

SAI India comments to individual questions on the draft SDP 2023-25 are as follows:

	Questions	SAI India inputs
1	Do you believe the initiatives will improve clarity and understandability of the IFPP?	Yes.  SAI India believes that the initiatives would go a long way in improving clarity and understandability.
2	Do you believe the suggested initiatives are relevant to help your organisation in implementing the IFPP?	Yes.  While our institutional requirements are in the context of our respective mandates for various audits, we have proactively adopted and adapted the best professional and global practices for our procedures and products.
3	Does your SAI have suggestions on how to make the pronouncements available for your auditors so that we support a more active use of the pronouncements in their daily work?	Yes.  Our comments are indicated as marginal comments in the document.  As a standard practice, while developing SAI's own professional guidance as well as procedures and products relevant to the mandate, we refer to the INTOSAI/ IFPP/ IDI documents.
4	Do you have suggestions for new initiatives that you believe are important to support your SAI in implementing the ISSAIs and enhance audit quality?	Yes.  Decluttering the website would go a longway in improving accessibility and enhancing audit quality.
5	Are there new topics/areas that are currently not covered by the IFPP that need to be included in the future?	Since the Work Plan is yet to be devised, we have no comments to offer at this juncture other than those indicated and we would wait for the draft work plan.



## Strategic development plan for the INTOSAI Framework of Professional Pronouncements in 2023-2025

INTOSAI's Strategic Plan for 2023-2028 focuses on five key organisational priorities and four strategic goals. Goal 1 is to "Develop, Advocate for and Maintain Professional Standards for SAIs", which provides that:

***"INTOSAI will support the effective functioning of SAIs in the public interest by providing, maintaining and advocating for internationally recognized professional principles, standards and guidance that promote the quality, excellence, credibility, independence, and relevance of public sector audits."***

This Strategic Development Plan (SDP), together with the operational plan for the Professional Standards Committee (PSC), aim to operationalise and support the achievement of INTOSAI Goal 1 through ongoing activities and specific initiatives. This overall aim is to develop the INTOSAI Framework of Professional Pronouncements (IFPP) towards a clear, consistent and relevant set of professional pronouncements. In doing so, assuring the professionalism and quality of the framework.

A framework of international standards is fundamental both for Supreme Audit Institutions (SAIs) and INTOSAI alike. For INTOSAI - reflecting its status as a professional standard setting organisation - the IFPP makes an important contribution to supporting the effective functioning of SAIs. For SAIs, the IFPP is important as a support for demonstrating the quality, excellence, credibility, independence, and relevance of public sector audits and other products anchored in their mandate. The IFPP is also a tool that helps SAIs underpin the value of their work, their accountability to the public, and to strengthen trust in their role and output.

The IFPP is also of benefit to parliaments, governments, auditees, academia and the public. It helps assure them that SAIs fulfil their mandate by applying a set of reputable principles and standards that are followed by the majority of SAIs around the world.

**INTOSAI's vision for developing the framework is:**

***To enhance the understandability and the recognition of the INTOSAI professional pronouncements both with SAIs and with external stakeholders***

***and thereby encourage increased and consistent application of the ISSAIs***

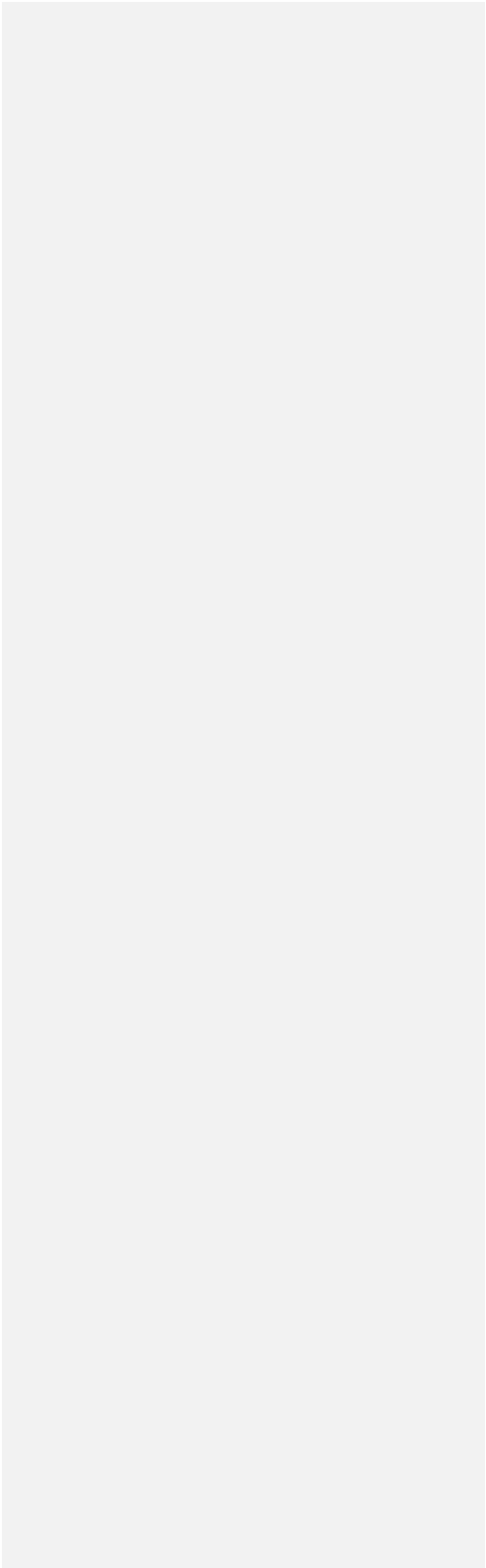
***leading to a global improvement in audit quality.***

As the INTOSAI Strategic Plan covers the period 2023-2028, the vision and strategy for this SDP will be reviewed and updated in 2025, and if required, a new plan prepared for the period 2026-2028 taking into account progress made, developments in the audit profession and user feedback.

**Part A** of this SDP outlines the strategic initiatives that INTOSAI will pursue in updating and revising the IFPP.

**Part B** provides the work plan for 2023-2025 in the form of an overview of how the initiatives defined in part A will be organised in line with INTOSAI's due process for the IFPP. This may

include preparatory work as well as development of project proposals.



## PART A – Strategy for developing the IFPP

In the late 2000s, INTOSAI developed a set of standards to improve audit quality in SAIs worldwide, known as the International Standards for Supreme audit institutions (ISSAI framework). Experience and feedback from SAIs led to the restructuring of the framework to improve its understandability and support its implementation. As a result, the framework was rearranged and changed its name from the ISSAI framework to the INTOSAI Framework of Professional Pronouncements (IFPP) in 2016.

The IFPP contains three main categories of pronouncements - The INTOSAI Principles (INTOSAI-Ps), International Standards for Supreme Audit Institutions (ISSAIs) and Guidance (GUIDs) – that serve different but complementary purposes:

- **The INTOSAI Principles** specify the role and functions, which SAIs should aspire to as well as prerequisites for its proper functioning and professional conduct;
- **The ISSAIs** is to set the principles and requirements governing different types of audits performed by SAIs; and
- **The GUIDs** support the implementation and practical use of the INTOSAI-Ps and ISSAIs.

This framework has been widely used by SAIs in different contexts and with different mandates. The various approaches for SAIs applying the ISSAIs is illustrated in Figure 1 below.

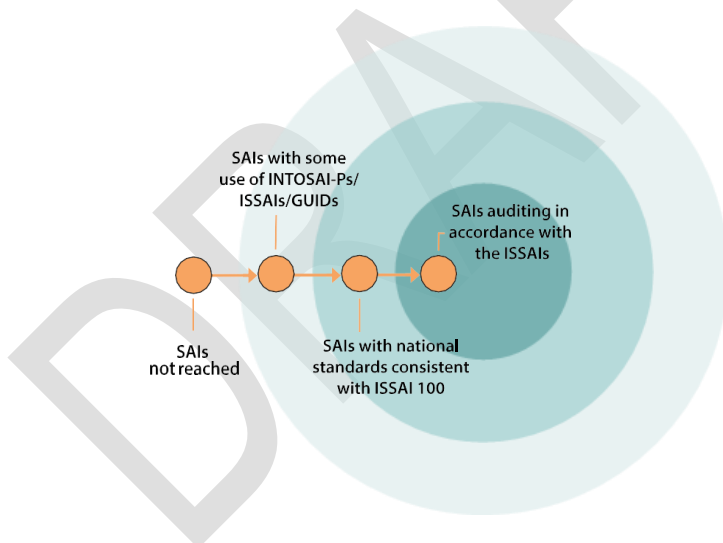


Figure 1: Various stages of SAIs applying the ISSAIs.

The overall ambition for INTOSAI is to encourage even more SAIs to apply the full set of ISSAIs and to do so more consistently. In 2020 a review was initiated by the PSC (INTOSAI Goal 1) to understand if and how the framework is implemented and to identify obstacles for implementation and compliance with the requirements (Component 1). The PSC's final report review (the *Final report on the review and analysis of the IFPP*) is available here:

[Final Report Review Analysis IFPP Component One 2022.pdf \(psc-intosai.org\)](#).



Several sources of information from users of the IFPP indicate challenges in implementing the framework due to a lack of clarity. In addition to the *review and analysis of the IFPP*, the IDI *Global SAI Stocktaking Report 2020* [file \(idi.no\)](#) concluded that three main and feedback from working bodies within INTOSAI engaged in standard setting.



Figure 2: Sources used in the analysis for the SDP 2023-2025.

While challenges have been identified from the users' perspective, new technological tools available provide opportunities for easy access to the pronouncements.

In order to increase the number of SAIs using the ISSAIs as their auditing standards, we believe addressing the challenges and developing a robust technical solution for the framework should be our main priority in the next SDP.

To facilitate global acceptance and application of the INTOSAI Ps and the ISSAIs, our primary aim is to follow a principles-based approach. In this way both the INTOSAI-Ps and the ISSAIs set out what should be achieved. The detailed description of how this could be achieved in practice is part of the supporting material. GUIDs – supplemented by other guidance in different forms – are application guidance for basic methodology and provide options that the SAI can choose from when developing their own methodology.

### Strategic standard-setting initiatives for the way forward

The IDI *Global SAI Stocktaking Report*, the report on the review and analysis of the IFPP, feedback from users and consultations with key bodies involved in standard setting have identified a potential for improvement at various levels. At the same time, digitising provides new possibilities to improve accessibility.

The INTOSAI vision for the IFPP will be implemented through the following strategic initiatives:

- The **'A' initiative** – Improving **accessibility** to the pronouncements.
- The **'T' initiative** – Developing a clear and consistent **terminology** for the IFPP.
- The **'P' initiative** – Updating the content and presentation of the INTOSAI **Principles**.
- The **'I' initiative** – Ensuring clarity of the **ISSAIs**.
- The **'G' initiative** – Developing a better approach to providing **guidance**.

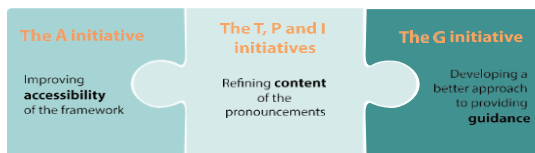


Figure 3: The initiatives and how they are interlinked.

**Kommentert [u1]:** The requirements of SAIs are dependent on the mandate and form of the respective SAIs. While ISSAIs have been excellent documents to start with their largeness and comprehensiveness may lead to a stagewhere if some clauses are not adopted *mutatis mutandis*, there is a fear of non compliance with ISSAIs.

To increase the number of SAIs using ISSAI's, there needs to be a two tier system (especially under Standards and Guidance) providing a short version – with essential features; and a longer comprehensive version.

Depending on the maturity and institutional requirements, SAIs can readily opt which to choose. The shorter one could serve a *'pret a porter'* version with all essential features.

The IDI Stock Taking Report and other surveys can provide an excellent basis for fixing the baseline and developing incremental versions over time and experience.

**Kommentert [u2]:** Instead of 'I' Initiative, as the subject matter is ensuring 'clarity', the alphabet 'C' might be considered.

### Improving accessibility to the pronouncements (the 'A' initiative)

Accessibility of the framework is a key element in helping users approach the framework with confidence, and finding it intuitive to use. Digitising provides us with new opportunities to improve accessibility which can lead to a better understanding and more intensive use, and provide the users a more interactive way of accessing the pronouncements.

A digitised framework requires the development of terminology, updating of content and consideration of a more intuitive way to access the pronouncements. Therefore, this initiative will be closely linked to the 'T' initiative (Developing a clear and consistent terminology for the IFPP) below. In the meantime, improvements will be made to IFPP website (issai.org) to address some of the challenges identified.

The 'A' initiative consists of two sub-initiatives:

- Short-term initiative: updating the issai.org website to make it more user-friendly and to refine the presentation of the pronouncements to underpin their current classification within the framework and their authority.
- Longer-term initiative: based on the development of terminology and definitions and following the other initiatives, to digitise the framework to allow its users to access content that suit their needs.

To ensure continuity for IFPP users and to allow for a best practice test-period with dedicated users common to it-projects in general of the digitalised framework, the current document-based framework will be applicable while the digital platform is being prepared, and for a transitional period after it is approved for use and has proven its usefulness in practice.

The *ambition* for this 'A' initiative is to digitise the entire IFPP and to make its content more accessible for SAls and auditors, and thereby for them to use the pronouncements more frequently.

The *output* of this 'A' initiative will be a full set of pronouncements that can be accessed in a more interactive way.

### Developing a clear and consistent terminology for the IFPP (the 'T' initiative)

The INTOSAI pronouncements were developed over many years by different teams and working bodies. This has resulted in some inconsistent use of terminology, as well as outdated content. The individual pronouncements provide definitions of certain key terms but there is currently no consolidated glossary. In order to be able to clarify the content of ISSAIs and other pronouncements, a first important step is therefore to develop a clear and consistent terminology for the IFPP.

The 'T' initiative includes activities related to:

- Establishing a list of terms and definitions currently used in the IFPP;
- Based on that list, deciding on a consistent terminology that can be implemented in any subsequent development of pronouncements;
- Ensuring that the same matters are described in the same way while at the same time emphasizing the key differences between the audit types or other relevant circumstances.

The *ambition* for this 'T' initiative is to define the terminology that will be used in all future professional pronouncements and in updating the current ones. The terminology developed will be based on the concepts defined in ISSAI 100 *Fundamental principles of public sector auditing* and the additional concepts defined in other key pronouncements. This will include the professional language for different types of audits and steps in the audit process as well as the concepts used to define the authority of the ISSAIs and what it means to comply with them.

**Kommentar [u3]:** The development of 'terminology and definitions' may be enterprise-wide and applicable across streams of audit. This would likely reduce the usage of multiple basic terms.

However, care must be taken not to impact the initiative or the efforts of the plethora of committees and platforms across IDI, IFPP and INTOSAI.

As SAls need to be relevant to the citizens, it is imperative that regional and local requirements are addressed.

A workable suggestion could be to have a small glossary/ dictionary which could be mandatory leaving the rest to requirements of specific streams/ regions.



The *output* of this 'T' initiative is:

- a multilingual glossary of key terms for professional practice used within the IFPP;
- a set of language conventions that will provide the basis for all future development or revisions of content in the IFPP.





The 'P' (Updating the content and presentation of the INTOSAI Principles) and 'I' (Ensuring clarity of the ISSAIs) initiatives, as well as any development of GUIDs following the 'G' (Developing a better approach to providing guidance) initiative, can proceed in parallel, but should be mindful of the output of the 'T'.

#### **Updating the content and presentation of the INTOSAI Principles (the 'P' initiative)**

The INTOSAI-Ps address the role and function, and set the principles that form the basis of the legal, institutional and organisational frameworks for SAIs. This is how the INTOSAI supports SAIs, legislators and governments in establishing relations, setting out the values and benefits of SAIs, and demonstrating their contribution to improving the overall system of public accountability.

The review and analysis of the IFPP identified a high degree of overlap between the INTOSAI-Ps, notably INTOSAI-P1 *The Lima Declaration*, INTOSAI-P 10 *The Mexico Declaration on SAI Independence*, INTOSAI- P 12 *The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens* and INTOSAI-P 20 *Principles of Transparency and Accountability*. There is therefore a need for consolidating these important documents into a clear set of INTOSAI Principles for the IFPP

The *ambition* for this 'P' initiative is to achieve a clear set of INTOSAI principles stemming from the current INTOSAI-P documents. The initiative will involve digitalisation and thereby serve as a 'proof of concept' for the 'A' (Improving accessibility to the pronouncements) initiative.

The 'P' initiative can be launched when the definitions of key terms relevant for INTOSAI-Ps under the 'T' (Developing a clear and consistent terminology for the IFPP) initiative is sufficiently advanced.

The *output* of this 'P' initiative will be a consolidated set of updated INTOSAI Principles for the IFPP, presented in a way that is easily accessible for users both inside and outside INTOSAI.

#### **Ensuring clarity of the ISSAIs (the 'I' initiative)**

The ISSAIs are the authoritative international standards on public sector auditing. They provide the professional concepts for defining different types of audits. The ISSAIs serve SAIs and other public sector auditors as a way to produce high quality work and assure users they can rely on the results.

The purpose of the 'I' initiative is to revise the ISSAIs to implement the terminology and language conventions resulting from the 'T' (Developing a clear and consistent terminology for the IFPP) initiative. This includes activities to:

- identifying text that could be used across the full set of ISSAIs to ensure clarity for users of the ISSAIs;
- identifying unnecessary repetition through the framework and ensuring consistency by describing the same matters in the same way, while at the same time emphasising the key differences between the audit types; and
- defining and distinguishing appropriately between auditing principles, requirements and application material.

The *ambition* of this 'I' initiative is to achieve a clear and understandable set of ISSAIs that can support both SAIs that are aiming for a full ISSAI compliance and for those who are in the process of implementing the IFPP principles.



The 'I' initiative can be launched when the 'T' (Developing a clear and consistent terminology for the IFPP) initiative has been completed and a sufficient robust organisation has been achieved to underpinning the standard-setting work. The 'I' initiative will involve a comprehensive revision of all ISSAIs.

The output of this 'I' initiative will be an updated set of ISSAIs.

### Developing a better approach to providing guidance (the 'G' initiative)

Guidance in the form of GUID pronouncements supports the SAI in enhancing its performance related to the organisational requirements, development of competencies and ISSAI implementation. Through this guidance, the user finds support on how to apply the ISSAIs in the financial, performance or compliance audit processes and other engagements, and gets a better understanding of subject matter-specific issues.

The review and analysis of the IFPP, feedback from users and consultations with key bodies involved in standard setting showed that there is potential for improvement. This applies to the status and definition of guidance in its various forms within and outside the IFPP such as:

- the current inconsistent approach to presenting and making available guidance prepared by various INTOSAI bodies (including the IDI, INTOSAI regions, other groups etc.);
- the lengthy and complex process for including the GUIDs in the IFPP, which does not support a timely revision of existing - or development of new - material particularly when responding to urgent needs;
- insufficient clarity about the need for and format of guidance, notably when covering subject matter-linked material; and
- the audit methodology in a GUID is inconsistent with the audit methodology required by the ISSAIs.

The *ambition* of this 'G' is to ensure that the INTOSAI community has easy access to relevant and high quality guidance material regardless of the history of its development, and that guidance closely related to the implementation of the ISSAIs is refined to support SAIs implementing the standards. In addition the ambition is to encourage INTOSAI bodies and SAIs to develop and share guidance material as a manifestation of the mutual benefit this brings.

The *output* for this 'G' will be a set of recognised criteria for the nature of guidance that should be an integral part of the framework, and an appropriate due process for such material.

### Prerequisites for these initiatives

A strategic objective in the INTOSAI Strategic Plan 2017-2022 was to provide a strong organizational framework to support INTOSAI's standard setting including a permanent standard-setting board (the FIPP), a technical support function, and an independent advisory function. While this objective is to a large extent achieved, some further strengthening will be needed.

#### 1) Professionalised support

In order for the IFPP to be relevant to all SAIs regardless of size and context, standard setting must include auditors from a representative set of SAI contexts. Standard setting requires skills in both technical audit issues as well as in one or more of the official INTOSAI languages. This could potentially be an obstacle for many SAIs and prevent inclusiveness. To ensure strong involvement in standard setting, a more professionalised **INTOSAI support function** to assist in many aspects of the process including clear drafting, should be established. Such a supporting function would be instrumental in enabling wide engagement across the INTOSAI community, providing for enhanced transparency and collaboration in the process. The initiative will involve digitalisation and thereby serve as a 'proof of concept' for the 'A' (Improving accessibility to the pronouncements) initiative.

## 2) Evaluations

The standard setting in INTOSAI involves the Goal Chairs and many working bodies. In order to deliver according to this plan, working together with open communication, is one key success factor. In addition, the launch of the strategic initiatives and projects to implement them depends on the availability of resources, as well as agile decisions on how bodies involved in standard setting – the working bodies of the PSC, CBC, KSC and the regions – would contribute. The collective endeavour in defining the projects and gathering of all viewpoints will be critical to the quality of project proposals as well as their implementation and subsequent completion.

The FIPP has a critical role in approving the project proposals as well as the outcome of the projects through due process. FIPP are also responsible for submitting proposals to the PSC Steering Committee on any changes in the overall scope and definitions of the IFPP ([IFPP classification principles](#)) as well as any future updates to strategy and workplan defined by this SDP.

The current challenges of clarity and consistency in the ISSAIs reflect the way INTOSAI's standard-setting work has been organised in the past. It will be important to assure INTOSAI's members and stakeholders that INTOSAI now has the reliable organisation and processes needed to carry out these revisions and achieve and maintain an improved set of standards. It is an important prerequisite for this SDP that INTOSAI continue to strengthen its standard-setting organization preferably through an external evaluation.

For more information of the organization and function, see Appendix 1.

Specific milestones and a timeframe will be set in the project proposals, the implementation of which will be monitored and reported upon by the PSC.

### PART B - Workplan for 2023- 2025

Developed further after the invitation to comment is finalized.



## **Appendix 1: Organization and function**

### **Goal Committees**

INTOSAI's four goal committees focus respectively on professional standards, capacity development, knowledge sharing, and governance. The goal committees lead INTOSAI's efforts under their respective goals and thereby assist the Governing Board in implementing INTOSAI's goals and objectives. Approximately 25 subsidiary bodies contribute to the overall work of these committees.

INTOSAI's technical work occurs in the committees, subcommittees, working groups, task forces, and communities of practice that are established to advance the profession. This is done by developing and issuing professional standards, audit guidance, and other practical reference materials, by sharing good practices in different formats, by organizing and engaging in professional dialogue and by encouraging an exchange of views and experiences to encourage innovation and development.

The Professional Standards Committee (PSC) leads the efforts to provide relevant and clear international standards and guidance for public sector auditing.

The Capacity Building Committee (CBC) is the INTOSAI advocate and custodian for SAI capacity development.

The Knowledge Sharing and Knowledge Services Committee (KSC) encourages SAI cooperation, collaboration and continuous improvement through knowledge development, knowledge sharing and knowledge services.

The Policy, Finance, and Administration Committee (PFAC) strives to maximize the value of INTOSAI both to its member SAIs and as an international organization.

### **Forum for INTOSAI Professional Pronouncements (FIPP)**

FIPP is a forum of technical experts appointed by the Governing Board to address public sector auditing standard-setting issues. Operating in cooperation with the PSC, CBC and KSC, the FIPP has the general responsibilities for the content and quality of the professional pronouncements issued by INTOSAI. FIPP strengthens INTOSAI as an international standard setter and contributes to development of appropriate standards for public sector auditing.

### **The INTOSAI General Secretariat**

The General Secretariat provides strategic and central administrative support to INTOSAI. The tasks of the General Secretariat are amongst other:

- to maintain contact with and between members of INTOSAI in the periods between the Congresses;
- to assist the Governing Board and the Committees in the fulfilment of the tasks assigned to them and to promote the organization and coordination among the Regional Organizations;
- to organize symposia, studies and other activities promoting the aims of INTOSAI;