

EUROSAI REPORT
70th GOVERNING BOARD MEETING OF INTOSAI
Graz, Austria, November 6-7, 2017
(agenda item 11.e)

The present report analyses EUROSAI recent strategic developments and the Organisation's needs and expectations towards INTOSAI, addressing in particular the contribution to the implementation of INTOSAI's strategic goals and cross-cutting priorities. It covers the period since the last INTOSAI Governing Board, offering also an overview of the contribution of the first EUROSAI Strategic Plan to INTOSAI's goals.

In this regard, it must be highlighted that since the last INTOSAI GB meeting held in Abu Dhabi, EUROSAI has faced the transition between its first and second strategic plan. This transition has been accompanied by changes in EUROSAI's structure and governance arrangements, in line with the guiding principles contained in the new strategic plan.

1. The EUROSAI Strategic Plan 2011-2017 and its contribution to the implementation of the INTOSAI strategic goals

The first EUROSAI Strategic Plan (ESP) covered the period 2011-2017 and its activities were largely accomplished through a strong inclusive approach. Over a period of six years the four Goal Teams created to implement this Strategic Plan worked hard to achieve its four strategic goals: capacity building, professional standards, knowledge sharing and governance and communication. The Working Groups and Task Forces also played a key role and at the end of the strategic period, in May 2017, the following achievements deriving from EUROSAI's first Strategic Plan were visible:

- ✓ Useful outputs were produced (such as the databases of audits, products and training events, the publications on Innovation, capacity building success stories and ethical issues, among others) and relevant outcomes achieved (e.g. the self-assessment of the governance and modus operandi of EUROSAI or the review of its communication tools).
- ✓ In addition, intensive discussion and exchange of experiences were fostered through the high number of training seminars and conferences held, as well as

during the numerous cooperative audits, mostly conducted under the initiative of the Working Groups and Task Forces.

- ✓ The cooperation with INTOSAI was strengthened during this strategic period, in particular with the INTOSAI Capacity Building Committee, INTOSAI Professional Standards Committee, the IDI and the INTOSAI Donor Steering Committee¹. Moreover, there was an increase in requests from INTOSAI to EUROSAI to present a regional position or provide regional input on new policies or developing issues.
- ✓ The Governing Board also reviewed the role of the EUROSAI representatives in the INTOSAI Governing Board and agreed on the need for good coordination, in advance of and in follow-up to the INTOSAI GB meetings.
- ✓ Cooperation with INTOSAI Regional Organizations was reinforced through Joint Conferences with OLACEFS, ARABOSAI and ASOSAI and the signing of a MoU with AFROSAI.
- ✓ Another important focus of this strategic period was the further professionalization of the audit function and the work of the SAIs. In this regard, the promotion of the International Standards for Supreme Audit Institutions (ISSAIs) and the INTOSAI Guidance for Good Governance (INTOSAI GOVs) was of key importance.

The great achievement of the first EUROSAI Strategic Plan was its inclusiveness, in terms of the high rate of members' involvement in EUROSAI activities. In fact, the majority of them actively contributed to the implementation of the ESP, in one way or another.

2. The EUROSAI Strategic Plan 2017-2023.

2.1. Introduction.

The X EUROSAI Congress adopted in May 2017, in Istanbul, the [Strategic Plan 2017-2023](#). The document highlights the diversity of the region as well as the variety of models and mandates of its members and, at the same time, the fast-changing working environment in which SAIs operate. It also explains its alignment with INTOSAI's Strategic Plan, when it states in the preamble that *As one of the Regional Organisations of INTOSAI, EUROSAI voices the needs, views and experiences of European SAIs within INTOSAI, orientating its strategy as far*

¹ For more detailed information, see annex 1.

as practical towards INTOSAI's goals, objectives and priorities, while focusing on the specific needs of its members at a European level.

Regarding its content, the Strategic Plan 2017-2023 outlines the mission, the vision and the values that will underlie EUROSAI over this strategic period. It provides a brief description and elaboration of the two strategic goals for the new strategic period, though it doesn't define crosscutting priorities for achieving its goals, as the INTOSAI strategic plan does. Finally, it describes, in a separate chapter, the guiding principles and the envisaged enhancements of the governance and modus operandi of EUROSAI.

The two strategic goals and related objectives of the current EUROSAI Strategic Plan are the following:

1. **Strategic Goal 1:** Supporting effective, innovative and relevant audits by promoting and brokering **professional co-operation**:
 - 1.1 To promote audit-related cooperation by acting as a broker between members.
 - 1.2 To support the development of innovative audit approaches and methods making use of new technologies.
 - 1.3 To facilitate the sharing of knowledge and experience within EUROSAI and with external stakeholders and partners.
2. **Strategic Goal 2:** Helping SAIs deal with new opportunities and challenges by supporting and facilitating their **institutional capacity development**:
 - 2.1 To facilitate and support needs- driven institutional capacity development initiatives.
 - 2.2 To promote and encourage institutional development through self-assessments, peer reviews and other evaluations.
 - 2.3 To promote and facilitate the implementation of INTOSAI's Framework of Professional Pronouncements (IFPP) and contribute to its future development.
 - 2.4 To follow and contribute to the development of INTOSAI initiatives and products for the professionalization of auditors.
 - 2.5 To voice EUROSAI members' common institutional interests within the wider INTOSAI community.

If we compare these goals with those included in the first ESP we observe that:

- The former Strategic Goal 2 "Professional Standards", aimed at promoting and facilitating the implementation of the ISSAIs and contributing to their further development, is no longer defined as a strategic goal in the current plan, though it is included under objective 2.3.

- The previous Goal 4 "Governance and Communication", aimed at managing EUROSAI in accordance with the principles of good governance and effective communication, is not defined as a strategic goal either. Instead, guiding principles for EUROSAI's Governance and Modus Operandi and key governance enhancements have been outlined in the ESP and the functions performed within the former Goal 4 are now addressed by a Coordination team (a small team within the Governing Board that coordinates and monitors on a regular basis the execution of the EUROSAI Operational Plan) and by individual GB members who are in charge of five governance portfolios (overall governance and culture; communications; relations with non-SAI stakeholders; relations with other INTOSAI regional organisations; and forward thinking and emerging issues).

EUROSAI is currently in the initial stages of the development of its Strategic Plan 2017-2018, working on the drafting of the Operational Plan so that it can be approved at the next EUROSAI GB meeting, in March 2018. To that end, the Coordination Team met in Turkey in September and the co-leaders of Goals 1 & 2 are working closely with other EUROSAI members in order to define the content of the specific projects and activities within each goal (for instance, the first kick-off meeting of EUROSAI Strategic Goal 1 is planned for November, in Potsdam, Germany).

For this reason, the information contained in this report to the INTOSAI Governing Board cannot be offered in great detail, as the definition of activities is a currently ongoing process.

2.2. EUROSAI's contribution to the implementation of the INTOSAI Strategic Plan and cross-cutting priorities

The existing interconnections between the EUROSAI Strategic Plan and the strategic goals and crosscutting priorities of INTOSAI's Strategic Plan are described in the following table:

INTOSAI Strategic Plan	EUROSAI's contribution the implementation of the INTOSAI Strategic Plan and cross-cutting priorities
Goal 1. Professional Standards	<p>EUROSAI Strategic Goal 2:</p> <p><i>Obj. 2.3. To promote and facilitate the implementation of INTOSAI's Framework of Professional Pronouncements (IFPP) and contribute to its future development</i></p>
Goal 2. Capacity Development	<p>EUROSAI Strategic Goal 2 <i>Institutional capacity development.</i></p>
Goal 3. Knowledge sharing and knowledge services	<p>EUROSAI Strategic Goal 1 <i>Professional cooperation.</i></p>
Goal 4. Maximise the Value of INTOSAI as an International Organisation	<p>Regarding INTOSAI's <i>objective 4.3. Sustain and further develop the efforts of the INTOSAI Donor Cooperation</i>, EUROSAI has <i>objective 2.1. To facilitate and support needs-driven institutional capacity development initiatives.</i></p> <p>Moreover, EUROSAI Secretariat is a member of the INTOSAI Donors-Cooperation Steering Committee</p>
Crosscutting Priority 1. Advocating for and supporting the independence of SAIs	<p>EUROSAI Strategic Goal 2:</p> <p><i>Obj. 2.1. To facilitate and support needs-driven institutional capacity development initiatives.</i></p> <p>Capacity development initiatives focus both on audit skills, as well as on institutional themes such as independence.</p>
Crosscutting Priority 2. Contributing to the follow-up and review of the SDGs within the context of each	<p>EUROSAI Strategic Goal 1:</p> <p><i>Obj. 1.2. To support the development of innovative audit approaches and methods making use of new</i></p>

INTOSAI Strategic Plan	EUROSAI's contribution the implementation of the INTOSAI Strategic Plan and cross-cutting priorities
<p>nation's specific sustainable development efforts and SAI's individual mandates</p>	<p><i>technologies.</i></p> <p>i.e. new "state of the art" approaches have been developed by members and shared with the EUROSAI community, e.g. using data analytics, or auditing complex crosscutting issues and the implementation of the SDGs.</p> <p>Example: In this regard a coordinated audit on SDGs (MoU SAI Portugal and AFROSAI) will be organised (to be discussed at the November meeting of SG1 team)</p>
<p>Crosscutting Priority 3. Ensuring effective development and coordination among standards-setting, capacity development, and knowledge sharing to support SAIs and improve their performance and effectiveness</p>	<p>EUROSAI Strategic Goal 2:</p> <p><i>Obj. 2.3. To promote and facilitate the implementation of INTOSAI's Framework of Professional Pronouncements (IFPP) and contribute to its future development.</i></p> <p><i>Obj. 2.4. To follow and contribute to the development of INTOSAI initiatives and products for the professionalization of auditors.</i></p> <p>Moreover, we can highlight the following key factors in the scope of this crosscutting priority:</p> <ul style="list-style-type: none"> ✓ EUROSAI's link in the PSC (SAI of Sweden). ✓ EUROSAI representation in the CBC and Regional Capacity Development Forum. ✓ Liason with IDI and Donors Cooperation.
<p>Crosscutting Priority 4. Creating a strategic and agile INTOSAI that is alert to and capable of responding to emerging international opportunities and risks</p>	<p>EUROSAI Strategic Goal 2:</p> <p><i>Obj. 2.5. To voice EUROSAI members' common institutional interests within the wider INTOSAI community.</i></p> <p>Also:</p> <ul style="list-style-type: none"> ✓ EUROSAI Secretariat is a member of the INTOSAI's Supervisory Committee on Emerging Issues ✓ The SAI of Finland, as GB member, is responsible

INTOSAI Strategic Plan	EUROSAI's contribution the implementation of the INTOSAI Strategic Plan and cross-cutting priorities
	for a Portfolio on emerging issues.
<p>Crosscutting Priority 5. Building upon, leveraging, and facilitating cooperation and professionalism among the regional organizations of INTOSAI</p>	<p>EUROSAI Strategic Goal 1:</p> <p><i>Obj. 1.3. To facilitate the sharing of knowledge and experience within EUROSAI and with external stakeholders and partners.</i></p> <p>Examples of INTOSAI's Regional Organizations working together:</p> <ul style="list-style-type: none"> • partnership in conducting cross-regional training seminars (guests from other regions might be invited to the EUROSAI training events and the EUROSAI training database might be better promoted within INTOSAI) • sharing of audit products and related tools (the EUROSAI databases and existing products should be better promoted within INTOSAI) • cooperative audits among SAIs interconnects (SG1 EUROSAI should liaise with CBC Sub-Committee on Coordinated audits) • EUROSAI bilateral cooperation with OLACEFs, ARABOSAI and ASOSAI carried out through bilateral Joint Conferences, which is being reframed to enhance it. MoU signed between EUROSAI and AFROSAI is being developed by an action plan <p>Moreover, EUROSAI Secretariat is responsible for the Portfolio on INTOSAI Regional Organizations and is a member of the Regional CD Forum.</p>

2.3. EUROSAI needs and expectations towards INTOSAI

The needs and expectations of EUROSAI towards INTOSAI revolve around the communication between EUROSAI and INTOSAI. In this regard, when addressing Professionalization at global, regional and SAI levels, the Abu Dhabi Declaration reflected on this topic, stating the following:

“To facilitate the implementation of the technical products delivered at the global level, it is critical that INTOSAI’s regional organizations continue to play a key role in the communication from global to SAI level, and vice versa, for that reason it would be necessary to improve channels of communication between different bodies of INTOSAI and regional organizations. The seven regional organizations of INTOSAI, along with their sub-regional structures, have been a focal point of the INTOSAI development over the past three years. The CBC has created the Regional Forum for Capacity Development which is dedicated to engagements with regional and subregional organizations”.

EUROSAI’s main expectation in the communication between the INTOSAI, regional and SAI levels is that the role to be played by the Regional Organizations should always be determined jointly with them, following adequate discussion and exchange of views on the expectations of all parties.

Additionally and in line with the above, EUROSAI’s needs and expectations towards INTOSAI can be summarized as follows:

1. In general terms, it is deemed essential to ensure **regular information exchange** between EUROSAI and INTOSAI.
2. **Close cooperation with IDI and the INTOSAI Donor Cooperation** are also considered of key importance.
3. There is also an expectation with regards to the **availability of the data concerning EUROSAI members, derived from the Global Call for Proposals and the Global Survey**: EUROSAI would like to have access to this relevant information, which would be very useful for the assessment of CD needs and the planning of activities, while it would help reduce the amount of surveys being circularized to member SAIs.
4. **EUROSAI should be the channel for providing a regional position to INTOSAI, but it should not replace INTOSAI by acting as an intermediary in INTOSAI’s relation with its European members.** When a regional position, *as such*, is deemed necessary by INTOSAI, it is indeed important that EUROSAI is asked to provide such regional position. However, the mere compilation of *individual* information from INTOSAI’s members in the European region should not be expected to be performed by EUROSAI (in these cases, a direct communication between INTOSAI and its members is deemed more appropriate).
5. **EUROSAI’s raison d’être is to focus on the specific needs of its members at a European level**, which must be taken into account by INTOSAI when requesting the

collaboration of EUROSAI's governance structures and committees for the implementation of INTOSAI's projects and initiatives.

3. Final remarks

EUROSAI is currently at a very early stage of the development of its new EUROSAI Strategic Plan: it is drafting its operational plan and, therefore, its specific projects in connection with INTOSAI's Strategic Plan have not been determined yet. Nevertheless, even at this early stage it is possible to appreciate the alignment in EUROSAI's and INTOSAI's aims, since logically both Organizations pursue the same objectives, mainly the development and transfer of knowledge among their member SAIs, the improvement of government auditing and the enhancement of professional capacities, standing and influence of member SAIs in their respective countries.

Once the EUROSAI Governing Board approves the operational plan and the different key actors start implementing it, it will be possible to provide more detailed information on EUROSAI's contribution to INTOSAI's Strategic Plan.

Tribunal de Cuentas de España
EUROSAI Secretariat
November 2017

ANNEX 1

EUROSAI SP 2011-2017 contribution to INTOSAI's SP

EUROSAI SP 2011-2017	OUTCOMES CONNECTED WITH INTOSAI's SP
<p>GOAL 1 Capacity Building:</p> <p>Facilitate the development and strengthening of institutional capacity of EUROSAI members.</p>	<p>Key activity 1.1. Establish conditions ensuring maximum use of available data, products and experience of others engaged in the field of capacity building</p> <ul style="list-style-type: none"> • Proper coordination established with IDI, INTOSAI Capacity Building Committee, INTOSAI Donor Steering Committee and other groups that can deliver capacity building activities. <p>Key activity 1.3. Facilitate and support the development of strategies for capacity building at SAI level</p> <ul style="list-style-type: none"> • Promotion of knowledge of IDI and INTOSAI WGVBS tools including SAI-PMF. • Promotion of the use of SAI PMF pilots, ethical and other integrity based self-assessment tools by informing EUROSAI members (seminar).
<p>Goal 2 Professional Standards:</p> <p>Promote and facilitate the implementation of the international Standards of Supreme Audit Institutions (ISSAI) and contribute to their further development.</p>	<p>Key activity 2.1. Raise awareness of the ISSAI and INTOSAI GOV</p> <ul style="list-style-type: none"> • 30 ISSAI and INTOSAI GOV translated into Russian and published on the EUROSAI website. Among them the Declarations of Lima and Mexico and the ISSAI 100, 300 and 400. • Russian ISSAI translations on EUROSAI website visited by around 900 users from January 2016 to April 2017. • 4 articles in the ISSAI spotlight in the EUROSAI magazine on the ISSAI Harmonisation Project (2012), the New ISSAI 5500 series (2013), the Cooperation between SAIs and internal auditors (2014), and the Revision of ISSAI 30 (2015). <p>Key activity 2.2 Support EUROSAI members in implementing the ISSAI and INTOSAI Guidelines for Good Governance</p> <ul style="list-style-type: none"> • 9 Seminars on ISSAI implementation organised by GT2 and EUROSAI Working Groups and Task Forces. • Participation of 9 EUROSAI members in IDI ISSAI Implementation Initiative (3i Programme): 25 ISSAI facilitators certified.

EUROSAI SP 2011-2017	OUTCOMES CONNECTED WITH INTOSAI's SP
	<p>Key activity 2.3 Contribute to the further development of the ISSAI and INTOSAI Guidelines for Good Governance</p> <ul style="list-style-type: none"> • Observation of the process to introduce the INTOSAI Framework for Professional Pronouncements (former ISSAI framework) by participating in PCS steering committee meeting and feedback of EUROSAI position. <p>Main results achieved in the first half of the strategic period:</p> <ul style="list-style-type: none"> • ISSAIs and INTOSAI GOVs are made available in English, French, German and Spanish on the EUROSAI website. Column called 'ISSAI spotlight' in the EUROSAI Magazine since issue 18/2012. • Corporation with INTOSAI PSC, its sub-committees, INTOSAI CBC and IDI established. Contact persons from PSC and its subcommittees are members or invited experts for GT2. GT2 chair participates in PSC steering committee meetings and EUROSAI members participate in all PSC sub-committees.
<p>Goal 3 Knowledge sharing:</p> <p>Encourage corporation and exchange of experience among EUROSAI members, within INTOSAI and with external partners</p>	<p>Key activity 3.1. Enhance the use/implementation of the results of the work produced by individual SAIs, EUROSAI and INTOSAI Committees and WGs as a tool for cooperation</p> <ul style="list-style-type: none"> • Cooperation with the INTOSAI CBC Subcommittee on Cooperative Audits: new EUROSAI training experts included in the new INTOSAI Experts Database (EDB). <p>Key activity 3.2. Enhance audit cooperation within EUROSAI</p> <ul style="list-style-type: none"> • Cooperation with the INTOSAI CBC Subcommittee on Cooperative Audits: new 14 EUROSAI training experts included in the new INTOSAI Experts Database (EDB).

EUROSAI SP 2011-2017	OUTCOMES CONNECTED WITH INTOSAI's SP
<p>Goal 4 Governance and communication:</p> <p>Manage EUROSAI in accordance with the principles of good governance and effective communication</p>	<p>Key activity 4.1. Ensure that EUROSAI has an organisational structure that Best supports the achievement of the strategic goals</p> <p>EUROSAI's 'voice' has been enhanced within INTOSAI notably by contributing in the following fields: ISSAI due process, implementation and review of ISSAI 30, drafting of ISSAI 5510, 5520 and 5540, providing comments to ISSAI 100, 200, 300 and 400, preparation of IDI's IT Audit guidance and training; and contributing to the INTOSAI Strategic Planning Task Force.</p> <p>All four Goal Teams had interaction with INTOSAI groups. There have been fluent contacts with:</p> <ul style="list-style-type: none"> - INTOSAI Presidency and Secretariat; - INTOSAI Donor Cooperation; - IDI; - INTOSAI Regional Organizations; - INTOSAI CBC, KSC, PSC and its Sub-committees. <p>The nature of the contact is very diverse. EUROSAI has given input and feedback to different kind of INTOSAI initiatives, by email, by participating in meetings, preparing INCOSAI, inviting INTOSAI representatives as experts and exchanging knowledge, experience and information.</p>