2021

Moscow Declaration Survey Marathon

Results of the survey on the occasion of the one-year anniversary since the adoption of the Moscow Declaration at XXIII INCOSAI

Introduction

September 2020 saw the one-year anniversary of the Moscow Declaration. When the document was adopted at XXIII INCOSAI, it was impossible to predict all the changes the whole world would face in a couple of months. The new normal we all now live in has proved that the provisions of the Moscow Declaration turned out to be visionary and future-oriented. We believe the strategic perspective provided by this document is yet to be fully perceived and implemented in practice. However, it is a good chance to check what page we are on now and make sure that we continue our way forward.

In this regard we invited the INTOSAI community members to participate in a survey marathon on the Moscow Declaration. SAIs from all over the world shared their reflections on each of the 10 provisions of the document. The participants were asked to comment if the ideas still remained relevant, what had been achieved and what remained to be done.

Participating SAIs (44)

Algeria, Armenia, Austria, Azerbaijan, Bahamas, Bahrain, Belize, Chile, China, Costa Rica, Cyprus, Czech Republic, ECA, Ecuador, Egypt, Fiji, Finland, France, Haiti, India, Indonesia, Italy, Jamaica, Jordan, North Macedonia, Malaysia, Malta, Mexico, Myanmar, Netherlands, Norway, Peru, Portugal, Russia, Saint Kitts and Nevis, Slovakia, Slovenia, St. Vincent and the Grenadines, Suriname, Tajikistan, Thailand, United Kingdom, USA, Yemen.

Summary observations

Despite a number of accomplishments and success-stories, most SAIs have adopted a **strategic and long-term approach** to implementing the provisions of the Moscow Declaration. Even though not all of them have been put into practice, replies suggest that efforts are being made to include necessary steps in SAIs' strategies and audit plans for the upcoming years. In some cases, the necessary organizational steps include restructuring of offices and work-processes, so as to adapt to the new tasks and conditions.

It is worth mentioning, that a lot of achievements mentioned in the replies **predate the adoption of the Moscow Declaration** by a couple of years, and now it is already possible to evaluate the results of those innovations. This proves that the document was elaborated on the basis of the practical experience of the INTOSAI community members and serves to accumulate, evaluate and distribute best practices and knowledge.

Undoubtedly, the **COVID-19 pandemic** has impacted the performance of most SAIs and their plans, making the implementation of the Moscow Declaration more challenging. It includes changes in priorities, lack of financial and organizational resources. On the other hand, the emergency situation has stressed the importance and relevance of particular provisions. It allowed SAIs to innovate, develop and introduce new goals and methods in their work, which otherwise would have taken more time or have never happened at all.

Besides the pandemic, one of the most common challenges identified by the respondents lies in the area of **staff training and capacity building**. Implementation of new techniques or targeting new fields requires substantial preparation, which has not been completed yet. At the same time, this relates to the importance and value of **international cooperation and experience sharing**. The survey confirms that SAIs rely on the assistance provided by the INTOSAI community in case of any challenges encountered on new, unknown or difficult matters. This emphasizes the efforts of INTOSAI to keep up with modern educational trends and create an open easily accessible online platform in order to facilitate exchange of knowledge and dissemination of best practices within the professional community.

Survey results

The following part of the report summarizes the results of the survey by each provision. The replies provided by the INTOSAI members allowed to identify **common ideas** and, alternatively, reveal some **outstanding and interesting facts**. Generally, they fall into the categories of what has been already achieved (**Progress**) and what remains to be done in the future (**Plans**). More importantly, this helped identify the main difficulties in the implementation of the Moscow Declaration (**Challenges**). The latter seems to be of particular practical value and might serve as a guidance for future multilateral actions and development of INTOSAI as a unified community.

We highly appreciate all the valuable contributions we received from the INTOSAI members during this survey. We hope the results will be interesting, involving and useful for each and every one of us!

Accountability for outcomes

Provision 1. SAIs are encouraged to contribute to more effective, transparent and informative accountability for outcomes, keeping in mind the complexity of government efforts needed to support the achievement of national priorities and the SDGs.

Progress

Auditing implementation of SDGs is not a new thing for many SAIs and **has been going on** for a couple of years (Bahamas, Costa Rica, Indonesia, UK). The general approach implies including an **SDG-related statement** in audit reports when appropriate (Bahamas) or carrying out **specific audit** on the progress of government agencies in achieving national priorities (Costa Rica, Indonesia, Jordan, Russia). There has already been performed a great number of audits related to particular SDGs (Peru). However, the outcome-based performance measurement is not such a wide-spread audit activity and has been in place in few countries (UK, USA, North Macedonia).

UK: This topic is aligned with the UK NAO's audit approach which is well-established in this area and predates the Moscow Declaration. We have a long-held interest in auditing the achievement of outcome-based performance measures, and also government entities' approach to developing performance measurement systems.

North Macedonia: One aspect of SAO audits is to check whether the government program or measure has achieved expected results and there are measurable indicators in place for its implementation, and whether it is monitored and the results are reported on, in order to ensure implementation of national goals and SDGs.

Some SAIs report to have started **preparatory work** and launched the collection of performance-related data from central government auditees, with a view of using these to plan performance audits in these entities (Cyprus). Other steps completed in this area include establishing **interagency cooperation** (Belize), making necessary **adjustments to the structure** of SAI (India), and starting **training courses** for employees (Bahrain, Ecuador).

Bahrain: The NAO began implementing some training courses to train employees of the entities subject to its audit on many aspects and related matters, including raising awareness of the importance of accountability and transparency to support the achievement of government action programs and the sustainable development goals.

Certain efforts have been made by the **international community**, which includes INTOSAI initiatives to enhance the contribution of SAIs towards achieving the 2030 Agenda and the sustainable development goals (establishing the **Working Group on SDGs and Key Sustainable Development Indicators** chaired by SAI Russia) and various **IDI projects** (such as the "Sustainable Public Procurement" initiative, in which officials are trained to prepare public procurement audits aligned with SDG 12). It is worth mentioning that efforts in this area have proved useful and even yield financial benefits for national governments.

> *US GAO: We apply a formal process for tracking the results of our work, which in 2019 resulted in over 1,400 improvements in government programs. In 2019, our work resulted in over $214 billion in financial benefits, which equals a return of $338 on every dollar invested in GAO. We make numerous recommendations to enhance the transparency of government, including government spending, and demonstrate our commitment to transparency by publishing nearly all of our reports and testimonies on our public website.*

Challenges

Unsurprisingly, the **COVID-19 pandemic** has been identified as one of the most evident and serious challenges for the process. It puts governments under strain to achieve national priorities and the SDGs (Finland), creates a risk that **national priorities change** dramatically and downsize the importance of SDGs (Portugal), and undermines the **continuity of SAI operations** when measures related to COVID-19, such as stay-at-home orders and remote work, need to be implemented (Austria). In this regard **INTOSAI is expected to play an active role** and help maintain the focus in this field (Portugal). Moreover, against the backdrop of the COVID-19 pandemic SAIs can bring added value to the aid process by ensuring that government efforts are aligned with relevant and plausible indicators (Austria).

> *France: This link between the SDGs and national goals is currently being strengthened by the health crisis for some of the 17 SDGs (those directly related to health and poverty reduction, for example), but weakened for other SDGs, given the financial crisis.*

However, other difficulties turned out to be more complex and structural. Namely, given that national priorities require multi-stakeholder engagement for implementation of the SDGs, SAIs have to work in a more integrated way and formulate **recommendations to complex outcomes** of interlinked policies rather than to single auditees (Indonesia). It is harder to achieve accountability for cross-cutting-priorities between a number of government agencies and auditing policy coherence (Norway, Finland). Some other particular though not uncommon challenges include incomplete data to measure the achievement of related government

programs, reliability, timeliness, and relevance of the information provided by governments, low political interest in long-term analysis of policy outcomes.

Therefore, SAIs have found themselves in the need of **additional training, assistance and guidance** in conducting this type of audit in order to enhance the auditing capabilities of the auditors (Saint Vincent and the Grenadines, Peru). It may be useful for an international standards body to **determine performance criteria** in all government areas, especially the most complex ones, against which to compare the results of key performance indicators (Malta).

Plans

Almost no SAIs denied having plans to work on SDGs and strengthening the accountability for their outcomes in the future. The immediate plans in this area focus on auditing COVID-19 related expenditures (Cyprus), performing relevant audits (Saint Vincent and the Grenadines) or training courses which were canceled because of the pandemic (Saint Kitts and Nevis). In general SDGs have been confirmed to take a meaningful place in audit plans for the next year (Chile, Czech, Bahrain, Myanmar, Peru) as well as, most importantly, in audit strategies for the upcoming period up to five years (ECA, UK, Jamaica, Peru, Thailand).

Strategic approach

Provision 2. SAIs are encouraged to develop a strategic approach to public auditing to support the achievement of national priorities and the SDGs.

> *Austria: The SDGs can be a driving force in building more equitable societies and more effective public institutions. Their implementation can help to improve the interaction between public entities in their efforts to mitigate the implications of a global emergency.*

Progress

Audit coverage of the SDGs-related area in general is really high. First audits were performed just several years after the adoption of the 2030 Agenda and included reviews on the **preparedness for implementation** of the SDGs (Netherlands, Ecuador, Jamaica, Bahrain) or particular goals. Throughout the years most SAIs have evaluated achievements on at least one SDG. Most **common subjects** included poverty, food safety, gender equality, corruption, public procurement and others (Ecuador, Chile, Mexico, Russia). Audits to support the priorities of the SDGs are expected to become more relevant as the target time for the SDGs draws nearer (Norway). They are performed more frequently and cover more narrow topics, such as protecting, restoring, and promoting sustainable use of biodiversity, management of water treatment services (Costa Rica) or responsible consumption and production (Chile).

International efforts and **multilateral cooperation** have become a useful tool for SAIs to participate in the 2030 Agenda, **with IDI playing the leading role** in this regard. SAIs appreciate these opportunities and participate in such projects as the Sustainable Public Procurement Initiative, SDG 3d audit, coordinated audits on food safety, gender equality, and other topics (OLACEFS, Netherlands, Fiji). What is important in terms of this provision, however, is that **fewer SAIs replied to have implemented a comprehensive strategic approach** to auditing and SDGs in particular, resulting in more than just single audit reports (USA, UK, Haiti, Peru, Malta).

> *Peru: SAI Peru has participated in the coordinated audit of governments' preparation for the implementation of SDG 5 - Gender Equality; in the cooperative audit carried out under the auspices of the IDI Program "SAI in the Fight Against Corruption", which has a special emphasis on SDG 16, and in the Coordinated Audit on the Sustainable Development Goals. Also, by instruction of the Senior Management, audit reports must be related to at least one SDG. SAI Peru has assumed leadership for the design and monitoring of the implementation at the national level, of the indicators corresponding to goals 16.4.1, 16.4.2, 16.5.1 and 16.5.2.*

Jamaica: Prior to 2019, the SAI's Strategic Business Plan (2016) and its Strategic Audit Plan (2018) have been tied to Jamaica's National Development Plan (VISION 2030) which is 98 per cent linked to the UN Sustainable Development Goals.

Malta: The National Audit Office of Malta is currently undertaking an audit focusing on the progress registered by the Maltese Government with respect to SDG 1 and Europe 2020 targets in relation to poverty. The Office sought to identify the efforts undertaken by Government to address poverty, assess the comprehensiveness (legal and policy framework; governance structure; available financing and resourcing; the measures, projects and initiatives undertaken by Government to address poverty; the monitoring and data collection system for measuring poverty; horizontal and vertical coherence; collaboration and coordination; multi stakeholder engagement), effectiveness and inclusiveness of these efforts, and determine the progress achieved in addressing poverty. The report for this audit will be published and made public within this calendar year.

It is possible to observe that SAIs come up with a number of different approaches and methods in terms of strategic auditing, SDGs in particular, although it is mostly limited to **individual success stories** and still requires further popularization.

*Egypt: SAI Egypt is relying on the **risk-based audit approach** in auditing the sustainable development goals in order to increase the effectiveness and quality of audit processes.*

*Thailand: The SAC promotes modern role of public auditing by **strengthening advisory role,** especially the fiscal and financial disciplinary for audit entities.*

*Finland: SAI Finland assesses the dynamics between the different SDGs **by analytical tools**.*

*Indonesia: BPK's 2018 performance audit of SDGs Preparedness used a "continuous comprehensive and multi-perspective audit approach" **focusing on outcome**. The audit results were presented in 2019.*

Challenges

This work of SAIs on SDGs and strategic auditing is likely to be affected due to change in priorities caused by the COVID-19 pandemic (Fiji, Myanmar). The progress has already been slowed down by the crisis, which has modified monitoring and programming priorities, notably by **emphasizing short-term actions** rather than the strategic themes to which the SDGs are attached (France). The reallocation of resources even stops the planning actions aimed at auditing the implementation of the SDGs, as a consequence of COVID-19 (Peru). Another issue is the **impact of remote work** on many government entities and constraints as it relates to IT infrastructure in the country (Jamaica).

More serious challenges, however, are more systemic and not related to the pandemic. Those include, for instance, **low levels of awareness raising** about the SDGs and the importance of the 2030 Agenda among those mainly responsible for their implementation (Peru), **lack of coordination at high level, fragmentation, work in silos** (China, Indonesia). The **coherence of public service delivery** across complex management systems and accountability/funding structures is a difficult challenge for governments to manage (UK). Given the fact that many entities normally contribute to meeting national or international goals, SAIs have challenges in **identifying all relevant players and collecting sufficient appropriate evidence.** This increases the need for flexibility in the audit plans, while multi-skilled teams will be needed to carry out the audits (Cyprus).

> *Indonesia: The main issue is developing an audit strategy to remove "silos" within government agencies, hindering the Whole-of-Government approach resulting in inefficiency and ineffectiveness. To deal with this, BPK initiates "**Audit Universe**", an approach to audit strategy involving a range of distinct auditable entities correlated with the program and several audit work units, to ensure accountability and transparency of government efforts in combating COVID-19 pandemic. BPK tries to break internal silos and comprehend the audit result more on the wide-angle perspective that will provide better impact to the life of the public through effective audit recommendation to the government for overcoming the unpredictable impact of the pandemic.*
>
> *Cyprus: It is important to enhance the role of SAIs in helping governments accomplish overall strategies and therefore to establish **the image of SAIs** as that of important counterparts of the state, rather as controllers/judges that focus on identified problems.*
>
> *Egypt: More reliance on updated methods of auditing, especially in light of the repercussions imposed by the Covid-19 pandemic, which required the use of **alternative audit procedures** to obtain reasonable assurance of data and information related to sustainable development process.*
>
> *Finland: A whole-of-government perspective **takes time to develop** and SAIs can benefit from professional dialogue with other institutions to analyze which are the key components to be understood as enablers for strategic goals.*

Due to a large number of agencies concerned with the SDGs and often unclear distribution of responsibilities, such audits require **substantial time and human resources** (Malta), as well as **special preparation and training for auditors**, providing them with the required **knowledge and skills** (Bahrain, Portugal, Jordan). SAIs note that international assistance is necessary to enforce this provision of the Declaration (Saint Vincent and the Grenadines). SAIs await the issuance of an **INTOSAI guidance** to ensure a robust methodology for such audits (Cyprus, Egypt) and **IDI guidance to audit the implementation of the SDGs** (Fiji). Additional assistance is already being

provided on bilateral basis. For example, the US GAO Center for Audit Excellence routinely **assists other SAIs** with the use of SAI Performance Measurement Framework (SAI PMF) and **development of strategic plans** (USA).

Plans

Recognizing the relevance of the topic, most SAIs confirm that the sustainable agenda is being **included in their strategies** and shall be addressed in the short, middle and long-term perspectives, unless it is already in progress (Myanmar, France, North Macedonia, Fiji, ECA, Bahamas, Bahrain, Czech, Slovakia, Russia). SAIs are ready to **prioritize this topic** and **dedicate additional resources** for evaluation, monitoring and reporting of SDGs (Fiji, Jamaica, Jordan, UK).

SAIs are ready to evaluate the implementation of SDGs both **qualitatively and quantitatively**, through an audit covering the maximum number of targets (Algeria), as well as monitor and evaluate the **impacts of our recommendations** to the Government (Indonesia).

Apart from audit activities, SAIs have plans for **restructuring and optimization** of their offices so as to better meet the challenges of integrated audits and ensure the specialization for better risk assessment, planning, and, consequently, audit (India).

> *Chile: The SDGs are an input in the annual audit planning process. The audit reports will consider in their justification a paragraph that shows that said work seeks to contribute to the implementation and fulfilment of the Sustainable Development Goals, always framing around SDG 16 and* ***identifying the particular SDG linked to that audit****.*

As far as planning is concerned, US GAO supports the development of strategic plans across INTOSAI based on the application of the **SAI Performance Measurement Framework**, which is fundamental to strategic public sector auditing (USA). International activities in this regard include participating in **stage 2 of the IDI's "Strategy, Performance Measurement and Reporting" (SPMR)** initiative to update the Institutional Strategic Plan and its performance, in line with IDI methodology and national priorities (Ecuador).

> *Cyprus: Our Office has not yet included audits that take a high-level view of government goals and overall government strategy, in its operational plans. This is a project that will be examined in the future.*

Audit-based recommendations

Provision 3. SAIs can enhance the value of public auditing by extending the provision of audit-based advice on important and strategic issues of parliament, government and public administration.

Progress

SAIs adopt the whole-of-government approach when carrying out **audits of important and strategic issues** (China, USA). Recommendations are mostly based on the findings of their audits and include proposals for future action by public actors. Depending on the case, these recommendations may relate to management or organizational issues, but also to more structural matters or even public policy guidelines (France). Some SAIs launched **special advisory boards** or worked within public interagency groups in order to support government institutions, improve standards of government accounting and financial reporting, enhance accountability mechanisms (India, North Macedonia). Technologically advanced SAIs established **centers for strategic foresight** to identify, monitor and analyze emerging issues (USA, Russia). Other entities with a broader mandate presented bills to national parliaments related to transparency, accountability, public procurement (Peru), public employment, climate and demographic change (Costa Rica) and prepared reports on specific topics (UK) in terms of planning, oversight, collaboration and financial management.

Many INTOSAI members are actively engaged in international cooperation concerning the preparation of audit-based advice (Chile, Ecuador, UK, Russia) on such themes as fight against corruption and SDGs. Guidelines and guidance notes issued by SAIs contain suggestions for potential strategic management responses and audit procedures in times of emergency.

Austria: Audit-based advice is key to the tackling of national and global emergencies. By issuing recommendations that are based on independent and evidence-based auditing, SAIs can help to render the performance of public services more efficient and effective. Non-audit products such as guidelines for systemically relevant areas can help to improve the lives of citizens more tangibly. INTOSAI has published numerous guidelines and guidance notes, including an entire website dedicated to COVID-19 by the PFAC. The guidelines and guidance notes contain suggestions for potential strategic management responses and audit procedures in times of an emergency. They also contain best-practice examples by numerous SAIs that have already tackled various crises. This kind of exchange should be continued and promoted.

Challenges

Some SAIs consider that the main challenge for the implementation of this provision is the **absence of obligation by auditees to accept recommendations** (Malaysia) and the **lack of public discussions** on relevant issues (Peru). Even if audit findings and practical recommendations are taken into account by the executive and legislature, their manifestations are beyond the control of SAIs (Cyprus). Therefore, audit-based advice tends to be perceived as suggestions rather than directions. One of the ways to render the work of SAIs more relevant for parliaments and government authorities would be **to increase the interest of other relevant parties** on this type of reports (Costa Rica). The involvement of business and academic community as well as ordinary citizens in discussions on significant issues might give an impetus to officials to pay more attention to audit results. Unforeseen global crises such as the one caused by the COVID-19 pandemic and other extraordinary situations may also pose a threat to the effectiveness of SAIs by negatively affecting the independent nature of audits (ECA, Norway).

> *Chile: Even though the Chilean SAI does not have the legal competence to audit the Congress, the Comptroller General is regularly invited to Congress to provide insight on the matters that are being discussed. We also have been strengthening our networks. The CGR along with the Chilean chapter of UNDP, lead the UNCAC-Chile Anticorruption Alliance, that brings together institutions from the public, private, academic and civil society sectors with the aim of implementing in Chile the principles of the United Nations Convention against Corruption and reinforcing SDG 16. To do this, actions are carried out in five areas: Promotion of integrity; training and dissemination; legislative initiatives; good practices and standards review; and communication. It has established itself as the main meeting platform between the actors linked to the strengthening of integrity in Chile, which has made it possible to face anti-corruption issues in a transversal and multisectoral manner, extending the audit-based advice to all the member institutions.*

Plans

It is still contended that advisory activity of SAIs can be useful in pursuing the scope of facilitating the achievement of strategic goals. In this respect, it may be useful to **develop methodologies** to combine both ex ante and ex post controls (Italy). At the same time audit entities are set to further **improve relations with their main stakeholders** to produce audit reports that are relevant for them and come into use in the legislative process (USA). There has to be increased attention towards foresight techniques in order to enhance the focus not only on certain cases, but also **on strategic matters** (ECA, Peru, Indonesia). In the future, some SAIs would support the idea to make audit-based advice one of the primary functions of accounts and control entities and **codify it by law** (Malaysia).

Data openness

Provision 4. SAIs could promote the principle of availability and openness of data, source code and algorithms.

Progress

SAIs adopted **methods of regular collection of data, their centralized management and authorized utilization** to facilitate data acquisition under the premise of data security (China, Russia). In addition to audit reports, **transparency data** are also published on many SAIs' websites. These might include information such as the remuneration of staff, travel expenses and disclosure of interests, the audited financial statements, procurement policy and procedures, awarded contracts, payments to suppliers, self-assessment and peer review results (Cyprus).

Some SAIs have a substantial body of work related to the **development of standards** to enable the tracking of government spending, key practices for reporting open data — such as providing data in useful formats and fully describing the data, balancing the openness of data with protecting the privacy of citizens, the use of data analytics, and big data auditing (USA). Others participate in **open data government initiatives** (India) sharing resource datasets on capital expenditures and public debt disbursements.

In order to create a **citizens' engagement mechanism** through feedback forms, data descriptions and metadata are published in open sources. The implementation of artificial intelligence for public sector audit may occur in cooperation with specialized digital development agencies (Thailand) and private organizations. Audit entities are creating **in-house incubators** for applying data analytics, data visualization and process mining to audit. SAIs provide more quantitative analysis and interactive graphs in performance audits (ECA).

> *Costa Rica: Increasing transparency was one of the strategic objectives of SAI Costa Rica's Strategic Plan 2013-2020. To fulfill that goal different actions had taken place such as applying a national transparency survey in 2016 and 2019 and having transparency and availability of public information as a core objective during the audits conducted. Also, to lead by example, SAI Costa Rica ensures open access to its products and has been increasing the availability of some of the data gathered during key audits, national surveys, or opinions and suggestions' reports. The data analyzed is available on SAI Costa Rica's web page by using reporting and data visualization tools. We also had had the experience of sharing with the auditee the algorithm used in one of the audits conducted recently, related to the Central Government's tax incomes.*

Russia: The Accounts Chamber of the Russian Federation has started publishing an annual report on openness of federal agencies, which includes data availability and quality as well as readiness to communicate with stakeholders, such as citizens and the media. To ensure accountability and predict crisis evolution, SAIs can use powerful, modern analytical methods; however, open and accessible government data is essential.

Challenges

According to the replies, the implementation of this provision requires **further development of open data technological infrastructure**, which is currently insufficient. Digitalization challenges require **new competences, profiles, governance and changes in approach** (ECA). Open data capabilities of public authorities are still low (Mexico). Therefore, there exists only limited regulatory framework to access data from other government entities (Peru). In other countries necessary laws are already in power, but there is not enough **political will** to move from words to actions (Chile). SAIs **lack real-life experience (best practices)** about how to audit such topics. For these issues, SAIs could jointly develop generally applicable recommendations (Austria/INTOSAI GS). Various working groups of INTOSAI might also be helpful in advancing and encouraging SAIs to follow this provision (Norway). However, in implementing this principle, **data protection and data security concerns** are to be taken into account (Malta, Indonesia). SAIs ought to tackle the issues of confidentiality and data privacy to make data more open and available for the public.

Austria: The availability, consistency and validity of data as well as the processes to collect data with a particular focus on their quality, timeliness, availability and evaluability are of key importance to ensure transparency, accountability and predictability. In order to provide valuable advice as regards the implementation of government measures, especially during this global health crisis, SAIs need to be able to assess the quality of data. For the ACA, the availability and openness of data, source code and algorithms are key issues that will need to be given much higher priority during the audit process. The ACA would wish for an intensive exchange of experience with other SAIs since these issues have already become decisive for the public administration. In part, however, SAIs lack the concrete experience (best practices) as to how to audit such topics in a concrete manner. For these issues, SAIs could jointly develop generally applicable recommendations.

Plans

Control entities plan to increase the services available for public entities and citizens. The **sharing of good practices** and cutting-edge projects on this issue with other SAIs are crucial in order to be replicated (Peru, Austria). Domestically SAIs are determined to organize regular hackathons

regarding the use of open data in public administration (Czech Republic). IT projects should provide source codes and algorithms controls. The right of public organizations to own the source code is to be clearly specified within a contract for IT services. During the system development, the source code and algorithms are to be documented and maintained in sync with the development work (Malaysia). Data visualization is deemed important to make data from conducted audits as understandable to the public as possible (North Macedonia, UK, Costa Rica). **International seminars and trainings courses** are also of a prime concern: most SAIs are interested in participation in INTOSAI activities on the use of big data and promoting their openness (USA, UK, Algeria).

European Court of Auditors: Our digital transformation is at the start. This is also an area where we can learn from other SAIs. For example, the TINA (Technology and Innovation for Audit) initiative was launched in 2019 with other SAIs.

Ecuador: Currently the SAI of Ecuador does not have infrastructure for Big Data. However, it participates in the development of the WGBD Guide "Big Data Analysis Practices in SAIs", with the purpose of recognizing experiences regarding this topic and establishing the basis for the opening of large amounts of data. The SAI of Ecuador as chair of OLACEFS Working Group to Fight Transnational Corruption GTCT promotes the principle of data availability and openness through institutional cooperation and projects to share information and institute interoperable frameworks between SAIs.

Data analytics

Provision 5. SAIs could aim to make better use of data analytics in audits, including adaptation strategies, such as planning for such audits, developing experienced teams for data analytics, and introducing new techniques into the practice of public audit.

Progress

Big data audit capabilities are of particular relevance to SAIs, especially as the public sector is **going digital at an increased pace** (Austria). Moreover, the follow-up to the pandemic has demonstrated the relevance of the data. It has been through data management that governments have had to make their decisions so that they can be supported in their actions (Chile). SAIs report to have **implemented IT strategies and employing analysis of big data** in their work (Jordan, Myanmar, Russia). It has proved to be useful in such areas as risk analysis (India, Chile), planning stages of the audit process, as well as in conducting an audit, and, finally, in preparing reports (Egypt). Repeatable data analytic models are created to reuse the same in subsequent audits (India).

> *Ecuador: SAI of Ecuador carries out the planning of the audit based on criteria or parameters such as expiration, orders and complaints, contracting processes, materiality, among others. Multidisciplinary teams are formed to carry out the control process including such roles as team leader, supervisor, operative and, when needed, specialized support personnel, such as computer engineers specialized in data base analysis, civil engineers, lawyers. According to the need of support, professionals in different disciplines are included.*

Most SAIs have already created **special teams of IT-auditors** and actively participate in digital communities (France, Myanmar, USA, Jordan, Malaysia, Malta, Slovenia). Internally, this has found reflection in setting up data analytics centers, creating special organizational units (India, Czech Republic), developing and implementing data analytical methodology, policies and guidelines (India, Peru, Ecuador). SAIs participate in trainings and workshops in the field of data analytics (North Macedonia, Thailand, Indonesia, Jamaica, Algeria) and INTOSAI working groups to **consolidate knowledge and recognize international practice** (India, Indonesia, Ecuador, USA, UK). The **INTOSAI KSC Working Group on Big Data** is in the process of bringing out various guidelines to assist SAIs in this area.

> *Algeria: Our SAI organized a workshop on "IT Audit: Planning the Audit Engagement and Meeting with Entities Audited by our SAI about their Information Systems". Our SAI uses audit planning tools such as the programmed tables "MS Excel VBA", for the automation and consolidation of audit work, used in particular*

in the preparation of annual programs, progress reports and balance sheets, as well as their online follow-up. Another tool "OLAP: Online Analytical Processing" is used for audit work in the area of data analysis. This technology enables multidimensional data analyses to be carried out in the SQL databases created for this purpose. OLAP cubes provide auditors with the knowledge and practice related to the concepts of Self-Service Business Intelligence, i.e. data consolidation and aggregation and multi-dimensional representation. The objective is to automate and program cubes for the assessment of the general state budget, enabling the generation of a synthesis of raw data tables in this area.

China: The data analytics team in SAI China develops data analytics plan every quarter, and introduces new technologies, for instance model construction, data mining, and satellite images and etc., in the audit assignments to assist the auditors in various fields to identify the weakness and improve efficiency.

Challenges

Lack of trained staff and knowledge, insufficient finances for organizational innovations or **possibilities for training** employees have been identified as the most common challenges with regard to this provision (Peru, Malta, Netherlands, Suriname, Cyprus, Norway). **Technical capacity** of many SAIs is admittedly not enough in order to use data analytics in audit, building of data analytics centers (Portugal, Peru, Costa Rica, St. Vincent and the Grenadines, Norway, Armenia, St. Vincent and the Grenadines, Malaysia). In general, the issue still remains to instill a **culture and mindset** of utilizing such tools in audits and not relying on traditional audit techniques (Cyprus). Externally, problems have been encountered in the process of getting **access to databases** of government entities, given that not all of them are ready to cooperate (Mexico, Jamaica).

North Macedonia: For full implementation of conclusions of the Moscow Declaration, it is necessary to strengthen the capacities of SAO auditors for better use of data analysis in audit by forming experienced data analysis teams and introducing new techniques in the practice of public sector audit.

Malaysia: The main challenges in the implementation are to identify real-time operation capability such as data acquisition, processing and decision making; synchronize data analytics procedures with audit objectives including data definition, entity relationship and relational keys and design virtualization to create interactive presentation report with smart graphics and illustration.

Plans

SAIs appreciate the additional value created by data analytics and generally confirm the intention to **amplify its use** in the audit work. Most replies suggest that the primary goals are to increase the development of new procedures to **cover new thematic areas**, and ensure **adequate training** for staff in the use of data analysis tools (Peru, Slovakia, Jamaica, Czech Republic, North

Macedonia, Russia). Separate data analytics plans and strategies are not uncommon (China, Malaysia). More importantly, data analytics is used itself to support planning procedures.

Jamaica: SAI intends to provide added support to this area both in terms of training for staff members as well as added resources via software solutions and equipment/infrastructure. The SAI will also request access to additional GOJ databases. No impediment outside of funding is anticipated.

Experimental mindset

Provision 6. SAIs can foster an experimental mindset to enhance innovation and development.

Progress

Throughout last year SAIs not only voluntarily introduced innovations and fostered development according to preestablished plans, but also had to **react to the COVID-19 pandemic,** which posed a challenge to traditional ways and methods of work, required SAIs to be resilient to keep operating (Mexico, Costa Rica). In general, innovation has gained primary attention of many SAIs' leadership, which has led to introduction of particular **instruments for encouraging and motivating** personnel in this area (Jordan, Bahrain, Fiji). At the same time, mechanisms have been deployed to measure this progress, including dashboards, reports or even awards (Myanmar, Malaysia).

Establishing **special teams** charged with innovative development has become frequent (France, Cyprus, China). On the other hand, SAIs strive to transform their working environment to become more **agile and innovative in general**, allowing them to adopt and repurpose tools which enhance the audit procedures allowing for the adoption of trending best practices (Austria, Costa Rica, Jamaica, Russia) or performing trial audits with innovative methods for further evaluation and dissemination (China). Primary areas of innovation included, mostly, **extensive use of technology** in audit work (North Macedonia, Bahrain), targeting **new audit areas** (Malta) and establishing new ways of **internal communication or third-party engagement** (Haiti, India, Czech Republic). SAIs value the possibility to adopt innovation from **international contacts**, **specific trainings** and programs (North Macedonia, Indonesia, Chile, Austria), fostering **bilateral exchange** of experience and knowledge (Algeria), making use of INTOSAI working groups and resources (Ecuador).

*China: Whatever the audit subject is, SAI China applies **trial audit with an experimental mindset**. The relevant audit department will dispatch an audit team to conduct a small-scale audit with the same subject in a targeted auditee.*

*Norway: One method that has worked with success at some SAIs is to have a separate organizational unit on the side of the main organizational body of the SAI. This unit should be given **much more leeway to experiment** and innovate freely without the rigorous planning and reporting regime that is typical to the day-to-day management of a lot of SAIs.*

Challenges

Despite the fact that the pandemic served as an opportunity for innovations, SAIs identify it as one of the most **serious obstacles** and reasons for lack of necessary finance, impeding introduction of innovative methods (Jamaica, UK). However, most frequent challenges lay in the area of **organizational culture** and jurisdictional environment, which does not allow for experiments (Slovakia, Czech Republic). It has low tolerance for mistakes, which are inevitable in the process (Portugal, Finland, Malta) and is characterized by resistance to work based on results instead of procedures (Peru). Even simple **technical problems** have been an issue in some cases. Further, it turned out difficult for SAIs to find external support for innovation because stakeholders and the general public do not appreciate the impact and value of auditing activity and the ability of Government agencies to fulfil audit recommendations (Malaysia).

> *Finland: Auditors are good in identifying risk, but sometimes lack courage to also build on novel and uncertain opportunities. This journey to foster an innovation-prone culture will take specific efforts in allowing room for mistakes while learning from them, celebrating early successes and sharing best practice.*

Understandable difficulties have been encountered and are expected further when it comes to **fundamental challenges**, not specific to audit work, such as climate change, ageing population and the digitalization of public services (UK), or auditing new areas, such as blockchain technology and artificial intelligence (Malta). Nevertheless, it is understood that most challenges **require more time** to be overcome, as building an innovative mindset is a long process (Indonesia). Moreover, SAIs believe it would be valuable to encourage INTOSAI to share good practices in this field and provide possible support (Portugal, St. Vincent and the Grenadines).

Plans

Innovation and development plans of SAIs range from completing the projects already in progress to making long-term plans up to 2025 (Indonesia, North Macedonia). Replies confirm that SAIs are going to continue **extensive use of technology** in their work (Cyprus, Malta) and make an emphasis on **staff training and capacity building** (Myanmar, Thailand). They will continue to create special organizational units to foster innovations and carry out experimental approaches (Thailand), make necessary adjustments to organizational culture for personnel motivation (Peru, Myanmar). SAIs have plans for **pilot testing** of new procedures prior to their implementation (Cyprus) and setting up **indicators and criteria** to measure the progress so that the decision to proceed or to undertake course corrections is evidence-based (UK, Peru).

Systemic risks

Provision 7. SAIs may extend the focus on (a) identifying risk areas of national and international interest and raising awareness of risks; (b) the need for managing systemic risks in the government, in addition to operational, enterprise and other risks of a single entity.

Progress

Risk assessment has frequently proved to be of key importance in the current pandemic situation. It served to **predict developments** related to healthcare and the economy, and served as a pillar for the work of SAIs during the pandemic (Austria, Chile). It helped raise awareness of the importance of risk management among the auditees. It has proved an **important role of SAIs as they have a holistic vision of the state actors**, have risk management expertise and can provide a comprehensive view of government-wide risks (Costa Rica, Finland, France).

> *UK: We seek to take a whole of government approach to public audit. For example, a recent example of our approach is the development and execution of our audit program on the UK Government's response to the COVID-19 pandemic https://www.nao.org.uk/covid-19/. Our program was developed following an in-depth risk-assessment at a cross-government, sector and entity level. It includes a range of value-for-money audits, augmented by our annual audit of 400 financial statements of government entities. In addition, we have published: • Our first report in May 2020 was a non-evaluative Overview of the UK Government's response – a baseline for more evaluative audits. • A cost-tracker which provides and overview of the policy measures and financial resources committed. • Guidance for audit and risk committees advising them of the risks to be aware of with the government organizations they help govern.*

However, risk-oriented approach **dates back a lot** and most SAIs report to have already implemented necessary frameworks and systems of risk management since as early, as the 1990s (USA). It proved useful for **planning** purposes (Cyprus, Jordan, Jamaica, Czech Republic, Malaysia, Russia), selecting audit topics and tasks in order to **channel scarce resources in the areas that are of greatest risk** (Bahrain, Saint Vincent and the Grenadines). Audit recommendations provide objective actions to solve problems, mitigate risks and improve the implementation of government programs. Risk analysis for planning has become a fundamental part of having an accurate audit sample (Mexico).

Risk management of SAIs frequently rests upon **international audit standards and ISO standards** (Fiji, Indonesia, Jordan), resulting in development and implementation of special guidelines for risk assessment or risk management strategies (Ecuador, India, North Macedonia, UK).

SAIs designate special staff and units to this area (Algeria, Fiji), which also implies providing necessary **training and extensive knowledge-sharing** on risk management and prevention (Bahrain, Ecuador, Peru). In this regard SAIs find **international cooperation** of particular value, which takes form of cooperative audits and surveys (North Macedonia, Costa Rica), as well as workshops and guidelines from relevant INTOSAI working groups. Traditionally, risk-oriented approach has been more frequent in the areas of economy and finance (China, Jamaica), internal control of government entities (Egypt), corruption (Ecuador). However, it is increasingly used to **identify emerging risks** in new and more specific areas, such as public procurement during the pandemic (Thailand). For this purpose, facilitating stakeholder involvement in risk assessments has been helpful (Russia).

> *Ecuador: SAI Ecuador, through the development of the Guide "Auditing of Public Private Partnerships PPPs", has proposed an annex for risk assessment. WGFACML development of the Social Control Guide also contributes to reduce lack of communication and societies participation risks in audit processes. Capacity building in risk-based auditing is executed. Under the "SAIs in the Fight against Corruption" Agreement, we trained auditors in prevention of corruption risk. A report was developed on the alignment of the institutional code of ethics with ISSAI-130, to update institutional regulations.*

Challenges

SAIs identify challenges in the process of **prioritizing** the risks. Namely, when it comes to more global and systemic risks, focusing on some risks rather than others, in a context of uncertainty such as the current pandemic, may prove difficult because it is not up to SAIs to prioritize them, especially if they are risks that are partly beyond the control of governments (France). The complex framework of national, international and shared competences, low availability and accessibility of information and incomplete risk profiling exacerbate the situation (ECA, Malaysia). Traditional **organizational culture** obstructs the work of SAIs in this area, making it necessary to implement new technological tools and techniques and raising awareness of the importance of risk-management (Peru, Italy).

Moreover, despite the fact, that risk-oriented approach is not something totally new, the identification of the entire audit universe and **ranking or scoring the audit universe based on various risk factors** is not yet finished. The process is time consuming and thus hinders quick implementation (Malta). Also, insufficient experience and training has been noted in terms of compliance and performance audits, compared to risk-management in financial audits (St. Vincent and the Grenadines). Finally, as the risk-oriented approach is increasingly being taken

into account in the planning process and operations of most SAIs, it is becoming less relevant as a separate area of particular focus (Norway).

Plans

Risk management is expected to remain or be introduced as the **basis for strategic mid-term and long-term planning** in the work of SAIs, enable them to identify audit areas, provide **strategic recommendations** based on risk assessment (Costa Rica, Malta, China, Yemen, Czech Republic, Mexico, Saint Kitts and Nevis). SAIs understand the importance and plan to extend risk-based approach so as to take a **high-level view of government goals** as opposed to separate areas or audited entities (Cyprus). As stipulated by the provision, it is planned to make an emphasis on systemic risks identification, and to provide effective and strategic audit recommendations (China).

In terms of **organizational culture** SAIs are looking forward to approve necessary guiding documents, elaborate action plans at the national level to manage risk-based control services and provide necessary training to auditors in risk management (Peru). One of the cross-cutting priorities shall be to **employ big data analysis** of government's entire data base for risk identification (Malaysia). Separately, SAIs have planned for more collaborative audits based on risk-oriented approach (Bahamas) and look up to INTOSAI for guidance and leadership in this area (Portugal).

Auditors of the future

Provision 8. SAIs are encouraged to nurture the auditors of the future who can employ data analytics, artificial intelligence tools, and advanced qualitative methods, enhance innovation; and act as strategic players, knowledge exchangers, and producers of foresight.

Progress

The idea of nurturing the auditors of the future has mostly found reflection in **numerous courses and training programs** for auditors, that differ across INTOSAI community in their extent, topics, forms and regularity and, as in other cases, also predate the adoption of the Moscow Declaration. However, this provision stimulated SAIs to focus on this area and spread learning practices more widely.

More frequently, SAIs show interest in such **topics for training auditors** as IT-based environment (Algeria), artificial intelligence and big data analysis with the help of special platforms (Bahrain, Brazil, Ecuador, Indonesia, Jamaica, North Macedonia, Fiji), visualization of the outputs (Czech Republic), high-level analysis of the overall situation and development trends (China, Russia). The auditors are trained to determine high-risk areas and detect fraud (Ecuador), develop their soft skills (Thailand) and use of qualitative and quantitative methods (UK). The provision was also useful in terms of developing audit plans, selecting audit topics, decision-making and deriving audit conclusions (Malaysia).

Such diversity of topics and applications is supported by numerous **formats and organizational decisions**, such as creating Innovation Labs (USA), Data Analytic Groups (India), Laboratory of Innovation in Government Control (Peru), etc. SAIs organize and participate in workshops (Algeria, India), joint training courses (Austria), perform pilot projects (India), adopt national strategies (China, Jamaica) and develop cooperation with external scientific and educational institutions for this purpose (France).

> *European Court of Auditors: At the ECA, we have already been making progress for some time with different initiatives and pilots. For example, the ECALab – our in-house incubator for applying data analytics, data visualization and process mining to audit (See ECA Journal 1/2020). The ECA has created a digital steering committee consisting of a number of ECA members and tasked with steering the digital transformation of audit work. The first step was to do a status quo analysis and work on the development plan is ongoing. In February 2019, the College of the ECA adopted its conclusion on 'Foresight for ECA,' in which we committed to move*

forward on foresight – establishing a Strategic Foresight and Advisory Panel – and we identified an urgent need for the ECA to undertake a digital transformation of its audit work. We have started to use more and different technologies in different areas, for example, by providing more quantitative analysis or interactive graphs in our performance audits. We are also doing a pilot audit on some of the stages of the checks we carry out when auditing selected EU agencies.

US GAO: GAO has created a team that enhances access to data sources, conducts data analysis and data matching, develops methodological approaches, and deploys new analytical technologies. This has enabled us to more efficiently monitor federal procurement processes, detect potential fraud in our social support programs, and enhance risk modeling to assess internal controls. We also created a Science, Technology Assessment, and Analytics Team with a Chief Data Scientist and an audit innovation lab that explores new types of advanced analytics to discover and visualize patterns in data sets and focus on emerging technologies such as blockchain, artificial intelligence, and machine learning. This increases the sophistication and usefulness of our work and also helps the United States Congress understand how our government is addressing opportunities and risks associated with these technologies.

Challenges

While understanding the relevance of this provision, SAIs report to have encountered a number of difficulties in its realization and identify **possible risks** in the future. For instance, INTOSAI members acknowledge that the existing capacities are **not completely sufficient for training auditors** in all the relevant areas and will need further development (Austria, Armenia, Aruba). This, however, results challenging due to the **lack of financial resources** designated for this purpose and requires **external help** from the international community and SAI stakeholders (Fiji, Jamaica, St. Vincent and the Grenadines, Suriname, Belize). SAIs are aware of the need to carefully consider and balance the availability and efficiency of use of human, technical and financial resources (Czech Republic).

More specifically, shift in the role of government, technological, societal, economic and demographic forces catalyze an evolution in the operations and delivery of public services (India). This creates even **more areas for capacity building** making it difficult for SAIs to **catch up with the progress**, constantly requires new competences, profiles, governance and changes in approach (ECA). Additionally, nurturing the **soft skills** (inter-personal and collaborative skills) is becoming increasingly important (Finland), which is not yet universally taken into consideration.

An important organizational challenge is related to the fact, that not all the experiments and innovations were or will be successful in the future (Chile), which **increases resistance to change**

due to the uncertainty about the results of the implementation of new procedures and technologies, as well as the loss of the comfort zone (Peru).

Plans

SAIs are going to continue with staff training and capacity building based on strategic planning (Myanmar, Yemen) or annual staff training plans prepared based on assessment of staff needs (Cyprus). The focus areas shall include **strategic thinking skills, big data analysis techniques, theory of change, program evaluation, qualitative methods and use of new tools**, which are expected to greatly enhance the value of the audit (Bahamas, Cyprus, Costa Rica, Haiti, Russia). More specific plans will be elaborated by monitoring the situation and **following possible changes** in the audit environment so as to better identify areas for training and capacity building (North Macedonia, Malta). Particular plans also envisage necessary advancements in organizational culture based on digital transformation, with an important component of **change management**, strengthened for the use of agile methodologies and cutting-edge technology to achieve innovative solutions (Peru), and setting up the tone and examples for auditors at the leadership level of SAIs (Malta).

Internationally, SAIs are looking forward to learn from each other and expand the use of existing mechanisms, such as the Technology and Innovation for Audit Initiative (ECA). They also have a strong hope in the **INTOSAI competency framework** and its future development and strengthening (China, Portugal, Mexico) both in terms of training for staff members as well as added resources via software solutions and equipment or infrastructure (Jamaica). And this is exactly the idea underlying the **INTOSAI University project** (U-INTOSAI) proposed by the Accounts Chamber of the Russian Federation, the Chair of INTOSAI in 2019-2022 (Russia).

New Inclusiveness Solutions

Provision 9. SAIs should consider finding more ways to address inclusiveness when conducting audits as a key point of the 2030 Agenda with its principle of leaving no one behind and other development agendas.

Progress

Fulfilment of this provision in the work of SAIs is to a large extent **aligned with implementation of SGDs** and finds reflection in numerous audits in the areas of healthcare, education, poverty, gender equality (Algeria, Chile, Ecuador, Fiji, France, Mexico, North Macedonia, Indonesia, Russia). SAIs either have performed separate targeted audits or report to have adopted special programs and strategies to carry them out in a **systemic way** (ECA, Peru). The issue has been seriously **affected by the pandemic,** which aggravated the shortcomings and inequalities in many areas of our societies (Austria).

As the replies suggest, in order to enhance their impact in terms of inclusiveness SAIs undertake **holistic approach** and combine different types of audit for more effect (Jordan). Necessary measures are taken to adjust audit techniques, modify audit criteria and employ new technologies to tackle inclusiveness (Thailand, Malta). Moreover, SAIs strive to **set an example of inclusive behavior** by their own work and operations (UK, Jamaica, USA) and prioritize engagement with relevant external stakeholders that can contribute to the solution, such as target groups, academicians, NGOs, international community (Fiji, Malaysia, UK, USA). Efforts are constantly being made for **identification and mobilization of resources** to address inclusiveness and arrangements made for monitoring and reporting progress (India).

Austria: ACA developed an indicator to include a specific number of audit-related recommendations on different aspects of equality and diversity. In terms of auditing, the ACA also carried out audits on inclusiveness, such as the audits on "Inclusive Education: What Does Austria's School System Offer?" (volume Federation 2019/4) or "Gender Aspects in Income Tax Law with a Focus on Earnings Tax" (volume Federation 2017/52). Furthermore, as regards the share of women in the Austrian public service, the ACA attained the highest increase: in the past two years the share of women rose from 47.2 to 50.5 per cent.

China: When carrying out real-time audit on the implementation of poverty alleviation policies, SAI China adheres to the goal of full-coverage poverty alleviation audit, focus on "Accuracy, Security and Performance", make more efforts to audit the implementation of poverty alleviation policies in deep poverty-stricken areas; and highlight the coordination between targeted poverty alleviation policies and the policies in the fields of industry, employment, ecology, education

and social security, etc. Focusing on quality and effect of poverty alleviation, SAI China will consider the new situation, new problems and new trends in the field of poverty alleviation, integrate the performance concept into the poverty alleviation audit.

Challenges

The pandemic made it hard for SAIs to evaluate the results of the 2030 Agenda or success thereof (North Macedonia). The problems identified in addressing inclusiveness relate to its **multifaceted character** that can be interpreted in various ways, making it challenging for SAIs to cover all aspects (ECA). A number of SAIs still **do not have formal authority** to address such matters as inclusiveness due to the absence of public expenditures designated for this purpose (Haiti). Those who did engage in making inclusiveness part of their audit work, report to have encountered problems with availability of **performance measurement systems** that capture data related to the achievement of these goals (Malta), lack of competent auditors to perform analysis of such data and the need to spend more time and efforts compared to other audits (Malaysia). In this regard, **training and support in auditing SDGs** and inclusiveness shall be appreciated (Belize, St. Vincent and the Grenadines). One of the common challenges also relates to the need to **change the culture** of organizations and increase awareness of this important topic that will be helpful for the audit (Chile, ECA).

Plans

Inclusiveness is reported to constitute one of the main concerns for future development of audit approach (Yemen, Italy), though admittedly **needs further conceptualization** (Portugal). It is already being universally included as part of the SDG-related topics in multi-year programs, plans and strategies given the time left for implementing the 2030 Agenda (Algeria, ECA, Cyprus, Czech Republic, Peru, Myanmar). More importantly, inclusiveness has started to serve as a **guiding principle during the planning stage** of the audits (Indonesia). In the near future it will be inevitably addressed by SAIs in the process of auditing the **COVID-19 emergency expenditures** (France, Finland, Slovenia), which provided a new impetus to address the topic. Relevant **multilateral initiatives**, such as IDI-KSC-ASOSAI Cooperative Audit of SDG Implementation and efforts of INTOSAI and its regional organizations will support the national efforts (Myanmar, Chile).

Communications

Provision 10. SAIs can increase their positive impact by establishing productive interaction with the auditee, and enhancing cooperation and communication with the academic community and public in general.

Progress

With a few exceptions, this provision has found almost universal implementation in the work of SAIs and manifested itself in various practical steps in terms of communication with the third parties. Engagement with auditees has been established both during the execution of government audit throughout the whole audit cycle (Ecuador, China, Myanmar) and outside the performance of audit (Slovakia). It takes a **variety of forms** such as post audit surveys, exit conferences, formal and informal enquiries from auditees, public and closed-door briefings (Jamaica, Malta, St. Vincent and the Grenadines, Malaysia). SAIs admit that increasing communication with auditees has proved useful to **facilitate implementation** of recommendations and success of audit work in general (Jordan, Mexico, Bahamas, USA).

Useful advantages have been found in fostering systemic and open communication with civil society, which determined the development of accessible channels and mechanisms, broader use of selected social networks, establishment of new formats for joint work (Chile, Czech Republic, France, Peru, Russia). This allowed citizens to **submit audit suggestions, provide feedback, or even participate in audit work** and oversight (Austria, Cyprus, India, Peru).

Similarly, enhancing cooperation with the **academic community** has been used by SAIs in order to increase resources and options for auditors training and capacity building, conduct joint research and study problems that the audited entities may face, develop solutions and plans based on academic studies (Azerbaijan, Costa Rica, Indonesia, Thailand, Egypt, ECA, India). SAIs take this opportunity to invite academic community to **participate in important audit projects and recruit a diverse and multi-disciplinary workforce**. At the same time, expert platforms are being developed to facilitate communication with subject matter experts from leading universities, research institutions, businesses and consulting bodies (China, USA, Russia).

SAIs report that such engagement with external stakeholders and the public requires **new ways to present audit results** for broad audience, apply graphic display with the use of all available multimedia tools (Austria), publish digital reports (India), increase and diversify communication (ECA, Peru). It has been formalized in SAIs strategic documents and plans and implies thorough

review and identification of stakeholders to engage (Jamaica, North Macedonia, Peru, Suriname, Belize). SAIs value relevant assistance and guidance provided by the INTOSAI on this matter (Ecuador, India).

> *UK: Our external relations, and parliamentary relations teams are continuously monitoring the communications needs of our stakeholders and the channels to best meet them. We have a regular cycle of engagements with our auditees, and engage in regular discussions with key stakeholders (including stakeholder surveys) and contribute to public events domestically and internationally on areas of our expertise. We continuously improve the audit products and audit-based advice we produce – i.e. 'using the right tool for the right job' to make the information we have more accessible. We also augment our standard audit reports by routinely producing non-audit products, e.g.: Short Guides: an introduction to the work of each government department, and to key cross-government issues such as regulation, environmental sustainability and government's commercial relationships. Departmental Overviews: an overview of each department summarizing: its responsibilities, how it spends its money, its financial management, and its performance during the year. Outputs for Select Committees: The NAO produces briefings and memorandums to support committees in their scrutiny work.*

Challenges

Budgetary restrictions and limited human resources, like in case of other provisions, have been noted as obstacles for developing cooperation and communication with external stakeholders to the **necessary extent** (Peru). SAIs find it difficult to **prioritize** their engagement with the third parties given limited resources and to find a necessary balance so as to **maintain independence** in the process of engaging with stakeholders (Malta). More specific challenges are related to finding **reciprocal desire** of the third parties to cooperate with SAIs in spite of all the efforts (Slovakia, ECA), coordinating interaction with **multiple stakeholder on complex issues** (Finland) and finding new digital formats to present information in an easy to use way (ECA). Replies suggest that an **exchange of experience within INTOSAI** and issuing some specific guidance will be of help (Austria, Portugal).

Plans

The concepts and principles of this provision are included in the agenda, strategies and plans of SAIs to be implemented in the upcoming years. SAIs are going to focus their communication and cooperation on the **remaining target groups** and relevant stakeholders according to their particular situation, intensify existing efforts and aim for **synergy effect** by engaging a greater number of third parties at the same time (Algeria, Bahrain, Chile, ECA, Fiji, Jamaica, Jordan, Malaysia, Malta). Important areas for development defined for the future include increasing the

efficiency of such communication by employing new technologies, new channels and forms of communication, as well as to **increase preventive effect, added value and the positive impact** of the results of audits performed (Czech Republic, Slovakia, Peru).