

The Value and Benefits of Supreme Audit Institutions as enablers of Good Governance and Development

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Importance of SAIs

- Fostering trust in governments and good governance by:
- Strengthening external financial control
- Ensuring government accountability
- Serving as reform agents
- Improving transparency
- Strengthening state-society relations and legitimacy
- Contributing to development
- In-country systems for managing fiduciary and developmental effectiveness risks

SAls- The present context

66th U N General Assembly **Resolution**

“Promoting the efficiency, accountability, effectiveness and transparency of public administration by strengthening supreme audit institutions”.

22 December 2011



Challenges for SAIs

- Independence: Legislation and Practice
 - Mandates
 - Resourcing
 - Appointments and removals
- Effective leadership
- Capacity
- Operating Environment/ Political economy situation

International Organisation of Supreme Audit Institutions (INTOSAI)

- Autonomous, independent, non-governmental and non-political organisation.
- Special consultative status with the Economic and Social Council (ECOSOC) of the United Nations.
- Founded in 1953: 34 SAIs met for the 1st INTOSAI Congress (INCOSAI) in Cuba.
- XXI INCOSAI in Beijing, China, 2013
- 192 Full Members and 4 Associated Members.

www.intosai.org

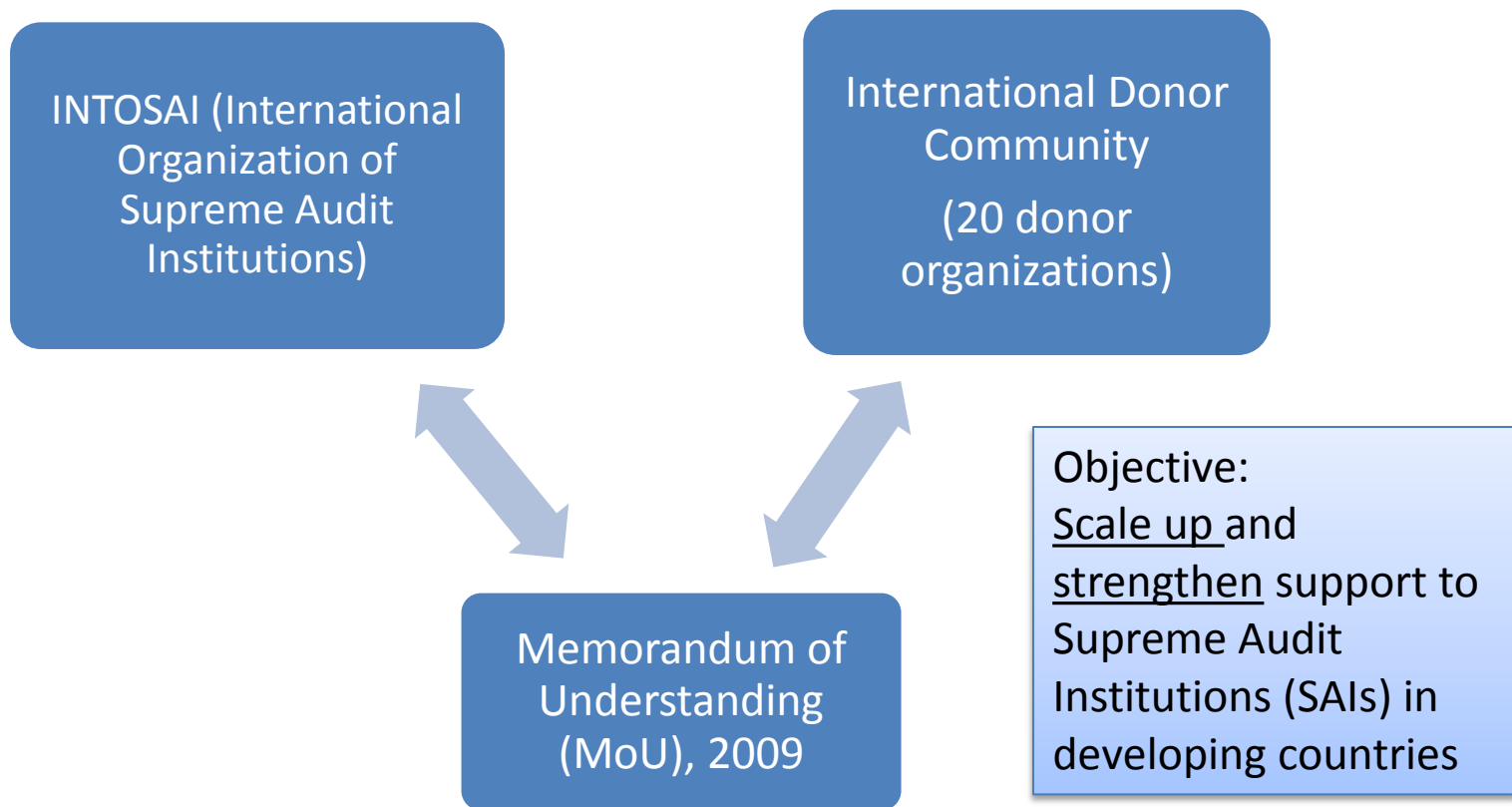
INTOSAI Regions



Presentation Plan

- Supreme Audit Institutions (SAIs)
- International Organisation of Supreme Audit Institutions (INTOSAI)
- INTOSAI-Donor Cooperation
- INTOSAI Development Initiative
- Possible areas of Cooperation

INTOSAI-Donor Cooperation



INTOSAI African Development Bank Asian Development Bank Australia Austria Belgium Canada European Commission France GAVI Global Fund Inter American Development Bank International Monetary Fund Ireland Islamic Development Bank Netherlands Norway Sweden Switzerland United Kingdom United States of America World Bank

Why have an INTOSAI – Donor cooperation?

Unclear Global Picture

- Resource gap?
- Effective Support?
- Independence of SAIs?
- Quality and coverage of SAI's audit work?
- SAI's contribution to accountability, transparency, governance and sound utilization of public funds?

Weak Resource Allocation

- Little support for some SAIs and Regions
- Overlapping support projects for others
- Support sometimes driven by donor priorities, not SAI priorities

Poor Coordination at Country Level

- INTOSAI and Donor communities operated in isolation
- Uncoordinated projects on same tasks
- Same challenge but different solutions from different projects
- Different SAIs and consultancy firms competing to deliver support
- Piecemeal support rather than long term partnerships

The INTOSAI-Donor Cooperation

Objectives of the Memorandum of Understanding (MoU)

- Strategic cooperation between donors and the SAI community to strengthen SAI capacity in developing countries
- Donors to mobilize additional funding for SAI capacity development, through a variety of funding mechanisms
- Consistent with aid effectiveness principles agreed in the **Paris Declaration** and **Accra Agenda for Action**
- A Global Peer Partnership approach to development, consistent with the **Busan Global Partnership for Effective Development Cooperation**

INTOSAI-Donor Cooperation- Update on Key Efforts

1

- **Establishment (2008–2010):**
- MoU and governance structure

2

- **Laying the Foundation (2010–2011):**
- Global stocktaking of SAI development needs
- Matching identified global and regional needs with donor financing

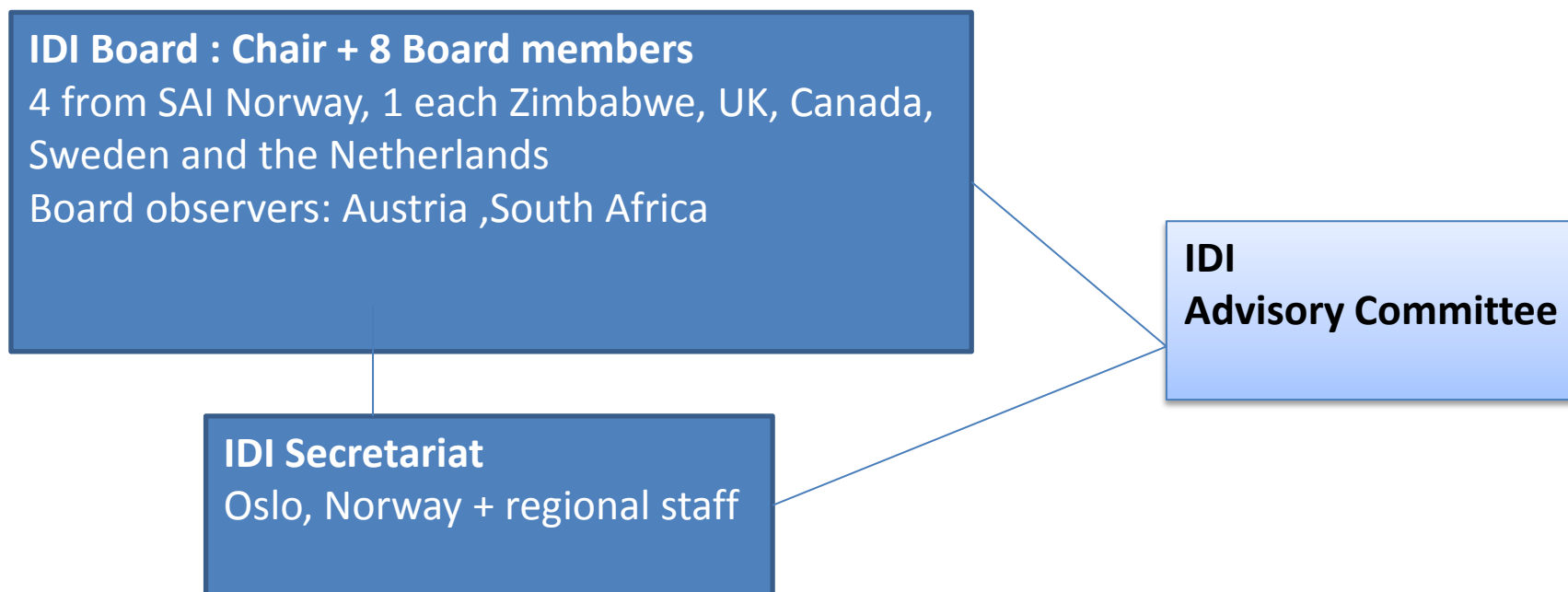
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- **Implementation and Expansion (2011–):**
- Global Call for Proposals and pooled Fund
- Knowledge centre and research
- Database on SAI Capacity Development Support
- Performance Measurement Framework for SAIs

INTOSAI Development Initiative(IDI)

- Established in 1986, hosted by SAI Canada
- Hosted by SAI, Norway since 2001

Governance



IDI Mandate

The IDI is an INTOSAI body that supports Supreme Audit Institutions in developing countries, in their efforts to sustainably enhance performance, independence and professionalism.

**The IDI provides support to SAIs by facilitating
Implementation of international standards, including the ISSAIs
Development of institutional, organisational and professional staff capacities**

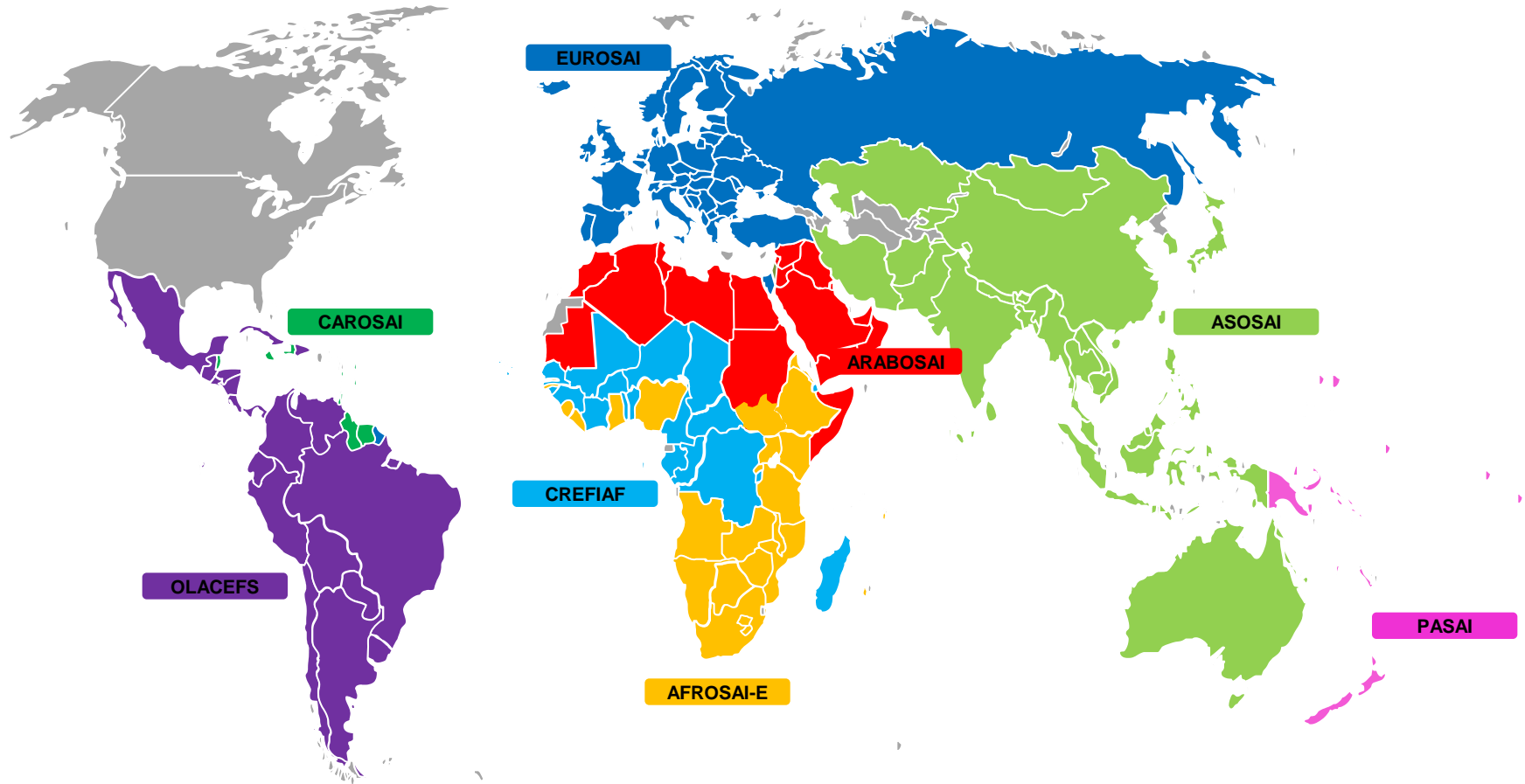
**Knowledge sharing and implementation of good practices
Scaled up and more effective support to SAIs through partnerships with stakeholders**

Using a client centred approach the IDI facilitates SAI development initiatives at global, regional, sub regional and SAI level; including limited bilateral support on a needs basis. The IDI may also provide capacity development support for developed country SAIs on cost recovery basis.

INTOSAI Committees and Working Groups

- Professional Standards Committee
- Capacity Building Committee
- Committee on Knowledge Sharing and Knowledge Services
- Finance and Administration Committee
- Steering Committee on INTOSAI-Donor Cooperation

Geographical outreach IDI- Programmes and INTOSAI Donor Cooperation 2013



153
SAIs



119
SAIs in
developing
countries



38
SAIs in
fragile
states



802
participants



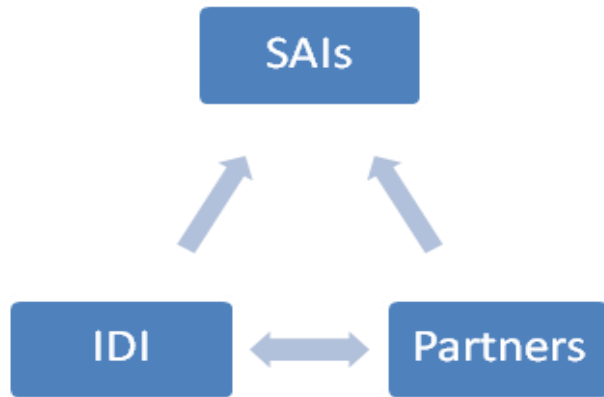
44%
Female
participants



93
Experts
Mentors
Facilitators

IDI Service Delivery Model

Partnership Model



Sources of funds and resources

- INTOSAI Membership Fees
- SAI in-kind support
- INTOSAI Regions in-kind support
- Donor basket and earmarked funding
- Direct Parliamentary Contributions
- Provision of cost recovery services

IDI Approach

Global, regional, sub regional
Bilateral Support
Support on cost recovery basis

Core Principles

- Responsive to SAI needs
- Facilitate capacity development
- Empower beneficiary SAIs
- Build partnerships
- Hold ourselves accountable

SAI Capacity Development Framework

**SAI Institutional
Capacity**

**Independence & Legal
Framework**

**SAI Culture &
Environment**

**SAI Organisational Systems
& Professional Staff
Capacity**

**Leadership & Internal
Governance**

**SAI Core Processes
AUDIT & OTHER Processes**



**Human
Resources**

**Support
Structures &**

**External Stakeholder
Relations**



**VALUE & BENEFITS OF
SAIs**

1. Contributing to strengthening the accountability, transparency and integrity of government and public sector entities.
2. Demonstrating ongoing relevance to citizens and other stakeholders
3. Leading by example

IDI Capacity Development Programmes

Current Portfolio

- Development & Implementation of SAI Strategic Plans
- Support for Implementing International Standards (ISSAIs)
- Support INTOSAI Capacity Building Committee
- Management Development Programme
- Certification Programmes e.g. Training Specialists, ISSAI Facilitators,
- Specialised Audits - Public Debt, IT Audit, Forestry, Agriculture & Food Security
- Cooperative/ Pilot Audits

Future Focus Areas

- Accreditation Programme for Public Sector Audit Professional
- IDI e-learning & community Portal
- Engaging with Civil Society
- SAI Leaders Programme
- Bilateral Support Programme for SAIs in Fragile States
- SAIs fighting fraud and corruption
- Specialised audits – Extractive Industries, procurement, disaster related aid, revenue, gender based audits

Areas of Possible Cooperation

- Observer to I-DC and participate in I-DC programmes
 - training on working with SAIs and SAI PMF
- Using the IDI as a knowledge and expert centre on SAI capacity development
- Working together and drawing on each others resources in SAI strengthening initiatives
 - SAI-stakeholder relations

Thank you