

Implementing the Strategic Development Plan 2023 - 2028

A discussion paper

November 2023



**INTOSAI
PSC**

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Implementing the Strategic Development Plan 2023 – 2028 – a discussion paper from the PSC

INTRODUCTION

In the period covered by this SDP, the key activities will focus around improving the clarity of all the classes of INTOSAI pronouncements - the INTOSAI principles (INTOSAI-P), the International Standards of Supreme Audit Institutions (ISSAIs) and the related INTOSAI guidance (GUIDs) – and to take steps to digitalise the framework. The INTOSAI vision for improvements to 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**.

This paper presents in questions the practical considerations which will need to be addressed before work on the SDP projects can properly begin and invites comments and feedback from the General Secretariat, FIPP and Goal Chair members as it is in our collective interest to make this procedure as efficient as possible.

LESSONS LEARNED FROM ISSAI 140 - THE WORKING GROUP'S PERSPECTIVE:

The project lead for the ISSAI 140 was asked to produce a short document on the lessons learned from running this task ([Annex I](#)).

The document lists major success factors as being:

- ✓ The project having a clear purpose and direction,
- ✓ The need for small and agile teams, split, for example, into core, research, drafting and review teams,
- ✓ Sending a concept paper to the working group before starting the project,
- ✓ Close liaison between the FIPP liaison officer and the project group.

Whilst the 140 project was different to our future projects, the document raises a number of general practical considerations which are universal for all projects.

Given the difficulties of forming and staffing five multi-disciplinary teams at the same time:

- How can we source, select, and motivate the most appropriate colleagues?
- How can we ensure an optimal working relationship between the project group and the FIPP?
- Do we need a mechanism to supervise and coordinate all working groups, and what would it look like?

Bogna's note also gave rise to some reflections about the operation of FIPP itself:

- When differences of opinion remain between the WG and the FIPP, how can they be best resolved if changes to due process are not foreseen in the medium term?
- Is there value in setting a target time for the quality assurance process within due process?
- Both questions about the difficulties and reflections about FIPP, require discussion and careful consideration to ensure a smooth continuous project implementation bearing in mind the long period between project start and completion.

PROJECT PROPOSALS

Due process requires that working groups produce project proposals to provide directions on the organisation and outcome of the project, including the quality process that shall be applied in the drafting process and the parties that the working group shall consult and engage with. FIPP has produced a project proposal template to this effect ([Annex II](#)). The FIPP template covers many of the requirements for a project relating to a pronouncement such as aim, objective, scope, approach, likely outcome and impact, duration, resources. However, for the type of project envisaged in this SDP, other prerequisites may be necessary to define and clarify at the outset. Should we expand the project proposal to include (in more detail):

- An issue analysis between the project core group and the PSC secretariat and the FIPP liaison officer?
- A type of detailed evidence collection plan where the audit team scopes what they need to do, what material they will need, where are they going to get their material, how they will get the material and what they will exactly do once they have got it?

More detailed information on the implementation of the project, such as:

- Team members and time required, including external experts?

- A timetable with the key milestones for the task/project, including quality assurance, and deliverables to FIPP, for example?
- Approach/
- Detailed description of the project content e.g. inspired by the Component 1 study and delivery

Detailed information on the risks to delivery of the project within time, such as:

- Identifying and disclosing major risks to delivering the project within the agreed timetable?
- Determining the likelihood of each major identified risk occurring?
- Assessing the potential impact if the risks were to materialise?
- Making proposals (mitigation) for managing each risk?

COORDINATION – WITHIN AND BETWEEN SDP PROJECTS

The approved SDP contains a strategy to take the IFPP to the next level and the implementation thereof will be executed through 5 projects. To ensure the cohesive nature of the entire operation coordination between the projects it is necessary that:

- The project group should describe at which stages and the type of information should be coordinated with other projects (see project proposals above);
- Some projects there be a need for coordination between project phases; and
- The PSC secretariat would appear to be an appropriate liaison body as it is not involved in the 'due process'.

PROJECT WORKING GROUP

An important element of project is the establishment of the Working group. For its establishment, it is crucial that the INTOSAI community, in particular the PSC sub-committees as the audit type experts, source auditors to take part in the Working groups. In this relation there are a number of considerations, some of which are:

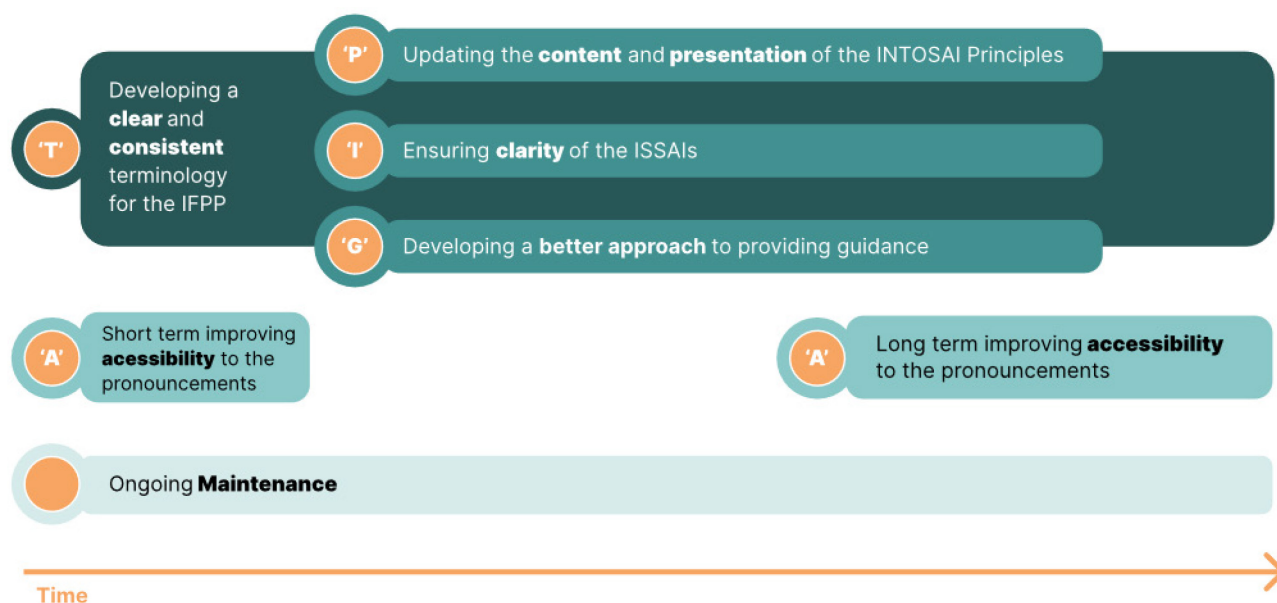
- the lessons learned document mentioned that for the ISSAI 140 project, the group member structure was: project lead, core members and team members, could that be similar for the SDP projects, or should it be different;
- a good balance between the project member's origin/specialty e.g. sub-committees, regions, is that possible or needed?;
- Other projects mentioned in the SDP e.g. the ISSAI 3000 review, will that affect the SDP projects;
- Is there project implementation fatigue from other project's implementation?

DURATION OF THE PROJECTS

Assuming the projects will start in early 2024, and will extend beyond 2025:

- Which milestones do we wish to set, and what do we want to be able to report when the SDP is reviewed and updated in 2025 (PSC Steering committee and Governing board and possibly INCOSAI)?
- Which concrete measures will help us achieve this?
- How important is it that the 'T' project starts before the others (as per the SDP)?

CREATING A PLAUSIBLE SEQUENCING OF THE PROJECTS – ILLUSTRATIVE SEQUENCING AS SET OUT IN THE SDP 2023-2028



Most of the projects will be broken into several discrete and/or inter-related phases. Only the accessibility project will, as per the SDP, have two distinct phases; one short-term to make the pronouncements more accessible by simple reformatting or using different presentation styles, and one longer-term where the concept of digitisation will be explored. However, the start of the second phase is not automatically dependent on the first.

The output of the 'T' initiative will be a multilingual glossary of key terms and a set of language conventions covering all pronouncements. As such, the start, completion and duration of this project will have timing implications for the 'I' and 'P' initiatives, and vice versa.

- Is it essential for the 'I', 'P' and 'T' initiatives to be completed at the same time?
- As diagram 3 in the SDP is illustrative, should we envisage a more detailed timetable?
- How far will delays in individual projects impact work on other projects, and what mitigating actions could prevent overall an overall implementation / completion delays? (see risks above)

DUE PROCESS

Any changes affecting the IFPP must follow and be subject to due process. The 'A', 'T', 'I' and 'P' initiatives may result in new material and decisions that are not necessarily defined in the due process, but potentially will affect the content or format of future INTOSAI pronouncements. Similarly, due process in its current form targets specifically standards and pronouncements and most of the stages after "Stage 1: The project proposal" are likely to be redundant.

- Do we need to revise due process to accommodate these projects with their more 'structural' nature? If so, how do we achieve this in time?
- What role will the *issue-papers* play, and what is their status? Do they need to be integrated into the project proposal? If so, how,
- How do we convey a common understanding of due process to the project groups / leads?
- Is there a need for more detailed drafting guidance?
- ISSAI 140 : FIPP produced a paper 'as an extra service to the project group', showing differences between the draft pronouncement produced by the project group following the exposure and the version produced by FIPP, should these be part of the due process rather than an exceptional 'extra service'?

SUPPORT TO SAIs IN SIDS, OR CCCs TO ADHERE TO THE REQUIREMENTS OF INTOSAI STANDARDS

At its meeting in June 2023, the CBC Steering Committee approved a motion that additional support be made available to SAIs in small island development states (SIDS) and in complex and challenging contexts (CCC) so that these SAIs can better cope with the requirements of INTOSAI standards.

- How can we best mitigate the timing variance between the adoption of the motion and the adoption of the SDP?
- Specifically in relation to the projects planned for this SDP, can we give project groups/project leads messages to help them identify ways in which INTOSAI and its partners can support SIDS and CCC SAIs to meet the requirements of INTOSAI standards? Or should we find other ways to do so e.g. the study led by the CBC?
- Should these concerns only be addressed in the study led by the CBC and, if necessary, only after its completion be considered by the project groups/project leads

Annex I: ISSAI 140 Revision Project – Lessons learnt: the working group's perspective
[Redacted]



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ISSAI 140 Revision Project – Lessons learnt: the working group’s perspective

Background

With a view to inform project groups and the bodies involved in the implementation of the 2023-2025 SDP, the PSC secretariat asked the project lead for the ISSAI 140 Revision project, to set out views on lessons learnt about the project’s implementation.

The PSC secretariat had namely noted the rapid progress between project group’s creation and the submission of the draft standard to FIPP for examination after exposure. The answers take on board comments from other drafting team members.

Introduction

The ISSAI 140 Revision Project was defined in the Strategic Development Plan for 2020-2022, with a very clear purpose - to produce an INTOSAI quality management standard at organisational level, based on ISQM1/ISQM2.

The project had a very short implementation timeframe, starting in March 2023, with the aim to have it endorsed at the INTOSAI Governing Board in November 2023. In concrete terms, this meant that, following the project proposal approval, the working group had five months to produce a first draft for the FIPP review (June-November 2022), and, subsequently, to address all comments provided for a draft pronouncement to be ready in August 2023. Despite the time constraints faced, the working group took into consideration that the due process had to be followed and no concessions could be made in terms of quality of the output.

Project outline from the SDP

The plan set out in the SDP for 2020-2022 states that the first version of the ISSAI 140, which took effect in 2010, does not maintain a clear distinction between the principles, requirements and application material of a standard and the supporting practical guidance that will be provided through the GUIDs. Therefore, the project was outlined to provide clear, consistent and adequate standards for SAI’s quality control which is based on risk assessments and takes into account different SAIs’ models and organisations.

Working group

The working group on the ISSAI 140 Revision Project was set up in the beginning of March 2022 with 26 participants from 16 SAIs (Annex 1).



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Annex I

The PSC asked all subcommittees to nominate their representatives for the working group without setting limits on the number of participants. Thus, the total number of participants was 26 (half of them being from ICS). Given the high number of participants, two core teams were set up for an efficient running of the project:

- 1) a drafting team (core) of five for the text of the standard, led by the ECA; and
- 2) a second team of three for reviewing all IFPP pronouncements to identify the need for conforming amendments.

With the rest of the working group members essentially acting as quality reviewers.

All members were very dedicated to the task and performed their job diligently. The core team invested a considerable amount of time in this project. They contributed to the work, were readily available for ad hoc meetings, and provided support and advice.

Whilst we see it as a great added value that we had at our disposal such an experienced group of experts, we believe that common guidelines on working groups composition for future projects will bring more efficiency in organising their implementation.

Project proposal – objectives, scope and limitations

The current project proposal template holds certain limitations when it comes to content. This was already considered by ECA, as the project leader, before the working group was assembled. These considerations were laid down in a concept paper, which gave a detailed outline of the ISSAI 140 revision project including its main objectives, an indicative timeline and key questions which need to be addressed by the project team and discussed with the FIPP at the preliminary stage. The ECA started working on the concept paper in early February 2022.

The concept paper was circulated to the working group ahead of its first meeting in mid-March 2022. This triggered a useful reflection and comments from the members and served as a basis for a solid start to the project.

The second team was tasked to analyse all INTOSAI pronouncements and identify the conforming amendments needed. However, as there was no time available (see above) for the working group to go further than identifying conforming amendments needed, there was agreement within the working group that more thorough work on these should rather be done by the subcommittees who are the owners of the individual pronouncements, the project proposal outlined the following aims for the ISSAI 140 Revision Project:



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Annex I

- 1) revised ISSAI 140 and amendments to ISSAI 100 on quality management;
- 2) proposal for conforming amendments to other INTOSAI pronouncements; and
- 3) identification of possible supporting material, such as guidance (which would then be developed as part of another project).

The project group requested from FIPP close cooperation to enable meeting the short deadlines and insisted on a practical and proactive approach to the exercise. During the FIPP meeting in June 2022, when the project proposal was discussed, the working group was asked to produce a paper with more explanations on how it was going to tackle some aspects of the revised standard. Instead of addressing these issues first, the working group made a strong case that it would be more efficient to work on the standard and prove its approach in practice, rather than producing another preparatory paper, which would have lost further three to four months.

Drafting stage

The short time frame (from June 2022 to August 2023, see Annex) made it necessary to strictly adhere to the scope of the project in the narrow sense. The working group limited itself to producing a document with a critical overview of references to quality control and/or ISSAI 140 in other INTOSAI pronouncements intended to feed into the next SDP (de facto 2023-2028). Instead of trying to create a second standard for external quality review or develop a GUID, we deferred those to a later project (possible also the next SDP).

Following the rigorous intellectual approach and respect of internal milestones set by the project proposal/working group, allowed to produce a first preliminary draft of the revised standard end of June 2022 and send it to FAAS, CAS, PAS, ISC and to PSC, KSC and CBC for consultation. This was less than a month from the approval of the project proposal by FIPP, and was only possible because the working group started working on the text immediately after producing the draft project proposal, without waiting for a formal approval. On the other hand, having successfully passed this preliminary working group internal consultation, provided an early-stage reassurance that this modus operandi was suitable in terms of general approach and key concepts covered.

After the exposure period, the drafting team met in Luxembourg in July 2023 and analysed the comments received from stakeholders and revised the text. Only three out of seventy paragraphs in the exposure draft triggered no comments from stakeholders. The remaining paragraphs had from one to more than ten comments. The drafting team took into account each individual comment and produced a reply explaining how it was considered.



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Annex I

The meeting in Luxembourg allowed to have the analysis and revised text of ISSAI 140 and ISSAI 100 ready for endorsement by the working group within less than one month from the end of exposure period (21 June 2023). Due to the overall time pressure, the working group agreed on a strict approach for endorsing the text, setting a deadline of one week for comments to be provided, in the absence of which the draft text would be considered adopted.

Cooperation with FIPP

The overall cooperation with FIPP on the revision of ISSAI 140 was useful and good and a close working relationship was established between the working group and FIPP. This allowed us to keep the short deadlines outlined in the project proposal.

However, in our view, the meetings held between the project group and FIPP on the endorsement version show the need for separate guidelines leading to a common understanding on the quality assurance processes for the future (such as templates, deadlines etc.).

Conclusions

Our work on the ISSAI 140 showed that well-defined, limited projects such as this one can get done more quickly and therefore be used by the SAI community sooner than broadly scoped projects that try to produce everything, see above points 1) to 3).

This project also clearly proved that INTOSAI needs to develop drafting conventions that govern the use of terminology and define common terms. During the drafting of the ISSAI 140 revision the different interpretations of terms, uncertainty given how the standard should be structured, and inconsistency in the use of terms between different types of engagements (financial, compliance or performance) triggered many discussions, resulting in efficiency losses.

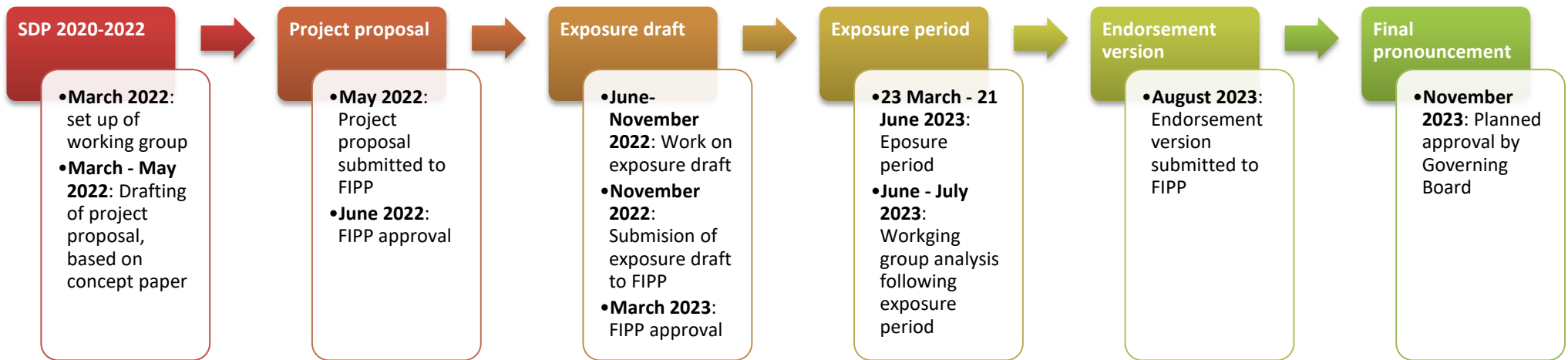


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Timeline



Version: **Date Month Year**

Project Proposal

Insert name of Working Group

This form is used is used to stand as a record of the proposal from the project team.

PART A: PROJECT IDENTITY

Description	Information						
Project number and title as per SDP							
Working title(s) for the new pronouncements							
Project aim							
Project objectives							
Project duration							
Name of the lead WG							
Key contacts	Name	Surname	Address	Email	Office Phone	Business Mobile Phone	Organization/ Sponsoring SAI
Project Group Lead							
Contact persons for the goal chair							
FIPP liaison officers							

Version: Date Month Year

Project Proposal

Insert name of Working Group

Other anticipated project team members (list of names and organizations)

Key contacts	Name	Surname	Address	Email	Office Phone	Business Mobile Phone	Organization/ Sponsoring SAI

Version: Date Month Year

Project Proposal

Insert name of Working Group

PART B: PROJECT MILESTONES

Stage		Due process milestones			
1.	Project Proposal	Start Date	End Date	Expected Time in Total	Comments
		N.B. Allow three months between end date of stage 1 and start date of stage 2 for FIPP approval of the project proposal			
2.	Exposure draft	Start Date	End Date	Expected Time in Total	Comments
		N.B. Allow three months between end date above and start date below for FIPP approval of the project proposal			
	Exposure period	Start Date	End Date	Time in Total (not negotiable)	Comments
3.	Endorsement version	Start Date	End Date	Expected Time in Total	Comments
		N.B. Allow three months between end date of stage 3 and start date of stage 4 for FIPP approval of the project proposal			
4.	Final pronouncement, including translation into all official INTOSAI languages*	Start Date	End Date	Expected Time in Total	Comments
		* “Unless other mechanisms have been established, the working group is responsible for translation of the approved endorsement version into the five official languages.” (Due Process, page 9.)			

PART C: INITIAL ASSESSMENT AND PROJECT PROPOSAL

Initial assessment – Matters to be covered (Due Process, pages 6 and 7)

Annex II: Existing FIPP project proposal template

Version: **Date Month Year**

Project Proposal

Insert name of Working Group

C.1.	Explanation of the need for the project	
C.2.	Description of the categories of auditing or other engagements that will be covered by the new pronouncement(s)	
C.3.	Description of different types of SAIs/audit engagements that must be accommodated in the new pronouncement	
C.4.	Challenges, if any foreseen, that would have to be managed by SAIs in implementing the new pronouncements	
C.5.	Explanation of how consistency with ISSAI 100, other existing ISSAIs and other professional pronouncement(s) will be ensured	
C.6.	Explanation of the extent to which it will be possible and desirable to build on pronouncements from other internationally recognized regional or national standard-setters and if so, the extent to which supplementary pronouncements are needed to provide clarity on new pronouncement.	
Project proposal – Matters to be covered (Due Process, page 7)		
C.7.	Explanation of organization of the project describing how project group members will be drawn from relevant sub-committees/working groups/other interested parties	

Annex II: Existing FIPP project proposal template

Version: Date Month Year

Project Proposal

Insert name of Working Group

C.8.	Explanation of the outcome of the project specifying how existing professional pronouncements may be affected.	
C.9.	Explain the quality processes that will be applied in the drafting process (see Due Process, page 7 and 8) along with the parties that the project group will consult and engage with.	

PART D: AUTHORITIES

PERSON	NAME	SURNAME	DATE	SIGNATURE
Project Leader				
Responsible Goal Chair				