



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



**Minutes**

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The 7<sup>th</sup> meeting of the Steering Committee of the INTOSAI Committee on Knowledge Sharing and Knowledge Services (KSC) was held at Washington DC, United States of America on 15 and 16 October 2015. The meeting was presided over by Mr. Shashi Kant Sharma, Comptroller and Auditor General of India and Chairman of the KSC. The list of delegates who attended the meeting is attached as Annexure.

**Agenda Item 1: Welcome Address and Opening of the Meeting**

Mr. Shashi Kant Sharma, Comptroller and Auditor General of India and Chair, KSC, opened the meeting by thanking the U.S. Government Accountability Office and the Comptroller General of the United States, Mr. Gene Dodaro, for hosting the 7<sup>th</sup> KSC Steering Committee meeting. Mr. Sharma stated that this meeting of the Steering Committee would provide an opportunity to collectively review the progress achieved by the Working Groups and Task Forces of Goal 3 in relation to programmes and activities undertaken by them in tandem with the updated INTOSAI Strategic Plan 2011-2016. He also informed the Committee that the deliberations at the meeting will form the basis of the Goal-3 report to be presented at the 67<sup>th</sup> Governing Board meeting to be held at Abu Dhabi, United Arab Emirates in November 2015.

Mr. Sharma informed the Committee that the Working Groups of KSC are developing ISSAIs and INTOSAI GOVs in addition to review of ISSAIs on International Institutions, Public Debt and Environment Audit. Thereafter, Mr. Sharma provided a brief overview of the five new agenda items that would be discussed at the meeting i.e. INTOSAI IDI-KSC Community Portal; Auditing Preparedness for implementation of Sustainable Development Goals; Research Projects on topics of mutual interest; Strategic Objectives and Goals of KSC relating to INTOSAI Strategic Plan 2017-2022; and Arrangements for 2016 INCOSAI.

Mr. Sharma also reported that the KSC in collaboration with the INTOSAI Development Initiative (IDI) is developing an INTOSAI IDI-KSC Community Portal, where features like Community of Practices, Blogs, Chats, Virtual Meeting and active polls/survey, etc. will be made available. This portal will replace the existing INTOSAI collaboration tool.

Mr. Sharma thanked the Working Groups for their efforts that have paved the way for greater cooperation and knowledge sharing and concluded by thanking GAO for providing for the videoconferencing to allow Mexico and the United Arab Emirates to participate virtually.

**Agenda Item 2: Adoption of Agenda of the 7<sup>th</sup> KSC Steering Committee**

Mr. Sharma put the agenda before the members for adoption.

**Agenda Item 3: Remarks by INTOSAI Secretary General**

Mr. Robert Sattler, Director of the INTOSAI Secretariat, reported on the activities of INTOSAI. He began by reminding members of the INCOSAI 2013 decision to have SAIs be part of the Post 2015 Development Agenda. The UN adopted the 17 SDGs in the 2030



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



Agenda for Sustainable Development, with special attention to Goal 16 on the effectiveness and accountability of institutions and the Addis Ababa Action Agenda from the conference on Financing for Development, explicitly mentioning the strengthening of SAIs. Mr. Sattler also advised that the commitment of the international community must occur for SAIs to live up to expectations, contribute to a monitoring mechanism related to the implementation of development goals at the national level, and contribute to safeguarding financial sustainability and accountability.

Secondly, Mr. Sattler reported on a joint peer review project between Austrian Court of Audit (ACA) and the Austrian Development Agency (ADA). The aim is to assess the implementation of the eight Principles of Independence in the Mexico Declaration in select SAIs. ADA will contribute a 300,000 EUR grant for project costs. The project is expected to develop four major outputs: 1) a series of seven reports to peer-reviewed SAIs that contain an assessment of office compliance with the eight principles of independence and recommendations for action; 2) a comparative cross-cutting report that includes recommendations for further action on the international level provided to INTOSAI, UN bodies and development partners; 3) a report on lessons learned with analysis of usefulness and effectivity, best practices, and dos and don'ts related to this peer review pilot project; and 4) the drafting of a concrete action plan for adoption based on the recommendations from the peer reviews. The memoranda of understanding with all involved parties were signed in September and kick-off meetings will occur in October. Onsite visits in February of next year with a final report presented to INCOSAI 2016.

Mr. Sharma opened up the discussion by praising the peer review initiative and asked about coordination with the International Development Initiative (IDI). Mr. Sattler responded that ACA and IDI had discussed and concluded that the efforts do not overlap. The peer review focuses on all eight principles in the Mexico Declaration, not just the legal framework.

Mr. Bill Keller, International Relations Director at the Government Accountability Office, discussed the concerns of safeguarding peer review results and the interaction of the peer review team and the SAI. Mr. Sattler replied that there is a tremendous importance placed on the acceptance of the review by all parties. MOUs developed specify that the peer review report is the property of the reviewed SAI and is to their discretion about how to use. The MOU also gives the reviewed SAIs the opportunity to conduct outreach with their respective parliaments about the findings.

Ms. Kayemba Keto, Assistant Auditor General from the Office of the Auditor General of Uganda, asked about the project timelines. Mr. Sattler replied that the preparation phase has already started. The onsite visit phase will begin in February 2016. The report will be drafted by the end of April, and the final report will be issued by summer and INCOSAI 2016.

Mr. Keller asked whether ACA would provide an opportunity for the SAI to comment on the draft before it was final. Mr. Sattler responded that interaction is a constant iterative process to help and to fulfill the needs of the SAIs. There will be a constant communication process, including before the on-site visit, during the visit and in the report writing process. The reviewers will go through the eight principles against their observations and provide an appraisal of the principles and the observations.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



Mr. Khalid Hamid, Executive Director at the State Audit Institution of the United Arab Emirates, asked how this project differs from the intoSAINT project. Mr. Sattler replied that the INTOSAI-wide Peer Review project is different from that project.

Mr. Agus Joko Pramono, Board Member of the Audit Board of Indonesia, asked how other SAIs will learn from results from the reviewer. Mr. Sattler responded that regional representatives will be included and the lessons will not talk about detailed findings but be generalized for the region.

**Agenda Item 4: Address by Mr. Gene Dodaro, Comptroller General, Government Accountability Office, United States of America**

Mr. Sharma introduced and welcomed Mr. Gene L. Dodaro, Comptroller General of the United States and head of the U.S. Government Accountability Office (GAO) to address the committee.

Mr. Dodaro welcomed the committee and emphasized how pleased GAO is to host the meeting. He presented a brief statement regarding the recent Donor Steering Committee meeting in Brasilia. Mr. Dodaro reported that a formal evaluation of the donor partnership was done and it was positive, on the whole. He emphasized the developing relationships of the SAIs and donors. While there were good results of the initiative, Mr. Dodaro emphasized the need to continue to demonstrate results to keep donors at the table and reiterated the importance of committees to make SAIs aware of the donor initiative and to be able to tell them how to access support to build their capacities especially in developing countries. The new strategic plan will detail these efforts, and the regions need to play a pivotal role in the process.

**Agenda Item 5: Report on INTOSAI Strategic Plan by Director of Strategic Planning**

Mrs. Monika Gonzalez-Koss, INTOSAI Director of Strategic Planning, provided an update on the progress made by the TFSP since the last KSC meeting. Mrs. Gonzalez-Koss reported that the General Secretariat continued frequent contact with all INTOSAI regions regarding their strategic developments and activities.

During the first half of the implementation of the Strategic Plan 2011-2016, INTOSAI began to work out milestones, considerations and principles to plan the 2017-2022 Strategic Plan. The new plan has engaged internal and external scans of the expectations, requirements, and challenges for the future of INTOSAI and will be linked to and reflect the SDGs. The mission statement was updated in March to recognize standard setting as of special importance for INTOSAI. The goal chairs have collectively reviewed the strategic objectives for each their strategic goals. Ms. Gonzalez-Koss emphasized that the different objectives and targets of goals should be in line with the 5 strategic priorities. The final plan will be presented to INCOSAI 2016.

Mr. Keller noted that a key new feature is the strategic objective reviews. He asked if Ms. Gonzalez-Koss could describe that process, as it could impact the steering committee. Ms. Gonzalez-Koss replied that the purpose is to assess performance, especially for outside credibility, to inform long-term strategic annual budget planning formations, to identify opportunities for continuous improvement, including risk management to improve the decision-making response time, strengthen collaboration across the organization, and



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



improve transparency. The strategic objective reviews would still need review by the Governing Board.

**Agenda Item 6: Report on the Recent Activities of the INTOSAI Development Initiative (IDI)**

Mr. Shourjo Chatterjee, Strategy and Knowledge Manager for the INTOSAI Development Initiative, reported that IDI has finalized a results framework with specific indicators and targets to work towards to meet its strategic plan. The framework was published in the 2014 IDI Performance and Accountability Report. In addition, IDI completed a Governance Review in March 2015, which brought out several recommendations for streamlining the operations of the IDI Board, its composition and stakeholder relations.

In 2014, IDI activities reached 150 SAIs across eight INTOSAI regions, including 122 developing countries and 47 fragile states. In addition, 44% of the IDI's programs have been delivered in more than one language to benefit 1175 participants of whom 41% were female. IDI is also working to create global public goods for use by external and internal stakeholders, such as the ISSAI Implementation Handbook for Compliance Audit. IDI continues to work with the INTOSAI regions to support them in developing the capacities of their member SAIs and is scaling up efforts to support SAIs, including the establishment of the SAI Development Fund.

Mr. Chatterjee also reminded KSC members of the eight programs of IDI launching between 2015 and 2018 as part of its capacity development portfolio. IDI has also collaborated with the INTOSAI goal chairs to support additional capacity development initiatives.

**Agenda Item 7: Report on the achievements of the International Journal of Government Auditing**

Mr. Keller presented the report of the INTOSAI Journal. He reported on the sound financial position and outlined different initiatives of the Journal in progress or planned for the future. These include: increased interaction through social media, development of a new website, and digitization of old editions among others.

Mr. Keller reported that the Journal has become increasingly active in social media in order to reach all of those who aspire to best practices in good governance and public auditing. He urged all participants to follow the Journal on these platforms. Mr. Keller also highlighted a recent submission from South Africa with a YouTube video available on the Journal website. The hope is that the Journal will be used as a tool for engagement by SAIs and the enhanced presence will encourage more interaction.

**Agenda Item 8: Report by the INTOSAI Professional Standards Committee (PSC)**

Ms. Nanna Henning, Assistant Auditor General of the Denmark Auditor General's Office and PSC Chair reported on PSC progress. After 12 years, Denmark will be turning over the PSC to a new chair. The process has continued for some time and the nominees will be presented to the Governing Board next month. Another initiative of the PSC has been the Common Forum of technical experts to review professional standards and provide technical expertise. Nominations were received and interviews were conducted. 15



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



representatives and 1 chair were selected by the INTOSAI Goal Chairs. The first meeting will occur in December. The most important item on their agenda is to propose a clear distinction between auditing standards and other types of standards in the framework. Third, the PSC has developed a new due process for professional standards. The new due process is designed to provide a single gateway for documents to enter the framework.

Ms. Juska Meidy, Head of Directorate on Evaluating and Reporting of Audit at the Audit Board of Indonesia asked how the transition from the old to the new process would occur and if it would impact existing activities, such as those of the Environmental Auditing Group. Ms. Henning responded that work begun under the old due process would continue under that process.

Mr. Jean-François Monteils, President of the Regional Chamber of Accounts for Aquitaine Poitou-Charentes at the Cour des Comptes of France, asked about the processes effect on other products that were not standards. Ms. Henning stated that challenges exists for defining audit standards as opposed to other standards, but they are working to find ways to distinguish them better.

Mr. Sattler asked if any discussion had happened to enact a similar change process in response to the new strategic goals. Ms. Henning stated that there was some discussion of this between the three goal chairs, but nothing would affect the role of the Governing Board or INCOSAI, which will maintain oversight functions.

Mr. Magnus Lindell, Deputy Auditor General of the Swedish National Auditor Office expressed support for the new process, and noted that it is not the Capacity Building Committee's comparative advantage to approve draft ISSAIs. Mr. Sharma also expressed support, saying that INTOSAI will gain as a whole, even if powers between the committees shift.

Mr. Hamid asked whether there was still talk of transferring some subcommittees of the Professional Standards Committee to the Knowledge Sharing Committee. Ms. Henning said there had been some discussion of transferring certain subcommittee responsibilities, but it was only one of many ideas discussed. Ms. Henning stated that the next chair of the Professional Standards Committee will likely be able to make an impact in this regard.

**Agenda Item 9: Report by the INTOSAI Capacity Building Committee (CBC)**

Mr. Magnus Lindell, Deputy Auditor General of the Swedish National Auditor Office provided an update on the activities of the CBC. The annual CBC meeting in 2015 had thematic discussions on the role of SAIs in the 2030 Agenda and relation to the SDGs. The meeting identified three roles for SAIs in this regard: 1) SAIs contribution to sound public financial management through adherence to their auditing mission and being models of transparency and accountability; 2) SAIs focus on the principles of economy, efficiency, and effectiveness in relevant sectors reflecting individual national priorities; and 3) SAIs assessment of national systems for implementing and monitoring national goals and targets. There were several conclusions from the meeting. Most important is that the role of SAIs remains basically the same. The audit of SDGs does not require a new methodology and the emphasis on the importance of professional standards remains.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



Another theme for the CBC's work has been in strengthening regional professionalism. CBC and others have recognized INTOSAI regions as key strategic enablers for success of SAIs. Regional and sub-regional organizations can have a key role in making sure capacity needs are met. As such, CBC has created a Regional Forum for Capacity Development. CBC also intends to develop a framework for regional professionalism. CBC wishes to see these structures become a recurring feature in CBC meetings.

Additional CBC work stream deliverables include endorsement of drafts of ISSAI 5600 on peer review and 5800 on cooperative audits, a Guide to Managing Information Communications Technology, as well as the roll-out of INFOSAINT. CBC has also participated in a series of external engagements, a selection of which can be found on the CBC website.

**Agenda Item 10: Progress Report of the INTOSAI Working Group on Environmental Auditing (WGEA)**

Mr. Pramono reported on the progress of WGEA over the past year. He reported on the WGEA's four main goals as outlined in the work plan: 1) update existing and develop new guidance materials for SAIs; 2) facilitate concurrent, joint, and coordinated audits; 3) enhance information dissemination, exchange, and training; and 4) increase cooperation between WGEA, international organizations, and other INTOSAI bodies.

WGEA highlighted five cooperative audits occurring in other regions focusing on environmental issues, though WGEA has provided assistance to others. Mr. Pramono stated that in the future WGEA would continue to support cooperative audits at the regional level. WGEA had provided two trainings developed by members, including its International Training on Environmental Auditing and Forestry Auditing Training Module. There was also continuous work done by WGEA "Greenlines" publication, the initiation of the eighth annual Environmental Survey of worldwide SAIs, and the maintenance of an applicable audit database. WGEA has also increased efforts to work with international bodies through an update to the INTOSAI Glossary on Environmental Auditing and assistance to the United Nations Environmental Programs. WGEA also had contact with the Convention on Biological Diversity and International Federations of Accountants. Mr. Pramono also presented an update on review of ISSAIs on Environmental Auditing.

Mr. Pramono also stated that upcoming work for WGEA includes issues for the new 2017-2019 work plan: climate change impact on food production and biodiversity; strengthening environmental audit capacity; and working with SDGs. The plan will be reviewed at the next WGEA meeting in October 2016.

Mrs. Gonzalez-Koss asked whether there was any engagement with the efforts of Mexico on the database on Glossary of Audit Terminology since Mexico had a similar project. Mrs. Meidy stated that WGEA participated in this and the reference was to the same.

**Agenda Item 11: Progress Report of Working Group on Fight Against Corruption and Money Laundering (WGFACML)**

Ms. Shahinda Galal, General Manager of the Accountability State Authority of Egypt, reported on the efforts of the WGFACML. At the most recent meeting, members of the



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



Working Group outlined four goals for inclusion in the work plan. These goals were: 1) promote cooperation between SAIs to develop and finalize guidelines that support their efforts in detecting and fighting corruption and money laundering and develop working paper; 2) promote building the capacities of SAI professionals in the areas of fighting corruption and money laundering; 3) conduct cooperative auditing in the field of corruption and money laundering; and 4) disseminate best practices and experiences in the areas of fighting corruption and money laundering. Each of these goals contains specific strategic objectives which are being led by various members of the working group.

Ms. Galal also informed the Committee that the Working Group will present ISSAI 5700 “Guideline for the Audit of Corruption Prevention in Government Agencies” and INTOSAI GOV 9160 “Enhancing Good Governance for Public Assets. Guiding Principles for Implementation” in the 2016 INCOSAI for approval.

**Agenda Item 12: Report of the Working Group on IT Auditing (WGITA)**

Mr. K.S. Subramanian, Director General (International Relations), Office of the Comptroller and Auditor General of India presented the WGITA progress report. He informed the Committee that since the XXI INCOSAI held in October 2013, SAIs of Zambia, Georgia and Mauritius have joined this Working Group as members, whereas ISACA and AFROSAI-E have joined this group as observers. With this, the total membership of the Working Group now stands at 46 including four observers. He stated that The Working Group has held two meetings since the XXI INCOSAI in 2013 i.e. the 23<sup>rd</sup> meeting at Kuwait City from 10-12 February 2014 and the 24<sup>th</sup> WGITA meeting at Warsaw, Poland on 29-30 June 2015. The 25<sup>th</sup> WGITA meeting will be held at Brasilia, Brazil on 26-27 April 2016.

He informed that the 2014-2016 Work Plan was adopted by the Working Group meeting in Vilnius, Lithuania last year, and the preparations for the 2017-2019 plan is in progress. Mr. Subramanian provided an update on the five projects being undertaken by the WGITA for the work period including: 1) an IT governance Guide; 2) a data mining tool on fraud investigations; 3) development of standards for state information systems audit; 4) development of a data interface standard; and 5) development of ISSAI 5300. Mr. Subramanian informed the Committee that all the above five projects are expected to be completed before the 2016 INCOSAI. The Committee was apprised about the revised timelines of ISSAI 5300 and results of a survey on IT Audit amongst INTOSAI community covering IT Audit practices, standards and manuals in use, etc.

Mr. Subramanian also apprised the Committee about the other activities of the Working Group i.e. discussion on big data and Audit Management Systems in last meeting. He informed that the WGITA is working with IDI to develop software that can automate documentation relating to audit work. A survey relating to requirements for this software was conducted in 2015, and a detailed work plan for development and rollout will be presented at the WGITA meeting in 2016.

Ms. Henning voiced agreement on the comments made regarding IT governance and increasing vulnerability. She cited a recently released report in Denmark which showed these vulnerabilities to be a problem there and elsewhere.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



**Agenda Item 13: Progress Report of Working Group on Audit of Extractive Industries (WGEI)**

Ms. Keto Kayemba, Assistant Auditor General of Uganda reported on the progress report of the WGEI. The objective of the WGEI is to promote the audit of Extractive Industries (EIs) within the INTOSAI community in order to promote good governance and sustainable development in light of the UN SDGs. WGEI covers oil, gas, and solid minerals, although EIs can exist outside of these areas. Ms. Kayemba noted that the WGEI held its first annual meeting in August 2014 in Kampala, Uganda, and its second annual meeting in September 2015 in Oslo, Norway. At the first annual meeting, WGEI members shared experiences on audits of EIs and approved several items including terms of reference for work projects and the website. At the second annual meeting in Oslo, WGEI members created new networks among SAI stakeholders. Ms. Kayemba also stated that up to 23 reports on work done by the SAIs of WGEI members are being shared with the group. The WGEI has also established a community of practice with staff funded by the SAIs of Uganda and Norway. Finally, Ms. Kayemba noted that WGEI has attracted a lot of media attention in Uganda, where the local community is involved in efforts related to EIs.

**Agenda Item 14: Progress Report of Working Group on Value and Benefits of SAIs (WGVBS)**

Mr. Erwin Ramirez, Director of International Relations at the Auditor Superior of the Federation of Mexico, reported that WGVBS members have focused their efforts on several projects, including a performance measurement framework for SAIs that has been piloted in the SAI regions. The WGVBS received feedback from SAIs that the framework was useful in assessing SAI performance. Mr. Ramirez also discussed guidelines on effective collaboration between SAIs and domestic governments that the WGVBS is writing. Mr. Ramirez informed that a draft of these guidelines will be available by the end of October and the guidelines will be completed by the next meeting. The WGVBS has also established a task force with members from South Africa, Namibia, and Mexico to focus on the implementation of the ISSAIs. Since its creation in 2007, the mandate of the WGVBS has evolved according to needs and challenges. The next meeting of the WGVBS will be in 2016 in Tanzania.

Mr. Lindell thanked the WGVBS and noted that there was enormous interest in the WGVBS's work from external stakeholders especially on the performance management framework.

**Agenda Item 15: Progress Report on Working Group on Public Debt (WGPD)**

Mr. Ramirez discussed the WGPD ongoing projects including revisions to existing professional standards on public debt to ensure validity and relevance. Five criteria were considered in this process: 1) usefulness of standards; 2) update requirements for standards; 3) potential harmonization with other Working Groups; 4) alignment to other standards in the ISSAI framework; and 5) potential harmonization with other Working Group's products. As a result, updates of the following standards have been made and approved: ISSAI 5410, 5421, 5422, and 5430 and withdrawal of ISSAI 5420. Relevant revisions of ISSAI 5411 will be addressed next year, when due for its five year revision.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



ISSAI 5450 is slated to be sent to INCOSAI 2016. The draft is expected to be disseminated in December 2015. The WGPD is also continuing research on the Public Debt Management Office guidance. The draft has been shared and feedback has been incorporated. The guideline is slated for presentation to INCOSAI 2016.

Mr. Ramirez also reported continuing collaborative relationships in implementing a knowledge-sharing virtual platform with the World Bank, the United Nations Institute for Training and Research, The United Nation's Conference on Trade and Development, the Inter-American Development Bank, and the Organization for Economic Co-operation and Development.

Mr. Ramirez also informed the committee that Mexico has put out calls for nominations to take over as chair. The final meeting to be chaired by Mexico will be the 2016 meeting in China.

**Agenda Item 16: Progress Report of Working Group on Financial Modernization and Regulatory Reform (WGFMR)**

Ms. Patricia MacWilliams, Senior Analyst at the U.S. Government Accountability Office provided the update about the Working Group's activities over the last year. For example, China's summarized audit authorities and Canada continued to lead outreach efforts to international bodies, including the International Monetary Fund. The WGFMR has continued to collect and report on the status of financial reform efforts and analyze risk assessments and other reports that have identified challenges to financial reform and stability, such as macroeconomic uncertainties, low oil prices, and mistrust of financial institutions due to misconduct.

Ms. MacWilliams discussed recent findings of four SAI reports published on financial regulatory reforms: 1) The European Court of Auditors identified shortcomings in regulating and supervising the banking sector and requested that the role of regulators be clarified; 2) The United Kingdom found challenges in ensuring new financial regulators had the right staff capacities and recommended establishment of performance measures; 3) Brazil identified risks that affect or may affect banking supervision; and 4) The United States reported on the potential effect of Basel III regulations on the U.S. banking sector.

The WGFMR has identified three challenges to conducting performance audits of financial regulators and financial reports 1) limited authority, 2) obtaining tools and expertise, and 3) prioritizing amidst limited resources and information.

Ms. Henning thanked Ms. MacWilliams for the presentation and added that recent financial system regulatory changes in the European Union (EU) have potentially created an audit gap. She noted that audits which cross boundaries are necessary as EU member SAIs may have few financial market experts to inform those audits and the financial systems cross borders.

**Agenda Item 17: Progress Report of Working Group on Program Evaluation (WGPE)**

Mr. Monteils from SAI-France discussed the WGPE progress in drafting a practical methodological guide for conducting evaluations. The group is actively developing a methodological guide as a GOV document which discusses the differences and similarities



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



between an evaluation and performance audit, and provides guidelines for creating the scope and methodology of an evaluation. Mr. Monteils discussed factors taken into consideration in drafting the guide and provided an outline of the product. The WGPE expects to present a draft of the guidance to the KSC by November 2015 to be endorsed at INCOSAI 2016.

Mr. Keller asked whether WGPE engaged international organizations such as the UN and their guides on evaluation. The KSC members discussed whether the collaboration should take place prior to the draft going out for comment or after. Mr. Monteils stated that it would be interesting to collect information from organizations such as the UN and will look into whether it is possible, but noted that any potential additional information may postpone the exposure timeline.

**Agenda Item 18: Progress Report of the Working Group on Key National Indicators (WGKNI)**

Ms. Atoorva Sinha, Director of International Relations at the Office of the Comptroller and Auditor General of India provided an update on behalf of SAI Russia. She reported on the outcomes of the 2015 meeting including the results of the subproject on the use of KNI for international comparisons in the context of sustainable development, a survey on the countries' preparedness to use KNI systems in the SAI's activities, continued preparation of a guidance document and the overhaul of the knowledge base on KNI (online at [kniknowledgebase.org](http://kniknowledgebase.org)).

A primary project of the Working Group included forming a way for members to evaluate their stage of development regarding KNI systems. The Secretariat developed a survey, the results of which led to the guidance "Key National Indicators: Guidance for Supreme Audit Institutions". The document explains what KNIs are and provides a framework for self-assessment of the countries preparedness to use KNI systems in SAI activities. There are 3 parts of the KNIs Guidance: 1) define KNIs as indicators that measure progress meeting goals in specific areas; 2) the self-assessment tool of KNI system preparedness and ways to improve KNI systems; and 3) general principles for SAIs in applying KNIs.

The guidance was created using the White paper on KNI, subproject materials and results of the survey on SAI readiness to use KNIs, and of UN and OECD materials. This guidance is the initial step for the development of an ISSAI on the use of KNI in SAI activities for 2019.

The KSC Steering Committee approved the Guidance prepared by the Working Group. The document is to be presented at 2016 INCOSAI.

**Agenda Item 19: Progress Report of Task Force on Procurement Contract Audit**

Ms. Atoorva Sinha reported for the task force on behalf of SAI Russia. Ms. Sinha reminded members that the main objective of the Task Force is to develop universal approaches and general principles of the audit of public procurement under the umbrella of INTOSAI. The first meeting in 2014 developed several key objectives including developing a work plan and approving a design for the website. Immediate results of the task force's activities will be made available there in both English and Russian.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



The 2015 meeting in Moscow demonstrated other results including proposed parallel audits of the validity of changes made in concluded public contracts by SAI Portugal and Slovenia. An additional comprehensive audit of public procurement in the electric power industry is being conducted by SAI Zambia. These and other audits under this plan have a deadline of January 1, 2016. At the second meeting, the decision was made to provide to the Secretariat of the Task Force a summary of the results of the public procurement audits that are of mutual interest, for posting on the Task Force's webpage. The third meeting of the Task Force will take place in mid-2016 in Baku, Azerbaijan.

Mr. Keller asked if the draft structure for the practical guidelines is an ISSAI GOV document. Mr. Keller noted that the work plan did not include any reference to this being a GOV document. Ms. Sinha replied that India had not received a GOV document but would follow up with SAI Russia.

**Agenda Item 20: Update on Review of ISSAIs on Audit of Privatization and Audit of International Institutions**

Mr. Subramanian presented an update on ISSAIs on Audit of Privatization and on audits of International Institutions. As SAI United Kingdom was unwilling to lead the review of ISSAIs on Privatization, SAI Egypt expressed interest in leading a small group to review ISSAIs 5210, 5220, 5230, and 5240 on Audit of Privatization. SAI Egypt had requested a response from all previous working group members on any updates that may be useful in updates of the ISSAIs. Mr. Subramanian also requested a time schedule from Egypt regarding the ISSAI review process for ISSAIs 5210, 5220, 5230 and 5240.

For ISSAIs 5000 and 5010 on audit of international institutions, the effort is being led by SAI Norway along with SAIs of Austria, India, South Africa, and the United Kingdom. Three meetings have been held thus far for the finalization of ISSAIs 5000 and 5010. In these three meetings, members reviewed the existing documents and decided to replace the existing ISSAI 5000 and 5010 with a revised ISSAI 5000 and a new INTOSAI GOV 9300. Exposure drafts of revised ISSAI 5000 and new INTOSAI GOV 9300 were forwarded to KSC members for comments on July 30, 2015. There have been formal "no comments" received from SAI Russia and USA, but no other responses.

**Agenda Item 21: Report on INTOSAI IDI-KSC Community Portal**

Mr. Subramanian reported on a new knowledge sharing portal being developed by the KSC in collaboration with IDI to replace the INTOSAI Collaboration Tool. The portal will not require the previous contribution of INTOSAI allowing savings for the organization. When the portal launches, it will contain links to blogs, galleries, chats, news, a calendar of INTOSAI events and a virtual library. The library link in the portal will contain a library of resources. The portal will contain links to communities of practice on two topics: Audit of Sustainable Development Goals (SDGs) and INTOSAI Certification of Auditors. Not all features of the portal will be rolled out at the same time, but they will be rolled out over time as they get finalized.

Mr. Chatterjee, Strategy and Knowledge Manager of the INTOSAI Development Initiative, provided a demonstration of the portal and some of the features to members. Mr. Chatterjee noted that the portal will contain a small feedback questionnaire for members to offer comments on the website to aid in the continuing development of portal. The site



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



is slated to launch in November with technical infrastructure supplied by IDI and operational support by SAI India.

Mrs. Gonzalez-Koss asked about passwords on the tool. Mr. Chatterjee responded that they had explored two options. The first is to not have password control, but it would mean there was no access controls. The second and prevailing thought would be to have sign-ups fill out a form and SAI India and IDI would confirm with the respective SAI if they are authorized. They would then send a username and password to the requestor.

Ms. Gonzales-Koss said they could use the INTOSAI website password since all members already have this information. Mr. Chatterjee said that it was an idea but may be a challenge especially if staff at a SAI does not know that information or is unaware of how to find it.

Mr. Sattler offered the comment that the Community of Practice feature is a great idea, especially on the SDG and certification project.

Mr. Ramirez asked about the language issue and whether they will only provide English or all five of the INTOSAI languages. He noted there may be interest in reaching out to SAI Chile about the Knowledge Management System. Mr. Chatterjee said that they have been looking at the language issue. They will first look at English, then consider how to migrate to another languages. With regard to knowledge management, they will follow up with SAI Chile.

**Agenda Item 22: Report on auditing preparedness for implementation of SDGs**

Mr. Subramanian presented on auditing preparedness of the implementation of the SDGs. He focused on four items in the KSC and the IDI plan to cooperate in designing and delivering a comprehensive program on auditing implementation of SDGs from 2015-2018. The plan items are: 1) a community of practice for auditing implementation of SDGs, 2) guidance on auditing preparedness for implementation of SDGs, 3) cooperative audits on auditing preparedness for implementation of SDGs, and 4) documentation of lessons learned and publication of a compendium of audit findings. On that, Mr. Subramanian outlined two key challenges: developing a mechanism for measuring outcomes and assuring the reliability of data.

Mr. Keller noted that it would be beneficial for countries to decide the best path to follow based on their organizations' mandate. Mr. Subramanian noted that there is an opportunity for other areas of involvement, with the fifteen year program duration of the SDGs.

Mr. Chris Mihm, Managing Director for the Strategic issues team at the U.S. Government Accountability Office asked if it would be beneficial to collectively identify a good statistical system. Mr. Lindell followed up about what auditors might do to help governments prepare to measure, considering reliable statistics may be infeasible within fifteen years. He stated that it would be beneficial to have global monitoring indicators and additionally to understand SAI's role in the SDG implementation.

Mrs. Gonzalez-Koss noted that the European Union is reviewing targets currently set for 2020, and this may inform the methodology for the SDG effort.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



Mr. Hamid noted that the steering committee's direction should include all the voices they have heard, such as from the IDI. Mr. Subramanian responded that this would be a project to actively engage with stakeholders.

Mr. Sattler stated he was pleased that the Committee is bringing energy to this area. He echoed the need for a coherent approach to enable all working groups to contribute to the process going forward and to facilitate support from all INTOSAI.

Mr. Ramirez stated the most challenging issue relates to the methodology. He noted that while auditing organizations have been improving coordinated audits, they need an approach to focus on specific topics as well as a planning meeting to identify goals, objectives, and timeframes. He noted that timeframes may depend on the mandates of each SAI.

Mr. Hamid stated that a paper will inform the November 9<sup>th</sup> teleconference meeting, and facilitate the solicitation of information from the rest of INTOSAI through surveys. He stated that it is important to define interaction with the SDGs to ensure audit institutions do not duplicate work or conduct work in isolation. He stated that following the November 9<sup>th</sup> meeting, the participants would present their decisions to the Governing Board.

Mr. Shourjo Chatterjee, Strategy and Knowledge Manager for IDI, stated that for all IDI programs, the plan is to organize stakeholder, planning, and development meetings, and to engage with all INTOSAI committees and meetings.

**Agenda Item 23: Report on Research Projects on Topics of Mutual Interest of Members SAIs**

Mr. Subramanian reported on a research projects on topics of mutual interest of member SAIs and asked the Committee to consider if it would be appropriate to fund research projects on cross-cutting issues like auditing from gender perspective; auditing sustainable development goals etc. that were of mutual interest to members and if moving forward, how to fund it. Mr. Sharma added that before approaching the Governing Board, the committee would need to do more research on the idea. He asked the committee to consider if the cross-cutting research projects idea was feasible, or if the idea should be dropped.

Mr. Keller discussed the Supervisory Committee on Emerging Issues as a good model for this work. While different in content, there could be a similar mechanism.

Mr. Hamid believed the proposal to be a strong idea, which was seconded by Mr. Ramirez.

Ms. Kayemba raised recent work in Uganda on gender audits as an example.

Mrs. Gonzalez-Koss offered that the KSC proposal for cross-cutting research may provide an additional forum for countries interested in INTOSAI to further explore this issue. It was agreed that a short survey of INTOSAI members could be conducted to ascertain members' interest in cross-cutting research.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



**Agenda Item 24: Report on Arrangements of the XXII INCOSAI in 2016**

Mr. Hamid provided the committee meeting with a proposal to reduce the number of presentations at the INCOSAI 2016 conference by having the KSC Chair present a report on behalf of all the Task Forces and Working Groups under KSC. He explained that this would provide more time for booth visits with the rationale of preventing information overload and provide for more active inclusion of information.

Mr. Hamid proposed that the KSC consider a format which featured several booths so that attendees could go to the most relevant booths and learn needed information. He proposed having booths staffed for a half-day event.

Mr. Sharma began by stating that the KSC could not decide on this but opened the floor to members for their views.

Mr. Chatterjee discussed the previous INCOSAI when booth attendance was very low. Mr. Hamid said that attendance at booths during the last meeting was due to logistic issues and the conference planners are making efforts to handle such challenges during next INCOSAI so as to increase booth attendance.

Mrs. Gonzalez-Koss stated her agreement about the large number of presentations, but reducing presentations for booths has drawbacks. With the triennial cycle of congresses, booths may lead some countries who are not as heavily involved in INTOSAI to be less informed on the relevant issues through presentations and may also affect the ability to make quality decisions during the Congress. She emphasized that booths are excellent idea, but they must be an addition, not a substitution to offer in the INCOSAI Plenaries sufficient information to all INTOSAI members. Mr. Hamid agreed with several points but further emphasized that their research found that the majority of information is not directly linked to decision making purposes.

Ms. Henning agreed with the booths but also expressed concerns with shortening presentations which could lead to hasty decision-making.

Mr. Sharma closed by remarking that participation and due process were important factors to consider for the upcoming Congress. The ability of many countries to be able to present in front of the Congress increases participation. On the other hand, decision-making at the Congress emerges from a due process and does not necessarily flow from presentations made at the Congress. He concluded that, however, that this is a decision that would more appropriately be made by the Governing Board.

**Agenda Item 25: Finalization of strategic objectives and goals of KSC (Goal 3)**

Mr. Subramanian presented the KSC strategic goals for the KSC. The KSC would divide work into three areas of focus: knowledge development, knowledge sharing, and performance assessment.

On the positioning of the three Sub-committees (FAS, CAS and PAS), Ms. Henning stated one of the ideas discussed was to place them under KSC. However, this is an issue that fits into a larger discussion about the structure of the INTOSAI bodies and no definite stance should be considered at this time on their positioning.



**Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)**



Mr. Mihm stated he has received KSC Secretariat's latest comments on cross cutting research and other inputs for the INTOSAI Strategic Plan and that this will be addressed during the presentation to the Governing Board.

Mrs. Gonzalez-Koss welcomed the idea of linking INTOSAI strategic priorities and strategic goals of the KSC and suggested use of the phrase INTOSAI products, rather than ISSAI products under knowledge development.

**Agenda Item 26: Any Other Items with Permission of the Chair**

No additional items were raised.

**Agenda Item 27: Venue for the next KSC Steering Committee meeting**

Mr. Ramirez noted that SAI Mexico has volunteered to host the next KSC Steering Committee meeting in 2016. After some discussion regarding the time, Mr. Sharma suggested waiting until the Congress dates were finalized before setting dates for the next meeting in Mexico City. Mr. Sharma also accepted the offer of Indonesia to host the 2017 KSC meeting.

**Agenda Item 28: Closing Remarks**

Mr. Sharma offered closing remarks to committee where he restated the usefulness of the discussion and reports of the participants and expressed gratitude to all participating countries and to GAO for hosting the meeting. He concluded with thanks to Mexico for agreeing to host the next KSC meeting.

He then declared the meeting closed.

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Minutes of the 7<sup>th</sup> Meeting of the  
Steering Committee of INTOSAI Committee on  
Knowledge Sharing and Knowledge Services  
(Washington DC, 15 and 16 October 2015)



**Annexure**

**List of participants**

#	Country/Org.	Name	Title
1	Austria (GS)	Monika Gonzalez Garcia-Koss	INTOSAI Director of Strategic Planning
2	Austria (GS)	Robert Sattler	Director of INTOSAI Secretariat
3	Denmark (PSC)	Nanna Henning	Assistant Auditor General/PSC Chair
4	Egypt	Shahinda Mohamed Galal Mahmoud	General Manager
5	France	Jean-Fraçois Monteils	President of the Aquitaine Poitou-Charentes Regional Court of Accounts
6	France	Stéphane Gaillard	Assistant Director - International Relations and External Audit Department
7	IDI	Shourjo Chatterjee	Strategy and Knowledge Manager
8	India	Shashi Kant Sharma	Comptroller and Auditor General of India
9	India	K.S. Subramanian	Director General (International Relations)
10	India	Anadi Misra	Secretary to Comptroller and Auditor General of India
11	India	Atoorva Sinha	Director (International Relations)
12	Indonesia	Agus Joko Pramono	Board Member
13	Indonesia	Slamet Kurniawan	Principal Auditor
14	Indonesia	Juska Meidy Enyke Sjam	Head of Directorate on Evaluating and Reporting of Audit
15	Sweden (CBC)	Magnus Karl Gunnar Lindell	Deputy Auditor General
16	Uganda	Keto Nyapendi Maria Goreti Kayemba	Assistant Auditor General
17	Uganda	Maxwell Poul Ogentho	Director
18	U.S.A.	Gene Dodaro	Comptroller General of the United States
19	U.S.A.	James-Christian Blockwood	Managing Director
20	U.S.A.	Bill Keller	Director of International Relations
21	U.S.A.	Patricia MacWilliams	Senior Analyst