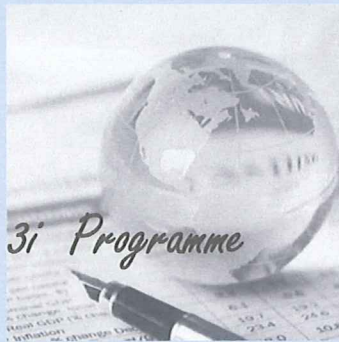




## ISSAI IMPLEMENTATION INITIATIVE – 3i Programme



### Cooperation Agreement



## BACKGROUND

The 20<sup>th</sup> INTOSAI Congress adopted a comprehensive set of International Standards of Supreme Audit Institutions (ISSAIs) that covers the core audit disciplines of financial, compliance and performance audits. The adoption of the ISSAIs represents a milestone in the strengthening of the global public sector audit profession, and will serve as a key tool for securing greater uniformity in the way public sector auditing is conducted. This will in turn contribute to improving audit quality; facilitate benchmarking of current practices against internationally recognized best practices, and for ensuring increased credibility of SAI audit reports.

For the ISSAIs to fulfil their potential they need to be applied globally by the SAI community. Most SAIs will face challenges in the successful implementation of the voluminous ISSAI framework. The ISSAIs are frequently technical and complex, and may represent challenges in terms of for instance changing audit approaches, securing coherence between national manuals and standards and the ISSAIs, and in building staff capacity to ensure successful implementation. They pose a particular challenge for the numerous SAIs in developing countries. The vast majority of INTOSAI members, 144 out of 189 SAIs, are located in developing countries, many of which face considerable resource, capacity and skills constraints.

INTOSAI's Strategic Plan envisages "the role of the IDI will be to take forward the implementation of the ISSAIs". Moreover the SAIs themselves have also expressed a need to become more professional in their work, as reflected in the 2010 INTOSAI-Donor Stocktaking Report. The INTOSAI Regional Secretariats have also emphasized the need to strengthen the quality of audit work in their regions.

The IDI has initiated support for implementation of ISSAIs with a comprehensive capacity building programme called the ISSAI Implementation Initiative or 3i Programme. The programme design and scope has changed substantially following detailed communications with key stakeholders and lessons learned during 2012. The main changes in the programme design include

1. Broadening of the programme scope to include level 4 ISSAIs on Compliance audit and Level 2 ISSAIs.
2. The rollout from 2012 to 2014 will be the first phase of the programme. This will be followed by other support activities in the long term.
3. The first phase will also be rolled out in Arabic, French and Spanish. These rollouts will be subject to availability of funding.

The rollout of first phase of the programme has been initiated in the English speaking regions in 2012. This agreement between the IDI and EUROSAI refers to the rollout of the first phase of the 3i Programme for the year 2013 and 2014.





## PROGRAMME DESCRIPTION

### Objectives for the 3i Programme – Phase I

The first phase of the 3i Programme covers level 2 ISSAIs and level 4 ISSAIs in financial, performance and compliance audit and aims to

1. Assist SAIs in identifying implementation needs
2. Create of capacity for implementation of level 2 and level 4 ISSAIs in financial, performance and compliance audit through global public goods and ISSAI facilitators at global, regional and SAI level.
3. Facilitate startup of SAI level implementation by providing support for assessing implementation needs at SAI level to develop ISSAI Implementation strategies, ISSAI based cooperative audits and other startup activities that SAIs may undertake based on their strategy.
4. Create an active knowledge community through a web based knowledge forum for wider outreach

### Strategy for 3i Programme implementation

These objectives of Phase 1 of the 3i Programme will be achieved through a results framework that consists of five elements at the global, regional and SAI level. While the same results framework will be used for all INTOSAI regions, the scope and programme activities may vary depending on the needs of the region.



**1. Development of Global Public Goods** – The 3i programme will develop a set of global public goods i.e. ISSAI Compliance Assessment Tools (iCATs) for Financial, Performance and Compliance Audit and audit template manuals and model audit files for the three audit streams.

**2. ISSAI Certification Programmes** – Three ISSAI Certifications Programmes will be available in Financial, Performance and Compliance audit. Each programme will consist of three components i) E-learning Course on iCATs ii) E-learning Course on Audit Template Manuals and Model Audit Files and iii)



Facilitation Skills Workshop. SAIs will be requested to nominate participants to the programme on the basis of eligibility criteria. The nominated participants will be required to go through a selection process. All selected participants that successfully complete all three programme components will be certified as ISSAI facilitators by the IDI and PSC. They will be the pool of resource persons and champions for ISSAI Implementation in their SAIs, regions and at international level.

3. **ISSAI Knowledge Network/Community of Practice** – The pool of ISSAI facilitators created across the regions will form the basis of the ISSAI knowledge network and community of practice. A web based knowledge forum will be created to consolidate this pool and widen the network to include other SAI professionals, experts and stakeholders. The web based knowledge forum will also provide for outreach for global public goods and other products developed through the programme.
4. **ISSAI Based Cooperative Audits** – SAIs that are ready to take up ISSAI based cooperative audits will be grouped together as per audit topics and methodology of common interest. It is envisaged that these ISSAI based cooperative audits will provide SAIs an opportunity to pilot test the audit manual and start ISSAI implementation at the individual audit level.
5. **SAI Level ISSAI implementation startup** – Every participating SAI will be encouraged to use the iCATs and develop ISSAI implementation strategies based on their needs. 3i Management workshops held in each region will create ISSAI awareness and obtain SAI commitments for ISSAI implementation. During the first phase of the programme support can be provided for some of the startup activities identified in the ISSAI implementation strategies of some of the SAIs.

The write up below details the results framework in terms of the activities for the English speaking regions

### **3i Programme Rollout in English Speaking Regions ( AFROSAI-E, ASOSAI, CAROSAI, EUROSAI, PASAI)**

As a part of the 3i programme rollout in English speaking regions, a global team of ISSAI experts and mentors developed a set of three ISSAI Compliance Assessment Tools (iCATs) for financial, performance and compliance audit. About 87 SAIs in the five English speaking regions were invited to participate in the three ISSAI Certification programmes on financial, performance and compliance audit. After a nomination and selection process 261 participants from 67 SAIs have been selected for the three courses. Of these, 250 participants have successfully completed the 6 weeks e-learning courses on iCATs. In the meanwhile three regional management workshops have been held in CAROSAI, AFROSAI-E and PASAI to create ISSAI awareness, workshop the iCATs to SAI top management and obtain commitment from the participants SAIs to conduct needs assessment for implementation by using iCATs. The 3i



Management workshops were attended by 30 SAIs in three regions. All the SAIs participating in the workshops have given signed commitments to use iCATs and conduct needs assessments.

Continuing with implementation activities in 2013 the next set of global guidance will be developed in terms of audit manuals and model audit files, the next two phases of the ISSAI certification programme i.e. the e-course on audit manuals and facilitation skills workshops will be delivered to about 261 participants, cooperative audits will be taken up by groups of SAIs and we hope to have the iCATs conducted and the ISSAI Implementation Strategies developed by participating SAIs in the five regions. In 2013, the INCOSAI will also adopt the new set of Level 3 ISSAIs. A review meeting will be held to incorporate these ISSAIs in the existing guidance.

A web based knowledge forum will be developed to consolidate, support and expand the knowledge network created through the ISSAI certification programme.

### **Expected Intermediate Outcomes**

- Use of Global Public Goods –At least 60% of the participating SAIs to use the global public goods created as a part of the programme.
- Utilization of ISSAI facilitators - It is envisaged that the programme rollout in the English speaking regions will create at least 180 facilitators. At least 70% of the certified ISSAI facilitators to be engaged in supporting ISSAI implementation at the SAI, regional or international level.
- Active participation in the knowledge forum – At least 75% of the participating SAIs to actively use the forum. It is also envisaged that the knowledge forum would enable greater outreach of the programme resources and that other SAIs in the INTOSAI community actively participate in the knowledge forum.
- It is envisaged that at least 50% of the participating SAIs will start ISSAI implementation as per their ISSAI implementation strategies
- At least 75% of the SAIs that participate in the cooperative ISSAI based audits, publish their audit reports.

### **Activities planned for 2013: English Speaking Regions (AFROSAI-E, ASOSAI, CAROSAI, EUROSAI, PASAI)**

Year 2012 of the programme focused on partnering with INTOSAI bodies, region & sub regions and other professional bodies; developing iCATs, developing and delivering e-course on iCATs and obtaining





commitments for using iCATs. In 2013 ISSAI certification programme 2<sup>nd</sup> and 3<sup>rd</sup> part will be conducted. Following are the detailed programme activities that are planned for 2013:

No.	Programmes in 2013	Date, Duration	Comments
1.	3i Management Workshop – EUROSAI	February 2013, 3 days	13 eligible SAIs
2.	3i Management Workshop – ASOSAI	March 2013, 3 days	20 eligible SAIs
3.	3i Product Development Meeting II / III	TBD 3 weeks	Global teams will develop ISSAI Implementation Handbooks consisting of guidance on developing ISSAI Implementation Strategies, setting up ISSAI based audit practices in the SAI and model audit files for Financial, Compliance and Performance audit and the e-course material for the three audit areas.
4.	3i Design Meeting for Facilitation Skills Workshop	April 2013, 1 week	Course material for one Facilitation Skills Workshop for ISSAI facilitators
6.	3i E-course on ISSAI Implementation Handbooks	August–September 2013.	Second part of the ISSAI Certification Programme. Will be delivered to the same set of participants that successfully complete the first e-course on iCATs
8.	3i Facilitation Skills Workshop – ASOSAI&EUROSAI	October 2013, 2 weeks	Third part of the ISSAI Certification Programme. All participants who successfully completed the FSW will be deemed to have successfully completed the ISSAI Certification Programmes and will be awarded diplomas as “ISSAI Facilitators” by INTOSAI PSC and the IDI.



			Two consecutive 1 week workshops will be conducted for the two regions. About 80 participants are expected to attend.
9.	3i Facilitation Skills Workshop - AFROSAI-E	November 2013, 2 weeks	Two consecutive 1 week workshops will be arranged to cover about 80 participants.
10.	3i Review Meeting for iCATs	December 2013, 2 weeks	Mentors and Experts will be invited to review the iCAT version 1, to include the new level 3 ISSAIs adopted at INCOSAI 2013.
11.	3i Community Portal	March 2013	Community Portal to provide for interaction, support and outreach

#### Envisaged Activities for 2014

1. **Translations of ISSAI Certification Programme Products** – Global public goods and other material will be translated into Arabic, French and Spanish.
2. **ISSAI Implementation Strategies** –SAIs that have used iCATs as per their commitment in the 3i Management Workshops will be expected to develop ISSAI Implementation Strategies on the basis of their assessed implementation needs.
3. **ISSAI Based Cooperative Audits** – Based on the level of readiness and willingness, SAIs will be grouped together for supporting ISSAI based cooperative audits.
4. **Support for startup implementation activities at SAI level** – Support will also be provided for startup implementation activities at SAI level. This support will depend on the ISSAI Implementation Strategy of the SAI.



**5. 3i Programme evaluation** –This programme is planned to be evaluated by external reviewers as a part of the IDI's evaluation.

#### **ROLES & RESPONSIBILITIES**

Roles and responsibilities of the IDI and EUROSAI for the 3i Programme Phase I are described in **Annexe 1.**

**As partners of the ISSAI Implementation Initiative – 3i Programme we agree to fulfil our roles and responsibilities to the best of our ability to ensure that all programme activities are carried out successfully and the programme outputs and outcomes are achieved.**

**Date: 4<sup>th</sup> April 2013**

**1. SAI Spain, Secretary General, EUROSAI**

**2. INTOSAI Development Initiative (IDI)**





## Annexe 1

### Roles & Responsibilities Document

Partner	Role & Responsibilities
EUROSAI	<ul style="list-style-type: none"> <li>• Cooperate with IDI to identify and secure ISSAI mentors for ISSAI Certification Programmes in 2013.</li> <li>• Cooperate to secure EUROSAI expertise for various programme activities in 2013 and 2014.</li> <li>• Partner to provide support to SAIs during cooperative audits and SAI level start up activities.</li> <li>• Consider under EUROSAI's Financial Rules and on the basis of a costed proposal from IDI, whether participation in the programme by eligible EUROSAI members' can be supported, in full or in part, through a financial contribution from the EUROSAI budget.</li> </ul>
INTOSAI Development Initiative	<ul style="list-style-type: none"> <li>• Certification of ISSAI facilitators along with PSC</li> <li>• Plan and manage ISSAI Implementation Initiative – 3i Programme with partners</li> <li>• Secure human resources for all programme activities</li> <li>• Secure funding through various sources</li> <li>• Knowledge Sharing on ISSAI Implementation</li> <li>• Programme material available for EUROSAI members</li> <li>• Monitoring &amp; Evaluation of 3i Programme</li> <li>• Report on the programme to INTOSAI Bodies, Regional Bodies and donors</li> </ul>