INTOSAI Development Initiative

Draft Strategic Plan 2019-23

English

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# Message from the IDI Board

Group photo of IDI Board (to be taken November 2018)

We are delighted to present the 2019-2023 IDI Strategic Plan. It sets out how IDI will support SAIs in developing countries in their efforts to sustainably enhance their performance and capacity for the benefit of their citizens.

Evaluations and feedback from SAIs and other partners show IDI has been largely successful in implementing its 2014-2018 Strategic Plan. This plan builds on past successes, but with a clear ambition to scale up the support to SAIs in developing countries, provide long term, predictable and sustainable support in areas that are critical for SAI performance, and to provide this support in a more effective manner.

SAIs are dependent on the environment in which they operate. The Global SAI Stocktaking Report 2017 showed that SAI performance is improving in many areas, but SAIs face serious constraints in critical areas such as independence and professionalization. A major strategic shift in this plan is the introduction of long term work streams that will provide scaled-up, holistic, tailored support to SAIs in the areas of independence, governance, professionalism and relevance. This correspond to the needs expressed by SAIs and the key challenges identified in the Global Stocktaking.

Recognizing that each SAI faces unique challenges and opportunities, we endorse a gradual shift towards providing more SAI-level support. This will complement regional and global IDI initiatives and ensure that no SAI is left behind. We are also pleased to see the integration of gender in this Strategic Plan. We believe this will provide an increased focus on gender within IDI and also increase awareness, innovative thinking and inclusion of gender issues in the way SAIs conduct audits.

While the IDI is organized as a separate legal entity, it is an INTOSAI body, as reflected in the INTOSAI Statutes and the INTOSAI Strategic Plan. Therefore, this plan is aligned with the INTOSAI Strategic Plan and supports INTOSAI’s strategic objectives and cross-cutting priorities.

IDI also aims to lead by example in the SAI community. In developing this plan, IDI followed best practice and gave stakeholder consultation the highest priority. IDI conducted a stakeholder analysis and survey, followed by face-to-face and video conferenced focus groups with key stakeholders. Results were synthesised to produce a series of key issues, which were explored in more depth to develop a set of strategic choices. The emerging strategic direction and options were further discussed with INTOSAI committees and regions, and donors. At a meeting in June, we set the strategic direction for this plan, after which the Strategic Plan document was developed and published for wider stakeholder consultation, before we approved it at the November 2018 IDI Board meeting. In November 2018, the INTOSAI Governing Board supported a motion calling for the 2019 INTOSAI Congress to endorse this plan. This consultative process was designed to ensure alignment with the INTOSAI strategic plan, and broad ownership across the INTOSAI community and among other stakeholders including donors, UN agencies and relevant international NGOs.

We very much look forward to working with the INTOSAI community, development partners and other stakeholders in implementing this Strategic Plan as a concerted effort and contribution towards strengthening public sector auditing for the benefits of citizens around the world.

# Message from Dr. Harib Al Amimi, President of the State Audit Institution of the United Arab Emirates, and Chair of the INTOSAI Governing Board

Message to be drafted based on draft Strategic Plan

Photo of Dr Harib Al Amimi

# Executive summary of the IDI Strategic Plan 2019-2023

## IDI Vision, Mission and Principles

IDI staff photo to be inserted

**Our Vision:** Effective, accountable and inclusive Supreme Audit Institutions making a difference in the quality of public sector governance and service delivery for the value and benefit of citizens.

**Our Mission:** The INTOSAI Development Initiative supports Supreme Audit Institutions in developing countries, in sustainably enhancing their performance and capacities. It is a part of the International Organisation of Supreme Audit Institutions (INTOSAI) and works together with INTOSAI goal committees, regional organisations, SAIs and other partners for independent, well-governed, professional and relevant SAIs.

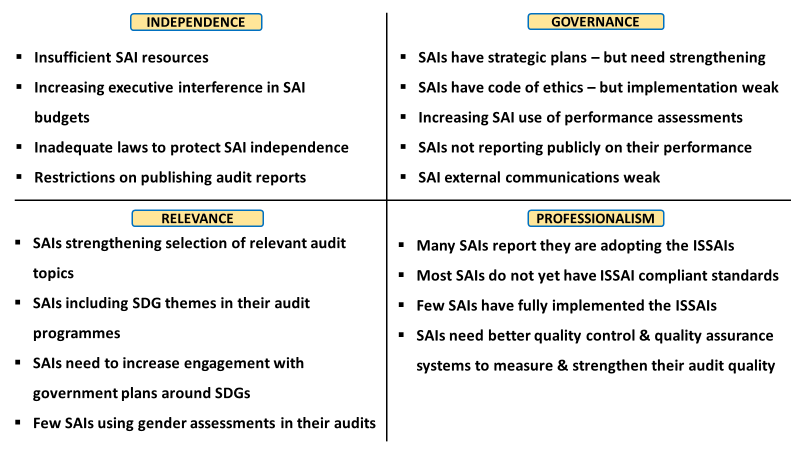
**Our Core Principles:** IDI’s work is guided by common principles. They have developed over time through our ethos as an organisation and through our long professional and organisational experience. They reinforce each other and contribute to achieving IDI’s vision and mission:

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## Strategic Plan in a Nutshell: IDI’s Value Proposition

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| IDI is a not-for profit, autonomous **INTOSAI body** mandated to support Supreme Audit Institutions (SAIs) in developing countries to sustainably enhance their performance and capacity.  IDI is **unique** as a body established as an **integral part of the INTOSAI community**, to serve the needs of all developing country SAIs *(not tied to any country’s specific geographic or political interests)*. It is governed by prominent Heads of SAIs who are appointed on their professional merit, staffed with experienced professionals from the SAI, audit and donor communities, and able to draw on the financial and in-kind support of SAIs and donors across the world. This makes IDI a **trusted partner of all INTOSAI bodies, regions and SAIs**, and gives it the ability to bring the SAI and donor communities together, and to resource capacity development initiatives for the benefit of all developing country SAIs.  IDI maximises its value to SAIs by focusing on areas where its unique position and experience gives it a comparative advantage over other providers of support. IDI will make the following strategic shifts from 2019:  - Deliver its support through **four work streams** focused on developing **independent, well-governed, professional and relevant SAIs**. These will be delivered at the global, regional and SAI-level through a combination of developing Global Public Goods, lessons learned, education programmes and resource pools; being a centre for knowledge and innovation; and delivering programmes to groups of SAIs with similar needs.  - Increasingly provide **SAI-level support** to facilitate sustainable change. This will target two groups: firstly, SAIs that show commitment and readiness in their participation in IDI initiatives, but need deeper support to ensure change is sustainable; and secondly, SAIs classified as being in fragile situations[[1]](#footnote-2) and other SAIs facing significant development challenges.  - Start to fully integrate a **gender perspective** by measures including gradually integrating a gender analysis in the design and implementation of all initiatives.  IDI’s involvement in global standard setting, policy dialogue on provision of support to SAIs, and country-level implementation makes it uniquely positioned to provide the feedback loop between policy and practice.  IDI also fulfils a **global role to strengthen support to SAIs**, through supporting strategic partners including INTOSAI regions, measuring and monitoring SAI performance, facilitating the matching of SAI needs to providers of support, and engaging in advocacy and communications to maintain and strengthen support to SAIs. This global role includes functions that support the aims of the **Memorandum of Understanding between the INTOSAI and Donor communities**, which are delivered based on coordination and dialogue between the INTOSAI-Donor Cooperation and IDI.  IDI’s unique position has enabled it to develop a unique **approach to capacity development**, that is **needs-based**, **SAI-led**, **facilitative**, **empowering**, **gender responsive** and delivered through enabling **peer to peer support**. It combines theory with practical application through approaches such as facilitated organisational assessments, Cooperative Audits, and quality review mechanisms. It brings together **institutional, organisational and professional capacity development** to deliver sustainable change in the **independence, governance, professionalism and relevance of SAIs**. |

## The Global State of Supreme Audit Institutions (2017)

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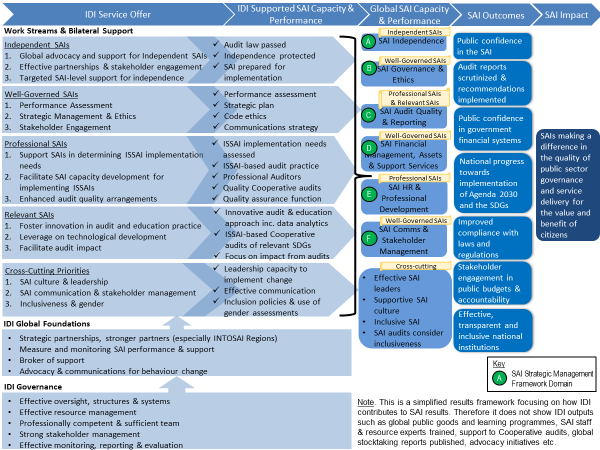
*Source: Based on the IDI Global SAI Stocktaking Report 2017 (Designer to turn into suitable infographic – additional details in Annex 1 if required)*

SAIs across the globe face many challenges in strengthening their capacities and performance to deliver value and benefits for citizens. SAIs often operate in constrained environments, with legislatures that do not fully support and use their work, where basic systems of transparency and accountability are lacking. The following diagram summarises the global state of SAI capacity and performance. Developing country SAIs generally lag behind, and least developed countries – including many fragile states – are significantly behind in most areas.

## Overview of IDI’s Strategic Priorities

In response to the challenges faced by SAIs and needs expressed by stakeholders, IDI has identified strategic priorities geared towards adding value to SAIs. They take the form of **four work streams**, supplemented by cross-cutting priorities. Additionally, **four global foundations** will strengthen each work stream and the successful delivery of this plan. The results framework below shows the strategic priorities, what it takes to deliver them effectively, and what IDI hopes they will achieve.

***IDI Results Framework***



In setting these strategic priorities, IDI recognises that the needs and expectations related to SAI development are infinite, while IDI resources are scarce. IDI will therefore consciously target its resources between and within its strategic priorities and manage the risk of spreading its resources too thinly.

## Strategic Shifts to Increase Impact and Sustainability

The point of departure for the 2019-23 Strategic Plan is a recognition of the need to enhance the **sustainability** of changes to SAI performance and capacity and increase the **impact** that SAIs have on the lives of citizens. This requires providing support that is more long term, focussed on SAI core priorities, better integrated, drawing on IDI’s comparative advantages, and recognising the need to support gender equality and facilitate SAIs to be more gender responsive. This gives rise to three strategic shifts for IDI:

* A shift from programmes to **work streams** – continuous and regular capacity development support to SAIs, each of which cover a network of connected functions within an SAI
* An increased focus on **SAI-level support** – both within work streams and through holistic bilateral partnerships to support SAIs most in need while continuing IDI’s role as enabler of support to SAIs
* Integration of a **gender perspective** throughout the IDI Strategic Plan. IDI will build on its previous experience and expand by integrating gender analyses in the design and delivery of its initiatives and by strengthening internal gender capacity (for more details see section C).

These strategic shifts also have the following profound implications for IDI as an organisation, and in terms of what support it will deliver, and how.

* **Growth**: the three strategic shifts will require a gradual increase in IDI staff and financial resources. Work streams are more resource intensive programmes, as they include a more significant global element (education programmes, knowledge and support centres supporting all developing country SAIs. They also include country-level support to selected SAIs that need deeper support to ensure change is sustainable. Further, IDI will scale up its pilot work on SAI independence and expand its bilateral support to SAIs in fragile situations. Lastly, the effective integration of a gender perspective will require adequate resourcing.
* **Balancing the roles of enabler and provider of support**: IDI will continue to maintain a balance between being both an enabler and provider of support to SAIs. On the enabler side, IDI will partner with and support INTOSAI bodies especially regions in their provider role and continue to facilitate the matching of SAI needs with those willing to provide support. It will also continue global functions including developing global public goods, resource pools, acting as a knowledge centre and monitoring SAI performance. On the provider side, IDI will deliver its support to groups of SAIs under each work stream, including some targeted SAI-level support, as well as limited support to SAIs in fragile situations under its bilateral policy (as provider of last resort).
* **Partnerships**: partnering has been, and remains, one of IDI’s core principles. Scaling-up the breadth and depth of IDI’s work will require more in-depth and long-term partnerships, with INTOSAI bodies, regions and other organisations. IDI will build partnering into its delivery approach for all work streams, explore innovative partnership models, and manage risks from partnering including through providing support to strengthen key partners where appropriate.

**Targeting of SAI-level support**: within each workstream, IDI will provide targeted SAI-level support for two groups based on a transparent selection process. Firstly, SAIs that show commitment and readiness through their participation in the initial phase of support but need deeper support to ensure change is sustainable. Secondly, SAIs in fragile situations and others facing significant development challenges.

* **Offering something for everyone**: maintaining a balanced portfolio of initiatives within and across work streams. This means a balance between initiatives that rely on mature audit and organisational capacity, initiatives tailored to SAIs in the early phases of development, and support for SAIs in fragile situations and/or where basic audit and other systems do not function.
* **Ensuring resources are effectively targeted:** IDI will clarify its support principles and develop guidance on the implementation, monitoring and follow-up of SAI readiness conditions and commitment statements, to ensure resources entrusted to IDI are used effectively. Persistent and significant breaches of SAI commitment statements may lead to support to those SAIs being provided differently in future or could impact on the SAI’s future participation in IDI initiatives.

## Transition to the New Strategic Plan

IDI plans to transition to its new strategic priorities and make the planned strategic shifts over the first half of the strategic planning period. In some areas, the shift to work streams has already begun, while in other areas IDI has a portfolio of existing programmes which will continue to be delivered as planned to participating SAIs. The changes, and the accompanying growth in IDI, will be gradual, but IDI hopes to have completed the transition by the end of 2021. However, the growth, and by extension the transition, is dependent on IDI’s ability to secure a significant scaling-up of its resources. The planned mid-term review of the Strategic Plan will provide an opportunity to assess the extent to which this transition has been made.



# IDI Strategic Priorities

## Why Support SAIs?

Effective external government audit by Supreme Audit Institutions is a key component of public financial management (PFM) and Good Governance. It also has a positive effect on the performance of the public sector and on national levels of public sector corruption. Public sector audit is also recognised as a key factor in regaining public confidence in governments and national systems and strengthening state-society relations.

SAIs are key stakeholders in implementing the Sustainable Development Goals (SDGs), not least by leading by example as effective, accountable and inclusive SAIs, but also through their audits by suggesting ways in which public sector entities can improve their service delivery to citizens.

In addition, SAIs are key partners for development partners that channel their funds through developing countries’ government systems. SAIs help development partners in managing their fiduciary and development effectiveness risks. For these reasons, SAIs need support to sustainably enhance their performance and capacities. This is further expanded in Annex 1.

## What will IDI Contribute to?



IDI contributes to more effective, accountable and inclusive SAIs that make a difference to public sector governance and service delivery for the benefit of citizens. To do this, SAIs should contribute to a wide range of outcomes, from improved compliance with laws to progress towards the SDGs. For this, an SAI should deliver professional and relevant audit reports, lead by example in the public sector, and communicate effectively with stakeholders. This requires an SAI with professional staff and organisational capacity, an appropriate institutional framework including SAI independence, and an effective governance and PFM environment. Across this, an SAI also needs effective leadership, and a culture enabling and promoting high performance and inclusion, especially but not limited to gender inclusion and the empowerment of women.

The components of an effective, inclusive and accountable SAI are shown above, in IDI’s **SAI Strategic Management Framework.** Six domains (A-F)[[2]](#footnote-3) of SAI capacity and performance together contribute to the SAI outcomes, and the SAI’s contribution to making a difference to the lives of citizens. **All IDI’s work is ultimately geared to enhancing the capacity and performance of SAIs in developing countries based on this model.** IDI delivers support to SAIs and groups of SAIs through four work streams (and three cross-cutting priorities), illustrated in banners on the diagram above. These work streams are IDI’s **strategic priorities** and are further defined and explained below.

IDI Work Streams

IDI considers a work stream to be a continuous and regular support function through which IDI supports SAIs in enhancing performance and capacities. In contrast, IDI’s traditional programmes were a time bound set of activities, which were often one-off interventions open only to participating SAIs. While programmes provided support on specific areas, work streams support a network of connected functions in an SAI, thus providing more integrated support. Programmes generally had a short to medium term time perspective of 2 to 3 years. Work streams are long term and are envisaged to continue not only for the duration of one strategic plan, but across strategic plan periods. Within workstreams, support and training will be open to all SAIs on a continual basis, rather than only being open to participating SAIs at specific points within a programme.

**SAI Independence in the INTOSAI Strategic Plan 2017- 2022**



INTOSAI strongly advocates for and supports legal frameworks that call for comprehensive audit mandates, unlimited access to needed information, and allow for the unrestricted publication of SAI reports. INTOSAI supports SAI organisational and financial independence because only fully independent, capable, and professional SAIs can ensure accountability, transparency, good governance, and the sound use of public funds.

### Independent SAIs

An independent SAI is a key pillar of national integrity and governance systems. The independence of an SAI from the executive bodies it audits[[3]](#footnote-4) is fundamental to its role in public accountability, and in building trust between the organs of the state and society. Yet evidence[[4]](#footnote-5) shows that levels of financial and operational independence are low, and declining, in many regions of the world. SAI Heads face reduced protection from unjust removal; SAIs face increased interference in their budgets from the executive; and many SAIs face restrictions in deciding the scope and publishing the results of their work.

The principles of SAI independence are laid down in the INTOSAI Lima and Mexico declarations. This workstream will support INTOSAI’s efforts in **“advocating for and supporting the Independence of SAIs”** as a cross-cutting priority in its 2017-2022 Strategic Plan. Under its 2014-18 strategic plan, IDI began to pilot support for SAI independence. In this strategic plan, support will be scaled-up, to combine both global support and advocacy with enhanced support to more SAIs to strengthen their independence.

**Work Stream Components**

**Component 1: Global Advocacy and Support for Independent SAIs**

Advocating for SAI independence is pivotal in raising awareness and creating an environment for change. Adoption of the UN Resolutions A/66/209 and A/66/228 have put SAI independence on the global agenda, and shortcomings in the status of independence have been highlighted in the 2014 and 2017 Global SAI Stocktaking Reports. IDI’s advocacy for SAI independence will focus on:

1. **Demonstrating the Value and Benefits of independent SAIs in strengthening accountability, transparency and integrity**. IDI will work globally with key partners including the UN, donors, Parliamentary bodies, and CSOs to keep the topic of SAI independence on the global agenda. IDI will seek to ensure decision makers and influencers at the global, regional and country-level understand the importance of SAI independence as an enabler of better public accountability.
2. **Establishing a knowledge function on SAI independence to analyse global and regional trends and learn lessons**. There are no other organisations which systematically collect and analyse data on the status of SAI Independence and changes overtime. IDI will do so and will disseminate findings to enable a more informed and effective approach to strengthening SAI independence.
3. **Mobilising rapid advocacy support to SAIs facing threats or challenges to their independence**.

Once secured, SAI independence needs to be sustained. The political and institutional landscapes in all countries are in a constant state of flux, often posing new threats to SAI independence. These can manifest quickly through changes to a country’s constitution, changes to the budget or audit law, attempts to remove the Head(s) of the SAI, or even proposed abolition of the SAI. IDI will therefore develop its capacity to sustain SAI independence. This will include establishing and maintaining information channels to keep alert to threats to SAI independence, and developing a support service able to rapidly mobilise advocacy support to SAIs. Such advocacy support would involve bringing together global, regional and country actors to ensure a coordinated and coherent response to threats to SAI independence.

**Component 2: Targeted SAI-level Support for Independence**

Building on the lessons learned from its pilot programme on SAI independence, IDI will support several SAIs in strengthening their independence, as follows:

1. **Provide and coordinate support.** This may include mapping the current state of SAI legal and practical independence (against ISSAI 1 and 10, or using tools such as SAI PMF), developing a strategy for enhancing SAI independence, supporting the drafting of appropriate legislation, reviewing draft Acts, and helping the SAI respond to emerging threats to independence.
2. **Facilitate stakeholder engagement at the country level in support of SAI independence.** IDI will assist SAIs in engaging with key stakeholders to mobilise support for greater independence. This may include Parliaments, Donors, PFM actors and CSOs, to raise their awareness of the SAI and demonstrate its value and benefits, and to garner support for independence. This may include ensuring the SAI is involved in national level policy dialogue, establishing an audit/accountability working group to bring together key stakeholders, or supporting the development and implementation of a joint strategy for the SAI’s institutional strengthening.
3. **Prepare for stronger independence.** Stronger SAI independence will also raise the expectations that stakeholders have of the SAI. IDI will support SAIs to plan for improved organisational and professional staff capacity to ensure greater independence improves SAI performance.

**Component 3: Effective Partnerships and Stakeholder Engagement in Support of SAI Independence**

**This supports effective delivery of components one and two, by forming partnerships and strengthening partners for SAI independence at the global, regional and country levels, as follows.**

1. **INTOSAI Regional Bodies.** This offers a platform to engage with SAIs within each region that often face similar challenges, and to bring in other regional accountability organisations. While the format will vary according to each region, partnerships could include working together on mapping independence status and challenges across SAIs in a region and creating and utilising regional platforms to advocate for SAI independence.
2. **Global and Regional Accountability Organisations.** To maximise the impact of IDI’s advocacy initiatives, it will be important to bring in wider stakeholder groups capable of enhancing IDI’s messaging and reaching wider stakeholder groups. This may include global and regional organisations of Legislative Committees (e.g. Public Accounts Committees), relevant international NGOs, and coalitions of CSOs focused on accountability.
3. **The Development Community.** At the global level, IDI will engage with the development community to advocate for SAI independence, better understand the institutional challenges involved in strengthening SAI independence and how to overcome these, develop joint global strategies to strengthen SAI independence, and to promote greater use of SAIs’ audit reports. At the country-level, independence is often part of wider policy dialogue covering governance and PFM reforms, in which the development community may play a key role. IDI will therefore seek to partner with donors to develop a common, coordinated position and message on SAI independence, and put their combined weight behind efforts to strengthen SAI independence.

### Well-Governed SAIs

SAIs should lead by example and ensure good governance in all their operations, thereby acting as model institutions for government and public-sector entities with respect to the accountability, transparency, and integrity of their operations. This is a key tenet of ISSAI 12: The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens. Good governance of a SAI is also fundamental to ensuring SAI credibility and delivering high-quality audits leading to impact for citizens. It requires planning, monitoring, assessing and managing SAI performance; adhering to ethical standards; promoting a culture of integrity; leading organisational change; communicating and engaging with stakeholders; and building strong partnerships.

Well-Governed SAIs – Work Stream Components



The 2017 Stocktaking shows almost all SAIs have a strategic plan of some sort. However, INTOSAI’s endorsement of the SAI PMF in 2016 provides a sound basis for strengthening and monitoring these strategic plans, and for measuring the resulting changes in SAI performance and capacity overtime, at the global, regional and SAI level. The Stocktaking also revealed significant areas for improvement relating to implementing SAI’s Ethical Codes, and SAIs enhancing communication and engagement with stakeholders.

**Work Stream Components**

This work stream will cover three key components: performance assessment, strategic management & ethics, and stakeholder engagement. Subject to demand and resources, it may also be broadened to include support to corporate services. SAI leadership is a cross-cutting priority across all IDI work streams and could be further developed under this work stream if resources allow.

**Component 1: Performance Assessment**

For SAIs to be effective, they should be learning organizations that constantly strive to enhance their performance for the benefit of citizens. Undertaking thorough, holistic and evidence-based assessments of performance at regular intervals, to serve as a baseline and as a measure of progress, will be a prerequisite for SAIs. IDI will therefore support this process by encouraging and supporting SAIs to use the SAI PMF methodology. IDI will facilitate and support assessments, provide training to create an enhanced pool of SAI PMF assessors, and will ensure the quality of the assessments by arranging an independent review of the adherence to the SAI PMF methodology. IDI will closely collaborate with INTOSAI regions, as well as with the INTOSAI CBC as strategic governance lead for SAI PMF, to ensure the continuous roll-out of SAI PMF. Performance assessments also form a key input into component two below.

**Component 2: Strategic Management and Ethics**

Strategic management starts with understanding the current situation of a SAI (component 1 above) and the expectations of its stakeholders, as a basis for development of a strategic plan that defines the desired performance changes in the SAI over time. IDI will assist SAIs in key areas of the strategic management process, including:

1. Developing strategic and operational plans
2. Establishing a related monitoring system
3. Periodic reporting on the achievement of strategic and operational goals and objectives
4. Strategic decision-making based on observed progress (linked to component 1)

Processes related to strategic management should be supported by systems and practices to ensure professional conduct and ethical behaviour. Within this component, IDI will also assist SAIs in strengthening their Codes of Ethics in accordance with ISSAI 30, and in developing systems to ensure practical implementation of their Code of Ethics.

**Component 3: Stakeholder Engagement**

The effectiveness with which SAIs fulfil their role of holding government to account for the use of public resources not only depends on the quality of their work, but also on how well they are working in partnership with the accountability functions of the legislature as well as the executive arm of government in making use of audit findings and enacting change. This can also be enhanced through sustained interaction with other stakeholders such as the media, civil society organisations and citizens. The 2017 Global SAI Stocktaking report revealed limitations in the extent and nature of SAI stakeholder engagement, and the lack of communication with stakeholders beyond publication of audit reports.

Building on the lessons learned from the SAIs Engaging with Stakeholders Programme, IDI will continue supporting SAIs in engaging more effectively with their stakeholders and taking advantage of the external environment through:

1. The development of stakeholder engagement and communication strategies, including stakeholder mapping and prioritization;
2. The provision of SAI level support to SAIs to implement their stakeholder engagement strategies and initiate interactions with key stakeholders; and
3. The compilation of best practices, and updates of the existing stakeholder engagement guidance.

**Potential Additional Components**

Under this work stream, IDI will prioritize the three key components above. Nevertheless, strong corporate services (including financial and human resource management) and effective leadership are also key to ensuring SAIs are well-governed. To the extent that these are generic topics pertinent to any organisation, IDI has little comparative advantage in these areas. However, IDI may have a comparative advantage in the SAI specific application of these topics, such as how does a SAI-leader plan for change in the SAI environment, or how can an SAI organise the professional development of its different audit cadres? IDI is also well placed, in partnership with INTOSAI committees, to facilitate experience sharing among the SAI community in such topics.

IDI will monitor the need of SAIs in these areas, and if resources allow, will consider expanding this work stream to address common, emerging SAI needs.

### C:\Users\102330arsh\Desktop\Photos\TB-Winning-in-Digital-Innovation-Turning-Scale-and-Legacy-into-Strengths.jpgProfessional SAIs

SAIs strengthen accountability, transparency and integrity by independently auditing public sector operations and reporting on their findings. ISSAI 12 calls on SAIs to carry out audits in accordance with their mandates and applicable professional standards. In 2010, INTOSAI adopted the International Standards of Supreme Audit Institutions (ISSAIs), compliance with which provides credibility and ensures quality of SAI work. IDI has since 2012 supported SAIs through the ISSAI Implementation Initiative (3i Programme). INTOSAI’s Strategic Plan 2017-2022 emphasizes the importance of ISSAI implementation under Cross cutting priority 3 and highlights IDI’s role as ‘*an essential INTOSAI mechanism for bringing together “on the ground” support for the implementation of professional standards’.* Support for ISSAI Implementation continues to be the most prioritised area by SAIs. IDI’s Global stocktaking report 2017 shows that most SAIs do not yet have ISSAI compliant standards, few SAIs have fully implemented the ISSAIs and SAIs need better quality control and quality assurance systems to measure and strengthen their audit quality.

**Professional SAIs**

The journey of an SAI to ISSAI compliance is a gradual process, which requires enhancing of SAIs institutional, professional staff and organisational capacities to comply with applicable ISSAIs and deliver high quality audits. The ‘Professional SAIs’ work stream aims to support SAIs in enhancing their professionalism and delivering high quality audits by moving towards ISSAI compliance. IDI will support SAIs by helping them in assessing ISSAI implementation needs, facilitating capacity development through professional education and organisational development support, and enhancing audit quality through the development of quality assurance mechanisms.

Under this work stream IDI will endeavour to achieve a balanced portfolio by diversifying its offering and providing a range of products and solutions for different situations e.g. global public goods and professional education will be accessible to all SAIs, regional solutions will be available in different IDI languages for different audit streams and topics, and SAI level work will provide for customisation and in-depth support.

**Work Stream Components**

**Component 1: Support SAIs in Determining ISSAI Implementation Needs**

Under this component IDI will maintain its global public goods, ISSAI Compliance Assessment Tools and Guidance (for FA, PA, and CA). IDI will support SAIs in understanding the implications of adopting ISSAIs and in mapping their audit practices to determine applicable ISSAIs and capacities needed to comply with those ISSAIs. In mapping current practices, IDI will also support SAIs in engaging with national stakeholders to ascertain their expectations, gain a complete understanding of SAI mandate and create awareness amongst stakeholders on the relevance of ISSAIs and work done by the SAI. IDI support could also include reviewing ISSAI implementation needs assessments done by SAIs and providing feedback to SAIs. IDI will continue to act as an advocate for ISSAI compliance as a means for achieving value and benefits for citizens. Such support will be provided based on the needs of the SAIs through global and regional initiatives or as a part of targeted SAI-level ISSAI Implementation Support.

**Component 2: Facilitate SAI Capacity Development for Implementing ISSAIs**

Under this component IDI will maintain its global public goods, ISSAI Implementation Handbooks (for FA, PA and CA), and disseminate their use. IDI will also support SAIs in engaging with external stakeholders to strengthen or create enabling frameworks for ISSAI compliant audits e.g. acceptable financial reporting frameworks.

The PESA Pilot 2018-2022

The PESA Pilot is a competency-based education initiative for SAI Auditors (financial, performance, compliance). It aims to develop a meaningful alternative pathway to professionalization for SAIs; to obtain experience in using the INTOSAI competency framework for the purpose of education; and to assess the feasibility of scaling the pilot up into a regular initiative. The PESA pilot will be delivered in English across INTOSAI regions.

Expected to reach out to up to 600 SAI Auditors, the pilot will combine education through eLearning, optional face to face support and audit experience at SAI level. Designed for and targeted at audit practitioners from all three audit streams, the functional competencies required in the three audit streams will be covered separately, with a common element covering the cross-cutting competencies. The education initiative will also include development of an initial professional development portfolio, competency-based evaluation and continuing professional education.

The IDI will continue to partner with TFIAP, INTOSAI PSC, FAAS, PAS and CAS and INTOSAI regions for this pilot. Wider strategic partnerships with selected SAIs, universities, professional bodies and standard setters will also be explored and established.

SAIs needs a critical mass of professional people to enhance its professionalism. In this strategic plan IDI will transition from supporting professional development for SAI staff participating in relevant programmes, to creating opportunities open for all SAI staff to enhance their professionalism. This will include IDI’s initiative for Professional Education for SAI Auditors (PESA), which will be piloted during the first years of this strategic plan and established in subsequent years if the pilot is successful. The PESA pilot is based on the INTOSAI Competency Framework for Public Sector Audit Professionals at supreme audit institutions developed by the Task Force on INTOSAI Auditor Professionalisation (TFIAP) under INTOSAI CBC. The competency framework defines cross cutting and functional competencies for financial, performance and compliance audit. These competencies are directly relevant to conducting ISSAI compliant financial, performance and compliance audit. IDI will also provide education for SAI Young Leaders, others at different leadership levels in SAIs, training for trainers, eLearning and blended learning specialists and other subject matter specific education that may be required to carry out ISSAI compliant audits.

Organisational capacity development support for ISSAI implementation will be determined based on the specific needs of individual SAIs. Such support could include advice on development of audit methodology, facilitating ISSAI based audits, support for reviewing and putting in place organisational structures and processes for implementing ISSAIs and facilitating knowledge sharing initiatives for implementing ISSAIs. Fostering innovation in audit practices and leveraging technological advancements, developed under the Relevant SAIs work stream, will also be integrated to enhance SAI professionalism. Such support will be provided through global, regional as well as SAI level support initiatives.

**Component 3: Enhanced Audit Quality Arrangements**

IDI will support SAIs in enhancing the quality and credibility of their audits by focusing on quality assurance arrangements. IDI will maintain its global public goods - QA tools and guidance (for FA, PA and CA) and disseminate the use of these goods in QA practices. Support for quality assurance may include creation of a pool of competent QA reviewers to support SAIs and regions, independent quality assurance reviews of IDI supported cooperative and pilot audits, conducting quality assurance reviews on request basis and SAI level support in setting up a QA.

### C:\Users\102330arsh\Desktop\Photos\Robot_Michelangelo.jpgRelevant SAIs

Acting in the public interest places a responsibility on SAIs to demonstrate their ongoing relevance to citizens, Parliament and other stakeholders. ISSAI 12 encourages SAIs to show their relevance by appropriately responding to the needs of citizens, the expectations of different stakeholders, and the emerging risks and changing environments in which audits are conducted. ISSAI 12 also urges SAIs to have a meaningful and effective dialogue with stakeholders about how their work facilitates improvement in the public sector. This enables SAIs to be a credible source of independent and objective insight, supporting beneficial change in the public sector.

**Relevant SAIs**

The SAI environment is changing rapidly, with increasing volumes of data, the introduction of new technologies and the adoption of Agenda 2030 which places greater emphasis on integration, coherence, inclusiveness and multi stakeholder engagement. IDI supports SAIs in engaging with SDGs through the IDI-KSC Auditing SDGs programme, contributing to INTOSAI’s Crosscutting priority 2 which calls on SAIs to contribute to the follow-up and review of the SDGs. The INTOSAI strategic plan recognises the need for SAIs to demonstrate relevance to citizens and respond appropriately to changing environments and emerging risks. In regard to this, IDI has also been supporting SAIs in conducting IT audits, using a risk-based approach to auditing, engaging with stakeholders and exploring technology-based learning solutions i.e. eLearning and blended learning.

Under this work stream IDI aims to support SAIs in demonstrating ongoing relevance to stakeholders by fostering innovation in audit and education practices, leveraging on technological advancement and facilitating audit impact.

**Component 1: Foster innovation in audit and education practice**

IDI will continue to support SAIs in auditing SDGs. After supporting them in auditing preparedness for implementation of SDGs, IDI will support SAIs in auditing implementation of specific SDG goals and targets using a whole of government approach. Support may include exploring models and tools for examining dimensions of whole of government approach e.g. policy coherence, auditing centre of government, auditing inclusiveness and auditing performance information. Further IDI will also support SAIs in interweaving these themes in their audits. IDI will support SAIs in developing annual audit plans based on stakeholder expectations, mandate and assessment of risk. In supporting audit of implementation of SDG goals and targets, IDI will use its cooperative audit support model. The topic and type of audit will be determined based on priorities identified by SAIs. Such topics could include poverty reduction, public health, education, environment, sanitation, infrastructure etc.

During this strategic plan period IDI will continue to support INTOSAI regions in adopting eLearning methodology, develop massive open online courses and other blended learning solutions, deliver the PESA pilot, deliver leadership education for SAIs young leaders and others at different leadership levels in SAIs and explore new areas for SAI auditor education.

IDI will run a series of innovation labs to bring together SAI practitioners and other experts to explore innovative ideas related to audit or education practice, which could be developed further and integrated in audit and education methodology.

**Component 2: Leverage on technological advancement**

Government entities use a range of IT tools and technology in their business processes and operate in a data driven environment. Under this component IDI will support SAIs to strengthen and apply their capacity for data analytics. This may include helping SAIs understanding the technological changes in their environment, the legal and ethical implications of using data in audit process and formulation of data analytics strategies, as appropriate to SAI’s local context. IDI will also help SAIs in exploring, selecting and using data analysis tools in different stages of financial, performance and compliance audit process. Use of data analytics will be piloted in some of the cooperative audits facilitated by IDI.

**Component 3: Facilitate audit impact**

IDI has been facilitating ISSAI based cooperative audits as a means of supporting SAIs in implementing ISSAIs. After supporting audit quality, it is also crucial to facilitate audit impact so that the high-quality work done by the SAIs leads to value and benefits for citizens. Under this component IDI plans to identify high quality audits done by SAIs as a part of its cooperative audit programmes and to support SAIs in conveying key messages from those audits and engaging with key stakeholders to facilitate implementation of audit recommendations. IDI also plans to expand its cooperative audit support model by adding a phase of facilitating audit impact for those SAIs that publish high quality audits in a timely fashion. IDI will utilise synergies between this component and the well-governed SAIs work stream component on stakeholder engagement.

### IDI’s Cross-Cutting Priorities

To contribute to effective, accountable and inclusive SAIs, IDI recognises the importance of the following three cross-cutting priorities. They reinforce each other and will be embedded in the design and delivery of each workstream and its components.

* **SAI culture and leadership**: all SAI development is a change process, requiring committed and effective leadership, and a recognition that change cannot happen without understanding and working within the culture of an organisation – or actively seeking to influence culture. IDI initiatives across all work streams will engage with and support SAI leadership in change processes. IDI’s SAI-level support will consider the impact of organisational culture, through tools built into IDI’s strategic management handbook. Depending on demand and resources, IDI may (together with relevant partners) offer leadership development initiatives tailored specifically to the needs and context of SAI leaders, such as education for SAI Young Leaders.
* **SAI communications and stakeholder management**: to deliver value and benefits for citizens, and to embark on successful change processes, SAIs need to be outward facing organisations, with a good understanding of their stakeholders. While communications and stakeholder management will be a key component of the Well-Governed SAIs work stream, it also cuts across other workstreams. Securing SAI independence requires effective understanding of stakeholder needs and attitudes to SAI independence, and engaging stakeholders in advocacy to create the environment for SAI independence. For the professional and relevant SAIs’ workstreams to make a difference, SAIs need to find the most effective ways of communicating audit results to stakeholders. Also, the audit process itself can often be enhanced by engaging stakeholders in the selection, planning and even implementation phases of the audit. Regarding SAI-level support, a crucial aspect of stakeholder management is the effective coordination of support amongst different providers
* **Inclusiveness and gender**: SDG16 calls for building effective, accountable and inclusive institutions at all levels. IDI believes that inclusiveness (regarding gender, ability, age, race, ethnicity etc.) is important for SAIs in two ways. Firstly, SAIs benefit from being inclusive employers as diversity and equality among the workforce results in better decision making and more effective organisations. Secondly, to make a difference to the lives of citizens, SAIs’ audit work should be planned and delivered based on the principle of inclusiveness. For example, inclusion can be a cross-cutting theme in the audit of public sector governance and service delivery, to ensure no segments of society are left behind. Inclusiveness and gender will therefore be built into the design and implementation of all four IDI work streams. For example, IDI will make sure to build in inclusiveness and gender into professional education, leadership work, SAI PFM methodology and HRM.

## IDI Global Foundations

While the four work streams and cross-cutting priorities will be IDI’s strategic priorities, each work stream can be strengthened by laying appropriate global foundations. IDI has identified the following four global foundations essential to successful delivery of the Strategic Plan[[5]](#footnote-6). Each of these necessitates some IDI engagement over and above activities that happen within the work streams. This does not preclude each work stream from (for example) entering into strategic partnerships for delivery and undertaking advocacy and communications to support that work stream.

### Strategic Partnerships, Stronger Partners (Especially INTOSAI Regions)

Recognising that IDI’s vision is shared with that of many potential partners, IDI will seek to engage in strategic partnerships that enable IDI and its partners to work together to achieve shared goals. As an INTOSAI body, IDI has always and will continue to partner with other INTOSAI bodies but will also partner beyond INTOSAI. IDI considers the following groups of partners as essential:

* **INTOSAI regional bodies**: IDI’s key partner for regional implementation of each workstream. While each region differs in its mandate, aspirations and organisational set-up, the regional bodies are essential partners for communicating and coordinating with their member SAIs and understanding the regional context and needs of SAIs. Many of the regional bodies are also key partners in development and delivery of IDI products and initiatives, as well as often running their own capacity development programmes built on regional tools responding to regional needs.



* **INTOSAI committees and working groups**: these bring together the global community of SAIs – from developed and developing countries – to set audit standards, develop and disseminate good practices and guidance on auditing and capacity building, and share knowledge. Their products often form the starting point of IDI’s initiatives; they act as partners for implementation; and IDI feeds lessons learned from implementation back to these committees.
* **UN agencies, development partners**: INTOSAI has had a long constructive relationship with UN bodies, and in more recent times, various UN agencies have become important partners for the implementation of IDI initiatives (e.g. Auditing SDGs programme). Further, IDI has established direct funding and other partnerships with development partners, as well as acting as the host of the INTOSAI-Donor Secretariat since 2010, providing support to the INTOSAI-Donor Cooperation. UN agencies and development partners will continue to be important strategic partners for implementation of the IDI strategic plan, in terms of global advocacy, design and delivery of work streams, sharing of knowledge, coordination of support and funding.
* **SAIs**: From developed and developing countries provide considerable in-kind support to IDI, as well as support to their peers. This varies from long-term, institutional support, to cooperative audit engagements, peer reviews and assessments, to ad hoc international training courses.
* **Other providers of support**: Professional accountancy organisations, specialised public audit service providers, and consultancy firms may also be engaged in supporting SAIs, usually through implementation of donor funded grants and contracts, and are potential partners for IDI.
* **International Non-Governmental Organisations (INGOs)**: a variety of INGOs operate in the governance, accountability and transparency space, with the potential to shape the broader environment in which SAIs operate. In addition, some such as the International Budget Partnership undertake work such as the Open Budget Survey which engages directly on the topic of SAI performance and capacity. Several INGOs are potential partners for IDI’s work at the global, regional and country-level.

Under this global foundation, IDI will consider support to strengthen partner organisations, especially INTOSAI regional bodies as highest priority. Firstly, strengthening the partner so that it can better achieve its goals, where these are aligned with IDI’s goals, and strengthen its approach to inclusiveness and gender. Secondly, to make it a more effective partner for IDI, and therefore manage the risks to IDI that arise from partnering.

IDI’s approach to partnerships will be built on the following seven factors.

1. **Take a Long-Term View**: IDI’s partnerships will take a long-term view, recognising that IDI is one of many providers of support to SAIs. Partnerships will aim to improve the global framework in which SAIs operate and improve the effectiveness of all support available to SAIs.
2. **Partnerships with and Support to INTOSAI Regions**: All INTOSAI regions are key partners for IDI, but the role and aspirations of regional bodies in relation to capacity development vary. IDI and the regional bodies will discuss the nature of the partnership and establish tailored partnerships models. Where regions request IDI support to enhance their capacity and performance, and/or IDI and regions wish to partner to deliver capacity development initiatives[[6]](#footnote-7), IDI and the regional bodies should conduct joint needs assessments. These could be based on the regional strategic management model[[7]](#footnote-8), and either involve assessment against the regions strategic plan, or lead to development/refinement of a regional strategic plan. These assessments would inform any IDI support to strengthen the regional body, as part of IDI’s approach to managing risks from partnering.
3. **Establish Strategic Partnerships**: IDI may identify and select long-term strategic partners, within and outside INTOSAI, which share IDI’s vision, and where the two partners believe synergies would better enable both organisations to achieve their goals. Such strategic partnerships would cut across delivery of IDI’s strategic plan.
4. **Build Partnering into IDI’s Delivery Approach**: IDI’s work streams approach will require a new way of thinking about partnerships. In developing its approach to work streams, IDI will build identification and selection of partners, and selection of appropriate partnership models, into its delivery approach. This will involve being clear on the purpose of each partnership, the roles and responsibilities of each partner, the capacity of partners to deliver, and mechanisms to manage risks, including any development measures to strengthen the capacity of partners.
5. **Explore Innovative Partnership Models**: IDI recognises that there are a wide variety of partnership models that it could use to deliver its strategic plan. IDI will explore the most appropriate form of partnerships for each situation and learn from experience of using new partnership models.
6. **Manage Risks from Partnering**: IDI will follow a risk management system appropriate to the nature and depth of each partnership, including identification, measurement, mitigation and monitoring of partnership risks. These should cover reputational, delivery and relationship risks.
7. **Coordinate Effectively with Partners**: IDI is likely to engage in partnerships with the same organisations (especially INTOSAI regions) for delivery of different workstreams, and potentially core organisational strengthening. IDI will therefore ensure such relationships are coordinated and managed effectively. This is done through IDI’s Capacity Development departments, which have responsibility for managing relationships with assigned regions.

### Measure and Monitor SAI Performance and Support

As an INTOSAI body with a global focus, engaged in both policy formulation and SAI-level implementation, IDI is uniquely placed to measure and monitor SAI performance and support globally. There is a strong rationale for IDI engagement in this area:

* IDI, INTOSAI regions, and development partners need global information on SAI performance and needs to set their strategic priorities and target resources effectively
* All providers of support, including IDI, need to ensure that SAI-level support is based on SAI-level needs, is well coordinated with other support to avoid duplication and overlaps, and reflects the SAI’s overall absorption capacity
* Observing changes in SAI performance, in relation to support provided and other factors, is crucial to lesson learning on what works – and what doesn’t work – in terms of support to SAIs, and feeding this back to improve policies around future support to SAIs
* Information of global SAI performance is a crucial foundation for IDI’s global communications and advocacy work (below), particularly highlighting the challenges faced by SAIs
* Information on SAI support is crucial for IDI’s brokering role (below)
* IDI needs to report to all its stakeholders on the results from the resources used, in terms of contribution to improved SAI capacity and performance, at the work stream and global level

Given these strong rationales, IDI envisages the following components under Measure and Monitor SAI Performance and Support:

1. **Global Survey and Stocktaking**: IDI will coordinate the triennial INTOSAI Global Survey, in partnership with INTOSAI Committees, Regions, General Secretariat, Chair and Strategic Planning Task Force. IDI will also produce and disseminate its triennial Global Stocktaking report. This provides a global overview of levels and changes in SAI capacity and performance, and other information on SAI capacity development. It draws heavily on the results of the INTOSAI Global Survey, supplemented by other SAI performance information. Following on from the 2010, 2014 and 2017 reports, this will be published in 2020 and 2023.

**Role and Governance of SAI PMF**

SAI PMF assessments provide one of the major sources of SAI-level performance information. As an INTOSAI tool, SAI PMF is under the strategic governance of the CBC. IDI’s SAI PMF team, within the Well-Governed SAIs work stream, leads on implementation of the SAI PMF strategy.

Under IDI Global Foundations, IDI will collect, collate and disseminate results from SAI PMF assessments as part of its measurement of global SAI performance. This will respect the confidentiality of any unpublished SAI PMF assessments.

1. **SAI Capacity Development Database**: Previously administered by the INTOSAI-Donor Secretariat on behalf of the INTOSAI-Donor Cooperation, this records the global, regional and SAI-level support projects implemented around the world. It provides a strong platform for planning and coordination of support to SAIs.
2. **Programme 360 – Assessing Sustainability and Impact**: This Strategic Plan takes as a point of departure the need to enhance the impact and sustainability of IDI’s work. Within the life of this Strategic Plan, IDI will therefore develop and launch programme 360. The overall purpose of Programme 360 is to better understand whether the expected outcomes and impact of IDI’s initiatives on SAI capacity and performance have been achieved and sustained, and what contributed to this. Findings will provide a feedback loop to improve IDI’s work streams. Whilst results monitoring will be integrated continually into each work stream, assessing sustainability and impact requires a longer-term perspective. The follow-up of specific workstream components[[8]](#footnote-9) after their completion will therefore be undertaken through this global foundation.
3. **Global SAI Performance Data Management**: The above components generate and rely on a huge amount of data on SAI capacity and performance, drawn from a variety of sources. However, this data is collected and managed individually. Better management of this data could strengthen IDI’s planning and targeting of support and understanding of results. Better sharing of global, regional and SAI level performance data – with due respect to the confidentiality of survey responses and unpublished assessment results – could help all stakeholders engaged in support to SAIs to strengthen their work and better communicate results. This could be done via a web-accessible database and/or the country pages of the SAI Capacity Development Database. IDI’s work in this area during 2019-23 will progress depending on the levels of interest and availability of resources.

### Broker of Support

For IDI, brokering of support is about the facilitation of matching and connecting SAIs with suitable partners, and empowering SAIs to better articulate their support needs. Brokering support can be done through a formal process, like the Global Call for Proposals, or more informally through all IDI’s work. IDI will put more emphasis on bringing the right partners together in support of SAIs and INTOSAI regions (through peer-to-peer, donor support etc.).

As the figure shows, IDI will broker support through a targeted intervention (GCP), which would be a revised approach to scaling up support through helping to match SAI needs with Donor/peer-support capabilities. IDI could also continue to broker support, less directly, through its workstreams and individual SAI support, by facilitating contact with donor organisations and other providers of support. Another, less direct method is for IDI to spot opportunities informally through its data gathering on performance, its partnership engagement and advocacy work.



**Key**:

Dark blue: direct intervention

Green: intervention through IDI capacity development activities

Light blue: intervention through engagement with SAI Community

### Advocacy and Communications for Behaviour Change

Communications and advocacy are vital to maximise the effectiveness of the IDI Strategic Plan. A separate but complementary IDI global communications and advocacy strategy[[9]](#footnote-10) reinforces the vision, mission and strategic priorities at global level set out in the Strategic Plan.

The INTOSAI-Donor Cooperation has asked IDI to incorporate the operational work to achieve the objectives of the Memorandum of Understanding between the Donor community and INTOSAI. In this respect, IDI will specifically advocate for support being SAI-led, harmonized around the SAI’s own strategic planning and well-coordinated. IDI will work closely with INTOSAI and the Donor community to leverage their engagement in promoting these principles.[[10]](#footnote-11)

As a member of the INTOSAI family with a distinct role as implementing body, IDI will coordinate, work and build synergies with INTOSAI entities and contribute to the INTOSAI Strategic Plan through its own communication and advocacy efforts.

IDI will focus on the following communication objectives:

1. Communicating IDI’s value
2. Raising awareness on the role, benefits and challenges of SAIs
3. Advocating for better SAI environment and support

IDI will target its audience by directly addressing relevant stakeholders via adequate communication channels and by engaging with change agents that have the potential to act on behalf of IDI. IDI will incorporate gender into its advocacy and behavioural change work. Behaviour change will not just encompass good development cooperation practices, but also communicate the benefits of diversity on SAIs and the countries they operate in, for example by finding, developing and disseminating success stories where gender issues have contributed to SAI success.

# Portfolio Selection and Service Delivery Model

The previous section dealt with what IDI will focus on in the strategic plan period. This section looks at how IDI will deliver its strategic plan. It covers the following topics, which together comprise IDI’s approach to portfolio selection and its service delivery model.

* Balancing support between the global, regional and SAI level
* Targeting SAI-level Support
* Delivering the Bilateral Programme
* Integration of a gender perspective throughout the Strategic Plan
* Considerations in staying engaged and exiting from SAI-Level support
* Efficiency and inclusion: considering readiness and conditions for support
* IDI delivery approach

## Balancing Support between the Global, Regional and SAI Level

IDI has made a strategic choice to act as both an enabler and a provider of support to SAIs (a mixed-model). IDI believes that the mixed-model enables it to exploit synergies that come from operating both at the global policy level, and at the country implementation level. However, it means that both its enabler role and provider role are necessarily more limited than if IDI focused on one or the other. For example, IDI’s role in brokering support, strengthening other providers, advocacy, communications and influencing will be less than if it had chosen a pure enabler role. Similarly, the extent of IDI’s SAI-level support will be less than if IDI had chosen a pure provider role.



How IDI will balance its support between the global, regional and SAI level is shown in the IDI Support Pyramid. All SAIs (including developed countries) will potentially benefit from IDI’s global support role. Many SAIs in developing countries will participate in and benefit from IDI’s regional and sub-regional initiatives under each work stream. Within each work stream, several SAIs will benefit from deeper, targeted support. And at the apex of the pyramid, several SAIs will benefit from long-term support under IDI’s bilateral programme.

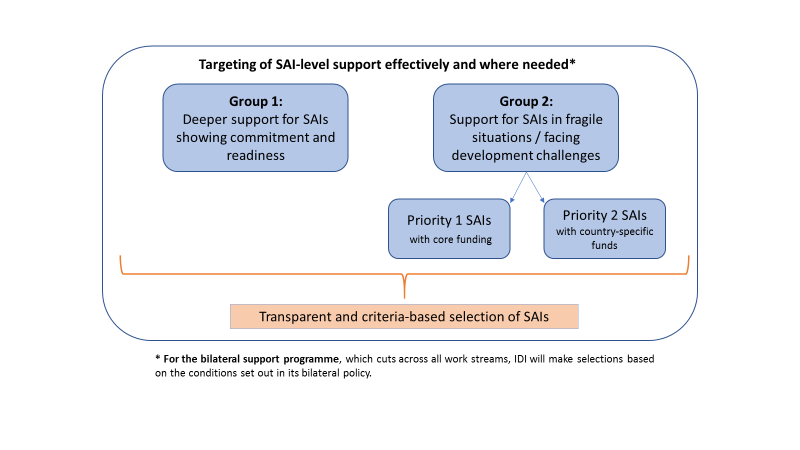
## Targeting SAI level Support

This support pyramid reflects IDI’s position as a peer provider of last resort for SAI-level support, and IDI’s intention not to crowd-out other providers. The implication of this is that IDI will only provide SAI-level support (targeted within work streams and broader under its bilateral programme) to a small number of SAIs. Total numbers will of course depend on the depth of each initiative, IDI’s basket and earmarked funds, and the support it can mobilise through partnerships and in-kind support. This necessitates **managing expectations**, among both the INTOSAI and donor community, about the volume of SAI-level support that IDI will provide. This strategic plan envisages a modest scaling up of IDI’s SAI-level support, but IDI will not be able to provide SAI-level support to many SAIs in developing countries in each region.

IDI must make choices as to which SAIs it can and should target for SAI-level support. This task is challenging due to limited information on SAI performance, support, needs and capacity to reform. As a principle, it is important for IDI to base selections on fair and transparent criteria to the extent possible and to document the selection process. This allows IDI to justify its decisions to its SAIs that receive or do not receive SAI-level support, and to other stakeholders.

**Targeting SAI-level Support within Work Streams**[[11]](#footnote-12)

Within each work stream, IDI’s SAI-level support will target two groups. Together, these ensure that IDI fulfils its mandate to support all SAIs in developing countries, but also provides an increased focus on SAIs in fragile situations and others facing significant development challenges, which may otherwise be in danger of being left behind.



**Group 1**: **SAIs that show commitment and readiness in their participation in IDI initiatives, but need deeper support to ensure change is sustainable.** This means only SAIs that have successfully participated in a first phase of an IDI initiative and continue to show commitment to bring about change, as well as the need for deeper support at SAI level, are eligible for additional support. This group fits well with the use of phased initiatives, which build up support to a SAI from one phase to another, transitioning from regional support to targeted SAI-level support where needed.

**Group 2**: **SAIs in fragile situations[[12]](#footnote-13) and other SAIs facing significant development challenges.** IDI will apply a transparent process to produce a targeted list of SAIs for each work stream, based on defined selection criteria. In addition to specific criteria relating to the work stream, these might include some general principles regarding SAI behaviour and ambition, e.g. SAIs commitment to behave ethically, improve performance, be transparent and accountable, promote gender equality and adopt gender responsive approaches. This process would lead to two priority categories of SAIs:

* Priority one: SAIs that IDI will seek to support using its core funding and generic workstream funding, as far as possible
* Priority two: SAIs that IDI will only support if there is specific, country-level funding (e.g. from the SAI and/or from a donor)

Developing countries outside these two categories would not receive SAI-level support from IDI.

## Delivering IDI’s Bilateral Programme

The large majority of SAIs in developing countries successfully participate in regional and global IDI programmes. However, several SAIs require more extensive support to sustainably develop their capacity and performance. The objective of IDI’s bilateral support is to ensure that the most challenged SAIs are assisted and are improving their performance. The criteria for getting such support and the principles for how the support is to be provided are set out in the IDI policy for bilateral support. This states that bilateral support will be geared towards SAIs in fragile situations and other SAIs facing significant development challenges.

Since approval of its bilateral policy in 2016, IDI has scaled-up its bilateral support. IDI has committed to 11 bilateral cooperation agreements for the period 2018-2020. In two of the partnerships - SAI South Sudan and SAI Somalia - IDI and AFROSAI-E jointly support **implementation** of selected strategic priorities, such as audits in key areas, internal governance improvements and a new legal framework. Nine other SAIs are supported in the areas of **strategic management** and preparing for long-term capacity development support. These bilateral partnerships are with the SAIs of Eritrea, Gambia, Sierra Leone and Zimbabwe in the AFROSAI-E region, and the SAIs of DRC, Guinea Conakry, Madagascar, Niger and Togo in the CREFIAF region. The support to these nine SAIs are provided under the Accelerated Peer-Support Partnership (PAP-APP) programme, which is a joint programme of IDI, AFROSAI-E and CREFIAF.

To ensure that our bilateral partnerships succeed, IDI is committed to:

* Delivering high-quality support in line with the bilateral policy, using trusted and skilled advisors with contextual understanding;
* Leveraging other IDI programmes and workstreams, as well as those of other INTOSAI providers of support;
* Mobilizing and preparing other support providers to step in; and
* Being prepared to provide support to some existing partners beyond 2020, where other providers are unable to do so

Long-term and flexible funding arrangements are important for bilateral support activities, given the changing conditions and opportunities. In delivering its Bilateral Support programme, IDI is keen to ensure it does not impair its ability to provide global and regional support to all developing country SAIs. Therefore, IDI will seek specific funding for its bilateral support engagements. This may be in a form similar to the funding agreement for the PAP-APP programme 2018-20, covering a group of SAIs. Or it may be in the form of country-specific bilateral funding.

The number of partnerships beyond 2020 will depend on the depth and extent of support needed, the availability of IDI staff and financial resources, and the willingness of other peer providers to support these SAIs. IDI’s ambition is to ensure the most challenged SAIs with substantial needs for capacity development are getting relevant and peer-based support, either through IDI-led bilateral support or through mobilizing other INTOSAI providers. IDI will retain the principle of being the peer provider of last resort, meaning that it will provide support to SAIs where peer SAIs and INTOSAI bodies are not willing and able to provide the needed support.

IDI’s existing bilateral partnerships are all in Africa. IDI will explore the possibility of initiating bilateral support with selected SAIs in need beyond Africa. This will be dependent on IDI’s staffing and financial resources for bilateral support.

To succeed in SAI reform in challenging contexts, other development partners with greater country presence and diplomatic weight than IDI can be critical. Partnerships with such development partners is a key principle of IDI’s bilateral policy. To improve these partnerships, IDI will explore developing global level agreements with relevant development partners. This could enable IDI in its bilateral support projects to be more included in country level coordination and information sharing within the PFM sector, as well as to strengthen coordination arrangements for SAI support.

Also, it is quite likely that most of the SAIs in the PAP-APP programme will require country-based advisors to support implementation of their strategic plans and in taking the SAI to a new level. IDI will therefore seek strategic partnerships with implementing partners with a greater ability than IDI to provide scaled up bilateral support, including long-term advisors.

## Integration of a Gender Perspective throughout the IDI Strategic Plan

IDI believes that gender equality is vital for inclusive economic, social and political development. The greater a country’s gender equality, the greater its ability to maximize the potential of its entire population. Gender impacts all areas of life and society. There is also a strong correlation between gender inequality and poverty as well as poor economic growth. It is on the development agenda for all countries as goal 5 of the Sustainable Development Goals.

Over the last years, IDI has made tangible efforts to integrate gender in its work, by having sex-disaggregated indicators, actively seeking gender-balanced participation in programmes and gender-focused initiatives (e.g. Auditing SDG Programme focussing on SDG 5) among others. IDI wants to go a step further and seeks to make gender an integral part of its entire IDI Strategic Plan.

**What will change:**

* IDI will utilise *a* *gender analysis* for each new initiative. It will apply the findings of the analysis in the design, monitoring, evaluation of new initiatives and learn from experience.
* IDI aims to mainstream gender across IDI’s work. In addition, IDI will have a particular gender focus where useful. Examples are IDI’s work on SAI relevance, well-governed SAIs, professional education and leadership development.
* IDI will communicate the importance of gender and advocate for gender integration vis-à-vis SAIs both in its role as enabler and provider of SAI support.
* IDI will systematically *integrate gender into recruitments* in IDI and into new initiatives. The aim is to incorporate more gender expertise, to continuously have gender-balanced staff, teams and IDI Board members.

**IDI’s approach:**

* Have adequate *resources and expertise* to effectively integrate gender in IDI and into new initiatives
* Look for *organisations with a gender focus as partners*
* Provide *gender training for all IDI staff*
* Implement findings of the organisational gender assessment and conduct a repeat assessment if necessary

As with other strategic shifts and major changes in this Strategic Plan, IDI plans for a transitional period for a gradual take up of the steps suggested above (see executive summary).

## Considerations for Staying Engaged and Exiting from SAI-Level Support

IDI distinguishes between long-term bilateral support and mainly shorter term targeted support.

The special nature of bilateral support, where IDI is a provider of last resort, makes it necessary to stay engaged with the most challenged SAIs for a longer period. By contrast, targeted support to a SAI under any of the four work streams will likely be planned as a short-term engagement.

For IDI, exiting from any SAI-level support usually means to disengage support either because of positive results achieved or because another provider of support can step in and continue support. This also links with IDI’s intention to avoid crowding out other providers and its role as broker of support where it actively seeks to link SAIs with relevant providers. Other reasons for exiting from **targeted SAI-level support** may be that SAIs are no longer committed to achieving agreed results or that the environment is no longer conducive for positive change.[[13]](#footnote-14) During the delivery of targeted SAI-level support, IDI expects to find that in addressing the needs of an SAI in the focus area, challenges in other, related areas will be revealed. Where it is not feasible to address such related challenges within the planned support, IDI will seek to engage as a broker of support, to facilitate the SAI to find suitable partners with which to work.

The challenging environments of SAIs supported in the **bilateral programme** will make it necessary to stay engaged for a longer time. Exiting from long-term support will be mostly for similar reasons as mentioned above. However, in case of a change in commitment or a less conducive SAI environment, IDI will consider altering the intensity or nature of support instead of taking an immediate exit.

This shows, that IDI does not have one standard process for exiting from SAI-level support. Rather, individual decisions on staying engaged or exiting from SAI-level support will be taken based on the following criteria:

* Have transparent decisions
* Make the communication around continuation of or exit from SAI-level support clear
* Assess the consequences for the SAIs
* In case of exit and transition to other partners/providers of support, manage the process in such a way as to minimise the risk of development reversals and protect past IDI investments.

## Efficiency and Inclusion: Considering Readiness and Conditions for Support

IDI needs to ensure its resources are used effectively, and that SAIs participate in initiatives which are tailored to their needs. At the same time, it must ensure an inclusive approach, and that SAIs most in need are not left behind. IDI will balance these conflicting challenges through the following two measures.

* **Balanced Portfolio**: To ensure that the concept of readiness does not lead to exclusion, IDI will maintain a balanced portfolio of initiatives within and across each workstream, so there is ‘something for everyone’. This means a balance between initiatives that rely on mature audit and organisational capacity, initiatives tailored to SAIs in early phases of development, and bilateral partnerships for SAIs in fragile situations and/or where basic audit and other systems do not function.
* **IDI Support Principles and Policy**: IDI will develop a policy for provision of support, built on principles and a process for implementation, monitoring and follow-up. These principles will include high-level principles for behaviour and ambition as set out in the bilateral policy, I.e. SAIs commitment to behave ethically, improve performance, and be transparent and accountable. IDI will consider expanding these to include promoting gender equality and adopting gender responsive approaches, as appropriate in the context of each bilateral partnership. IDI will also bring in the concept of readiness and cover how commitment statements are used. It will further detail when such conditions should be used, how and when conditions should be monitored, options for how IDI can respond to breaches in conditions, and clarity over decision making.

## IDI Delivery Approach

IDI’s long history and unique position as a global implementing body that facilitates SAI-led support, drawing on a global peer network of SAIs, has led IDI to develop and tailor a unique approach to capacity development. IDI’s delivery approach reflects what it considers to be key success factors for effective and sustainable capacity development that enables SAIs to deliver impact. These are integrated into IDI’s core principles and summarised below.

**SAI Ownership and Leadership**

IDI believes that capacity development is a change process, which must be owned and led by the body undergoing change (e.g. SAIs, or potentially an INTOSAI region or another strategic partner) to be successful. From this it follows that capacity development initiatives must reflect the demand and need of the SAI, including being reflected as a priority within the SAI’s own plans. The change process must also be supported and preferably led by the leadership of the SAI. Based on this, IDI involves SAIs (via the INTOSAI regions) in determining global SAI needs, and ensures that support is targeted so that only those SAIs with the specific need participate in specific IDI initiatives. Further, at the start of new initiatives, IDI engages with SAI leadership to thoroughly explain the initiative purpose, and to secure the input of SAI leaders into the design of each initiative.

**Facilitation and Change Management**

IDI’s approach is always facilitative. This means it facilitates (makes easier) SAIs and SAI staff to implement change within their SAIs. For example, IDI would not develop an audit plan for a SAI to conduct a cooperative audit. Rather, IDI brings groups of SAIs and subject matter experts together, to develop an approach, write guidance and develop training. This training is then delivered to those responsible for the audit, who would lead development of their own audit plans. IDI would then facilitate peer-reviews of draft audit plans by other SAIs, to provide the basis for strengthening the audit plans.

In delivering support, IDI follows the principles of effective change management. At its heart, this means engaging those who will lead change, and those effected by change, throughout all steps of the change process: identifying the need for change, building support for change, planning change, implementing change, monitoring the results of change, and ensuring the change becomes the new normal practice. And throughout all steps, ensuring effective and participative communication with all groups effected by change.

IDI’s SAI Strategic Management Handbook[[14]](#footnote-15) incorporates guidance for SAI leaders and staff that are responsible for leading and implementing change processes. IDI will apply this approach throughout delivery of its work streams and bilateral programmes.

**Coordination and Alignment of Support**

Coordination of support is a crucial principle for all development assistance. Coordination of support to SAIs is even more challenging than most other areas of development, as traditional support provided by development partners takes place alongside peer support provided from within INTOSAI. This includes support from IDI, from INTOSAI regions, and from peer-SAIs in developed countries, as well as South-South peer support. Poor coordination of support is not just duplicative and a waste of resources, it can also be confusing and harmful to recipient SAIs, for example if different organisational and audit models are proposed by different partners.

Alignment of support means ensuring that all support provided is aligned to the strategic priorities of the recipient SAI, and not imposing the priorities of the funder or provider of support on the SAI.

To ensure effective coordination and alignment of support, IDI will maintain and promote the SAI Capacity Development Database[[15]](#footnote-16) to record and make available information on past, current and planned support to SAIs, promote coordination and alignment as core principles of effective support, and apply these principles in the delivery of its own support.

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# Building IDI’s Capacity to Deliver

IDI seeks to be as efficient, effective and economical as possible its work. For IDI this means having the right people to do the challenging work that IDI is undertaking, leveraging IDI’s wide network of partners for maximum impact, never accepting the status quo in the organisation, and continually searching for areas of modernisation, organisational development and day-to-day innovations that improve the functioning of the organisation.

## Professional Team

Having a professional team is critical for the successful implementation of this Strategic Plan. For IDI a professional team consists of sufficient, highly motivated, dedicated, competent, gender-balanced, multidisciplinary, and multicultural staff who works together in team spirit, strive together for excellence and are open for innovation.

IDI will ensure that it has the remuneration and competency policies and frameworks necessary to recruit and retain the highly skilled experts it needs. IDI will develop a staff competency framework that identifies the core competencies needed for all IDI staff, as well as the competencies that are unique to each of IDI’s work streams, bilateral programmes, global foundations and good governance. This will be used to better inform gender-balanced recruitment, induction, staff development, and performance appraisal. As a learning organisation, IDI will support staff development to ensure IDI can assemble teams with the collective competence to deliver its work, and also to promote learning, growth, employee satisfaction and individual career development.

IDI will monitor staff retention during this Strategic Plan period. Employee performance, satisfaction and an adherence to the IDI principles will continue to be the focus of IDI’s HR policies.

## Strengthening Stakeholder Relations and Leveraging Support

Using experts from the SAI world and beyond has been a key success factor in IDI’s work. This will continue with IDI using the extensive knowledge and network of INTOSAI regions, sub-regions and SAIs to leverage in-kind support. IDI will also leverage other organisations in the Public Financial Management sector to enhance and improve its service delivery to SAIs.

IDI will also continue to explore and enter into a variety of funding arrangements to secure core funding, work stream funding and targeted funding (e.g. for work stream components, and work in specific regions and countries).

IDI considers all individuals and organisations with whom it partners as key stakeholders and seeks to maintain effective stakeholder relations through engaging stakeholders in delivery, and effective planning and reporting mechanisms, communications and outreach.

## Strengthening Systems

The progress in information technology in recent years has been very fast. IDI will continue to seek out better, more efficient and more secure solutions for all its work, to deliver better services to the SAI world and continually lower costs and increase its efficiency. IDI will continually review its financial, HR, IT and other systems to find the most efficient practices and procedures for improving IDI’s services to developing country SAIs. This will include systems to design, develop, deliver, monitor, evaluate and report on IDI’s strategic priorities.

## Ensuring Financial Sustainability

IDI is dependent on core funding approved by the Norwegian Parliament, and significant additional support from several donors. IDI will continue to work closely with its existing partners, and develop relationships with new partners, to ensure it has the financial resources to fulfil its mission. IDI believes the key to this is demonstrating the value that it provides. High quality work that is independently verified by external evaluations will continue to be strongly emphasized by IDI leadership. By executing its new communication strategy IDI will also continue to improve the ways in which it demonstrates its value to all its stakeholders.

The level of total annual funding of IDI has fluctuated over the last Strategic Plan period. At the same time, income structures show similar percentages for core and earmarked funding over the last couple of years. The aim for this Strategic Plan period is to have less unforeseen fluctuation of total annual funding, more continuous core funding and a slight scale-up for specific work streams, SAI-level support and global foundations through additional earmarked funding.

Overall, IDI hopes to grow with a gradual increase of stable funding over the period 2019-21, by which time resources should be at a sufficient level to implement the strategic plan. In addition, IDI will make efforts to keep in-kind contributions to its operations as an important source of support for the implementation of this Strategic Plan. This will allow IDI to move from programmes to a workstream approach which lies at the heart of its strategic plan, and to keep long term sustainable commitments to SAIs which is necessary for making greater impact.

Another key component is planning. IDI will continue to improve its planning, monitoring and budgeting process to ensure it has the resources to carry out its work and deliver on its promises.

## Renewing Organisational Structures

This strategy represents a shift to more permanent workstreams and a broadening of IDI’s global work on behalf of SAIs. IDI will review and determine which organisational structure is best suited to reach the objectives of the new strategy. IDI will need dedicated gender resources to assess whether gender is properly mainstreamed and addressed under IDI’s strategic priorities as well as throughout the implementation of the entire Strategic Plan. IDI will continually assess the effectiveness of its organisational structure and consider changes when these are found to benefit the organisation.

## Maintaining Good Governance

IDI’s Board has oversight over key documents that set the operational direction and status of IDI’s work. It annually reviews operational plans and reporting from IDI. The Board evaluates its own work annually to ensure that it is meeting its governance and oversight duties.

IDI will organise six monthly meetings of the IDI Board and ensure it is furnished with the following core documents annually:

* IDI Operational Plan and Budget
* IDI Performance and Accountability Report
* IDI Financial Statements
* IDI Risk Register

## Environmental Stewardship

IDI is committed to environmental sustainability at the corporate level, within work streams and in all its interventions. IDI upholds its environmental policy and key strategies to reduce negative effects on the environment.

IDI will thus continue to increase the use of eLearning and internet-based communication and compensate for CO2 emissions to reduce air travel emissions. Recycling in office, limited printing and the location of the IDI office which encourages the use of public transport, are examples of initiatives IDI has taken to protect the environment. IDI will continue looking into more possibilities of reducing energy in the office and in its operations.

In IDI’s work, especially within the work stream on relevant SAIs, there is scope for audits focussed on environmental issues and on environmentally relevant SDGs. The work stream on well-governed SAIs also offers possibilities to support SAIs in integrating environmental issues at corporate level.

## Monitoring and Evaluation

M&E will take place at two levels: the strategic plan, and specific initiatives (work streams, bilateral support, global foundations). Monitoring at both levels will be done against IDI’s results framework (see section E) using IDI’s Results Measurement System (Annex 3). This will be supplemented with narrative reviews as part of IDI’s annual Performance and Accountability Reports.

IDI will undertake a mid-term review of implementation of the 2019-23 Strategic Plan. This will be designed around late 2021, so that the results can be reported to the IDI Board in late 2022 and be used to inform design of the next strategic plan.

In addition, IDI will undertake reviews and/or evaluations of specific initiatives under the strategic plan. Some of these will be in response to evaluation commitments made in specific grant agreements. Others will be selected by IDI to ensure IDI remains a learning organisation.

# IDI Results Framework and Risk Management

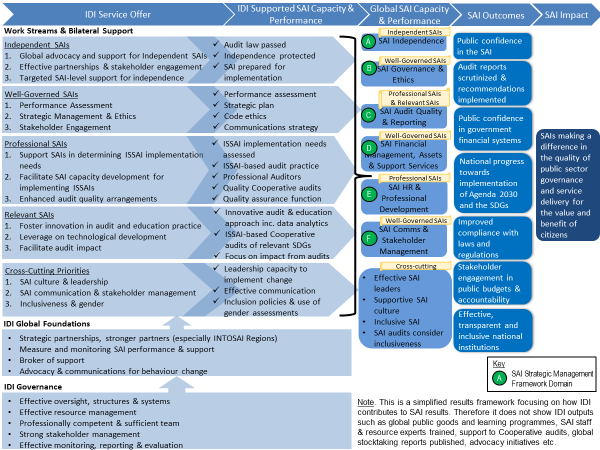
## Results Framework

IDI’s results framework shows the chain of results from IDI’s service offer (work streams, bilateral support and Global Foundations) through to impact in terms of SAIs making a difference in the quality of public sector governance and service delivery for the value and benefits of citizens. Its formulation is consistent with IDI’s SAI Strategic Management Framework. It is illustrated below in its simplest form, as a results chain, and in more detail as a results framework[[16]](#footnote-17). The results framework serves two purposes:

* It enables IDI to plan and communicate how its service offer will contribute to achievement of its vision and mission
* It provides the basis for designing and implementing a results measurement system, enabling IDI to monitor and report on delivery of its strategic plan, its contribution to improved SAI capacity and performance, and ultimately whether SAIs are making an impact.

*IDI Results Chain*

*IDI Results Framework (Excluding IDI Outputs)*



Key features of the results framework are as follows:

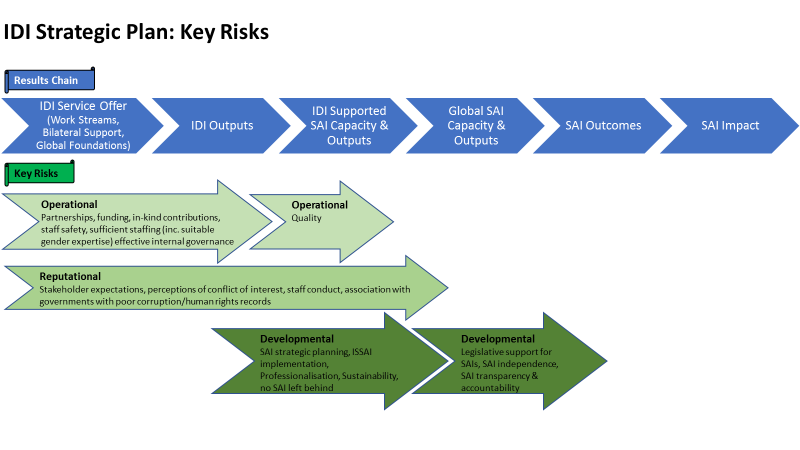
* **IDI service offer** and **IDI outputs** are mostly under IDI’s control, given relevant assumptions hold (e.g. sufficiency of resources). IDI outputs are produced by IDI’s work streams, bilateral support, and global foundations, and will be measured and reported annually in IDI’s Performance and Accountability Report (PAR)[[17]](#footnote-18). IDI outputs typically include: global public goods; learning programmes; knowledge platforms; expert resource pools; partnerships; support designed with SAI leaders and regions; SAI teams trained and mentored; cooperative audits and quality assurance reviews supported; support to developing needs assessments, strategic plans, communication strategies, audit legislation; surveys, research and stocktaking reports; matching of SAI needs, providers and funders supported; and communication and advocacy initiatives.
* **IDI Supported SAI capacity and outputs** refers to the improvements in SAI capacity and performance made by SAIs that actively participate in specific IDI initiatives. It may reflect that an SAI has piloted an improved audit approach or submitted a Cooperative audit in connection to an IDI initiative, but not necessarily that these changes have yet been rolled-out and applied consistently across the whole SAI or sustained over time. These are ultimately under the control of each sovereign SAI. However, if the assumptions of IDI’s service delivery model hold, then successful delivery of IDI outputs should translate into improved SAI capacity and outputs. These are produced by IDI’s work streams and bilateral support and will be measured and reported annually in IDI’s PAR[[18]](#footnote-19).
* **Global SAI capacity and outputs** refers to the overall capacity and performance of all SAIs in developing countries, looking holistically across the operations of the SAI. IDI supported initiatives contribute to such change, but the emphasis here is on whether the initiatives have strengthened and transformed the SAI as an organisation. These results are dependent on both the actions of the SAI, and the environment (especially regarding independence) in which the SAI operates. Measuring these results requires information on the performance of SAIs in all developing countries, and will be done every three years (2020, 2023) through the IDI Global SAI Stocktaking report[[19]](#footnote-20).
* **SAI Outcomes** refer to the observable changes in public governance and service delivery to which an effective SAI contributes. While SAIs can contribute to these outcomes, changes (positive and negative) cannot be solely attributed to the work of the SAI. The relationship between SAIs and SAI outcomes is two-directional: SAIs can contribute to changes, and changes in these outcomes can also impact the environment in which SAIs operate[[20]](#footnote-21). IDI will utilise third party data to measure and monitor SAI outcomes, every three years. Firstly, to see if SAI’s are making a difference to key issues in their countries, Secondly, to identify global trends in key governance areas which impact on SAI environments.
* **SAI Impact** refers to the contribution that SAIs make to the quality of public sector governance and service delivery for the value and benefit of citizens. It’s the sum of the SAI outcomes above.

IDI’s results measurement system, including indicators, baselines, targets and measurement sources for relevant levels of the results framework is provided in Annex 3.

## Assumptions and Risks

All plans are based on assumptions. For the IDI strategic plan, to move from one level of the results chain to the next (e.g. for IDI outputs to results in improved SAI capacity and outputs), certain assumptions must hold. Assumptions are events, the future status of which is unknown, but which IDI assumes will be favourable for delivery of IDI’s mission and vision.

However, all assumptions have the potential to become risks if the likelihood and potential impact of their occurrence becomes so significant that they could undermine delivery of the strategic plan. Based on the IDI results chain, IDI has identified its assumptions, and classified them as operational, reputational and developmental[[21]](#footnote-22). Each one has been assessed with regards to likelihood and impact, and those assumptions which have the potential to undermine delivery of the IDI strategic plan have been classified as key risks and are summarised in the diagram below.



## IDI Approach to Risk Management

The above key risks are included in the IDI risk register, which is maintained by the Director General and approved every six months by the IDI Board. The risk register is used to monitor risks, consider IDI’s response to risks, and assess the residual risk accepted by IDI after the effect of control measures. Broadly, operational and reputational risks are managed by the way that IDI is governed, and decisions made by the IDI Board. Developmental risks are managed at the strategic level, through careful selection and prioritisation of IDI’s service offer, and through effective communication and advocacy with global stakeholders.

# Annex 1. Context to the IDI Strategic Plan

Why Support SAIs?

**Effective external government audit by Supreme Audit Institutions matters:**

**Firstly, government audit is a key component of public financial management (PFM) and Good Governance**. Strong government audit can be a catalyst to continual improvement in PFM, to strengthening Good Governance, government performance and quality service delivery. Research shows that good government auditing[[22]](#footnote-23) has a positive effect on the performance of the public sector and on national levels of public sector corruption.[[23]](#footnote-24)

In addition, with public resources increasingly under pressure, SAIs’ assessment of whether public resources are effectively and efficiently spent and their recommendations to improve public governance are indispensable.

UN General Assembly resolutions, among them resolution A/66/228, also highlight the central role of SAIs in Good Governance and in promoting the efficiency, accountability, effectiveness, and transparency of public administration and the need to strengthen SAIs.

**Secondly, through their work, SAIs contribute to the quality of government engagement and better state-society relations by strengthening the formal accountability chain between state and society.** SAI work supports the core functions of the state and the basic building blocks which all states need to function effectively. For example:

* improving the efficiency of the collection of state revenues and management of natural resources
* ensuring public funds are utilized in accordance with the law
* integrating issues of inclusiveness and gender
* ensuring the opportunity for parliaments to scrutinize government performance and
* strengthening the financial control environment to reduce the occurrence of corruption, which can otherwise undermine state legitimacy.

With a declining trust in governments in many countries, professional, relevant, well-governed and independent SAIs role in public sector audit is increasingly recognized as a key factor in regaining public confidence in governments and national systems and strengthening state-society relations. Once audit results are made public and SAIs share their insights and make recommendations, legislatures, government and opposition leaders, citizens, the private sector and development organisations are enabled to make decisions and act.

**Thirdly, SAIs are key stakeholders in supporting the implementation of the Sustainable Development Goals (SDGs).** The strengthening of public sector oversight and accountability mechanisms (including SAIs) is recognised as an important tool for reducing poverty and reaching the SDGs in its entirety, and SDG 16, focusing on building “effective, accountable and inclusive institutions at all levels" in particular.

SAIs can also make significant contributions towards the achievement of the SDGs, through their audits by suggesting ways in which public sector entities can improve their service delivery to citizens, for example by applying an inclusiveness and gender lens.

**Fourthly, managing development partners’ fiduciary and development effectiveness risk**. When development funds are channelled through partner government systems, development partners rely on government audit to check whether funds are used for the purposes intended and achieve expected results.

With support from development and INTOSAI partners, IDI has been instrumental in supporting SAIs in sustainably enhancing their performance and capacities to fulfil their roles mentioned above. IDI’s support was geared, among others, to move SAIs towards ISSAI compliance, to SAI auditor’s professional competence and to SAIs ISSAI-based auditing in support of the SDGs. The level of satisfaction with the IDI ISSAI Implementation Initiative (3i programme) is generally high[[24]](#footnote-25). While some progress can be seen, more needs to be done[[25]](#footnote-26). However, ultimate responsibility for ISSAI implementation rests with individual SAI.

With the evidence-based SAI Performance Measurement Framework, a diagnostic tool developed by a team coordinated by the INTOSAI-Donor Secretariat within IDI, under the auspices of the INTOSAI Working Group on the Value and Benefits of SAIs (WGVBS)[[26]](#footnote-27), it is now possible to better measure the contribution of IDI initiatives such as 3i to the capacity and performance of SAIs.

These examples of different IDI initiatives show how they complement each other and how IDI uses information from performance monitoring and measurement to feed into some of its initiatives to strengthen SAIs in developing countries.

IDI’s Environment

The environment in which IDI operates has changed since the previous Strategic Plan. The IDI Strategic Plan takes this into account and addresses the following major changes, emerging trends and continual challenges (see especially Strategic Plan Sections B and C):

**With the adoption of the universal 2030 Agenda and the Sustainable Development Goals (SDGs),** theyare now a priority for all. INTOSAI and IDI recognise that the INTOSAI community needs to engage in the SDG agenda proactively to demonstrate and maintain its relevance and leave no SAI behind. This is also one reason why it will be necessary to give **more attention to SAIs in fragile situations** in the future.

**Professionalisation** **of auditors, including competency-based certification**, continues to be a crucial area for ISSAI implementation and performance for all SAIs. The SAI Performance Measurement Framework (PMF) assessments show that SAI participation in programmes alone does not necessarily lead to **sustainable improvement in SAI performance**. Therefore, IDI is piloting Professional Education for SAI Auditors (PESA) under the Professional SAIs workstream and has begun to pilot SAI-level support for implementation as part of its work streams to enable deeper change where conditions allow.

**Changing Communication Technology** can help underpin more sustainable improvement in SAI performance and has already opened new and more effective ways for IDI of working with SAIs. Similarly, **rapidly changing technology** can enhance audit effectiveness through e.g. automation, artificial intelligence, big data, online communication and collaboration. However, it also poses new challenges for SAIs and governments that need to be dealt with.

**Low and declining attention** paid **by legislatures** to the work of SAIs and **falling levels of SAI Independence[[27]](#footnote-28)**, especially financial and operational independence, are **alarming trends and threats** to the ability of SAIs to make a difference to the lives of citizens.

**Partnering with INTOSAI, INTOSAI regions and other stakeholders** and clearly defined roles of the different stakeholders are important elements in facing some of the trends and challenges. Hence, partnering is also an integral part of this Strategic Plan (see Partnerships in the Strategic Plan Section C).

IDI’s Stakeholders

As part of developing this strategic plan, IDI conducted a stakeholder analysis, including the global, regional and country level. This analysis helps IDI to identify its key stakeholders, assess their power and interest relating to SAI reform, understand their expectations of IDI, and document their attitude towards and involvement in IDI’s strategic plan and the topic of SAI reform.

It shows that IDI’s key direct stakeholders are the CBC and IDC leadership, IDC active members (including donor PFM and governance staff in headquarters), INTOSAI regional bodies, developing country SAI heads, chairs and vice-chairs of the PSC, KSC and PFAC, and Heads and staff of SAIs that provide peer support. IDI should work with these stakeholders to reach out to the wider leadership of SAIs in developing countries, donor PFM and governance staff in developing countries, and donor heads in developing countries. Indirectly, these can reach other important stakeholders at the country level including finance ministries, legislative committees, and ruling and opposition parties in developing countries.

IDI’s Position within INTOSAI

**IDI: INTOSAI’s Global Implementing Body**

IDI serves as the primary global implementing body of INTOSAI. It is focused on supporting SAIs in developing countries in their efforts to sustainably enhance their performance and capacities. IDI is an autonomous legal entity within the INTOSAI family. It works without political focus or constraints and is governed by a Board consisting of different Heads of SAIs.

IDI maximises its value to SAIs by applying a needs-based approach to capacity development by focusing on areas where it has a comparative advantage and experience over other providers of support. As the only global INTOSAI implementing body, IDI works across INTOSAI bodies and regional organisations. It facilitates coordinated “on the ground” support for the implementation of professional standards, capacity development and knowledge sharing. It thus provides an important link between the global policy / standards setting function of INTOSAI and SAI-level implementation.

IDI works directly as implementor of initiatives funded by development partners, as well as providing a support function to the INTOSAI Donor Cooperation. However, given IDI’s unique position, it does not compete for funding and has no intention to crowd out other providers of support to SAIs. Rather, it actively seeks partnerships, also with other providers, to support SAIs effectively and sustainably based on SAI needs and changing SAI environments.

**INTOSAI**: is the global, non-profit, autonomous, independent and non-political umbrella organisation of SAIs established in 1953. As the professional organisation of SAIs, INTOSAI develops standards for public sector auditing and provides a forum for external government auditors from around the world to work on issues of mutual concern and keep abreast of the latest developments in auditing and other applicable professional standards and best practices. INTOSAI fosters the exchange of ideas, knowledge, and experience among SAIs. It is focused on policies, priorities, standards and exchange of knowledge, and is not an implementing body.

**INTOSAI Capacity Building Committee (CBC):** is one of the four INTOSAI goal committees, pursuing the following strategic priorities:

* promoting and advocating for the development of capabilities and professional capacities of SAIs and regional organisations
* identifying and informing INTOSAI decision-making on SAI capacity development challenges and opportunities
* cooperating and engaging with development and other partners and stakeholders.

The CBC does not have legal entity status and is not an implementing body. Rather, it develops global INTOSAI products and serves as a global discussion forum on capacity development within INTOSAI. IDI and CBC coordinate and work closely together. The CBC is also represented on IDI’s Board.

**INTOSAI-Donor Cooperation (IDC)**: was established to bring the INTOSAI and development partner communities closer together. Their shared aims are articulated in a Memorandum of Understanding. The IDC is a joint coordination, exchange and awareness raising mechanism aiming at optimising mutual efforts and approaches to enhance the capacity of SAIs in developing countries. Activities which support the work of the INTOSAI-Donor Cooperation are undertaken as part of IDI’s Global Foundations. The Cooperation is a forum for discussion, setting and influencing priorities and policies, and is not an implementing body.

**INTOSAI Regional Organisations:** are autonomous, have their own statutes/regulations and are resourced separately from INTOSAI. Some rely primarily on in-kind support of their members and other stakeholders, whilst others also receive grants from development partners. They are key stakeholders in accomplishing INTOSAI’s goals across SAIs’ diverse cultural, linguistic and geographic contexts. They provide a platform for coordinating the identification of needs and provision of support to their member SAIs. IDI partners with all regional bodies in the delivery of support to their member SAIs, though the roles of the regional bodies vary from coordination and logistics through to joint delivery. Depending on their individual mandates, some regional organisations are also implementing bodies in terms of design and delivery of support to their members. Most regions offer direct capacity development support to their members through a variety of mechanisms, in addition to their partner role on IDI-led initiatives.

Status & Trends in Global SAI Performance

SAIs across the globe face many challenges towards strengthening their capacities and performance to deliver value and benefits for citizens. SAIs often operate in constrained environments, with legislatures that do not fully support and use their work, where basic systems of transparency and accountability are lacking. The following, based on IDI’s Global SAI Stocktaking Report 2017, summarises the global state of SAI capacity and performance, in relation to IDI’s strategic priorities. Generally, results for developing country SAIs are below these global averages, and the group of least developed countries – including many fragile states – are significantly behind in many areas.

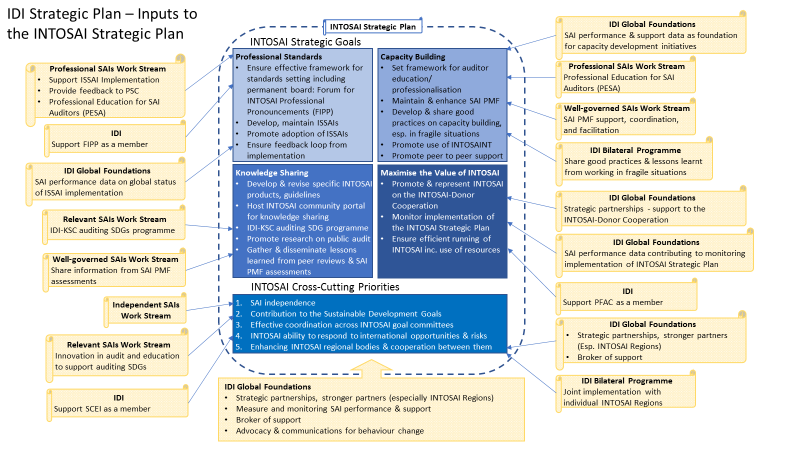
|  |
| --- |
| **Independent SAIs**   * Financial independence: 64% of SAIs report executive interference in the SAI budget process (up from 41% in 2014) (INTOSAI Global Survey) * Resourcing: only 55% of SAIs have both financial independence & sufficient resources (OBI) * Legal framework: 52% of SAIs had a legal framework that fully protects independence (OBI) * Right to publish: 31% of SAIs face restrictions in publishing audit reports (INTOSAI Global Survey) * Publication: only 49% of SAIs publish most of their reports (down from 70% in 2014) – mainly but not entirely due to independence issues (INTOSAI Global Survey) |
| **Well-Governed SAIs**   * Strategic planning: 91% of SAIs have strategic plans in place (INTOSAI Global Survey), but only 28% met the benchmarks for high quality strategic planning processes (INTOSAI Global Survey) * Performance assessments: 66% of SAIs had carried out a SAI-wide performance assessment in the past 3 years (INTOSAI Global Survey) * Reporting on SAI performance: 14% of SAIs met the benchmark for reporting publicly on their performance (SAI PMF data) * Ethics & integrity: 80% of SAIs have a code of ethics; 10% met the benchmark for its implementation across the SAI (SAI PMF data) * Communications: only 49% of SAIs communicate with the public beyond publication of audit reports (OBI) * Stakeholder engagement: only 17% of SAIs involve citizens in audit follow-up systems (INTOSAI Global Survey) |
| **Professional SAIs**   * ISSAI adoption: 60-70% of SAIs self-report adoption of the ISSAIs for financial, performance and compliance audit (INTOSAI Global Survey) * Audit standards: most SAIs do not yet have ISSAI consistent audit standards in place (32% FA, 44% PA, 35% CA) (SAI PMF data) * ISSAI compliance: few SAIs met the benchmark used for assessing implementation of the ISSAIs (10% FA, 14% PA, 25% CA) (SAI PMF data) * Quality control: only 20% of SAIs had met the benchmark for implementing effective quality control systems (SAI PMF data) * Quality assurance: few SAIs have QA systems meeting ISSAI 40 requirements, which can gauge and improve their level of ISSAI compliance – 18% (SAI PMF data) or 34% (OBI) |
| **Relevant SAIs**   * Selecting relevant audits: just over half of SAIs met the benchmarks used for measuring audit coverage (including selecting audit topics) in FA, PA and CA (SAI PMF data) * Sustainable development goals: 56% of SAIs intend to include themes on the SDGs in their next audit programme – but 30% of SAIs did not know if their Governments plan to measure and report on SDG progress (INTOSAI Global Survey) * Gender: 17% of SAIs had done a dedicated gender audit, and 19% include gender assessments in their audit work (INTOSAI Global Survey) |

*Source: Based on the IDI Global SAI Stocktaking Report 2017*

# Annex 2. Mapping IDI and INTOSAI Strategic Priorities

IDI and INTOSAI share the same broad vision: to strengthen the capacity and performance of Supreme Audit Institutions and their contribution to public sector governance and service delivery for the value and benefit of citizens. INTOSAI and IDI differ significantly in that INTOSAI is an umbrella organisation of all SAIs that fosters the exchange of knowledge, ideas and experience, whereas IDI is an autonomous legal entity acting predominantly as an implementing body to support SAIs in developing countries.

Recognising these differences, as an INTOSAI body, IDI has endeavoured to ensure that the content of its Strategic Plan is well aligned with the INTOSAI Strategic Plan 2017-22, even though the structures of the two plans differ. The contribution of IDI’s workstreams, global foundations and role of the IDI Director General in support of the INTOSAI Strategic Plan is summarised briefly in the following diagram. These linkages are explained in more detail throughout the IDI Strategic Plan. As can be seen, IDI works holistically in support of all INTOSAI Strategic Goals and Cross-cutting priorities.



IDI has consciously adjusted its Strategic Planning horizon so that its future Strategic Plans will start and finish one year after each INTOSAI Strategic Plan. This will ensure that IDI is always able to develop its Strategic Plan taking the latest INTOSAI Strategic Plan as a crucial input. Therefore from 2024 onwards, IDI will move to a six-year strategic plan, with the next plan covering 2024-2029 (based on the INTOSAI Strategic Plan 2023-2028).

# Annex 3. IDI Results Measurement System

IDI’s results measurement system is design to generate regular, objective information on results at relevant levels of the IDI results chain, which can be compared to baselines and (where appropriate) targets as a means of assessing the performance of IDI and its contribution to improving the performance of SAIs. IDI’s results chain, and the nature of results measurement at each level, is summarised in the diagram below.

*IDI Results Chain*

Measured by others; IDI monitors data every three years for developing countries

Measured annually for IDI work streams and bilaterals

Measured by IDI every three years for developing country SAIs

Measured annually for IDI work streams, bilaterals and global foundations

IDI therefore measures and monitors results at the following four levels:

1. **IDI Outputs**: directly under the control of IDI
2. **IDI Supported SAI Capacity and Outputs**: the intended results at the SAI level to which specific IDI initiatives contribute
3. **Global SAI capacity and outputs**: the longer-term institutional and organisational changes in SAI performance, to which all IDI and other SAI-support initiatives contribute
4. **SAI outcomes**: changes resulting from stronger SAIs, delivering value and benefits for citizens

Indicators relating to levels one and two are set with IDI work streams, bilateral programmes and IDI global foundations. Unless otherwise required under funding agreements, these will not necessarily have their own results frameworks. Instead, key indicators will be incorporated into a single IDI results framework. Indicative examples of indicators relating to levels one and two are given below.

Indicators relating to levels three and four are set and monitored at the global level and are also explained and defined below. The full indicator framework, including baselines and targets, will be published in IDI’s annual Operational Plans and Performance and Accountability Reports. In setting all indicators, IDI is mindful of the cost of data collection, and therefore seeks to rely on existing data systems (including the INTOSAI Global Survey) where possible and to ensure new indicators can be measured easily and cost-effectively (without the need for large numbers of additional surveys).

IDI Outputs

These are the products, programmes, platforms, resource pools and support mechanisms developed and provided by IDI. They are predominantly under IDI’s control, under normal circumstances[[28]](#footnote-29). Some examples are provided below. Targets and actual results are set and monitored in relation to the calendar years in which each output is expected to be produced; this may be every year for some outputs, and only once for other outputs.

| **Indicator (Examples)** | **Measurement Source** | **Baseline (Date)** | **Target / Actual** | **Targets and Actual Results** | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2019** | **2020** | **2021** | **2022** | **2023** |
| **Independent SAIs** | | | | | | | | |
| Status & no. of downloads of IDI guidance: ‘Towards SAI independence’ | IDI Annual Performance & Accountability Reports | Draft | Target | Version 1 published | X downloads | Updated version published | X downloads |  |
| Actual |  |  |  |  |  |
| **Well-Governed SAIs** | | | | | | | | |
| No. of SAIs supported by IDI reviewing their draft strategic plans | IDI Annual Performance & Accountability Reports | X (2018) | Target | X | X | X | X | X |
| Actual |  |  |  |  |  |
| **Professional SAIs** | | | | | | | | |
| Status of development of Professional Education for SAI Auditors (PESA) | IDI Annual Performance & Accountability Reports | Syllabus (2018) | Target | Education programme developed |  | Pilot delivery completed |  |  |
| Actual |  |  |  |  |  |
| **Relevant SAIs** | | | | | | | | |
| No. of SAI staff trained on methodology for auditing SDGs | IDI Annual Performance & Accountability Reports | X (2018) | Target | X | X | X | X | X |
| Actual |  |  |  |  |  |
| **Bilateral Programmes** | | | | | | | | |
| No. of SAIs for which IDI has an ongoing, long-term[[29]](#footnote-30) support partnership | IDI Annual Performance & Accountability Reports | X (2018) | Target | X | X | X | X | X |
| Actual |  |  |  |  |  |
| **Global Foundations** | | | | | | | | |
| Status & no. of downloads of Global SAI Stocktaking Report within 1st year after publication (disaggregated by INTOSAI languages) | IDI Annual Performance & Accountability Reports | English X  Arabic X  French X  Spanish X | Target |  | Published | Up 25% (all languages) |  | Published |
| Actual |  |  |  |  |  |

IDI Supported SAI Capacity and Output Indicators

These are the intended SAI results to which specific IDI initiatives seek to contribute. They are largely under the control of participating SAIs, but also (especially regarding SAI independence) subject to the institutional environment in which SAIs operate. IDI will set and report on a small number of high level indicators under each work stream and bilateral programme. New indicators will be added to the result system and targets defined as and when appropriate under each work stream.

| **Indicator (Examples)** | **Measurement Source** | **Baseline (Date)** | **Target / Actual** | **Targets and Actual Results** | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2019** | **2020** | **2021** | **2022** | **2023** |
| **Independent SAIs** | | | | | | | | |
| SAIs supported by IDI’s Independence work stream in getting a new audit act to the stage of discussion in the legislature | IDI Annual Performance & Accountability Reports | X (2018) | Target |  | Country X |  | Country Y |  |
| Actual |  |  |  |  |  |
| **Well-Governed SAIs** | | | | | | | | |
| Cumulative no. of SAIs that have completed at least one SAI PMF assessment (to final report stage) | IDI Annual Performance & Accountability Reports | X (2018) | Target | X | X | X | X | X |
| Actual |  |  |  |  |  |
| **Professional SAIs** | | | | | | | | |
| No. of SAIs supported by IDI to issue a Quality Assurance review report of at least one audit discipline | IDI Annual Performance & Accountability Reports | X (2018) | Target |  |  |  |  |  |
| Actual |  |  |  |  |  |
| **Relevant SAIs** | | | | | | | | |
| No. of SAIs supported by IDI that complete & submit ISSAI-based cooperative audit reports of preparedness for implementation of the SDGs to the relevant authorities | IDI Annual Performance & Accountability Reports | X (2018) | Target | X | X |  |  |  |
| Actual |  |  |  |  |  |
| **Bilateral Programmes** | | | | | | | | |
| No. of SAIs supported by IDI’s bilateral programme that develop and publish a new strategic plan | IDI Annual Performance & Accountability Reports | X (2018) | Target |  |  |  |  |  |
| Actual |  |  |  |  |  |

Global SAI Capacity and Output Indicators

The following indicators are IDI’s key indicators for longer-term measurement of changes in the performance of SAIs. These are measured every three years from data such as the INTOSAI Global Survey, SAI PMF assessments, PEFA assessments and the Open Budget Survey. IDI reports on global results every three years through its Global SAI Stocktaking Report, which reflects that such indicators change slowly overtime and are resource intensive to measure. Future stocktaking reports are expected in 2020 and 2023, building on the 2010, 2014 and 2017 reports.

While the efforts of IDI and other providers of support contribute to these results, ultimately these results are under the control of SAIs and (especially regarding SAI independence) subject to the institutional environment in which SAIs operate. There can be no direct attribution from IDI performance to changes in global SAI performance.

These indicators are presented according to the domains of SAI performance[[30]](#footnote-31) and additional cross-cutting issues. The indicators refer to SAIs in developing countries unless otherwise stated.

| Indicator | Measurement Source |
| --- | --- |
| DOMAIN A: SAI Independence |  |
| 1. SAI Independence: % of SAIs with independence and mandate largely consistent with ISSAI 10 | SAI PMF (Pilot): SAI-6 and SAI-7, score 3 or higher on both; or SAI PMF (Final): SAI-1 and SAI-2, score 3 or higher on both |
| 1. Executive Interference in the SAI budget: % of SAIs reporting that they manage their own budget without interference from the executive | INTOSAI Triennial Global Survey (Question 9 part 6 in 2017 Survey), as reported in the INTOSAI Stocktaking Report. |
| 1. Removal of the SAI Head: % of countries in which a branch of government other than the executive must give final consent before the head of the SAI can be removed from office | International Budget Partnership Open Budget Survey: Question 120 (2017 version) score of A |
| DOMAIN B: SAI Governance |  |
| 1. SAI Strategic Planning: % of SAIs with a strategic planning cycle that broadly follows good practices | SAI PMF (Pilot): SAI-8 score 3 or higher; or SAI PMF (Final) SAI-3 score 3 or higher |
| 1. SAIs Reporting Publicly on their Performance: % of SAIs that follow the ISSAI 20 practice of measuring and publishing annual reports on their performance | SAI PMF (Pilot): SAI-5 dim (iii), score 3 or higher, or SAI PMF (Final): SAI-3 dim (iv), score 3 or higher |
| 1. SAI Code of Ethics: % of SAIs that have adopted a code of ethics largely consistent with ISSAI 30 including a monitoring system | SAI PMF (Pilot): SAI-18 dim (i), score 3 or higher, or SAI PMF (Final): SAI-4 dim (i), score 2 or higher[[31]](#footnote-32) |
| DOMAIN C: SAI Audit Quality and Coverage |  |
| 1. SAIs Issuing Annual Audit Reports: % of SAIs that issue their annual audit reports within the established legal time frame | INTOSAI Triennial Global Survey (Question 43 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |
| 1. Timely Publication of the SAI Audit Report on the Annual Budget: % of SAIs (for which a PEFA assessment is publicly available) in which all external audit reports on central government consolidated operations are made available to the public through appropriate means within six months of completed audit. | Review of latest published PEFA reports (PEFA 2011 PI-10, criteria (iv), or PEFA 2016 PI-9 element 5), as reported in the INTOSAI Stocktaking Report |
| 1. SAIs Publishing Audit Reports: % of SAIs that report publishing at least 80% of their completed audit reports | INTOSAI Triennial Global Survey (Question 44-45 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |
| 1. SAI Quality Control Systems: % of SAIs with quality control systems largely consistent with ISSAI 40 | SAI PMF (Pilot): SAI-11 dim (iii), SAI-13 dim (iii), SAI-15 dim (iii) all score 3 or higher (ignore any that are N/A), or  SAI PMF (Final): SAI-9 dim (iii), SAI-12 dim (iii), SAI-15 dim (iii) all score 3 or higher (ignore any that are N/A). |
| 1. SAI Quality Assurance Systems: % of SAIs with a quality assurance system largely consistent with ISSAI 40 | SAI PMF (Pilot): SAI-10, score 3 or higher, or SAI PMF (Final): SAI-4 dim (iv), score 3 or higher |
| 1. Financial Audit Standards and Policies: % of SAIs that have financial audit standards and policies in place which are largely consistent with ISSAI 200 | SAI PMF (Pilot): SAI-11 dim (i) score 3 or higher, or SAI PMF (Final): SAI-9 dim (i) score 3 or higher |
| 1. Quality of SAI Financial Audits: % of SAIs that have undergone a SAI PMF assessment and have reached the following SAI PMF benchmarks on financial audit, in their journey towards implementing the financial audit ISSAIs 2. 3+ (audits based on standards largely consistent with the fundamental principles of financial auditing: ISSAI 200) 3. 4 (independent assessment confirms the SAI’s financial audit practice complies with all relevant level 4 ISSAI requirements: ISSAI 1000-1810) | 1. SAI PMF (Pilot): SAI-12, or SAI PMF (Final): SAI-10 2. SAI PMF (Final): SAI-10 (no comparative measure in SAI PMF (Pilot) |
| 1. Financial Audit Coverage: % of SAIs where at least 75% of financial statements received are audited (including the consolidated fund / public accounts or where there is no consolidated fund, the three largest ministries) | INTOSAI Triennial Global Survey (Question 37 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |
| 1. Performance Audit Standards and Policies: % of SAIs that have performance audit standards and policies in place which are largely consistent with ISSAI 300 | SAI PMF (Pilot): SAI-15 dim (i) score 3 or higher, or SAI PMF (Final): SAI-12 dim (i) score 3 or higher |
| 1. Quality of SAI Performance Audits: % of SAIs that have undergone a SAI PMF assessment and have reached the following SAI PMF benchmarks on performance audit, in their journey towards implementing the performance audit ISSAIs 2. 3+ (audits based on standards largely consistent with the fundamental principles of performance auditing: ISSAI 300) 3. 4 (independent assessment confirms the SAI’s performance audit practice complies with all relevant level 4 ISSAI requirements: ISSAI 3000) | 1. SAI PMF (Pilot): SAI-16, or SAI PMF (Final): SAI-13 2. SAI PMF (Final): SAI-16 (no comparative measure in SAI PMF (Pilot) |
| 1. Performance Audit Coverage: % of SAIs where, on average in the past three years, the SAI has issued at least ten performance audits and/or 20% of the SAI’s audit resources have been used for performance auditing | INTOSAI Triennial Global Survey (Question 41 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |
| 1. ISSAI Compliant Compliance Audit Manuals: % of SAIs that have compliance audit standards and policies in place which are largely consistent with ISSAI 400 | SAI PMF (Pilot): SAI-13 dim (i) score 3 or higher, or SAI PMF (Final): SAI-15 dim (i) score 3 or higher |
| 1. Quality of SAI Compliance Audits: % of SAIs that have undergone a SAI PMF assessment and have reached the following SAI PMF benchmarks on compliance audit, in their journey towards implementing the compliance audit ISSAIs 2. 3+ (audits based on standards largely consistent with the fundamental principles of compliance auditing: ISSAI 400) 3. 4 (independent assessment confirms the SAI’s compliance audit practice complies with all relevant level 4 ISSAI requirements: ISSAI 4000) | 1. SAI PMF (Pilot): SAI-14, or SAI PMF (Final): SAI-16 2. SAI PMF (Final): SAI-14 (no comparative measure in SAI PMF (Pilot) |
| 1. Compliance Audit Coverage: % of SAIs which have a documented risk basis for selecting compliance audits that ensures all entities face the possibility of being subject to a compliance audit, and where at least 60% (by value) of the audited entities within the SAI’s mandate were subject to a compliance audit in the year | INTOSAI Triennial Global Survey (Question 39 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |
| 1. Results of Jurisdictional Controls: % of SAIs following good practices in the notification, publication and follow-up of decisions relating to jurisdictional controls | SAI PMF (Final) SAI-20 score 3 or higher [[32]](#footnote-33) |
| DOMAIN E: SAI HRM and Professional Staff Development |  |
| 1. SAI Professional Development: % of SAIs with staff professional development and training plans which broadly following good practices | SAI PMF (Pilot): SAI-21 score 3 or higher; or SAI PMF (Final) SAI-23 score 3 or higher |
| DOMAIN F: SAI Communications and Stakeholder Management |  |
| 1. SAI Communication: % of SAIs following good practices in communication with the media, citizens and civil society organisations | SAI PMF (Pilot): SAI-24 score 3 or higher; or SAI PMF (Final) SAI-25 score 3 or higher |
| 1. SAIs communicating with the public: % of SAIs communicating with the public beyond publishing their audit reports | International Budget Partnership Open Budget Survey: Question 132 |
| Cross-Cutting |  |
| 1. SAI Gender Policies: % of SAIs reporting that they have a gender policy | INTOSAI Triennial Global Survey (Question 82 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |
| 1. SAI Use of Gender Assessments: % of SAIs reporting that they include gender assessments in their audit work | INTOSAI Triennial Global Survey (Question 86 in 2017 Survey), as reported in the INTOSAI Stocktaking Report |

Global SAI Outcome Indicators (For monitoring only)

The following global SAI outcome indicators are taken as proxies for the benefits of stronger SAIs, which contribute to the SAI delivering value and benefits for citizens. They represent a broad mix of indicators: some directly related to the work of SAIs (e.g. scrutiny of, and response to, audit reports); some closely related to the benefits of effective SAIs (e.g. quality of public financial management, public participation in budget processes and control of corruption); and some broader measures relating to improved service delivery and progress towards the SDGs, to which effective SAIs seek to contribute.

These indicators are selected based on the available global indicators in this area: the data is collected, collated and published by organisations other than IDI.

The relationship between SAIs and these indicators is two-directional: SAIs can contribute to changes, and changes in the environment can impact on SAIs. The purpose of monitoring these indicators is two-fold. First, to see if SAIs are making a difference to key issues in their countries. Second, to identify global trends in key governance areas which impact on the environment in which SAIs operate.

These indicators are monitored triennially for informing global policy discussion on support to SAIs. They are not considered to be part of the mechanisms for ensuring IDI is accountable for its use of resources, as they are too far removed from IDI activities and the contribution of IDI to these results is small. Therefore, IDI does not set targets for these indicators. The indicators refer to developing countries unless otherwise stated.

| Indicator | Measurement Source |
| --- | --- |
| 1. Legislature Scrutiny of Audit Reports: % of countries in which a Committee of the Legislature examine the Audit Report on the annual budget within six months of its availability, and publish a report with findings and recommendations | International Budget Partnership Open Budget Survey: Question 118 (2017 version) score of A or B. |
| 1. Executive Response to Audits: % of countries in which a formal, comprehensive, and timely response was made by the executive or the audited entity on audits for which follow-up was expected during the last three completed fiscal years | PEFA-2016 PI-30 dimension (iii) score of B or higher, or PEFA-2011 PI-26 dimensions (iii) score of B or higher |
| 1. Quality of Public Financial Management: % of countries scoring 3.5 or higher on the CPIA Indicator for Quality of Budgetary and Financial Management | World Bank CPIA Indicator on Quality of Budgetary and Financial Management |
| 1. Public Participation in the Budget Process: % of countries scoring 25 or higher on Public Participation in the Budget Process | International Budget Partnership Open Budget Survey: Composite scores on Public Participation in the Budget Process |
| 1. Control of Corruption: % of countries scoring 50% or higher on the WGI composite indicator for control of corruption | Worldwide Governance Indicator (WGI) on Control of Corruption |
| 1. Improved service delivery and progress towards the SDGs: Maternal mortality ratio (Maternal deaths per 100,000 live births) (all developing countries) | SDG indicator 3.1.1, as reported in ‘Progress Towards the Sustainable Development Goals, Statistical Annex’ (UN Secretary General) |
| 1. Effective, transparent and inclusive institutions: Proportion of seats held by women in national parliaments (world, including developed countries[[33]](#footnote-34)) | SDG indicator 5.5.1, as reported in ‘Progress Towards the Sustainable Development Goals, Statistical Annex’ (UN Secretary General) |

# ACRONYMS

|  |  |
| --- | --- |
| AFROSAI-E | African Organisation of Supreme Audit Institutions in English-speaking Africa |
| ARABOSAI | Arab Organisation of Supreme Audit Institutions |
| ASOSAI | Asian Organisation of Supreme Audit Institutions |
| CA | Compliance Audit |
| CAAF | Canadian Audit and Accountability Foundation |
| CAROSAI | Caribbean Organisation of Supreme Audit Institutions |
| CAS | Compliance Audit Subcommittee |
| CBC | INTOSAI Capacity Building Committee |
| CEPA | United Nations Committee of Experts on Public Administration |
| CREFIAF | African Organisation of Supreme Audit Institutions in French- speaking Africa (Conseil Régional de Formation des Institutions Supérieures de Contrôle des Finances Publiques d'Afrique Francophone Subsaharienne) |
| CSO | Civil Society Organisation |
| DRC | Democratic Republic of Congo |
| ECOSOC | Economic and Social Council |
| EUROSAI | European Organisation of Supreme Audit Institutions |
| FA | Financial Audit |
| FAAS | Financial Audit and Accounting Subcommittee |
| FIPP | Forum for INTOSAI Professional Pronouncements |
| GCP | Global Call for Proposals |
| GPGs | Global Public Goods |
| HRM | Human Resource Management |
| IBP | International Budget Partnership |
| iCAT | ISSAI Compliance Assessment Tool |
| IDC | INTOSAI-Donor Cooperation |
| IDI | INTOSAI Development Initiative |
| INCOSAI | International Congress of Supreme Audit Institutions |
| INTOSAI | International Organisation of Supreme Audit Institutions |
| ISSAIs | International Standards for Supreme Audit Institutions |
| IT | Information Technology |
| KSC | INTOSAI Committee on Knowledge Sharing and Knowledge Services |
| NGO | Non-Governmental Organisation |
| OBI | Open budget Index |
| OLACEFS | Organisation of Latin American and Caribbean Supreme Audit Institutions |
| PA | Performance Audit |
| PAP-APP | Accelerated Peer-Support Partnership - Partenariat Accéléré pour l'Appui des Pairs |
| PAR | Performance and Accountability Report |
| PAS | Performance Audit Subcommittee |
| PASAI | Pacific Association of Supreme Audit Institutions |
| PEFA | Public Expenditure and Financial Accountability Framework |
| PESA | Professional Education for SAI Auditors |
| PFM | Public Financial Management |
| PSC | INTOSAI Professional Standards Committee |
| QA | Quality Assurance |
| SAI | Supreme Audit Institutions |
| SAI PMF | Supreme Audit Institutions’ Performance Measurement Framework |
| SCEI | INTOSAI Supervisory Committee on Emerging Issues |
| SDAI | SAI Data Analytics Initiative |
| SDG | Sustainable Development Goals |
| SFC | IDI SAI Fighting Corruption Programme |
| SPMR | IDI Strategy, Performance Measurement and Reporting Programme |
| TFIAP | Task Force on INTOSAI Auditor Professionalisation |
| UN | United Nations |
| UNDESA | United Nations Department of Economic and Social Affairs |
| UN Women | United Nations Entity for Gender Equality and the Empowerment of Women |
| WGVBS | INTOSAI Working Group on the Value and Benefits of SAIs |
| 3i | ISSAI Implementation Initiative |

1. For a lack of common language across INTOSAI bodies and development partners, IDI will continue to use the international definition of fragile situations and the [harmonised list of fragile situations](http://www.worldbank.org/en/topic/fragilityconflictviolence/brief/harmonized-list-of-fragile-situations) issued by the World Bank Group as a starting point. However, within each work stream, IDI will also consider support to other SAIs in developing countries that are not on this list, but where the SAI faces significant development challenges. [↑](#footnote-ref-2)
2. These domains are aligned with the SAI Performance Measurement Framework, which provides a basis for assessing SAI need and measuring the performance of SAIs over time, based on the ISSAIs and other international good practices. [↑](#footnote-ref-3)
3. And in countries following a Judicial model, the equidistance of the SAI from the executive and legislative branches of government. [↑](#footnote-ref-4)
4. Global SAI Stocktaking Report 2017, IDI [↑](#footnote-ref-5)
5. These Global Foundations include activities to support the INTOSAI-Donor Cooperation, which were previously delivered by the INTOSAI-Donor Secretariat. These will be delivered by IDI, ensuring appropriate coordination and dialogue with the INTOSAI-Donor Cooperation. The specific mechanisms for interaction between the Cooperation’s Steering Committee, its leadership group and the IDI Board are currently being defined. [↑](#footnote-ref-6)
6. I.e. to take responsibility (shared or otherwise) for delivery, rather than supporting delivery by IDI [↑](#footnote-ref-7)
7. Developed under the INTOSAI Capacity Building Committee [↑](#footnote-ref-8)
8. Or programmes, relating to initiatives launched prior to 2019 [↑](#footnote-ref-9)
9. See the IDI Global Communications and Advocacy Strategy (forthcoming) [↑](#footnote-ref-10)
10. The assumption is that IDI will take forward work developed under the IDC and take over communication activities from the current IDS in a more integrated way under the new IDI Strategic Plan. Issues of visibility and branding of IDC as well as IDI’s future advocacy role linked to IDC, among other things, will have to be decided in detail. [↑](#footnote-ref-11)
11. Targeting IDI’s bilateral support is covered in the following section ‘Delivering IDI’s Bilateral Programme’ [↑](#footnote-ref-12)
12. IDI applies the international definition of fragile situations and the [harmonised list of fragile situations](http://www.worldbank.org/en/topic/fragilityconflictviolence/brief/harmonized-list-of-fragile-situations) as its starting point (see footnote 1). This ensures IDI does not need to produce and justify its own definition. However, within each work stream, IDI will also consider support to other SAIs in developing countries that are not on this list, but where the SAI faces significant development challenges. [↑](#footnote-ref-13)
13. See also section C on “Readiness and Conditions for Support”. [↑](#footnote-ref-14)
14. Draft, under development [↑](#footnote-ref-15)
15. Previously maintained by the INTOSAI-Donor Secretariat under the auspices of the INTOSAI-Donor Cooperation [↑](#footnote-ref-16)
16. To simplify the presentation in the Results Framework, IDI Outputs are not shown separately from IDI’s service offer. [↑](#footnote-ref-17)
17. And where relevant, in work stream component reports to specific stakeholders, e.g. cooperation and financial partners. [↑](#footnote-ref-18)
18. While reporting will be annual, this does not mean that each indicator will have a target for each year. E.g. if the indicator is submission of a cooperative audit report to the relevant authority, the target will only be for the year in which the report is expected to be submitted. [↑](#footnote-ref-19)
19. This will be delivered under the IDI Global Foundation: Measuring and Monitoring SAI Performance and Support, drawing on the results of the INTOSAI Global Survey, SAI PMF assessments and other data sources. [↑](#footnote-ref-20)
20. E.g. good SAI communication and better audit reports could contribute to increased scrutiny of reports by legislative committees and improved implementation of audit recommendations. However, an environmental change could reduce legislative scrutiny of audit reports and make the SAI’s institutional environment more challenging. [↑](#footnote-ref-21)
21. IDI’s risk management approach also includes a category of natural risks, but at present, IDI has no significant natural risks which are not effectively mitigated. [↑](#footnote-ref-22)
22. Good government auditing refers to independently working and professional SAIs, committed to publishing its reports. [↑](#footnote-ref-23)
23. See: Maria Gustavson, Does Good Auditing Generate Quality of Government?, University of Gothenburg, 2015; Maria Gustavson, Aksel Sundström, Does Good Auditing Generate Less Public Sector Corruption?, in: Administration & Society, October 16, 2016, University of Gothenburg, Sweden. [↑](#footnote-ref-24)
24. See Mid-term Review of the Implementation of the IDI Strategic Plan 2014-2018, Final Report, January 2018. [↑](#footnote-ref-25)
25. See ibid. and Global SAI Stocktaking Report 2017. [↑](#footnote-ref-26)
26. The SAI PMF Unit within IDI is now the operational lead on SAI PMF support, coordination, and facilitation under the supervision and strategic guidance of the CBC as the custodian of the SAI PMF. [↑](#footnote-ref-27)
27. See Global SAI Stocktaking Report, 2017. [↑](#footnote-ref-28)
28. I.e. if the output-level assumptions in this strategic plan hold. IDI is dependent on having sufficient resources and from resource experts and SAIs participating in its initiatives in order to deliver these outputs. [↑](#footnote-ref-29)
29. Defined as three-years or over [↑](#footnote-ref-30)
30. As per IDI’s SAI Strategic Management Framework and INTOSAI’s SAI PMF [↑](#footnote-ref-31)
31. Note the adjustment to a score of 2 or higher reflects a change in the scoring criteria for this dimension, and is considered equivalent to a 3 or higher in the SAI PMF pilot version. [↑](#footnote-ref-32)
32. Only applicable to SAIs with Jurisdictional powers. Note that the indicators on Jurisdictional Controls in the SAI PMF (Pilot) version is not comparable to that in the SAI PMF (Final) version [↑](#footnote-ref-33)
33. Reported data does not include disaggregation specifically to developing countries [↑](#footnote-ref-34)