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Summary of the EUROSAI Web-based Dialogue Results on Emerging Issues

The EUROSAI Emerging Issues Web-based Dialogue conducted in September 2018 invited participants from all EUROSAI member SAIs to reflect on and define the most important emerging issues for Supreme Audit Institutions' work in the 2020's. The participants described what issues they consider important and how their respective SAIs have taken these issues up.

There were altogether 190 answers from 36 different SAIs. The following topics were considered as being the most relevant emerging issues:

- Digitalization, technology development, Artificial Intelligence and data-analytics
- Environment and climate, sustainability
- Societal changes, ageing population
- Changes in politics and media, truth and validity of information
- Building partnerships and increasing cooperation (European/Global)
- Changes in audit work generally

The most common issues and topics in the dialogue can be summarized as being related to cooperation, technological changes and an innovative mindset and the changing role of SAIs. The following summary discusses the main results according to these three categories.

The future seems somewhat unclear and calls for cooperation

There are many possible paths to the future. The participants emphasized willingness to discuss emerging issues among EUROSAI members and global networks. There are many open questions regarding the future choices on organizational, national and European/global level. The participants consider cooperation and collaboration increasingly important. This calls for building more partnerships and networking efficiently.

Cooperation enhances also new kinds of communication with citizens and other stakeholders. The SAIs need to find the right balance to manage society-wide opportunities and threats. Global issues like climate change and changes in the political and media environment challenge SAI work. The operational environment of public auditors is clearly changing at a rapid pace.

In line with other forms of interaction SAIs need to build a strong inter-institutional network to exchange information and learn from each other. This interaction and exchange of best practices is considered increasingly important concerning new IT systems, data-analytics and possible use of Artificial Intelligence. Some participants raise the issue of reliance on external experts in the new technological domains, pointing out that exclusive dependence on external expertise should be avoided. Increasing cooperation between SAIs is an important part of this development. There is a common understanding that it is vital to learn from other SAIs and train staff in a sustainable way; participants emphasize the need to build capacity within the organization itself.

Due to legal restrictions on sharing information, the establishment of efficient cooperation networks regarding the exchange of benchmark information concerning audit activities can be difficult. However, participants highlight the positive outcomes of audit cooperation: examples of good practice, comparing the outcomes and performance of audited

areas, or benchmarks in setting audit criteria. The activity of other SAIs may also be an important inspiration for identifying new audit topics.

Embracing technological development is seen as top priority and an innovative mindset should be encouraged

Technological advances, for example Artificial Intelligence (AI), advanced data analytics, automation and robotization get top priority in the discussion on emerging issues. A transformation is anticipated and has in many ways already started – although not yet that much in practice. Use of big data and sophisticated analytics will change the nature of audits and allow for a lot of automation. AI makes advanced predictive analytics possible and raises discussion about the nature of audits and the new balance between auditing and development partnership (consultative approach). Technological advancements place substantial demands on SAIs' regarding finance, management, change leadership, outsourcing and capacity building.

The implementation of new technology require investments in the technology itself but also in staff competences. SAIs must provide education for current employees and recruit people with new types of expertise. In order to break down silos, organizations must build teams with the right bundle of skills.

Many participants seem perplexed about the technological development. How and where do we start? Which way to go? We need new skills and tools - how do we get them? It is not enough to educate the staff or search for new employees with IT skills (cybersecurity and audit) and employees with data analysis skills. In addition to this, an innovative and creative mindset of auditors is necessary. In order to implement the change efficiently, SAIs will focus on developing their working methods, methodology and soft skills such as communication and social interaction, teamwork. Participants point out, that new ways of working (teamwork, networking, customer-centricity, dialogue) support the good use of new technical skills.

The role of the SAIs is changing

The role of the SAIs is discussed. It is seen that a proactive and predictive role benefits the society in many ways, but also challenges the role of a fully independent "watchdog". The role of a SAI is affected by the rising need to develop partnerships regarding complex problems like ageing population, environmental issues and respect for facts and evidence in decision-making. Ageing population is the most often named current societal change. It is seen as a disruptor of the established societal systems and has its reflections on SAI work.

The SAIs face the need to interact more with citizens and stakeholders to be a visible and credible institution in the society. This is due to a change in political and media culture, which challenges the way information and facts are treated. There are vast amounts of information for example in social media, which influences politics and the public opinion. More interaction with stakeholders and citizens may be required to ensure that SAIs remain relevant to society and tackle issues of concern to the public and to important stakeholders.

The participants highlight that SAIs need to enhance their ability to work quicker and be prepared to discuss topics that are topical "in real-time". In this domain, international cooperation is again given as a tool for enhancing SAI capacity.

In order to support SAIs, participants suggest creating a specific EUROSAI platform for on-line training material, to encourage joint audits, build structures and forums for seamless exchange of information and to foster staff secondments. It is noted that cooperation between SAIs and interaction with experts in various fields increases as the operational environment changes rapidly.