

3rd Meeting of the EUROSAI Goal Team 2 “Professional Standards”

(Budapest, 11-12 November 2013)

- Minutes -

- Annexes:**
1. List of participants
 2. Draft Operational Plan 2011-2017

<i>Item</i>	<i>Discussion Results</i>	<i>Actions to take</i>
1. Agenda	<ul style="list-style-type: none"> ▪ Adopted 	
2. Progress of activities	<ul style="list-style-type: none"> ▪ Presentation of overview on implementation status of GT 2 Operational Plan 	
3. Report from INCOSAI	<ul style="list-style-type: none"> ▪ Presentation of new ISSAI and INTOSAI GOV endorsed by the XXI INCOSAI 	
4. Cooperation/Liaison 4.1 INTOSAI PSC and its sub-committees	<p><u>1. INTOSAI PSC¹:</u></p> <ul style="list-style-type: none"> ▪ Harmonisation project finished – ISSAIs 100-400 endorsed at INCOSAI: <ul style="list-style-type: none"> – ISSAI as “common language” of public sector auditing → necessity to ensure high quality of the ISSAI – ISSAI 100 defines ISSAI compliance – Standards have to be revised, maintained and updated, also according to changes in society – Gaps and inconsistencies in the ISSAI framework have to be found and eliminated ▪ Difference between “Standards” and “Guidance” has to be defined ▪ Harmonisation Project and Audit Quality Project (ISSAI 40) dissolved ▪ PSC mandate 2014-2016 dedicated to safeguarding the results achieved by the INTOSAI within standard setting in the longer term. Activities will include an evaluation of INTOSAI’s current standard-setting activities – drawing on the experience from the Harmonisation Project and input from the INTOSAI community and external stakeholders - followed by the elaboration of a business case that will include proposals for a new standard-setting structure in INTOSAI. Activities will be closely coordinated with the INTOSAI Task Force on Strategic Planning ▪ New FAS chair: SAI of United Arab Emirates 	<p>Contact INTOSAI-Donor cooperation secretariat for survey results (GER)</p>

¹ For the reports of the Financial and Performance Audit Sub-committees, please refer to their progress reports to the XXI INCOSAI

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	<ul style="list-style-type: none"> ▪ Search for new PSC chair will start in 2014 ▪ Review of ISSAI 30 (SAIs of Poland, Portugal, UK and USA) to decide if an update is necessary ▪ Review of specific auditing guidelines/series on level 4 (KSC Working Groups): <ul style="list-style-type: none"> – 5000 (Audit of international Institutions) – 5100 (Environmental audit) – 5200 (Privatisation) – 5300 (IT Audit) ▪ New call for proposals from INTOSAI-Donor cooperation ▪ Report issued by the Inter-American Development Bank on the effect of SAI reforms 	
	<p><u>2. Compliance Audit Sub-committee</u></p> <ul style="list-style-type: none"> ▪ Main projects: <p>1) Implementation of ISSAI</p> <ul style="list-style-type: none"> – Cooperation with IDI 3i Project (implementation handbook and e-course on compliance audit in 2014) – Implementation activities in the regions (cooperation with EUROSAI GT 2) <p>2) Maintenance of ISSAI</p> <ul style="list-style-type: none"> – Participation in Harmonisation Project (development of new ISSAI 400) – Restructure the ISSAI 4000 series according to the ISSAI 400 (priority on a) common requirements, b) specific considerations for Court model, c) interface between compliance and other audit types) – CAS is looking for feedback from SAIs that already started to implement the ISSAI 4000 (questions will be included in preliminary questionnaire for the seminar on compliance audit ISSAI/cf. item 6) 	
	<p><u>3. Internal Control Sub-committee</u></p> <ul style="list-style-type: none"> ▪ Surveys on “risk management” and “reporting on internal control” resulted in two respective research papers <p>a) risk management:</p> <ul style="list-style-type: none"> – accepted throughout the public sector 	

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	<ul style="list-style-type: none"> - definition varies from country to country - need for practical approach b) reporting on internal control <ul style="list-style-type: none"> - scope varies from country to country - focused rather on compliance, not on effectiveness - assurance mostly provided by internal auditors ▪ Work plan 2014-2016: <ul style="list-style-type: none"> - based on survey results, revise INTOSAI GOV 9110 and 9130 - examine other INTOSAI GOV and decide if they have to be reviewed - actively promote INTOSAI GOV 	
4.2 EUROSAI Feedback on the INTOSAI Due Process	<ul style="list-style-type: none"> ▪ Presentation on INTOSAI Due Process ▪ PSC: <ul style="list-style-type: none"> - Due Process will be updated in the course of developing the new standard setting structure - PSC will ask for comments when the updating process starts - Feedback will be welcome at a later stage 	Give feedback to PSC when needed
4.3 Task Force Audit & Ethics	<ul style="list-style-type: none"> ▪ Activities 2012-2013: <ul style="list-style-type: none"> - New website: www.eurosai-tfae.tcontas.pt - Survey on Audit&Ethics, general report on its results - Paper “Supporting SAIs to enhance their ethical infrastructure- Part 1- A general overview of SAIs ethical strategies and practices” - Seminar in Luxembourg (ECA), on 17th-18th September 2013, about auditing ethics ▪ Future activities <ul style="list-style-type: none"> - Conduct 2 workshops in the YES Congress - Deliver more papers on ethics-related issues - Develop model courses on ethics - Include documents and information in the TF webpage - Seminar in Lisbon (TCP), on 29-30 January 2014, about Enhancing ethics within SAIs 	

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4.4 Cooperation with ECIIA ²	<p><u>1. Progress report of SAI Belgium</u></p> <ul style="list-style-type: none"> ▪ Implementation of INTOSAI GOV 9150 <ul style="list-style-type: none"> – Editorial committee set up (SAIs of Belgium, Germany and Poland, ECIIA) – Outline of implementation document proposed – Survey on national SAI – internal audit relations to compile relevant information and documents that regulate, describe or analyse coordination and cooperation; survey to EUROSAI members (simultaneously with separate ECIIA survey to ECIIA members), deadline: 15 January 2014 – Implementation document on the basis of survey results submitted to EUROSAI Congress in June 2014 (might be intermediate product) ▪ Revision of cooperation agreement <ul style="list-style-type: none"> – Cooperation agreement between EUROSAI and ECIIA was signed in March 2011 for 3 years, validity prolonged to June 2014 – to be reviewed in 2014 <p><u>2. Report of ECIIA representatives</u></p> <ul style="list-style-type: none"> ▪ Survey: <ul style="list-style-type: none"> – Information about rules and regulations – How many Government Companies have IA? – How many IA in Government Companies have relation with SAI? ▪ Information on Internal Audit <ul style="list-style-type: none"> – Definition, Code of Ethics, International Professional Practices Framework (IPPF), Internal Audit Certificates, Lines of defence, Risk management 	<ul style="list-style-type: none"> ▪ Inform GT 4/TG 2 on survey ▪ Send out survey via EUROSAI GS ✓ ▪ Review/renew cooperation agreement (GER / Belgium for GT 2) ▪ Add new key activity 2.3.2 to the ESP (<i>cooperate with external partners</i>)
4.5 Cooperation with IDI	<ul style="list-style-type: none"> ▪ Progress of 3i Programme ▪ GS and GT 2 chair participated in EUROSAI Management Workshop in Sarajevo (March 2013) ▪ GT 2 chair monitors participants' progress of activities 	

² European Confederation of Institutes of Internal Auditors

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5. Mid-term review of the EUROSAI Strategic Plan	<ul style="list-style-type: none"> ▪ Objective of the Mid-term review <ul style="list-style-type: none"> – Evaluate results of the 1st period against the outcomes and performance measures – Identify systemic issues impacting effective delivery of the SP – Assess consistency between the SP and the instruments used to implement it (goal teams/operational plans) – Update the SP for the 2nd period 2014-2017 – Reassess and reallocate resources ▪ Procedure <ul style="list-style-type: none"> – Key activities, outcomes and performance measures can be modified, deleted, replaced or added according to certain criteria ▪ Review of Goal 2: <ul style="list-style-type: none"> – <u>Modify</u> outcomes and performance measures of key activity 2.1.1 because of <u>insufficient or inadequate description in the original SP</u> – <u>Delete</u> Key activity 2.1.3 because <u>activity is considered as out-dated or obsolete</u> – <u>Add new</u> Key activity 2.3.2 “Cooperate with external partners whose work has an impact on the ISSAI and INTOSAI GOV” because of <u>insufficient or inadequate description in the original SP</u> ▪ Review of Goal Team 2 Operational plan <ul style="list-style-type: none"> – Translation of ISSAI into Russian (Strategy 2.1.1): As IFAC charges 10.000 USD per year for the permission to use the official Russian ISA translations, GT 2 will publish only the Russian Practice Notes on www.eurosai.org and refer to the English ISA on www.issai.org → Task completed – Discussion forum on EUROSAI website (Strategy 2.1.2): IDI implemented a Community of Practice and invites EUROSAI members to participate, therefore a EUROSAI forum would be a duplication and should not be implemented → Task completed – Organisation of seminar/workshop on ISSAI application (Strategy 2.2.2): Combine tasks 5-9 into two tasks “Organise seminars and workshops” and 	<p>Submit evaluation and updates to GT 4 (GER)</p> <p>Submit changes to GB via GT 4 (GER)</p>

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	<p>“Support hosts of seminars and workshops”</p> <ul style="list-style-type: none"> – Cooperation with ECIIA (Strategy 2.3.1): New task “Review cooperation agreement with ECIIA” ▪ Brainstorming: Ideas for 2015-2017 <p>Strategy 2.1:</p> <ul style="list-style-type: none"> – Promote the latest versions of Russian ISSAI translations on EUROSAI website – Collect ISSAI translations into other national languages and share them with the EUROSAI community <p>Strategy 2.2:</p> <ul style="list-style-type: none"> – Continue to collect SAIs’ positions regarding ISSAI implementation status / implementation approach (e.g. IDI survey) – Seminars and workshops: <ul style="list-style-type: none"> *Evaluate 2013-2014 seminars if there is need for follow-up *Check with GT 3 if there is need for seminars in other official EUROSAI languages than English *Contact Cooperation of SAIs of CIS states – Possible seminar themes: <ul style="list-style-type: none"> *Seminar on ISSAI 40 on Quality Control (Experiences in other regions) *Seminar on cooperation with Internal Auditors (implementation of INTOSAI GOV 9150) <p>Strategy 2.3:</p> <ul style="list-style-type: none"> – Implement cooperation agreements with other INTOSAI regional working groups from the point of view of GT 2 objectives 	<p>Inform GS of GT 2 representatives (GER)</p>
<p>6. GT 2 seminars on ISSAI implementation</p>	<ul style="list-style-type: none"> ▪ Seminar on “Improving performance audit in SAIs by using the performance audit guidelines (ISSAI 300, 300 and 3100)” on 4-5 December 2013 in Bonn (Germany) <ul style="list-style-type: none"> – 60 participants from 29 EUROSAI member SAIs – Presentation of relevant ISSAI, implementation tools and strategic considerations – Case studies on using the performance audit ISSAI 	<p>Evaluate seminar (GER)</p>

Item	Discussion Results	Actions to take
	<ul style="list-style-type: none"> ▪ Seminar on “Use of the Compliance Audit Guidelines (ISSAI 400 and 4000-4999) and Best Practice” on 28-29 October 2014 in Vilnius (Lithuania) <ul style="list-style-type: none"> – Presentation of relevant ISSAI, implementation tools and generic topics – Workshops for methodology staff and for auditors – Preliminary questionnaire will include questions provided by INTOSAI CAS (cf. item 4.1.2) 	<p>Support SAI of Lithuania in organising the seminar (GER, all)</p> <p>Prepare questionnaire in consultation with CAS (Lithuania)</p>
7. AOB	<ul style="list-style-type: none"> ▪ Members and Invited Experts of GT 2 should be asked after the EUROSAI Congress 2014 to confirm or change their role in GT 2 	Send (informal) E-mail to Members and Experts (GER)
8. Date and venue of next meeting	16-17 October 2014 in Riga (Latvia)	Save the date (all)