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The Asian Journal of Government Audit is a reputed resource for the SAI community for promotion of sound and effective audit systems. This bi-annual Journal has been in circulation since 1983 and has provided a forum for ASOSAI members for discussion and dissemination of good practices. The journal accepts articles, special reports, news items and other materials from member SAIs of ASOSAI.

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Editorial

Dear Colleagues,

We are pleased to bring out the third issue of ASOSAI e-journal (April, 2017). The theme of the current issue is ***“SAI and Stakeholder engagement”***. As SAIs move towards enhancement of their effectiveness and strengthening of their role, increased engagement with stakeholders assumes greater importance. SAIs work in an environment where their work is subject of discussion not only by the audited agencies, legislatures and national governments but also by civil society groups, professional bodies, media and common people. Effective engagement with the stakeholders can facilitate better understanding of the audit work and also enhance the impact of audit. SAIs of Iraq, India and Pakistan have contributed articles on the theme and have shared experiences of audit with various stakeholders in their respective countries. We hope that the articles in this issue will give some useful insights to our readers.

We are thankful to Dr. Madinah Binti Mohamad, Auditor General of Malaysia and the Chairman of ASOSAI, Mr. HWANG Chan-hyun, Chairman of Board of Audit and Inspection of Korea and Secretary General of ASOSAI for their regular columns. We thank all other SAIs who have contributed material for this issue.

We look forward to the continued support of our esteemed readers and their feedback to improve the quality of journal. You could contact us at ir@cag.gov.in and asosai.journal@gmail.com.

I also take this opportunity to invite all the members to contribute articles for the next issue which will be on the theme ***“Role of SAIs in implementation of Sustainable Development Goals”***.

(K.S. Subramanian)

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From the desk of the Secretary General of ASOSAI



Mr HWANG Chan-hyun
Secretary General of ASOSAI
&
Chairman of the Board of Audit and
Inspection of Korea

The 51st ASOSAI Governing Board Meeting (GBM) was held in Bali, Indonesia, between 13 and 14 of February, 2017. I, as Secretary General of ASOSAI, am highly pleased with the successful meeting. I would also like to take this opportunity to extend my sincere gratitude to Dr. Harry Azhar Azis, Chairman of the Audit Board of the Republic of Indonesia, Mr. Made Mangku Pastika, Governor of Bali, and all the staff of the Audit Board of Indonesia for their great support as the host of the Meeting.

Not only regular reports on ASOSAI activities and financial status, but also important issues were placed on the agenda for the 51st GBM. First of all, under the agenda on the ASOSAI Strategic Plan 2016-2021, the Secretary General presented a report on the performance evaluation for 2016 activities and 2017 Annual Operational Plan. In particular, as part of its efforts to align the ASOSAI Strategic Plan with the INTOSAI Strategic Plan 2017-2022, and to support the INTOSAI initiative on Sustainable Development Goals (SDGs), the Governing Board agreed to include ASOSAI's own program and activities for SDGs in its Strategic Plan.

Accordingly, the program on SDGs was added to the 'Strategic Goal 2: Enhance Knowledge Sharing among Member SAIs', and feasible activities have been sought for the year 2017, including the ASOSAI Seminar with the SDGs being included in the theme. I expect that full implementation of the ASOSAI Strategic Plan will contribute to enhanced professionalism of ASOSAI members, as well as the realization of SDGs. I would like to extend my special thanks to member SAIs, especially the ASOSAI Strategic Plan Management Task Force, for their efforts and active participation.

In addition, the ASOSAI has put forward various capacity development activities led by the SAI of Japan, Capacity Development Administrator of ASOSAI, to help member SAIs build their capacities on public audit. In particular, we have shared the plan of introducing a new blended approach, combining e-learning and face-to-face workshops. The new blended approach will be launched in 2018, while the conventional face-to-face workshop will be held in Malaysia between 10 and 12 of July, 2017, on Performance Audit. I would like to ask for your keen interest and active participation in the workshop

so that we can work toward making significant contributions to the capacity development of ASOSAI member SAIs.

On top of this, the ASOSAI has spared no efforts in promoting cooperation with other Regional Organizations since the 50th ASOSAI Governing Board Meeting last year. As a result, it agreed to develop the Terms of Reference (TOR) for the Joint Conference, in order to make the Conference more practical and fruitful. As a follow-up, the ASOSAI Governing Board jointly decided to make some suggestions to EUROSAI for more effective bilateral cooperation and Joint Conference: keep a regular periodicity of three years for the ASOSAI-EUROSAI Joint Conference; and diversify programs for different levels of participants, such as a working-level meeting to support a high-level meeting, or a sub-committee, etc. Furthermore, the ASOSAI Chair and Secretary General signed a Memorandum of Understanding (MOU) on the cooperation between ASOSAI and AFROSAI on the sideline of the 22nd INTOSAI Congress (INCOSAI) last December. The MOU was designed to expand cooperation between Regional Organizations, and enhance professionalism through bilateral exchanges and knowledge sharing. I would like to ask for your proactive engagement in the cooperation with other Regional Organizations.

The 51st ASOSAI GBM also nominated the host of the 15th Assembly to be held in 2021 and the next Secretary General for the period of 2018-2021. As a result, China, who was the only self-nominating SAI, was nominated as the candidate for the next Secretary General. Thailand was selected as the candidate to host the 15th Assembly by vote. The nomination will be put before the 14th Assembly for approval next year. The Secretariat of ASOSAI highly appreciates the SAI of Jordan, ASOSAI Audit Council member, as well as the host of Indonesia, for their great assistance in carrying out an effective and transparent voting and nomination.

Furthermore, the SAI of Vietnam, host of the 14th Assembly and 52nd and 53rd Governing Board Meetings, reported its preparation for the meetings next year. The meetings will be held in Hanoi between 16 and 22 of September, 2018. The Assembly will have many important agenda items, including the approval of the next Secretary General and the host of the 15th Assembly, and the revision of the ASOSAI Charter and Regulations to establish a selection procedure for ASOSAI Journal Editor as an ex-officio member. I would like to ask your keen attention regarding these matters.

Last, but not least, I would like to conclude my letter by extending my deepest gratitude to the SAI of India, Editor of ASOSAI e-Journal, for its contribution in promoting better communication and exchanges with ASOSAI member SAIs and other stakeholders. Thank you very much.

Message from Tan Sri Dr. Madinah Mohamad, Auditor General of Malaysia and Chairperson of ASOSAI



Dear Readers,

It is my honour to pen a few words in this e-journal of ASOSAI for the first time since taking charge of the office of the Auditor General in late February this year from my predecessor, H.E. Tan Sri Ambrin Buang. The auditing profession is actually not new to me since I was the Secretary General of the Ministry of Education and had on numerous occasions dealt with tough auditors. Now, as an Auditor General, I get to see the other side of the coin. Recently, I was invited to attend the 10th EUROSAI Congress in Istanbul, Turkey as ASOSAI Chairperson and as an observer. I had the honour to present a paper entitled “Conducting Follow-up Activities Innovatively and Creatively”. During the congress, I found that in the world of auditing, there are a lot of issues that require attention and further improvements and corrective measures. There are of course challenges and difficulties that I encounter as Auditor General but as time goes by, I gain greater insights through interacting with Supreme Audit Institutions’ Heads from all over the world. As ASOSAI chair, I fully support the activities to produce this journal. This edition of e-journal about stakeholders engagement is an important subject that serves to enhance our role in dealing with the ever increasing demands of our stakeholders in the chain of public funds accountability. Auditors need to be fully equipped with updated knowledge about the ISSAI Standard pertaining to stakeholder’s engagement to be able to perform effectively in auditing the public domain. I hope this edition of e-journal will enable us to improvise our auditing practices to produce quality audit reports.

It is my fervent hope that we continue our commitment to contribute invaluable articles to the board of editors to be shared among members. Enrichment and dissemination of knowledge is a continuous process and I thank all contributors to this journal. I believe you will enjoy this edition and acquire some of the lessons shared by brilliant contributors.

Thank You.

Articles on themes of the Issue: SAls and Stakeholder engagement

Social Audit: Issues and Developments

Social Audit is relatively a new area in the field of Local Bodies Audit. This audit is conducted by the people, especially by those people who are affected by, or are the intended beneficiaries of the scheme being audited and facilitated by the government. As accountability at the level of Local Bodies has not kept pace with trends of financial delegation to them and their subsequent role in the implementation of a large number of Government schemes, Social audits are a potent mechanism to enhance accountability levels from at different levels of Local Bodies/Panchayats¹. The depths and details up to which social audit goes for examination is not possible in any other evaluation or feedback mechanism.

Since Social Audit embodies the objectives of accountability as well as of transparency at the grass root level, SAI India as the supreme audit institution, has been supportive of the concept of 'Social Audit'.

Recent Developments

Ministry of Rural Development (MoRD) in consultation with SAI India has framed Audit of Scheme Rules, 2011 under MGNREG Act, 2005² to examine the extent of assurance provided by schemes which is the basis for social audit in Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) issued in April 2011. Other schemes are also making provisions for social audit. A Workshop on Social Audit was organised by the SAI India in March 2015 in which all the stakeholders participated. A recently undertaken Compliance Audit on the implementation of the Audit of Scheme Rules, 2011 indicated specific inadequacies and challenges being faced by States in institutionalizing social audits and the nature of measures that need to be taken by the Ministry of Rural Development (MoRD) to correct the same.

A Joint Task Force on Social Audit was constituted by Ministry of Rural Development (MoRD) and SAI India to study and give recommendations on various issues relating to social audit. The Task Force includes officers from SAI India and the Ministry in addition to members from Civil Society Organizations (CSOs). The Joint Task force set up four working groups to give their recommendations for:

- (1) Establishment, roll out & progress of social audit units;
- (2) Strengthening synergies on social audit;
- (3) Developing social auditing standards; and
- (4) Expanding the scope of social unit.

¹Panchayat is the generic name for local bodies in rural areas

² Mahatma Gandhi National Rural Employment Guarantee Act(MGNREGA), is an Indian labour law and social security measure that aims to guarantee the 'right to work'

The working groups had representatives from the SAI India, MoRD, MoPR³, State government and Central Statistics Office (CSO⁴). The groups held various meetings and gave their recommendations. The recommendations had been vetted by us and sent to the Ministry for further necessary action. The main recommendations of the Working Groups are given in the box below.

Main recommendations of Working Groups on Social Audit

Working Group I - Establishment, roll out & progress of social audit units:

- i. The Governing Body of the Social Audit Unit (SAU) should be chaired by an individual chosen by the State Government from a list of eminent persons as identified and communicated by the Ministry of Rural Development, Government of India in consultation with SAI India. The Chairperson should have sufficient experience in the field of Public audit, Government accounts, administration capacity building and training & development. The Governing body should include chief auditor of State dealing with social audit sector;
- ii. SAU may forward quarterly report of progress in social audit;
- iii. MoRD and SAI India may jointly organize periodic reviews on progress on the establishment of independent Social Audit Units and the institutionalization of social audits by the SAUs, at least twice a year;
- iv. Defining non- compliance with the MGNREGS Audit of Scheme Rules and violation of the Auditing Standards as an offence under the MGNREG Act thereby allowing the Federal Government to impose Section 25 of the Act on the concerned Government officers of the State Governments.

Working Group II - Strengthening synergies on social audit:

- a. The Federal Government in consultation with the SAI India may jointly lay down the minimum standards and content of training for District, Block and Village Resource Persons of the SAU;
- b. Representatives from Provincial office of SAI India and Director Local Fund Audit Department (DLFAD)⁵ may be invited to participate in the training process of SAU Resource Persons to introduce them to the theory of audit and the key principles from the discipline of audit that must be maintained in the exercise of conducting social audit;
- c. A summary of the findings of social audits conducted during a financial year may be submitted by the State Government to SAI India;
- d. The Social Audit Unit and its Resource Persons must ensure that findings listed in the social audit report are substantiated by due verification and

³ The Ministry of Panchayati Raj is a Ministry of the Government of India looking after the ongoing process of decentralization and local self-governance at city and village level.

⁴ The Central Statistics Office coordinates the statistical activities in the country and evolves statistical standards

⁵ This department, under the control of provincial governments, is mandated to audit the local bodies in many states of India

evidence. This shall ensure that social audit reports are presented in a form that it can be taken cognizance of by implementing agencies for taking the required criminal and disciplinary action against those found indulging in malpractices/misappropriation.

Working Group III - Developing social auditing standards:

These cover Attribute standards which Social Audit Units (SAUs) must possess and performance standards of Resource Persons of SAUs. They define the financial and administrative structure of the SAUs and amongst other things mention

- i. Open decision making: all decision making should be done in public in the full view of all interested stake holders. This is the best way of ensuring that decisions are not only fair but also appear to be fair;
- ii. Auditors should identify and assess the risks of fraud relevant to the audit objectives and make enquiries and perform procedures to identify and respond to the risks of fraud relevant to the audit objectives. They should be alert to the possibility of fraud throughout the audit process;
- iii. Audit evidence is necessary to support the auditor's opinion and report.
- iv. Social auditors should document what they do in a sufficiently detailed manner to provide a clear understanding of the procedures performed, evidence obtained and conclusions reached. Audit documentation should include an audit plan and audit methodology;
- v. To ensure audits conducted conform to these standards and are of a consistently high quality, quality control procedures should be framed by SAUs to cover the direction, supervision, collation and consolidation of reports and review of the audit process.
- vi. Review of individual report by senior hierarchy and if necessary, by third party;
- vii. Continuous training programmes of personnel of SAUs would ensure quality conduct of audit. Reliable training institutes/organizations active in social sector should be approached for inputs for the training.
- viii. Social Audits should be independent of the interference of implementing agencies. Therefore, social audits of Gram-sabhas⁶ may not be chaired by anyone involved in the implementation of MGNREGA in the Gram Panchayat, including the Sarpanch⁷. It may be presided by, for instance, the Doctor posted at PHC. There should be at least one woman member in the SAU;
- ix. Wall painting should specifically mention estimate of work, date of commencement & completion of work, schedule of rates & status of work etc. and citizen information boards should be placed at all work sites;

Working Group IV - Expanding the scope of social audit:

⁶ Village level local self-governance body

⁷ Head of village level local self-governance body

- i. The Working Group recommends the introduction of social audits in Civil Society Groups that have volunteered for the same, to develop detailed methodologies for conducting social audits of schemes which will be conducted with the active facilitation of the Gram Panchayat;
- ii. In addition to the 6 Ministries who have currently volunteered to undertake pilot social audits, a similar process may be sought to be adopted for all schemes pertaining to the sectors of a Gram Panchayat jurisdiction.

Ministry of Rural Development (December 2016) accepted the recommendations of the Task Force and circulated the action points to all states. Further, the social auditing standards were also circulated for adoption for social audit under MNREGA.

Challenges for Social Audit

Social Audit is yet to get grounded as an institutionalized means of citizen monitoring in other States. States have not been able to set up Social Audit Units (SAUs) that are independent of the implementation Departments, thereby violating the fundamental principle of an independent social audit. In addition, though State Governments report the conduct of social audits in their States, the credibility and rigour of these social audits conducted needs to be verified.

To develop and safeguard the ethics and professionalism, institutionalizing the independence of the SAU is absolutely essential. It is essential that Social Audit Resource Persons are independent and impartial, not only in fact but in appearance to enable them to express a conclusion and be seen to express a conclusion without bias, conflict of interest or undue influence of others.

Capacity building is the sustained development of the core capabilities of an organisation to deliver its mandate more effectively so as to create the desired impact. An SAU's capacity is its institutional, organisational and professional ability to deliver key audit results both in terms of its audit products and contribution to accountability, good governance and service delivery. There is an immediate need to develop a comprehensive and standardized training module to train resource persons of the SAU on Social Audit. Currently, different provinces adhere to varying standards of training in terms of content, duration and practical exposure thereby resulting in Resource Persons of disparate calibre conducting social audits on the ground. This has a direct impact on the quality of social audits and social audit reports being generated from the ground.

Social audit team should also motivate beneficiaries to express their concern and grievances to raise during the public hearing and follow-up of decisions should be done. As the beneficiaries are from rural background and mostly illiterate, providing assurance on aware participation is a big challenge.

Road Ahead for SAI India

It may be emphasized that as SAI, we need to support all transparency enhancing mechanisms in Local Bodies audit including social audit. We have to provide

handholding support to the nascent SAUs and engage with State governments to give it adequate resources while helping it to develop an independent institution.

As capacity building is an emergent need for Social Audit, SAI India has provided inputs to MoRD recently to develop an easy and suitable audit training module, in local languages, which could explain the basic processes such as sanctions, accounts keeping, vouching of expenditure, measurement of assets and services, etc. Those could be disseminated through dynamic usage of Information & Communication Technology (ICT), civil society groups, workshops organised directly at the regional training institutes of SAI India or at other external venues by identified knowledge institutions.

Identification, training and deployment of suitable Resource Persons at the village, block, district and State level, drawing from primary stakeholders and other civil society organizations having knowledge and experience of working for the rights of people can be a challenge to face. SAI India could help by dovetailing Technical Guidance and Supervision (TGS)⁸ with social audit.

Incorporation of findings of social audits – A summary of the social audit reports of village level local self-government bodies and civil society groups could be incorporated (either to provide a different perspective and/or to strengthen / supplement our audit findings) in our performance audit reports; due credit should be given to the social audit agencies involved. Social audit groups may be encouraged to move beyond MGNREGA to cover other critical social sector programmes e.g. National Rural Health Mission (NRHM), National Program for Education for all, Public Distribution Scheme, Rural Water Supply, etc.

Considering the progress made by the civil society groups and Gram Sabhas in the provinces of Andhra Pradesh and Rajasthan and the initiative taken by these State Governments in setting up separate directorates for social audit, we may, as a first step, synergize our audit of social sector programmes in these States with social audit.

We need to work towards cooperation, coordination and synergy with the social audit groups to avoid duplication of work and use the findings of social audit in all three types of audits being carried out by the SAI India. While our staff need not become a part of the social audit teams of Gram Sabha/ NGOs, participating as observers both in Gram Sabha meetings and Jan Sunwais/sammelans⁹ organized by civil society groups within an approved structure of objective and norms of conduct could enhance our insight into the implementation of the programmes.

Considering that social audits happen largely around villages and mofussil towns, the closest SAI India link with social audit would be the head of SAI India office at State level, especially those dealing with the civil, works, and Local Bodies' audits. SAI India office dealing with audit of 'utility' PSUs in the power, water, mining, etc. sectors should also be involved, if necessary. Regional Training centres of SAI India, wherever they

⁸ The arrangement through which SAI India provides guidance to the auditor of Local Self Government bodies in states where SAI India is not the auditor itself .

⁹ Jan Sunwai or Public Hearing is a process by which people who may be affected by a particular action or decision have the opportunity to ask questions, make submissions or register objections to a panel of experts/ government officers.

exist, could provide the logistic support for mutual capacity building & sensitization of the civil society groups and government auditors. All these resources, especially given other demands on of SAI India office at State level agenda, would, however, be insufficient to cater to a vast emerging need for social audit. Involvement of SAI India at State level would therefore have to be selectively direct as well as indirect through facilitation and knowledge-sharing with other civil society organizations and knowledge institutions predominantly concerned with evaluation, analysis, advocacy and capacity building at various levels.

Stakeholders Role in Supporting Oversight Efforts to Achieve SDGs

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(To be a good auditor firstly, I must be a good and cooperative partner with everyone related to my work).

We don't remember exactly who said this quote, but it carries deep meaning. It requires solid efforts to build trust and communication with stakeholders who have direct and indirect effect on our work.

This necessarily requires institutional communication system based on credibility, objectivity, professionalism and effective partnership in order to develop communication in oversight field, where communication represents exchange of information, thoughts, opinion to perform business in a better way and to make the ideas more understandable at the right time. Therefore, communication is considered a vital nerve and the main engine for any organization and the key element of good implementation of its strategy.

The question is who are the stakeholders that we must communicate with? How do we build an atmosphere of trust with them?

Stakeholders and their role in communication

INTOSAI ISSAI (12) defines stakeholders as (as a person, group, organization, member or system that can affect or can be affected by the actions, objectives and policies of government and public sector entities). From this definition, stakeholders of SAI can be identified more accurately as Parliament, Government, Auditee (Ministries), media, civic organizations, associated SAIs, international organizations, private sector, citizen, students and researchers.

This identification of stakeholders motivates us to conclude that communication is not an end in itself, but it's a more comprehensive and broader too that aims primarily to achieve the following:-

- Reporting oversight results comprehensively and transparently that enable related stakeholders to evaluate government entities.
- Establishing good relations with stakeholders and enhancing it continuously, by assisting those in charge of government entities management to carry out their responsibilities in responding to the results of oversight and recommendations through appropriate corrective actions.
- Using modern electronic information systems for open interaction with media and other stakeholders.

Perhaps, the major field that SAI can employ its oversight efforts and communication with stakeholders is sustainable development field. The nature of common issues among stakeholders associated with sustainable development requires not only a clear definition of responsibilities, but also a high level of coordination among them, because many issues covered by SDGs are the responsibilities of several ministries of the central government, the local government and others. The government should be well coordinated and integrated to work at all levels in order to implement the policies and achieve the desired results.

Communication fields with stakeholders through oversight process (roles and expectations)

The core of the development process is to follow a participatory approach and identify the aspect of this process and sustainable development events that requires development to achieve serious partnership and effective cooperation among all stakeholders of the state, civic organization, private sector and donors. The responsibility of the state is to realize social and economic benefits, create legislative and legal system, make structural reform and provide infrastructure services. The private sector is given the responsibility of leading the economic growth and create jobs, while the civil society organizations are required to create suitable environment to activate partnership. Finally, the role of donors is to complement these efforts through making available financial resources and technical experiences.

We will highlight the active role of the SAI in communicating with stakeholders involved in the implementation to achieve the SDGs, guided by what is stated in the International Standard No. (5130) issued by the INTOSAI.

1. The government: The central body that is concerned with fulfilling international commitments with external bodies, by assessing work frameworks to translate these commitments into reality during the process implementation phase by: -

- Assessing the set national Strategy on public government trends.
- Assessing the set Policies and programs to implement the goals.

The Government's responsibility involves:

- a. Analyzing the overall framework of state policy and its compatibility with the SDGs and the extent of coordination between the strategies and sectoral plans and programs with these objectives taking into consideration environmental and social influences.
- b. Assessing the financial policies to implement SDGs, adequacy of resource allocated, use of public funds, strategies to reduce the cost, rationalize spending and paying attention to social issues and the effectiveness of such policy.
- c. Conducting comprehensive evaluation of the current situation in terms of the sustainability of current development patterns, and failures occurring in the policies and the reasons for it.

2- The Ministries

Through the phase of developing a strategic plan for exercising control in the field of sustainable development, it's important for SAIs to communicate with executing ministries in order to set general lines and detailed procedures for oversight and to determine scope of audit work by getting acquainted with the policies, programs and project related to SDGs. SAIs need to begin to develop the general outline and the detailed procedures for oversight, determine audit entities to be covered and introduce that in SAI annual strategic works plans to evaluate implementation of SDGs according to the national programs prepared by the government

The role of SAI is essential part of stakeholders' hierarchy roles (government, ministries, citizen), so it becomes necessary to focus on this role and SAI must work in two parallel ways in order to play its role in achieving SDGs through the following :-

- a. Adopting the approach of performance audit in accordance with the programs and policies when the focus is on the evaluation of projects and policies that a number of ministries are dealing with. For example, if the development objective is to eradicate hunger and ensuring food security and improved nutrition, and promoting sustainable agriculture, it requires cooperation among several government entities such as the Ministries of Planning and Reconstruction, Municipalities and Health and the Environment, Water resources, Agriculture and Finance.

This type of evaluation would find a good means of communication and consultation with the related ministry, the citizens who are recipients of these service, interested civil society organizations and specialists' researchers to reach specific and effective recommendations.

It can also rely on a specific assessment of indicators to measure key areas of sustainable development when the work is primarily handled by one government ministry. For example assessment of the role of the Ministry of Health in the implementation of the development objective to ensure that everyone is living a healthy life, could be carried out to demonstrate the strengths and weaknesses and identify areas for improvement.

- b- Field follow-up to find out the reality of the actual implementation of projects to achieve the SDGs. These visits give a closer view of the progress made in achieving the development objective and whether it is responsive to the ambition of the citizen who is one of the major stakeholder and would be a neutral arbiter as the first beneficiary of these projects.

3. International organizations and other SAIs

Here, the focus will be on communication with other SAIs, international organizations and donors to invest human resources and capacity development as well as take advantage of the diversity of cultures and different application policies and work contexts in the audit, which would contribute in supporting expertise and exchange of experiences to get the best practices in applying the United Nations Plan for sustainable development.

Here we refer to the unique experience by a pilot application of the proposed framework to audit the SDGs, which was developed by SAI Brazil and presented during INCOSAI Conference in Abu Dhabi / 2016. Our SAI applied the framework on two reports (1. Ministry of Health's policy in the provision of initial health care and its impact in reducing child mortality under five years of age) and (2. Ministry of Education policy to deal with cases of leakage and the reluctance of students for study) relating to the third and fourth SDGs (health and education)

In all cases, the SAI communication with stakeholders should be credible to make a meaningful dialogue with stakeholders about the SAI's functions and to enhance the government's performance and to contribute to providing constructive recommendations for the improvement of accountability and transparency.

The references

- Law No. (31) 2011 of the Federal Board of Supreme Audit.
- ISSAI 12 – The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens.
- ISSAI 5130 – Sustainable Development: The Role of Supreme Audit Institutions.
- The opportunities for the implementation of good practices of governance and accountability for tracking and auditing Sustainable Development Goals(SDGs) recently published by (OLACEFS) magazine

(<http://www.olacefs.com/revista-olacefs-n19-primer-semester-de-2016/>)

The Involvement of Stakeholders in Performance Audit Planning of SAIs

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Federal Board of Supreme Audit
Republic of Iraq**

The concept of “stakeholders” is generally described as the individuals and groups which are characterized by having interactive relationships varying in intensity and impact to the business organization in different forms and common interest. The definition of “stakeholders” according to the ISSAI 12 means any person, group, organization, member or system who can effect or is affected by the actions, purposes, and policies of public sector bodies. When talking about SAIs works and their roles in public sector, the concept of “stakeholders” indicates the legislative bodies, Auditee, media, citizens and other targeted groups that have relation with parties mentioned above . It considers the work of SAIs as a source of inspiring confidence in society to meet the professional and ethical standards in their work even in the cases where the legal rules are ambiguous, inconsistent or under developed. It would rely on the professional judgment of the SAIs in their reports as a supporting tool of accountability in public sector. Hence, the involvement of stakeholders in the work of SAIs provides a productive, effective and challenging work environment based on mutual constructive relations.

The Auditee is the most affected party by SAIs reports and they represent the main stakeholders. There is no doubt on the impact of the audit reports/results on the audit entities and these include observations, conclusions and recommendations that enhance the transparency and accountability in the public sector organization. However, such impact is based on the nature of information provided by the Auditee to SAIs when they execute their audit work. This represents the core of Auditee involvement in the audit tasks by submitting the desired information in appropriate time, accurately and of desired quality in a way that facilitates active and effective implementation of SAIs’ duties.

In an environment surrounded by corruption, fraud and financial risks, there is a need to involve the auditee effectively for continuous reform and improvement, which can be done initially by enabling interaction among SAIs and the stakeholders. This can be done by creating awareness about the significance and role of the SAI in bringing about the required changes or to ensure effective implementation of work by the Auditee. It will be desirable to create awareness on the duties of SAIs and their active role in detecting deficiency of performance by holding courses, seminars and workshops for Auditee and to exchange thoughts, opinion, and enhanced interaction between two parties that support the role of SAIs.

The second significant aspect, in which the stakeholders should involve in, is the aspect of planning for the auditing works. In the tasks of auditing performance which aims to achieve accountability, transparency and change of misconduct to a better conduct,

within the limits of available capacity and capabilities, the involvement of stakeholders in the stage of planning of the auditing work ensures good work progress and fast delivery. When the SAIs present topics to be included in the future plan, the participation of officials in the Auditee in examining these topics at the stage of preparation and giving opinions on aspects that should be included in auditing of the performance within the planned tasks would raise the efficiency and quality of planning. Such a practice should be achieved without prejudice to the independence of SAIs in selecting the auditing topics and determining the appropriate time and scope of audit.

According to what is mentioned above, and in order to involve the stakeholders in planning the audit tasks, joint audit teams have been formed that involve members of SAIs, representatives from Auditee and researchers who represent public parties or civil society organizations. The joint work will help to focus on negative practices in Auditee that affect directly on the quality and quantity of services provided to citizens generally.

To use modern communication channels, it is possible to view the topics, proposed to be included in the audit plan, in electronic communication by all citizens and receive responses via internet to analyze results and to involve another kind of stakeholders in the planning process, represented by beneficiary communities. As stated in INTOSAI guidelines to define the value and benefits of SAIs, there is a need for citizens involvement by developing mechanisms to receive and monitor complaints about government programs and suggestions for improving public administration and services to determine the fields that future audit should focus. We believe that such involvement of stakeholders could produce out of box ideas in selecting audit topics, which would lead in discovering a different method in planning as a result of different experiences, interpretations of audit team and the results of analysis of citizen opinions.

In addition, the topics related to the quality of public services become currently a societal requirement. The executive guidelines of audit performance states that the quality of public services are the most significant issues. Thus, the Governments and Parliament look to SAIs to deal with these issues in their performance audit reports. Consequently, another stakeholder represented by legislative bodies participates in audit topics that have significant effect on citizens' life.

SAI and Stakeholder engagement

By Ms. Bismah Farrukh Khan
Deputy Director, SAI Pakistan

Supreme Audit Institutions (SAIs) have assumed a significant and critical role in better public financial management and financial accountability in their respective jurisdictions. International Organization of Supreme Audit Institutions (INTOSAI) which is the representative body of the SAIs, provides a common platform for resource-sharing to members on matters pertaining to audit as a means to public accountability. INTOSAI also develops common framework and set of standards to allow homogeneity in audit practice in SAIs. Resultantly, the SAIs from developed and developing countries collaborate and benefit from each other's experiences and expertise.

SAIs cannot work in isolation and their relationship with the relevant stakeholders is of great importance as it provides an enabling environment for them to ultimately take actions relating to their working starting from planning phase to reporting taking into consideration expectation of the stakeholders and also lead to greater audit impact.¹⁰ Such corrective actions in turn lead to better decision making, transparency and accountability in the public sector.

Thus, the importance of engagement of stakeholders cannot be over-emphasized. The effectiveness of a SAI's performance can also be enhanced by sustained interaction with the external stakeholders like executive, legislature, civil society organizations, media and the citizens.

The IDI

The training arm of INTOSAI, INTOSAI Development Initiative (IDI) has been actively involved in capacity building programmes since becoming implementing partner of INTOSAI Capacity Building Committee in the year 2012. To this end, IDI has identified stakeholder engagement as a fundamental area in its strategic plan. The same has also been highlighted as a key area of support in the IDI Global Survey 2014¹¹.

Kinds of Stakeholders

The target groups for external communication (stakeholders) identified by INTOSAI are as follows:¹²

- a) Parliaments/ legislative bodies
- b) Government organizations/executive bodies/agencies
- c) Audited entities
- d) Media
- e) Special interest groups, including civil society organizations, development partners etc

¹⁰ www.idi.no/ SAI Engaging with stakeholders

¹¹ www.idi.no

¹² Communicating and promoting the value and benefits of SAIs: an INTOSAI guideline

- f) General public/citizens
- g) Academics and public policy organizations and
- h) Professional and standard setting bodies

The personnel responsible for external communication with stakeholders may include head of SAI, senior executives, a public affairs officer and employees of the SAI.

Broadly, SAIs are characterized by two kinds of stakeholders: -

- 1) Internal stakeholders
- 2) External stakeholders

The internal stakeholders include the Audit managers, audit staff and other operational employees. A good relationship with the internal stakeholders can be inculcated by involving them in policy making in conjunction with an effective *rewards and consequences* policy based on objective performance evaluation of the personnel.

External stakeholders of SAIs are operational divisions of the government, e.g. Ministry of Finance (Executive), Public Accounts Committee (legislature), audited entities, media, civil society organizations, NGOs, academics, professional bodies, citizens etc.

SAI relationship with Executive

SAIs relationship with the executive arm of government, especially the Ministry of Finance is of paramount importance as the SAI is dependent on it for funding. The ISSAIs level 2 highlight the condition that SAI must have sufficient independence in the discharge of its obligations from legislature and executive, and that the Executive should not control and direct the access of resources to SAI. ISSAI's require respecting the laws enacted by the Legislature that apply to them, SAI's should be free from direction or interference from the Legislature or Executive in the selection of audit issues, planning, programming, conduct, reporting and follow-up of their audits, organization and management of their office, enforcement of decisions.¹³

SAI relationship with Parliament¹⁴

In a Westminster system of parliamentary democracy, the SAI is a core element of parliamentary oversight. The audit reports are laid before a Public Accounts Committee (PAC) with representations from ruling party and the opposition parties, which gives its recommendations on the issues presented before it after listening to the viewpoint of the SAI and the audited executive department.

In a court of Accounts Model of SAI, the organization comprises of judges as members and a President. The judges impose administrative penalties on illegal transactions and since the accountability of officials is mainly carried out by court hence, there is often no Public Accounts Committee in the national Parliament. The Parliament may receive a report on the court's work but usually there is limited follow up of reports by the Parliament.

¹³ Principle 3, ISSAI 10; Principle 8 ISSAI 10

¹⁴ www.dfid.gov.uk/aboutDFID/organization/pfma/pfma-externalaudit-briefing.pdf

In a Collegiate or Board model, a number of members form a college or governing board and take decisions jointly. They are part of parliamentary system of accountability and the reporting mechanism to PAC is similar to Westminster system

The reports and opinions discussed and approved by the college are submitted to Parliament where some Public Accounts Committee (PAC) deliberates and takes action on it. So only the internal structure of this institution differs from the Westminster model.

SAI relationship with Audited entity

An effective communication policy with the audited organization ensures credibility and effectiveness of the audit activity undertaken by the external auditors. It serves as a confidence building measure between both parties and facilitates in obtaining relevant and sufficient audit evidence, hence better reporting of the operations of audited entity. Moreover, effective two way communications will help in determining areas and scope of audit and incorporating views of the entity.

SAI relationship with media

SAI relationship with media is in theory very important as a properly informed media will likely present a better and clear picture of SAI's roles and performance to the general public/citizens and also put pressure on the elected representatives in the parliament. Media visibility will also give an impetus to SAI for increasing its professional competence. Executive will also take audit recommendations more seriously if the media follows-up regularly on audit recommendations.

SAI relationship with Civil Society Organizations and Non-Governmental organizations

Civil society organizations (CSOs) and Non-Governmental organizations (NGOs) may play an important role as advisors in the various stages of audit as they are advocates of citizens' rights and possess a keen observation and analysis of the efficiency and effectiveness of public services being provided by the government departments. They can highlight the areas where SAI must focus. Many projects being run by donors' funding are of special interest to CSOs and SAI can certainly help in alleviating their concerns regarding judicious use of public money.

SAI relationship with citizens

An effective engagement with general public/citizens is necessary to provide easy access to information regarding the roles and responsibilities of the public sector, thereby gaining support in the public arena. The INTOSAI recommends promoting citizen participation by developing mechanisms to receive and monitor complaints about government programs and to give suggestions for improvement in the service delivery and also future areas of audit.¹⁵

SAI Pakistan and stakeholder engagement:

¹⁵ Communicating and promoting the value and benefits of SAIs: An INTOSAI guideline

The Department of the Auditor General of Pakistan (DAGP) conducted a review in accordance with the INTOSAI's Strategic Planning Handbook framework that suggested needs assessment by a Supreme Audit Institution (SAI) before strategic planning. Hence, the DAGP completed needs assessment, according to the detailed road map given in INTOSAI's Capacity Building Needs Assessment (CBNA) 2009. The process included taking stock of the prevailing situation and identification of gaps with the involvement and participation of all tiers of DAGP.

The current strategic plan may be viewed as a continuation of previous efforts but devised in the light of recently completed Needs Assessment Report. The Strategic Plan aims at Communication and cooperation with other SAIs addressed through higher level exchanges of delegations on mutual basis and by arranging conferences and workshops for parliamentarians, media, donors, audited organizations, etc., during the plan period¹⁶.

The Department of Auditor General of Pakistan (SAI Pakistan) is allocated charged budget yet it has to be amenable to the control of executive (Finance Division) with regard to the initial allocation, releases of the allocated budget and budgetary cuts. Moreover, the SAI Pakistan does not have right to appeal to legislature for insufficient allocation of resources to fulfill its mandate. The formulation, approval and execution of the Audit Plans in respect of all the thirty (30) Field Audit Offices (FAOs) is the exclusive domain of DAGP which is free from interference of the executive and the legislature in this regard. DAGP is free to select audit topics and follow-up.

The Constitution of Islamic Republic of Pakistan mandates the President and the Governors to ensure that the reports of the SAI (Auditor General) relating to the accounts of the Federation and provinces respectively are laid before the legislature and discussed by the relevant Public Accounts Committees. The follow up reports are also submitted to the parliament and provincial Assemblies.

The SAI Pakistan reports on overall audit outcomes in the PAC where media is also invited, e.g. the regulatory compliance of budget execution as well as to the correctness and completion of the accounts of various public sector entities. In case of performance audit, the overall efficiency of the concerned executive department is also taken stock of.

SAI Pakistan has a close liaison with the Public Accounts Committee (PAC) of the National Assembly. Federal Audit Operations (FAO) Wing liaises and coordinates with PAC for discussion of SAI Pakistan's reports in PAC and follow up etc.

The impact of SAI Pakistan is determined by the interest of PAC in reviewing and discussing the audit reports and the frequency of directives issued to the audited executive departments. It is the weakest link in the cycle of effective relationship with stakeholders especially in the areas of performance audit and special sectors audit. Although the current management has implemented a shift in audit policy from compliance audit to areas of performance and special sectors like environment, information technology and forensic auditing by allocating 40% of financial and human resources in all the thirty (30) field audit offices of SAI Pakistan but the audit impact will prevail if the PAC is sensitized on the effectiveness of audit in improving the overall

¹⁶ Strategic Plan 2015-19-Auditor General of Pakistan

accountability process in the country. The SAI management does take into consideration the expectations of PAC while preparing the Corporate Audit Plan but still the performance audit reports remain unattended at the forum.

In SAI Pakistan, reports are open to media scrutiny after they are laid before PAC. The media reports the audit outcomes leading to a debate & discussion among stakeholders and general public.

Department of Auditor General of Pakistan (SAI Pakistan) receives informal external feedback through media. Some steps taken recently, like regular issuance of press releases, news items, quarterly news bulletin, appointment of Director Media Relations, formulation of Policy Board, regular updating of website, have increased SAI communication and its visibility in public arena. An increased coverage of the DAGP audit findings in a formal manner will increase the credibility of the organization and its independence.

Dissemination of audit reports directly to the public on the AGP official website is also being undertaken and the reports which have been discussed at the forum of PAC will be uploaded in coming months. The DAGP annual report is also accessible to the stakeholders. Moreover, SAI Pakistan being permanent secretariat of ECOSAI regularly updates on the activities of ECOSAI member countries.

In SAI Pakistan, some Field Audit offices like offices of Works Audit and Federal Audit have taken measures to widen access and participation in the audit processes by contacting Non Governmental Organizations.

The SAI administration believes in healthy and effective two way communication with audited entities. The audit personnel communicate with the entity officials in entry level meetings, exit meetings, Public Accounts Committee (PAC) and Department Accounts Committee (DAC) and record all correspondences for future reference.

The Auditor General of Pakistan has introduced a *Whistle Blowing Policy* in the Department. SAI Pakistan, in order to have a direct communication with the public has installed a toll free number at the headquarter in the vigilance section of *Inspection, Regulation, Vigilance and Monitoring of training* (IRV & MT) Wing to lodge any complaint against official conduct of any functionary of the Department or to point out any wrong doing in any office.

Presently some steps have been taken in SAI Pakistan which indirectly provide feedback from stakeholders. The revival of a Policy Board which includes external members is one such measure. It may also serve as a forum to encourage public and academic interest.

The Audit Policy board has been in existence in Department of Auditor General of Pakistan/ SAI Pakistan but had remained dormant since 2011-12. It was revived by current Auditor General of Pakistan in 2015. The members of board include representatives from professional accounting bodies (chartered accountants and management accountants), civil society organizations, heads of federal government departments Finance Division, Controller General Accounts, Federal Board of Revenue, Planning Commission, Public Accounts Committee, and State Bank of Pakistan. The

Additional Auditors General and Deputy Auditors General are also ex officio members of this board.

The Policy Board deliberates on the various aspects of government accounting and auditing and gives valuable recommendations to enhance transparency and accountability in public financial management. In the Policy board meetings, various reforms and initiatives undertaken by Auditor General of Pakistan are discussed and endorsed. This policy board is a consultative board and has no formal authority. The revival of policy board is a positive step towards improving relations and coordination with private sector organizations. The challenges facing the SAI are also discussed with stakeholders in these meetings. The recommendations of INTOSAI are addressed through effective communication and consultation with stakeholders like Civil Society Organizations (CSO's) and Non-Governmental Organizations (NGO's). It will be ensured that the stakeholders are involved in planning, execution of audit and also assist in finalizing the audit reports.

The present administration is keen to develop closer liaison with professional bodies like Institute of Chartered Accountants of Pakistan (ICAP), Institute of Cost and Management Accountants of Pakistan (ICMAP) and Pakistan Institute of Public Finance Accountants (PIPFA). Moreover, Pakistan Audit Department intends to sign an MoU with investigating agencies like National Accountability Bureau (NAB) and this style of collaboration with other accountability agencies will prevent financial embezzlements and irregularities and also assist in transparency and accountability process. An MoU has recently been signed with the 1st University based completely on modern Information and Communication Technologies, **Virtual University of Pakistan** on collaboration in Information Technology infrastructure and administration/guidance on IT matters.

Department of Auditor General of Pakistan has signed MoU's with SAI's Iran, Vietnam and Turkey and will commission an initial SAI PMF Assessment (PMF) as a peer review with transparent quality assurance process once the development partner i.e World Bank formally agrees to fund the assessment. USAID has collaborated with the DAGP for providing training grants. Moreover, Asian Development Bank (ADB) has drafted a Financial Audit Manual and sent to DAGP for comments which are being developed. World Bank has also been keen to provide assistance to the field audit offices of two provincial governments of Pakistan, for improvement in financial reporting.

The DAGP engages in periodical quality review meetings with the field audit offices and the Federal Audit Operations (FAO) wing monitors the operations and performance of all thirty field audit offices. A team of officers has conducted self assessment of the department through ISSAI Compliance Assessment tools (iCATs) for assessing compliance of DAGP's audit practices with the International Standards of Supreme Audit Institutions (ISSAIs). On the basis of this evaluation, a strategy was devised which included the training and capacity building of personnel under the framework of ISSAIs.

Conclusion

An effective engagement strategy with stakeholders can prove beneficial for smooth functioning of SAIs and can improve the overall performance as external and internal feedback will keep the focus on public financial management and accounting of public departments thereby ensuring better policy making and improved service delivery to the citizens.

Other Articles

SAB Kuwait - Training in raising the New Auditors Efficiency Field Study on the Newly Employed Auditors For 2015

*Prepared by : Nadia Abdulrahman Al-Himemeedi-
Comptroller, First Sub- Department for Companies Audit.*

SAs should develop different skills of their auditors to enable them to perform the audit processes efficiently and effectively. The audit quality practiced by the SAs depends on continuous development of their professional aspects, keeping pace with the incidental changes in the accounting systems, developing the financial audit profession, mechanisms and methods, and training the auditors continuously.

• Brief on SAB Training

The State Audit Bureau of Kuwait (SAB) spares no effort in developing the skills and capabilities of all staff through good selection of the employees suitably qualified to perform their tasks by providing them with the requisite training by SAB expert employees and through required financial support.

SAB Training Department while setting out the annual training plan takes into consideration the actual needs of SAB staff through the suggestions and the identified needs of different programs and seminars. Every plan /program is selected according to the priorities and the training needs of the employees.

SAB Training Department activities focus on the following three major areas: developing the personal efficiency, enhancing the technical skills, and rapidly developing the professional path. In this regard, all SAB staff participate in extensive training courses to develop the audit skills, to learn how to deal with entities, professional code of ethics, standards, information technology, and to recognize the latest development in the audit profession.

There are two types of training at SAB: The training during the service (field training) and the official training outside the work place at an independent Training Center. The annual training plans aim at achieving the following:

- *Develop knowledge, skills, and professional capabilities for the newly employed auditors, and provide a suitable work environment for them.*
- *Establish an audit staff capable of achieving SAB goals; face all the challenges under the rapid changes in the audit areas.*
- *Increase the staff technical and administrative level within the assistant sectors.*
- *Develop the supervisors' skills and capabilities to achieve efficiency in handling and developing their tasks.*

• The Role of Field Training in Raising the Auditors Efficiency.

Field training plays an important role in raising the auditors' efficiency during their performance of the audit work. The most prominent aspects are as follows:

- *The auditor gains experience in the actual work environment.*
- *The auditor is allowed to apply the skills acquired in the training environment, which allows him to avoid differences with the actual work environment.*
- *The said training helps to identify the auditors training needs precisely.*
- *It contributes to the auditors participation in training without being absent from work for long time.*
- *Field training is characterized by its rapidness in training the auditors on their professional work updates and the entities subject to audit.*
- *It is characterized by the continuous communication between the new auditor (the trainee) and the experienced auditor (the trainer) after the end of the program and during the audit of the entity subject to audit.*

- **Field Training for SAB New Auditors in External Audit Offices.**

Over years, SAB have trained groups of new auditors at specialized training offices known for their distinguished reputation and high efficiency. The most important advantages of this type of training are as follows:

- *Audit methodology offered for the auditors.*
- *Implementing the internal and external audit tasks practically on various entities.*
- *The use of audit and inspection tools to help the trainees during their audit task implementation.*
- *The trainees acquire code of ethics and morals and the ability to interact with the clients.*
- *The auditors get trained in indexing and documentation of review papers.*

Work System No.(2012/3) Regarding SAB Mechanism for Field Training.

The Committee responsible for following up the implementation of SAB Third Strategic Plan (2011-2015) drafted Work System No. (2012/3) regarding the mechanism of applying field training within SAB. The said system includes the definition of field training, its advantages on the audit process, its implementation steps represented by the following phases:

First Phase: Work Tasks Analysis: This phase aims to identify the auditor skills to be acquired through field training, which is performed by the support of expert auditors.

Second Phase: Establish the Training Program: It is represented in the goal identification, the training theme and methods, and time schedules.

Third Phase: Training the Trainees: Prepare and provide the trainees with the required expertise to ensure the best results of field training.

Fourth Phase: Field Follow -up: It aims to ensure the program accomplishment of the identified goals through the following points:

- 1- *Assess the utility of the field training in terms of the work style and the knowledge required.*
- 2- *Identify the training process obstacles.*

- 3- *Set out recommendations and suggestions to develop the environment and level of work.*
- 4- *Ensure the trainee approval to perform the training procedures, ascertain his satisfaction level and career development of trainee.*

Fifth Phase: The Preparation of the Program Report: The report aims at ensuring the effectiveness of the field training process, and is used in the suggestions of the suitable evaluations to be applied in the future. The report contents focus on the following points:

- 1- The program goals and the extent of its achievement.
- 2- The facilities, the training means and their availability.
- 3- The training material and its coverage for the setout goals.
- 4- The trainer qualification, his knowledge of the material aspects, and his ability to cover its elements and attract the attention of the trainee, the variety in using the training methods, the extent of the trainee interaction with the trainer, and his ability to handle the problems.
- 5- The trainees in terms of their scientific and practical capabilities, the application, perseverance, innovation, self-dependency, behavior, cooperation and regularity.

Sixths phase: The Complementary Administration Procedures for the Field Training Process.

- 1- Chief Auditor, Principle Auditor, Senior Auditor, and the qualified trainees from the INTOSAI Development Initiative (IDI), performs field training process on audit functions.
- 2- Formation of a committee of experts and professionals in every sector to manage the field training process.
- 3- The announcement of the field-training program plan in every sector, the time schedules, the executers, and inform the Training Department about it for follow-up.
- 4- The Training Department is responsible for the nomination of field training trainees ahead of the plan implementation.
- 5- The Training Department follows up the implementation of field training plans in cooperation with the related sector; an efficiency measurement sample is used for the field training attached to the work system.

Activation of Work System No.(2012/3) within Audit Sectors.

SAB audit sectors have identified the field training areas and plan for the new employees, with emphasis on providing those employees with theoretical training linked to reality. In addition, it aims to provide the newly appointed employees with the basic skills during the identified period within the plan. The audit sectors shall present the Training Department periodical reports related to the plan implementation. The following are the most important general training plan for the Oil and Companies Sector Audit, which fall as an example for one of the said audit sectors:

Accountants and Legal Persons
<ul style="list-style-type: none"> • Understand the work nature of the entities subject to the sector audit. • Acknowledge the rules, resolutions, and circulars that control the entities work

subject to the sector audit, and identify how to prepare and update the permanent file.	
<ul style="list-style-type: none"> Understand the different activities of the internal audit systems and the organizational structure, identify the functions, specializations, and the documentary cycle for the entities subject to the sector audit. 	
<ul style="list-style-type: none"> Comprehend the relation between the entities subject to the sector audit with other entities. 	
Accountants	Legal Persons
<ul style="list-style-type: none"> Identify the accounting rules and systems, the applied accounts guideline within the entities subject to the sector audit. View the financial bylaw, the financial authorities' bylaw, and ensure the compliance of the entities that are subject to audit with the said bylaws. 	<ul style="list-style-type: none"> View the administration bylaws and personnel affairs. Examine the employment mechanism within the entities, the issued resolutions, the job description requirements, the extent of their compliance with the announcement mechanism related to admission results according to the rules and the related resolutions.
<ul style="list-style-type: none"> View the rules and standards regulating the final financial statements issuance included in the sector audit. 	<ul style="list-style-type: none"> Examine and review the promotions, the bonuses, and the related systems within the entity, and ensure their issuance by a specialized entity.
<ul style="list-style-type: none"> Identify the method of the work papers and the preparation of the documents supporting the findings. 	<ul style="list-style-type: none"> Examine the bonuses systems issued by the entity to ensure its correspondence with the law either from the specialized issuing authority or through approval, or application.
<ul style="list-style-type: none"> Inspection and audit according to the General Audit Guidelines, Oil & Gas Guidelines, other guidelines, and audit program. Some of the inspection issues are mandated to the trainees according to their job title. 	<ul style="list-style-type: none"> Inspect a sample of the resolutions forwarded to SAB according to Articles (10-11-12) of SAB Establishment Law and the employment procedures to view the soundness of the said applied resolutions according to the laws, bylaws, and resolutions.
<ul style="list-style-type: none"> Recognize the method to form the preliminary notices and strengthen them with the right documents. 	<ul style="list-style-type: none"> Recognize the way to form the preliminary notices related to employment affairs and support them with the right documents.
<ul style="list-style-type: none"> Identify the periodical and annual report preparation phases for the entities subject to the sector audit. 	

With regard to the tasks required by the supervisor on field training, the trainer, and the trainee, the following points should be taken into consideration:

- 1- The training process plan is implemented through a monthly professional evaluation of the Audit Tasks implemented by the new employee.
- 2- The trainee is mandated with Audit Tasks within team audit program in a way corresponding to his job title (the new employee), and the training process monthly report is presented to the competent comptroller. The report is later approved by the department director with a copy sent to the Training Department.
- 3- A time schedule of four months is set to implement the training plan starting after the introduction program according to the nature of the issues subject to inspection and review included in the annual operation plan and the adopted audit program.
- 4- The distribution of the trainees (the new employers) on the entities subject to audit and the identification of their positions in each entity, then a suitable audit function is assigned to the trainee within specific timing for the single audit function.

Field Study

A questionnaire was prepared with 14 questions about the field training and its effect on increasing the SAls auditors' efficiency. The questionnaire was circulated among 67 assistant auditors including accountants and legal persons who were employed in SAB in 2015. The said questionnaire was filled by 51 participant representing 76% after finalizing their theoretical part of the training. The survey questions and the analyzed results are as follows:

Question	I agree (in %)	Somewhat agree (in %)	Don't agree (in %)
1- Field training provides the new auditor with the skills and experiences as in actual work environment.	78	18	4
2- Field training helps the new auditor to avoid the different problems between theatrical training and actual work environment.	72	22	6
3- Field study contributes in preserving work time, and the new auditor rapid regularity in the actual work environment.	56	42	2
4- One of the advantages of field training is its rapidness in training the new auditor on the professional scope updates within the actual work environment.	63	29	8
5- Field training achieves continuous interaction between the new auditor and the expert ones.	78	18	4
6- Within field training, the new auditor professional knowledge and the required skills are identified.	69	27	4
7- Through field training, the methods of the right audit work are identified.	68	26	%6

8- Through Field training, the method of audit control is identified according to the adopted audit standards and guidelines.	57	39	%4
9- The vagueness of the field training expected goal and knowledge for the new auditor.	10	27	%63
10-The vagueness of the field training methodology, information, tasks, and the duties required to be mastered by the new auditor.	18	35	%47
11-The unsuitability of the field training time, period, and the daily hours.	14	18	%68
12-The nonuse of various theoretical and practical methods and means in field training.	6	37	%57
13-The lack of the required experience in trainers in charge of Field training.	6	23	%71
14-The shortage in the training skills of field trainers (speech skills, attraction of the new auditor)	8	33	%59

- **Findings &Recommendations.**

The Findings:

- The positive view of the new auditors towards field training for self-development and skills improvements.
- Field training for the new auditors is prepared according to a well-designed mechanism and methodology that shall increase the performance levels.
- The meticulously prepared field trainings enable auditors to perform their work effectively and to be satisfied with their achievements.
- The trainees expressed vagueness of field training, the information, and the skills required to be mastered by the new auditor.

The Recommendations:

- The necessity to follow-up with the new auditor by the Training Department to ensure that what they learned is applied by them to achieve SAB goals efficiently and sufficiently, as well as to perform the required work with the utmost effort and the least time.
- The necessity of supervision by qualified and experienced individuals to train the new auditors.
- There should be a clear field training methodology, information, tasks, and the required duties necessary for the auditor to achieve the desired results of field training. Whereas, field study showed that 53% of the study sample agree and somewhat agree on its vagueness.
- The importance of presenting SAB efforts in training the auditors on different training types for the entities dealing with SAB and the society to show the importance of training in general and the qualification level of SAB auditors in particular.

New Head of SAIs

New President of the Turkish Court of Accounts



Mr. Seyit Ahmet Bař was appointed as the President of Turkish Court of Accounts on June 23, 2016 in the 106th session of the Turkish Grand National Assembly for a term of five years. He graduated from the Department of Public Administration at Istanbul University in 1989. He got his Master's Degree in Finance at Boston University in the USA between the years of 2001-2003. He served in the Ministry of Finance as Tax Inspector between 1991-2003, as a Head of Department at the Revenue Administration between 2003-2005, as an Advisor to the Minister at the Ministry of Finance between 2005-2006, as a Founding General Director at the General Directorate of Revenue Policies between 2006-2010 and as a Deputy Under Secretary at the Ministry of Finance between 2010-2011. He acted as the co-Chairman of the Taxes and Incentives Committee of Investment Environment Improvement Coordination Council between 2006-2010, as a member of the Coordination Council and as the Chairman of the Taxes Committee of the İstanbul International Finance Center Project between 2010 – 2011. He worked as the Chairman of the Technical Delegation of Turkey within the framework of the aid program for the Turkish Republic of Northern Cyprus between 2010 – 2011. He worked as the founding Chairman of the Public Oversight, Accounting and Auditing Standards Authority between 2011-2015. He was working as the Undersecretary of the Ministry of Finance as of 29.08.2015, when he was elected as the President of the Turkish Court of Accounts. He speaks English and Arabic.

New Auditor General of Mongolia



Prior to the appointment as an Auditor General of Mongolia in January 2017, Mr. Khurelbaatar.D has held the following positions:

- ❖ Supernumerary advisor to the Prime Minister of Mongolia and the Ministers of Construction and Urban development, and Energy in 2016;
- ❖ Supernumerary commissioner of Energy regulatory commission in 2016;
- ❖ Legal advisor of “Tierra Energy” Co.Ltd from 2012 to 2016;
- ❖ Chairman of Board of directors of “Mongol 555” Co.Ltd from 2012;
- ❖ State secretary of Ministry of Mineral resources and energy from 2008 to 2012;
- ❖ State secretary of Ministry of Industry and trade from 2007 to 2008;
- ❖ Director of “Workwear” factory and “Erdene” state owned factory from 1993 to 1994;
- ❖ Head of Economic production division in Secretariat of the Governor of Tuv province in 1992; and
- ❖ Economist and Director of Water Management Authority of Tuv province from 1986 to 1992.

Mr. Khurelbaatar.D, Auditor General of Mongolia, was born in Arkhangai province in 1961 and is married with 3 children.

He has a bachelor’s degree in engineering-economics and law from Ural Federal University of Russian Federation in 1986 and Law school, National university of Mongolia in 1996 respectively. He also has a master’s degree in Business Administration from National Academy of Governance of Mongolia in 1993.

INTOSAI News

Taking over of chairman ship of Compliance Audit Subcommittee from SAI Norway, New Delhi, 28-29 November 2016



INTOSAI Governing Board in its 67th meeting at Abu Dhabi approved the proposal of change in Chairmanship of Compliance Audit Sub-Committee (CAS) from SAI Norway to SAI India. Accordingly, representatives of SAI Norway visited the CAG office, New Delhi on 28 and 29 November 2016 to handover chairmanship of the CAS to SAI India and signed the handover note with the representatives of SAI India.

14th meeting of Compliance Audit Subcommittee (CAS), New Delhi, India 20-21 February 2017



INTOSAI Compliance Audit Subcommittee (CAS) is chaired by SAI India. SAI India hosted the 14th meeting of the CAS in New Delhi on 20-21 February, 2017. It was attended by nine SAI members, apart from one observer - AFROSAI (E) and IDI. The meeting discussed and adopted CAS Work Plan for 2017-2019 for submission to PSC/FIPP. The Work Plan includes following two projects:

Project I - Prepare Supplementary Compliance Audit Guidance to help SAIs implement the new ISSAI 4000.

Project II - Associating with other Committees as subject matter experts in projects of relevance to the CAS scheduled to be carried out as part of Priority 2 of the SDP of the FIPP.

Fourth meeting of the forum for INTOSAI Professional Pronouncement (FIPP), Luxembourg City, Luxembourg, 20-23 February 2017



4th meeting of FIPP was held in Luxembourg at the European Court of Auditors from 20 to 23 February, 2017. Ms. K. Ganga, Deputy Comptroller and Auditor General, India and Chair FIPP attended the meeting. Thirteen out of fifteen members, along with the PSC observer from SAI Brazil attended the meeting.

Role of FIPP in the INTOSAI due process, Implementation of Strategic Development Plan (SDP) and FIPP's action plan for priority Projects in SDP, Documentation of FIPP internal procedures-Communication Policy, Working Procedures, FIPP guidance like Drafting Conventions for GUIDS, and Frequently Asked Question were discussed at the meeting.

ASOSAI News

ASOSAI Seminar on “ISSAI Implementation - Experience and Strategy” (Paro, Bhutan in August 2016)



An ASOSAI Knowledge Sharing Seminar on “ISSAI Implementation - Experience and Strategy” was held in Paro, Bhutan from August 22 to 26, 2016 with the administrative support of the Royal Audit Authority of Bhutan. Twenty two participants from twenty member SAIs attended the seminar with facilitation and technical guidance provided by Subject Matter Experts (SMEs) from the IDI and SAI Bhutan. A representative of the Capacity Development Administrator of ASOSAI (SAI Japan) also participated in the seminar for the management of the seminar.

The purpose of the seminar was to discuss challenges and solutions, as well as identify good practices of ISSAI Implementation. The seminar addressed the following sub themes:

- a. SAI’s Management of ISSAI Implementation
- b. Implementation of ISSAI 30 - Code of Ethics
- c. Financial Audit ISSAI Implementation
- d. Performance Audit ISSAI Implementation; and

e. Compliance Audit ISSAI Implementation

At the end of the seminar, the participants jointly formulated common challenges, good practice and strategies for implementation. (For detailed information, please read “Report of ASOSAI Seminar 2016”, which is available on the ASOSAI website.)

Instructors’ Design Meeting for the ASOSAI-sponsored Workshop on “Performance Audit” (Tokyo, Japan in September 2016)



The instructors’ design meeting for the ASOSAI-sponsored workshop on “Performance Audit” was held from September 5 to 16, 2016 in Tokyo, Japan with the administrative support of the Board of Audit of Japan.

Six officials from six member SAIs, namely, SAIs of Bangladesh, China, India, Indonesia, Nepal and Philippines participated in the meeting to design the course and develop course materials for the workshop. A private consultant on SAI’s capacity development invited as Subject Matter Expert provided technical advice. The staff of the Capacity Development Administrator of ASOSAI (SAI Japan) also attended the meeting for overall management of the meeting.

The course materials formulated during the meeting were utilized for the ASOSAI-sponsored workshop on “Performance Audit” held in Nanjing, China, from 14 to 25 November 2016.

Audit Review Meeting for the IDI-ASOSAI 3i Cooperative Audit Programme on Audit of Disaster Management (Jakarta, Indonesia in October 2016)



An Audit Review Meeting for the IDI-ASOSAI 3i Cooperative Audit Programme on Audit of Disaster Management was held at the Training Centre of the Audit Board of the Republic of Indonesia in Jakarta, Indonesia from October 10 to 14, 2016 with the administrative support of the SAI Indonesia. Forty three participants from sixteen ASOSAI member SAIs and three participants from one EUROSAI member SAI attended the meeting with technical guidance provided by six Mentors and one Subject Matter Expert (SME) from SAIs of Bhutan, China, Indonesia, Pakistan and Philippines, and one Project Manager from IDI. A representative of the Capacity Development Administrator of ASOSAI (SAI Japan) also participated in the meeting for its management.

At the meeting, the draft audit reports that SAI teams submitted to IDI prior to the meeting were peer reviewed and reviewed by the Mentors and the SME, and based on the feedback received, the SAI teams discussed the future revision of the draft audit reports.

ASOSAI-sponsored workshop on “Performance Audit” (Nanjing, China in November 2016)

An ASOSAI-sponsored workshop on “Performance Audit” was held in Nanjing, China from November 14 to 25, 2016 with the administrative support of the National Audit Office of the People’s Republic of China. Six instructors from SAIs of Bangladesh, China, India, Indonesia, Nepal and Philippines delivered the sessions of the workshop with the technical guidance of a Subject Matter Expert (SME) from Norway. A representative of the Capacity Development Administrator of ASOSAI (SAI Japan) also attended for organizing the workshop. Thirty two participants joined the workshop and actively discussed and exchanged their views and opinions on the workshop topic. The course materials of the

workshop are also available on the ASOSAI website.



Activities in Member SAIs

Activities by SAI Azerbaijan

The 15th year history of the Chamber of Accounts of the Republic of Azerbaijan

The ceremonial anniversary event held on 15th December 2016 was dedicated to the 15th activity of the Chamber of Accounts of the Republic of Azerbaijan. This important event was participated by the representatives of Milli Majlis (Parliament) of the Republic of Azerbaijan, the former chairmen of the Chamber of Accounts, as well as the delegation of the Turkish Court of Accounts and the representatives of international organizations in Azerbaijan and the jubilee congratulations expressing the heartfelt wishes of other Supreme Audit Institutions to the Chamber.

Also, at the event, the colleagues of the Chamber of Accounts were presented with the orders and medals awarded with the Order of the President of the Republic of Azerbaijan. The state civil servant ranks cards were also presented. The achievements of the staff working for a long-term period in the Chamber were also noted.



The Chamber of Accounts of the Republic of Azerbaijan as the Supreme Audit Institution is the only executor of external state audit function in public finance management in the country, and was established by Milli Majlis of the Republic of Azerbaijan and commenced its activity in 2001.

The Chamber of Accounts was established based on the appropriate Article of the Constitution of the Republic of Azerbaijan and within the legislative framework providing its activity, which include the Law of the Republic of Azerbaijan on the Chamber of Accounts, the internal regulation of the Chamber of Accounts, the separate normative documents of state budget legislation, etc. Alongside, the Chamber of Accounts having close cooperation with other SAIs guides the principles of international declarations and runs the lasting works for the development of relevant national legislation in this direction.

The legislative framework of the Chamber was strengthened and its powers were expanded following amendments and changes to the Law “On the Chamber of Accounts”. In addition, the Chamber was given powers to issue notifications to the relevant government authorities, heads of organizations conducting financial control activities and heads of other relevant departments and entities on eliminating flaws discovered in financial control activities, paying for the damage inflicted on the government and bringing to account those who are responsible for breaking the law, and if not executed unreasonably with the decision of the Chairman the representations shall be submitted on ceasing operations except the defended expenditure items considered in the legislation on treasury and bank accounts of those public authorities, entities and organizations.

The Chamber of Accounts builds its activity on the principles of legality, transparency, accountability, collegiality, independence, objectivity and fairness. Long term capacity building of the Chamber of accounts is one of its strategic tasks and for this purpose the Strategic Development Plan was drafted.

The Strategic Development Plan of the Chamber of Accounts for 2015-2017 covers the main factors indicated in “Azerbaijan – 2020: The vision of the future” Development Conception and UN Resolutions 66/209 and 69/228 and which will affect the activity of the Chamber of Accounts of the Republic of Azerbaijan.



The last international project held by the Chamber of Accounts focused its main attention on the introduction of Performance auditing, upgrading financial auditing, strengthening legislative and standards framework, implementation of human resources and training.

Besides this, the Chamber of Accounts prepared performance audit manual, performance audit methods guidance, Performance audit strategy for 2015-2016, Pilot audit reports on performance audits, financial audit manual, Financial audit strategy for 2015-2017, Information technology audit strategy for 2015-2017, report on cost benefit analysis on implementation of computer assisted audit techniques and translated 49 standards (ISSAIs) to Azerbaijani language.

Activities by SAI India

CAG of India met the UN secretary General Mr. Antonio Guterres at UN HQs, 26 January 2017

Shri Shashi Kant Sharma, Comptroller and Auditor General of India, in his capacity as Chair of United Nations Board of Auditors, met the new UN Secretary General Mr. Antonio Guterres on 26th January 2017 in the UN Headquarters at New York. During the meeting, CAG assured the Secretary General of continued support of Board of Auditors' in maintaining and enhancing transparency and accountability in the UN.



C&AG briefed the Secretary General on the major audit focus areas identified for the current year and few important issues that emanated from previous audit reports of the Board of Auditors. Shri Shashi Kant Sharma informed Mr. Guterres that the Board of Auditors will focus on implementation of Sustainable Development Goals (SDGs) in various UN organizations as a cross-cutting theme. Mr. Guterres appreciated the work done by the Board in enhancing accountability and transparency in the UN and also assured his fullest cooperation to the Board of Auditors. During his visit, Shri Sharma also met Ms. Inga Rhonda King, Chair of Administrative and Budgetary Committee of General Assembly (popularly known as fifth committee) and Mr. Carlos G. Ruiz Massieu, Chair of Advisory Committee on Administrative and Budgetary Questions. These two committees are important oversight bodies of UN system which deliberate on the work of Board of Auditors and recommend action to the General Assembly.

Visit of Chairperson of Philippines Commission on Audit, 30-31 March 2017



A delegation headed by Mr. Michael G. Aguinaldo, Chairperson of Philippines Commission on Audit visited India from 30 March to 31 March 2017. During the visit Chairperson met the C&AG of India at Headquarters office and also visited our international training centers, International Center for Information Systems and Audit (iCISA) at NOIDA and International Center for Environment Audit and Sustainable Development (iCED) at Jaipur. The purpose of the visit was to learn from SAI India's experience on the establishment and management of training centers.

XXIII Commonwealth Auditors General Conference, New Delhi 21 – 23 March 2017

The XXIII Conference of Commonwealth Auditors General was hosted by Comptroller and Auditor General of India in New Delhi from 21 to 23 March 2017. The three day Conference was attended by 74 delegates from 36 countries including 25 heads of SAIs. The Conference held discussions under the main theme "Fostering Partnerships for Capacity Development in Public Audit", in the context of the two sub-themes, namely, "Leveraging technology in public audit" and "Environment audit: A Commonwealth perspective".

The sub-theme discussions were chaired by Prof. Mussa Juma Assad, Controller & Auditor General of Tanzania and Mr. Michael Ferguson, Auditor General of Canada respectively. Keynote addresses on the two sub-themes were delivered by SAI South Africa and SAI Australia respectively. SAIs of Cayman Islands, Kenya, Malaysia, Pakistan and United Kingdom presented country paper on their experiences in use of Information technology in audits whereas SAIs of Bangladesh, Cameroon, Malaysia, Pakistan and Zambia shared their experiences in environment audit. SAI India made video presentations on the Data analytics in SAI India and SAI India's perspective on Environment Audit.

Given that most of the Commonwealth countries follow similar governance structures and share a common working language, the discussions on the two sub-themes reinforced the need for building partnerships among Commonwealth Supreme Audit Institutions for collective benefit.

The Conference observed that most Commonwealth countries have developed basic capacities to undertake audits of information systems. The Conference recognised the opportunity for the Commonwealth Supreme Audit Institutions to share experiences and expertise in all aspects of auditing technology in general, and in the application of data analytics in performance and attest audits in particular.

The Conference noted that all Commonwealth countries were environmentally vulnerable. Since the preparedness of some of these countries to address and mitigate these effects were low, it was noted that the Supreme Audit Institutions in these countries should focus their attention to highlight the risks of ineffective approaches to mitigation to their respective Governments.

Conference also recognised that the adoption of Sustainable Development Goals by the United Nations required mainstreaming of environmental issues in all types of audit. The

main concern noted in the audit of environmental matters was the difficulty in evaluating impact of long term Governmental interventions and programmes particularly where there was lack of performance measures. Lack of experienced and trained staff was perceived as another challenge which many Supreme Audit Institutions were faced with.

The Conference also observed that there was appetite within the Commonwealth SAI community for cooperative audits. The Conference recognised the value of cooperative audits, especially between SAIs of contiguous countries, in areas which were of high concern for that region. The Conference encouraged the Commonwealth SAIs to equip their staff with the knowledge and skills required for carrying out effective environment audits.



Considering the important role played by the Commonwealth Auditors General Group in fostering partnerships among Commonwealth SAIs, the Conference agreed that it would be beneficial to:

- Establish a mechanism to communicate the outcomes of the Commonwealth Auditors General Conferences to INTOSAI and regional organizations, especially the relevant working groups on IT, Big Data and Environmental audit.
- Continue working with the Commonwealth Secretariat to foster cooperation with key Commonwealth organisations which may include engagement with the Commonwealth Association of Public Accounts Committee (CAPAC) and other parliamentary groups.

On the concluding day, the heads of delegations also called on the President of India. Besides the discussions in the plenary, many bilateral meetings were also held among member SAIs on the side-lines.

The XXIV Commonwealth Auditors General Conference will be hosted by the Supreme Audit Institution of Fiji in the year 2020.

Meeting of Controller and Auditor General of Tanzania with Comptroller & Auditor General of India, 24 January 2017

Prof. Mussa J Assad, Controller and Auditor General of Tanzania met the C&AG on 24th January 2017 at Headquarters office. The purpose of this meeting was to explore areas of bilateral cooperation in the field of public audit.



Visit of delegation from National Audit Office of China, 21-23 December 2016.

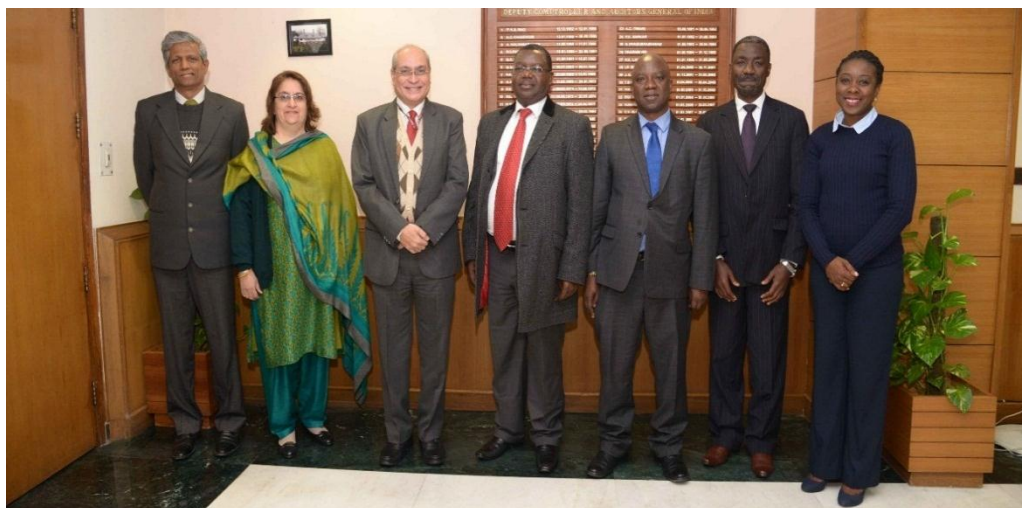
A four member delegation headed by Mr. CHEN Dashi, Director General from CNAO, China visited HQs office from 21 to 23 December, 2016 for studying SAI India's overseas investment audit experiences.



The delegation met with Dr. P. Mukherjee, Dy. C&AG and Sh. H.P. Rao, Dy. C&AG (Commercial). The delegation also discussed various issues related to overseas investment audit with Sh. V. Ravindran (RC), Director General, Sh. V. Kurien, Director General (C) and Ms. Parveen Mehta, Director General (Training).

Visit of delegation from SAI Zambia, 16-20 January 2017

A four member delegation headed by Mr. George Chiti Mumba, Head of Procurement and Supplies Division, SAI Zambia visited India for a study tour from 16-20 January 2017.



The purpose of the visit was to learn from SAI India's experience on the development of training modules and management of training institutions. The delegation visited our international institutes iCISA, NOIDA and iCED, Jaipur to have an insight of management of training institutes. The delegation also met Dr. P. Mukherjee, Dy. C&AG at C&AG Headquarters office.

Activities by SAI Kuwait

- **First:** the State Audit Bureau (SAB) hosted the 8th Joint Seminar on "Governance and Good Governance" during the period from 7th to 10th of November 2016. It is a special program with the Office of the Comptroller and Auditor General of India.
- **Second:** SAB participated in the working team meeting of the 11th ASOSAI Research Project on "Developing Risk-based Audit Plans" for the years 2016-2018, that was held during the period from 22nd to 24th of November 2016, in Vietnam.
- **Third:** SAB hosted the training program on "Oil Audit" during the period from November 20th to December 1st, 2016. It is a special program organized for the Mongolian National Audit Office Auditors.
- **Fourth:** SAB participated in the International Training Program on "Performance Audit" during the period from November 21st to December 16th 2016, in India.

Activities by SAI Myanmar

SAI Myanmar hosted Workshop on the Audit of Public Procurement (WAPP) led by the Training Committee (TC) of ASEAN Supreme Audit Institutions (ASEANSAI)

WAPP was hosted by SAI Myanmar at Park Royal Hotel, Nay Pyi Taw from 31st October till 6th November, 2016. The responsible persons from SAI Myanmar, the participants from ASEANSAI members, Instructors/Resource Persons from SAI Philippines and SAI Malaysia, the observers from ASEAN Secretariat and representatives from GIZ attended the workshop.

The Objective of the workshop is to familiarize audit team members of participating SAIs in the audit of Public Procurement. During the workshop, the instructors and the participants discussed about the public procurement process, assessment of risk and internal control, determining Audit Criteria , preparing Audit Plan and Audit Program, conducting Entry Conference, designing audit procedures, collecting audit evidence, developing audit findings and recommendations, conducting Exit conference, preparation of audit report and identifying follow up process, with practical exercises.

Social-cultural activities were also arranged for all participants to have better understanding about Nay Pyi Taw capital and the country of Myanmar.



Activities by SAI Pakistan

Report on the activities of Economic Cooperation Organization Supreme Audit Institutions (ECOSAI)

The Economic Cooperation Organization Supreme Audit Institutions (ECOSAI) is a sub-regional forum of Supreme Audit Institutions of South and Central Asian Countries, which are members of the Economic Cooperation Organization (ECO). The ECOSAI aims at promoting the state auditing profession in member countries through exchange of ideas, experiences and by holding seminars, conferences, workshops and training programmes. SAI Pakistan is the permanent Secretariat of ECOSAI and the Auditor-General of Pakistan is Secretary General of ECOSAI. The member countries include

Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyz Republic, Pakistan, Tajikistan, Turkmenistan, Turkey, Turkish Republic of Northern Cyprus and Uzbekistan.

ECOSAI is governed by its Charter and the objectives of ECOSAI are achieved through its organs namely Assembly, Governing Board and Secretariat. The ECOSAI Assembly meeting is a triennial event and meetings of the ECOSAI Training Committee and the ECOSAI Governing Board are held annually. A Symposium is also organized alongside the ECOSAI Assembly where member SAIs present their country papers.

The 7th Assembly and Symposium, 21st Governing Board meeting and 16th Training Committee meeting of ECOSAI were held from October 17-19, 2016 at Ankara, Turkey. After these meetings new initiatives have been undertaken by the ECOSAI Secretariat in consultation with the members who discussed and approved them at above stated meetings including formulation and implementation of 2nd Strategic Plan (2016-21) for ECOSAI and effective implementation of ECOSAI training plan 2014-17. The approved ECOSAI Budget was enhanced in line with the ECOSAI Strategic Plan 2016-2021 to include Peer review, Cooperative audit (Joint and Parallel) and bilateral visits. The Symposium was addressed by speakers from the SAIs of Iran, Kazakhstan, Pakistan and Turkey on the proposed topic, "Overcoming the challenges in Implementation of ISSAI's".

ECOSAI member SAIs are being urged to sign Memorandums of Understanding (MoU) among themselves for a more effective collaborative mechanism to benefit from the experiences of the members of ECOSAI in the field of public sector auditing. SAI Pakistan signed MoU with SAI of Turkey in the sideline meeting of Assembly. SAI's Pakistan and Iran have also signed MoU and negotiations are underway between SAI's Pakistan and Tajikistan to sign an MoU for co-operation in public sector auditing.

After signing of MoUs their provisions are being implemented as well, in this connection a five (05) member delegation from the Turkish Court of Accounts (TCA) paid a visit to the office of Auditor General of Pakistan (OAGP) from 20-23 February 2017 to discuss the areas of cooperation highlighted in the Memorandum of Understanding (MoU) between the two SAIs. The delegation showed interest in the new areas of audit conducted by OAGP and it was agreed that both SAIs will extend cooperation and guidance in the audit of special sectors or special issues audits. Both SAI's discussed the possibility of conducting cooperative audits in the shape of joint and parallel audit.

Under the training plan for ECOSAI training activities / capacity building activities in areas like Performance Auditing, Environmental Auditing, International Standards of Supreme Audit Institutions (ISSAIs), Audit of Internal Controls have been planned and will be conducted in member countries during 2017.

The ECOSAI Secretariat took on the task to revamp the ECOSAI website. The new website is partly dynamic and the respective SAIs have been allocated usernames and passwords for uploading their news or any relevant information in areas allocated to them on the website.

The Secretariat is currently working on the process of linking the website with some other channel so that the short training videos may be accessed from the established links on ECOSAI website.

ECOSAI Secretariat is now publishing two Circulars (Spring and Autumn issues) every year as against one Circular till 2015. It provides a forum for the member countries to exchange knowledge and information on relevant topics of public sector auditing. It is worth mentioning that the number of contributions from ECOSAI members has been increasing with every subsequent issue.

Activities by SAI Thailand



During 7th – 11th November 2016 at Bangkok, Thailand, the Office of the Auditor General of Thailand (OAG) organized a bilateral seminar on IT Application to Audit and Big Data Audit between OAG and the National Audit Office of China (CNAO). The objectives of the seminar was to exchange knowledge and experiences on how IT assists in audit of Big Data and enhances its audit coverage. Also, CNAO shared its valuable experiences and progress

of Golden Auditing Project which coincides with the initiatives of OAG Thailand in developing its IT system.

During 28th November to 2nd December 2016 at Bangkok, Thailand, the Office of the Auditor General of Thailand (OAG) conducted the Performance Audit Training Program for 18 auditors of the Royal Audit Authority of Bhutan led by Mr. Cheki Dorji, Assistance Auditor General. The training covered Performance Audit, Procurement Audit and Construction Audit as well as field visit to regional office and audited agency. The training is part of the cooperation between the Royal Audit Authority of Bhutan and OAG under the Memorandum of Understanding signed in August 2016.



On 28th February 2017, Vientiane, Lao PDR, the Office of the Auditor General of Thailand (OAG) played an important role as an implementing agency of the Lao-Thai-German Trilateral Cooperation project for “Support to Financial Audit for the State Audit Organization of Lao PDR”. OAG

Thailand provided Subject Matter Experts (SMEs), certified course developers and instructors for developing a curriculum and training courses including a training courseware. The project will establish a well-designed basic training program for financial auditors and have an impact on the implementation of the ISSAI in Lao PDR.



On 14th February 2017, the Office of the Auditor General of Thailand (OAG) was successfully selected to be the host country for the 15th ASOSAI Assembly in 2021. The selection was held as part of the 51st Governing Board Meeting in Bali, Indonesia. As a result, OAG Thailand will be a Chairman of ASOSAI during 2021 – 2024.

Activities by SAI Turkey

21st ECOSAI GOVERNING BOARD MEETING WAS HELD IN ANKARA



21st ECOSAI Governing Board Meeting was hosted by the Turkish Court of Accounts in Ankara on 17 October 2016. The meeting started with the opening speech of Mr. Seyit Ahmet BAŞ in his capacity as the Chairman of ECOSAI. Representatives from the SAIs of Afghanistan, Azerbaijan, Iran, Pakistan and Turkey which are the members of the ECOSAI Governing Board attended the meeting.

Before the 21st Governing Board Meeting, 16th Training Committee Meeting was also held in Ankara with the delegations from Afghanistan, Iran, Pakistan and Turkey.

7th ECOSAI ASSEMBLY WAS HOSTED BY THE TURKISH COURT OF ACCOUNTS (TCA) IN ANKARA



7th ECOSAI Assembly was hosted by the Turkish Court of Accounts in Ankara on 18 October 2016. The meeting started with the opening speech of the TCA President Seyit Ahmet BAŞ who is also the President of ECOSAI followed by speeches delivered by Mr. Sharif Aman SHARIFI, Auditor General of Afghanistan, Mr. Rana Assad AMIN, Auditor General of Pakistan, and Mr. Adil MAHARRAMOV, Deputy Chairman of the SAI of Azerbaijan.

Delegations from Afghanistan, Azerbaijan, Iran, Kazakhstan, Pakistan, Turkey and the Turkish Republic of Northern Cyprus (TRNC) as observer attended the meeting.

A seminar was also held on a predetermined subject “Overcoming the Difficulties Encountered in the Implementation of International Standards on Auditing (ISSAIs)” along with the ECOSAI General Assembly meeting. Representatives from the SAIs of Iran, Kazakhstan, Pakistan and Turkey delivered presentations during the seminar.

THE WORKSHOP ON THE FORMING OF AUDIT OPINIONS WAS CO-ORGANIZED BY THE TCA AND SIGMA



The Workshop on the Forming of Audit Opinions was co-organized by the Turkish Court of Accounts (TCA) and SIGMA, which is a joint initiative of the OECD and the EU, on 26-27 October 2016 in Ankara. The President of the TCA, Mr. Seyit Ahmet BAŞ made the opening speech of the conference, which brought together SIGMA representatives, senior experts from EU countries, and the Heads of Departments, members and auditors from the TCA.

CONFERENCE ON THE DEVELOPMENT OF WORKING RELATIONS BETWEEN SAIS AND PARLIAMENTS

The Turkish Court of Accounts (TCA) and SIGMA, organized a conference on “Developing effective working relationships between SAIs and Parliaments” on 8-9 November 2016 in Ankara. The President of the TCA, Mr. Seyit Ahmet BAŞ made the opening speech of the conference, which brought together the representatives of the SAIs and parliaments (Albania, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia, and Serbia), EU Delegation representatives and SIGMA experts.



The main purpose of the conference, which was hosted by the TCA, was to ensure the sharing of knowledge and experience on the countries' relation with the parliaments and contribute to the draft guidance paper in line with this.

COOPERATION AGREEMENT WITH THE AUDITOR GENERAL OF PAKISTAN

A cooperation agreement was signed between the Turkish Court of Accounts (TCA) and the Auditor General of Pakistan on 17 October 2016 in order to promote co-operation in the areas of the exchange of experience in the area of public external audit methodology and procedures, professional training and improvement of professional standards of personnel, exchange of information and documentation on the professional activities of

the Parties, holding of consultations, joint researches and parallel audits, seminars, conferences and technical meetings, and cooperation in any other areas within their jurisdictions.



Email / Webpage addresses of member SAIs

	Email address	Webpage
Afghanistan	sao@sao.gov.af / afghancao@gmail.com	http://sao.gov.af/en
Armenia	vpal@parliament.am	www.coc.am
Australia	ag1@anao.gov.au External.Relations@anao.gov.au	www.anao.gov.au
Azerbaijan	office@ach.gov.az chairman@ach.gov.az	www.ach.gov.az
Bahrain	info@nac.gov.bh	www.nac.gov.bh
Bangladesh	international@cagbd.org	www.cagbd.org
Bhutan	auditorgeneral@bhutanaudit.gov.bt	www.bhutanaudit.gov.bt
Brunei Darussalam	jabaudbd@brunet.bn	www.audit.gov.bn
Cambodia	naakh@naa.gov.kh , sg.audit@naa.gov.kh , chea_sophat@yahoo.com	www.naa.gov.kh
China	cnao@audit.gov.cn	www.audit.gov.cn
Cyprus	cao@cytanet.com.cy	www.audit.gov.cy
Georgia	chamber@gol.ge , chamber@geomail.ge	www.control.ge
India	cag@cag.gov.in pdir@cag.gov.in	www.cag.gov.in
Indonesia	asosai@bpk.go.id international@bpk.go.id	www.bpk.go.id
Iran	pria@dmk.ir	www.dmk.ir
Iraq	diwanirq@uruklink.net	
Israel	sco@mevaker.gov.il	www.mevaker.gov.il
Japan	liaison@jbaudit.go.jp	www.jbaudit.go.jp
Jordan	Audit.b@nic.net.jo	www.audit-bureau.gov.jo
Kazakhstan	int.rel@esep.gov.kz	www.esep.kz
Korea	koreasai@korea.kr	www.bai.go.kr
Kuwait	president@sabq8.org , training@sabq8.org	www.sabq8.org
Kyrgyzstan	ir@esep.kg , esep@esep.kg	www.esep.kg
LAO-PDR	sao@etlao.com	
Malaysia	jbaudit@audit.gov.my ag@audit.gov.my	www.audit.gov.my
Maldives	info@audit.gov.mv , maldago@dhivehinet.net.mv	www.audit.gov.mv
Mauritius	auditdep@intnet.mu	http://ncb.intnet.mu/audit/index.htm
Mongolia	mnao@mnao.mn	www.mnao.mn
Myanmar	AUDITORGENERAL@mptmail.net.mm	
Nepal	oagnep@ntc.net.np ,	www.oagnepal.gov.np

	infoag@most.gov.np	
New Zealand	oag@oag.govt.nz ; information@oag.govt.nz	www.oag.govt.nz
Oman	irdep@sai.gov.om	www.sai.gov.om
Pakistan	saipak@isb.comsats.net.pk	www.agp.gov.pk
Papua New Guinea	agopng@ago.gov.pg gsullimann@ago.gov.pg, agois@ago.gov.pg	<u>www.ago.gov.pg</u>
Philippines	gemcarague@coa.gov.ph, lbdimapilis@coa.gov.ph	www.coa.gov.ph
Qatar	info@sab.gov.qa	www.sab.gov.qa
Russia	zylis@ach.gov.ru, intrel@ach.gov.ru	www.ach.gov.ru
Saudi Arabia	gab@gab.gov.sa	www.gab.gov.sa
Singapore	ago_email@ago.gov.sg	www.ago.gov.sg
Sri Lanka	oaggov@sltnet.lk	www.auditorgeneral.lk
Thailand	int_rela@oag.go.th	www.oag.go.th
Turkey	Sayistay.baskan@sayistay.gov.tr	http://www.sayistay.gov.tr
U.A.E.	president@saiuae.gov.ae	www.saiuae.gov.ae
Vietnam	vietnamsai@hn.vnn.vn	www.kiemtoannn.gov.vn
Yemen	tech_coop2007@yahoo.com <u>coca@y.net.ye</u>	<u>www.coca.gov.ye</u>

Electronic communication between Supreme Audit Institutions is increasing rapidly. In view of this, a list of e-mail and World Web Site Address of ASOSAI members (as available with us) have been compiled and shown in the above table. It is requested that addresses of those SAIs that do not in appear in the table may please be intimated to the Editor for incorporating in the future issues of the Journal. Please also let us know in case there are any modifications to the addresses listed above.

Other important Email/Webpage addresses

	Email address	Webpage
INTOSAI	intosai@rechnungshof.gv.at	www.intosai.org
ASOSAI	koreasai@korea.kr	www.asosai.org
EUROSAI	euosai@tcu.es	www.eurosai.org
OLACEFS	relacionesinternacionales@contraloria.cl (Executive Secretariat, SAI of Chile) PresidenciaOLACEFS@asf.gob.mx (Presidency of OLACEFS, SAI of Mexico)	www.olacefs.com
PASAI	enquiry@oag.govt.nz	www.pasai.org
ARABOSAI		www.arabosai.org
INTOSAI Development Initiative (IDI)	idi@idi.no	www.idi.no
INTOSAI Working Group on IT Audit (WGITA)	ir@cag.gov.in	www.intosaiitaudit.org
Working Group on Environmental Auditing	info@wega.org	www.environmentalauditing.org
Working Group on Privatisation, Economic regulation and Public Private Partnership (PPP)	Tim.burr@nao.gsi.gov.uk	www.nao.gov.uk/intosai/wgap/home.htm
International Journal of Government Auditing	intosaijournal@gao.gov	www.intosaijournal.org
Asian Journal of Government Audit	ir@cag.gov.in	http://www.asosaijournal.org

Schedule of upcoming Events

Year	Date	Event	Venue
2017	May 22 - June 2	Instructor's design meeting for Blended Learning Specialist Workshop	Nay Pyi Taw, Myanmar
	10-21 July	ASOSAI-sponsored workshop on "Performance Audit"	Nilai, Malaysia
	September (tentative)	IDI-ASOSAI 3i Cooperative Audit Programme on Audit of Disaster Management - Quality Assurance Workshop	
	October 2-20	IDI-ASOSAI Blended Learning Specialist Workshop	
	November (tentative)	Instructors' design meeting for ASOSAI Pilot Capacity Development Program on "IT Audit"	Tokyo, Japan
	December 10-14	ASOSAI Seminar on "Improvement and Innovation of Audit Process"	Kuwait city, Kuwait