

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.

Kommenter [JVS(1)]: What is the difference? Does it mean that you need to read both to understand standard-setting. Should there not be ONE view on standard-setting?

Kommenter [JVS(2)]: I think that it is appropriate to reflect the full value chain of standard-setting, which includes the processes of implementation and providing feedback. It also makes sure that we do not isolate PSC processes from the CBC, KSC, IDI, etc, but show that we are indeed working for one objective - auditing to benefit the citizen!

Kommenter [JVS(3)]: I would recraft and not lead with the egotistical "status as a professional standard-setting organisation" - reaching that goal (if appropriate) is the end result of all the other issues stated.

I do question equating INTOSAI with standard-setting. Surely the focus is on much more. The sentence should read "INTOSAI as a professional and relevant member / player in the broader accounting and auditing profession, which - amongst others - excel at good standard-setting."

Kommenter [JVS(4)]: Glad that there is finally a vision statement. If can certainly evolve, but it is a good first attempt.

Kommenter [JVS(5)]: It would be great to be able to comment on this as an interpretation of what we commit to in section A. In the absence of this (even at a conceptual level), one cannot really make a properly informed call on the appropriateness of the document

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.

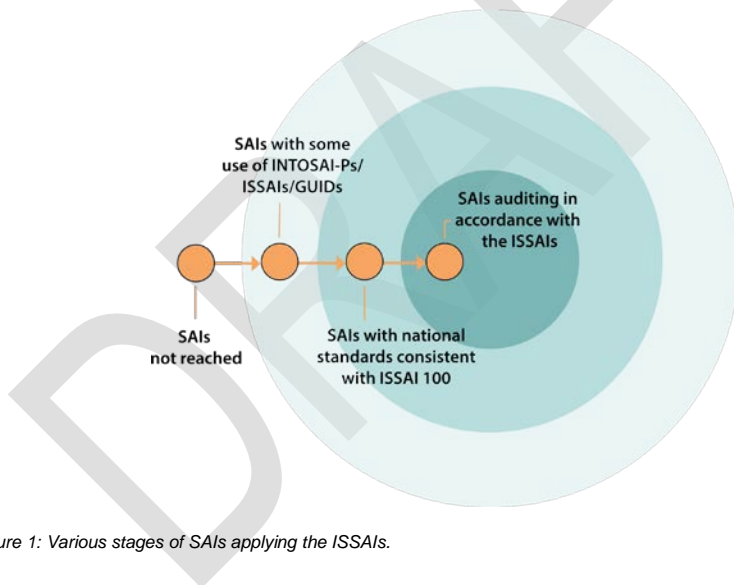


Figure 1: Various stages of SAIs applying the ISSAIs.

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 \(psc-intosai.org\)](#).

Kommenter [JVS(6): Not sure that this a food term. It can mean anything.....?! Since we are always keen to recognise declarations such as Lima and Mexico, why do we forget that Johannesburg INCOSAI also carried a declaration that spoke directly to ISSAI implementation. I certainly think it deserves mention as a key moment in the work of the PSC's commitment to standatd-setting.

Kommenter [JVS(7): This is too vague. If this document is to be read by other professional bodies, specialist crafting standards, etc these statements need to be more detailed. I do understand that the document argues for more work in this regard, but I think we can - at this point - already be more specific

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**.

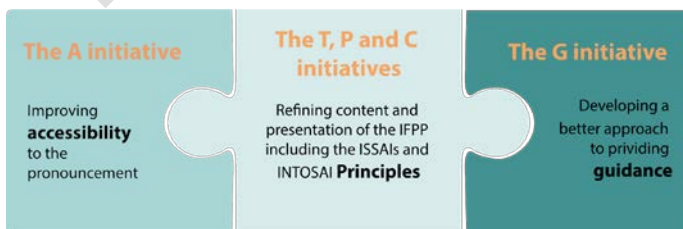


Figure 3: The initiatives and how they are interlinked.

Kommentar [JVS(8): I like this reflection and hope that it will evolve to really dealing with reflections per standards with detailed commentary at SAI level. Anything else represents "going through the motions" without substance.

I trust that the ambitions of this SDP will also inform the design of the 2023 Global Stocktake in detail. This is a very critical steps...!!

Kommentar [JVS(9): This is a loaded statement. As I read this, I understand it to mean that the IFPP will deal with precisely GUIDs - those that really deal with the implementation of the principles in the standards. Anything else, should sit outside the IFPP and should also be managed elsewhere. If necessary the current processes for developments outside the IFPP can be beefed up (although these should not be too onerous).

There should also be a clear commitment to move GUIDs that does not fit this definition to outside the IFPP. We cannot afford a hybrid of old and new thinking.

Kommentar [JVS(10): I like this basic approach. Not sure that the I works for me. Why not C for clarity, as that is the main emphasis and potentially spans beyond the ISSAIs.

I also found the way we right about these initiatives on pages 4 and 5 overly complicated. Terms such as the "I-initiative" means that an occasional readers will have to flip backwards and forward, and eventually give up. Find streamlines and clear way to reference these initiatives.

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 SAs 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 ISSAs 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:

Kommenter [JVS(11): Not convinced that this is the game-changer that it is made out to be, but am open to be convinced.

The key success factors is accessibility and affordability from a developing country perspective.

Kommenter [JVS(12): See detailed comments on the 5 questions on the invitation to comment. This needs to be done - in full - upfront so that we all know what we are working towards. This cannot be in an evolutionary phase much longer.

I trust that FIPP can also be more practical in the use of terminology, committing to "substance over form". The current language conventions makes for weak standards, with often laughable consequences.

- 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.

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:

Kommentar [JVS(13): As this is a development plan, hence aimed at drafters of standards (as a major part of the audience) reference to clear drafting conventions should be made.

Kommentar [JVS(14): I trust that the commitments made in project discussions that certain refinements will be made to other standards (e.g. the implications of ISSAI 150 on ISSAI 140 in terms of completeness of definitions, etc) will be flagged as important and that one will see some level of transparent tracking.

Kommentar [JVS(15): His is a hugely "emotive" area and trust that sanity will prevail in how the revision is tackled.

The knock-on effect of revisions here need to be recognised in the text. Thinks about any possible changes to the principles of independence on all the work that was done to establish these in INTOSAI and beyond. The same applies to INTOSAI-P 12, which has become the guiding document for capacity development. Changes there starts impacting the SAI PMF, etc.

It implies a careful process, broader consultation and integration of initiatives (e.g. consider the implications of the current review of the SAI PMF - is this a trigger to the revision of INTOSAI-P 12? What would be the implications of these two projects NOT talking to each other?

Please reflect all these dimensions.

Kommentar [JVS(16): Not sure how this is different from the A and T initiatives? Either consolidate or be more explicit on what the difference is....

- 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

Kommentar [JVS(17): Is this a FIPP / SDP consideration?

Kommentar [JVS(18): This cannot play out at the exclusion of those that deal with guidance outside the IFPP and this needs to be clearly flagged here.

This potentially represents "scope creep" for the FIPP into an area that is not core business. The IFPP cannot be the only home for documents in INTOSAI. Resource-wise this "scope creep" also does not make sense. It would be great to reflect this on the basis of discussions up to now - ideally as a consolidated view, but it can also be as options. I do object to the current one-sided wording.

Kommentar [JVS(19): Isn't it appropriate to do introspection and lead with the "competence of FIPP members"? If we had to measure this, against what framework will we do this. And, how do we deal with non-performers / people that do not meet the competence requirement?

It is good that FIPP rates its joint competence high and I think that deliverables over the past year reflect a good evolution, but I think this always has to be our starting point (leading by example).

Two more areas need mentioning -

- support to drafters (in all its dimensions, including the role of liaison officers) (liaison officers should be enablers for projects),
- Effective work-processes (understanding the in-kind / unfunded contributions of SAIs in the form of drafters of standards) and the need for speedy delivery,



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.

DRAFT

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;

Kommentar [JVS(20): Not sure why it is necessary as it does not talk to the document.

Two options - refer to these stating the strategic goals that they lead as per the INTOSAI strategic plan, or find a way to reflect each of these players' specific roles in the standard-setting process (see value chain comment earlier). Otherwise delete.

Why exclude IDI as a main player? Same focus, same rules?