



# PERFORMANCE AND ACCOUNTABILITY REPORT

## 2019

FINAL APPROVED VERSION



## Foreword

### Appreciation for IDI's Partners

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IDI would not be able to achieve its mission of supporting SAIs in developing countries to sustainably enhance their performance and capacities without the support of its partners. Partners are involved in all aspects of IDI's work, providing the financial and in-kind resources that make all of IDI's efforts possible. We are dependent on funding from the international development community and SAIs to finance our strategic priorities. Our financial partners also hold IDI accountable by scrutinising IDI's reports and funding evaluations to ensure IDI spends its money effectively and demonstrates results. IDI has active grants with the following partners:

#### Core Funding Partners



#### Earmarked Funding Partners





State Audit Bureau, Qatar



## International SAI Community

The International SAI Community has agreed on a shared vision and set of strategic priorities as set down in the INTOSAI Strategic Plan 2017-22. IDI partners with INTOSAI bodies to support delivery of the INTOSAI plan, as well as the IDI Strategic Plan. The linkages between the INTOSAI and IDI Strategic Plan are set out in the IDI Strategic Plan 2019-23 (Annex 2).

IDI therefore partners with many INTOSAI bodies including the General Secretariat, the Governing Board, the Policy, Finance and Administration Committee, the Capacity Building Committee, the Knowledge Sharing Committee and the Professional Standards Committee (including its Financial Audit and Accounting, Performance Audit and Compliance Audit sub-committees). In addition, IDI is cooperating with several working groups and Task Forces in INTOSAI. All the involvement from INTOSAI in IDI's capacity development initiatives are done as in-kind contributions to the IDI and the SAI Community. In addition, IDI has in 2019 entered into two specific Memorandum of Understanding (MoUs), as follows:

- MoU with the INTOSAI Financial Auditing and Accounting Subcommittee (FAAS) to facilitate mutual cooperation and support on public sector financial auditing.
- MoU with the Audit Board of the Republic of Indonesia (BPK) to cooperate on ISSAI implementation, Auditing SDGs, SAI PMF assessments and blended learning solutions, through BPK assigning a staff member to work with IDI and providing training facilities.

IDI uses experts from SAIs in our efforts to strengthen the capacity and performance of SAIs. These experts from several SAI in all regions are provided to IDI as in-kind contributions and are a critical success factor for the success of the IDI's work. Many SAIs are also contributing to IDI's initiatives by hosting IDI events, printing IDI products and seconding staff to IDI.

## INTOSAI and the Regions

IDI is also working in close cooperation with all the different regional SAI organisations: AFROSAI, ARABOSAI, ASOSAI, CAROSAI, EUROSAI, OLACEFS and PASAI, and the sub-regions AFROSAI-E, CREFIAF and ASEANSAI. These organisations are important for IDI as they are better situated to monitor the development and needs of the SAIs in their regions.







### Sub-Regional Organisations



### INTOSAI-Donor Cooperation

Since the signing of an MoU in 2009, IDI has worked closely with other INTOSAI bodies and Development Partners through the INTOSAI-Donor Cooperation. The Cooperation seeks to strengthen and scale-up support to SAIs in developing countries. The MoU has been signed by INTOSAI and representatives of the following 23 donor agencies: African Development Bank, Asian Development Bank, Australian Department of Foreign Affairs and Trade, Austrian Development Agency, Belgian Ministry of Foreign Affairs, Canada, European Union, France, GAVI Alliance, Global Fund to Fight AIDS, Tuberculosis and Malaria, Inter-American Development Bank, International Fund for Agricultural Development, International Monetary Fund, Ireland, Islamic Development Bank, Netherlands Ministry of Foreign Affairs, Norwegian Agency for Development Cooperation, Organisation for Economic Co-operation and Development, Switzerland, Sweden, United Kingdom, United States of America, and the World Bank. The members of the Cooperation collaborate under the banner of the [INTOSAI-Donor Cooperation](#).



### Other Partners

**United Nations Department of Economic and Social Affairs (UNDESA):** IDI continued to build on its strong partnership with UNDESA for supporting SAIs in auditing the implementation Agenda 2030 and the SDGs, specifically the Division for Public Institutions and Digital Government (DPIDG).

**International Budget Partnership (IBP):** IDI and the IBP agreed and began implementing a Strategic Partnership to (1) advocate for independent and effective SAIs as essential to good public budgeting, effective governance and reducing poverty; and (2) to support effective engagement between SAIs, legislatures and civil society in order to enhance accountability, audit impact and make a difference to the lives of citizens. IDI and IBP supported each other's work in the following areas:

- The IBP's Open Budget Survey and the IDI's Global SAI Stocktaking
- IDI's SAIs Engaging with Stakeholders Initiative
- IBP's Audit Accountability Initiative & IDI's Facilitating Audit Impact (FAI) initiative
- Advocating for SAI Independence

**Canadian Audit and Accountability Foundation (CAAF):** CAAF supported IDI's SAI Young Leaders Programme and the Auditing the SDGs programme.

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## From the Director General's Desk



# 1. From the Director General's Desk

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It gives me great pleasure to present the IDI 2019 Performance and Accountability Report. 2019 was a year where we successfully transitioned from the 2014-2018 Strategic Plan to our new 2019-2023 Strategic Plan. It entailed a shift from time-bound programmes to four work streams supporting *independent, well-governed, professional* and *relevant* SAIs. In addition, we have made progress in integrating a gender perspective in the portfolio of IDI capacity development initiatives and successfully continued our bilateral support as an INTOSAI provider of last resort. For the second successive year, we have had more participating SAIs and SAI staff than ever before. Our success, however, is ultimately measured by the positive change and progress made by the individual SAIs.

Under the Independent SAIs work stream we have continued the journey from exclusively focusing on “awareness raising” to “tangible action” with country-level support to a small group of SAIs in enhancing their independence. IDI also provided global advocacy on the importance of SAI independence and took steps to enhance our advocacy capabilities through the establishment of the IDI SAI Independence Resource Centre. We have also continued to the development of the SAI Independence Rapid Advocacy Mechanism and piloted it in North Macedonia and Somalia, where we released statements expressing concern about the independence of the SAIs.

The implementation of the International Standards of Supreme Audit Institutions (ISSAIs) and the professionalisation of SAIs and SAI auditors continues to be a priority. In 2019, the Professional SAIs work stream has worked on designing and developing contents for the Professional Education for SAI Auditors - Pilot (PESA-P), which will be launched in 2020 and which has the potential to be a real game-changer for the professionalisation of SAI auditors. Building on the success of the first round, the second round of the SAI Young Leaders was also launched in 2019 with 25 young SAI leaders from around the world. I continue to be very impressed by the innovative change management projects that our young leaders are implementing in their SAIs, and by their personal growth. Increasingly, we are also able to draw on them as important in-kind resources throughout the work of the IDI.

In the Well-Governed SAIs work stream, the integration of the SAI PMF and SAI Strategy, Performance Measurement and Reporting (SPMR) initiatives has brought a total of 39 SAI PMF assessments supported in 2019. The SPMR was launched globally in 2019, and has considerable potential to support SAIs throughout the entire strategic management cycle. SPMR's rationale is that SAIs should develop and maintain a strategic management process that enables them to achieve better performance and deliver value and benefits to their citizens.

The Relevant SAls work stream aims to support SAls in demonstrating ongoing relevance to stakeholders by fostering innovation in audit and education practices, leveraging on technological advancement and facilitating audit impact. In 2019, highlights under the work stream include completion of IDI support to 73 SAls in conducting a performance audit of preparedness for implementation of SDGs. The publication “Are Nations Prepared for Implementation of SDGs? – SAI Insight and Recommendations” was released in July 2019 and demonstrates the impact of the audits and lessons learned. Tangible results include that SAls have urged national governments into action where there wasn’t any and provided independent oversight on the implementation of Agenda 2030 in national contexts. SAls have also made recommendations for enhancing preparedness and implementation of Agenda 2030 and contributed to raising awareness amongst citizens and stakeholders on the significance of Agenda 2030.

Finally, our bilateral support for SAls in challenging environments has continued through the Accelerated Peer-Support Partnership (PAP-APP) and bilateral support to the SAls of Somalia and South Sudan. Strong progress has been made in PAP-APP, where all nine participating SAls have laid the groundwork for strategically-based scaled-up support. The partnership with SAI Somalia is another highlight, where the SAI completed and issued its first ever audit report on the country’s financial statements.

This report was finalised in March 2020, and while we can be collectively proud of our achievements in 2019, the emergence of Covid-19 also represents a major risk to the IDI going forward. We have tried to take a measured and cautious approach to mitigating its spread, and to ensuring the safety and well-being of our staff and all those participating in IDI initiatives. For now, we have paused all regional and global in-person workshops, but have developed contingency plans and are working continuously to replace these to the extent possible with e-learning and virtual meetings. It is likely that Covid-19 will cause considerable delays and reduced the outreach of the IDI in 2020.

Finally, I would like to express my immense gratitude to our many partners for their continued support in 2019, which has enabled IDI to support SAls in developing countries in sustainably enhancing their performance and capacity for the benefit of citizens. This includes INTOSAI, the INTOSAI regions and SAls that are providing exceptional levels of in-kind contributions. In 2019 IDI received 2,243 person days in the form of in-kind resource persons to deliver our initiatives and 240 person days of logistical support. This is around 11 full time equivalent positions. Including support through hosting costs, we estimate the value of the in-kind contributions IDI has received to be around 10 million NOK, which is around 13% of IDI’s total budget. We are also very grateful to the increasing number of Development Partners providing financial support to IDI as well as our strategic partner organisations.



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## Performance Highlights



## 2. Performance Highlights

Outreach to SAIs	
SAIs	<ul style="list-style-type: none"> <li>• Comprehensive portfolio matched to needs of SAIs across 6 strategic priority areas</li> <li>• Groups of SAIs participating in 11 global and regional long-term initiatives</li> <li>• Continued bilateral support to 11 SAIs in challenged situations               <ul style="list-style-type: none"> <li>✓ 2 long-term holistic partnerships</li> <li>✓ 9 SAIs provided strategic support under PAP-APP</li> </ul> </li> <li>• Targeted SAI-level support within work streams:               <ul style="list-style-type: none"> <li>✓ 2 SAIs supported to strengthen SAI independence</li> </ul> </li> <li>• Support provided to 166 unique SAIs across all INTOSAI regions</li> <li>• Support to 120 unique SAIs in developing countries</li> <li>• Support to SAIs in 34 countries officially classed as fragile states</li> <li>• IDI initiatives benefited 1,912 unique SAI staff members</li> <li>• 38% female participation rate in IDI initiatives (1188 male and 724 female)</li> <li>• 193 Resource Persons used in IDI initiatives (53% are female)</li> <li>• 77% of IDI initiatives delivered in more than one language</li> </ul>
Delivering IDI's Strategic Priorities	
Independent SAIs	<ul style="list-style-type: none"> <li>• 10 SAIs supported in advocating for enhanced SAI independence</li> <li>• 4 SAIs supported to enhance legal framework for independence</li> <li>• 1 SAI supported in strengthening practical independence</li> <li>• SAI independence knowledge centre &amp; on-line platform developed</li> <li>• SAI independence advocacy with stakeholders outside INTOSAI at 8 events</li> <li>• Rapid advocacy mechanism established to respond to independence threats</li> </ul>
Well-Governed SAIs	<ul style="list-style-type: none"> <li>• 11 SAI PMF assessments finalised in 2019, bringing total coverage to 57 countries, including repeat assessments in 4 countries</li> <li>• 12 SAI PMF assessments published</li> <li>• 56% of SAI PMF assessments include an independent review statement to provide assurance about quality processes</li> <li>• SPMR initiative launched globally to cover 43 SAIs – 10 SAIs completed draft SAI PMF assessments, 16 completed stakeholder assessments &amp; 7 strategic plans</li> <li>• Global Public Good on 'SAI Strategic Management' reached final draft, prior to issuance as exposure draft</li> <li>• 46 SAIs now completed assessments of their practices in Code of Ethics implementation (against ISSAI 130)</li> <li>• 55 SAIs now supported to complete and submit audit reports on the Institutional Framework for Fighting Corruption</li> <li>• 15 SAIs in CREFIAF completed stakeholder engagement strategies in 2019, bringing the global total to 59</li> <li>• 33 SAIs came together to demonstrate and share lessons from implementation of their stakeholder engagement strategies</li> </ul>
Professional SAIs	<ul style="list-style-type: none"> <li>• Financial audit iCAT &amp; handbook published in Arabic, French and Spanish</li> <li>• Compliance audit iCAT and handbook version 1 developed</li> <li>• 8 SAIs in South East Asia supported to issue cooperative financial audits &amp; 5 supported to conduct assessments for implementing financial audit standards</li> <li>• Digital education materials for PESA Pilot under development</li> </ul>



	<ul style="list-style-type: none"> <li>SAI Young Leaders 2019-20 round underway &amp; follow-up support for 2017-18 round</li> <li>Audit quality assurance reviews arranged for 45 Cooperative Audits (8 financial audit, 20 audits of the Institutional Framework for Fighting Corruption, 17 performance audits of Preparedness for the Implementation of SDGs)</li> </ul>
Relevant SAIs	<ul style="list-style-type: none"> <li>IDI's Auditing the SDGs (ISAM) pilot version developed</li> <li>400+ participants at SAI leadership &amp; stakeholder meetings including those organised with UNDESA</li> <li>52 SAIs now supported to issue audit reports on National Preparedness for Implementation of the SDGs – a further 18 SAIs have completed their audit work</li> <li>IDI – KSC Publication 'Are Nations Prepared for implementation of the 2030 Agenda – SAIs insight and recommendations' published in July 2019</li> <li>136 LMS administrators &amp; 104 eLearning specialists now trained across INTOSAI including 33 &amp; 41 in ARABOSAI &amp; CREFIAF in 2019</li> <li>51 participants attended SAIs &amp; Data Analytics workshop, &amp; 77 attended webinars on Design Thinking &amp; Innovative Use of Authoring Tools</li> </ul>
Bilateral Support	<ul style="list-style-type: none"> <li>Long-term support to SAI Somalia enabled: <ul style="list-style-type: none"> <li>✓ Audit report on financial statement submitted to President &amp; Parliament</li> <li>✓ Training and customisation of compliance audit manual</li> <li>✓ Training needs assessment as basis for professional development plan</li> <li>✓ SAI Performance Report finalised and published</li> </ul> </li> <li>Long-term support to SAI South Sudan resulted in: <ul style="list-style-type: none"> <li>✓ Reports issued on IFMIS &amp; Customs Collection Audits</li> <li>✓ Juba City Council &amp; 2 other performance audits finalised</li> <li>✓ Strategic &amp; operational plans, HR &amp; stakeholder engagement strategies developed</li> <li>✓ Financial &amp; performance audit manuals customised</li> </ul> </li> <li>Targeted SAI-level support to nine SAIs through PAP-APP initiative: <ul style="list-style-type: none"> <li>✓ 3 completed strategic plans, 5 more ongoing</li> <li>✓ 9 SAIs produced external support plans, 8 arranged meetings with external partners</li> <li>✓ 7 SAIs shared 13 project proposals with partners</li> <li>✓ Initial donor interest to support all 9 SAIs</li> </ul> </li> </ul>
Global Foundations	<ul style="list-style-type: none"> <li>3 Strategic partnerships signed</li> <li>Strategic support provided to 4 INTOSAI regional bodies</li> <li>38 SAIs supported to submit capacity development proposals for potential funding partners in 2019</li> <li>INTOSAI Global Survey and Global SAI Stocktaking Report 2020 underway</li> <li>New joint report with IBP on the Global State of Audit and Oversight Systems designed, built on Open Budget Survey data</li> <li>IDI Sustainability Reviews conceived &amp; first review topic selected</li> <li>Implementing IDI's communications strategy, covering social media, IDI website &amp; IDI branding to enhance IDI's visual identity</li> <li>Continued implementation of the INTOSAI-Donor Cooperation communications strategy to promote SAI-led, scaled-up and better coordinated support</li> </ul>
<b>Cross-Cutting Priorities</b>	
Inclusiveness and Gender	<ul style="list-style-type: none"> <li>2 SAIs supported to include targets relating to gender in their strategic plans</li> <li>3 SAIs supported in undertaking cooperative audits on SDG5 – gender equality and women's empowerment</li> <li>Gender training delivered to IDI staff</li> </ul>

	<ul style="list-style-type: none"> <li>• New Gender Analysis Framework &amp; Guidance developed to assess new IDI initiatives from 2020</li> <li>• IDI facilitated a first gender side event at the INTOSAI Congress in Moscow and participated in the Women Deliver Conference in Vancouver</li> <li>• Orange illustration 'on Elimination of Intimate Partner Violence Against Women' linked to SDG target 5.2 developed as part of ISAM</li> </ul>
SAI Communication and Stakeholder Management	<ul style="list-style-type: none"> <li>• SAI stakeholder identification &amp; analysis built into several IDI initiatives, building on IDI's Guide on SAIs Engaging with Stakeholders</li> <li>• IDI's cooperative audit models facilitate stakeholder engagement throughout cooperative audits</li> <li>• SAIs in fragile contexts supported to enhance their capacity for engaging with stakeholders, especially donor groups</li> </ul>
SAI Leadership and Culture	<ul style="list-style-type: none"> <li>• 15 SAIs have leaders/future leaders that have completed an IDI leadership programme</li> <li>• SAI commitment statements signed by leaders for 93% of SAIs in IDI initiatives</li> <li>• SAI leaders participate in education and awareness raising activities for 50% of IDI initiatives</li> </ul>
<b>IDI in 2019</b>	
Developing IDI	<ul style="list-style-type: none"> <li>• 4 IDI Board members re-appointed for a second (and final) three-year term</li> <li>• Annual dialogue between the IDI Board and development partners</li> <li>• IDI-core donor dialogue group established and met twice</li> <li>• Continued support to the INTOSAI-Regions Coordination Platform (IRCP)</li> <li>• IDI internal monitoring system implemented and revised for 2020</li> <li>• IDI Evaluation Policy and rolling evaluation plan approved by IDI Board</li> <li>• Evaluation of bilateral support designed including four components; first draft evaluation chapter produced (Evaluation of the Global Call for Proposals Tier 2)</li> <li>• Staff in post increased from 33 to 36 by end of December, with 6 more positions approved, giving 14% vacancy rate at year end</li> <li>• IDI Safeguarding and anti-corruption policies approved &amp; implemented</li> <li>• Time recording system rolled-out across IDI</li> <li>• Procurement process for IDI accounting function completed, including plans for new accounting &amp; payroll system</li> <li>• Further use of eLearning &amp; internet-based communication activities to reduce the environmental impact from international travel</li> </ul>
Resourcing IDI	<ul style="list-style-type: none"> <li>• 12 new/renewed funding agreements signed, giving IDI stable long-term financial platform</li> <li>• 2019 gross receipts of 77,5m NOK, giving available funding of 87,3m NOK</li> <li>• In-kind support received valued at around 10m NOK (including around 11 full time equivalent positions)</li> <li>• 2019 underspend against revised budget of 3%</li> <li>• Over 10m NOK carried forward to 2020, though only 1,3m NOK in unrestricted reserves, which remains a challenge</li> </ul>



3

## IDI Strategic Plan and Portfolio



## 3. IDI Strategic Plan and Portfolio

### 3.1 IDI Strategic Plan

IDI's Strategic Plan 2019-23 is designed to support SAIs to enhance their performance and thereby contribute to better public sector governance and service delivery for the value and benefits of citizens. The plan responds to the strengths and challenges faced by SAIs internally and the environment in which they operate, as identified by the 2017 Global SAI Stocktaking and other sources. This gives rise to **six strategic priorities** for IDI, in the form of four work streams (Independent, Well-Governed, Professional and Relevant SAIs), bilateral support to SAIs in the most challenged situations, and strengthening global foundations to advocate for and improve how support to SAIs is provided. Three cross-cutting issues are embedded throughout the plan.





## 3.2 IDI Portfolio 2019

In 2019 IDI's six strategic priorities included the following components and initiatives.

Independent SAls	Well-Governed SAls
<b>1. Support &amp; Advocate Globally for SAI Independence</b> Demonstrate Value & Benefits of SAls SAI Independence Resource Centre Rapid Advocacy Mechanism <b>2. Provide Targeted SAI-Level Support</b> Pilot support to SAls Regional workshops to develop stakeholder engagement strategies Support IDI Bilateral work on independence* <b>3. Facilitate Effective Partnerships &amp; Stakeholder Engagement</b> Regional mapping & research on independence challenges Establish relationships with accountability institutions	<b>1. Enhance the Measurement of SAI Performance</b> SAI PMF Global (knowledge centre, training, independent reviews) SAI PMF Regional Support Initiatives <b>2. Strengthen Strategic Management and Ethical Behaviour in SAls</b> SPMR: Strategic Management Handbook & Learning Materials SAI Strategy, Performance Measurement and Reporting (SPMR) SAls Fighting Corruption (SFC): Cooperative Audits SAls Fighting Corruption (SFC): Assess & Strengthen Code of Ethics <b>3. Support SAls in Strengthening their Engagement with Stakeholders</b> SAls Engaging with Stakeholders (SES) - lessons learned workshop Support for implementing Stakeholder Engagement Strategies
Professional SAls	Relevant SAls
<b>1. Support SAls in Determining ISSAI Implementation Needs</b> ISSAI needs assessments in ASEANSAl for Financial Audit Develop & maintain GPGs: iCATs and mapping tools <b>2. Facilitate SAI Capacity Development for Implementing ISSAIs</b> SAI Young Leaders 2019-20 round PESA Pilot ASEANSAl Cooperative Financial Audit Develop & maintain GPGs: ISSAI Implementation Handbooks Develop & Maintain IDI Cooperative Audit Support Model Support Cooperative Audits <b>3. Enhance Audit Quality Arrangements</b> QA reviewer pool QA of cooperative audits on preparedness for SDG implementation QA of cooperative financial audits in ASEANSAl QA of cooperative performance audit on fighting corruption	<b>1. Foster Innovation in Audit and Education Practice</b> IDI-UN Leadership & Stakeholder Meeting on Audit of the SDGs Performance audit of preparedness for implementation of SDGs SDG Advocacy & Awareness Raising Workshop (ARABOSAl) Compendium of Lessons Learned, & Guidance on SDG Audit Develop IDI's SDG Audit Model (ISAM) Green Hat Innovation Series <b>2. Leverage on Technological Impact</b> Digital Education – eLearning Specialists certification for ARABOSAl and CREFIAF. LMS support across IDI Initiatives <b>3. Facilitate Audit Impact</b> None in 2019
Bilateral Support	
1. Bilateral Support General Management 2. Support to the Office of the Auditor General of Somalia	3. Support to the National Audit Chamber of South Sudan 4. Accelerated Peer-Support Partnership (PAP-APP)
Global Foundations	
<b>1. Strategic Partnerships, Stronger Partners, incl. INTOSAl Regions</b> Support IDC Strategy 2020-30 Partner with & Strengthen INTOSAl Regions Partner with other strategic partners <b>2. Brokering Support</b> GCP Tier 1 GCP Tier 2 - lessons learned and replicate in other regions Workshops for SAls on Engaging with Donors Strengthening SAI Peer-Peer Support Workshops for Donors on Engaging with SAls Enhancing Country-Level Coordination Mechanisms	<b>3. Measuring and Monitoring SAI Performance and Support</b> INTOSAl Global Survey & Global SAI Stocktaking Report IDI-IBP Joint Report on Strength of Audit and Oversight SAI Capacity Development Database Global SAI Performance Data Management IDI Sustainability reviews <b>4. Advocacy and Communications for Behaviour Change</b> Communications & Advocacy: INTOSAl-Donor Cooperation Communications & Advocacy: IDI

IDI consolidated its portfolio around six strategic priorities. The shift to continuous work streams led to an increased focus on being a global knowledge and support centre, in addition to maintaining a focus on developing GPGs and fostering pools of experts. Medium term initiatives to support regional groups of SAls in specific areas makes up the largest part of the IDI portfolio.

IDI has largely phased out its plans for SAI-level support in focus areas other than independence and PAP-APP, and mainly plans to use SAI-level support for piloting new initiatives. In 2019 IDI switched to a model of supporting small groups of SAls (e.g. planned SAI-level ISSAI Implementation Support replaced by support for ISSAI implementation for 5 SAls in South East Asia). Finally, IDI's holistic support to SAls in challenged environments (under the IDI Bilateral Policy) continued, with IDI acting as INTOSAl provider of last resort in Somalia and South Sudan.



4

## Delivering IDI's Strategic Priorities



## 4. Delivering IDI's Strategic Priorities

### 4.1 Independent SAIs

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#### Purpose and Rationale

Independent SAIs are key pillars of national integrity and governance. The independence of a SAI from the executive it audits is fundamental to its role in public accountability, and in building trust between state and society. Yet the 2017 Global Stocktaking showed that levels of financial and operational independence are low and declining in many parts of the world. In addition, our engagements in support of SAI independence highlighted needs at the global level, including better coordination among all actors and providers of support, the importance of moving from “awareness raising” to “tangible action”, and the urgency of reaching out to policy influencers and decision makers. Those needs at the global level are supplemented by insights that address the challenges faced by the SAIs at the country level which will require a greater understanding of the contextual drivers of reform in each country. Those mutually reinforcing dynamics at the global and country levels led to the development of the IDI Independent SAIs work stream. The work stream seeks to scale-up efforts and adapt our delivery approach to work more effectively, in order to create more impact on SAI independence.

#### Performance Summary

The Independent SAIs work stream significantly scaled-up its work and outreach in 2019. This was achieved through changes in the delivery approach and increase in the activities towards the end of 2019. The delivery approach initially included activities both at the global and country level but was adapted during the year to include activities also at the regional and sub-regional level. This was done in response to an increasing demand from the SAIs for independence-related support, especially on the advocacy front, and internal synergies with other IDI work streams, units and initiatives which allowed more agility in our delivery approach.

In terms of advocacy, IDI, along with INTOSAI and donors, promoted SAI independence at the global and country levels through attendance at international conferences and the issuance of official statements on independence concerns in North Macedonia and Somalia. IDI's ability to quickly identify and effectively respond to future threats to SAI independence was enhanced by the development and refinement of the SAI Independence **Rapid Advocacy Mechanism (SIRAM)**.

Initial steps were taken to enhance the organisation's advocacy capabilities through the establishment of the **IDI SAI Independence Resource Centre (SIRC)** which is supported by a new internal knowledge management system on SAI independence. Significant progress was made as content was uploaded, technical issues were solved, and a mapping function was included in the Resource Centre. The Centre is expected to be operational in early 2020 and will provide access to a wealth of resources on SAI independence. The guidance “towards greater independence” will also be part of the resource accessible

on the SIRC. Following an internal review, the guidance will be converted in a series of topical publications on the different pillars of SAI independence illustrated by examples on how SAIs have been able to implement or consolidate the different aspects of their independence.

In terms of outreach, the work stream continued its movement “from awareness-raising to action” through partnering with the Global Foundation Unit in IDI in the implementation of the IDC strategy on Independence and engagement with donor in-country staff (through two webinars) to gather their needs and develop their knowledge. This will help the work stream continue its development of actionable tools and resources to increase IDI’s ability to support and advocate for SAI independence.

Regarding in-country support to SAIs, SAI from two Regions – CREFIAF and PASAI – were supported in **adopting a strategic approach on how to advocate for greater independence** which led to development of advocacy strategies for 10 SAIs. The increase in numbers of SAIs supported was achieved through the adoption of a regional approach but more significantly through synergies with SPMR and SES Initiatives under the well-governed SAIs work stream, and with PAP-APP and the Bilateral Unit. Working collaboratively increased our agility and our ability to provide timely and relevant support to SAIs, as we clearly saw that advocacy support goes hand in hand with stakeholder engagement and organisational support.

In 2020, the focus will be on providing support to SAIs for the implementation of the strategies developed and to respond to the increasing demand for support at the country level. This will require additional resources but also strategic partnerships at the global, regional and country level. To that end, we will build on the 2019 achievements and will seek to consolidate the relationships with INTOSAI Regions, and donors in synergies with GFU and through IDC, and other organisations.

The following summarises IDI’s performance in this area. Further details can be found in the Performance and Accountability Report Appendix.

### Component 1: Support and Advocate Globally for SAI Independence

Advocating for SAI independence is pivotal in raising awareness and creating an environment for change. Adoption of the UN Resolutions A/66/209 and A/66/228 have put SAI independence on the global agenda, and shortcomings in the status of independence have been highlighted in the 2017 Global SAI Stocktaking Reports. IDI’s advocacy for SAI independence focuses on:

- i. Demonstrating the Value and Benefits of independent SAIs in strengthening accountability, transparency and integrity.
- ii. Establishing a knowledge function on SAI independence to analyse global and regional trends and learn lessons.
- iii. Responding to emerging and potential threats to independence by mobilising rapid advocacy support to SAIs facing threats or challenges to their independence.

The Independent SAIs work stream team partnered with the Global Foundations Unit for the first IDI-IDC Strategic Dialogue, which focused heavily on SAI independence. The two teams also hosted webinars with development partners which resulted in valuable feedback on strategies for improving advocacy for SAI independence at the country-level. IDI staff presented on SAI value and benefits and advocated for SAI independence at a variety of INTOSAI and external international events.

The work stream initiated the development of an online resource for external stakeholders to share knowledge about and promote SAI independence, entitled the SIRC. Groundwork for the SIRC began in



late 2019. Website domains were reserved and technical set-up work on the backend was completed. The site was made functional and as of December 2019 is currently being populated with content in preparation for launch in 2020.

In order to map out and prepare content for the SIRC, an internal knowledge management system was set up. This system has been populated with a large array of online and print resources on SAI independence, and is now being used to develop a systematic literature review of relevant publications. The review includes both academic publications and works by governments, donors, and international organisations. Publications are being grouped by topic, region, and relevance to SAI independence. Processes are now in place for continuous monitoring of new developments related to SAI independence in development and academic literature.

The internal knowledge management system was also used to conduct environmental scanning with regards to SAI independence. The system allows IDI staff to map out major actors, stakeholders, and activities at the national and global level, their relationships, and opportunities for future engagements. This has helped the work stream identify opportunities and risks to SAI independence as they develop.

A SAI Independence Rapid Advocacy Mechanism was designed and piloted. This mechanism consists of a four-part systematic approach for reviewing and, if appropriate, responding to threats and breaches to SAI independence. Elements of the SIRAM were drawn from recent experiences responding to threats in North Macedonia and Somalia.

In North Macedonia, IDI and the INTOSAI Secretary General issued a joint statement supporting SAI North Macedonia's efforts to pressure Parliament to appoint a new Auditor General following an unduly extended vacancy of the position. Shortly thereafter a new Auditor General was appointed.

## Success Story: SAI North Macedonia

### *Collective support for local campaign*

On December 24, 2017, the term of the Auditor General of SAI North Macedonia ended without a replacement having been named by Parliament. For nearly two years the post remained empty, with the Deputy Auditor General acting as Head of SAI in the interim. In October 2019, with the Deputy Auditor General's term coming to an end, the SAI was still without top-level leadership. Audit work began to stall, and even basic overhead activities such as



*Press conference by SAI North Macedonia, November 2019*

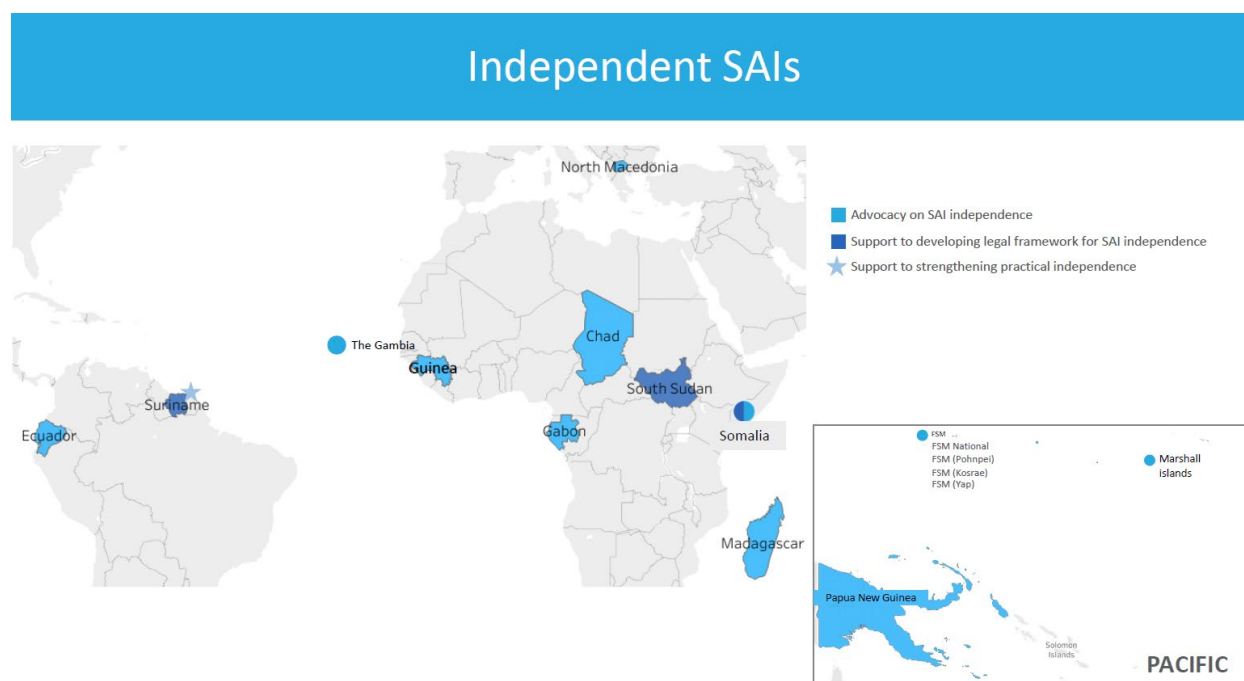
paying bills and managing staff began to fall by the wayside as there was no senior staff to sign off on expenditures. Finally, the staff at SAI North Macedonia had enough, and organised a press conference to express their frustration and warn of the difficulties ahead if no new Head of SAI was quickly named.

IDI and the INTOSAI Secretary General supported SAI North Macedonia by releasing a joint country-level statement on SAI independence. Media interest in North Macedonia was strong, and the combined international support helped the SAI to successfully push for Parliament to address the issue. Within two weeks, a new Head of SAI had been named, and SAI North Macedonia was able to return to their work.

In Somalia, IDI issued a statement supporting SAI Somalia and encouraging the Parliament to support a new audit bill in accordance with fundamental principles for SAI Independence. The IDI statement received national media coverage and brought greater attention to the issue of SAI independence in Somalia. As of December 2019, the audit bill has yet to be approved, and IDI will continue to monitor the situation and, if necessary and appropriate, will take additional follow-up measures in 2020.

## Component 2: Provide Targeted Support to SAIs for Independence

IDI provided targeted support to SAIs in strengthening their independence through (i) providing and coordinating support, (ii) facilitating stakeholder engagement at the country level, and (iii) helping SAIs prepare for stronger independence. During the year, we continued our engagement with SAIs involved in the pilot phase and provided support to SAI Suriname whose Act was passed by Parliament, to assist them in aligning their strategic plan to changes in the legal framework. In the meantime, due to an increase for in-country advocacy support and the existence of strong commonalties within the group of SAIs requesting support, we changed our delivery approach and organised small regional initiatives to provide advocacy support to SAIs. Two Regional Workshops were organised to assist four SAIs in CREFAF and three SAIs and the SAIs of three territories in PASAI in developing advocacy strategies using the advocacy framework approach. Through Component 2, IDI support has benefitted the SAIs and citizens of the following countries and territories:



## Component 3: Facilitate Effective Partnerships and Stakeholder Engagement in Support of SAI Independence

This component supports effective delivery of components one and two, by forming partnerships and strengthening partners for SAI independence at the global, regional and country levels. In particular, IDI collaborates with INTOSAI Regional Bodies, Global and Regional Accountability Organisations, and donors. In line with component 2, we strengthened our partnership with INTOSAI Regions (PASAI and CREFAF) to provide advocacy support through regional initiatives. The issuance of statements through the Rapid Advocacy Mechanism was also supported by strong communication with INTOSAI Regions and donors.

Finally, we initiated relationships with CSO and accountability organisations such as Transparency International and EITI to provide advocacy support to SAIs globally and regionally. Component 1 was strongly supported by our partnerships with donors through the IDC. This significantly increased our outreach and ability to engage with in-country donor staff.

### Contribution to IDI Cross-Cutting Priorities

**Involvement of SAI leaders in Change:** Effective SAI leadership and buy-in is key to the success of any Institutional reform. To that end, interventions carried out by the work-stream primarily targeted SAI leaders (Heads of SAI and/or Deputies) with a specific focus on strengthening their ability to link the current challenges to the relevant pillars within the ISSAIs and building their ability to strategically engage with key stakeholders in order to advocate for greater independence. They were also supported in aligning their organisational strategies to changes in their legal frameworks.

**Gender and Inclusiveness:** Ensuring a gender balance in terms of staff participating to the different activities of the work stream was prioritised this year. Going forward, the focus on gender and inclusiveness, will be addressed from different angles at the implementation level through a gender analysis.

**Stakeholder engagement:** Stakeholder engagement was carried out at the global, regional and country level. At the global level, engagement was done through the INTOSAI-Donor Cooperation and provided a platform to effectively engage with development partners and identify areas for possible synergies. At the Regional level, engagement mostly focused on INTOSAI Regions and Organisations playing a role in accountability at the regional level i.e. EITI and Transparency International. Finally, at the country level the focus was on mapping the accountability ecosystems to identify potential stakeholders that could support SAIs advocacy efforts.

## 4.2 Well-Governed SAIs

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### Purpose and Rationale

The rationale for the Well-Governed SAIs work stream is that SAIs should lead by example and ensure good governance in all their operations. Through practicing these principles, SAIs can serve as model institutions for public-sector entities with respect to accountability, transparency, and integrity. Good governance of a SAI is fundamental to ensuring SAI credibility and delivering high-quality audits, ultimately leading to impact for citizens. It requires planning, monitoring, assessing and managing SAI performance; adhering to ethical standards; promoting a culture of integrity; leading organisational change; communicating and engaging with stakeholders; and building strong partnerships. The 2017 Global Stocktaking report shows that while almost all SAIs have a strategic plan, there are substantial opportunities for improving their quality. INTOSAI's endorsement of the SAI Performance Measurement

Framework (SAI PMF) provides a sound basis for strengthening and monitoring these strategic plans, and for measuring the resulting changes in SAI performance and capacity over time - at the global, regional and SAI level. The Stocktaking also revealed significant areas for improvement related to implementing SAI's ethical codes, and in enhancing stakeholder communication and engagement.

## Performance Summary

In 2019, delivery and performance of all four initiatives of the work stream were positive and remained broadly on track. The large majority of the supported SAIs was successful in producing the expected outputs to the expected quality. The integration of the SAI PMF and SPMR initiatives, in conjunction with the global launch of the latter has brought a total of 39 supported SAI PMF assessments in 2019, of which ten were submitted for independent review. Under SPMR, seven SAIs from the pilot phase completed a new strategic plan, and 16 SAIs finalised an assessment of their stakeholders' needs and expectations from the SAI's work. Under SFC, 47 SAIs completed an assessment of their ethics controls systems as per ISSAI 130 requirements and 15 SAIs approved SES strategies for engagement with stakeholders approved.

Deviations from the plans occurred when events had to be postponed due to reasons such as civil unrest in the host country or timing and scheduling difficulties because of prior commitments of both IDI and SAI/ resource persons. Another important departure from the 2019 plans was the decision to change the status for four planned guidance documents from GPGs to training material. In the case of the two SFC guides (Audit of Institutional Frameworks for Fighting Corruption and Implementation of ISSAI 130), the main reason was that they were designed for the purpose of supporting participating SAIs in completing the initiative deliverables (cooperative audit and ISSAI 130 assessment) and after assessing the content we realized that it would require a lot of additional resources to change the format and content of the guidance to be used without further support. As regards the strategic management handbook for INTOSAI regions it was assessed that it has limited applicability beyond a small group of regional bodies and therefore it was considered appropriate to have a lighter process than required by the GPG protocol. As for the SES Guidance, the main content has been built into the Strategic Management Handbook (SPRM), as we believe it will serve the SAIs better to integrate stakeholder engagement into the Strategic Management cycles.

In 2019, the work stream team put considerable efforts into building their capacity and establishing synergies across the different initiatives including initial planning work on the re-organisation of the work stream from 2021 as well as strategising for the better inclusion of gender within the work stream.

The following summarises IDI's performance in this area. Further details can be found in the Performance and Accountability Report Appendix.

### Component 1: Enhance the Measurement of SAI Performance

For SAIs to be effective, they should be learning organisations that constantly strive to enhance their performance. Undertaking comprehensive assessments of performance, through SAI PMF assessments, at regular intervals serves both as a baseline and as a measure of progress. IDI supports SAI PMF by implementing the INTOSAI SAI PMF implementation strategy and by including SAI PMF assessment as a key part of SPMR initiative (See Component 2).

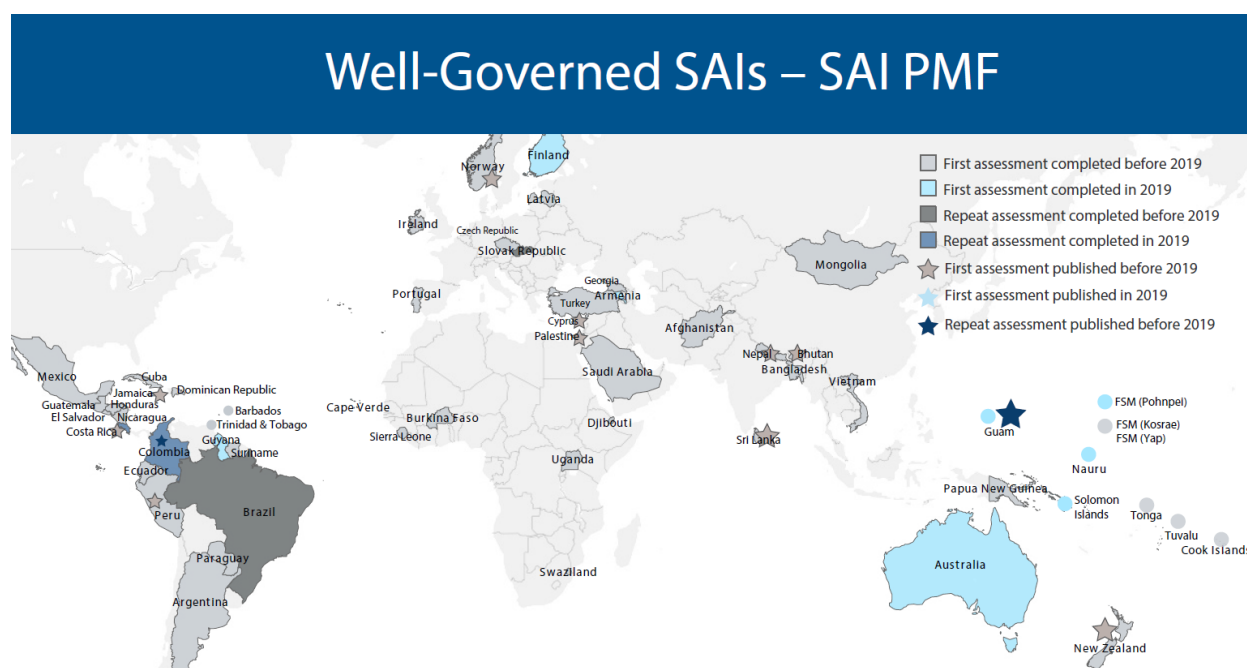
To date 61 assessments have been finalised. In 2019 11 stand-alone assessments were finalised and 15 reports reached a draft final stage. Of those, 5 were prepared under a SAI PMF facilitated programme



delivered in cooperation with PASAI. The other 10 draft final assessments fall under the SPMR initiative, which incorporates SAI PMF as a first phase. In total, 39 new SAI PMF assessments were initiated in 2019 under the SPMR Initiative. 29 evaluations are in the field study phase or are currently being finalised.

This continued increase in assessment numbers implies that SAI PMF is well underway in becoming the globally recognised tool for holistically assessing SAI performance. To support this objective, IDI prepared the SAI PMF implementation strategy 2020-2022 under CBC oversight. The strategy was endorsed at the XXII INCOSAI. Substantial progress in developing SAI PMF experts, both in IDI and externally covering most of the INTOSAI languages, contributed to scale up IDI's provision of SAI PMF support.

Through the SAI PMF initiative, IDI support has benefitted the SAI of the following countries and territories (SAI PMF support via the SPMR initiative is reported under Component 2).



## Component 2: Strengthen Strategic Management and Ethical Behaviour in SAIs

Once SAIs have established a thorough understanding of their current situation through the SAI PMF assessment, they need to consult with their key stakeholders to establish a sound basis for strategic management. The next steps are to develop strategic and operational plans, to establish a supporting monitoring system, periodically report on progress and make decisions based on the observed progress. IDI supports SAIs in developing and implementing these key aspects of strategic management through its SPMR initiative. Through SPMR, IDI assists participating SAIs in doing the assessment through dedicated workshops, remote and in-country support.

Processes related to strategic management should be supported by systems and practices to ensure professional conduct and ethical behaviour. Hence, through the SAIs Fighting Corruption (SFC) initiative IDI also assists SAIs in strengthening their Code of Ethics in accordance with ISSAI 130.

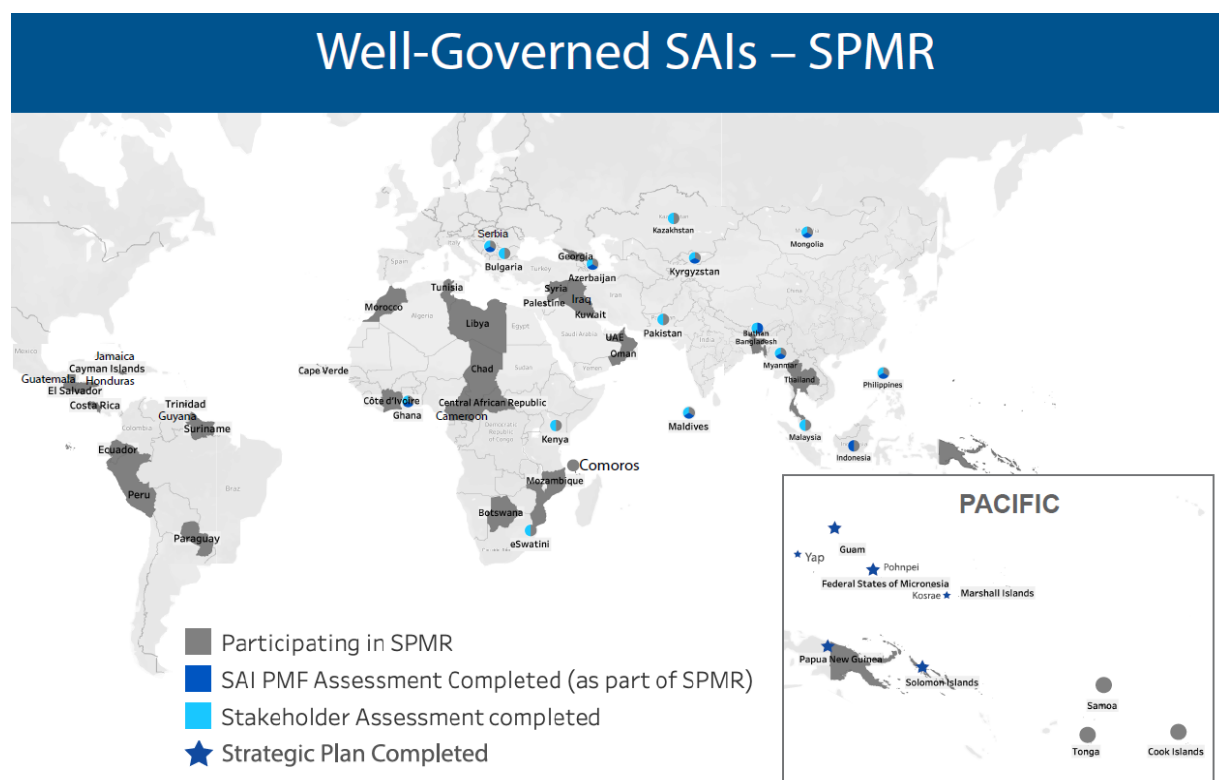
### SAI Strategy, Performance Measurement and Reporting

2019 marked the global launch of the SPMR initiative. By completing the draft SAI Strategic Management Handbook and a full set of training materials for each workshop, IDI finalised the methodological

foundations of SPMR. All participating SAIs have been assigned a dedicated SPMR advisor. IDI trained resource persons from all INTOSAI regions in the SPMR approach, and these have, together with IDI staff, provided dedicated advisory support to participating SAIs.

During 2019, SPMR was launched globally in six INTOSAI regions, following piloting in CAROSAI and PASAI. Currently, the SPMR supports 43 SAIs. 20 SAIs from three INTOSAI regions (AFROSAI-E, ASOSAI, EUROSAI) got enrolled in SPMR in the first part of 2019. Ten of these SAIs have already completed a full draft SAI PMF assessment review, with the next stage being an independent review. In preparing for the strategic planning process, the SAIs map and assess the views and expectations of internal and external stakeholders. 16 teams finalised this work in 2019. The remaining SAIs are working on the expected outputs.

Through its SPMR initiative, IDI support has benefitted SAIs of the following countries and territories.



\*Developed countries participating at own cost.

### SAIs Fighting Corruption

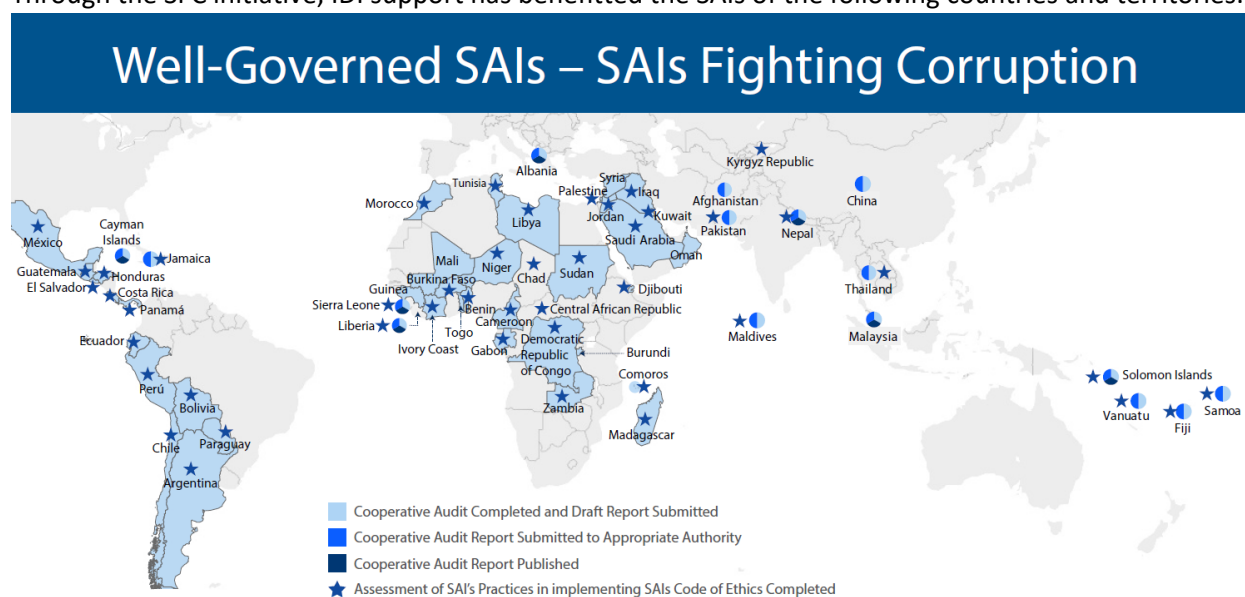
In accordance with its implementation strategy, delivery continued in 2019 in the different INTOSAI regions. As a result, the Cooperative Performance Audit on Institutional Framework for Fighting Corruption reached its final stage in ARABOSAI and in English-speaking Regions, where 19 SAIs were provided with an independent quality assurance review of their audits (quality assurance review reported under the Professional SAIs Work Stream<sup>1</sup>). In CREFIAF and OLACEFS, audits reports completed by 26 SAIs teams were peer reviewed and will undergo quality assurance reviews in 2020. Based on the approach developed for the SFC cooperative audit, participating SAIs have been working on a variety of specific

<sup>1</sup> In accordance with IDI results framework, QA activities delivered as part of cooperative audits are planned and reported under Professional SAIs work stream.

sectors in relationship with anticorruption systems (health, education, extractive industries, implementation of anticorruption strategies, procurement, public works, etc).

2019 was also an important year for another major component of the SFC initiative, namely with regard to ISSAI 130 Implementation. As part of this component, launched in all INTOSAI regions in 2019 after the ISSAI 130 implementation courseware and the assessment tool were developed, 46 SAIs teams were trained on ISSAI 130 Implementation (either using IDI eLearning management system or through face-to-face workshops), and were supported in completing a pilot assessment of their organisations' ethics control systems and practices against ISSAI 130. The material for this component was developed in addition to the original guidance on Implementation of ISSAI 130.

Through the SFC initiative, IDI support has benefitted the SAIs of the following countries and territories.



### Component 3: Support SAIs in Strengthening Engagement with Stakeholders

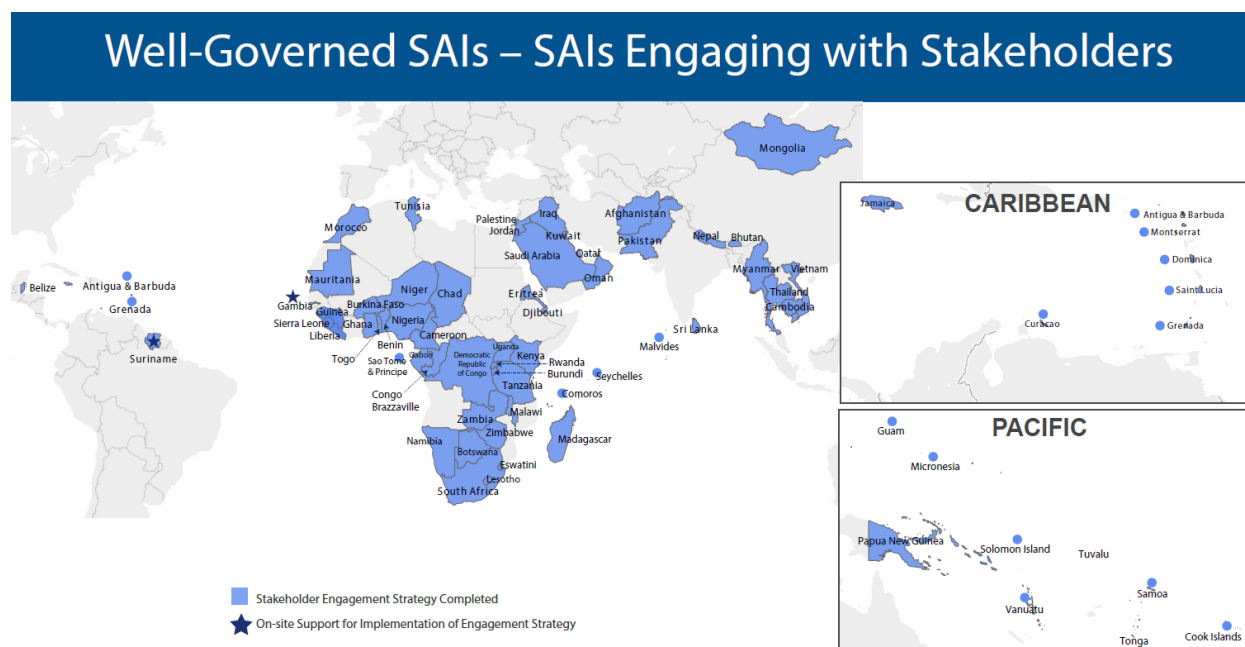
The effectiveness with which SAIs fulfil their role of holding government to account for the use of public resources does not only depend on the quality of their work, but also on how well they are working in partnership with the accountability functions of the legislature, as well as the executive arm of government in making use of audit findings and enacting change. This can also be enhanced through sustained interaction with other stakeholders such as the media, civil society organisations and citizens. Through the SAIs Engaging with Stakeholders initiative (SES), IDI supports SAIs in the development of stakeholder engagement and communication strategies and could provide onsite support on needs basis to SAIs to implement their strategies by initiating interactions with key stakeholders.

The focus of the 2019 interventions was to support SAIs in finalising their stakeholder engagement strategies and action plans and providing support in the implementation through face to face workshops and onsite support to selected SAIs. As a result, 15 SAIs from the CREFIAF Sub-Region had their plans reviewed and approved in 2019. For SAIs whose SES strategies and action plans were approved in 2018, support was provided for implementation, through a lesson learnt workshops that brought together participants from 33 different SAIs from the ARABOSAI, AFROSAI-E and CAROSAI Regions to share their experiences. During the workshops, participating SAIs were able to demonstrate progress made in the implementation of the plans. Two SAIs (Gambia and Suriname) received on-site support for implementation of their plans in conjunction with other IDI initiatives. The output from these lessons



learnt workshops was documented and used to update the SES guidance, a tool used by SAIs in developing and operationalising their strategies. The main elements of the SES guidance have been integrated in the SAI Strategic Management Handbook.

Through the SES initiative, IDI support has benefitted the SAIs of the following countries and territories.



### The wide-ranging effects of a Stakeholder Engagement Strategy

Since its start in 2017, the SES initiative has supported SAIs from all INTOSAI regions in improving their performance through better engaging with their stakeholders. In the true cross-cutting nature of SES, the initiative has enabled SAIs to achieve wide-ranging positive results. These range from successfully advocating for independence, through obtaining donor support, to establishing relationships with civil society organisations and supporting the development of stronger demand for accountability.

SAI Suriname participated in the SES initiative in 2017-18. The SES strategy the SAI prepared focused heavily on advocacy for a new law for the SAI. Based on this strategy, SAI Suriname, with further support through the IDI Independence work stream, was able to put the issue on the legislative agenda. In 2019, the law that gives the SAI more financial and organisational independence was approved and is currently pending publication.

For SAI Lesotho, which participated in the SES initiative in 2017-18, the SES strategy was key tool to obtain donor support through the African Development Bank. The availability of dedicated funding for SES strategy implementation enabled a range of positive results for the SAI, most notably improved relations and coverage of audit reports by the media, as well as collaboration with CSOs to promote the demand for accountability at the grassroots level.

In SAI Chad, the SES strategy was instrumental in strengthening the relationship with the auditees to enable a better workflow of the SAI's audit work. The SAI is collaborating with all the ministerial departments for the identification of its litigants and the constitution of their permanent files. A team is set up in the SAI and focal points are designated with the departments to serve as a relay in the communication of documents.

### Contribution to IDI Cross-Cutting Priorities

**Involvement of SAI leaders in Change:** In 2019, SAI leaders were involved both in the SAI PMF and SFC initiatives – as both included assessments of leadership practices, through the SAI PMF and ISSAI 130 assessments. In addition, under SPMR, the SAI strategic management handbook, whose draft was finalised, includes dedicated chapters and sections on decision-making and leadership. As part of the

initial process to join SPMR, discussions were held with SAI senior management for each SAI to ensure their ownership and commitment. Besides, in implementing the SPMR and SFC initiatives, there has been significant involvement of SAI leadership. For instance, SAI leadership has been forming part of the strategic management teams drafting the SAI strategy. Under SFC, SAI leaders were involved as quality controllers for the cooperative audits. Stakeholder engagement in SAIs is critical and in most engagement with external stakeholder is done by top management and Heads of SAIs. Thus, Heads of SAIs and management were involved at every stage of the SES implementation process.

**Gender and Inclusiveness:** All four work stream initiatives require SAIs to ensure gender balance in the nominated teams, resulting in a female participation rate of 43%, which is just below the IDI target of 44%. In SPMR, gender is highlighted as a part of the strategic management principle on inclusiveness. SAIs are encouraged to consider gender as a strategic priority. Beside this, within the SFC cooperative audit guidance material, gender has been integrated. As an example, the audit findings matrix illustration covers the question of denial of scholarship benefits to female students owing to corruption and the resulting implications for these students. Under SES, SAIs were encouraged to engage with relevant organisations working on women's empowerment.

**Stakeholder engagement:** The SES initiative supports SAIs in stakeholder mapping, analysis and prioritisation, subsequently aiming to lead to SAIs developing and implementing strategies and action plans for engaging with these. Stakeholder engagement is also a significant element in the other three initiatives. SAI PMF assesses the SAI's relationship with its key external stakeholders and identifies good practices, strengths and weaknesses that can aide further development. In 2019, the SPMR initiative developed a methodology building on the SES guidance and assisted 21 SAIs in carrying out stakeholder consultations on the current views and expectations of their key stakeholders as an input to their strategic plans. 11 of those analyses were finalised by the end of the year. Also, within the Cooperative Performance Audit of the Institutional Framework for Fighting Corruption, SAIs have been provided with guidance at the audit planning stage on how to conduct a stakeholder analysis, and especially identifying different stakeholders that are part of the framework for fighting corruption at the national level. One dimension of SFC aims at strengthening the collaboration between the SAI and relevant stakeholders involved in the fight against corruption at the national level which will be offered to SAIs as an integrated part of the Well-Governed SAI work stream.

## 4.3 Professional SAIs

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### Purpose & Rationale

The Professional SAIs work stream aims to support SAIs in enhancing their professionalism and delivering high quality audits by moving towards ISSAI compliance. INTOSAI P-12 calls on SAIs to carry out audits in accordance with their mandates and applicable professional standards. In keeping with the needs of SAIs and mandate given by INTOSAI, IDI has been supporting ISSAI implementation through the 3i Programme

since 2012. The 3i programme was upgraded to the professional SAls Work Stream in 2019. Support for ISSAI implementation continues to be a high priority for SAls, and INTOSAI's Strategic Plan 2017-2022 emphasizes ISSAI implementation and IDI's role as 'an essential INTOSAI mechanism for bringing together "on the ground" support for the implementation of professional standards'. As the work stream has developed the need for professional education for SAI leaders and SAI professionals has become apparent. IDI is combining professional education with support for ISSAI implementation on the ground.

## Performance Summary

Component 1: Determining ISSAI Implementation Needs		
<ul style="list-style-type: none"> <li>FA iCAT (Arabic, French, Spanish) version 1 published</li> <li>CA iCAT version 1 developed</li> </ul> 		<p>Training to teams from 5 SAls in ASEANSAl on conducting needs assessment for FA ISSAls implementation</p>
Component 2: Facilitate SAI Capacity for implementing the ISSAls		
<ul style="list-style-type: none"> <li>CA Handbook Version 1 Developed</li> <li>FA ISSAI Implementation Handbook (Arabic, French and Spanish) Version 1 Published</li> </ul>  <p>8 participating SAls in IDI-ASEANSAl Cooperative Financial Audit completed the pilot audits and issued the reports accordingly.</p> 	<p><b>PESA-P</b> Design of Digital Education for 4/17 papers</p>  <p>Development of Digital Education 1/17 papers.</p> <p><b>SYLs 2019-2020.</b></p> <ul style="list-style-type: none"> <li>Selection</li> <li>Face to face interaction</li> <li>Digital interactions</li> <li>SAI level interaction</li> </ul> <p><b>SYLs 2017-18</b></p> <ul style="list-style-type: none"> <li>SYL prize awarded at INCOSAI</li> <li>Follow-Up</li> <li>CPD</li> </ul>	 <p>SAI Bhutan customised its Financial Audit Manual based on IDI Handbook and launched at its Annual Conference 2019</p> <p>FA-ISSAI audit methodology rolled out based on pilot audit in SAI Tonga</p>
Component 3: Enhanced Audit Quality Arrangements		
 <ul style="list-style-type: none"> <li>QA reviews for 8 IDI-ASEANSAl Cooperative Financial Audits.</li> <li>QA reviews for 20 audits of IFFSC</li> <li>QA reviews for 17 Performance Audits of Preparedness for implementation of SDGs</li> </ul>		

In 2019, we had planned to publish version 1 of global public goods (iCATs, ISSAI Implementation Handbook and Quality Assurance Tool and guidance), train pools of facilitators for IINA (ISSAI Implementation needs assessment) and Quality Assurance (QA), launch the second round of SYL (SAI Young Leaders), support cooperative audits, design and develop contents for Professional Education for SAI Auditors- Pilot (PESA-P) digital education, and facilitate quality assurance reviews of audits supported by the IDI. We also planned to reflect on lessons learned and start a fresh round of SAI Level ISSAI Implementation support (SLIIS) by selecting 3 countries.



The second round of SYL, support for cooperative audit in ASEANSI and quality assurance reviews went ahead as per plans.

In case of the global public goods, we reduced our ambition to having four GPGs ready by end of 2019. We have version 1 of FA iCAT and FA ISSAI Implementation Handbook in Arabic, French, Spanish and English. Version 1 of CA iCAT and CA ISSAI Implementation Handbook have been developed. The PA iCAT and ISSAI Implementation Handbook will be ready in 2020. We decided to postpone the development of QA tools and guidance, awaiting release of new quality standards ISQM 1 & 2.

We started out in 2019 by planning to complete the design and development of digital contents for PESA-P during the year. On further discussions with the digital education vendor, we realised that we had vastly underestimated the effort involved in designing and developing high quality digital content. Consequently, we set ourselves more realistic targets of completing the design of 4 out of 17 papers and development of 1 paper on cross cutting competency. We met the revised targets. Besides design and development, IDI created awareness about PESA-P and professional education at number of INTOSAI and other forums. As we thought through and worked further on both, PESA-P's EAR (Education Assessment Reflection) framework and syllabus, we also suggested changes in INTOSAI Competency Framework, which have been included in the updated version of the framework.

One of the major changes in 2019 was our decision to discontinue SLIIS in its current format. The lessons learned showed us that SLIIS was extremely resource intensive, questions related to adoption and compliance needed to be addressed and that a more focused and flexible approach was necessary. We found that, in most cases, the SAIs do not have the resources required for appropriately receiving the support and realistically benefitting from it. As such, rather than going into an individual SAI for support, we found that a sub-regional approach with a smaller group of SAIs, with onsite support, could be feasible for both the IDI and the SAIs. This was less resource intensive and enabled us to reach more SAIs. Adopting a sub-regional or regional approach also enabled us to keep the important component of peer to peer exchange, learning and networking and allowed us to be flexible and focused as per SAI needs. While we discontinued SLIIS we continued to support the SLIIS pilots in SAI Tonga and SAI Bhutan.

We also changed plans to create IINA facilitators and QA facilitators. We decided to directly train QA reviewers empanelled for conducting QAs and IINA teams which were to conduct ISSAI Implementation needs assessments. We updated the IDI's QA model for cooperative audit and facilitated 45 quality assurance reviews for SAIs that participated in cooperative financial audit, cooperative performance audits of preparedness for implementation of SDGs and Audit of Institutional Framework of Fighting.

Besides targeted outputs, we also saw some outcomes of our support efforts in terms of SAIs publishing their own audit manuals, professional development and advancement of SYLs, implementation of SYL change strategies, SAIs issuing audit reports as per their mandates.

The following summarises IDI's performance in this area. Further details can be found in the Performance and Accountability Report Appendix.

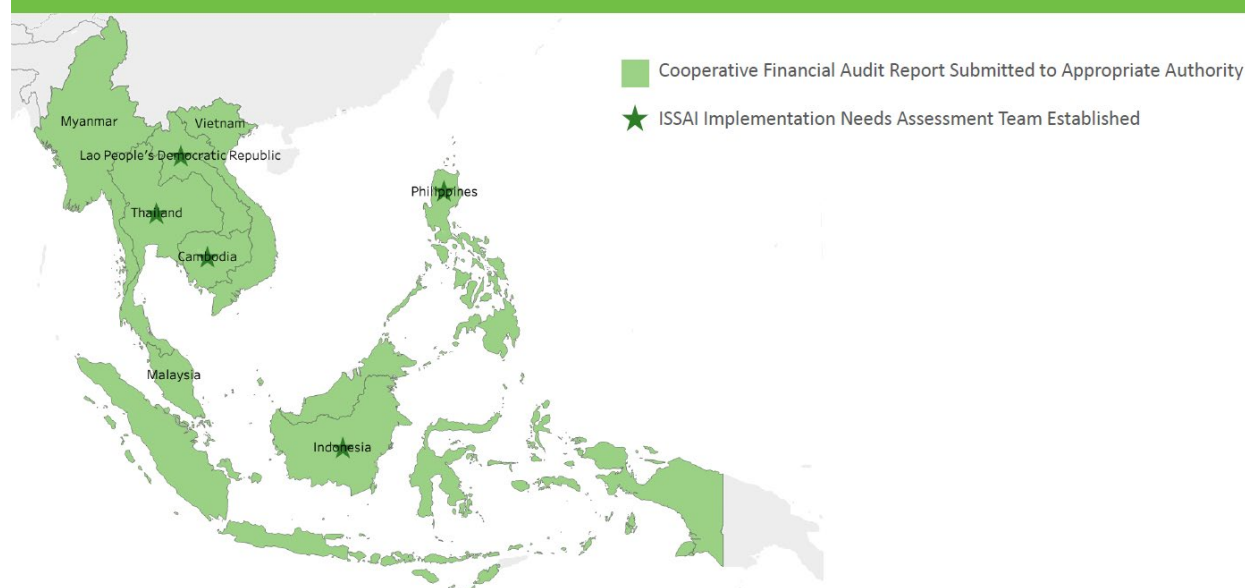
#### **Component 1: Supporting SAIs in Determining ISSAI Implementation Needs**

IDI supports SAIs in identifying the needs specific to the SAI environment in implementation of the ISSAIs. The objective is to take stock of current situation and determine the future needs for moving towards ISSAI compliant audit practices. In 2019 our understanding changed as we realised that, prior to starting the journey towards ISSAI implementation, SAIs need support on the adoption process of the ISSAIs.

In 2019 we initiated IINA support for five SAIs in ASEANSI, based on the updated FA iCAT. The support material includes guidance on adoption of financial audit ISSAIs. We also developed CA iCAT (postponing

PA iCAT to 2020). Through Component 1, IDI support has benefitted the SAIs and citizens of the following countries and territories.

## Professional SAIs – Financial Audit in ASEANSAI



### Component 2: Facilitate SAI Capacity Development for Implementing the ISSAIs

Under this component IDI maintains its GPGs, ISSAI Implementation Handbooks for financial, performance and compliance audit, and disseminates their use. SAIs need a critical mass of professionally educated staff to deliver high quality audits and be professional organisations. This component includes IDI's initiative Professional Education for SAI Auditors Pilot (PESA-P), which is based on the INTOSAI Competency Framework for Public Sector Audit Professionals. It also includes IDI's support for the development of SAI Young Leaders. Finally, it includes support for ISSAI implementation through global, regional and SAI-level support, e.g. Cooperative Audit Initiatives for groups of SAIs.

In 2019 IDI had Version 1 of the FA ISSAI Implementation Handbook published in French, Spanish and Arabic. The CA ISSAI implementation handbook V1 (in English) was also developed. As per revised plans, PA ISSAI Implementation handbook will be published in 2020.



IDI continued design and development work on the PESA Pilot. The pilot is being developed on an EAR framework. In 2019, IDI, together with several strategic partners, began the design and develop the education initiative. The education initiative will combine digital education, social learning, optional face to face support and audit experience at the SAI level. It will also include development of an initial professional development portfolio. We started the year with an invitation to tender for the provision of digital education. The bids received were more varied and expensive than anticipated. A long process was undertaken to identify the company that could provide the most interaction for the budget available. In order to acquire the level of service required the budget was increased. In 2019 IDI planned to recruit and convene a panel of examiners to develop assessment materials. However, this has been delayed as design of education materials was prioritised. The delivery of the pilot is on track to commence during 2020 for 600 SAI auditors.

In facilitating capacity development for implementing ISSAIs, IDI focused on leadership education as SAI leaders are key drivers of any SAI's journey towards greater professionalisation. Based on the positive feedback received for the pilot, the SYL initiative continued in 2019. The delivery format was updated based on lessons learned, the initiative will continue to aim at growing SAI Young Leaders who lead positive change in their SAIs. SYL will continue its focus on core elements like addressing the entire leadership chain, leadership education in four clusters – discover yourself, discover universe, grow people and create value – SYL integrated plan and implementation (including a ME plan, coaching plan, exposure plan and SAI change strategy), focus on change in the individual and change in the SAI and SYL Award for best change initiative. The 2019-2020 SYLs initiative was launched and 25 SYLs were selected via a competitive online selection process. The first face to face interaction was held. The SYLs were supported in implementing their change strategies.

Supporting ISSAI based cooperative audits continued to be one of the support mechanisms for helping SAIs in moving towards greater ISSAI compliance. In 2019, IDI updated its approach to cooperative audit support to provide for flexibility in blending the different types of support, sharpen the focus on quality control and assurance and allow for an additional element of facilitating audit impact for SAIs which have conducted high quality audits. The joint model IDI discussed with OLACEFS is reflected in current plans. IDI supported eight SAIs from ASEANSAI region through IDI-ASEANSAI cooperative financial audit initiative. The work done under this subcomponent also links with components in the relevant SAIs work stream. Audits of preparedness for implementation of SDGs, audits of implementation of different SDG goals and targets, audits using data analytics are all ISSAI based cooperative audits. IDI provided online support to SAI Bhutan for customisation of its Financial Audit Manual based on IDI Financial Audit ISSAI Implementation Handbook. IDI also provided online support for pilot financial, compliance and performance audits in SAI Tonga.

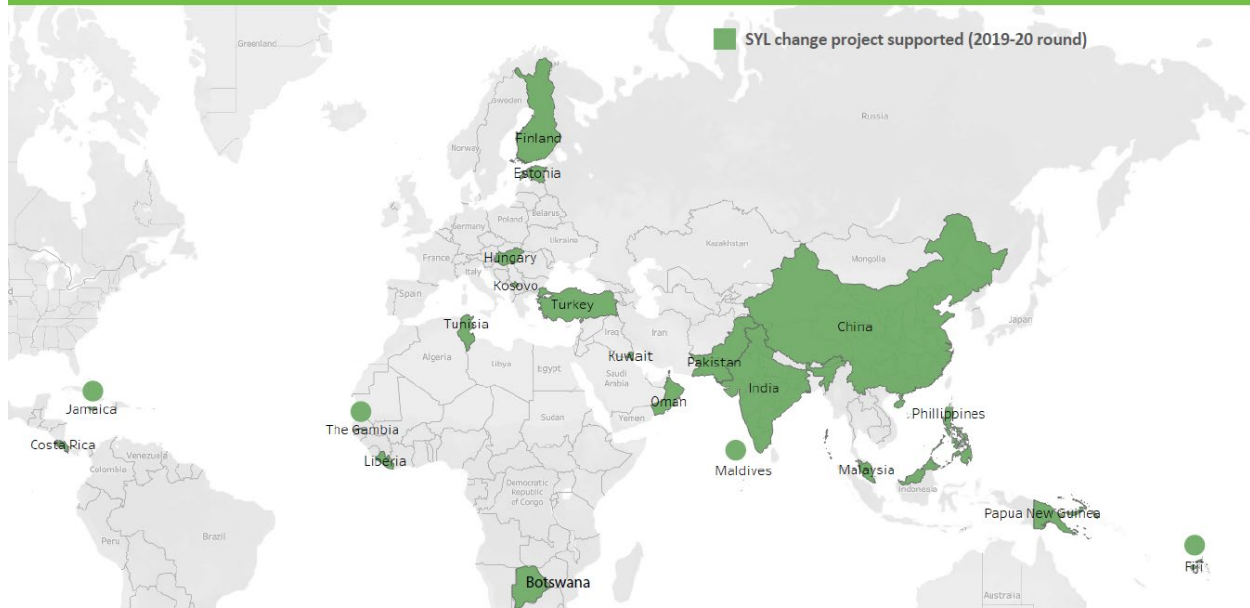
Through Component 2, IDI support has benefitted the SAIs and citizens of the following countries and territories.



Figure 1: Launching of SAI Bhutan Financial Audit Manual



## Professional SAIs – SAI Young Leaders



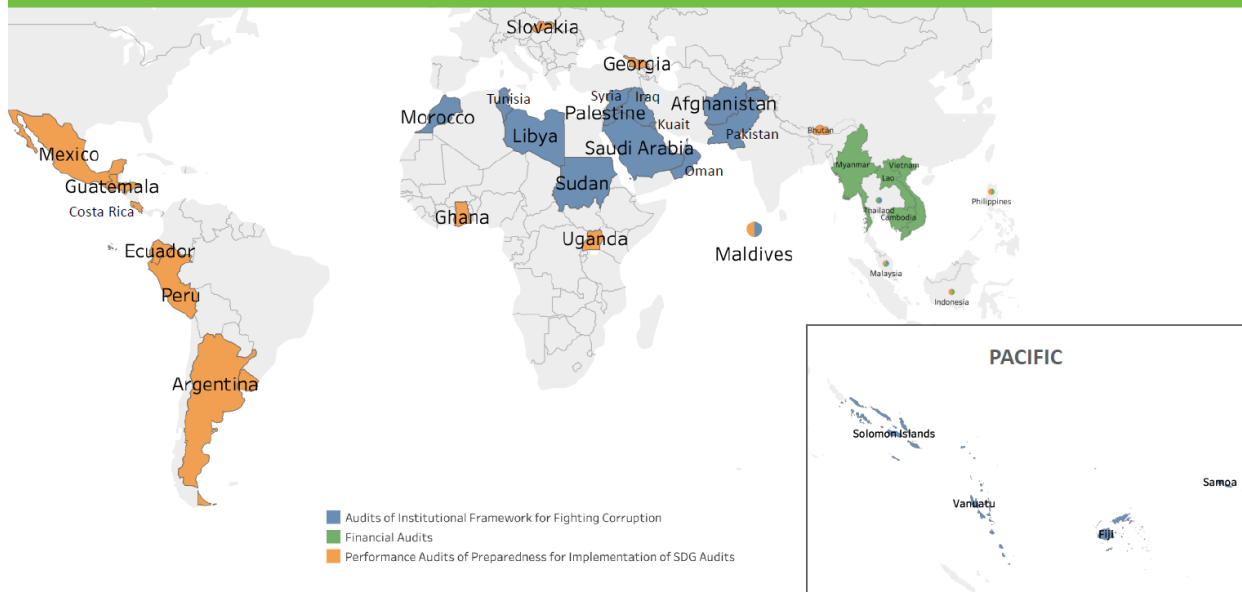
### Component 3: Enhanced Audit Quality Arrangements

Under this component, IDI supports SAIs in enhancing the quality and credibility of their audits by focusing on quality control and assurance arrangements. For that IDI maintains its GPGs, QA tools and guidance for financial, performance and compliance audit and disseminates the use of these goods in QA practices. Support for quality assurance includes creation of pools of competent QA facilitators to support SAIs and regions, independent quality assurance reviews of IDI supported cooperative audits, conducting quality assurance reviews on request basis and SAI level support in setting up a QA.

As IDI started work with its GPGs on Quality Assurance, we wanted the GPGs to be aligned to the latest standards. We decided to wait for the release of ISQM 1 & 2 and postponed the development of QA GPG to 2020. We will also organise the Global Summit on Ensuring Audit Quality in 2020, when we have a draft GPG to share. We also decided to change our plans for creating a pool of Quality Assurance Facilitators (QAF) for one region to creating panels of QA reviewers to carry out QA reviews of specific cooperative audits (performance audit of preparedness for implementation of SDGs and financial audit in ASEANSAI). Doing so enabled us to create required resources for immediate QA needs. As the QA reviewers will carry out QAs, they will have the benefit of both theory-based training and practical hands on experience. In 2019, IDI supported 45 QA reviews of the cooperative performance audits of preparedness for implementation of SDGs, the institutional framework for fighting corruption, and the IDI-ASEANSAI cooperative financial audit.

Through Component 3, IDI support has benefitted the SAIs and citizens of the following countries and territories.

## Professional SAIs – Quality Assurance of IDI Cooperative Audits



### Contribution to IDI Cross-Cutting Priorities

**Involvement of SAI leaders in Change:** In ‘Supporting SAIs in Determining ISSAI Implementation Needs’ five heads of SAIs in ASEANSAI signed the Statement of Commitment to determine the ISSAI implementation needs for financial audits. The 25 SYLs that began to implement change strategies during 2019 had the support of their Head of SAI before applying for the initiative. Besides SYLs, IDI also engaged with SYL Coaches, who come from leadership positions in SAIs. IDI has found that change can only happen with the support of SAI leaders and SYLs are supported in maintaining this buy-in throughout the initiative. IDI engaged with the Auditor General of SAI Tonga in SAI level support pilot in completion of the deliverables. The QA reviews of the SDG audits were carried out after the audit report was published. SAI leaders were requested to sign a TOR prior to the review commencing agreeing to QA reviews of cooperative audit. The draft QA reports will be sent to the SAIs for comments and the recommendations from the QA report will help to improve the SAI audit practice.

**Gender and Inclusiveness:** We have endeavoured to look at gender and inclusiveness considerations throughout the initiatives in the work stream. In the GPGs, the PA ISSAI Implementation Handbook looks at inclusiveness as a consideration in examining effectiveness. In the different cooperative audits, IDI encourages SAIs to nominate gender balanced teams. IDI endeavours to put together gender and inclusive resource teams for all initiatives. We did a light touch gender analysis for PESA-P. The pilot has detailed gender and inclusiveness considerations in terms of the initiative design, resource persons involved, language and visual style guides, design and development of PESA-P content, mode of delivery and impact on women. SYL also has similar considerations and has provided for specific discussions on women leaders and gender equality. Please see Box 1 for details

#### **Stakeholder engagement:**

The SYL initiative has been enhanced to include a greater focus on stakeholder engagement. During the first international engagement, inputs were provided on identifying and analysing stakeholders. In addition, SAI South Africa and one of their citizen stakeholder groups provided inputs on their approach. An SYL subject matter mentor has been provided with a specific focus on stakeholder relationships to provide ongoing support to SYLs engagement change projects mentor specifically for stakeholder engagement, SYLs from 4 SAIs are undertaking strategies that aim to change the relationship with stakeholders in their SAI. The Performance Audit ISSAI Implementation Handbook includes advice to SAIs on how to undertake appropriate stakeholder analysis. The approach for cooperative audit emphasises the support for stakeholder identification. The QA reviews include verification of requirements regarding stakeholder engagement in performance audit. The reviewers reported on the fulfilment of these requirements in the audit. Thus, the reviews raised awareness about the importance of stakeholder engagement.

#### **Building Gender & Inclusiveness in Professional Education**



IDI has started building gender and inclusiveness considerations in PESA-P. Inclusivity is a key principle of the design of PESA-P and considerations have been built into the design at every stage. A literature review revealed that written assessments can show bias against those who have a different cultural background to the examiner. These biases are reduced in computer marked objective testing and this has been included in the assessment framework. Inclusivity has also been considered in designing the look and feel guide for the education. The mentor team has been selected to represent body positive images from the different INTOSAI regions. The language style guide has also been adapted for inclusivity considerations for example in the use of pronouns.

The SYL Initiative continues its focus on women leaders in its curriculum with sessions on women as leaders. In the first interaction SYLs had the opportunity to hear women leaders from the INTOSAI community share their leadership stories, a panel was convened around the theme of 'She Leads' that considered not only women leadership, but the work done by the OLACEFs region on audit of preparedness for implementation of SDG 5 – Gender Equality. The SYLs negotiated to select their values as SYLs and placed importance as 'Growing Together' to reflect inclusivity considerations.

Based on merit, IDI selected 25 SYLs for the second round in 2019-2020. These included 20 women and 5 men.



## 4.4 Relevant SAIs



### Purpose and Rationale

Acting in the public interest places a responsibility on SAIs to demonstrate their ongoing relevance to citizens, Parliament and other stakeholders. INTOSAI P-12 encourages SAIs to show their relevance by appropriately responding to the needs of citizens, the expectations of different stakeholders, and the emerging risks and changing environments in which audits are conducted. INTOSAI -P 12 also urges SAIs to have a meaningful and effective dialogue with stakeholders about how their work facilitates improvement in the public sector. The relevant SAIs work stream aims to support SAIs in demonstrating ongoing relevance to stakeholders by fostering innovation in audit and education practices, leveraging on technological advancement and facilitating audit impact.

### Performance Summary

<p><b>ISAM Pilot Version developed</b></p> <p>IDI's SDGs Audit Model (ISAM) pilot version provides practical guidance for audit of SDG implementation</p> 	 <p>More than 400 participants attended SAI Leadership and Stakeholder Meetings organised by IDI in cooperation with UNDESA, side event at Asia Pacific Forum for Sustainable Development, BPK Seminar and ARABOSAI</p>	 <p><b>52 SAIs issue Audit Report of Preparedness for Implementation of SDGs as per legal mandate</b></p> <p>18 SAIs have finalised their audits.</p>
 <p>IDI – KSC Publication 'Are Nations Prepared for implementation of the 2030 Agenda – SAIs insight and recommendations' published in July 2019</p>	 <p>Updated IDI LMS with 3041 users, including 401 new users in 2019 136 LMS Administrators in all INTOSAI regions including 33 LMS administrators from ARABOSAI and CREFIAF in 2019 104 IDI certified eLearning specialists in all INTOSAI regions and 32 IDI certified blended learning specialists in ASOSAI. 41 participants from ARABOSAI and CREFIAF in 2019.</p>	 <p>51 participants across INTOSAI regions attend 'SAIs &amp; Data Analytics' Green Hat workshop 77 participants attend Green Hat Webinars on 'Design Thinking' &amp; 'Innovative use of authoring tools'</p>

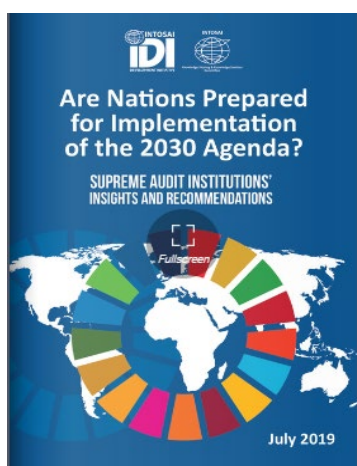
During 2019 IDI has focused on completing the deliverables under the auditing preparedness phase and launching support for the audit of SDG implementation. The deliverables included an IDI-KSC publication on “Are nations prepared for implementation of the 2030 Agenda?” and a UNDESA-IDI SAI leadership and stakeholder meeting. IDI also included support to SAIs in CREFIAF, an IDI-ARABOSAI workshop, Guidance on performance audit of preparedness for implementation of SDGs, and development of IDI’s SDGs Audit Model (ISAM). Under the green hat innovation exchange series, IDI planned one workshop and two webinars. The planned targets under digital education included publishing IDI’s eLearning handbook, creation of pools of LMS administrators for ARABOSAI and CREFIAF, eLearning specialist’s certification programmes in both the regions, maintenance and upgrade of the IDI LMS and support for digital education within IDI and to INTOSAI regions. IDI also planned to partner with ASOSAI and OLACEFS to support a compliance audit of procurement using data analytics, and progressed the set-up of this in OLACEFS. We planned to launch the ‘Facilitate Audit Impact’ initiative with a design meeting to envision the results of the initiative and the strategy to get there, but this was rescheduled to 2020.

We delivered on most targets, except for three major changes. Both OLACEFS and ASOSAI indicated their interest in supporting cooperative audits of SDG implementation. Based on ISAM, these audits are to be conducted by using a performance audit methodology. Based on discussions with key stakeholders, we changed the compliance audit of procurement in OLACEFS to a Cooperative Audit of Sustainable Public Procurement (SDG 12.7). In case of ASOSAI, while it will be an audit of SDG implementation, the audit topic will be selected in 2020. We also decided to postpone the design meeting for ‘Facilitate Audit Impact’ Initiative to early 2020, due to difficulties in matching calendars of stakeholders. During 2019 we started exploring eLearning delivered through digitised content. As we explored different ways of delivering digital education, we realised that the IDI’s eLearning handbook mainly focused on a mentor led model. We chose to convert it to a textbook for ‘eLearning Specialists’ to be used as content for the eLearning specialist’s certification programme.

The following summarises IDI’s performance in this area. Further details can be found in the Performance and Accountability Report Appendix.

### Component 1: Foster Innovation in Audit and Education Practice

Under this component, IDI supports SAIs in demonstrating ongoing relevance to stakeholders by fostering innovation in audit and education practices. We implement two key initiatives under this component – Audit of SDGs initiative and Green Hat: IDI Innovation Exchange Series.



In 2019 we completed our support to 73 SAIs and one subnational audit office in conducting a performance audit of preparedness for implementation of SDGs. Of these, 52 SAIs have issued their audit reports as per legal mandate by end of 2019, and a further 18 have completed their audit work and issued draft reports to Government for comment. As per results reported in **IDI-KSC publication ‘Are Nations Prepared for Implementation of SDGs – SAI Insight and Recommendations’** (<http://www.idi.no/en/elibrary/cpd/auditing-sustainable-development-goals-programme>) released in July 2019. SAIs have urged national governments into action, where there wasn’t any, provided independent oversight on the implementation of Agenda 2030 in national context, made recommendations for enhancing

preparedness and implementation of Agenda 2030 and contributed to raising awareness amongst citizens and stakeholders on the significance of implementing Agenda 2030. In some instances, SAIs have been consulted in the VNR process.

Version 0 of IDI Guidance on Performance Audit of Preparedness for Implementation of SDGs saw 9500 downloads. In 2019 we developed version 1 of this guidance but are yet to decide on the future of this document, as SAIs move from auditing preparedness to auditing SDG implementation. We engaged extensively with SAI leadership and key stakeholders at global, regional and SAI level during 2020. The IDI-UNDESA meeting at UN Headquarters in July 2019, INTOSAI side event at High Level Political Forum (HLPF), INCOSAI in Moscow in September 2019 and IDI participation in P4R Network meeting are some instances of global engagement. At the regional level we organised a IDI- ARABOSAI SAI Leadership and Stakeholder workshop, and actively participated in UN's regional commissions events by organising the side event at Asia Pacific Forum on Sustainable Development (APFSD) in UNESCAP regional meeting and delivering presentations at Africa Forum on Sustainable Development (AFSD) organised by UN ECA and the Arabic Forum on Sustainable Development (ASFSD) organised by UN ESCWA. IDI engaged with P4R network meetings for promoting the role of SAIs in the Voluntary National Review (VNR) process. At the local level, IDI and SAI Indonesia also jointly organised a seminar for SAI staff and key national stakeholders on strengthening the role of SAI in auditing SDGs.

Moving from preparedness to audit of SDG implementation, IDI in cooperation with a number of stakeholders, developed a pilot version of ISAM. The model defines IDI's understanding of audit of SDG implementation and provides practical guidance on interweaving SDG principles of coherence and integration, leave no one behind and multi stakeholder engagement in an ISSAI based performance audit process to assess progress of implementation of national targets linked to SDG targets.

As planned IDI organised one workshop 'SAI and Data Analytics' and two webinars 'Design Thinking' and

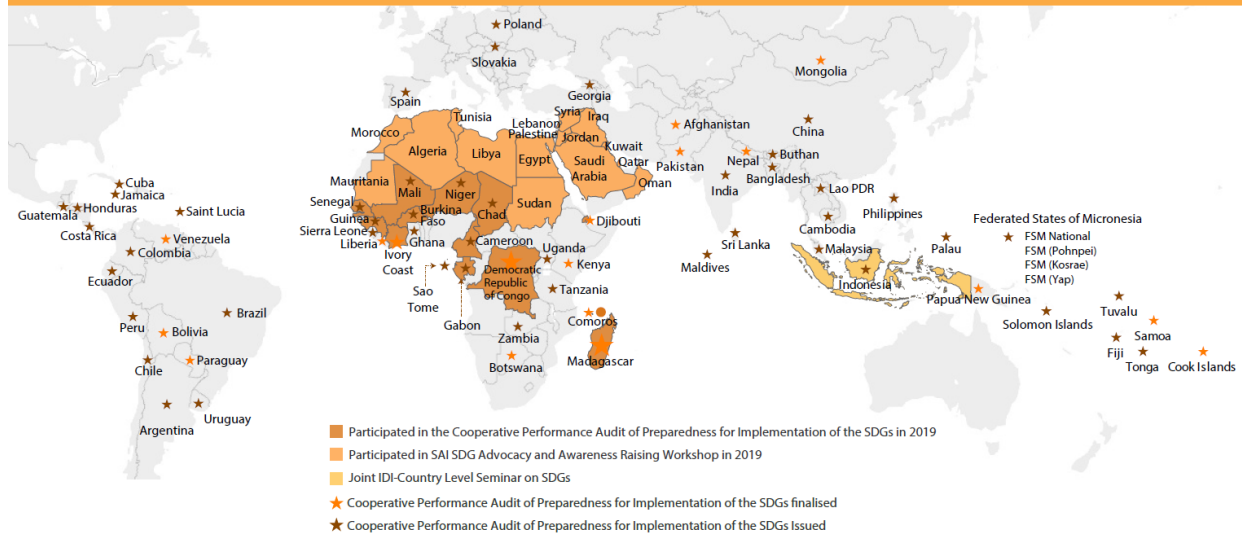


Innovative Approaches to Authoring Tools' under 'the Green Hat: IDI Innovation Exchange series. These events provided a vibrant platform for audit practitioners and experts in the respective fields to share ideas and experiences on innovating audit and education practices by using data analytics, design thinking and

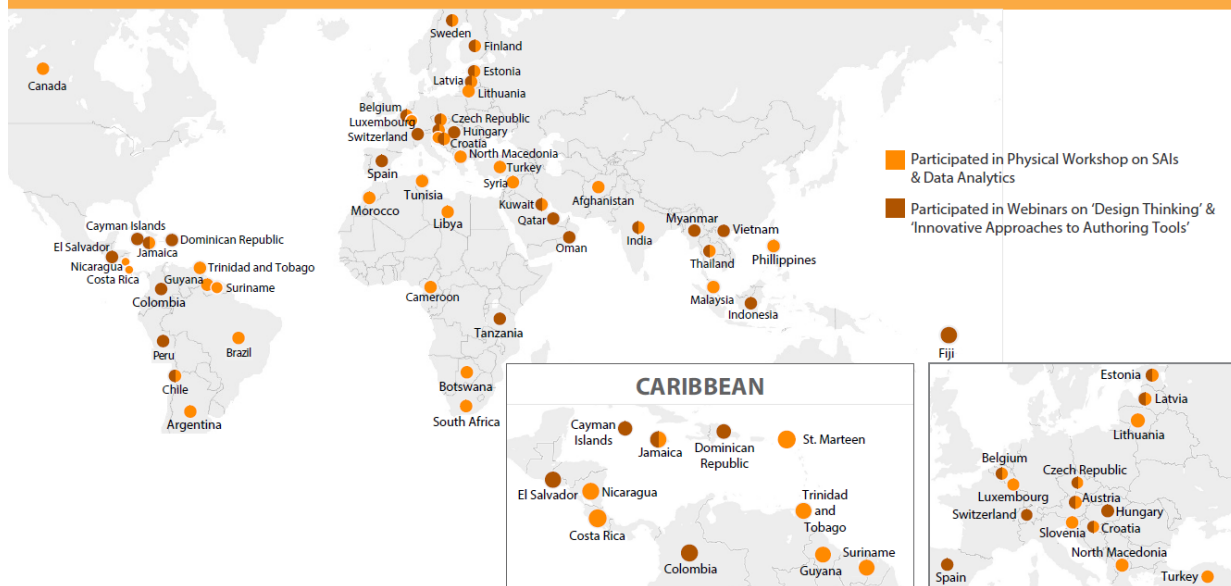
digital education. More than 120 participants attended, and SAI Young Leaders actively participated in organising and facilitating the events.

Through Component 1, IDI support has benefitted the SAIs and citizens of the following countries and territories.

## Relevant SAIs – Auditing Preparedness for Implementing the SDGs



## Relevant SAIs – Green Hat Innovation Exchange Series

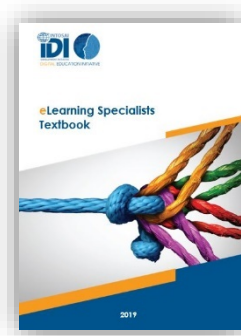


### Component 2: Leverage on Technological Advancement



The planned targets under digital education included publishing IDI's eLearning handbook, creation of pools of LMS administrators for ARABOSAI and CREFIAF, eLearning specialist's certification programmes in both the regions, maintenance and upgrade of the IDI LMS and support for digital education within IDI and to INTOSAI regions. IDI also planned to partner with ASOSAI and OLACEFS to support a compliance audit of procurement using data analytics.





In 2019 IDI continued to enhance eLearning capacities in regions and

SAIs through the development of pools of LMS Administrators and eLearning Specialists. We started exploring eLearning delivered through digitised content. As we explored different ways of delivering digital education, we realised that the IDI's eLearning handbook mainly

focused on a mentor led model. We chose to convert it to a textbook for 'eLearning Specialists' to be used as content for the eLearning specialist's certification programme. This textbook is available in English, Arabic and French.

A team of IDI staff and regional resource persons adapted the LMS Administrators courseware materials into Arabic and French. IDI trained a pool of 33 LMS administrators in Arabic and French, by using the adapted courseware.

IDI cooperated with ARABOSAI and CREFIAF to conduct the eLearning Specialist Certification Programme. IDI staff updated course material in English, and these were adapted to Arabic and French by a regional resource team. Based on lessons learned from 2018, IDI strengthened the assessment framework for the certification programme. This included a terms of reference for invigilators, commitment from participants, and application based online assessment. We also considerably strengthened the practicum. 41 participants are currently participating. We also supported ASOSAI and EUROSAI in delivery of their eLearning courses by providing dedicated space on IDI LMS and technical support.

We changed our plans for supporting cooperative **Compliance Audit of procurement using data analytics initiative** in ASOSAI and OLACEFS. Both the regions were keen to support audit of SDG implementation. As per ISAM such audits are performance audits conducted on nationally agreed targets linked to SDG targets. While the OLACEFS region chose to support a Cooperative Audit of Sustainable Public Procurement linked to SDG target 12.7, the topic for audit of SDG implementation in ASOSAI will be selected in 2020. While both these audits involve use of data analytics, they will now be delivered as pilots of ISAM under the auditing SDG initiative in component 1.

Through Component 2, IDI support has benefitted the SAIs and citizens of the following countries and territories.

## Relevant SAIs – Digital Education



### Component 3: Facilitate Audit Impact

Recognising the fact that high quality audits alone cannot bring about audit impact, IDI has decided to launch Facilitate Audit Impact initiative. As per our initial thoughts IDI can support SAIs in achieving greater audit impact by facilitating coalitions to advocate for the implementation of recommendations, helping the SAI in strengthening follow up mechanisms, helping the SAIs in communicating key messages to different stakeholders etc. We have postponed the design meeting for this initiative to 2020 due to difficulties in matching calendars of key stakeholders.

#### Contribution to IDI Cross-Cutting Priorities

**Involvement of SAI leaders in Change:** Besides seeking SAI commitments for the cooperative audit of preparedness for implementation of the SDGs, SAI leadership was included in extensive awareness raising and stakeholder engagement activities at global, regional and local level. SAI leadership also discussed lessons learned from the audit of preparedness and the way forward in auditing SDG implementation. IDI's Green Hat workshop on SAIs and Data Analytics included SAI leaders in strategic discussions related to using data analytics in SAIs. IDI seeks commitment from SAI leadership for the eLearning specialist's certification programme.

**Gender and Inclusiveness:** IDI has dwelt on gender and inclusiveness considerations throughout the initiatives in this work stream. The Auditing SDGs initiative includes support for audits of preparedness for implementation of SDG 5 on Gender Equality, encourages SAIs to include audit questions on SDG principle of leave no one behind and includes discussions on gender and inclusiveness in all engagements with SAI leadership and stakeholders. ISAM includes Leave No-One Behind (LNOB) principle in the definition of audit of SDG implementation and provides guidance on how to examine the implementation of this principle in the audit. ISAM also includes a main illustration on elimination of intimate partner violence against women. The Green Hat workshop on SAIs and Data Analytics included a session on leveraging data analytics for gender equality. Besides this gender balance and inclusiveness is a key consideration in selecting resource persons and participants in all initiatives in this work stream. Detailed

gender and inclusiveness considerations are mainstreamed in language and visual styles used throughout the work stream.

**Stakeholder engagement:** The Auditing SDGs initiative encourages and facilitates extensive stakeholder engagement by SAIs throughout the audit process. Besides encouraging SAIs, IDI has also engaged extensively with both state and non-state actors while facilitating the auditing SDGs initiative. The Green Hat events also seek to reach out to a wider variety of stakeholders connected to the subject matter being discussed. E.g. the Green Hat workshop on SAIs and Data Analytics included stakeholders from government entities, private sector and UNDESA.

## 4.5 Bilateral Support

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### Purpose and Rationale

IDI's objective for its bilateral support is to ensure that the most challenged SAIs are assisted and improve their performance. Key characteristics of IDI's bilateral support are: customised support; involvement of a majority of SAI staff; in-country activities; a dedicated peer-team working with the SAI for longer period; and flexibility. Bilateral support covers a portfolio of customised agreements with selected SAIs.

[The IDI bilateral policy](#) forms the basis for the implementation strategy for bilateral support. It specifies conditions for support and lists the main roles IDI can consider when supporting SAIs bilaterally.

### Performance Summary

In 2019, there have been major achievements in all nine SAIs supported through the PAP-APP programme, as well as in the continued support to SAI Somalia and SAI South Sudan.

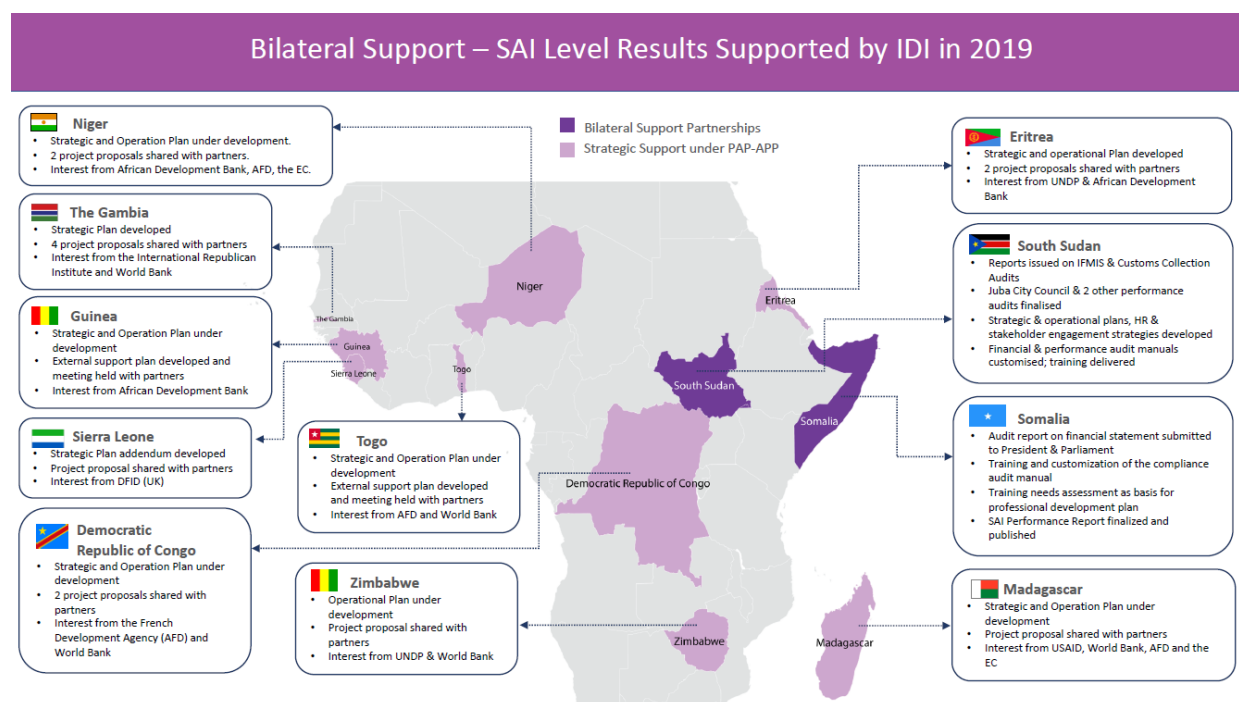
Despite operating in very challenging environments, the PAP-APP SAIs have gone a long way in strengthening their strategic management and external support coordination practices. They've also identified ways to lead by example related to gender equity and diversity. Their new strategic and operational plans are based on comprehensive needs assessments and stakeholder consultations and were developed through collaborative and inclusive processes. The external support plans and project proposals are in turn based on the new strategic and operational plans and have empowered the SAIs to lead their own development. Although all SAIs have shared project proposals and several are in the design phase for new support, the main remaining challenge is to enable each SAI to mobilize scaled-up financial and technical support. This will be addressed in 2020, in parallel with enabling final strategic plans to be launched and designing projects for long-term support together with the SAIs, peer-partners and donors.

In the partnership with SAI Somalia, the SAI has been supported to implement an ISSAI-based audit methodology, and in 2019 the SAI submitted for the first time an annual report with an opinion on the financial statement of the Federal Government of Somalia. The report received wide media attention both

nationally and internationally. This was achieved in cooperation with resident advisors funded by the EU. A main challenge for SAI Somalia is still the pending enactment of the new audit bill, developed with the support of IDI and other development partners. IDI also issued an official statement about the audit act to raise the awareness of MPs and other stakeholders on the importance of ensuring compliance with international standards for SAI independence as prescribed in the Mexico Declaration.

SAI South Sudan was in 2019 able to finalize key audits, supported by the IDI, such as an audit of the government IFMIS system which is critical for public accounting in the country. Four performance audit reports were also completed. The main challenge is to ensure submission of the audit reports to the President and Parliament in a very fragile political situation.

The following summarises IDI's support in this area. Further details can be found in the Performance and Accountability Report Appendix.



## Component 1: Bilateral Support General Management

IDI's general bilateral support management focuses on designing and managing projects in line with the IDI bilateral policy and mobilising trusted and skilled peers with contextual understanding. It also seeks to engage new providers of support when requests for projects arise. Through its bilateral support, IDI also seeks to compile and share its experience from working with SAIs in challenging contexts.

IDI's support is delivered by using and customising the material and work of the IDI work-streams, as well as those of other INTOSAI providers. In collaboration with the INTOSAI CBC work streams on Peer-support and Auditing in Complex and Challenging Contexts, IDI seeks to compile good stories from SAIs in challenging situations and share experiences related to both supporting and management among SAIs.

Through the bilateral support partnerships, experiences were gathered and approaches for supporting SAIs in challenged contexts were developed in 2019. One key deliverable was developing quality principles for good SAI projects, as well as alternative models for ensuring well-coordinated projects. These principles were discussed with all PAP-APP Heads of SAIs and presented in the annual meeting of the INTOSAI-Donor Cooperation.



## Component 2: Support to the Office of the Auditor General of the Federal Republic of Somalia

IDI, in collaboration with AFROSAI-E and peer-partners from SAI Ethiopia and Uganda, is supporting the Office of the Auditor General of the Federal Republic of Somalia (OAGS) to implement strategic priorities for auditing, internal governance and independence. The overall objective is to enable OAGS to implement the six Goals detailed in the 2017-2020 Strategic Plan, with emphasis on the following:

- Goal 1: Timely, relevant and high-quality audit reports in line with international standards
- Goal 2: Strengthening internal governance for efficient and effective audit services
- Goal 6: Amend the old legal framework OAGS currently operates under

The main output delivered by IDI in 2019 has been audit training and guidance, enabling the SAI to improve the quality of the annual audit. The SAI reached a historic milestone by issuing an opinion on the financial statement of the Federal Government of Somalia. The new audit bill developed in 2018, and was in 2019 approved by the Lower House, but not finally decided upon in the Upper House. IDI issued an official statement about the audit act, including raising a concern of independence of the Auditor General in the amended version of the bill in Parliament. The statement received substantial media coverage.

### First Annual Audit report on Somalia's financial statements

For the first time in the recent history of the Federal Government of Somalia, the Accountant General's Office, on the recommendation of the Office of the Auditor General of Somalia, prepared financial statements for the whole of government. This was done for the year ending 31 December 2018 on the Cash-basis IPSAS (International Public Sector Accounting Standards). The SAI audited these financial statements using financial audit methodology for the first time, and issued an independent opinion. The report was submitted to Parliament with copies to the Offices of H.E. the President and H.E. the Prime Minister, and for the first time published.

The audit got wide media-coverage in Somalia and internationally, including by Reuters. The overall conclusion of the audit is that most of the entities audited were not complying with laws and regulations for effective management and accountability of public funds entrusted to them. The audit also concluded that \$18 million from the European Union, Saudi Arabia and the United Nations did not pass through the treasury's account at the central bank, and that some of the money was kept in offshore accounts with weaker controls.

How could a SAI in such a challenging situation make such a remarkable achievement? This is firstly due to a committed AG with strong leadership, as well as staff keen to learn and adopt new methodologies. Secondly on-site support by EU-funded advisors have played a key role in getting the audit executed and resolving issues in the dialogue with the Accountant General. Finally, guidance and training by peers from IDI, AFROSAI-E, SAI Botswana and SAI Uganda set the stage for ISSAI based auditing and prepared staff for the audit.

IDI, in partnership with AFROSAI-E and SAI Kenya, support the National Audit Chamber of South Sudan (NAC). From 2017 to 2019, the objective of the bilateral support was to *"maintain and strengthen key audit-related capacities in NAC, to prepare it to play a strong role in the reform efforts of the Government of South Sudan"*. Support to the planning, execution, reporting and dissemination of audit results was a key part of the project, as well as sensitizing key auditees and the Public Accounts Committee (PAC) on NAC's function, standards, operations, recent audit findings and how audit reports can be more effectively followed up.

The main achievement in 2019 has been the finalization of key audits, including an audit of the government IFMIS system, collection of customs, and on the efficiency of service delivery of the Juba city council. The project has supported this through several on-the-job workshops. The SAI's completion of the new result-oriented strategic plan was also a major event, preparing the SAI to take a key role in the implementation of the Peace agreement of 2018 expected to be put into action in early 2020. Based on the new NAC strategic plan, the partners have agreed on a second phase of cooperation starting in 2020 when the current project closes.

#### Component 4: Accelerated Peer-Support Partnership (PAP-APP)

The PAP-APP is the INTOSAI community's response to the Global Call for Proposals Tier 2. After a selection process, nine SAIs were invited to join this initiative: the SAIs of the Democratic Republic of the Congo, Madagascar, Guinea, Togo, Niger, Eritrea, Zimbabwe, Sierra Leone, and The Gambia. The PAP-APP was established by IDI, AFROSAI-E and CREFIAF to support these SAIs. The purpose of the partnership is to empower particularly challenged SAIs in urgent need of support to enhance their capacity and to improve their performance, to be able to make a difference to the lives of the citizens in line with ISSAI-P 12.

PAP-APP is organised in two phases. Phase 1 (2018 to mid-2020) supports the SAIs to assess their current situation, define strategic priorities, strengthen strategic management systems, and establish long-term and scaled-up capacity development support. Phase 2 (starting in 2020) focuses on enabling the SAIs to implement the new strategic priorities. It is expected that also other SAI partners will play a key role in country projects. However, for SAIs that cannot be supported by other peers, or where a peer-SAI needs a partner to lead the project and where funding is available, the PAP-APP partners intend to support these SAIs as providers of last resort.

In 2019 the SAIs of the PAP-APP made significant progress in laying the groundwork for strategically based, scaled-up support:

- Six SAIs completed their own assessment of status and needs against international standards and practices
- PAP-APP peer teams conducted mid-term reviews of existing strategic plans of two SAIs
- Two SAIs finalized new result-oriented strategic plans and five more are close to completion
- One SAI completed an addendum to their strategic plan, based on the mid-term review
- One SAI developed a new structure for the operational plan while six have drafts
- Nine external support plans were prepared, where SAIs list their key needs of support, ongoing projects and requested projects and partners
- Thirteen project proposals were shared with donors and two additional ones drafted
- The PAP-APP country teams delivered tailor-made, in-country workshops for each SAI, complemented by continuous remote support online

PAP-APP Status	AFROSAI-E				CREFIAF				
	Eritrea	The Gambia	Sierra Leone	Zimbabwe	Democratic Republic of Congo	Guinea	Madagascar	Niger	Togo
Status and Needs Assessment or Mid-Term Review	NA	✓	✓	✓	✓	✓	✓	✓	✓
Strategic Plan or Addendum	✓	✓	✓	NA	ongoing	ongoing	ongoing	ongoing	ongoing
Operational Plan	✓	ongoing	NA	Ongoing	ongoing	ongoing	ongoing	ongoing	ongoing
Gender and diversity audits or SAI actions planned	✓	✓	✓	✓	✓	✓	✓	✓	✓
Annual Performance Report	NA	2020	2020 <sup>2</sup>	2020	NA	NA	NA	NA	NA

<sup>2</sup> An annual performance report was produced by the SAI in 2019, but support will be provided for a second one in 2020.

PAP-APP Status	AFROSAI-E				CREFIAP				
	Eritrea	The Gambia	Sierra Leone	Zimbabwe	Democratic Republic of Congo	Guinea	Madagascar	Niger	Togo
External Support Plan	✓	✓	✓	✓	✓	✓	✓	✓	✓
External Support Meeting	NA	2	1	1	1	2	3	2	1
Project Proposals shared	2	4	1	1	2	0	1	2	0
Donor interest	UNDP, AfDB	IRI, WB	DFID	WB, UNDP	WB, AFD	AfDB	USAID, WB, AFD, EC	AfDB, AFD, EC	WB, AFD
Donor agreement	UNDP	IRI							

### Contribution to IDI Cross-Cutting Priorities

**Involvement of SAI leaders in Change:** The involvement of SAI leaders is built into the design of all bilateral projects (e.g., steering committees, meetings during project visits and involvement in activities). In the Gambia, for example, the SAI representatives in the project team include the whole of senior management team. In Madagascar, the Head of the SAI has been personally involved in every step of the process.

**Gender and Inclusiveness:** All bilateral projects have gender targets among the expected results. In the Somalia and South Sudan projects, these targets are related to female involvement in the support activities. In practice, it has been difficult in South Sudan to meet the target, partly related to a high turnover in the SAI and less female staff than assumed when setting the target. In the PAP-APP programme, gender is one of the three focus areas. In 2019 most of the SAIs assessed their own status in terms of inclusion and gender and identified gender and diversity related strategies going forward, such as plans to strengthen internal policies and practices and conducting gender and inclusiveness related audits.

**Stakeholder engagement:** Stakeholder engagement is embedded in all bilateral projects. Stakeholder consultations were conducted, as part of their strategic planning process, by the majority of the PAP-APP partner SAIs in 2019. These consultations were focused on both information gathering ahead of drafting and validation of plans before finalisation. Further, all the new strategic plans that were developed included measures around strengthening stakeholder engagement. In addition, all SAIs were assisted to conduct regular meetings with potential partners. SAI Somalia conducted a widely attended annual stakeholder seminar in Mogadishu, and there was wide media coverage of it. SAI South Sudan launched its strategic plan with all main government and Parliament stakeholders invited.

## 4.6 Global Foundations

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### Purpose and Rationale

IDI's work streams can be strengthened by laying appropriate global foundations that strengthen the impact and sustainability of IDI's interventions, leverage on other organisations' support to SAIs, document the needs and achievements of the SAI community and communicate and advocate on behalf of the SAI world. IDI's Global Foundations are organised into four initiatives considered essential to the successful delivery of the IDI Strategic Plan.

- Strategic partnerships with other organisations that can contribute to strengthening SAIs
- Brokering support for SAIs, from donors, peer partners or other organisations
- Measuring and monitoring SAI performance
- Advocating for SAIs and communicating about SAI development

Within this, Global Foundations Unit (GFU) provides support to the INTOSAI-Donor Cooperation (IDC) and facilitates the implementation of the IDC Strategy. It also supports IDI's work streams through extending the reach of the work beyond the SAI community with partnerships and advocacy. Further, it provides data for results reporting, while its brokerage role increases support that is likely to enhance the capacity of SAIs to achieve their strategic plans.

### Performance Summary

A New Strategy for INTOSAI-Donor Cooperation approved, marking a shift towards cooperation on higher level challenges facing SAIs, such as SDGs and SAI Independence. IDI supported 26 SAIs enhancing their skills in engaging with donors. IDI also signed new strategic partnership agreements with the International Budget Partnership (IBO), the INTOSAI Financial Audit and Accounting Subcommittee (FAAS) and the Audit Board of the Republic of Indonesia (BPK The first draft of the Global Survey 2020 was developed before the end of the year.)

The following summarises IDI's performance in this area. Further details can be found in the Performance and Accountability Report Appendix.

#### Component 1: Strategic Partnerships

For IDI a strategic partnership is any form of mutually agreed arrangement with joint strategic objectives over a medium to long term period. Through its strategic partnerships IDI is able to bring the support of organisations both inside and outside the SAI community to contribute to SAI development work at the global, regional and SAI level. These partnerships help generate donor support for SAIs (both financial and



on areas such as policy dialogue) and provide important data and analysis that is relevant for SAIs. Partnerships with other INTOSAI Bodies, such as the Capacity Building Committee, the Knowledge Sharing Committee and the Professional Standards Committee, also act as a conduit for helping developing country SAIs access and apply tools developed within INTOSAI.

This component includes operational support to the IDC and support for implementation of the new IDC strategy. Further, supporting INTOSAI regions and SAIs with donor engagement and continuing to scan the environment for new partners that may add value to SAI development work.

IDI used the majority of its resources in this component to support the development of the IDC Strategy. In addition to preparing and finalising the new IDC strategy, we organised and implemented the IDSC meeting held in Tokyo in June 2019 as well as IDSC leadership calls. Three new strategic partnerships were finalised in 2019 with INTOSAI Financial Auditing and Accounting Subcommittee (FAAS), Audit Board of the Republic of Indonesia (BPK) and International Budget Partnership (IBP). The partnership with FAAS will facilitate mutual cooperation and support on supporting SAIs in implementing the standards for financial auditing while the agreement with BPK is to cooperate on ISSAI implementation, Auditing SDGs, SAI PMF assessments and blended learning solutions. BPK will also be assigning a staff member to work with IDI and providing training facilities. IDI and IBP's partnership focuses on (1) advocate for independent and effective SAIs as essential to good public budgeting, effective governance and reducing poverty; and (2) to support effective engagement between SAIs, legislatures and civil society in order to enhance accountability, audit impact and make a difference to the lives of citizens.

## **Component 2: Brokerage**

The brokerage role is mostly work on behalf of the IDC with the goal of scaling up support for SAIs. This includes supporting SAIs in communicating their support needs to donors through the Global Call for Proposals (GCP) (Tier 1). It also includes GCP Tier 2, which involved identifying SAIs in fragile and challenged contexts that need targeted support to assess their needs, develop proposals that can be shared with donors, and develop the capacity to better engage with them.

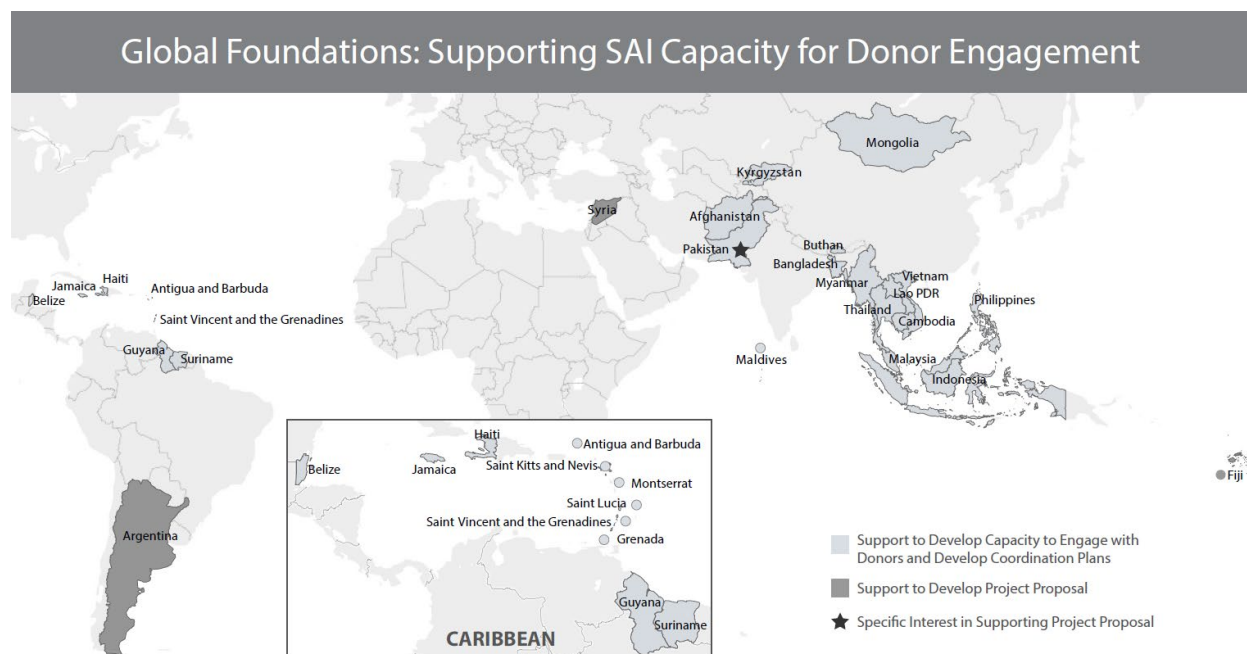
This component also includes regional workshops to help SAIs develop their capacity to better engage with donors and facilitate coordination of support. Part of these workshops is used for the SAIs to develop a coordination plan for the support they receive, and follow-up support from GFU for implementation of those plans. This is supported by the offer of workshops for donor staff to raise their knowledge and understanding of the importance of SAIs and the unique challenges SAIs face, such as on independence, and the tools and approaches INTOSAI and IDI have developed to support SAIs in a SAI-led, strategic, coordinated and sustainable manner.

Finally, GFU also supports INTOSAI CBC with its peer-support work. GFU supports CBC's focus on raising awareness amongst donors and recipient SAIs on how to use peer-partners to support capacity development work, and offers brokerage support to establish peer-to-peer support.

During 2019, the GFU focussed most of its efforts on supporting SAIs in their engagement with donors and to help the SAIs strengthen their coordination of support providers. GFU designed and implemented two workshops for SAIs on how to engage donors, enhance their donor relationships and strengthen their management and implementation of donor-funded projects. The GCP T1 process was revised to include a simplified first step for submission of concepts. This step saw the SAIs stating the capacity strengthening areas that they wanted to focus on in a form called a Support Exploration Profile. This form reduces the expectation of a match as well as the time invested by the SAI in seeking support as only those forms that donors have expressed an interest in would be further developed into a concept note with the assistance of GFU. Additionally, support was provided to the PAP-APP teams as needed to

ensure that the GCP T2 SAIs were able to operationalise the Project Support Groups. We worked with the IDC to resolve the challenges some of the GCP T2 SAIs faced with getting key donors to participate in meetings and to ensure the meetings could be held with the requisite ICT and other resources.

Through Component 2, IDI support has benefitted the SAIs and citizens of the following countries and territories:



### Component 3: Measuring and Monitoring SAI Performance

GFU's work to measure and monitor SAI performance provides information and analysis at the global and regional level and most of the data for IDI's results framework. It also provides sources for success stories and inputs into reviews on the extent to which SAI development interventions are sustainable. Specifically, this component includes IDI's coordination of the triennial INTOSAI Global Survey and Global SAI Stocktaking report. It also includes other global initiatives on measuring and monitoring SAI performance, such as SAI Capacity Development Database and the IDI-IBP joint report on the strength of audit and oversight arrangements. Finally, it includes IDI's Sustainability Reviews, designed to better understand whether the outcomes of IDI's SAI capacity and performance initiatives have been sustainably achieved. Findings will provide feedback to improve IDI's work streams and provide input into selection of topics for evaluation and research. Each of these areas develops significant data on SAI performance and capacity which is a potentially valuable resource, hence the component will also look at the best ways of maintaining, structuring and sharing this data (within the limits agreed by the owners of the data).

The key outputs delivered by the end of 2019 included first, the draft 2020 [Global Survey](#) and the approved Stocktaking Report structure. Second, the 2020 IDI-IBP joint report was also defined to having a focus on strengthening audit and PFM oversight arrangements; and the framework for the analysis and report was determined. Third, there were 132 new projects registered and quality-controlled during 2019 in the [SAI Capacity Development Database](#). The users' engagement rate with the database increased considerably compared to the previous two years. Database updates permit calculating the average annual global financial support for the benefit of SAIs in developing countries; which ended in around \$85 million in 2019, an increase of 2 million compared to 2018.

Fourth, GFU registered IDI at the [International Aid Transparency Initiative \(IATI\) platform](#) and started publishing information about its work from September 2019. While publishing information at the IATI platform IDI accesses a wider audience and leads by example by being transparent and providing full access to high quality data. It also increases awareness of SAI's role and advocates for better SAI support. Lastly, the guidance was developed for the IDI Sustainability Reviews and the pilot selected. The pilot will be on cooperative audits and will commence in 2020.

GFU saw synergies from handling both SAI performance data through the Global Survey process, and the collection of SAI capacity development initiatives through the database. This helps collect valuable data, closing information/communication gaps with stakeholders and provides key information on the delivery of SAI support that can inform global strategies for supporting SAIs.

#### Component 4: Communication and Advocacy

While communications and advocacy work is integrated into all IDI work streams, GFU focuses on global activities that promote principles for better SAI support and lay the foundation for the successful implementation of support to SAIs. This includes the development and implementation of IDI's communications strategy and annual plans, covering issues such as social media, IDI website and IDI branding intended to enhance the organisation's visual value and identity. This component also links with the component on strategic partnerships, as a way to enhance advocacy for better SAI support, for example through the publication and dissemination of the joint IDI-IBP Report.

Under this component, GFU also carries out the communications work of the IDC. The Cooperation's objective is to promote behaviour change towards SAI-led, scaled-up and better coordinated support among the INTOSAI and Donor community. GFU supports IDC with the development and publication of success stories based on the new IDC strategy 2020-2030, with a focus on the SDGs and SAI independence. GFU runs the IDC's social media tools to promote success stories and encourage behaviour change towards the MoU principles. It also coordinates workshops with SAIs and Donors to facilitate participants to apply these principles in practice.

During 2019 the IDI's work streams and GFU integrated communications and advocacy objectives within their activities. The objective of *communicating IDI's value* seen with the distribution of the [IDI Strategic Plan 2019-2023 infographic](#) flyer at all INTOSAI events and IDI workshops after its development, for example. *Raising awareness on the role, benefits and challenges of SAIs* was seen through the development of success stories such as [SAI Philippines](#), [SAI Georgia](#) and [OLACEFS](#) or IDI engagement with the UN regional commissions to create awareness and advocate for the role of SAIs in strengthening independent external oversight on the implementation of SDGs. Lastly, the objective of *Advocating for better SAI environment and support* was delivered by IDI through for instance the following Bilateral Unit interventions:

- [Issuing of statement on the proposed audit legislation of Somalia](#), pointing out the lack of independence in the proposed legislation
- [Launch of new Strategic Plan including key stakeholders in South Sudan](#) to mobilize government support and resources for it
- [Strategic plan launch Eritrea](#) where the SAI and PAP-APP team argued for SAI support, with various stakeholders present, such as the Minister of Finance.

GFU (representing IDC) joined efforts with the SAI Independence work stream and developed a 2019-2020 strategy in order to strengthen advocacy at a global level. This included global webinars with in-country staff; appointing a SAI independence ambassador to advocate at international/regional meetings; inclusion of an Independence session at the SAI-Donor Engagement workshops; an Independence session

at the Donor workshops; and a Joint Strategy Paper on how to handle SAI independence at country level. The webinars were held in the last quarter of the year and provided opportunities to share best practices and suggestions that may apply across regions. The first session on SAI independence held at the CAROSAI SAI-Donor Engagement workshop and proved successful in collecting needs and experiences from SAIs while partnering with donors to fight for their independence.

#### *The INTOSAI-Donor Cooperation's communications and advocacy work*

Some of the highlights of 2019 were:

- Two success stories ([Georgia](#) and [OLACEFS](#)) developed, published and disseminated in social media, events and on the website in different languages. The stories were presented by SAIs and were also integrated into the SAI Donor Engagement workshops to advocate for behaviour change towards MoU principles
- Advocating for SAI Independence (details mentioned above)
- Maintenance and administration of the [IDC website](#) and [social media](#) channels
- Two [newsletter](#) editions published and disseminated
- Communications material developed and tailored to IDSC 2019 meeting

GFU experienced synergies with the SAI independence advocacy work and tried to maximize benefits of working closer with IDI work streams at the same time as fulfilling IDC objectives, which is part of the intention with integrating the INTOSAI Donor Secretariat functions into IDI.

#### **Contribution to IDI Cross-Cutting Priorities**

**Involvement of SAI leaders in Change:** Much of the work on global foundations does not directly impact SAI staff or leadership in the same way that the work in the Work Streams and Bilateral work does. The communication work involves a lot of indirect measures that are intended to influence them. IDI's work also involves SAI leader interaction when it comes to advocacy work. Whenever IDI advocates on behalf of an individual SAI, it is always in consultation with the head of SAI. Strategic partnerships outside the community do not currently involve heads of SAIs, but may do so in the future. Strategic partnership with INTOSAI and Regional Organisations often involves SAI leaders that are heavily involved in the work of those organisations. IDI's brokerage work usually has a SAI target audience consisting of SAI leaders who prepare strategies and donor proposals, these are usually leadership representatives and staff that are heavily involved with the change management work of a SAI.

**Gender and Inclusiveness:** 2019 has been a transition year for incorporating gender and inclusiveness into the Global Foundation's work. Much of the Global Foundations' work is not based on events or direct interactions with SAI staff, which means we are still in the process assessing these interventions through a gender lens. In 2019 GFU held two workshops for SAIs engaging with donors. The rate of female participation at these was 66%. There is, however, a caveat here as one of the events was in CAROSAI, where the main issue with gender representation is with a lack of male participation. In ASOSAI, however, where lack of male representation is not a common pattern, the rate of female participation was 56%.

**Stakeholder engagement:** The two SAIs Working with Donors workshops held in ASOSAI and CAROSAI aided 26 SAIs in enhancing their donor engagement and relationship. The workshops exposed the SAIs to donors' processes and thinking and their work in the specific region and with SAI capacity strengthening by having donor representatives participate in some of the sessions. Additionally, the SAIs were trained on how to analyse their relationship with the donors and strategically map them based on the support modalities the donor organisations could provide. There was also a Donor Round Table session in the workshop which allowed the SAIs to directly engage with donors on topics of interest.





5

## IDI's Delivery Approach

## 5. IDI's Delivery Approach

### 5.1 Balancing Global, Regional and SAI-Level Support

The IDI Strategic Plan 2019-23 envisages IDI balancing support between global and regional support, supplemented by support at the SAI-level. This includes long-term holistic partnerships under IDI's bilateral support policy, as INTOSAI provider of last resort, and targeted SAI-level support (definitions in text box).

Following the 2019 IDI Portfolio Review, IDI set-up an internal project group to explore the concept of SAI-level support. This looked at definitions, practices within IDI, resource requirements and implications for the IDI portfolio and delivery mechanisms. The paper was presented and discussed at the IDI Staff Planning meeting in October 2019. Two clear conclusions were (i) that significant targeted SAI-level support, while potentially contributing to sustainability of SAI performance improvements, was not feasible given IDI resource levels (ii) that focused sub-regional support to small groups of SAIs could be more cost effective and preserve the benefits of peer-peer learning. As a result, the IDI Operational Plan 2019 was adjusted and the Operational Plan 2020 developed with a move away from SAI-level support (other than for piloting new initiatives), and also a reduction in on-site support to SAIs. Similarly, there was an increase in regional & sub-regional support, e.g. on ISSAI implementation, and regional workshops on identifying challenges and responses for SAI independence.

By the end of 2019, the IDI portfolio was largely focused on the following two levels:

- **Global initiatives:** GPGs, knowledge and resource centres, global foundations, global initiatives such as PESA pilot, SAI Young Leaders and supporting E-learning
- **Regional initiatives:** supporting groups of SAIs in focused areas, such as strategic planning, engaging with stakeholders, ISSAI implementation and auditing the SDGs.

IDI has two ongoing bilateral partnerships in Somalia and South Sudan, as well as the PAP-APP initiative (supporting nine SAIs in Africa with strategic planning and preparing for future support). IDI's targeted SAI-level support includes the independence pilot (Suriname and Gabon), and ISSAI implementation support to SAI Tonga (ending 2020). In 2020, IDI expects to use SAI-level support as part of piloting two new initiatives: Pilot audit of nationally agreed targets linked to SDG 5.2 - elimination of violence against women (two SAIs) and facilitating audit impact (three SAIs).

#### Defining SAI-Level Support

The IDI Strategic Plan identifies two forms of support considered SAI-level support:

1. **Bilateral partnerships:** includes holistic engagements with SAIs and support designed to lay the foundations for future holistic support. Both are covered by the IDI bilateral policy and require specific IDI Board approval prior to engagement.
2. **Targeted SAI-level support:** support delivered predominantly to an individual SAI, where the focus fits within a single work stream. This is not covered by the IDI bilateral policy and does not require specific IDI Board approval. E.g. pilot support on SAI independence, ISSAI Implementation support to SAI Tonga.

Other support provided to SAIs as an integral part of an IDI regional or sub-regional initiative, is not considered SAI-level support. E.g. onsite support to SAIs as part of SES, SPMR, ASDGs or site visits connected to a Cooperative Audit initiative.

*Source: SAI-Level Support Concept Paper (Internal IDI working Document, 2019)*

### 5.2 Integrating Gender and Inclusiveness

Based on its work on gender equality for the past decade, IDI has stepped up its commitment on gender equality with the Strategic Plan 2019-2023. IDI has made the full integration of a gender perspective a



major strategic shift. Gender equality is now both focus and cross-cutting issue. IDI has a dedicated gender function in the Strategic Support Unit, a supporting gender team and a pool of external gender experts that IDI can draw from when needed.

2019 started with a gender training for all IDI staff. In March, the IDI Board approved a new IDI Safeguarding Policy. During the year, IDI developed an internal Gender Analysis Framework and Guidance (GAFG) which was introduced to IDI staff. As from 2020, it will be mandatory to conduct a gender analysis for new IDI initiatives and integrate findings into the initiative design. In addition, IDI staff is encouraged to integrate gender equality issues wherever possible in ongoing initiatives. At the end of 2019, IDI started to develop a gender strategy which will be finalised in 2020 and allow for gender mainstreaming across IDI.

IDI also started to emphasise the importance of gender equality and advocate for it within the INTOSAI community, in its regular work with SAIs and other stakeholders. In 2019, IDI facilitated a first gender side event at the INTOSAI Congress in Moscow and participated in the [Women Deliver Conference](#) in Vancouver. Throughout the year IDI engaged with other organisations working on relevant gender issues, including [Public Finance by Women](#), the PEFA Secretariat staff working on the [PEFA supplementary framework for assessing gender responsive PFM](#), UN Women and others.

In its own initiatives, IDI continued to set annual targets for gender participation, and monitored participation globally and within each initiative (see results for 2019 in the IDI Results Framework). However, in certain instances (e.g. advocacy events), IDI was not able to influence a gender balanced participation as decisions were taken by the body sending participants. IDI's experience is that for initiatives focused on SAI leadership and senior management, female participation rates were traditionally lower. IDI's decision to make the integration of gender equality a strategic shift and a gender analysis mandatory for new initiatives, showed first positive results in 2019. Here are some examples:

- In PAP-APP, IDI successfully encouraged SAIs to include gender targets in their strategic and operational plans
- Following a merit-based selection process in the first round of IDI's SAI Young Leaders initiative, an astonishing 80% of the initial participants were female. The pattern was repeated in the current second iteration, with 75% of those selected being female. In addition, gender equality is a focus in both design and content of IDI's professional education initiatives.
- The new IDI SDG Audit model (ISAM) contains an orange illustration 'on Elimination of Intimate Partner Violence Against Women' linked to SDG target 5.2.

In 2019, IDI's focus was on better integrating gender equality. While gender equality and inclusiveness are not the same, IDI is convinced that there are useful links between them. Inclusiveness is an important issue in some of IDI's work streams and initiatives. Examples are the professional and relevant SAIs work streams, including IDI's work on audits of preparedness of SDG implementation and audits of SDG implementation.

## 5.3 Commitment and Engagement of SAI Leaders

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IDI's strategic plan recognises that SAI development is a change process, requiring committed and effective leadership and a recognition that change cannot happen without understanding and working within the culture of an organisation. SAI culture and leadership is therefore one of IDI's cross-cutting priorities. IDI's delivery approach therefore prioritises ensuring SAI leaders are committed to achieving

the changes expected to result from participation in IDI initiatives, and engaged in those initiatives to the extent possible.

During 2019, 93% of the SAls engaged in IDI initiatives had signed a formal statement of commitment recognising the respective responsibilities of IDI and participating SAls (against a target of 90%). This included commitment to nominate appropriately senior staff to participate, to support their participation, to deliver the expected outputs (e.g. strategic plans, audit plans, audit reports) and to support their efforts to implement change in their SAls as part of, and beyond, the duration of the initiative. In each initiative, IDI monitors SAI's adherence to their commitment statements. Some drop out during initiatives is normal and expected. However, IDI pays particular attention to whether the same SAls are regularly dropping out of initiatives part way through, for example by sending staff for training but not following this up with delivery of SAI-level expected outputs. IDI's approach to SAI commitment statements necessitates a dialogue with SAls that show a repeated trend of dropping out of IDI initiatives or otherwise not honouring their commitment statements.

The following tables shows the SAls that did not fully honour their commitment statements during 2019, and where known, the reasons for this.

Initiative	Nature & Reason for not Honouring Commitment Statement	SAls
<b>Well-Governed SAls Work Stream</b>		
SAls Fighting Corruption (Cooperative audit)	Attended the audit planning meeting but did not submit the audit report	SAI Georgia <sup>3</sup>
SAls Fighting Corruption (Assessing and implementing Code of Ethics)	SAI signed commitment statement but did not nominate participants for this component	SAls of Afghanistan, Albania, Burundi, Cayman Islands, China, Georgia, Kazakhstan, Malaysia, Mali, Sao Tome & Principe <sup>4</sup> , Togo
	SAI was unable to participate due to political and security issues	SAI Syria
SAls Engaging with Stakeholders (lessons Learnt & Review Workshop)	Did not submit progress report on implementation of the stakeholder engagement strategy	SAls of Haiti, Namibia, Rwanda, Uganda
<b>Relevant SAls Work Stream</b>		
Performance audit of preparedness for implementation of SDGs	Did not participate in the audit review meeting	SAI Nicaragua
	Left the initiative after the audit planning meeting	SAls of Benin, Central Africa Republic, Kiribati

In total there were 21 cases of SAls dropping out of IDI initiatives in 2019, compared to 14 cases in 2018. This is mainly due to the number of SAls that did not nominate participants for the SFC component on assessing and implementing code of ethics. The need to continually repeat the principles for participation in IDI initiatives is highlighted in the lessons learned from 2019 (see section 7).

Further, since 2018 IDI has increasingly tried to facilitate participation of SAI leaders in education and awareness raising activities related to each initiative. This is to ensure SAI leaders have a fuller understanding of the rationale and approach to the initiatives in which their SAls participate, beyond signing a commitment statement. During 2019, 50% of SAls participating in IDI initiatives had their leaders

<sup>3</sup> Georgia dropped out of the two main components of the SFC initiative

<sup>4</sup> In 2018, Sao Tome & Principe also withdrew from the cooperative audit component of the SFC initiative



engaged in related education and awareness activities, compared to a target of 75%. This figure was higher for newer initiatives, and lower for several old initiatives that are drawing to a close.

## 5.4 Enhancing SAI Stakeholder Engagement

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In IDI, stakeholder engagement is both a component on its own under the well-governed SAIs work stream and a cross-cutting priority. This section focusses on the second aspect.<sup>5</sup>

SAIs' mandates and roles, their effectiveness and impact depend among other things on how they engage with stakeholders and partners. This is relevant in all IDI strategic priorities. Here are some examples across IDI's portfolio in 2019:

- Identifying potential stakeholders and providing guidance for conducting a stakeholder analysis was part of most IDI initiatives and work stream components. In many cases this naturally built on IDI's Guide on SAIs Engaging with Stakeholders. How to engage stakeholders and how to undertake an appropriate stakeholder analysis is addressed in many IDI GPGs.
- SAI PMF assesses the SAI's relationship with its key external stakeholders and identifies good practices, strengths and weaknesses. SAI PMF assessments are then used as a basis for IDI's SPMR initiative.
- Another example is IDI's Auditing SDGs initiative which encourages and facilitates extensive stakeholder engagement by SAIs throughout the audit process. The Green Hat workshop on SAIs and Data Analytics included stakeholders from government entities, private sector and UNDESA.
- Stakeholder engagement is embedded in all projects under bilateral support. In fact, under PAP-APP, all the new strategic plans that were developed include measures around strengthening stakeholder engagement. In addition, all SAIs were assisted to conduct regular meetings with potential partners.

Stakeholders include donors and how SAIs and donors engage with each other. At the global level the INTOSAI Donor Cooperation provides a platform to actively engage with each other. Going beyond this, IDI, under Global Foundations, organised tailor-made workshops to engage donors and SAIs with each other.

## 5.5 Communications and Advocacy

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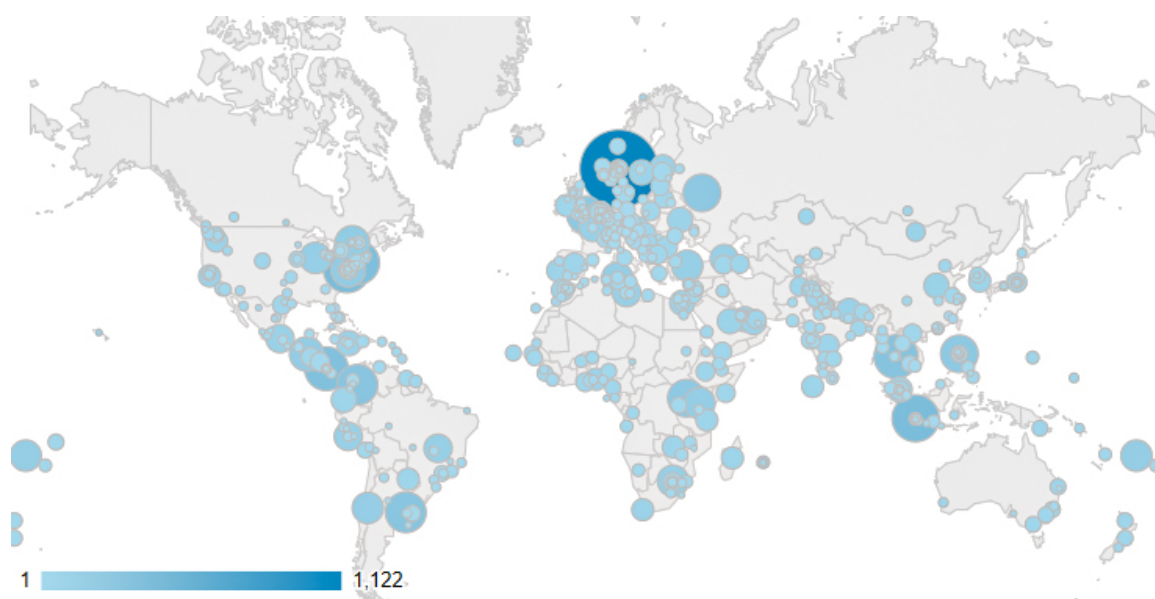
During 2019, IDI continued to advance its communications and advocacy activities. IDI sought to inform INTOSAI and external stakeholders about its new strategic plan and reorientation of its delivery model around the four work streams. This was done via presentations, social media postings, and the creation of an infographic flyer.

### Website

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<sup>5</sup> For information on component 3 "Support SAIs in Strengthening Engagement with Stakeholders", please see 4.2 in this document and the PAR Appendix for more detailed information.

The IDI website saw expanded use in 2019. During this year there were over 107,500 page views, a 9.5% increase from 2018. There were 22,138 unique site visitors, an increase of 43% from 2018 figures. The geographic distribution of visitors, as illustrated below remained roughly the same as the previous year.



*Geographic distribution of visitors to the IDI website*

The most visited pages on the site in 2019 were IDI staff information, SAI PMF initiative, and Auditing the SDGs. The most popular news items for 2019 included a story on the [SAI Young Leaders award](#), an [announcement for the Green Hat Innovation Exchange Series Webinar](#), and the [launch of a new strategic plan for SAI Eritrea](#).

Work was initiated on a new version of the IDI website to reflect the new Strategic Plan, including the reorientation of IDI's delivery model around the four work streams. Work on this website was proceeding well at the end of 2019, with an expected launch in 2020.

### **Social Media**

IDI grew its social media presence in 2019, in part due to continued adoption of social media communication channels by the INTOSAI community. Social media channels have proven to be an effective avenue for IDI to communicate events, initiatives, and outreach activities. The organisation's posts on social media generally enjoy strong levels of engagement by members of the INTOSAI community and are seeing steady increases in engagement from external stakeholders.

On Twitter, IDI gained 617 followers during 2019, for a total of 920 followers by Dec 31. This was an increase of 304% from the start of the year. There were around 250,000 impressions of IDI tweets. IDI's LinkedIn page had a nearly 100% increase in followers, going from 509 at the end of 2018 to 1,008 by the close of 2019. IDI's Facebook page follower count increased as well, albeit at a slower rate, with a 30.4% increase to 1,041 followers at year's end.

IDI's impressive growth in social media can be attributed to a concerted effort by all IDI staff to provide timely and interesting content which highlights IDI's work to support SAIs around the world. The past year

also saw an increase in social media activity from a number of INTOSAI member institutions, as well as an increase of activity from those already using social media. As noted, these social media platforms noted above have proved to be an effective way to communicate IDI news, events, and achievements with the INTOSAI, NGO, CSO, PFM and development partner communities. The success of IDI's social media outreach in 2019 gives the organization a strong starting position to increase its advocacy and awareness raising work in the years to come.

IDI also posted a number of videos to YouTube which highlighted IDI's work in anti-corruption efforts, bilateral support projects, and gender equality in the SAI community. A video of IDI's panel on gender equality from the 2019 INCOSAI was the most popular video of the year.

### **Attendance and Contributions at International Meetings**

IDI staff continued to attend a wide range of INTOSAI meetings in 2019, including the 2019 INCOSAI held in Moscow, Russia, as well as at meetings of INTOSAI Committees, Working Groups and Task Forces. IDI staff also attended regional meetings like the regional governing boards, congresses and meetings of regional training, institutional strengthening or capacity building committees.

In addition to INTOSAI events, IDI staff represented the organisation and advocated on behalf of SAIs at a variety of external conferences and meetings around the world. Events from 2019 include:

- Speaking about SAI independence at a meeting of the **Inter-Parliamentary Union**
- Attending anti-corruption and integrity seminars such as the **OECD Global Anti-Corruption & Integrity Forum** and the **Sarvach International Integrity Seminar** in Hungary
- Hosting side events at the **High-Level Political Forum** at UN Headquarters in New York City.
- Attending the **Women Deliver 2019 Global Conference** in Vancouver, Canada





6

## IDI Governance and Delivery Capacity



## 6. IDI Governance and Delivery Capacity

### 6.1 The IDI Board

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The IDI Board had two meetings in 2019, 28-29 March and 27 November, both in Oslo.

There were no changes to the Board's membership in 2019. Four Board members, Dr. Margit Kraker, Ms. Lara Taylor-Pearce, Ms. Pamela Monroe Ellis and Mr. Kimi Makwetu, were reappointed for another three-year term.

The Board approved new policies concerning Evaluation, Anti-Corruption and Safeguarding.

### 6.2 Stakeholder Dialogue

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IDI held or participated in the following organisation-level stakeholder dialogue mechanisms during 2019 (in addition to specific dialogue on individual initiatives as reported in section 4).

- **Dialogue between the IDI Board and development partners (March 2019):** following the integration of the INTOSAI-Donor Secretariat into the IDI Global Foundations Unit, IDI established and held the first formal strategic dialogue between members of the IDC Steering Committee and the IDI Board. The purpose was to create a closer and more strategic link between the work of the IDC and delivery of the IDI strategic plan. The dialogue took place in conjunction with the March 2019 IDI Board meeting and was attended by 24 individuals representing 15 organisations (beyond the IDI Board members). Several of these were present in person and observed the open sessions of the IDI Board meeting. The dialogue explored global actions to promote SAI independence, support SAIs in challenging and fragile contexts, and discussed the (draft) IDC strategic approach paper.
- **IDI-core donor dialogue (June and December 2019):** IDI established a core-donor group in recognition of the fact that it receives core support for implementation of its Strategic Plan 2019-23 from several partners with whom it holds a regular strategic dialogue. The group aims to build a mutually beneficial relationship between IDI management and organisations providing core support or support covering several areas of the IDI Strategic Plan. It also seeks to contribute to the effective planning, implementation, evaluation and reporting of grant funds provided for implementation of the IDI Strategic Plan. The group first met in June 2019, during which it agreed to meet around every six months. A second meeting was held in December 2019. The group comprises IDI, OAG Norway, Sida, Global Affairs Canada, European Commission, Irish Aid, DFID, SECO, Austrian Development Agency and the General Audit Bureau of Qatar.
- **INTOSAI-Regions Coordination Platform (IRCP):** The IRCP was held in Cape Town, South Africa in May 2019 and was attended by IDI, the INTOSAI regional bodies and the INTOSAI Goal Chairs. It provided IDI an opportunity to further explain its strategic plan, the strategic shifts towards work streams and integrating gender, and to consult on its draft evaluation programme. IDI also participated in discussions on the following topics:
  - The importance of leadership within SAIs and INTOSAI's role in strengthening current and future leadership within INTOSAI and its members.

- The current state of ISSAI quality and utility, and what different parties can do to further the quality of INTOSAI professional pronouncements and other INTOSAI products.
- Challenges and success factors in ISSAI implementation, including the need for professional quality control and quality assurance processes to support the implementation.
- How to better coordinate INTOSAI communication to improve impact and increase accessibility.
- What is currently underway in INTOSAI relating to the audit of the implementation of the UN Sustainable Development Goals and how coordination can be improved.

## 6.3 Reporting to Stakeholders

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During 2019, the IDI prepared its statutory reports in a timely manner. These included the Operational Plan, Budget, Financial Statements and Performance and Accountability Report. In addition, during 2019 IDI sent bespoke reports on a number of initiatives to specific Development Partners, as follows:

- 3i ARABOSAI: USAID
- 3i, SAIs Fighting Corruption and SAIs Engaging with Stakeholders: Global Affairs Canada
- SAI PMF: INTOSAI CBC and SAI PMF Advisory Group
- Bilateral Support to SAI Somalia: Ministry of Foreign Affairs, Norway
- Bilateral Support to SAI South Sudan: Ministry of Foreign Affairs, Norway
- IDI report in the framework of the Fiscal Accountability, Sustainability and Transparency (FAST) programme: DFID
- Support for Capacity Development, Ministry for Foreign Affairs, Finland
- Strategy Performance Measurement and Reporting (SPMR): SECO
- Accelerated Peer-Support Partnership (PAP-APP): ADA, Iceland

## 6.4 Monitoring

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During 2019, IDI continued its four-monthly system of internal performance and financial monitoring of delivery of its 2019 Operational Plan. This was effective in identifying the need for changes to planned delivery, and formulating two in-year budget amendments, approved by the IDI Board. During 2019, an IDI working group explored planning, monitoring and reporting arrangements in IDI, leading to a number of agreed changes, as follows. These changes are also designed to pave the way to greater use of integrating electronic project management tools in the future.

- A revised approach to the format of the IDI Operational Plan, effective from the 2020 Operational Plan onwards. This includes planning structured around the four work streams, bilateral support and Global Foundations, and integrated planning with the IDI Results Framework and Corporate Risk Register. It also introduced a more harmonised approach to project management within IDI, standardising the definitions of work streams, components, initiatives, activities, etc.
- A revised approach to in-year monitoring, making use of already available electronic planning and monitoring tools, effective from 1 January 2020.

- A revised approach to annual performance reporting, effective from the 2019 PAR, in line with the changes made to operational planning.

## 6.5 Evaluation

As noted in section 6.8 below, IDI approved its first Evaluation Policy and Guidance in November 2019. As well as setting out IDI's approach to evaluations, it also formalised a requirement to develop a rolling evaluation plan.

As planned, during 2019, IDI established its first rolling evaluation plan. This sets out planned evaluations for the period 2019-23. The plan was developed following consultation during the INTOSAI-Regions coordination platform and discussions with the IDI-Core Donor dialogue group. At present, eight evaluations are expected over the period 2019-23. One advantage of the rolling plan has been the ability to coordinate evaluations and bring together related evaluations into a single activity.

During 2019, IDI designed and commenced its first evaluation under the rolling plan: an evaluation of bilateral support. This has four components: the Global Call for Proposals Tier 2, PAP-APP, support to SAI Somalia, and a synthesis of lessons for delivery of IDI's bilateral support. The inception report and first draft of component 1 were produced as planned during 2019, with the remainder to be delivered during 2020.

## 6.6 Staff and Professional Development

2019 saw IDI staff levels increase from 33 to 36, with five new staff joining during the year and two going on maternity leave. While IDI was fully staffed for much of the year, the long-term financial planning exercise in September identified seven new positions required to meet new commitments taken on, all fully funded. Budgeted positions in IDI rose from 35 to 42 by the year end, of which only one (on a short-term contract) was recruited by the year end. Of the six vacancies at the year-end, two will be filled by staff returning from maternity leave, one was under recruitment by the year end, and three positions remained to be advertised. IDI expects all positions to be filled during 2020.

### IDI Vacancy Rates throughout 2019

	31 Mar	30 Jun	30 Sep	31 Dec
Staffing Establishment	35	35	42	42
Vacancy Rate (%)	0%	0%	17%	14%

As the table below shows, all vacancies at the year-end are in the capacity development departments, most at the level of manager capacity development<sup>6</sup>. These vacancies did not impact on 2019 delivery as they were not planned to be filled during 2019.

### IDI Staff Levels and Vacancy Rates, 2017-2019

<sup>6</sup> Figures presented in this table vary slightly from the disclosure notes in the Financial statements, this is because the Norwegian Reporting Standard requires that we present average staffing over the year in Norway as a separate item. This provides a more comprehensive overview of staffing at end of year, including regional staff.

Department	31 Dec 2017				31 Dec 2018				31 Dec 2019 <sup>7</sup>			
	Staffing Est.	FTEs	Vacancies	Vacancy Rate <sup>8</sup>	Staffing Est.	FTEs	Vacancies	Vacancy Rate <sup>9</sup>	Staffing Est.	FTEs	Vacancies	Vacancy Rate <sup>10</sup>
Mgmt. Team	4	4	0	0%	4	4	0	0%	4	4	0	0%
Admin.	3	3	0	0%	2 <sup>11</sup>	2	0	0%	3	3	0	0%
Professional and Relevant SAls Department	10	7	3	30%	10	9	1	10%	13	10	3	23%
SAI Governance Department	11,8	9,8	2	17%	15	14	1	7%	17	14	3	18%
GFU	2	2	0	0%	2	2	0	0%	3	3	0	0%
SSU	2	1	1	50%	2	2	0	0%	2	2	0	0%
<b>Total</b>	<b>32,8</b>	<b>26,8</b>	<b>6</b>	<b>18%</b>	<b>35</b>	<b>33</b>	<b>2</b>	<b>6%</b>	<b>42</b>	<b>36<sup>12</sup></b>	<b>6</b>	<b>14%</b>

At the year end, vacant positions include one coordinator and one manager (both on maternity leave), and four new positions: performance audit/facilitating audit impact, leveraging on technological advancement, SAI independence, and bilateral support.

In addition to the 42 budgeted positions above, IDI has one proposed position which is conditional on taking on a new bilateral support initiative.

The total number of employees at the end of 2019 was 36 (19 men, 17 women which will become 19-19 when staff return from maternity leave). Among IDI's management the gender balance is 3 men to 1 woman. No positions in the management team were filled during 2019.

The Gender balance in the IDI Board remains at 7 women to 3 men, which is off the target of at least 40% representation of each gender.

During 2019, IDI established a working group to review IDI's approach to professional staff development, which will conclude its work in 2020. During 2019, IDI staff spent an estimated 58 days on professional development.

## 6.7 Health and Safety

In 2019, IDI continued to work systematically with health, environment and safety issues following the applicable Norwegian Employment Law. No work-related personal injuries or accidents were reported for IDI staff in 2019. The sickness rate continued to be very low with 1,08% (1,37% female and 0,8% male) for 2019. IDI works with preventive measures by encouraging staff to enjoy regular exercise and offering physiotherapy services. IDI offers annual health checks for employees with the working environment being discussed during the appointment. Psychologists are available in the case of mental health issues through IDI's employment health service.

<sup>7</sup> Figures at a point in time, so differ from the average full-time equivalent figures reported in the IDI Financial Statements

<sup>8</sup> Excluding staff recruited but not yet in post

<sup>9</sup> Excluding staff recruited but not yet in post

<sup>10</sup> Excluding staff recruited but not yet in post

<sup>11</sup> Staffing establishment for administration was reduced following retirement of the IDI finance manager and decision to outsource IDI's accounting and payroll functions.

<sup>12</sup> Includes staff on inward secondment and short-term contracts at the year end, but excludes two staff recruited but not currently in post due to being on maternity leave. Total staff including those on maternity leave is 38.



To ensure staff safety and health, IDI provides appropriate insurance coverage, seeks support from in-country SAs – when and where needed during travel - and cooperates with International SOS. IDI has an established crisis management policy and team.

## 6.8 Updating IDI Policies

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During 2019, IDI developed or updated three corporate policies, as follows.

### Evaluation Policy

To live the principles of being an effective, accountable and inclusive IDI and to ensure continual improvement, it is important that IDI holds itself accountable, to stakeholders, for the results it delivers and acts as a learning organisation. In 2019 IDI developed and approved an Evaluation Policy and Guidance (EPG) which reaffirms IDI's commitment to ensuring sustainability, impact, learning and innovation. It sets out how IDI will select what to evaluate and how IDI evaluations will be carried out. It sets out that IDI will follow the OECD-DAC Evaluation principles and standards and defines evaluation roles and responsibilities within IDI. It also requires IDI to maintain a rolling evaluation plan and publish this in its annual Operational Plan.

### Safeguarding Policy

Reflecting global concerns regarding safeguarding issues in the development sector, IDI developed and approved its first safeguarding policy. While this highlighted and reaffirmed many of the principles in the updated IDI Code of Ethics (2018), it also recognised the role of the IDI Director General as the Safeguarding Officer, and formalised reporting of any safeguarding breaches to the IDI Board and to IDI's external stakeholders. IDI conducted staff training on safeguarding at the IDI staff meeting in October.

### Anti-Corruption Policy

Expanding on its Code of Ethics, IDI approved its first anti-corruption policy, which gives further guidance and sets appropriate limits for those acting on behalf of IDI. The policy sets out relevant definitions, applicable laws and provides principles for addressing issues such as bribery, gifts, embezzlement, fraud and procurement processes. These are based on a policy of zero tolerance.

IDI carried out internal scenario training to ensure application of the Code of Ethics, Safeguarding and Anti-Corruption policies.

## 6.9 Strengthening Finance and Administrative Systems

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Since 2018 IDI has taken significant steps to digitize its finance and administrative systems. In 2019 we adopted organisation wide time recording to improve planning, monitoring and reporting of work and allowing for analysis and lessons learned (see budget attachment for more details).

In 2019 IDI also completed a procurement process for our accounting function. This will lower costs on accounting services further in 2020. Part of the procurement is also the introduction of a new accounting and payroll system, which is cloud-based and will integrate time recording and cost allocation and allow for better real time financial data to be customized provided automatically to staff that it is relevant for.

## 6.10 Climate Change and the Environment

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Being committed to environmental sustainability at the corporate level and in its work, IDI continues to uphold the IDI environmental policy and works towards minimising negative impact on the environment and on the climate. In 2019, IDI continued compensating for CO2 emissions for air travel, recycling and managing waste in office, using motion sensor LED lights in its workspace and limited printing. IDI is co-located with the Office of the Auditor General of Norway in the centre of Oslo. This location encourages the use of public transport.

In addition, IDI continued using eLearning & internet-based communication in its activities. To reduce the environmental impact from international travel, IDI has increased the use of eLearning and internet-based communication and utilises blended learning solutions where possible. These combine eLearning components with limited face to face events. IDI has developed and launched eLearning courses for several initiatives. IDI's Professional Education for around 600 SAI Auditors Pilot (PESA-P) will be delivered through digital education and online assessments. However, the work of IDI also entails staff travel and travel by participants to attend capacity development events. IDI seeks to organise these events at locations that are close to the participants' countries, which entails that mainly only IDI staff has long travels. IDI primarily uses resource persons from the INTOSAI regions of the participating countries. More broadly, IDI has been actively working on the Enhancing eLearning Capacity Initiative for SAIs and INTOSAI regions to develop their capacity to develop and deliver eLearning.

The 2030 Agenda also requires the integration social, economic and environmental dimensions in the implementation of SDGs. This means that IDI will consider environmental aspects in supporting audits of SDG implementation.

## 6.11 Long-Term Financial Sustainability

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IDI's funding situation has improved significantly since the introduction of the new strategic plan. New donors have joined with agreements to support for the whole of the strategic period 2019-2023 and support with core funds or over several areas. The new earmarked donor agreements also cover more of IDI's staff and operating costs, which allows IDI to take receive earmarked funding without reducing activities in other core-funded areas. Currently, IDI is projecting no deficit until 2022.

Despite positive developments IDI is still subject to financial risk. IDI maintains a small amount of reserves and it is not possible to retain large reserves from most of IDI's donors, which means the organisation is vulnerable to losing one or two of the larger donors. More of IDI's activity is based on developing e-learning and hosting fewer events. This leads to lower travel costs, but higher fixed costs on salary, which

makes the organisation more vulnerable to loss of funding because staff costs cannot be adjusted as easily as travel activity. Strong dialogue and involvement with our key stakeholders help mitigate this risk.

## 6.12 New Funding Arrangements

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In 2019, the funding agreements with the following partners were signed:

- Austrian Development Agency: core funding (2019-2023)
- Department of International Development (DFID UK): core funding and earmarked funding for specific areas of the IDI Strategic Plan (2019-2022)
- European Union: earmarked funding across several IDI strategic priorities (2019-2023)
- European Union: earmarked funding for the Accelerated Peer-Support Partnership programme (PAP-APP) (2020-2023)
- Irish Aid: earmarked funding across several IDI strategic priorities (2019-2021)
- MFA France: earmarked funding for the PAP-APP (2019)
- MFA Norway: additional earmarked funding for support to SAI Somalia
- SECO: amendment to the funding agreement on SPMR of 2018 to include earmarked funding for Global Foundations (2019-2022)
- SIDA: renewed core funding (2019-2023)
- SAI Estonia: earmarked funding for the SAI Young Leaders Initiative
- SAI Qatar: earmarked funding for SAI Independence and bilateral support
- SAI Qatar: earmarked funding for SAI PMF and eLearning in ARABOSAI

## 6.13 Resourcing of IDI in 2019

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IDI relies on funding from development partners and SAIs, as well as significant in-kind contributions from SAIs for resourcing its capacity development work. In 2019 IDI brought forward 9,8 million NOK and had gross receipts of 77,5 million NOK. IDI's total available funding was 87,3 million NOK.

### IDI Revenues

Core Funding, recognised as revenue, was provided by the Norwegian Parliament (via OAG Norway), the Swedish International Development Cooperation Agency (SIDA), UK Department for International Development (DfID) and the Austrian Development Agency. In addition, IDI received funds from INTOSAI that were added to a reserve of previous INTOSAI contributions and unrestricted contributions from the SAIs of Kuwait and Saudi Arabia.

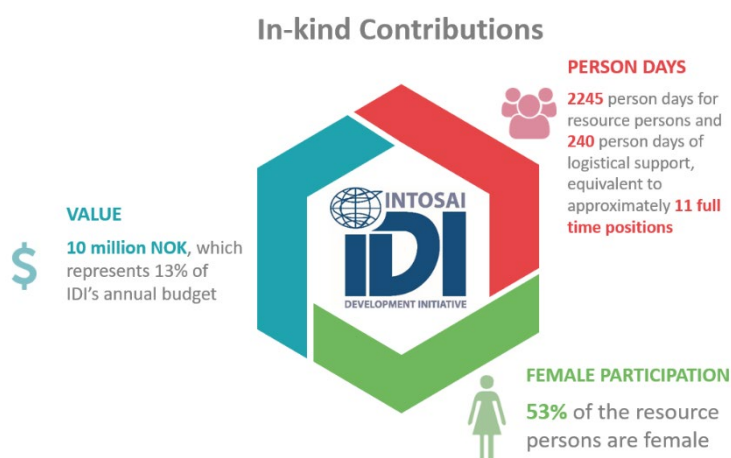
IDI received earmarked funding from the following organisations:

- Global Affairs Canada: for ISSAI implementation, SAIs Fighting Corruption and SAIs Engaging with Stakeholders
- The European Union: for the Professional, Independent and Relevant Work Streams, as well as the Global Foundations Unit

- SECO Switzerland: for Strategy, Performance Measurement and Reporting and the Global Foundations Unit
- DFID UK: for PAP-APP and the Global Foundations Unit
- State Audit Bureau of Qatar: for SAI PMF, e-learning, Independent SAIs Work Stream and bilateral support
- Irish Aid: for SAI PMF, Bilateral Support and Independent SAIs Work Stream
- General Auditing Bureau of Saudi Arabia: for SDGs
- MFA Estonia: for SDGs
- SAI Estonia: for SAI Young Leaders
- Austrian Development Agency: for PAP-APP programme
- MFA Iceland: for PAP-APP programme
- MFA France: for PAP-APP programme and Independent SAIs in CREFIAF region
- MFA Norway, Norwegian Embassy in Kenya: for bilateral support to SAI Somalia
- MFA Norway, Norwegian Embassy in South Sudan: for bilateral support to SAI South Sudan

### In-kind Contributions

In 2019, IDI continued to receive substantial in-kind contributions from SAIs, INTOSAI Regions, INTOSAI Committees and Working Groups by way of provision of resource persons and hosting for IDI events. IDI estimates that we have received 2243 person days in the form of resource persons to deliver our initiatives and 240 person days of logistical support. This is approximately 11 full time equivalent positions. If we include support through hosting costs, we estimate the value of the in-kind contributions IDI has received to be around 10 million NOK<sup>13</sup>, which is around 13% of IDI's budget. That is relative to the entire IDI budget. For some work streams, the proportion of resources received in-kind is significantly higher.



### IDI Expenditure

IDI's expenditure against budget is presented in detail Appendix II to the PAR. This shows an underspend for the organization as a whole at 3% compared to the last budget revision.

### IDI Reserves

IDI is carrying forward NOK 10 754 658. At the end of 2019, the largest balances are held with SECO Switzerland (NOK 2 207 000), SIDA Sweden (NOK 2 216 811), European Commission (NOK 848 700), the

<sup>13</sup> Note that this is an estimate with a lot of uncertainty. We have estimated the value of resource person time by multiplying the number of days received by the daily rate we would have had to pay if we were hiring our own full-time staff to do this work. For logistical support we have applied the average daily rate applicable for own support staff. To estimate hosting costs we have used the budget assumptions that we would have applied if we were paying for the event ourselves.



Norwegian Embassy Kenya (NOK 525 518) and OAG Norway (NOK 2 224 404). IDI also holds a portion of the carry forward (liabilities to INTOSAI, Kuwait and previous funding from Saudi Arabia) as unrestricted reserves as a buffer to avoid risk to liquidity. This amounts to NOK 1 350 297. The IDI also has equity in the foundation that was contributed by OAG Norway when IDI was moved to Norway, amounting to NOK 250 000 NOK. The interest accrued on this equity is currently at NOK 222 566.



7

## Lessons Learned

## 7. Lessons Learned

The following synthesises lessons learned from IDI initiative during 2019, seeking to avoid repetition of lessons learned in previous years.

### **Commitment of SAI Leadership**

Although all SAIs sign a statement of commitment for participation in an initiative, the practice has shown that commitments are often not clearly understood by the participating teams. This is reinforced by situations in which commitment forms are signed by SAI management but not then shared with SAI teams. Principles of participation, expectations, support possibilities and clear communication agreements need to be spelled out at the start of an initiative and continuously repeated throughout delivery to ensure smooth implementation.

Where we have engaged SAI leadership in capacity development activities and strategy development, this has proved to be a catalyst for the successful implementation of activities. It has enhanced buy-in and provided the needed direction and involvement for top management. For instance, the AG of Somalia proactively asked the IDI to get involved in the process and provided the necessary leadership and direction throughout the process. Besides obtaining commitment from SAI top leadership, we also need to ensure buy in and commitment from all levels of SAI leadership associated with achieving the planned result. We have provided for this in the design of SYL and have started providing for it in cooperative audits by involving supervisors in the audit support process. We can also get more effective commitment from SAI leadership if they are more aware of the importance of the subject matter and have an opportunity to engage with stakeholders. Learning from the positive experience in auditing preparedness for implementation of SDGs, we have included a SAI leadership and stakeholder engagement component in the cooperative audit support model.

Going forward, we need to include commitment to quality assurance reviews as a part of statement of commitments for cooperative audits. Not doing so in the audits of preparedness for implementation of SDGs, led to some SAIs not responding to or agreeing to such QAs later in the process.

### **IDI Delivery Model**

In 2019 we reflected on the use of SAI-level support, especially for ISSAI implementation. The lessons learned showed us that SAI-level support was extremely resource intensive, questions related to adoption and compliance needed to be addressed and that a more focused and flexible approach was necessary. We found that considering the limited staff and other resources in the SAI, it is often challenging for the SAIs to deliver the expected outputs as required in SAI level support. As such, rather than going into an individual SAI for support, we found that a sub-regional approach with a smaller group of SAIs, with onsite support, could be feasible for both the IDI and SAI. This was less resource intensive and enabled us to reach more SAIs. Adopting a sub-regional or regional approach also enabled us to keep the important component of peer to peer exchange, learning and networking and allowed us to be flexible and focused as per SAI needs.

In 2019 we piloted selection of SYLs via video conference rather than a face to face selection process. We found that reducing the time spent with SYLs in this way changed the nature of the relationship developed. In 2020 we will return to face to face selection.

We have been able to address the risk to integrity in eLearning specialist's certification programmes by strengthening the assessment framework, having written commitments, TORs for invigilators and most importantly an application based, open book online assessment. This is a very valuable learning for future assessments in PESA-P.

Encouraging informal networks amongst participants worked well in continuing the dialogue and knowledge exchange related to data analytics. We could encourage such informal networks in future green hat events as well.

We need to carefully consider the need for developing an IDI global public good for subject specific topics. Given the limited applicability of such guidance, need for flexibility and lack of relevance over a long period of time, it may be better to keep these products out of the IDI GPG portfolio.

Moving to work streams increases our ability to create impact at the country level, as our interventions can complement each other and be logically sequenced. This has been very effective for our advocacy efforts which were strongly linked to stakeholder engagement and organisational support. For this to be effective we need to be flexible in the sequencing of our intervention as it may vary from one engagement to the other, and we need to be agile in mobilizing internal resources to provide timely support. For instance, the synergies between the independent and well-governed work streams has been very useful in providing in-country support to SAIs. Similarly, the synergies between the independent work stream and the bilateral unit allowed us to provide timely and adequate support to SAIs Somalia, South Sudan and the Gambia.

2019 was a transition year for the Well-Governed SAIs work stream, which was still delivered largely as separate initiatives. Nevertheless, the teams recognized early on the need for developing their skills across the various initiatives. This has increased skills, capacity, cooperation and flexibility to respond to various work stream needs. In addition, beyond the work stream, cooperation and sharing of experiences with the Independent SAIs and Bilateral Support Unit has brought positive results.

### **Advocacy for SAI Independence**

There is a large community of international development, financial transparency, pro-democracy and civic engagement organisations that would be natural allies for SAI independence, but who at the moment appear to have little to no knowledge of this topic or of SAIs in general. Advocacy for SAI independence therefore needs to be broadened beyond the current INTOSAI and donor communities, and this advocacy must be structured to provide new potential partners with a general introduction to the work of SAIs and how it relates to larger transparency and democratization efforts.

On the basis of a strong established relationship with the SAI and development partners, IDI is in a good position to provide a time-critical and relevant statement on issues of threatening SAI independence. This was done for SAI Somalia in December 2019, by a statement submitted to the Parliament raising concerns over independence in the current version of the bill.



## **Mobilising and Developing Appropriate Expertise**

Training a small pool of LMS Administrators and ELS Specialists for ARABOSAI and CREFIAF as a part of the English edition delivery (2018) enabled us to have adequate human resources to run the subsequent rounds in Arabic and French. This was consistent with the approach used during initial roll-out of SAI PMF training, and may work well in other areas.

There is a large academic community studying issues directly related to SAI independence. As of yet IDI has done little to engage with this community. If we hope to leverage the knowledge and information available in the academic community on the benefits of SAIs and specifically SAI independence, IDI must begin to explore opportunities for engagement with various academic communities, either through direct contacts with research institutions or through partnerships with think tanks or other research communities.

IDI's delivery model relies heavily on in-kind support from SAI resource persons. This enables not only the breadth of our initiatives, but also supports the development of regional expertise. In practice, however, there is limited information sharing on the agreements with resource persons within the various initiatives and across work streams. This leads to difficulties in delivery and, also, sometimes results in overreliance on the same resource persons. On the other hand, in 2019 there have been several cases in which new potential resource persons were identified and continuously supported towards becoming involved in delivery.

While finding an appropriate vendor for digital education for PESA-P we found that contracting out work where IDI does not have internal expertise is a lengthy process. In future we need to start such procurement processes well in advance to allow adequate time for the learning curve.

We have learned that it is important to establish a common understanding amongst PESA educators, IDI staff and vendor team of concepts, process and roles in the design and development of digital education. This is being addressed with current PESA educators and vendor team through dialogue, more face to face meetings and changes in formats. This lesson learned will be applied to development of performance audit contents in 2020. In 2020, we have also sought dedicated SAI resources for PESA-P e.g. SAI Indonesia has provided one dedicated staff member to work with design and development of digital content for PA.

IDI found a lack of definitions of commonly used concepts for PESA-P. We will need to seek alternative authoritative sources when faced with such situations.

There is a need to develop adequate number of IDI staff and SAI resources with deep understanding and expertise in audit of SDG implementation using a whole of government approach. We need to find appropriate resources and opportunities to learn more about different dimensions of audit of SDG implementation.

## **SAI Willingness to Share Sensitive Results**

In both the SAI PMF and SFC initiatives, the willingness of SAIs to carry out an assessment of their practices and share the results within a group of peers and in some cases also external stakeholder was stronger than anticipated. This is encouraging, particularly given the potentially sensitive character on aspects such

as integrity and performance. Under SPMR, several SAIs have committed to publishing their performance assessments.

## **Partnerships**

IDI benefits tremendously from in kind contribution from SAIs. We have tried to expand this cooperation into strategic partnerships with SAIs. An MOU signed with SAI Indonesia in 2019 gives IDI access to expertise and scaled up resources. IDI will continue to explore such strategic partnerships with SAIs in 2020.

A joint delivery partnership model, in which partners create a governance structure with regular Steering Committee meetings seems to be a good basis for empowering partners and enable all to formulate and take part in decisions. However, strategic challenges and limited resources within regional bodies have on occasion prevented them from contributing actively and taking decisions on new strategic approaches.

Successful co-working of partners across continents is fully possible by the use of modern cloud-based ICT-software but requires people to get used to new ways of working and some technical challenges to be addressed. The competency in using standard ICT-software tools varies, and extensive training and guidance is required for many coming from countries with less experience in using ICT-tools systematically.

Expanding partnerships for audit of SDGs continues to work well for both IDI and SAIs. In 2019 we continued to benefit from our existing partnerships and have been able to expand our partnerships into strategic partnerships with SAIs and cooperation with UN regional commissions and bodies like P4R.

Replicating the session on success stories (from the SAI-Donor Engagement workshops) at the annual IDSC meeting could work as a more effective way of endorsing stronger SAI-Donor partnerships based on MoU principles.

## **Internal Planning**

IDI has a limited number of staff with Arabic, French and Spanish language skills. As all four work streams need to work in all four languages, we need to find solutions to adequately staff each work stream with all four language competencies, and look across the portfolio at the number of initiatives being run in each language.

## **Cooperative Audits**

Based on lessons learned in 2018, IDI updated the QA model for cooperative audits. Introduction of TORs for SAIs, for QA reviewers, training of QA reviewers, and prescribed report format have worked well in the QAs carried out in 2019.

IDI piloted onsite visits for QA review of cooperative audits during 2019. This was resource intensive due to the additional logistical arrangements required. Further it gave IDI less opportunity to support reviews once in progress. IDI plans to move back to a QA workshop approach, instead of conducting onsite visits.

Developing the publication on 'Are Nations prepared for implementation of the 2030 Agenda' was extremely time and resource consuming. In future we need to realistically estimate resources required for producing compendiums that bring together results across countries.

Supporting SAIs in conducting high quality audits alone is not enough. SAIs need support in achieving greater audit impact. The lesson learned is being taken forward in the updated cooperative audit support model and through the FAI initiative.

### **Facilitating SAI-led support**

One of the focus areas of PAP-APP has been supporting the partner SAIs to hold regular external support group meetings. However, almost all the SAIs struggled to make this happen, primarily due to inexperience and lack of confidence in arranging such meetings. The project managers could have taken a more active role initially, such as arranging (perhaps even chairing) the first meeting before handing it over to the SAI. It may also have been beneficial to take a more iterative approach to establishing these groups, working out what would be most beneficial to the SAIs at different points in the year.

### **Limits to Peer to Peer Support**

While many SAIs are positive to contributing to peer to peer support, few SAIs are willing and able to lead projects, specifically taking on responsibility for managing funds and committing to long-term support partnerships. Further, some peer SAIs are unable to contribute at the level expected, primarily due to competing obligations within their own SAIs. These issues can be partly addressed by further efforts to identify additional peer SAIs, to increase the pool of available peers and to seek stronger guarantees that the nominated peers will be able to provide the necessary person days in accordance with the project schedule. An alternative approach may be to have a categorized roster of strong resource people that can be called on to support specific interventions, under an IDI lead.

### **Bilateral Support**

For larger bilateral support projects with several components, active project management and regular coordination among peers is critical to ensure synergies between supported areas and relevant support. Coordination with other projects, advisors and partners of the SAI is also key to ensure sharing of plans, completed work and creating synergies. This requires establishing good routines for regular meetings and sharing of each other's plans and reports, as this is not a standard way of operating among providers and donors.

The sort of ambitious, in-depth support the PAP-APP and bilateral support projects are trying to provide requires significant human resources to succeed. Ideally, each project should have a dedicated project manager supported by peer teams with a certain number of person-days available. This would enable the peer teams to spend more time embedded in their focus SAI and help unblock issues. This could also allow for better understanding of the SAI's culture and context and for reducing the impact of inconsistent engagement by SAI staff between visits, as well as contributing to quality of plans and more active engagement with potential partners.

Dedicating time to customise and iterate support has been critical for success in the bilateral support projects. Within the PAP-APP programme, there was perhaps too much emphasis early in the year on

developing templates for different stages of the projects. A better use of that time would have been to ensure there was a common understanding of key terms, quality criteria and good examples, and then creating space for the project managers to get input on and share their customisations.

The process for developing new project proposals under the PAP-APP programme has proven complex. Many of the partner SAIs have struggled to develop project proposals while completing strategic and operational plans. It may be better to avoid such parallel work, focusing first on strengthening strategic management systems and then developing project proposals.

A stepwise approach to ISSAIs is challenging in practice. SAIs want to audit in line with ISSAIs but building the competence of staff to apply new methodology takes a long time. A large degree of on-site on-the-job support is required. Possibly compliance and financial audit methodology should be staged. Possibly also a few selected controls and working papers to be used in the audit process could be prioritized for the first audits to ensure quality and avoid confusion.

### **Communications and Social Media**

Using success stories at the SAI-Donor Engagement workshops, by having the SAI staff responsible present them, and tailoring them to the target region has considerable impact in advocating for behaviour change towards the IDC MoU principles. Bringing in the SAIs via skype to explain how they manage donor support has impressed participants and positively influenced them.

Developing an introductory video was very helpful for communicating the purpose and approach of the PAP-APP programme. It was used by SAIs' external support group meetings to help convince partners of the peer-support model.

Social media communication requires dedicated efforts on a permanent basis (once a week at least) in order to keep engagement rate growing. Posts with videos of maximum 20 seconds have higher impact on target audiences.

### **Data Management**

There is still an opportunity to harmonize the structure of the SAI Capacity development database with other international development cooperation databases, yielding efficiencies in data management for all involved.





8

## Measuring Results and Managing Risk

## 8. Measuring Results and Managing Risk

### 8.1 Measuring Results

The IDI Results Framework 2019-23 has been populated with the results for 2019 and is included at Annex 3 of the Appendix of the PAR. The results framework enables measurement of implementation over five years of the IDI Strategic Plan. In October 2019, the results framework was reviewed in light of changes to the 2019 OP and development of the 2019 OP, and several changes were made.<sup>14</sup> Some of these changes impacted across several indicators.

For 2019, IDI has populated the results against 33 IDI output indicators and 26 IDI Supported SAI-level indicators.<sup>15</sup> The extent of achievement against each indicator is assessed by IDI on a traffic light system.<sup>16</sup> The number of IDI output and IDI supported SAI output indicators assessed as each colour, for each area of the IDI strategic plan, is summarised in the following table.

Area	IDI Outputs					IDI Supported SAI Outputs				
	Green	Amber	Red	Grey	Total	Green	Amber	Red	Grey	Total
Independent SAIs	4	1	-	-	5	3	-	-	-	3
Well-Governed SAIs	2	3	1	-	6	3	3	1	1	8
Professional SAIs	2	1	2	-	5	5	-	-	-	5
Relevant SAIs	1	3	-	1	5	2	-	-	2	4
Bilateral Support	2	-	-	1	3	1	2	-	-	3
Cross-Cutting Priorities	1	1	1	-	3	2	-	1	-	3
Global Foundations	5	1	-	-	6	-	-	-	-	-
<b>Total</b>	<b>17</b>	<b>10</b>	<b>4</b>	<b>2</b>	<b>33</b>	<b>16</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>26</b>

Overall, 61% of indicators are green, 28% amber and 11% red. IDI aims to have at least 80% of indicators as green or amber, hence at present IDI is on-track to deliver its expected results. Regarding the red IDI output indicators, these were caused by reduced demand from SAIs for training on stakeholder engagement, delays to finalisation of GPGs on Compliance Auditing, putting support for SAI quality assurance systems on hold, and failure to reach the IDI target for female participation rates. Regarding red IDI supported SAI-output indicators, these related to underestimating the time lag between supporting SAIs to develop strategic plans and those SAIs reporting achievements against their strategic plans, as well as too few IDI supported cooperative audits having a focus or cross-cutting theme on inclusion and gender. In practice, three of the SDG audits in OLACEFS looked at SDG 5, but the majority of cooperative audits completed in 2019 were from the SAIs Fighting Corruption initiative, where the audit focus had already been set long before IDI made its strategic shift to mainstream gender throughout its work. In hindsight, the target of 10% was unachievable in 2019 as the focus of ongoing audits could not be changed.

<sup>14</sup> These changes are summarised in the published 2020 OP (section 8.1), as well as being tracked in the 'Record of Changes' tab of the detailed Results Framework.

<sup>15</sup> Global SAI output indicators, and SAI outcome indicators, are assessed every three years, and will be published in the IDI 2020 PAR, in early 2021.

<sup>16</sup> Green: fully met; Amber: partly met or close & on-track; Red: not met; Grey: no target milestone for current year

## 8.2 Managing Risk

### Assumptions and Risks

The strategic plan sets out IDI's identified assumptions, and assesses which assumptions are considered as critical risks which need to be actively managed. Based on the IDI results chain, IDI has identified its assumptions, and classified them as operational, reputational and developmental<sup>17</sup>. Each one has been assessed with regards to likelihood and impact, and those assumptions which have the potential to undermine delivery of the IDI Strategic Plan have been classified as key risks. IDI's keys risks, as at the end of 2019, are summarised in the table below.

Developmental Risks	
1.	<b>Legislature support for SAIs:</b> a lack of legislature interest in, and support for, SAIs undermines the impact SAIs can have for the benefits of citizens.
2.	<b>SAI Independence:</b> the performance and impact of SAIs is hampered by constraints to operational and financial independence.
3.	<b>SAIs leading by example:</b> SAIs not leading by example in promoting accountability and transparency (especially public reporting); SAI Good Governance and Ethics. This undermines SAI performance, government performance and benefits for citizens.
4.	<b>SAI strategic planning:</b> poor quality SAI strategic plans undermines their long-term development and their selection of capacity development programmes.
5.	<b>ISSAI implementation and professionalisation:</b> SAIs do not have the capacity to fully implement the ISSAIs, reducing audit quality and the impact of audit work for citizens. Further, in the absence of a regulatory mechanism and a common understanding of compliance, the credibility of the ISSAI framework/IFPP is gradually eroded by SAIs referring to the ISSAIs before their audit practices have become ISSAI compliant, undermining the basis for many IDI interventions. A SAI's journey towards ISSAI implementation is affected by the lack of professionally qualified public sector audit professionals due to limited professional education opportunities and availability of SAI specific professional development for financial, performance and compliance audit.
6.	<b>Competency based Certification:</b> Lack of adequate resources, maturity of context and concern for consequences in some national contexts affect IDI ability to deal with integrity risks in assessments for competency-based certification.
7.	<b>Sustainability:</b> the way in which capacity development support is provided does not lead to SAI performance improvement ( <i>e.g. poor alignment with strategic plans, poor coordination of support, no consideration of SAI absorption capacity, and new knowledge from programme participation not being translated into changed practices within SAIs</i> ).
8.	<b>SAI relevance:</b> SAIs do not have adequate capacity and resources to keep track of emerging issues, leverage on technological advancement and achieve audit impact to stay relevant.
9.	<b>Leave no SAI behind:</b> SAIs in the most challenged environments are unable to effectively benefit from IDI programmes and make little progress in strengthening their performance.
Operational Risks	
10.	<b>Quality:</b> IDI deliverables are not of sufficient quality to contribute to SAI performance improvement, which may also damage IDI's reputation.
11.	<b>Partnerships:</b> As IDI increasingly partners to deliver on its work streams and other initiatives, the IDI's partners may not have the same approaches and routines to ensure contribution towards sustainable change as IDI.
12.	<b>Funding:</b> Insufficient, unpredictable and/or short-term funding undermines IDI's ability to plan for and implement long term capacity development initiatives under its work streams, reducing sustainability and impact.
13.	<b>In-kind contributions:</b> IDI cannot secure the quantity and quality of in-kind support that it currently relies on to deliver under its work stream and bilateral support.

<sup>17</sup> IDI's risk management approach also includes a category of natural risks, but at present, IDI has no significant natural risks which are not effectively mitigated.



14. <b>Staff safety:</b> a major incident would affect not only the involved staff, but have emotional and resource impact across IDI, and may potentially require IDI to suspend certain activities, work stream components, and/or locations. Would also have significant impact on IDI's reputation.
15. <b>Staffing:</b> IDI does not have the capacity to adequately absorb new staff or cannot secure the quantity and quality of staff necessary to deliver its portfolio.
16. <b>Gender:</b> IDI cannot fully integrate a gender perspective as an organisation and in delivering its portfolio
17. <b>Internal governance:</b> poor internal control and resource management within IDI undermines the economy and efficiency of IDI operations and implementation of the strategic plan.
18. <b>Financial transaction:</b> IDI Fraud attempts and transactions where IDI is unable to verify ownership with other party.
<b>Reputational Risks</b>
19. <b>Stakeholder expectations:</b> growing demand for IDI interventions means some stakeholder's expectations may not be met, potentially damaging IDI's reputation and thereby IDI's ability to deliver under work streams and secure impact.
20. <b>Perceptions of conflict of interest:</b> between different roles that IDI performs could damage IDI's reputation, and ability to secure required funding. Also, increased funding and donor focus on the IDI could potentially create a perception of IDI having a competitive advantage over others.
21. <b>Staff conduct and safeguarding:</b> a major breach in IDI ethics, principles or values by an IDI employee could significantly damage IDI's reputation, its credibility as a delivery partner and its ability to secure necessary funding.
22. <b>Association with Governments with poor corruption and/or human rights and/or gender records or with Governments using IDI for own controversial political agendas:</b> Entering into funding agreements or other partnerships with such countries may cause reputational damage to IDI.

Most risks at the level of work stream, bilateral support and Global Foundations, are covered in the above. However, any risks specific to a particular work stream, component, bilateral engagement or Global Foundations not covered by the above are included separately within the detailed PAR Appendix. In addition, the PAR Appendix sets out the different units' contribution to key risks that prevent the achievement of IDI's vision and high-level risks preventing IDI's work from contributing to the intended improvement in SAI performance and capacity.

### IDI Approach to Managing Risk

The above key risks are included in the IDI corporate risk register, which is maintained by the Director General and approved every six months by the IDI Board. The risk register is used to monitor risks, consider IDI's response to risks, and assess the residual risk accepted by IDI after the effect of control measures. IDI has introduced a combination of a top-down with a bottom-up approach where identified risk management at Board level feeds into risk management at operational level and vice versa. Broadly, operational and reputational risks are managed by the way that IDI is governed, and decisions made by the IDI Board. Developmental risks are managed at the strategic level, through careful selection and prioritisation of IDI's service offer, and through effective communication and advocacy with global stakeholders. As is common practice, the full risk register, including assessment and IDI response, is a confidential document. However, upon special request, IDI may share the corporate risk register with interested partners on a case by case basis, excluding sensitive information. This is done to safeguard the security and the privacy of individuals or organisations.



## List of Acronyms

AFROSAI-E	African Organisation of Supreme Audit Institutions in English-speaking Africa
ARABOSAI	Arab Organisation of Supreme Audit Institutions
ASEANSAI	Association of Southeast Asian Nations Supreme Audit Institutions
ASOSAI	Asian Organisation of Supreme Audit Institutions
BMZ	Federal Ministry of Economic Cooperation and Development (Germany)
BPK	Audit Board of the Republic of Indonesia
CA	Compliance Audit
CAAF	Canadian Audit and Accountability Foundation
CASP	Cooperative Audit on Sustainable Public Procurement
CFA	Cooperative Financial Audit
CAROSAI	Caribbean Organisation of Supreme Audit Institutions
CAS	Compliance Audit Subcommittee
CBC	INTOSAI Capacity Building Committee
CDA	Capacity Development Administrator
CREFIAF	African Organisation of Supreme Audit Institutions in French-speaking Africa (Conseil Régional de Formation des Institutions Supérieures de Contrôle des Finances Publiques d'Afrique Francophone Subsaharienne)
CSO	Civil Society Organisation
DAC	Development Assistance Committee
DASA	Data Analytics in SAI Audits
DFID	Department of International Development
DPs	Development Partners
DRC	Democratic Republic of Congo
EAR	Education Assessment Reflection
EU	European Union
ELS	eLearning Specialist
EUROSAI	European Organisation of Supreme Audit Institutions
FA	Financial Audit
FAAS	Financial Audit and Accounting Subcommittee
FAI	Facilitating Audit Impact
FIPP	Forum for INTOSAI Professional Pronouncements
FSM	Federated States of Micronesia
GAIN	Global Anti-Corruption Commission
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Corporation for International Cooperation)
GCP	Global Call for Proposals
GFU	Global Foundations Unit
GIZ	German Corporation for International Cooperation
GPGs	Global Public Goods
IBP	International Budget Partnership
ICAT	ISSAI Compliance Assessment Tool
IDB	Inter-American Development Bank
IDC	INTOSAI-Donor Cooperation
IDI	INTOSAI Development Initiative
IINA	ISSAI Implementation Needs Assessment

INCOSAI	International Congress of Supreme Audit Institutions
IISD	International Institute for Sustainable Development
INTOSAI	International Organisation of Supreme Audit Institutions
ISAM	IDI SDGs Audit Model
ISSAIs	International Standards for Supreme Audit Institutions
IT	Information Technology
KSC	INTOSAI Committee on Knowledge Sharing and Knowledge Services
LMS	Learning Management Specialist
LNOB	Leave No One Behind
MoU	Memorandum of Understanding
NAC	National Audit Chamber
OAG	Office Auditor General
OECD	Organisation for Economic Co-operation and Development
OLACEFS	Organisation of Latin American and Caribbean Supreme Audit Institutions
P4R	Partners For Review
PA	Performance Audit
PAP-APP	Accelerated Peer-Support Partnership - Partenariat Accéléré pour l'Appui des Pairs
PAS	Performance Audit Subcommittee
PASAI	Pacific Association of Supreme Audit Institutions
PEFA	Public Expenditure and Financial Accountability Framework
PESA-P	Professional Education for SAI Auditors Pilot
PFM	Public Financial Management
PSC	INTOSAI Professional Standards Committee
QA	Quality Assurance
SAI	Supreme Audit Institutions
SAI PMF	Supreme Audit Institutions' Performance Measurement Framework
SDG	Sustainable Development Goals
SECO	Swiss State Secretariat for Economic Affairs
SES	SAI Engaging with Stakeholders
SFC	IDI SAI Fighting Corruption Programme
SIDA	Swedish International Development Cooperation Agency
SIRC	SAI Independence Resource Centre
SLIIS	SAI Level ISSAI Implementation Support
SPMR	IDI Strategy, Performance Measurement and Reporting Programme
SSU	Strategic Support Unit
SYL	SAI Young Leaders
TFA&E	Task Force on Audit & Ethics
TFIAP	Task Force on INTOSAI Auditor Professionalisation
UN	United Nations
UN CEPA	United Nations Committee of Experts on Public Administration
UNDESA	United Nations Department of Economic and Social Affairs
UNECA	United Nations Economic Commission for Africa
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCWA	United Nations Economic and Social Commission for West Asia
UN OIOS	United Nations Office of International Oversight Services
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
VNR	Voluntary National Review

WGBD	INTOSAI Working Group on Big Data
WGFACML	Working Group on Fight Against Corruption and Money Laundering
WGISTA	INTOSAI Working Group on Impact of Science and Technology
WGITA	INTOSAI Working Group on IT Audit



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**Effective, accountable and inclusive Supreme Audit Institutions**