



THE FOUNDATION INTOSAI DEVELOPMENT INITIATIVE (IDI):

BOARD MEETING SUMMARY, 28-29 MARCH 2019

Case: File 013.2

VENUE: Radisson Scandinavian Hotel, Oslo

PRESENT:

Name	Position	Board Status
Mr. Per-Kristian Foss	Auditor General, Norway	Chair of the Board
Ms. Lara Taylor-Pearce	Auditor General, Sierra Leone	Vice-Chair of the Board
Ms. Kristin Amundsen	Deputy Director General, Office of the Auditor General of Norway	Board Member
Ms. Pamela Monroe-Ellis	Auditor General, Jamaica and Secretary General CAROSAI	Board Member
Ms. Helena Lindberg	Auditor General, Sweden	Board Member
Mr. Vítor Manuel da Silva Caldeira	President, Portuguese Court of Audit	Board Member
Ms. Monika González-Koss	Director, INTOSAI General Secretariat and Head International Department, Austrian Court of Audit	Representing Board Member Dr. Margit Kraker, President of the Court of Audit, Austria and Secretary General, INTOSAI
Mr. Kimi Makwetu	Auditor General of South Africa, Chair CBC	Board Member
Ms. Marta Acosta Zuniga	Auditor General, Costa Rica	Board Member
Mr. Jan Van Schalkwyk	Corporate Executive, Office of Auditor General of South Africa	Accompanying Board Member Mr. Makwetu
Mr. Magnus Lindell	Advisor, Swedish National Audit Office	Accompanying Board Member Ms. Lindberg
Ms. Johanna Gårdmark	Project Director, Swedish National Audit Office and CBC Secretariat	Accompanying Board Member Ms. Lindberg
Ms. Eleonora Pais de Almeida	Audit Director, Portuguese Court of Audit	Accompanying Board Member Mr. Caldeira
Mr. Einar Gørrissen	Director General	IDI Secretariat
Ms. Archana Shirsat	Deputy Director General	IDI Secretariat
Mr. Ola Hoem	Deputy Director General	IDI Secretariat
Mr. Ole Schøyen	Deputy Director General	IDI Secretariat
Mr. Martin Aldcroft	Senior Manager	IDI Secretariat
Ms. Petra Schirnhofner	Manager	IDI Secretariat
Ms. Maja Kirkevold	Audit Manager	PWC (agenda item 5)
Ms. Lise Luvåsen	Accountant	Amesto Account House (agenda item 5)
Mr. Sindre Sollien	Supervisor	Amesto Account House (agenda item 5)
Observers		
Mr. Mathieu Lafrenière	Public Financial Management Specialist	Global Affairs Canada (agenda items 1-7)
Ms. Natalie Bertsch	Programme Manager	SECO (agenda items 1-7)
Ms. Susanne Wille	Deputy Head of Unit, A4	European Commission (agenda item 7)

Apologies:

Dr. Margit Kraker (President of the Court of Audit, Austria and Secretary General, INTOSAI, Board Member)

Ms. Åse-Kristin Hemsén (Deputy Director General, Office of the Auditor General of Norway, Chair of FIPP, Board Member)

WELCOME AND OPENING REMARKS

The Chair welcomed Board members and thanked the IDI Secretariat for the timely submission of Board documents. The Chair also informed the Board about OAG Norway's willingness to host IDI for the next 6 years. A motion for recommendation will be submitted to the INTOSAI Governing Board followed by a request for the election of OAG Norway as host of IDI at the INTOSAI Congress.

1. APPROVAL OF THE AGENDA

Decision: The agenda was approved.

2. DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

No Board member declared a potential conflict of interest.

3. TOUR D'HORIZON FROM THE IDI DIRECTOR GENERAL

The Director General (DG) addressed three areas: 1. IDI's work under the previous Strategic Plan 2014-2018, 2. IDI's transition to its new Strategic Plan 2019-2023, 3. IDI's funding and resourcing.

1. The DG started by reflecting on IDI's work under the previous IDI Strategic Plan. Over its five-year period IDI has grown considerably, staffing and funding has increased and the number of participants in IDI programmes has almost doubled. IDI's portfolio has remained aligned to the INTOSAI Strategic Plan. The Mid-term Review of the Strategic Plan highlighted among others that the design of initiatives is needs based, that the majority of strategies and actions in the strategic plan had been implemented, and that the IDI has implemented measures that has made it more efficient.

IDI's work with INTOSAI regions was also reinforced and IDI's reporting strengthened. During the strategic period IDI introduced support in new challenging areas, such as SAI independence, and supporting SAIs in implementing the ISSAIs was a common thread throughout the strategic planning period. The governance review contributed to strengthening the work of the IDI and the IDI Board. The DG also pointed to the challenges faced, such as ISSAI implementation, achieving gender quotas amongst SAI participants in IDI programmes, and aligning Development Partners behind IDI's Strategic Plan and its priorities. The DG emphasised the importance of strengthening institutions for professionalisation. Developing Global Public Goods following IDI's protocol for quality assurance was more time consuming than originally foreseen.

2. The transition to the new Strategic Plan has started. While ongoing programmes will be continued and finalised, IDI will steadily move from programmes to more long-term, regular and comprehensive work streams. Initiatives such as SAI PMF, SPMR and PESA will continue and feature under the well-governed and professional SAI work streams. IDI will be working across the four work streams and towards addressing gender equality in all new initiatives. Strategic partnerships with SAIs, INTOSAI regions and other relevant organisations will be key to implement all strategic priorities of IDI's Strategic Plan.

3. 2018 was a record year for IDI funding. The IDI Secretariat is confident that funding will increase also in 2019. New contracts with the Austrian Development Agency and Estonia have been signed. Agreements with DFID, SIDA and EC are planned to be signed. Discussions with other Development Partners are ongoing. OAGN has agreed to provide a time-bound secondeed in 2019. Overall, IDI's resourcing is positive, but funding needs to increase further to meet IDI's ambitions in the Strategic Plan.

Board members emphasised the need to make sure all funding is aligned to the Strategic Plan. They welcomed IDI's strategic shift to integrate gender and pointed to SAIs' and INTOSAI regions' increased interest in gender equality. The Board asked the IDI Secretariat to explore partnerships with researchers on relevant issues such as SAI independence. One Board member suggested to explore the possibility of preparing a short report on successes and positive impact of the IDI Strategic Plan 2014-18.

4. IDI PERFORMANCE AND ACCOUNTABILITY REPORT 2018

The DG presented highlights of IDI's Performance and Accountability Report (PAR) 2018. The Board congratulated IDI on it and appreciated in particular the synthesis on lessons learned.

The vast majority of targets were reached. However, several Global Public Goods (GPG) were delayed due to competing priorities. There is a need to find the right balance between high quality GPGs following the IDI protocol of Quality Assurance and timeliness. IDI will suggest changes to the protocol in the next Board meeting.

Board members welcomed the substantial amount of in-kind contributions and expressed the need to better quantify this. DG also raised the need to explore building more reserves for better financial sustainability.

Board members acknowledged successes with SAI PMF and the fact that more than 50 SAI PMF assessments were completed. SAI PMF is now owned by SAIs and INTOSAI. However, only 10 out of them have been published. There are various reasons for this. National contexts differ and sometimes results may even be misused and used against SAIs. Publishing only a summary of the assessment, may be one way of circumventing this. Ultimately, the Head of SAI has to take the decision.

Decision: The Board approved the PAR. It asked the IDI Secretariat to quantify in-kind contributions with the next PAR and to explore options to show SAI PMF success stories at INCOSAI 2019.

5. IDI FINANCIAL STATEMENT 2018

The financial statements were for the first time only produced in English, and with the support of IDI's outsourced accountants of Amesto Account House.

Ms. Maja Kirkevold, IDI's auditor from PWC, presented the results of the audit of the 2018 financial statements and confirmed that there were no uncorrected misstatements, that an unqualified opinion would be issued with no emphasis of matter, and that there were no items requiring a management letter. PWC sees the outsourcing of IDI's accounting function as positive because it strengthens segregation of duties. PWC also recommends continuing with the implementation of digital controls.

Decision: The Board approved the 2018 IDI Financial Statements and Notes.

6. PRESENTATION OF ONGOING/FUTURE IDI WORK UNDER WORK STREAMS

The Chair reminded the Board that the purpose of the presentations of ongoing/future IDI work under work streams in the March Board meetings was to raise awareness of IDI work and to seek input and advice from the Board.

INDEPENDENCE

The IDI Secretariat provided a brief summary of its work under the previous IDI Strategic Plan, including pilots in three SAIs, and of its work going forward under the new work stream on SAI Independence. IDI introduced the three components under the new work stream:

- A) Global Advocacy and Support, where IDI, among other things, identified the need for a knowledge function on SAI independence and more effective and timely responses to independence challenges.
- B) Targeted SAI level support, where IDI will include more stakeholders, manage expectations, and better understand the country contexts to develop adequate tools in support of SAI independence.
- C) Facilitate effective partnerships for the benefit of the cause, also looking beyond traditional partners such as INTOSAI organs and Development Partners. IDI is exploring a global partnership for SAI Independence using existing platforms to share knowledge, coordinate and increase responsiveness.

Board members shared their views and insights on the subject. They acknowledged that IDI was well-placed to deepen its engagement on SAI independence and that facilitating stakeholder engagement and engaging with Development Partners was key. The Board also welcomed the idea of a knowledge centre. Board members emphasised that SAIs and regional contexts differ. There is also a need for better coordination and information, as reform pressure from stakeholders can have unintended consequences for SAIs, e.g. a new civil service code can improve the overall integrity of the public service, but be so sweeping that it impinges on SAI independence.

AUDITING SDGs

The IDI Secretariat emphasised the origins of the initiative. IDI has so far supported 73 SAIs and 1 subnational office in conducting ISSAI based performance audits of national preparedness for implementing SDGs. The programme has focused on inclusion, innovation, ISSAIs, stakeholder engagement, partnerships (e.g. with INTOSAI and UN) and awareness raising. The programme has been integrated in the Relevant SAIs Work Stream as one of the components. IDI has also shifted focus from auditing preparedness to auditing implementation of SDGs. Future work in this area includes development of the IDI SDGs Audit Model, digital initiative, cooperative audits and facilitating audit impact.

IDI also explained, by showing an example, how auditing SDGs differs from other performance and compliance audits. This difference and SAI level strategic considerations will be covered. The SAI Auditing SDG Model takes account of this.

Board members emphasised the importance of IDI's work in this area as this is linked to one of the cross-cutting priorities of the INTOSAI Strategic Plan and suggested bringing this to the notice of those engaged with development of the SDP. The representative of the Austrian Board member informed that INTOSAI was directly invited to speak on this issue in the HLPF 2019. The Portuguese Board member invited IDI to a EUROSAI/AFROSAI seminar on SDGs planned in autumn 2019.

PREPARATIONS FOR STRATEGIC DIALOGUE DISCUSSIONS

The IDI Board prepared for the first Strategic Dialogue between the IDI Board and IDC on 28/3/2019. It had agreed that the Swedish Board member would co-chair the Dialogue on behalf of the Board.

The three agenda items for the Strategic Dialogue focused on SAI Independence, working with SAIs in challenging environments, incl. the Accelerated Peer-Support Partnership (PAP-APP) and the IDC Strategic Approach Paper.

Board members agreed that IDI's Strategic Plan should guide their input. They emphasised the need for Development Partners to stay committed to PAP-APP and step up support where necessary.

STRATEGIC DIALOGUE BETWEEN IDI BOARD AND INTOSAI-DONOR COOPERATION

Separate minutes.

7. PRESENTATION OF ONGOING/FUTURE IDI WORK UNDER WORK STREAMS

REFLECTIONS ON SAI YOUNG LEADERS (SYL) 2018-2019

IDI reflected on lessons learned during the first SYL programme that finished in late 2018. 20 young leaders from 16 SAIs have completed the programme. Following a competitive and merit-based process, IDI selected 20 females and 5 males for the programme. Out of these 19 females and one male successfully completed the programme. Several members of the IDI Board were personally involved in the programme. It received a substantial amount of in-kind and financial contributions from SAIs and other stakeholders.

Transformation of SYLs and SAIs, innovation, strong sense of community, focus on emotional intelligence and a large number of women leaders were some of the highlights of this first round.

Feedback from this first phase - including the need for strengthening mentoring, blended education, continuous learning, sustainability and for more SAI accountability with regards to SYL – will be addressed in the new phase SYL 2019-2020. SYL is now a regular feature under the professional SAIs work stream and leadership is a cross-cutting priority in the IDI Strategic Plan.

Board members were pleased with the programme and the interest from SAIs and SAI leaders around the world. They encouraged the creation of a global network of SYLs and tracking their career progression. They emphasised the need for Heads of SAIs to be committed and for IDI to maintain strong selection criteria to ensure quality of participants.

The DG and Board Member from SAI Jamaica informed the Board of the winner of the "Best Change Initiative Award". The representative of the Austrian Board member suggested creating awareness about this programme at INCOSAI and agreed to facilitate the process of officially handing out the award during INCOSAI. This was welcomed by Board members.

SAI PMF STRATEGY 2020-2022

As strategic governance lead for SAI PMF, the CBC Chair gave an introduction to the subject, followed by a presentation by IDI, the operational lead of SAI PMF.

The current SAI PMF Global Implementation Strategy 2017-19 will come to an end. Work on a new strategy has started. With 57 assessments completed and 10 published, 1200 persons trained, and assessments being used for other IDI initiatives such as SPMR, SAI PMF is already a successful tool. IDI reminded the Board about their role as ambassadors for SAI PMF.

The revised strategy will among other things emphasise the quality of assessments, encourage the publication of results, raise awareness on costs and benefits and anticipate a revision of the

framework. After consultations with stakeholders, a final strategy should be ready for IDI Board and CBC approval in June/July and endorsement at INCOSAI.

Board members highlighted that SAI PMF was one of the major achievements of the IDC and the need for continued engagement of donors. The Portuguese Board member pointed to differences of court model SAIs and promised to share lessons learned from their SAI PMF self-assessment with IDI. Board members agreed that publishing a summary of the SAI PMF assessments could be a good alternative in cases where a full report could not be published.

8. UPDATE OF THE IDI CORPORATE RISK REGISTER

The IDI Secretariat presented the six-monthly update of the corporate risk register for approval. There were no material changes. One new risk had been added, namely the developmental risk from competency-based certification. With IDI's move from participation to competency-based certification, new risks have emerged that could also bear risks for IDI's reputation. IDI confirmed to the Board that, since the last Board meeting, there had been no safeguarding issues which could have been considered as breaches to the safeguarding policy submitted to the Board for this meeting.

The Board also discussed possibilities to make the risk register more accessible for stakeholders.

Decision: The Board approved the risk register and accepted the proposed mitigation measures and residual risks. The Board decided that on a case by case basis, the corporate risk register can be shared with interested donors upon special request, but excluding sensitive information. Sensitive information may include the names of specific SAIs. A definition of what "sensitive information" means in the context of the IDI corporate risk register will be provided in the next Board meeting.

9. NEW IDI POLICIES

Safeguarding and Anti-Corruption Policy: The IDI Secretariat explained the origins of new policies. The policies emphasise a zero tolerance for abuse, harassment & bullying and corruption. Any potential gaps that were not covered in existing policies, are now addressed in the two policies.

Decision: The Board approved the new policies.

10. IDI PORTFOLIO REVIEW

The IDI Board agreed in its last meeting to undertake annual portfolio reviews in the March Board meetings. This enables the IDI Board to provide strategic level guidance on IDI's portfolio. The IDI Secretariat can use this feedback to inform operational planning, budgeting and funding decisions.

Ten dimensions were identified for the portfolio review. The Board was asked to provide input on six dimensions:

1. Resource allocations across IDI portfolio

Board members emphasised the principle that IDI's work and funding should be firmly rooted in its Strategic Plan. The Board discussed the projected increase in funding for bilateral cooperation. IDI clarified that this includes a broader role for IDI in South Sudan and Somalia, in addition to phase 2 of PAP-APP. IDI confirmed it did not include any new bilateral initiatives, and that any new bilateral cooperation would be subject to discussion and approval of the IDI Board.

Decision: The Board encourages a gradual increase in the funding for the SAI independence work stream.

2. Balance between global, regional and SAI-level support

Decision: The Board agreed that the focus of IDI's work should mainly be at global and regional level. However, there will be SAI level support and commitments for SAI-level support will be followed up.

3. Balance between being provider and enabler of support

Decision: The Board agreed that a clear distinction of this role was not always possible and that a detailed analysis did not add value. Instead, the Board recommended to look into IDI's role as broker of support and how it balances with being a provider.

4. Efforts to reach out to all SAIs

Some SAIs are underrepresented in IDI initiatives, such as SAIs from lusophone and Russian speaking countries. While it is not always clear why these SAIs do not participate in IDI initiatives, language can be seen as important barrier. The Portuguese Board member informed that it would organise a congress for lusophone SAIs in 2020.

Decision: IDI will explore, together with INTOSAI regions, how lusophone and Russian speaking SAIs can better participate in IDI initiatives, or how IDI can broker support for these SAIs.

5. Absorption capacity, readiness and coordination

Board members agreed that SAIs should be ready and committed to participate. This always needs confirmation of the Head of SAI.

Decision: Based on this confirmation, IDI will continue to gather information about the participation of SAIs in IDI programmes and other forms of support, and consider SAI absorption capacity and readiness when inviting and accepting SAIs to participate in its initiatives.

6. Initiatives with gender equality as main focus

Decision: Board members prefer gender mainstreaming across IDI's portfolio/IDI initiatives instead of having gender equality as main objective in IDI initiatives.

11. APPOINTMENT OF IDI AUDITOR

The IDI Secretariat informed the Board that 2019 financial statements would be the last under the current 3-year contract with pwc. It recommended a tender for a new contract to be finalised for the Board meeting in March 2020. To save resources, a tender with a 3+3 structure was suggested, where the Board can choose to re-appoint without a tender after the first three-year period.

Decision: The Board approved the proposal.

12. BOARD GOVERNANCE

Following the November 2018 Board meeting, one Board member suggested possible changes/areas for discussion related to the Governance structure of the IDI Board. The Chair also included additional issues for discussion in the Board meeting.

1. Decision making of the IDI Board

The Board considered changing the majorities for major Board decisions, including policy shifts.

Decision: The Board decided to retain the current practice. The Board argued that the small size of the Board and a general preference for seeking consensus through compromises instead of voting, would make any changes unnecessary.

2. Inclusion of a clause to regulate the creation of Board Committees

Decision: As the work of the IDI Board is getting more complex, additional Board Committees may be needed in the future. Hence, the need for regulating the creation and closing of Board Committees was confirmed. The IDI Secretariat will update the Rules of Procedure.

3. Observers at Board meetings

The current Rules of Procedures allow for the invitation of observers but not for permanent observers. Board members' views differed on whether to allow observers, under what protocol they would be allowed, and on the invitation policy for observers.

Decision: The Board asked the IDI Secretariat to produce a discussion note on this issue to allow the Board to take an informed decision in the next Board meeting.

4. Assessment of Board members' participation

The Rules of Procedure do not include procedures for assessing Board members' participation and performance before offering a second term.

Decision: The Nomination and Remuneration Committee will produce a note for consideration by the Board at the next Board meeting. This will take into account that some positions are nominated by institutions (INTOSAI and OAGN members).

5. Board's post meeting self-assessments

Decision: In addition to the Performance Appraisal of the Board Meetings in March meetings, the Board will have a short post-meeting self-assessment after each meeting starting with the next Board meeting.

6. Interpretation of potential conflicts of interest

The Board may not have a common interpretation of articles 32 and 33 of the Rules of Procedure pertaining to potential conflicts of interest.

Decision: The Board asked the IDI Secretariat to prepare a discussion note that would help the Board to interpret articles 32 and 33 and take a decision in the November Board meeting.

7. Letter of interest to become IDI Board member

The IDI Chair shared a letter from a SAI expressing their interest in becoming an IDI Board member. The Board discussed the procedures for dealing with such requests.

Decision: The IDI Board will send a letter to the SAI, pointing to procedures for Board member nominations and appointments, and noting that at present there are no vacancies on the IDI Board.

13. PERFORMANCE APPRAISAL OF IDI BOARD

The Board continued its practice of undertaking an annual review of its own performance, through a roundtable discussion of observations on performance and areas to improve Board effectiveness.

Overall the Board expressed its satisfaction with its own performance and noted that the Board meetings were open, frank, collegial, active and at the appropriate strategic level. Board views are usually taken into consideration and recommendations acted upon by the IDI Secretariat. The Board also thanked the IDI Secretariat for the summary of Board documents.

Some Board members reemphasised the need of having a clear approach to observers.

14. ANY OTHER BUSINESS & DATE OF NEXT MEETING

The DG provided additional information on an issue addressed in the first Strategic Dialogue on 28 March 2019 related to the release of SAI level data from the Global Survey. The Global Survey included a confidentiality clause to ensure a high response rate and objective responses, which IDI was obliged to respect. IDI had offered to contact responding SAIs to ask them whether they were willing to release the data.

For the November meeting, the Board agreed on a one-day meeting during week 47 or 48, with a preference for week 48. The reason for a late November meeting is the date of the INCOSAI congress.

Kristin Amundsen will be seconded to the UNDP, Organisation of Audit and Investigations, New York, from 1. September - 29. February 2020.

15. CLOSING

The Chair formally closed the meeting.



Per-Kristian Foss



Åse Kristin Berglihn
Hensen



Kristin Amundsen



Pamela Monroe Ellis



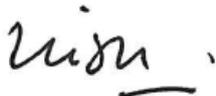
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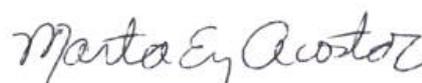
Lara Taylor-Pearce



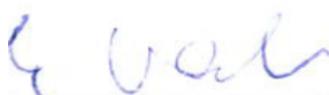
Helena Lindberg



Vitor Manuel Silva Caldeira



Marta Eugenia Acosta Zúñiga



Margit Kraker