

# **SUPREME AUDIT INSTITUTIONS PERFORMANCE MEASUREMENT FRAMEWORK**

**Implementation  
Strategy 2020-2022**

July 2019







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# 1. INTRODUCTION

The SAI PMF implementation strategy 2020-2022 (hereafter referred to as “the Strategy”) has been developed in 2019 under the strategic guidance and leadership of the INTOSAI Capacity Building Committee (CBC). It was drafted by the INTOSAI Development Initiative (IDI) as the operational lead on SAI PMF. Key INTOSAI bodies and other stakeholders were also consulted.

The Strategy represents an update of the first implementation strategy 2017-2019. It is prepared in anticipation of a more comprehensive revision for the period 2023 and beyond, in line with probable changes in the SAI PMF assessment framework, and to synchronise with the next 6-year strategic planning cycle of INTOSAI. The Strategy is aligned to the INTOSAI Strategic Plan 2017-2019, and in particular to its Goal 2, Capacity Development. It was approved at the CBC Steering Committee meeting in July 2019.

## SAI PMF and its strategic importance

The SAI Performance Measurement Framework (SAI PMF) is an international framework assessment of a SAI’s performance against the International Standards of Supreme Audit Institutions (ISSAIs) and other established international good practices. It was developed in 2016 under the auspices of the INTOSAI Working Group on the Value and Benefits of SAIs (WGVBS), with support from the INTOSAI-Donor Cooperation, and is implemented under INTOSAI ownership in collaboration with the donor community.

SAI PMF is a comprehensive, evidence-based assessment tool that examines holistically both the audit and non-audit functions of the SAI in relation to its legal foundation and environment. It identifies root causes of SAI performance and can be applied in all types of SAIs, as a self-, peer- or external assessment, or a combination of those. Use of the SAI PMF is voluntary, and all key decisions relating to the assessments, such as purpose and timing of the assessment, or how results will be shared or publicised, are to be made by the head of the SAI and the SAI leadership.

The strategic importance of SAI PMF cannot be underestimated. The world needs strong and high-performing SAIs, which engage actively in improving public sector performance, enhancing transparency, ensuring accountability, promoting public trust, and protecting the interests of their citizens. In line with the principles of ISSAI-12, the SAI PMF gives SAIs an opportunity to become model organizations and lead by example in promoting transparency and accountability through credible and public reporting on their own performance. SAI PMF provides SAIs with an objective basis for demonstrating their ongoing relevance to citizens and other stakeholders and also serves as an invaluable tool for obtaining and maintaining support for SAI capacity development efforts. Finally, a credible, widely recognized performance assessment tool can demonstrate the need for enhancing SAI independence and strongly support advocacy.

Besides consultations with various stakeholders, the findings from the Global SAI Stocktaking report 2017, as well as several important lessons learnt from the 2017-2019 implementation period, were also taken into consideration:

- **The application and interpretation of the assessment methodology could impact the quality of SAI PMF assessments:** SAI PMF can be a challenging endeavour. Strong awareness-raising, targeted training of assessment teams and emphasis on quality requirements will be key priorities in order to support high-quality assessments.
- **Publication of SAI PMF assessments is lagging behind:** Only 20 per cent of SAIs that have finalised SAI PMF assessments have chosen to publish the report. Although heads of SAIs will consider the possible risks associated with publication, the Strategy foresees more efforts to encourage SAIs to publish their SAI PMF results, in line with ISSAI-12 objectives of SAIs leading by example on being transparent. This also includes analysing the reasons behind the limited publication of assessments and preparing guidance for SAIs on how to navigate the potentially challenging process of decision-making and communicating about SAI PMF findings on weaknesses in SAI performance.
- **Global roll-out of SAI PMF could be further strengthened:** At the time of drafting this Strategy, almost 60 SAIs had completed a SAI PMF assessment. It is nevertheless necessary to raise further awareness regarding the challenges<sup>1</sup> and benefits of applying the tool to ensure firm anchorage of SAI PMF as the preferred methodology globally, which allows for holistic measurement and tracking of performance changes over time.
- **SAI PMF is most relevant when directly linked to the use of its results:** Almost 90% of SAI PMF assessments are used as a basis for strategic and/or capacity development planning. As of 2019, significant efforts will go into facilitated initiatives that link support for applying the tool and using its results for strategic planning and management.
- **Implementation of SAI PMF and development of pools of experts require a differentiated approach based on regional context:** Regional take-up of SAI PMF varies significantly, as do related capacities of regional SAI PMF assessors, with specific language skills and knowledge of the SAI models and specificities in the region. The Strategy emphasises the dialogue with INTOSAI regional bodies and the need for flexibility to develop regional experts as part of a regional approach.
- **Commencement of work on a possible update (or revision) of the SAI PMF methodology:** Developments such as changes to the ISSAIs may justify revisions to the SAI PMF methodology. The Strategy underscores the need for dedicated scoping and preparation in anticipation of such changes.
- **Need to address partial application of SAI PMF assessment domains and indicators:** SAIs are increasingly using parts of the SAI PMF framework for purposes such as annual performance monitoring or a stand-alone assessment of performance in a specific area. The Strategy aims to address this trend by providing specific guidance, awareness-raising and targeted training to ensure that such applications of the methodology are done consistently and do not jeopardise its integrity.

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<sup>1</sup> Some of the most frequent challenges encountered by SAIs applying the SAI PMF tool are (a) the time taken to implement the tool, (b) trained personnel required, and (c) knowledge and mastery for the interpretation of the criteria.

## 2. PURPOSE OF THE STRATEGY

The overall purpose of this Strategy is to guide the global roll-out of SAI PMF for the period 2020-2022 **to achieve sustainable improvement in SAI performance globally through use of SAI PMF**, thereby contributing to the INTOSAI's mission of fostering continuous improvement in SAI performance.

A single, globally recognized and broadly used needs assessment and performance measurement tool will enhance the value and contribution of SAIs across the world. It will also enable monitoring of SAI performance progress globally and regionally over time, thereby providing input to regional and global capacity development programmes. For this purpose, the following two strategic outcomes have been identified:

### **STRATEGIC OUTCOME 2.1: TO ESTABLISH THE SAI PMF AS A WIDELY RECOGNIZED TOOL WITHIN INTOSAI FOR HOLISTIC, EVIDENCE-BASED SAI PERFORMANCE MEASUREMENT, AND RECOGNIZED AS SUCH BY IN-COUNTRY STAKEHOLDERS AND THE DONOR COMMUNITY**

The first strategic outcome relates to the establishment of SAI PMF worldwide as the SAI performance assessment and measurement framework of choice for all key stakeholders – SAIs, INTOSAI bodies, and the donor community. This outcome will be achieved, amongst others, through an intensified communication strategy, including exploring stronger outreach to governments and other external stakeholders regarding the benefits of conducting, supporting and using the results of a SAI PMF assessment. A first key message to such stakeholders relates to the position of SAI PMF as an INTOSAI tool and a Global Public Good, and as the only holistic SAI performance measurement tool that examines both the audit and non-audit functions of the SAI and is evidence-based and independently reviewed for quality and adherence to the methodology. Another crucial advantage of SAI PMF to be communicated is that the detailed performance report produced at the end of the assessment provides the SAI with an objective basis for demonstrating its ongoing relevance to citizens and other stakeholders, especially when the report is published. The findings of the report are also very well suited to provide the basis for strategic and capacity development planning. The standardised scope and objective measures of SAI PMF make it invaluable for comparison of performance over time.

### **STRATEGIC OUTCOME 2.2: THROUGH AN EFFECTIVE ROLL-OUT OF THE SAI PMF, WITH PROPER GUIDANCE AND SUPPORT ACTIVITIES, ENSURING THAT ALL ASSESSMENTS ARE CONSIDERED TO BE OF HIGH QUALITY, CREDIBLE AND RELEVANT BY ALL USERS**

The second outcome emphasises that SAI PMF assessments must not only be widely applied, but also consistently be of high quality. High-quality SAI PMF reports, based on factual accuracy, are fundamental if the SAI PMF reports are to serve as a credible basis for strategic planning, further capacity development, monitoring of performance over time, and identification of the results of capacity development initiatives. Low-quality assessment reports, on the other hand, will not only limit the usefulness of the report for the SAI in question but may also negatively impact the credibility of the SAI PMF. A rigorous process is therefore critical to ensure high-quality and valid findings. This process starts with provisions to ensure internal quality control by the assessment team leader. Quality assurance is provided by experienced individuals – independent of the assessment team and usually officers of the SAI under assessment – who carry out a detailed fact-check of the draft assessment report before it is finalised and passed to IDI for independent review of adherence to the SAI PMF methodology. Ensuring quality implies the provision of training courses and workshops, the development of guidance material, advice to assessment teams, and independent review of the quality of the terms of reference guiding the assessment process and of the draft SAI PMF assessment reports.

## 3. SAI PMF FUNCTIONS

There are broadly five different functions that are essential for the SAI PMF Strategy to meet its purpose, each with clearly allocated governance arrangements, roles and responsibilities.

### 3.1 STRATEGIC GOVERNANCE AND SAI CONDUCT OF ASSESSMENTS

- **SAI PMF function 1: Strategic governance and advice:**
  - o INTOSAI's CBC is established to build the capabilities and professional capacities of SAIs and is responsible for the SAI PMF Strategy on behalf of INTOSAI. The CBC is also responsible for raising awareness and promoting the tool. Possible revision of the SAI PMF methodology, to be approved in 2022 at the XXIV INCOSAI, will also need to be spearheaded by the CBC.
  - o In order to provide for strategic advice, the CBC has established a SAI PMF Independent Advisory Group (IAG) of volunteer donors, SAIs and INTOSAI bodies. IAG provides strategic advice and recommendations to support the CBC and IDI in their efforts to implement the SAI PMF Strategy, and to ensure continued and appropriate donor engagement on the SAI PMF (see Annexure 2 for the terms of reference of the IAG).
- **SAI PMF function 2: Conduct SAI PMF assessments:**
  - o This function falls under the governance of the individual SAIs as assessment owners. The decision whether or not to undergo a SAI PMF assessment is voluntary, and it is the SAI leadership that makes all key decisions about the assessment, including whether, when, how and for what purpose to conduct the assessment and how to share its results. The IDI provides advice, guidance and support to SAI PMF assessment teams, also as part of individual assessments. Over the years, the IDI has facilitated a number of SAI PMF assessments, and such more intensive support will be offered to interested SAIs based on an assessment of needs and availability of resources.

### 3.2 GLOBAL IMPLEMENTATION SUPPORT ARRANGEMENTS

The IDI is the operational lead on SAI PMF support, coordination and facilitation, through in-house staff with strong SAI PMF experience. The IDI has the responsibility for delivery and/or support of the remaining three SAI PMF functions, including the development and execution of a detailed implementation plan and the resources required.<sup>1</sup>

- **SAI PMF function 3: Support of assessment quality and global monitoring:**
  - o This function is the key input towards ensuring high-quality assessments through remote support and, where necessary, during fieldwork in the SAI. It relates to being the global coordinator, training body, support function and knowledge centre for SAI PMF. This includes development of guidance and training materials, delivery of training courses and workshops, provision of general support to assessors, monitoring of SAI PMF assessment status, and development of a pool of experts to support SAI PMF roll-out in different languages. The scoping and approach related to guidance for applying parts of the SAI PMF assessment methodology will also fall under this function.

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<sup>1</sup> Also refer to Annexure 1 for the Results Framework and Results System for the SAI PMF roll-out.

- **SAI PMF function 4: Facilitate use of SAI PMF assessment results:**
  - o SAI PMF assessments are strongest when they are of high quality and their findings are put into practice. This function addresses the needs expressed by the INTOSAI Regional Organizations (and sub-regions) and groups of SAIs for facilitation support in relation to conducting and using the results of SAI PMF assessments. This will be ensured through continued incorporation of SAI PMF facilitation programmes into more comprehensive support for groups of SAIs in relation to strategic management<sup>2</sup>. Such support can be included in regional SAI PMF implementation plans and requires a tailor-made approach adapted to regional context and capacities. While resource intensive, the facilitation function can be instrumental in ensuring assessment quality, relevance and use of results.
  
- **SAI PMF function 5: Independent review:**
  - o This function entails promoting the importance of an adequate review mechanism to ensure the planning and implementation of credible, high-quality SAI PMF evaluation and reports. The SAI PMF methodology emphasises the need for quality control (as exercised by the assessment team leader) and quality assurance of facts (as exercised by a SAI staff member not involved in the assessment). The IDI offers to conduct, or arrange other SAI PMF experts to conduct, independent reviews of all SAI PMF assessments to ensure adherence to the SAI PMF methodology. An IDI statement of independent review is issued for all reports that have undergone an independent review arranged by the IDI. Safeguarding and further promoting the independent review function are of key strategic importance for the credibility of the SAI PMF tool and the assessment results.

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<sup>2</sup> The IDI Strategy, Performance Measurement and Reporting (SPMR) initiative was launched globally at the end of 2018, focusing on strengthening strategic management in SAIs leading to higher performance. SPMR implementation in 2019 focuses on SAI PMF facilitation in five INTOSAI regions. Conducting a SAI PMF assessment as a baseline for performance and as a key input towards the development of the SAI Strategic plan is a cornerstone of SPMR. A repeat SAI PMF assessment at the end of the strategic management period will serve the dual purpose of measuring progress and identifying key issues for the next strategic plan.

## 4. SAI PMF STAKEHOLDERS

For the SAI PMF to be used globally as the SAI needs assessment and measurement framework of choice, the interests and roles of key stakeholders have to be recognized and managed. The following are the key stakeholders in the SAI PMF implementation process:

Stakeholder	Main interest and/or role
<b>Stakeholders of SAI PMF assessment process and use of results</b>	
Head of SAI / SAI Leadership	An assessment report of high quality, with useful findings for the assessment purposes as decided by the SAI Head. Key decisions on the approach, scope and use of assessments are made by the SAI Head, including the publication of the report, which is strongly encouraged. SAI leadership also plays a critical role to ensure that SAI PMF results are followed up in the SAI.
SAI staff	Solid understanding of the SAI PMF evaluation methodology, or at least a good understanding of the reason for conducting such an evaluation, as well as an understanding of the findings by staff, with the aim of increasing ownership for follow-up of the results at the technical level.
SAI PMF assessment teams	Proper training as assessment team members, and advice and support during assessments. The assessment teams conducting the individual assessments should all have a good understanding of the SAI PMF framework and methodology and experience from all relevant audit disciplines (financial, compliance, performance and/or jurisdictional control, if relevant). The teams should also have knowledge about organizational management and SAI support systems and be familiar with level 1-3 of the ISSAI framework.
Donor partners	Well-executed SAI PMF assessments resulting in credible high-quality reports as basis for capacity development planning. Donors supporting the SAI PMF assessment process (e.g. through funding individual assessments, regional or global SAI PMF initiatives or in-kind contributions) have a good understanding of the SAI PMF approach and methodology to be able to best use the findings in agreement with the SAI. Donors regularly assess whether there is scope to integrate SAI PMF into their supported capacity building interventions and use SAI PMF as their assessment of choice for informing SAI capacity development.
Governments (e.g. ministries of finance), Civil Society Organizations and citizens <sup>1</sup>	Assurance regarding the quality of the process, the assessment team, credibility of the SAI and its findings and appropriateness of the results. Evidence that the SAI adheres to and promotes good governance principles, and positive examples of the SAI striving to improve performance and delivering value and benefits to citizens. Governments recognizing and supporting SAI independence and its key role for credible audit results. CSOs and citizens relying on SAI reports to increase demand for accountability.
<b>Stakeholders to SAI PMF governance and implementation</b>	
CBC	Effective SAI PMF Strategy and ensuring continued relevance of the tool, including future refinements. Promotion of SAI PMF implementation across all INTOSAI regions, including issues related to costs and benefits of applying SAI PMF or publication of SAI PMF results.
IDI	Global implementation of the SAI PMF tool, including alignment between SAI PMF implementation and other IDI workstreams and initiatives, with the aim of maximising the use of SAI PMF results.
INTOSAI regional organizations and other relevant INTOSAI regional bodies	Effective cooperation with regard to regional capacitation and implementation of initiatives, and support with regard to regional SAI PMF plans that cater for region-specific needs and circumstances.
Other INTOSAI Bodies (Governing Board, Committees, Workstreams)	Consistent roll-out across all regions and effective cooperation on specific topics that contribute to measuring and improving aspects of SAI performance.

<sup>1</sup> As part of the communication plan for the roll-out of the strategy, all key stakeholders will be identified, with engagement purposes and actions for each.

## 5. RESOURCING OF SAI PMF WORK

The implementation of the SAI PMF will require substantial direct financing as well as in-kind support to fund, among others, the following areas:

- **The global support functions that support assessment quality and global monitoring, facilitate SAI PMF assessments and use of assessment results, and independent review:** Typical cost items will include staff costs, developing and translating guidance material, translating material, the roll-out of training courses and workshops, financing awareness-raising, and funding independent reviews conducted by consultants. Key inputs to the support functions will come from IDI staff and funding resources. Monitoring and analysis of SAI performance changes globally based on SAI PMF performance data are other tasks requiring dedicated resources. The IDI as operational lead for SAI PMF work will budget for the operational plan of the SAI PMF Strategy, and this budget will be approved by the IDI Board as part of the IDI budget.
- **Trainers and facilitators<sup>1</sup>:** The main resource is envisaged to be in-kind support from the INTOSAI community. SAI PMF trainers and facilitators are mainly highly experienced IDI and SAI staff<sup>2</sup>. In some cases, consultants with specific SAI PMF experience can also be used as trainers and facilitators of SAI PMF assessments on behalf of IDI.
- **SAI PMF assessments:** The funding source will largely be determined by the context and purpose of the assessment. For example, where SAI PMF assessment is part of an externally funded capacity development strategy, external providers may be willing to fund the assessment. Whenever the SAI chooses to do a self-assessment, the main costs will be related to dedicating sufficient time for the assessment team members to complete the work. Depending on the skills and knowledge of the assessment team and the size and complexity of the SAI, the workload may be significant. At the same time, the benefits of conducting a SAI PMF assessment in general greatly outweigh the costs. It is recommended that a SAI PMF assessment be done at the end of each strategic planning cycle, and its results can be used not only for strategic planning and/or capacity development, but also for continuous monitoring of the next strategic plan's implementation. The cost of a SAI PMF repeat self-assessment would be significantly lower with an experienced team that is aware of how to plan and manage the assessment process.

The IDI will prepare an implementation plan stipulating the resources required for the SAI PMF implementation in more detail.

<sup>1</sup> The principal difference between trainers and facilitators is that while the former are primarily involved in the provision of training in the methodology, the latter also support the SAI PMF implementation in a SAI, or within a regional programme. However, the roles are not mutually exclusive.

<sup>2</sup> IDI offers periodic SAI PMF training in every region to ensure that there is opportunity for new staff and others to make up for natural loss of and to boost SAI PMF knowledge capital.

## 6. MONITORING, REPORTING AND EVALUATION OF THE SAI PMF STRATEGY

**Monitoring:** The CBC, as strategic governance lead, is responsible for monitoring the implementation of the SAI PMF Strategy 2020-2022. An annual report on progress against SAI PMF Strategy and related outcome indicators and targets will be put forward by the Director General of IDI in March 2021 for the information to the CBC and to the IDI board, as part of the IDI Performance and Accountability report.

**Reporting:** The CBC leadership will in addition receive tertiary report updates from the IDI on progress against the SAI PMF Strategy and implementation plan. A high-level report on SAI PMF progress, as well as an outlook on implementation plans going forward, will be prepared for the annual CBC meeting.

**Evaluation:** It is the responsibility of the CBC to oversee evaluation of the implementation of the SAI PMF Strategies 2017-2019 and 2020-2022, following the implementation period. An external evaluation will be commissioned in 2021 by the CBC to provide detailed lessons learnt and recommendations for a new SAI PMF implementation strategy after 2022. This approach will also enable alignment with the INTOSAI Strategic Plan 2017-2022, the upcoming XXIV INCOSAI in 2022 and the possibility of affirming any strategic-level changes to the SAI PMF methodology and implementation strategy at that occasion.

## 7. CRITICAL SUCCESS FACTORS AND RISKS

The following critical success factors and risks may impact acceptance of the SAI PMF during roll-out:

	Success factors and risks	Enabling and mitigating measures
7.1	INTOSAI leadership and strategic governance	The CBC exercises effective strategic direction and monitoring of SAI PMF implementation aided by the IAG and ensures coordination and synergies with other INTOSAI bodies.
7.2	Support for SAI PMF assessments by INTOSAI Bodies and Heads of SAls	An effective communication strategy and positioning of the SAI PMF to enable advocacy of the strategic significance of the SAI PMF by the CBC towards regional organizations and SAI heads, coupled with firm support by INTOSAI and donor leadership. Member SAls of INTOSAI GB, the CBC leadership and regional bodies, as well as well-resourced SAls, especially those acting as providers of support, leading by example in applying the tool in their SAI in accordance with their strategic priorities and plans.
7.3	Adequate and sustainable resourcing at all three levels of INTOSAI	Funds required for SAI PMF roll-out match donor interests and funding, appropriate number, skills and experience of IDI staff working on SAI PMF, and willingness by SAls to make available in-kind resources, i.e. SAI staff who are SAI PMF-trained assessors as assessment team members, trainers and facilitators.
7.4	Quality of SAI PMF assessments vs. assessment cost and complexity	IDI provides adequate support to assessment teams through training, advice, facilitation and independent review to ensure that teams are well-prepared. Awareness-raising and strong sensitisation on the costs vs. benefits of doing a SAI PMF assessment to clarify expectations and possible costs, including SAls sharing their experiences from the assessment process.
7.5	Continued relevance of the tool	Revision of the SAI PMF at appropriate times based on proper information and advice (including IAG). Emphasis of and support for use of SAI PMF results, i.e. for strategic and operational planning, capacity development, ISSAI implementation, etc.
7.6	Sharing of results and, wherever strategically beneficial, publication of SAI PMF assessments	Guidance on how to navigate the potentially challenging process of sharing and publicizing SAI PMF assessment results, based on experience of those SAls that have done so. Strong advocacy focusing on the benefits of publishing the complete SAI PMF report, including leading by example and mobilizing stakeholder support for the SAI reform agenda.
7.7	INTOSAI Regional Organizations supporting the SAI PMF Strategy	Early consultation and cooperation with regional organizations to ensure that SAI PMF needs, priorities and capacities in the regions are well-understood, and development of tailored joint regional implementation strategies / programmes. Regular exchange on progress, factors and challenges affecting SAI PMF implementation.
7.8	Continued donor involvement in SAI PMF	An effective SAI PMF IAG with equal representation of SAls and donors; continuation of general support and feedback from INTOSAI-Donor Cooperation, dialogue with donors on uses and benefits of SAI PMF; stronger awareness-raising and engagement with donors on the SAI PMF methodology and benefits, including donor training on SAI PMF; and involvement of donor staff as assessment team members if feasible.

## 8. ROLES AND RESPONSIBILITIES FOR SAI PMF STRATEGIC AND OPERATIONAL GOVERNANCE

The key role players in respect of SAI PMF governance and their responsibilities for implementation are as follows:

	A. INTOSAI CBC	B. IDI Board	C. IDI
1.	Assumes ownership of the SAI PMF on behalf of INTOSAI, taking into account the work and contributions of other CBC work streams.  Provides input/feedback on operational issues to the DG IDI, including budget-related matters.	Approves IDI structure and staff establishment, including staff working on SAI PMF issues.  Approves resources for implementation of annual operational plan for SAI PMF as part of IDI's Annual Operational Plan. Approves IDI policies and procedures.	Sets in place work methods and reporting procedures under guidance of the DG IDI.
2.	Approves the global SAI PMF Strategy (every three to five years) at the annual CBC meeting, after consultation with the IDI Board.	Approves IDI strategic plan, into which the SAI PMF Strategy feeds.	Supports the development and implementation of the SAI PMF Strategy.
3.	The annual CBC meeting takes note of the IDI's annual report and the high-level report (for the annual meeting) on SAI PMF implementation put forward for information by the IDI.	Receives annual SAI PMF reports from the DG IDI on progress against SAI PMF Strategy as part of the IDI Performance and Accountability report.	Reports against the SAI PMF Strategy to the CBC leadership on a tertiary (high-level) basis, and to the CBC and IDI Board on an annual basis.
4.	Approves the annual SAI PMF operational plan in November of the preceding year.	Approves IDI operational plans, including SAI PMF annual plans after approval by CBC.	Reports to the DG IDI on progress with regard to operational plans / day-to-day functioning (in terms of internal IDI reporting timelines). Develops and implements SAI PMF annual plans in terms of the approved SAI PMF Strategy.
5.	Provides feedback/input on budgets and other operational issues to the DG IDI.	Approves IDI budgets, including the budget for SAI PMF activities as per the SAI PMF annual plan.	Reports to the DG IDI on budget management in terms of internal IDI reporting timelines.
6.	Supports IDI funding requests (and fulfils INTOSAI-wide advocacy role for the SAI PMF).	Solicits specific funding for SAI PMF implementation.	Uses, and reports on the use of, solicited funds in accordance with agreements with donors.
7.	Oversees impact of the SAI PMF, including deciding on the following: <ul style="list-style-type: none"> <li>▪ Timing of evaluations of the SAI PMF Strategy (e.g. approximately every three to five years)</li> <li>▪ Commissioning and coordination of evaluations of the SAI PMF Strategy</li> <li>▪ When revision of the current tool is required</li> <li>▪ Revision of the SAI PMF Strategy.</li> </ul>	DG IDI consults on the terms of reference for the evaluation of the SAI PMF Strategy.	Coordinates revisions of the SAI PMF Strategy based on feedback from evaluations and consultations with stakeholders and procures external evaluator(s).  Carries out global level monitoring and evaluation of SAI PMF results as part of IDI's Global Foundations work.
8.	Ensures appropriate donor involvement and communication / advice through, e.g. <ul style="list-style-type: none"> <li>▪ appointing a SAI PMF Independent Advisory Group including Donor members, to provide input towards strategic planning and in the case of revision of the SAI PMF.</li> </ul>		Consult with global and regional donors on needs relating to SAI PMF, as input towards the development of global and regional strategic and annual plans.

# ANNEXURE 1: RESULTS FRAMEWORK AND RESULTS SYSTEM FOR SAI PMF IMPLEMENTATION

## A. RESULTS FRAMEWORK

The SAI PMF results framework seeks to show planned inputs, SAI PMF functions with underlying activities, outputs, outcomes and assumptions at all levels of the results chain, to provide a basis for the SAI PMF performance measurement system. The results framework also provides a basis for future evaluations by setting out the results and assumptions considered necessary and sufficient at each level of the results chain in order to achieve the results at the next level of the results chain.

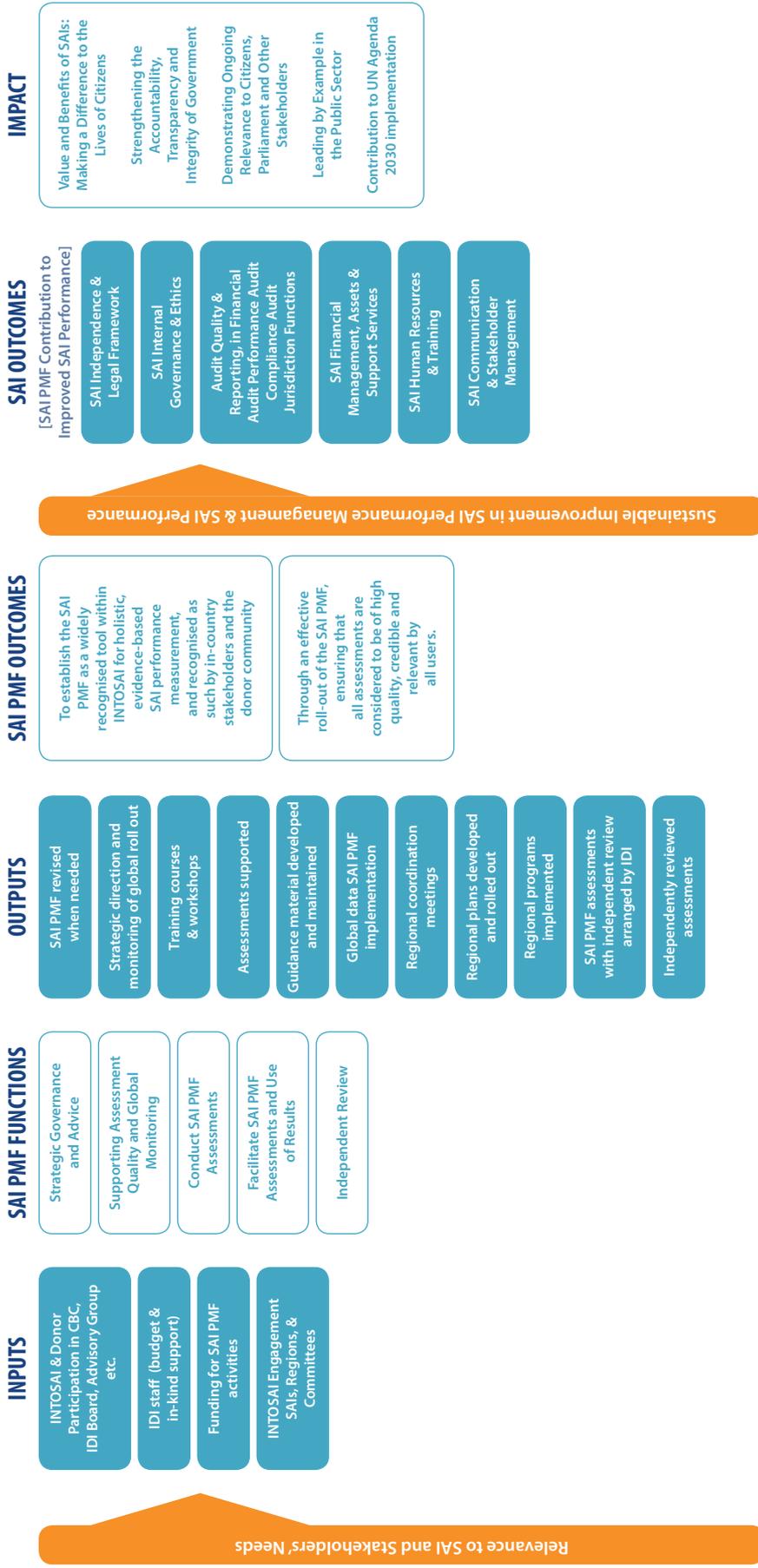
For the SAI PMF, the results chain is as follows: inputs-SAI PMF function (with underlying activities)-outputs-SAI PMF Outcomes-SAI Outcomes, and the impact of SAIs in making a difference to the lives of citizens. The components of the results framework are defined as follows:

- **Inputs:** all inputs, including engagement of INTOSAI and donors in the CBC, SAI PMF Independent Advisory Group and the IDI board, SAI PMF team staff and core funds; financing for specific activities and programmes; participation of SAI staff and leadership in activities and programmes; in-kind contributions of SAIs; involvement of INTOSAI regional bodies and committees; and contributions from other SAIs, including subject matter experts.
- **SAI PMF functions:** the main themes of the SAI PMF Strategy, showing how inputs are used to deliver the activities underlying the individual SAI PMF functions.
- **Outputs:** tangible results of SAI PMF activities, such as training courses and workshops, guidance material developed and maintained, regional SAI PMF plans developed and implemented and assessments conducted.
- **SAI PMF outcomes:** this focuses on whether the activities planned are successful in promoting behaviour change among the INTOSAI and Donor communities towards considering the SAI PMF as the favourable SAI performance management framework, and towards producing credible and high-quality reports. This is the highest level of results attributable to the SAI PMF Strategy and contributes to the achievement of SAI outcomes (below).
- **SAI outcomes:** measures the desired performance improvements in SAIs to which the SAI PMF Strategy is intended to contribute. This relates to independence and legal framework (including mandate); the quality of its core audit work; the quantity, submission and publication of financial, compliance and performance audits; and the effectiveness of its internal organizational systems. This is the level at which the performance of SAIs should be measured, noting that it may take 3 to 5 years to see performance change at this level.
- **Impact:** the contribution of SAIs in making a difference to the lives of citizens, through strengthening the accountability, transparency and integrity of government, demonstrating ongoing relevance to citizens, Parliament and other stakeholders, and leading by example in the public sector.

It is important to explicitly recognize the difference between SAI PMF outcomes, on the one hand, and SAI outcomes on the other hand. SAI PMF outcomes are closely attributable to the SAI PMF activities and are useful for evaluating programme economy, efficiency and effectiveness. SAI outcomes are influenced by many factors beyond the SAI PMF (e.g. capacity, resourcing and independence of the SAI) and are useful for monitoring and evaluating performance improvement at the level of the SAI. These have been included to recognize that SAI PMF assessments and related activities are an efficient way of contributing towards strengthening the performance of SAIs around the world and are not an end in themselves.

# SAI PMF RESULTS FRAMEWORK

## PURPOSE: SUSTAINABLE IMPROVEMENT IN SAI PERFORMANCE GLOBALLY



## ASSUMPTIONS AND RISKS

- INTOSAI & Donors (and other relevant stakeholders) continued engagement in SAI PMF
- Funds needed for the necessary SAI PMF functions and for global roll out of SAI PMF match donor interests & funding
- SAIs seek to use support (incl. trainings, workshop, IR etc.) offered by IDI
- SAIs conduct credible SAI PMF assessments & share results
- SAIs want to participate in regional SAI PMF facilitation programs adjusted to regional needs and capacities
- Donors respect SAI decision making on SAI PMF assessments
- SAIs coordinate SAI PMF assessments to be used as basis for strategic and capacity development planning
- Identified SAI capacity development needs matches deficiencies in SAI performance
- SAIs take ownership of their own capacity development
- SAI leaders drive change
- SAIs have sufficient funding & independence to make the changes necessary to sustain performance
- Country political economy favours a stronger SAI
- Country environment promotes accountability, transparency & integrity
- Executive implements audit recommendations
- Legislature reviews audit report, enforces follow-up

## B. RESULTS SYSTEM SAI PMF

The results system seeks to facilitate monitoring, reporting and evaluation of the SAI PMF roll-out at SAI PMF outcome level. The table below include the performance indicators used to measure the SAI PMF outcomes, these will be measured annually. The performance on SAI Outcomes is measured at the level of the IDI Strategic Plan 2019-2023 results framework.<sup>1</sup> A results system at output level will be linked to operational plans for implementation of the strategy.<sup>2</sup>

<b>PURPOSE: Sustainable improvement in SAI performance globally</b>					
<b>SAI PMF Outcome Indicator 1:</b> Conducted Assessments	<b>Baseline 2018</b>	<b>Milestone 1 2019</b>	<b>Milestone 2 2020</b>	<b>Milestone 3 2021</b>	<b>Target 2022</b>
Cumulative number of SAIs (all countries <sup>3</sup> ) with a finalised SAI performance report based on the SAI PMF framework	a) 47 b) 2 c) 11	a) 65 b) 10 c) 15	a) 70 b) 15 c) 20	a) 75 b) 20 c) 25	a) 85 b) 25 c) 30
a) First time assessment b) Repeat assessment c) Published assessment <sup>4</sup>	<b>Achieved:</b>				
Source: Annual IDI survey tracking assessments					
<b>SAI PMF Outcome Indicator 2:</b> Quality of Assessments	<b>Baseline 2018</b>	<b>Milestone 1 2019</b>	<b>Milestone 2 2020</b>	<b>Milestone 3 2021</b>	<b>Target 2022</b>
Percentage of all (i.e. cumulative) finalized SAI PMF assessments that includes an IR statement demonstrating independent verification of facts, as well as proper application of the SAI PMF methodology	51%	55%	60%	64%	70%
	<b>Achieved:</b>				
Source: Annual IDI survey tracking assessments					
<b>SAI PMF Outcome Indicator 3:</b> Assessment results used in SAI strategic planning and capacity development	<b>Baseline 2018</b>	<b>Milestone 1 2019</b>	<b>Milestone 2 2020</b>	<b>Milestone 3 2021</b>	<b>Target 2022</b>
Percentage of all (i.e. cumulative) finalized SAI PMF assessments (all countries) that are reported as having been used as basis for SAI strategic planning and/or capacity building projects	82%	90%	90%	90%	90%
	<b>Achieved:</b>				
Source: Annual IDI survey tracking assessments					

<sup>1</sup> IDC Results Framework, IDI Strategic Plan results framework.

<sup>2</sup> Operational plans for implementation of the SAI PMF Strategy will be developed by the IDI.

<sup>3</sup> Data to be disaggregated by OECD-DAC status of country of SAI.

<sup>4</sup> This is an additional indicator for "SAI PMF Outcome Indicator 1: Conducted Assessment". Since the importance of publication is recognized during the previous implementation strategy period of 2017-2019, we included this indicator where strategically beneficial.

## ANNEXURE 2:

# SAI PMF INDEPENDENT ADVISORY GROUP – TERMS OF REFERENCE

### 1. PURPOSE

The purpose of the SAI PMF Independent Advisory Group (the Advisory Group) is to act as an independent advisory mechanism to support the INTOSAI Capacity Building Committee (CBC) and the IDI SAI PMF Team (SPT) in their efforts to continually develop and implement the SAI PMF<sup>1</sup>

### 2. KEY ROLES

The main functions of the Advisory Group are as follows:

- 2.1 Provide advice on the strategic vision and the maintenance / continued development and implementation of the SAI PMF
- 2.2 Provide feedback from experiences in applying SAI PMF in a country context
- 2.3 Promote and champion the SAI PMF to all relevant global stakeholders.

### 3. COMPOSITION AND MEMBERSHIP

The Advisory Group will comprise volunteer representatives from INTOSAI, the donor community, and other stakeholders with expertise in SAI PMF and/or similar measurement tools. The Advisory Group should not exceed 10 members, and its composition should reflect a balance between donor and INTOSAI members. In the establishment phase of the Advisory Group, membership will be approved by the CBC Steering Committee. Once established, the Advisory Group as such will be responsible for approving potential changes in its membership.

The SPT as the global coordinator and knowledge centre for SAI PMF will provide technical advice to the Advisory Group on SAI PMF issues.

### 4. REPORTING

The Advisory Group will submit advisory reports to the CBC on the following:

- The usability of the SAI PMF and its implementation strategy, with advice and recommendations for improvement
- Review and comment on the SAI PMF annual progress report in light of the SAI PMF Strategy and annual implementation plan
- Review and comment on the draft SAI PMF implementation plan for the forthcoming year, with advice and recommendations to strengthen it
- Advice on the development and implementation of a SAI PMF communications strategy, targeted to SAI, donor and other stakeholders
- Additional SAI PMF-related tasks, as requested by the CBC and/or SPT, and accepted by the Advisory Group.

The advisory group will provide a high-level summary of its work and recommendations at the annual CBC meeting.

The CBC and IDI will at the annual CBC and INTOSAI-Donor Cooperation Steering Committee (IDSC) meetings provide an update on SAI PMF-related issues, including a summary of the work of the advisory group. These meetings will also give other stakeholders, who are not current members of the Advisory Group, an opportunity to raise questions and provide comments related to SAI PMF.

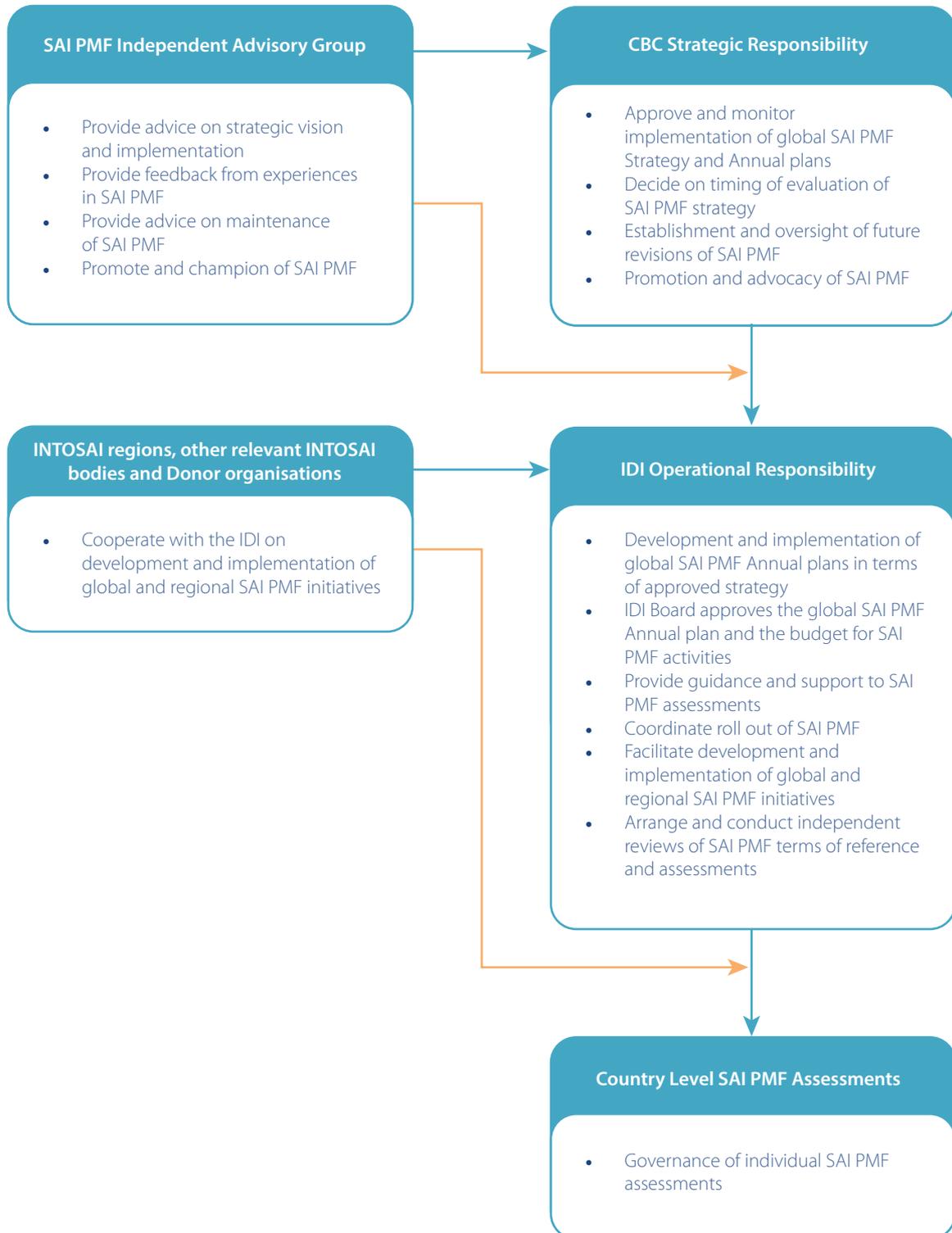
### 5. MEETINGS

The Advisory Group will aim to hold one meeting per year, but beyond that will decide on the frequency of meetings. Virtual meeting platforms will be used when possible and considered adequate.

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<sup>1</sup> The SAI PMF team will, in addition, seek input from relevant stakeholders in relation to development and implementation of regional plans and activities.

## ROLES OF MAIN SAI PMF ACTORS







International Organization of Supreme Audit Institutions