaluation

of the

Programme on Global Partnerships to Strengthen Capacities of Supreme Audit Institutions

Final Report

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Prepared for: INTOSAI Development Initiative (IDI)

By:

Contents

Appendix 1 – List of documentation reviewed
Appendix 2 – List of persons interviewed

Abbreviations

AG	Auditor General
CAS	Compliance Audit Subcommittee
CBC	INTOSAI Capacity Building Committee
FAS	Financial Audit Subcommittee
iCAT	ISSAI Compliance Assessment Tool
IDI	INTOSAI Development Initiative
INCOSAI	Congress of the INTOSAI
INTOSAI	International Organization of Supreme Audit Institutions
ISSAI	International Standards of Supreme Audit Institutions
MOU	Memorandum of Understanding
PAS	Performance Audit Subcommittee
PFM	Public Financial Management
PSC	Professional Standards Committee
SAI	Supreme Audit Institution
PMF	SAI Performance Measurement Framework
SDA	Swedish Development Advisers
ToR	Terms of Reference
QA	Quality Assurance
UNITAR	United Nations Institute for Training and Research
WGVBS	INTOSAI Working Group of Value and Benefits of SAIs

INTOSAI Regional Groups

AFROSAI-E	African Organisation of Supreme Audit Institutions in English-speaking Africa
ARABOSAI	Arab Organization of Supreme Audit Institutions
ASOSAI	Asian Organization of Supreme Audit Institutions
CAROSAI	Caribbean Organization of Supreme Audit Institutions
CREFIAF	African Organisation of Supreme Audit Institutions in French-speaking Africa
EUROSAI	European Organisation of Supreme Audit Institutions
OLACEFS	Organization of Latin American and Caribbean Supreme Audit Institutions
PASAI	Pacific Association of Supreme Audit Institutions

Executive Summary

In 2010, the International Organization of Supreme Audit Institutions (INTOSAI) adopted a framework of professional standards for government audit, the International Standards of Supreme Audit Institutions (ISSAI). The INTOSAI Development Initiative (IDI) was given the mandate to support the implementation of the ISSAIs in SAIs in developing countries. In December 2011, the IDI and the World Bank signed a grant agreement whereby the IDI committed to carry out the "Programme on Global Partnerships to Strengthen Capacities of Supreme Audit Institutions" (referred to as the Program). The objective of the Program is "to promote accessibility and application of the ISSAIs with a focus on financial audit standards and to develop a tool for measuring implementation of ISSAIs by SAIs."

The Program is based on a results framework and has included several components:

- The ISSAI Certification Program – a training course that includes on-line modules and a face-to-face module with the aim of helping SAIs identify changes necessary to implement the ISSAIs and to start the process of change.
- Management Workshops for SAI top management to become familiar with the ISSAIs and obtain commitment from the SAIs to dedicate resources to begin implementation of the ISSAIs and monitor performance.
- Knowledge sharing - development of course material, tools (iCAT) and Handbooks and making them available on an online platform.
- Development of SAI performance measurement framework (called SAI PMF) including piloting it and delivering training for assessors and facilitators.
- Additional workshops: iCAT review workshop and audit planning and review meetings regarding cooperative audits.

The program as designed focused on the production of tools (iCATs, handbooks, SAI PMF) and encouraging SAIs to make use of these tools by training auditors; and has been a great success. IDI has achieved its targets, as established at the outset of the Program. The achievements include:

- Involving more than 135 SAIs worldwide in the Program: 85 English and Spanish-speaking SAIs have participated in the ISSAI Certification Program and 135 SAIs have attended the Management Workshops.
- Design and delivery of the ISSAI Certification Program through which 199 facilitators have been certified.
- Prepared and deployed ISSAI mapping tool focusing mostly on level 4 ISSAIs (the iCAT) and Handbooks
- Development of a performance measurement tool (the SAI PMF) that is very detailed, comprehensive, independently verifiable (in most dimensions analyzed) and helps a SAI to identify performance against level 1, 2 and 3 ISSAIs.

The feedback from the evaluation team, participants, stakeholders and INTOSAI working groups is that the quality of the tools and the training produced by IDI is of very high quality.

The training is highly appreciated, despite being in a new format (an on-line course) for some participants. The tools are well-designed, easy to use and at the same time comprehensive and evidence-based.

However, the hoped for *impact* of the Program is not to have a suite of well-designed tools that SAIs use regularly; these are outputs. The expected impact, improved quality of audit work and increased compliance with the ISSAIs, has yet to materialize. The results of the Program show that SAIs are beginning to use the competence gained and tools and there are signs that changes to audit processes are being institutionalized, among other through the use of the iCAT as a checklist for quality assurance of individual audits. It is important to bear in mind that the Program has only been run during two years and to change systems, audit manuals, audit processes, laws and procedures takes time. The IDI has produced all the pre-requisites needed for a SAI to be able to 1) assess the needed changes 2) know how to start the change process and 3) how to measure if change has happened (or increased ISSAI compliance). This Program is a success and has achieved its outcomes and outputs, and now needs to continue with a new set of activities to help SAIs to increase the quality of their audit work.

The team's recommendations to IDI are:
1. The IDI could consider defining the outcome of any continuation of the program in terms of "improvement in the quality of audit work produced by SAIs as measured by their levels of compliance with the ISSAIs"."
2. IDI should continue with the ISSAI Certification Program to allow more auditors (and achieve a critical mass in larger SAIs) and SAI senior management to understand the ISSAIs and begin the process to change systems, audit manuals and processes to become increasingly ISSAI compliant.
3. IDI should encourage all SAIs to participate in the program and use the tools (and remit the results to IDI).
4. IDI should, once the ISSAI Certification program has been rolled out in all regions, focus on the support programs such as cooperative audits and iCAT review workshops.
5. IDI should continue to follow up on the action plans (say, every year) to measure progress being made.
6. IDI should encourage SAIs to prepare SAI PMF assessments done through peer-reviews every few years to ensure validity of the results.
7. IDI should, with ISSAI certification course participants, ensure the commitment of attendees' superiors that working-time will be needed to complete the course. IDI may also consider extending the time of the course.
8. IDI should consider how to link the iCAT and SAI PMF tools.
9. IDI should consider whether to include an assessment against level 4 ISSAIs (either linked with the iCAT or not) in the SAI PMF.
10. IDI should consider including (or referring to how to create) an action plan explicitly stating changes needed for improvement. This could be included in the SAI PMF report itself or could be produced subsequently in a separate document.

1. Background

In 2010, the International Organization of Supreme Audit Institutions (INTOSAI) adopted a framework of professional standards for government audit, the International Standards of Supreme Audit Institutions (ISSAI). The INTOSAI Development Initiative (IDI) was, as a body of INTOSAI, given the mandate to support the implementation of the ISSAIs in Supreme Audit Institutions (SAIs) in developing countries.

In December 2011, the IDI and the World Bank signed a grant agreement whereby the IDI committed to carry out the "Programme on Global Partnerships to Strengthen Capacities of Supreme Audit Institutions" (hereinafter referred to as the Program) and fulfill the agreed objectives. The grant agreement was extended in 2013 to December 31, 2014.

In fulfillment of the grant agreement, IDI commissioned external consultants to evaluate if the Program has achieved the expected outcomes. IDI contracted Swedish Development Advisers AB (SDA) to carry out the evaluation.

1.1 Scope of the Evaluation
The scope of the evaluation is to assess achievement of the Program's
- objectives,
- targets and
- outcomes.

The Program began in earnest in early 2012 with the recruitment of a team to carry out the program within the IDI. The financing of the Program ended December 31, 2014. This is therefore the period that has been evaluated.

The evaluation follows the Terms of Reference (ToR) IDI issued and the methodology presented in SDA's *Inception Report*[1]. At an initial meeting between SDA and IDI in November 2014 and in discussions with the World Bank in early December 2014
- it was agreed that an electronic survey (as originally intended by SDA) would not be carried out,
- stakeholders to interview by telephone were selected, and
- it was agreed to gather data through interviews on changes in the professional behaviour of auditors attending the 3i training course and to assess if such changes have meant changed systems and routines in the SAI.

1.2 Methodology
The evaluation team included Ms. Åsa Königson (Team Leader) and Mr. Kevin Hughes. The evaluation was carried out between November 2014 and February 2015. It began with an initial meeting resulting in the *Inception Report*, approved by IDI and the World Bank.

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[1] SDA, *Final Inception Report*, Dec 23 2014.

The evaluation team then performed a desk review of documentation provided by the IDI (see Appendix 1 for a list of documentation). SAIs to be interviewed were selected based on the data provided by IDI and the following criteria:
- SAI of a developing country,
- SAI that has carried out, or is in the process of carrying out the Performance Measurement Framework (SAI PMF)[2],
- equal representation of SAIs attending 3i performance, compliance, and financial audit streams,
- equal participation from the regional groups that have attended: ASOSAI, PASAI, CAROSAI, AFROSAI-E EUROSAI, and OLACEFS
- both larger and smaller SAIs.

As a result of an analysis of the SAIs, the team selected the following SAIs:

Selection of SAIs to interview	
AFROSAI-E	Sierra Leone
	Tanzania
ASOSAI	Bhutan,
	Phillipines
	Japan
CAROSAI	Barbados
	Jamaica
CREFIAF	Cameroon
EUROSAI	Macedonia
PASAI	Tuvalu
	Fiji
	Cook Islands
OLACEFS	Brazil

In total, the evaluation team has interviewed 41 persons representing 10 SAIs, five persons representing ASOSAI, PASAI, EUROSAI, CREFIAF and OLACEFS and the following INTOSAI subcommittees: Professional Standards Committee (PSC), Financial Audit Subcommittee (FAS), Performance Audit Subcommittee (PAS), Compliance Audit Subcommittee (CAS). All interviews with SAIs followed an *Interview Guide* presented in the *Inception Report*.

1.3 This Report
The following chapter describes the Program, its components and the activities carried out by IDI between 2012 and December 31, 2014. The ensuing chapter analyzes each of the expected outcomes of the Program and to what extent they have been achieved. Chapter 4 presents overall conclusions as to achievement and the final chapter presents recommendations.

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[2] According to IDI's reporting about 10 SAIs have either a final SAI PMF report or a draft report. Of these 4 are among the Least Developed Countries according to DAC.

2. The Program on Global Partnerships to Strengthen Capacities of Supreme Audit Institutions

The following chapter provides a brief overview of the Program, its objectives and the components of the Program. Each component is analyzed in more detail in the next chapter.

2.1 Program Objectives

The Program has been implemented over a period of two years, from early 2012 to the end of 2014. The objective of the **grant** from the World Bank to IDI was to:

Support IDI in the process of designing and implementing a program.

The objective of the **Program** was:

To promote accessibility and application of the ISSAIs with a focus on financial audit standards and to develop a tool for measuring implementation of ISSAIs by SAIs.

The achievement of the Program was to be measured against a Results Framework were the following outcomes and targets were agreed.

Program Development Outcome	Target
Indicator 1 • Number of developing country SAIs who participate in IDI's program to promote roll-out of the ISSAIs and	• At least 75 SAIs from most INTOSAI Regions participate in the roll-out program
• Number of developing country SAIs who begin application of the new resource materials, e.g. through incorporation on their audit approach, internal capacity building, and/or conduct of audits.	• A global set of resource materials to support ISSAI implementation is available. • At least 30 SAIs apply the resource materials.
Indicator 2 • Availability of a technically sound SAI performance measurement framework, including indicators to measure and monitor implementation of ISSAIs.	• Pilot Version of SAI Performance Measurement Framework is issued and piloted globally.
Program Intermediate Outcomes 1	**Target**
Outcome 1 • Design of ISSAI roll-out program, • Operating network of ISSAI experts, • ISSAI Compliance Assessment Tool, • Design and deployment of resource materials (e.g., ISSAI Implementation Handbooks, Roadmap for ISSAI Implementation, and e-learning and face to face workshop courseware).	By end-CY12: • Design of ISSAI roll-out program • Design and deployment of ISSAI Compliance Assessment tool and e-learning courseware in one of the four language groups By end-CY13: • Design and deployment of ISSAI Implementation Handbooks in one of the four language groups • Operating network of ISSAI facilitators and experts for financial and performance

Program Development Outcome	Target
	audit By end – CY 14 • Operating network of ISSAI facilitators for compliance audit
Outcome 2 • The comprehensive mapping of existing assessment tools related to SAIs, and the collaborative/ quality assured approach to develop a new performance measurement tool, will contribute to the production of a high quality instrument that can be issued globally.	By end-CY12: • Mapping exercise completed • Outline of new instrument By end-CY13: • Draft SAI performance measurement framework presented at INTOSAI Congress.

2.2 Program Components

The Program is based on a results framework and has included several components. These have been grouped into the following:

- The ISSAI Certification Program – a training course that includes one or two[3] on-line modules and one face-to-face module.
- Management Workshops for SAI top management to become familiar with the ISSAIs and obtain commitment from the SAIs to dedicate resources to begin implementation of the ISSAIs and monitor performance.
- Knowledge sharing - development of course material, tools (iCAT) and Handbooks and making them available on a platform.
- Development of a performance measurement tool (called SAI PMF) including piloting it and delivering training for assessors and facilitators.
- Additional workshops: iCAT review workshop and projects whereby SAIs are supported in audit planning and review meetings regarding cooperative audits.

The **ISSAI Certification Program** was developed by experts[4] in the ISSAIs from each of the audit streams; financial, compliance and performance audit. The experts developed the course material, an *ISSAI Compliance Assessment Tool* (iCAT) and the *ISSAI Implementation Handbook* for each of the three audit streams. These were an integral part of the on-line modules of the course. The third module of the certification programme is a face-to-face workshop on facilitation skills designed to help participants act as ISSAI advocates, project managers and trainers of their peers in the ISSAIs. By completing all three modules of the certification programme, and submitting an individual action plan approved by the Head of their SAI, participants were certified as "ISSAI facilitators".

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[3] The 3i program in OLACEFS was implemented as one on-line course while the initial courses were delivered in two on-line modules.

[4] The resource team consisted of ISSAI experts from the committees and ISSAI mentors from the INTOSAI regions.

SAI top management were invited and attended the **Management Workshops**. In total eight Management Workshops were delivered across all the INTOSAI regions. The aim of the Management Workshops was to also involve the top management of the SAIs in the process of implementing the ISSAIs. In the Management Workshops IDI aimed to create an overall understanding of what the ISSAIs are and gain commitment from the attending SAIs to carry out a needs assessment (by using the iCAT) and prepare an ISSAI implementation strategy. In total 135 SAIs attended the workshops.

IDI has created a **3i Community Portal** (launched on May 27, 2013) that contains all the reference material and tools developed, where facilitators, experts and mentors are listed, where the ISSAIs are easily available and where participants have access to the on-line courses.

The work to create a tool to measure SAI performance was one of the first activities, in this Program, the INTOSAI Donor Secretariat (hosted by IDI) started with. During the first six months of 2012 the INTOSAI Donor Secretariat created a structure for the tool and assessed other tools available to assess SAIs and/or the public financial management systems in countries. The **SAI-Performance Measurement Framework** (SAI PMF) was first piloted in three countries in mid-2012. It has since then been revised, piloted again and guidance notes and support material added. The INTOSAI Donor Secretariat has also trained 550 assessors and facilitators in how to apply the tool.

During the Program, the IDI has seen the need to add **additional workshops** and training events. The "iCAT review workshops" were aimed at helping SAIs complete the iCATs and increasing the understanding of how to carry out the iCAT assessment. During the period three iCAT review workshops were held[5]. The "Cooperative Audit meetings" aim to help SAIs conduct "real life" audits in accordance with the ISSAIs. One planning meeting and one review meeting were held where participants from PASAI were helped to plan a financial audit and present their audit reports. At the review meeting the audit reports were peer-reviewed and mentors provided feedback.

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[5] In ASOSAI, CAROSAI and AFROSAI-E with World Bank funding and funding from other financiers.

3. Findings

The following sub-chapters analyse to what extent IDI has achieved each of the outcomes listed in the original Results Framework. The evaluation team has also taken into account changes in the initial design of the program.

3.1 The ISSAI Certification Program

The first modules of the ISSAI Certification Program in financial, compliance and performance audit were launched in October 2012. These events were preceded by:

- The design of the first module (the iCAT course) by a team of experts and mentors,
- The design of the e-learning format by which the course was to be delivered through UNITAR's platform,
- Invitation to SAIs to nominate participants,
- Competitive, on-line testing and selection of participants.

3.1.1 Attendees of the ISSAI Certification Program

The ISSAI Certification Program was delivered in English in three modules:

1. An e-learning course on iCAT for the financial, compliance and performance audit streams. This seven-week on-line course began at the end of October 2012.
2. An e-learning course on "Implementing Performance/Financial/Compliance Audit ISSAIs", one for each audit stream. This e-learning course was also seven weeks, beginning in July 2013.
3. Seven face-to-face facilitation skills workshops. These were one-week workshops for selected regions.
4. In the OLACEFS region, the two e-learning courses have been combined into one course lasting 12 weeks. The course started in September 2014 and was held in Spanish.

The participants that completed a course were invited to attend the next course. The e-learning courses involved weekly assignments and upon submission of these assignments, the participant was deemed to have successfully completed the course. In total 322 persons have attended the ISSAI Certification Program. Of these, 199 been certified as ISSAI facilitators.

ISSAI Certification Program participants from region	Number of SAIs	Number of participants	Certified facilitators
AFROSAI-E	20	79	54
ASOSAI	16	80	76
CAROSAI	14	43	33
CREFIAF[6]	0	0	
ARABOSAI[7]	0	0	
EUROSAI	9	32	12
OLACEFS[8]	18	62	
PASAI	8	26	24
Total	**85**	**322**	**199**

In total, 85 SAIs have sent auditors to attend the ISSAI Certification Program, which is more than the target of 75 SAIs. Between 2012 and 2014 the ISSAI Certification Program was run in English and the first module of two in Spanish in the OLACEFS region. An ISSAI Certification Program is planned to be run in French for the CREFIAF region and in Arabic for the ARABOSAI region in 2015.

An analysis of the SAIs sending participants, shows that more than 80 percent of AFROSAI-E's and OLACEFS' members have attended the ISSAI Certification Program. More than 60 percent of CAROSAI's members have also sent participants. ASOSAI has a very large membership of which several countries also are members of either PASAI, ARABOSAI and EUROSAI thus a smaller share of their members have attended. Also, several of ASOSAI's and EUROSAI's members were not the primary target audience as the training program is focused on SAIs from developing and transition countries.

The overall completion rate i.e. the number of certified facilitators compared to attendees of the program run in English (as the OLACEFS program had not been completed by the end of 2014) is 77 percent where a larger share of participants from ASOSAI and PASAI have completed the course than those from EUROSAI where only 38 percent completed the course. The participants interviewed stated that one of the main the reasons for not completing the course could be the amount of leisure time participants needed to dedicate to the course. A majority of the participants interviewed carried out the course work in their free time, after working hours. Another reason, linked to this, was the need for internet access at home, which not all participants had.

IDI consequently has managed to create a pool of 199 certified facilitators with an understanding of the ISSAIs and the competence to train their peers in how to identify needs and move forward towards ISSAI implementation. The IDI has thus exceeded its target of having 180 facilitators.

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[6] 3i training program to start in 2015.
[7] 3i training program to start in 2015.
[8] 3i training program first e-learning module completed by the end of 2014, the program is to finish during 2015.

During the period 2012-2014, IDI also introduced Management Workshops with the top management of the SAIs as the target audience. In total 299 persons from 135 SAIs participated in these and the following graph shows attendance from each of the regional groups.

SAIs attending 3i Management Workshops
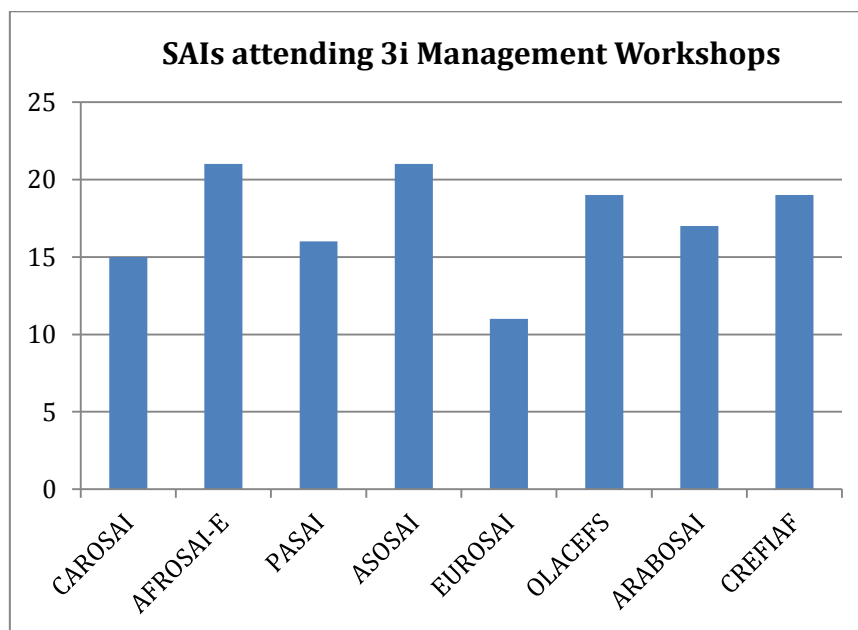
Eight Management Workshops were held in each of the INTOSAI regions. Of the 135 SAIs attending, the IDI received commitment from 111 SAIs to prepare needs analysis of the financial, compliance and performance audit areas using the iCAT and prepare a strategy for ISSAI implementation.

3.1.2 The Experts and Mentors
The ISSAI Certification Program was designed by a group of experts and mentors, nominated by the respective INTOSAI working groups under the PSC; FAS, PAS and CAS. Eight experts from the SAIs of Brazil, Estonia, Norway, Sweden, the United Arab Emirates and Tunisia have contributed to the design of the ISSAI Certification Program and the tools.

In addition, mentors from the SAIs in the regions have facilitated the ISSAI Certification Program and helped develop and maintain the tools. For each e-learning audit stream, four to five mentors supported the participants through on-line feedback and commentary on the participants' questions and assignments. IDI currently has 18 persons listed as mentors for the ISSAI Certification Program. For the ISSAI Certification Program in the OLACEFS region, an additional nine mentors are facilitating the e-learning course.

The IDI team managing the process has included between two and four persons throughout the period.

3.1.3 The Design of the ISSAI Certification Program
The IDI has had high ambitions regarding the Program; to create the capacity for implementation of level 3 and 4 ISSAIs in financial, compliance and performance audit in the five English-speaking INTOSAI regions. The initial idea of the Program was to assess the

needs of the SAIs based on the existing level of ISSAI compliance. Once the needs were determined, capacity in the form of certified facilitators was to be created after which 30 SAIs would be supported by these facilitators in implementation of the ISSAIs. This last goal was foreseen for the second phase of the Program (2014-2016).

However, as the development of the Program started, it became apparent that SAIs needed to better understand the newly adopted standards in order to be able to implement them. The IDI therefore designed a process to

- Help SAIs understand the requirements and therefore their own needs (by learning and using the iCAT),
- Gain commitment from the SAIs to apply the iCATs (in the Management Workshops), and
- Create certified facilitators with in-depth knowledge of the ISSAI requirements and how to assess a SAI against the standards' requirements.

During the first module of the ISSAI Certification Program the ISSAI requirements were taught by using the iCATs and many participants completed the iCAT for his/her respective audit stream of his/her SAI. The second e-learning module of the ISSAI Certification Program focused on moving from the needs analysis (in the iCAT) to guidance on how to implement the ISSAIs at the individual audit level and prepare a strategy and action plan to implement the auditing standards.

The knowledge the SAIs need in order to change and become ISSAI compliant and the establishment of a process towards addressing these needs was coupled with the skills necessary to train other auditors and inform management. This was done in the third module; the facilitation skills workshops.

In February 2013 IDI introduced the cooperative audits. These are meetings where certified facilitators or other participants are invited to prepare a real-life ISSAI-compliant audit plan to be carried out by his/her SAI. A follow-up meeting is held after the audit where the auditors present their draft audit reports and mentors provide feedback.

Early on in the process IDI identified the need for SAIs management buy-in to ISSAI implementation and therefore began inviting SAI top management to the Management Workshops. Commitment letters were signed by 111 of the 135 SAIs attending whereby they promised to carry out three iCAT self-assessments and prepare an ISSAI implementation strategy and action plan. This means that a SAI may send one or two participants to the ISSAI Certification Program in financial and compliance audit , but commit to prepare three iCATs; one for each audit stream by a certain date. IDI gathers data and monitors progress regarding the completion of iCATs regularly and according to IDI's data 38[9] of the 58 SAIs that had committed to preparing iCATs by the end of 2014 had done so. However, only 18 of the 38 SAIs had prepared financial, compliance and performance audit iCATs. The team's

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[9] Source: IDI. 150311 iCAT status.xlsx

interviews show that this is an understatement as a cross-reference against the SAIs interviewed by the team show that at least two more SAIs have completed at least one iCAT. This means that some 40 SAIs of the 58 that had committed to preparing iCATs (or 69 percent) have prepared at least one.

3.1.4 The quality of the ISSAI Certification Program

The team has interviewed 25 participants and mentors of the ISSAI Certification Program. The collated opinion of the participants is that the entire course was of very high quality. The main expectations of the participants were to improve their knowledge about the ISSAIs and to understand how other SAIs addressed ISSAI compliance. According to some interviewees, their knowledge was greatly improved. All the participants felt that they had the skills to train others and present to the top management on the subject of the ISSAIs.

The e-learning manner of teaching was new to many of the participants, and some had been skeptical at the beginning, worrying about the lack of personal interaction, not being able to meet fellow participants and the availability of the mentors. But all interviewees were positive to this manner of teaching and stated:

- "challenging at the beginning",
- "the e-learning platform was well-set up, it was easy to ask others and communicate",
- "the discussion forum was extremely useful", "quick responses in the discussion forum",
- "the ability to see other participants' questions and the answers in the forum was very helpful when completing the task",
- "I can learn from the answers to questions from other participants on the portal",
- "the email function telling me when I get an answer to my question was great".

The role of other participants and the mentors was appreciated

- "the course was well-guided by the mentors", "feedback from the mentors was timely and useful",
- "Structure of the course was good and easy to understand".

The expectations as to the knowledge gained were in some cases exceeded:

- "good to learn how other SAIs have managed to deal with ISSAIs",
- "in-depth discussion of the ISSAIs",
- "I can now train others in my SAI",
- "I have been invited and delivered a presentation on ISSAIs at my SAIs general meeting".

However, there was, a feeling of disappointment from one SAI, that the e-learning course did not provide sufficient detail on how to interpret the ISSAIs.

The skills gained during the ISSAI Certification Program had been put to use in the following manner:

- In four of the 10 SAIs interviewed, the facilitators had trained teams of colleagues either in the ISSAIs or in how to use the iCATs or *Handbooks*.
- In one SAI, the two participants interviewed had been tasked by their Auditor General (AG) to create an iCAT-team and carry out a self-assessment and present an action plan.
- In two SAIs, the iCATs are being used as a checklist for the quality assurance of individual financial audits.

Several participants use the skills gained in their day-to-day work with their teams. Attending the ISSAI Certification Program had meant a positive change in the career for two of the 25 participants.

All but one participant interviewed, however, felt that the time needed to complete the e-learning modules had been too tight. Participants interviewed had needed to work between two to four hours a week outside of working hours in addition to some time allowed during working hours to complete the weekly assignments. Being an on-line course, the participants could not take "time-off" for the work needed to complete the assignments. The interviewees remarked that it would have been easier to dedicate time to the course assignments on a face-to-face course away from the office. The issue of time was, reportedly, the reason why some participants dropped out.

Overall, the participants assessed the ISSAI Certification Program as of very high quality, also compared to other training they had attended delivered by other organizations.

It is important to mention IDI's philosophy regarding the program. The IDI has, throughout the Program, attempted to link technical transfer of knowledge (through training and tools) with the commitment of the practitioners as well as the top management. This is based on the belief that to achieve change, the top management needs to be committed. This conscious strategy is exemplified by the Management Workshops specifically for SAI top management where 111 Heads of SAIs or their authorized representatives have signed statements whereby they commit resources to the fulfillment of the Program. Another example is the fact that facilitators are only certified if his/her action plan has been approved by the Head of his/her SAI.

Conclusion
Overall the Program has achieved the Development outcome 1, Intermediate outcome 1 and the targets. IDI has managed to develop a training program, certify 199 participants and involve more than 85 SAIs. IDI has also fulfilled its goal to have at least 180 certified facilitators trained and able to help their and other SAIs begin the process of implementing the ISSAIs. The needs analysis has been done in at least on audit stream in 40 of the 135 SAIs attending the Management Workshops.

However, the knowledge gained through the ISSAI Certification Program does not appear to have been disseminated widely in the SAIs. There are indications that the processes of

internalizing the learning is starting with facilitators training their colleagues and that two SAIs interviewed have changed their quality assurance processes as a result of the Program is a significant achievement. Having only recently completed the ISSAI Certification Program, in June 2014, it is too early to expect to see evidence of significantly changed systems, processes or quality of audits as a result of the Program.

The following table summarizes the achievements.

Program Development Outcome	Target	Level of achievement
Indicator 1 • Number of developing country SAIs who participate in IDI's program to promote roll-out of the ISSAIs and	• At least 75 SAIs from most INTOSAI Regions participate in the roll-out program	• Achieved, 85 SAIs have participated in the ISSAI Certification Program and 135 SAIs have attended the Management Workshops.
Program Intermediate Outcomes 1	**Target**	
Outcome 1 • Design of ISSAI roll-out programme, • Operating network of ISSAI experts, • ISSAI Compliance Assessment Tool, • Design and deployment of resource materials (e.g., ISSAI Implementation Handbooks, Roadmap for ISSAI Implementation, and e-learning and face to face workshop courseware).	By end-CY12: • Design of ISSAI roll-out program • Design and deployment of ISSAI Compliance Assessment tool and e-learning courseware in one of the four language groups By end-CY13: • Design and deployment of ISSAI Implementation Handbooks in one of the four language groups • Operating network of ISSAI facilitators and experts for financial and performance audit By end – CY 14 • Operating network of ISSAI facilitators for compliance audit	• Achieved. ISSAI Certification Program designed • Achieved. iCAT for financial, compliance and performance audit level 3 & 4 designed • Achieved. e-learning courseware in English designed • Achieved. Three ISSAI Implementation Handbooks designed in English and deployed in e-learning course • Achieved. 142 Facilitators certified for FA and PA • Achieved. 199 Facilitators certified for FA, PA and CA (57 CA)

3.2 Application of Resource Material

During the period 2012-2014 the two main global public goods produced as part of the Program (apart from the SAI PMF which is analyzed separately below) are the iCATs and the *ISSAI Implementation Handbooks* for financial, compliance and performance audit respectively. These are analyzed separately below.

3.2.1 The iCAT

The iCATs (for financial, compliance and performance audit) are self-assessment tools designed to allow a SAI to assess itself against the requirements in the ISSAI standards at level 3 and 4. The SAI can assess its compliance (met, partially met, not met, not applicable) and also add information on the documentation or system that allows the SAI to meet or partially meet the requirements. The iCATs and instructions are available on the *3i Community Portal* and are the basis of the first e-learning module of the ISSAI Certification Program.

The evidence gathered from IDI shows that 38 of the 111 SAIs that have committed to carrying out a self-assessment have done so. The team's interviews with SAIs gave evidence that an additional two SAIs have prepared either one or two iCATs. The table below shows how many SAIs have completed and submitted iCATs.

Use of iCATs	Number of SAIs preparing iCATs
SAIs completing 3 iCATs	18
SAIs completing 2 iCATs	14
SAIs completing 1 iCAT	6
Total number of SAIs completing 1 iCAT or more	**38 (40[10])**

The iCAT templates and guidance material for all three audit streams are publicly available on the 3i Community Portal and have been downloaded 6,860 times. The interviews with SAIs show that the use of the iCATs is definitely mixed:

- Interviews with two SAIs in the AFROSAI-E region show that they prefer to use the AFROSAI-E's own self-assessment tool (the ICBF framework).
- One SAI interviewed has selected to conduct its audits based on its own performance audit manual, consistent with level 3 ISSAIs and has therefore not felt the need to draft iCAT reports.
- Two SAIs in ASOSAI are using the iCATs as checklists for quality assurance of individual audits.
- Six of the SAIs interviewed stated that they would repeat the iCATs in the future to test levels of future compliance.
- One SAI from the PASAI region had prepared two iCAT reports but re-drafted these after the iCAT review workshop when they understood better how to use the tool.
- The OLACEFS region has not yet finalized the ISSAI Certification Program and the SAIs have therefore not started to use it.

It is also important to bear in mind that the ISSAI Certification Program in English was finalized in June 2014, and several of the SAIs interviewed have plans to train their auditors using the knowledge gained through the ISSAI Certification Program. One SAI is planning to

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[10] Including the SAIs interviewed by the team.

review its entire induction program for newly recruited auditors so as to include the iCATs and detailed information on the ISSAIs. These plans had not yet been implemented at the time of the drafting of this report.

The IDI became aware of the fact that few SAIs appeared to have prepared the iCAT reports in line with their commitments. In order to help SAIs in their iCAT self-assessment work the IDI held the first iCAT review workshop for the CAROSAI regional group in July 2014, which was followed by two for the ASOSAI and PASAI regional groups in late 2014. This increased the iCAT-completion rate as all participants completed and submitted the iCAT reports before attending the workshop. The subject of the workshop was to review the iCATs and help the SAIs with any issues arising during the self-assessment.

Of the 10 SAIs interviewed as part of this evaluation, seven had prepared one or two iCAT reports. Participants interviewed felt that the iCATs were useful and pointed out the SAI development needs. The format was also easy to use. However, the financial audit iCAT was felt to be too cumbersome and too long (with over 500 questions – although the participants recognized that this was due to the detailed requirements of the financial audit ISSAIs). Some SAIs felt that the iCATs helped to explain the ISSAIs, other felt that they did not and that they were effectively a copy-paste from the standards.

3.2.2 The ISSAI Implementation Handbook
Originally, it was foreseen that the IDI would create an ISSAI audit manual and a model audit file. However, according to the ISSAI, a SAI can choose to conduct an audit based on a national standard that is consistent with the ISSAI fundamental auditing principles (level 3 ISSAIs) or to apply the ISSAI audit guidelines (level 4 ISSAIs) as the authoritative standard. This allows the SAI flexibility and to use the manual of its choice for the audit and audit process (as long as it is consistent with the ISSAI fundamental auditing principles). If a SAI chooses to be fully compliant with the ISSAIs level 3 and 4, then the iCAT helps it to assess the gaps between its current policies, manuals and systems and the standards.

The expert team mandated to design the *ISSAI Implementation Handbook* aimed at not creating a prescriptive manual but handbooks discussing manners in which to implement financial, compliance and performance audit standards. The handbooks aim at providing a step-by-step manner of moving from the needs identified in the iCATs to how to begin implementing changes to current practices.

According to IDI's statistics the *ISSAI Implementation Handbooks* have been downloaded from the 3i Community Portal 4,879 times and the *Handbooks* related to financial and performance audit have been used by 25 SAIs in other training courses (different from the ISSAI Certification Program courses).

The team has found that the awareness of the *ISSAI Implementation Handbooks* was very low. Of the three SAIs that were aware of them and had used them, their impression was that it is easy to use and provides practical examples and tools on how to move forward. Of the 10

SAIs interviewed, two SAIs have gone on to prepare a strategy and action plan, in line with the *Handbook* and had these approved by their AG.

The top management of the SAIs interviewed was not aware of the *Handbook*, which may be due to the fact that it is more a tool for middle management to prepare documentation for the AG to approve. In addition, the handbooks were only completed in 2014 and it will inevitably take time for awareness of these documents to increase.

Conclusion
The IDI has designed and disseminated the iCATs to allow a SAI to self-assess itself against the requirements in the standards. The iCAT was well received by the participants of the ISSAI Certification Program and both middle and top management interviewed were aware of the iCAT. 69 percent of the SAIs that have committed to preparing iCAT by 2014 had prepared at least one which is a significant achievement.

The *ISSAI Implementation Handbooks* are less well known by SAI top management although found very useful by those who have used them.

3.3 SAI Performance Measurement Framework

3.3.1 The Development Process
The SAI PMF is an assessment tool that allows a SAI to measure its performance against the ISSAIs and other good practices for external public auditing. A decision to develop such a tool was taken at the INCOSAI meeting in 2010 and the Working Group on the Value and Benefits of SAIs (WGVBS) was charged with developing this tool together with the INTOSAI Capacity Building Committee (CBC) and the INTOSAI Donor Secretariat.

The aim of the SAI PMF is that SAIs that wish to, are currently implementing or have implemented the ISSAIs can assess their performance against the ISSAIs in an objective manner. The tool can be used as a self-assessment tool as well as a peer review tool or by expert consultants. It allows benchmarking both between SAIs and over time.

The process of developing the SAI PMF has involved
- Mapping of similar tools used to assess the performance of SAIs.
- Drafting of the tool by SAIs from both developing and developed countries, donors, public financial management assessment experts and the IDI.
- Piloting of an initial (version 1.0), second (version 2.1) and third version (version 3.0).
- Issuing of the tool as exposure draft and inviting comments from the SAI community.

Currently, the PMF version 3.0 is being piloted and the aim was to have piloted a version of the PMF in 20 countries in all INTOSAI regions by 2014.

The INTOSAI Donor Secretariat analyzed 20 different tools used to assess either a SAIs' performance or a country's public financial management system (PFM) (where the SAI is one

institution among several). The tools most commonly used to assess the PFM in a country have been the PEFA and IMF Fiscal ROSC. The mapping concluded that these did not provide sufficient detail to allow a SAI, or an external stakeholder, to assess the SAI's reform needs. Another more SAI-specific tool such as the ICBF that AFROSAI-E uses was assessed to not provide for objective assessment of performance. Peer reviews were assessed as detailed and showing needed improvements in a narrative format but not easy to compare over time or be used as benchmarks. The WBVGS and the INTOSAI Donor Secretariat thus decided on the need for a specific SAI-centered assessment tool.

An analysis of the document *Mapping of Tools for Assessing Performance of the SAIs* shows that the assessment team was charged with analyzing the tools against 12 criteria. This is a long list, and all criteria are given equal weight (for example "brevity" is given the same weight as "objectivity" and "comprehensiveness"). With such a long list of criteria with equal weight, the likely result is that none of the existing tools fulfil all 12 criteria. If the aim of the mapping had been to select one of the existing tools to either use directly or modify then a stricter prioritization among the criteria may have resulted in a different outcome. However, the analysis of the tools has been thorough and the resulting decision to go ahead with the development of a new tool made by the appropriate INTOSAI groups.

Alongside the development of the tool, supporting material and explanations, the INTOSAI Donor Secretariat began an ambitious training program. This is part of *the PMF Roll-out Strategy 2013-2016* approved by the WGVBS in December 2012. The idea is to provide two types of training: Part A of the course is for users of the SAI PMF i.e. those tasked with using the SAI PMF in their SAI (called assessors) and Part B of the training is for future trainers in order to provide them with a deeper understanding of the SAI PMF (called facilitators).

During 2013 and 2014, 16 training events were held in different locations world-wide. By May 2014 (the most recent data provided by IDI) 506 persons had attended either Part A or Part B or both courses. All INTOSAI regions were represented among the participants. Also donor organizations and consultants have attended the training.

It was initially decided to present the SAI PMF at the INTOSAI Congress in 2013. It was mentioned at the meeting, but a decision in the WGVBS was taken to present a final SAI PMF tool that had been piloted, commented on and revised at the INCOSAI meeting in 2016.

3.3.2 Quality of the SAI PMF
The SAI PMF is intended to be used to establish how well a SAI performs compared to international good practices, as well as to identify its strengths and weaknesses. SAIs may use the SAI PMF for several reasons:
- As a step towards ISSAI implementation; learn where the need for change is greatest in order to follow the key principles of the ISSAIs, obtain an increased understanding of what good practice for SAIs entails;
- To demonstrate progress and value and benefits to society; measure progress over time and demonstrate this to external stakeholders, show stakeholders how the SAI

contributes to strengthening public financial management, promoting good governance, fostering transparency and accountability, and tackling corruption;

- Internal performance measurement / annual reporting; improve or introduce internal performance measurement procedures; and
- To get support for capacity development efforts; by showing commitment to change and establishing a performance baseline.

The SAI PMF covers all the main areas of SAI performance including the SAI's internal processes and its external deliverables and results. It seeks to measure SAI performance against the ISSAIs and other good practices established within INTOSAI, and against the specific mandates and legal frameworks relating to the SAI. Its standardised scope and objective measures of SAI performance in the form of indicators makes it well suited for comparison of performance over time.

To assess the "quality" of the SAI PMF it was assessed against the following criteria:
- Is the framework clear and easy to use?
- Is the data used in the framework verifiable?
- To what extent does the framework assess the overall performance of an SAI?
- To what extent does the framework help the SAI and other stakeholders to identify development needs?

Ease of use
The SAI PMF is accompanied by detailed guidance on how the scoring should be completed. It is made up of 81 individual dimensions each of which has a number of criteria. Each criterion is clearly linked to the relevant ISSAI and/or other guidance to allow the reader to conduct further research as required so as to reach a conclusion whether the criteria has been met.

Each dimension is assigned detailed criteria that are mostly, extremely clear and specific. The detailed criteria used, mean that it is, usually, relatively easy for a user to assign the appropriate score for a particular dimension.

However, in some cases a large element of subjectivity is required in determining whether a particular criteria has been met. For example, SAI – 3 (performance audit results), Dimension 2, Criteria (c) is:

"The SAI communicates timely and widely on performance audit activities and results through the media, websites and by other means" (from ISSAI 20:8)

Reviewers will have no choice but to use their judgement as to whether a particular SAI has met this specific criteria. What is timely? What is widely? What are "other means"?

The SAI PMF (as with the standards it is based on) will always have some areas where a degree of professional judgement is required from a reviewer to conclude whether or not a

SAI has met some of the criteria used to measure performance. This is why the IDI training program for reviewers is particularly important. By receiving the same training and discussing common issues or misunderstandings it helps to ensure that a common standard will be applied by different reviewers. Nonetheless, it is likely that the professional opinion of different reviewers will have some impact on the results of the SAI PMF assessments and the comparability of the data between SAIs. In addition, some SAIs trying to use the SAI PMF as a self-assessment tool may have some difficulty in assessing some of the more subjective criteria because of a lack of SAI PMF training and lack of general awareness of common standards and international good practice.

All SAIs interviewed that had used the tool said that the SAI PMF is extremely detailed and although this made it a little more difficult to use, they all agreed that this level of detail was necessary to examine all areas of the SAIs.

SAI PMF assessments conducted in the form of peer reviews (the pilots conducted at SAIs interviewed have been conducted by two officers from other SAIs working with a member of IDI) take several weeks and are an intensive process for the review team and SAI staff members assigned to coordinate with them. In addition to the time on the ground conducting the review itself, there is significant time required for preparation in advance of the visit and in finalising the report after the visit has concluded. All this makes conducting a SAI PMF assessment in the form of a peer review a relatively expensive exercise. The main reason for the large amount of time required to complete the peer review assessment is that the SAI PMF is evidence based; to support conclusions reached evidence must be assessed and recorded by the review team. Although this process takes a relatively long time and requires a lot of resources, it also means that the scores given in the assessment are supported by evidence and therefore can be relied upon to be relatively accurate. SAI PMF assessments would also need to be repeated in full only every few years. On the other hand, the cost and time required to complete a peer review SAI PMF assessment may put some SAIs off undertaking such a review and may make it difficult for IDI to roll this method of SAI PMF assessment out across all SAIs.

A less costly and quicker method of SAI PMF assessment would be for SAIs to complete it (or parts of it) as a self-assessment exercise. SAIs would then get the benefit of identifying gaps where they are not complying with ISSAIs. However, there is a risk that risk that self-assessments may be less reliable because:
- These may not be entirely based on review of evidence,
- These are not supported with adequate QA process, and
- There is a possible incentive to be "overly positive" in scoring.

For external stakeholders, the results of such self-assessment may be harder to place reliance on when used to compare performance of individual SAIs or INTOSAI regions.

Is the data used in the framework verifiable?

The individual criteria used in assigning SAI PMF scores are extremely detailed and are verifiable. So for example in assessing the first indicator (SAI-1), reviewers should grade based on:

- Financial audit coverage (Dimension 1) – can be verified through correspondence from the SAI, annual report.
- Submission of financial audit reports (Dimension 2) – can be verified through correspondence records, parliamentary records.
- Follow up of audit recommendations (Dimension 3) – can be verified through SAI recommendation database, management letters, annual report.

These criteria used to assess the three dimensions of SAI-1 are clear and it would be fairly easy for the reviewer to obtain evidence to verify the results of scores given. As SAIs become more comfortable with the tool they will start developing more sophisticated data gathering and monitoring systems which will provide easier access to relevant evidence to support measurement against the relevant criteria. This will make the SAI PMF assessment easier and will reduce the time required to complete the exercise in the future.

Some of the areas of the SAI PMF which are more subjective (discussed in the subsection above) are perhaps less "verifiable" because the professional judgement of the reviewer will have played a crucial role in the score assigned. Some level of subjectivity is unavoidable and is consistent with auditing profession itself where the professional judgement of an experienced auditor is critical in assessing evidence and forming conclusions.

To what extent does the framework assess the overall performance of an SAI?
The SAI PMF is accompanied with detailed guidance on how the overall score for each indicator is calculated from the scores of the individual domains within each indicator. This guidance is presented in table format that is clear and extremely easy to use and simply calculates the average score for each indicator and rounds it up. (Similar to PEFA method 2).

The score achieved by a SAI for each respective dimension is determined by how many of the specified criteria are met. Because of the scoring system used a good spread of scores is likely to be produced. In addition, SAIs can move between scores relatively easily.

One of the SAIs interviewed stated that sometimes scores of "0" are assigned when some of the list of criteria conditions had been met. They felt that this was unfair and did not give full credit to the SAI.

The SAI PMF is particularly good at measuring the "performance" of a SAI in relation to the level 1 and 2 ISSAIs which focus on more of the institutional aspects of the SAI. Questions such as "is the SAI legally independent"? or "does the SAI have a strategic plan that contains a, b, and c?" are fairly easy to answer and a clear score can be assigned.

However, in relation to assessing the quality of SAI audit work performed (by measuring level of compliance with ISSAIs) the SAI PMF in its current structure is not so useful. The

level of detail required to make an accurate assessment on the quality of the audit work is almost impossible to achieve in answering only the questions included within the current structure of the SAI PMF based on the level 3 ISSAIs. However, IDI has created the iCATs for assessing whether the audit methodologies and audit work of SAIs meet international standards as assessed against, the much more detailed, level 4 ISSAIs.

The SAIs interviewed all agreed that there was an element of overlap between the iCAT and the SAI PMF. A possible way forward would be to attempt to link the results of the iCATs to the SAI PMF.

Identifying development needs?
The SAI PMF allows SAIs to identify areas for development and can be used to provide scores for the specific indicators that would allow SAIs, and development partners, to identify needs and measure progress.

The SAI PMF also provides detailed guidance on how the SAI should implement specific developments. For example on strategic planning, there are detailed requirements of what the plan should contain and another dimension addresses how the planning process should be performed. In relation to legislative independence, the SAI PMF gives specific requirements such as the appointment term and arrangements for the removal and dismissal of the Auditor General.

The SAI of Sierra Leone used the recent SAI PMF assessment to focus project activities when designing a new technical assistance project and both the donor terms of reference and consultant inception report drew strongly on the completed SAI PMF report.

One of the key potential benefits of the SAI PMF is to show SAIs where they can improve. However, the report structure as it stands does not include an action plan, explicitly stating changes needed for improvement. The *ISSAI Implementation Handbooks* help a SAI in the process of developing an action plan based on the iCATs but could also be referred to in the SAI PMF guidance. An action plan would ensure SAI management is clear on what needs to be done and would help to lock-in management commitment to make the positive changes needed. Such an action plan would also allow for follow up on the SAI PMF assessment without having to repeat the whole exercise; reviewers could just assess and report on progress made against the agreed action plan. This could be done either as part of the SAI PMF assessment process itself and included in the final report agreed with SAI senior management or in a separate subsequent process/document. A tool to assist SAIs in producing, and owning, their own action plans would be extremely useful to help ensure that SAIs properly understand how to respond to the SAI PMF (and iCAT) and are able to adequately identify appropriate actions to move their organisations forward.

3.3.3 Applicability of the SAI PMF

INTOSAI Donor Secretariat's latest progress report[11] to the WGVBS shows that 11 SAI PMF reports and draft reports have been produced. The team's interviews indicate that an additional two SAIs have since finalized PMF reports[12]. An additional 10 SAIs have prepared terms of reference for the PMF process.

The team has collected feedback from four[13] SAIs that have undergone SAI PMF assessments. The assessments had been carried out by IDI working alongside experts from other SAIs apart from the exercise carried out in Brazil where SAI staff carried out the assessment. All interviewees said that the SAI PMF tool is extremely useful and that the reports were fair, verifiable and gave a fair reflection of the situation on the ground.

Of the SAIs interviewed that had not undergone the SAI PMF process, the knowledge of the tool was extremely low. Some had heard about it, others not. The SAIs interviewed and knowledgeable about the tool provided the following observations/views to the team:

- Some felt that there was overlap between the SAI PMF and the iCAT. Both the iCAT and the SAI PMF showed the weaknesses and were used to negotiate with the SAI's top management on what changes are needed and should be prioritized.
- The CREFIAF region has, as yet, not begun using the SAI PMF. According to the SAI PMF advocate from the SAI of Cameroon, SAIs in the region are not following or complying with the ISSAIs and are therefore not willing to undergo such an assessment. The CREFIAF Secretariat believed that SAIs in CREFIAF would not apply it until it was endorsed by the INCOSAI in 2016.
- Some SAIs had heard that it was a cumbersome and expensive process and that it was an "add-on" to other assessments done by different institutions and therefore "nice-to-have" but not necessary.
- There was also a feeling among some SAIs interviewed that this was a tool that developing country SAIs were being asked to test with a question as to why developed country SAIs did not use it[14].

There is, however, substantial interest in the OLACEFS region to undergo SAI PMF assessments. According to the OLACEFS representative interviewed eight SAIs of 22 members of the regional group are applying the assessment tool. IDI's data also indicated that 12 SAIs in OLACEFS have committed to undertake a SAI PMF.

Conclusion

The IDI and the INTOSAI Donor Secretariat have achieved the expected outcomes. An assessment tool exists that is very detailed, comprehensive, independently verifiable (in most

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[11] Presented in September 2014.

[12] SAI of Cook Islands and SAI of Costa Rica.

[13] Sierra Leone, Bhutan, Barbados and Brazil

[14] IDI stated in response to this that Norway, Slovak Republic and Ireland have all completed (or nearly completed) SAI PMF assessments.

dimensions analyzed) and helps a SAI to identify performance against level 1, 2 and 3 ISSAIs.

Few countries have yet begun to apply the SAI PMF (bearing in mind that it is still being piloted) but there were also few SAIs interviewed that knew about it or were considering applying it.

Program Intermediate Outcomes 1	Target	Level of achievement
Outcome 2 • The comprehensive mapping of existing assessment tools related to SAIs, and • the collaborative/ quality assured approach to develop a new performance measurement tool, will contribute to the production of a high quality instrument that can be issued globally.	By end-CY12: • Mapping exercise completed • Outline of new instrument By end-CY13: • Draft SAI performance measurement framework presented at INTOSAI Congress.	• Achieved • Achieved • Decision to present a final, piloted tool at the INCOSAI in 2016 taken by WGVBS

3.4 Fulfillment of IDI's Operational Plans

The team has analyzed the IDI's *Operational Plans* for the Program and found that the IDI has achieved nearly all its goals as established in the *Operational Plans*. The following table illustrates this. The green color indicates fully achieved and the yellow partially achieved.

Phase 1 ISSAI Implementation Initiative (2012-2014) as per the IDI Operational Plan 2012	Added/changed as per the IDI Operational Plan 2013	Achieved by the end of 2012	Achieved by the end of 2013	Achieved by end of 2014
• Create ISSAI audit manual and model audit file				• No manual or model audit file prepared • ISSAI Implementation Handbooks for PA, CA and FA prepared • Total number of downloads of the three Handbooks: 4879.
• Create iCAT		• iCATs in fin, perf & compl in English	• iCATs in fin, perf & compl in Spanish and Arabic	• iCATs in fin, perf & compl in English, Spanish and Arabic.
		• 29 SAIs had committed to prepare 3 iCATs, action plans and implementation plans by a certain schedule.	• Total of 58 SAIs had committed to prepare 3 iCATs, action plans and implementation plans by a certain schedule	• Total of 111 SAIs had committed to prepare 3 iCATs, action plans and implementation plans by a certain schedule • Total of 38 SAIs had carried out at least 1 iCAT.
• Create certification program for ISSAI facilitators		• Created and launched English version in Oct 2012		• Created and launched Spanish version in Sep 2014
o Selection of participants		• 261 participants from 67 SAIs in 5 regions enrolled in e-course		• Total of 322 participants from 85 SAIs in 6 regions had participated in the e-courses
o E-course (financial incl compliance)		• 230 participants completed the iCAT e-courses (in fin, comp and perf audit)	• 160 participants in the second e-course	
o Face2face course performance	E-course also for performance audit			
o Dissemination of manual and model audit file	ISSAI Implementation Handbooks including guidance on developing ISSAI Implementation strategies, setting up ISSAI based audit practice and			• ISSAI Implementation Handbook drafted and disseminated as part of the ISSAI Certification Program

Phase 1 ISSAI Implementation Initiative (2012-2014) as per the IDI Operational Plan 2012	Added/changed as per the IDI Operational Plan 2013	Achieved by the end of 2012	Achieved by the end of 2013	Achieved by end of 2014
model audit file				
o Audit assignments (ISSAI compliant audits - fin & perf- as projects)				Audits using case studies done during the e-course. Cooperative financial audit in PASAI added in 2013
o Face2face workshops in facilitation skills in ASOSAI, AFROSAI-E, CAROSAI and PASAI	EUROSAI added		• 4 facilitation skills workshops held for ASOSAI, AFROSAI-E, EUROSAI and PASAI	• Total of 7 facilitation skills workshops held for ASOSAI, AFROSAI-E, CAROSAI, EUROSAI and PASAI
• Create pool of 120 ISSAI facilitators			• 117 certified as facilitators	• Aggregated total of 199 facilitators certified
	ISSAI Knowledge Network/community			• Launched in May 2013
	Supporting of cooperative audits			• Launched in March 2014. One cooperative audit planning meeting and one review meeting for PASAI in 2014.
	3i Management workshops for top management in SAIs	• 3 Management workshops delivered in CAROSAI, PASAI and AFROSAI-E • Documented commitment to conduct iCATs from 19 SAIs	• 2 Management workshops delivered in ASOSAI and EUROSAI • Documented commitment to conduct iCATs from an additional 29 SAIs	• Aggregated total of 8 Management workshops delivered in six regions. • Documented commitment to conduct iCATs from a total of 111 SAIs

There have, during the phase of the program, been a few changes made:

- Support mechanisms to help SAIs to carry out the SAI PMF have been added with training and train-the-trainer events as well as IDI helping to review SAI PMF terms of reference.
- Additional support to SAIs wishing to start the ISSAI implementation process through cooperative audits and iCAT review workshops have been added.
- The IDI has also monitored progress as to both the use of the SAI PMF tool and the iCATs.

Conclusion

The team has analyzed the IDI's *Operational Plans* for the Program and found that the IDI has achieved nearly all its goals established in the *Operational Plans*.

3.5 ISSAI Implementation

The Program was designed to deliver a set of outcomes defined as training events, participants, tools etc. which has been achieved. The IDI has, during the Program, delivered many, if not all of the pre-requisites needed for a SAI to be able to start implementing the ISSAIs:

1. Training in how to interpret the ISSAIs.
2. Training in how to train others in the ISSAIs.
3. Needs assessment tool to know what gaps a SAI has (the iCATs).
4. Handbooks for how to prepare a strategy and action plan to remedy the gaps.
5. Tool for how to assess ISSAI compliance against other SAIs and over time (iCAT and SAI PMF).

In addition, the IDI has attempted to incentivize and motivate SAIs to begin the ISSAI implementation process by:

- Requiring commitment from SAIs top management to begin implementation.
- Providing support to a real, individual ISSAI-based audit (in the cooperative audits).
- Following-up on the implementation of the iCATs (in the iCAT review workshops).
- Development and piloting of the SAI PMF and training on its use.

The most recent Global Survey that IDI has carried out[15] shows that the responding SAIs felt that

1. They had adopted level 4 ISSAIs for financial audit and were applying these (67% of respondents)
2. They had adopted level 4 ISSAIs for compliance audit and were applying these (59% of respondents)
3. They had adopted level 4 ISSAIs for performance audit and were applying these (61% of respondents)

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[15] 127 SAIs in least developed-, low income-, lower-middle income- and upper-middle income-countries responded to IDI's queries in 2014.

However, in interviews with experts, mentors and facilitators that the team has done, only one of the many stakeholders interviewed stated that their SAI was carrying out audits (in performance audit) that were consistent with the ISSAI fundamental auditing principles (level 3 ISSAIs). The information from the IDI and other ISSAI experts also reveals that auditors in developing country SAIs have a poor knowledge of the ISSAIs and lack an understanding of what the requirements are.

The evidence gathered by IDI and the team shows that a significant number of developing SAIs are doing the self-assessments; of the 135 SAIs attending the Management Workshop, 40 SAIs have prepared at least one iCAT needs analysis and of those who committed to preparing these by the end of 2014, 69 percent have done so.

According to the IDI's reporting and the team's interviews, 13 SAI PMF reports have been produced. An additional 10 SAIs have prepared ToR for the SAI PMF process and 12 SAIs in the OLACEFS region have committed to undertake such a measurement process.

This evidence is not an indicator of if the SAIs are implementing the ISSAIs or complying with them. It indicates that a significant number of SAIs a) have staff that are aware of the ISSAI requirements and b) know what changes to systems and process will be necessary in order to comply with level 4 ISSAIs.

Conclusion
The ISSAI certification program in English has only just been finalized and changing audit manuals, working papers, processes and systems takes time. Evidence gathered by the team shows that so far, significant changes to a SAI's systems have only been achieved in two cases. The team's view is that the IDI has made a great effort to start the process of ISSAI implementation. It has fulfilled its objectives and been flexible in its approach when realizing that the SAIs have needed additional motivation, support, commitment and information. The responsibility to comply with the ISSAIs lies with the individual SAI leadership.

The IDI is currently considering and planning for additional efforts:
- An accreditation program for auditors.
- Country level support to 30 SAIs.
- Peer reviews.
- Approval of the SAI PMF at the next INCOSAI.

Additional support in terms of training more facilitators in the SAIs is suggested as some SAIs have sent only one or few auditors and a critical mass may be needed within a SAI to ensure that benefits gained are sustainable.

4. Going Forward

Program Design

The Program as designed focussed on the production of tools (iCATs, handbooks, SAI PMF) and encouraging SAIs to make use of these tools by training auditors; and has been a great success. However, the hoped for *impact* of the Program is not to have a suite of well-designed tools that SAIs use regularly; these are only outputs. For a future or continuation of the Program, the IDI should consider a new objective (outcome):

> Improvement in the quality of audit work produced by SAIs as measured by their levels of compliance with the ISSAIs.

The impact will then be greater public accountability and better use of public funds. Any future project should ensure that initial benchmarked levels of ISSAI compliance are measured for SAIs worldwide (using the excellent iCAT and SAI PMF tools already produced). Changes in compliance levels can then be tracked with repeated use of the tools over a number of years.

IDI has developed good tools and a majority of the SAIs in developing countries have been involved in the programme. The key question is "what happens now?" Quality tools will mean little if SAIs are not able to close some of the gaps addressed by these tools. As such, any future project should:
- Continue with the ISSAI Certification Program to allow more auditors (and achieve a critical mass in larger SAIs), and SAI senior management to understand the ISSAIs and begin the process to change systems, audit manuals and processes to become ISSAI compliant.
- Continue to encourage the use of the iCATs and SAI PMFs and to keep them up to date.
- Encourage all SAIs to participate in the program and use the tools (and remit the results to IDI).
- Work with SAIs to follow up on the action plans (say, every year) to monitor progress made.
- Include iCAT and SAI PMF assessments done through peer-reviews.

In parallel with the activities relating to the iCATs and SAI PMF above, IDI should continue to support programs such as co-operative audits and other ISSAI training events. Although the impact on the quality of SAI work from these events is hard to measure there will be an indirect effect on the work of SAIs from the knowledge gained from individual participants. These benefits will eventually be seen in the ISSAI compliance levels as measured by the iCAT/SAI PMF assessments.

From interviews conducted SAIs often said that peer reviews were the best way for iCATs (and SAI PMF assessment) to be conducted. Such an approach would give extra assurance that results of iCAT and SAI PMF assessments were fair and balanced and that the

comparison between SAIs was a fair one; there is still a perception that these assessments are the equivalent of a school exam and that a SAI is somehow embarrassed with a poor performance. Peer reviews would also have the added advantage of building strong working relationships between SAIs and encourage effective sharing of knowledge and experience.

iCATs

The iCAT tools and the training process were commended by almost all participants interviewed. However, some suggestions were made for improvement:

- There was a great deal of work pressure when trying to juggle day-to-day work commitments with reading and assignments for the e-course. IDI should consider either extending the course or giving participants some more flexibility when submitting assignments. SAI top and middle management should be reminded that for the participants to get full benefit participants should be assigned sufficient time during their work hours to complete the course.
- There was some concern raised that "not much will happen" to address the issues identified in the completed iCATs. Very few of the offices that have completed the iCATs have yet to make any formal changes to their audit methodologies. Participants all said they have improved their own personal knowledge because of their participation in the programme. IDI should continue to work with senior management within SAIs to develop action plans to implement change. Working at the country level could include projects in e.g.
  - o Developing induction courses for larger SAIs in ISSAI compliant audits,
  - o Hands-on assistance to middle management to change audit processes,
  - o Helping SAIs to develop quality assurance processes.
- For the smaller SAIs interviewed, one person (per stream) attended the 3i program. For some of the bigger SAIs interviewed up to four people attended. This does not represent a critical mass to ensure the continued success of the programme. To address the risk that some of the programme benefits are lost because of trained facilitators leaving their posts, IDI should continue to train more facilitators to complement the pool already established. They should also encourage some SAI senior management to participate in the programme; senior management involvement would give them a better appreciation of some of the issues and help to ensure issues identified are acted upon.

From interviews conducted it is clear that SAIs are conducting iCATs (and possibly also SAI PMF) on their own without the knowledge of IDI. This is generally a good thing; SAIs use the tools, identify issues and hopefully address them with corrective action. However, if IDI wishes to get a global picture of ISSAI compliance the results of iCATs and SAI PMF self-assessments need to be fed back to IDI.

SAI PMF

The SAI PMF is well designed to measure some the institutional performance of SAIs but is much less clear and easy to use when it comes to assessing the audit methodologies and audit work of SAIs. The three iCATs have been produced by IDI and allow for detailed assessment of compliance against the level 3 and 4 ISSAIs. IDI should consider linking the SAI PMF and iCAT results (used to assess the audit methodologies in place within SAIs).

One of the key potential benefits of the SAI PMF is to show SAIs where they can improve. However, the report structure as it stands does not include an action plan, explicitly stating changes needed for improvement. Such an action plan would allow for follow up on the SAI PMF assessment without having to repeat the exercise; reviewers could just assess and report on progress made against the agreed action plan.

4.1 Recommendations
The following summarizes the team's recommendations to IDI.

1. The IDI could consider defining the outcome of any continuation of the program in terms of "improvement in the quality of audit work produced by SAIs as measured by their levels of compliance with the ISSAIs"."
2. IDI should continue with the ISSAI Certification Program to allow more auditors (and achieve a critical mass in larger SAIs), and SAI senior management to understand the ISSAIs and begin the process to change systems, audit manuals and processes to become ISSAI compliant.
3. IDI should encourage all SAIs to participate in the program and use the tools (and remit the results to IDI)
4. IDI should, once the ISSAI Certification program has been rolled out in all regions, focus on the support programs such as cooperative audits and iCAT review workshops
5. IDI should work with SAIs to follow up on the action plans (say, every year) to ensure progress is being made
6. IDI should encourage SAIs to prepare SAI PMF assessments done through peer-reviews every few years to ensure validity of the results
7. IDI should, with ISSAI certification course participants, ensure the commitment of attendees' superiors that working-time will be needed to complete the course. IDI may also consider extending the time of the course.
8. IDI should consider how to link the iCAT and SAI PMF tools.
9. IDI should consider whether to include an assessment against level 4 ISSAIs (either linked with the iCAT or not) in the SAI PMF.
10. IDI should consider including (or referring to how to create) an action plan explicitly stating changes needed for improvement. This could be included in the SAI PMF report itself or could be produced subsequently in a separate document.