



# State Audit & Administrative Control

## Bureau - Palestine

The SAI PMF provides Supreme Audit Institutions (SAIs) with a framework for voluntary assessments of their performance against the International Standards for Supreme Audit Institutions (ISSAIs) and other established international good practices for external public auditing.

### Key facts - Palestine assessment:

Version	Pilot version
Purpose	<ul style="list-style-type: none"> <li>Identify strengths and weaknesses</li> <li>Establish a baseline for measuring performance</li> <li>To inform strategic plan</li> </ul>
Approach	Hybrid
Status	Published
Main benefits	<ul style="list-style-type: none"> <li>Inform the new strategic plan</li> <li>Inform projects with donors</li> <li>Develop internal activities and procedures</li> </ul>
Quality Assurance Statement from IDI <sup>1</sup>	Included in report

The Palestinian State Audit and Administrative Control Bureau (SAACB) is a young institution. SAACB has over the past years demonstrated a strong interest in improving its performance within severe constraints such as the absence of a functioning parliament. The SAI is regarded as having a great ability to capture emerging issues when designing its audits and has been able to position itself as an important contributor to increased accountability and transparency in the use of public funds in the West Bank. SAACB was also one of the first SAIs to undergo a SAI PMF assessment and as such also supported the Working Group on Value and Benefits of SAIs (WGVBS) in developing the SAI PMF framework.

The decision to undertake an assessment was made by the president of SAACB and was funded by the World Bank (WB) as part of their technical assistance to SAACB. The main purposes for conducting the assessment were:

- To **identify the strength and weaknesses** of the SAI as compared to the ISSAIs
- To **establish a baseline** against which future progress can be measured
- To **inform the strategic plan** to have SAACB audit projects in the Palestinian territories funded by the WB
- Provide SAACB with **tools and more knowledge about internal performance management**

The assessment followed the **hybrid approach**, as it was led by the WB as an external partner, but also had elements of self-assessment and peer-assessment with team members from the SAACB and the Office of the Auditor General of Norway. This has contributed to a SAI PMF assessment process characterized by **mutual learning** and ensured that the team as a whole had the necessary skills to reach the objectives of the assessment. Several of the team members had previously attended a SAI PMF training course and one of the team leaders had previously led a SAI PMF assessment. Participation from a peer SAI that had experience from working with developing countries and had financial and compliance audit experience combined with SAACB staff that knew the SAI well was very valuable. It facilitated peer learning and knowledge exchange.

<sup>1</sup> Renamed independent review



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A two day **planning workshop** was held in Palestine in December 2013. This visit turned out to be critical for the successful accomplishment of the assessment. The SAI PMF framework was presented to the SAACB management and staff, which facilitated greater understanding in the SAI as well as robust dialogue with the head of SAI.

The planning workshop was followed by a two week fieldtrip to SAACB which also included a number of interviews with key external stakeholders (The President's Office, Ministry of Finance, The Anti-Corruption Bureau and one of the leading Palestinian NGOs on combating fraud). The interviews gave a rich storyline on the role of SAACB in the Palestinian public financial management sector.

Review of documentation both in the planning phase and during field work posed some challenges since many documents were in Arabic. This was solved with a combination; use of the SAACB's interpreter, translation of key documents into English and internal staff in SAACB informing the assessors about the content of the audit files under review. This was still not optimal since the assessors were not able to read the audit files themselves.

To ensure quality SAACB decided to send the draft report to IDI for an **independent review**. This entails that a certified independent reviewer not involved in the assessment checks that the SAI PMF methodology has been applied correctly. The final report was not finalized and published until March 2016. A mission to update the report had to be conducted in July 2015 to identify any potential significant changes in the SAACB compared to the ISSAIs from the earlier draft report from 2014. A lesson learned is the necessity to have a thorough discussion in advance about the roles and responsibilities in relation to the arrangements for quality control to make sure this process runs as smoothly as possible.

The SAACB has made meaningful use of the SAI PMF results:

- Informed the **new strategic plan**
- **Informed projects with donors**
- **Developed internal activities and procedures**
- The WB and SAACB are in the process of starting a cooperation related to SAACB auditing WB

### **Where to find more information**

For any requests please contact the SAI PMF unit within IDI at [SAIPMF@idi.no](mailto:SAIPMF@idi.no)

For more information please see our Website: <http://www.idi.no/en/idi-cpd/sai-pmf>

Check out our SAI PMF introductory video: <http://www.idi.no/en/idi-cpd/sai-pmf>

Link to the published Palestine SAI PMF report: <http://www.saacb.ps/en/Documents/pmf.pdf>