Day 1 - Tuesday 9 April 2019

The 12th annual PAS meeting was hosted by the Auditor-General of South Africa and took place in Johannesburg 9-10 April 2019.

Agenda item 1A: Opening remarks by delegate from the Auditor-General of South Africa

Business-Executive for Performance Audit Mr Kevish Lachman welcomed the PAS representatives to Johannesburg on behalf of the Auditor-General of South Africa.

Agenda item 1B: Presentation of the agenda

The PAS Chair, Mr Jan Roar Beckstrom, presented the agenda and expressed his gratitude to the hosts for the warm welcome and the excellent planning of the event. The Chair also expressed a special welcome to the newest member of the PAS: the State Audit Bureau of Qatar, and the Office of the Comptroller and Auditor General of Ireland as observer for a three-year period.

Agenda item 1C: Brief introductions by all participants

16 member SAIs and three observers attended the meeting. Please see participant list for a complete overview.

Agenda item 1D: Updates on INTOSAI processes

- ❖ Presentation by PAS Chair, Mr Jan Roar Beckstrom.

In this session, the PAS Chair provided an overview of some relevant INTOSAI processes affecting the PAS. The particular focus was related to FIPP processes, the establishment of a Technical Support Function (TSF) and an initiative for INCOSAI 2019 with particular relevance to performance auditing. In his presentation, the chair focused on the progress made since the establishment of the FIPP and the IFPP when it comes to improved standardsetting in INTOSAI.

The chair summarised some of the challenges related to FIPP and the due process, as observed by PSC subcommittees. One particular issue which needs to be addressed is the unclear status of FIPP´s "drafting conventions" for GUIDs and "application material", respectively. The overall question is whether SDP for the IFPP project groups are requested to follow drafting conventions which have not undergone due process. The question will most likely be addressed at this year´s PSC Steering Committee meeting (June). A current call for candidates to the FIPP will be forwarded to PAS members for consideration. It seems that performance audit is currently underrepresented in FIPP, and members are encouraged to consider nominating candidates.

The establishment of a Technical Support Function is ongoing, and the function is meant to make the standard setting process more efficient and effective and reduce the reliance on voluntary contributions from SAIs. A five-year proof of concept exercise will be launched shortly by setting up a TSF of three seconded staff. The subcommittees expect to be involved in the selection of the three candidates, as they need to be specialised in the three audit types. Ideally, that means they should come from the subcommittees, or as a minimum, reflect the expertise of subcommittees.

The last topic covered in this session was the dissemination of a principal paper for INCOSAI XXIII: "The role of the supreme audit institutions in the achievement of the national priorities and goals". As this paper was disseminated to SAIs only, the PAS was not aware of it until a few weeks before the PAS meeting. The chair commented on some of the elements of the paper, and how they in particular affect performance audit. He encouraged PAS members to consult with their respective international departments to find out if they had received the paper and submitted the attached questionnaire. The PAS needs to consider, together with the PSC, to submit a position paper to INCOSAI on this theme. The chair will continue to follow this process closely, and welcomes feedback and input from PAS members. In the subsequent discussion, PAS members who had read the paper commented that it in their opinion contains inconsistencies in referring to "strategic audits" and other concepts that are not sufficiently explained and may create confusion and deviate from performance audit methodology. It seems clear that such developments should not take place without close collaboration with the PAS.

Please see PowerPoint presentation for more details.

Conclusions: the PAS chair and secretariat will work with the PSC chair to promote the views and priorities of the PAS in matters related to the work of the FIPP, the TSF and INCOSAI, especially on all matters related to performance auditing. The PAS secretariat will keep PAS members informed about the developments related to ongoing INTOSAI processes, and engage members as deemed necessary.

Agenda item 1E: PAS activities update

❖ Presentation by Ms Hege Larsen, PAS Secretariat.

The session provided an overview of PAS activities throughout the last year. Further, the session covered the PAS Terms of Reference review and update, various INTOSAI and PAS hearings, collaboration with the IDI on implementation, and communication issues:

Member updates: new PAS member in 2018 was the State Audit Bureau of Qatar, new observer for a three-year period is the Office of the Comptroller and Auditor General of Ireland. The Secretariat is currently going through a process of confirming memberships in cases where there is no active involvement from registered members.

PAS Work Plan: the PAS is en route to fulfilling the intentions of the current work plan, approved at the 2017 PAS meeting in Oslo. The PAS 2020-2022 Work Plan should be approved at the next meeting in April 2020, following a draft and hearing process among PAS members. In addition to the more general goals in the work plan, the 2018 PAS meeting identified some priorities for the PAS, with the continued follow-up of the development of the next SDP for the IFPP as the top priority. Other decisions from the 2018 meeting included the establishment of a cooperation with the Working Group on Evaluation of Public Policies and Programs (WGEPPP), continued knowledge sharing efforts (particularly related to data science), and more focus on implementation now that the standards have been in place for some years. Please see 2018 meeting minutes for more detailed information.

Communication: the PAS has established a Teamwork.com communication platform, but it is not fully functional and its potential is limited by the fact that not all members have logged into it, nor have all member SAIs assigned individual members to the PAS. Given that, Teamwork cannot fully replace communiation via email. These identified limitations underscore the importance of an optimal PAS website. Our website is part of the PSC´s website, which means the PAS secretariat can only to a very limited degree influence the functionality and design of the site. The secretariat is currently working with the PSC to find a solution. One idea may be to create our own website and link it to the PSC site. Further, the publication of the PAS Newsletters will continue with 2-3 publications per year.

ISSAI updates: ISSAI 3100 Guidelines on Central Concepts for Performance Audit has been translated to Spanish by the European Court of Auditors´ Spanish Language Team, and published on http://www.issai.org/issai-framework/4-auditing-guidelines

Following a renumbering and relabelling process, the ISSAI framework will be migrated into the IFPP - the new framework. The new framework will be officially launched at the 2019 INCOSAI.

Migration of the ISSAI 3000 series:

> ➢ No changes to ISSAI 3000, except some formatting
> ➢ ISSAI 3100 Guidelines for Performance Audit: is to be moved to the GUID 3900 series.
> ➢ ISSAI 3200 Guidelines for the Performance Audit Process: to be moved to the GUID 3900 series.

PAS Terms of Reference: The PAS Terms of Reference (ToR) was revised in 2018. Following a hearing among PAS members before the 2018 PAS meeting, and subsequent additions based on comments from SAIs Sweden, Russia and Peru, the revised ToR was formally approved at the 71st INTOSAI Governing Board meeting 15-16 November 2018. The next revision of the ToR should take place in 2024. Please read the Terms of Reference on the PAS website

Hearings: In the last year, the PAS was involved in a number of INTOSAI/PSC hearings to safeguard the interests of the performance audit community in INTOSAI. PAS hearings include asking for feedback from our members in relation to formal procedures such as our work plan, Terms of Reference and other, but equally important are the hearings addressing professional questions related to performance audit practice and methodology. The complexity of performance audit methodology compared to the other audit types leaves the PAS with significant challenges when it comes to safeguarding the interests of the performance audit community in INTOSAI, including quality assurance of performance audit efforts. For more information about hearings, please consult the PowerPoint presentation for this session.

IDI collaboration on implementation of ISSAIs and auditing the Sustainable Development Goals: The secretariat informed members about current activities related to implemention of the 3000 series together with the IDI. For more on this, please see sessions 1G (on project 3.8 outcome), 2B and 2C (especially related to IDI efforts involving the PAS). In line with the decision from the 2018 PAS meeting, the committee is involved in the IDI publication on experiences from auditing preparedness (due for publication in July 2019), titled: "Are Nations Prepared for Implementation of Agenda 2030? Supreme Audit Institutions´ insights and recommendations". The publication aims to share results of the performance audits of preparedness for implementation of SDGs for the benefit of SAIs. PAS member SAI Netherlands will participate in the review of the draft document on behalf of the PAS. This effort should take place between mid-May and mid-June 2019.

Other activities and priorities: the PAS secretariat will continue the PAS´ observer status in the WGEPPP (Working Group on Evaluation of Public Policies and Programs) . The working group is also invited to continue to observe the PAS. The issue of evaluation versus performance audit will continue to be of interest within the new INTOSAI framework. Further, active collaboration with the other PSC subcommittees is of great importance, and the PAS works actively to ensure that the PSC, the other goal chairs and FIPP consider the expert opinons of the subcommittees.

Summing up, the Secretariat highlighted that the chair relies on PAS members´ continued input upon request, as both the support and knowledge of members is needed. The chair also relies on the ideas

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of members for the next work plan, but also their resources. A priority for the secretariat in the near future will be to focus on effective communication channels. This is a transparency issue as well as a practical issue.

Please see Powerpoint presentation for more details.

Conclusion: *the committee took note of the update. The PAS secretariat will continue to communicate PAS matters to members as deemed necessary, and through suitable communication channels.*

Agenda item 1F: Future PAS activities and the next PAS Work Plan

In this session, the PAS Chair gave a brief update on the current PAS Work Plan (2017-2019). The purpose of the session was to hear preliminary considerations and ideas from members on future PAS priorities. In his introduction, the chair provided a recap of the current PAS Work Plan (2017-2019), and focused the attention towards the subcommittees´ limited resources, the implications of the next SDP for the IFPP upon the resource situation, and how the committee´s focus has been on developing performance audit practice worldwide. Further, the chair sought the input of members through a group exercise, posing the following question: "What should the PAS focus on for the next work plan (2020-2022)?" Input from members is to be considered for a draft work plan that should be circulated prior to the 2020 PAS meeting.

Groups:

1. United Kingdom (group leader), Norway, Hungary, Saudi Arabia, Georgia, South Africa, IDI
2. Brazil (group leader), Sweden, Netherlands, USA, India, Ireland
3. Denmark (group leader), Qatar, Canada, ECA, Australia, AFROSAI-E

Conclusions from group discussions, summary:

- Translation of standards into other languages (French, Spanish, German, Arabic): documents are sometimes badly translated and can create confusion, Arabic is a particular challenge.

- Advanced training/workshops to share knowledge and experience: the PAS community should share more knowledge on different types of audit and experiences. IDI should monitor performance audit practice, and follow up with training where possible.

- Knowledge sharing: using website, present specific case studies, enhance Teamwork.com and use it as a platform for knowledge sharing. The Canadian Audit and Accountability Foundation (CAAF) also recommended for knowledge sharing.

- Quality assurance: ISQ 1 and 2 and ISAAB developing; should PAS give feedback on these quality standards?

- Professional qualifications for performance auditors: a need to market the profession, gaps in recruitment and retention of staff.

- Strengthen cost-benefit analysis guidelines and quantitative analysis in general? Link to 3.8 project. (Not suggesting new standards but guidance or knowledge sharing efforts).

- Practical guidance on 3E-s: more on using 3E-s rather than just guidelines, and how to practically and methodically apply the 3E-s.

- Public sector integrated audit: how performance audit links to financial audit and what is needed in terms of multidisciplinary teams and knowledge sharing across the community.

- At the time of the obligatory five-year revision of the 3000 series, there is a possibility to include some paragraphs in the explanatory parts of the documents on the following: whole of government approach/auditing implementation of SDGs, and content from 9400 (policy evaluation) as part of the GUID 3900.

- Sharing good practice should be focused on *methodology*, not subject matter.

- More time devoted to the following at the annual PAS meetings: whole of government approaches, resource constraints, how to consolidate various types of audit, 3E-s. The IDI could develop further documents emanating from this.

- Integration of the three audit types: need to address the risks. Also to be treated as a reporting and communication issue, and knowledge sharing on this would be very valuable.

- Data science: how to train PA staff on this, more practice sharing, and how to use in reporting (difficult to report on results).

- How to make use of the internal audit function (in the entities subject to audit) as a first line of defence.
- A need to focus on sector based performance audits through relevant KPIs, criteria and measures.

Please see Powerpoint presentation for a brief introduction to the session.

Conclusions: the PAS chair and secretariat will take into account the input from PAS members when drafting the next PAS Work Plan for 2020-2022. The draft work plan will then be circulated among members prior to the 2020 PAS meeting, where the work plan should be approved.

Agenda item 1G: Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements (SDP for the IFPP) 2017-2019

Projects: 2.3 / 2.6 / 2.8 / 2.9 / 2.11 / (3.3) / 3.8 / 3.10

Presentations by:

- ❖ Mr Lars Florin, SAI Sweden, on project 2.3: "Using ISSAIs in accordance with the SAI´s mandate and carrying out combined audits".
- ❖ Ms Hege Larsen, PAS Secretariat on behalf of Mr Adrian Gogolan, SAI Romania, who participates in project 2.6: "Guidance on reliance on the work of internal audit".
- ❖ Mr Jan Roar Beckstrom, PAS Chair on subject matter specific guidance projects:
  - o 2.8: Consolidating and aligning guidance on IT audit with ISSAI 100".
  - o 2.9: Consolidating and aligning the audit of public debt with ISSAI 100".
  - o 2.11: "Public Procurement Audit".
  - o 3.10 Audit of Key National Indicators (KNIs)".
- ❖ Ms Cathleen Berrick, on behalf of the PAS project group for the initial assessment of project 3.8: "Obtaining an understanding of Economy, Efficiency and Effectiveness of an entity and applying relevant methods in the context of a performance audit".

In this session, PAS members involved in SDP projects shared their experiences so far, and presented some challenges and learning points for the development of the next SDP. Project 3.3 "Competency pronouncements" was left out of the discussion, as this item would be covered in next day´s session on auditor competency. An initial statement by the secretariat demonstrating the key PAS positions since 2017 disclosed that the April 2017 position (10th annual PAS meeting) was a commitment to contribute to the success of the SDP. However, the committee at this point questioned the rationale behind some of the projects, lack of perceived added value and problems related to subject matter specific guidance material. Based on this position, the PAS opted out of several projects and assigned resources to other projects, but mainly on the basis of an "advisory role". PAS members at this point welcomed especially the initial "clean-up" process envisaged for the framework, with a focus on quality instead of quantity. In the 11th annual PAS meeting in 2018, the clear view of members was that the PAS should work closely with the PSC, FIPP and other subcommittees FAAS, CAS and ICS towards developing the next SDP for the IFPP (2020-2025). At this point, experiences from the ongoing projects were that some of them had become more complex over time, demanding more from PAS members in an initial advisory role. At the same time, problems related to subject matter specific guidance started to materialise. The PAS and other subcommittees had at this point started to question the lack of an overall strategy for the next SDP and the standard setting process in INTOSAI.

Mr Lars Florin demonstrated in his presentation on 2.3 that the scope of the project expanded during the development of the project proposal to also cover the use of ISSAIs in accordance with the SAI´s mandate. Mr Florin´s conclusion was that this leads to a number of issues on the level of principles related to ISSAI 100, such as the room for SAIs to interpret the application of standards in their own context, the relation to national laws and regulations and the meaning of, and authority to assess, "ISSAI compliance". Despite the fact that the project group is not likely to be able to address these issues, the intention seems to be to develop guidance for combined audits. However, a survey conducted by the project team identified uncertainties and misunderstandings regarding addressing issues of compliance in a performance audit. The survey did not identify any need to combine a

performance audit with another audit type, possibly with the exception that some SAIs with a judicial function may be unable to apply sanctions based on a performance audit. Mr Florin´s conclusion is that additional guidance could perhaps be developed related to:

- interpretation of the audit mandate and design of audit disciplines
- general guidance on reporting
- guidance on combining financial and compliance audit
- creating clarity on the distinction between performance audits based on ISSAI 300/3000 and how issues related to performance may be brought up in different types of audit, and
- possibly guidance for adopting standards for auditing limited aspects of performance in other types of audit

There were several comments to Mr Florin´s presentation, and the discussion touched upon issues like integrated reporting, the need for guidance on how to report findings that are based on elements of different types of audit, and how to ensure compliance with standards. Observers AFROSAI-E and IDI added valuable comments related to the risks involved when conducting combined audits and whether we should use different standards in reporting (AFROSAI-E) and based on their experience, the IDI does not recommend combining standards as many SAIs struggle to apply even one of them.

An important distinction which is especially important to clarify in relation to this particular project is that performance audit is more than auditing aspects of performance; it is an in-depth analytical study.

Ms Hege Larsen presented an overview of project 2.6 on behalf of PAS member Adrian Gogolan (SAI Romania and the PAS representative to the project group). 2.6 is a project that has also been expanded since the original project idea, and its current objective is to "serve all three audit types as well as combined audits". One of the identified challenges in the project related to performance audit is that there is no mention in ISSAIs 3000 and 3100 of the possibility of using studies or work performed by third parties. The project proposal states, however, that ISSAI 3200 mentions the

existence of studies or audits already performed by third parties, but as an indicator of what you should not audit (para 20, 21, 23). The current plan for the inclusion of performance audit in the project is to perform a literature study to identify key players and to conduct a survey to identify whether there is a need for such guidcance and identify next steps. All available information concerning project 2.6 is based on the approved project proposal of November 2018.

Mr Jan Roar Beckstrom has been involved in reviewing draft documents from four ongoing projects and highlighted some overall issues related to these. For most of them, the PAS opted out from the start, but once performance audit is included as a theme in a project, it becomes almost impossible to refuse a quality assurance role. It is evident from these drafts that such documents consist of extensive "subject matter knowledge". The problem is that they also repeat the content of standards more or less accurately. Statements about performance audit can also be quite general, and the PAS still questions the value of such written documents as part of the framework. That said, there are also differences between the projects and project 2.8 on IT audit had both obvious merit and the output was well written.

In her presentation on the 3.8 initial assessment, Ms Cathleen Berrick provided an overview of the findings and conclusions, as well as suggested alternives to pronouncements on Economy, Efficiency and Effectiveness (the 3E-s). It has been decided that the PAS will contribute significant resources to participate in the update of IDI´s Performance Audit Implementation handbook, with contributions from US GAO, UK NAO and PAS Secretariat. The results of the initial assessment was submitted to the PSC and FIPP in February 2019, and the results have previously been communicated to all PAS members.

For more information, please see PowerPoints on session 1G.

In the plenary discussion, participants reflected on identified challenges related to the SDP projects so far. The experiences are particularly relevant in the process of developing the next SDP (agenda item 2A, day two of the meeting).

Decisions: PAS will continue to contribute to realise the SDP for the IFPP 2017-2019, based on the current type and level of involvement. PAS will work closely with the IDI to produce the updated version of the Performance Audit Implementation Handbook.

Agenda item 1H: Initiatives in data science

The session on data science was a follow-up from the data science item at the 2018 meeting. The PAS Chair shared experiences and concrete results from the development of a data science unit at the Office of the Auditor General of Norway, more specifically related to machine learning. Particular focus for this agenda item was on sharing data.The chair demonstrated a Webapp for DEA analysis and a data search function developed by OAG Norway´s Innovation Lab.

For more details, please see Powerpoint presentation for agenda item 1H.

Conclusions to agenda item 1H: PAS members are encouraged to share knowledge on data science with other PAS members and the INTOSAI community at large. The committee is encouraged also to suggest other topics for sharing knowledge on performance audit methodology. Such topics could either be presented at the next PAS meeting, or shared informally between meetings.

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Day 2 - Wednesday 10 April 2019

**Agenda item 2A: Developing the next Strategic Development Plan for the INTOSAI
Framework of Professional Pronouncements (2020-2025)**

Following an introduction by the PAS Chair on the development process so far, the plenary discussion focused around some central premises and principles for the PAS´ contribution to the development of the next SDP for the IFPP.

Since the 2018 PAS meeting, the PAS secretariat has opted for focusing on a broad assessment of the IFPP prior to expanding the framework with new pronouncements. Such an assessment should include harmonization of the framework and ensure higher technical quality, including language reviews. Further, the PAS position continues to be that IFPP GUIDs should be directly related to standard issues, and that subject matter specific guidance should be taken out of the IFPP. As part of the broader assessment of the framework, PAS has recommended a greater focus on sequencing of projects, as reviews of higher-level documents need to be finalised before reviewing documents on subsequent levels.

The chair informed that following the initial "gathering inputs phase" for the next SDP and the subsequent shortlisting, it was not clear how various project ideas had been assessed and measured against each other, and what status the initial request had been given. The chair has on a number of occasions raised the question whether a suggestion from one or several SAIs will initially carry the same weight as the input from an expert subcommittee under the PSC, for example. Further, the PAS found it problematic that some suggestions were wide in scope and were proposed as "research initiatives", which made it difficult to assess both the potential outcome and scope. The PAS´ objective has been to develop a focused and lean SDP for the IFPP 2020-2025. The role of the FIPP in leading the development of such projects was also questioned by the PAS.

One particular project idea from the shortlist was an initiative to review the 9000 series: (project D) "Consider how the category of GUID 9000-9999 Other guidance can be dissolved". Based on the

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unofficial information the chair had at the time of the PAS meeting, this project was later suggested taken out in the final round. The question is how to proceed with the alignment of ISSAI 3000 with GUID 9400 Guidelines on the Evaluation of Public Policies, if not within the frame of such a review. The PAS chair therefore suggested that the PAS should attempt to include the project idea on considering GUIDs 9000-9999 with the shortlisted project C: "Consolidate subject-matter specific GUIDs (pre-IFPP pronouncements)".

It became quite clear through the discussion that a suggested project (January 2019) on fraud and corruption should be reconsidered by the PAS should it be included in the last draft SDP, as members pointed out that performance audit has the best instruments to deal with issues of fraud and corruption. One member suggested that these issues could possibly be elaborated on in ISSAI 3100 or 3200.

The plenary discussion focused on issues such as the value of producing pronouncements as opposed to other products, such as interactive sites or discussion foras, IDI handbooks or other material. With one or two exceptions, there seemed to be overall agreement that GUIDs should be directly related to standard issues, and that subject matter specific guidance should be taken out of the IFPP. It remains undecided how the mandatory five-year reviewed of the standards should be included when considering the overall development of the next SDP (the ISSAI 3000 series is due for review no later than 2021). The PAS will communicate the importance of taking this into consideration when developing the next SDP, as well as when drafting the next PAS Work Plan (2020-2022).

Please see PowerPoint presentation for an introduction to the discussion.

Decisions: the PAS chair and secretariat took note of the input from PAS members and observers related to priorities, and will continue to collaborate closely with the PSC chair, the other subcommittees and FIPP in the development process towards the next SDP for the IFPP. A January 2019 draft project on "Considering how the category of GUID 9000-9999 Other guidance can be dissolved" is suggested taken out by the FIPP. However, the PAS believes this is an important project, and will therefore propose to the PSC Steering committee to include this project in a project on

"Consolidating subject-matter specific GUIDs (pre-IFPP pronouncements)", should this be included in the last round. The PAS will consult the IDI about their efforts on fraud and corruption, and reconsider supporting the inclusion of such a project in the next SDP (if included for the final SDP draft).

Agenda item 2B: Auditor Competency

The session on auditor competency provided an overview of the Task Force on INTOSAI Auditor Professionalisation (TFIAP) and the recently developed Competency Framework for public sector audit professionals at SAIs, as well as future development of competency pronouncements (COMPs). It also included an introduction to the IDI´s Professional Education for SAI Auditors (PESA) pilot, and a presentation on implications for performance audit following these initiatives. Presentations were by:

- ❖ Mr Jan van Schalkwyk (Office of the Auditor-General South Africa, chair of Task Force on INTOSAI Auditor Professionalisation (TFIAP), CBC secretariat: "Further professionalization in the INTOSAI community".
- ❖ Ms Maria Lucia Lima, IDI: "Professional Education for Performance Auditors".
- ❖ Mr John Sweeney, European Court of Auditors: "Competency Models and Performance Audit Practice".

CBC and TFIAP Chair, Mr Jan van Schalkwyk provided an overview of the development of the Competency framework for public sector audit professionals at SAIs and the future development of competency pronouncements in INTOSAI. The framework includes cross-cutting comptencies, specific competencies for the different audit types, key principles and both broad-range and specific skills required. A fourth pillar to the competency framework was recently added: the competencies for audit professionals with jurisdictional responsibilities. Mr van Schalkwyk also presented the link between the TFIAP and the development of the IDI´s PESA pilot project (see below for more on PESA and IDI).

Ms Maria Lucia Lima from IDI gave an introduction to the Professonal Education for Performance Auditors (PESA) pilot, currently undertaken by the IDI. Ms Lima informed that the training is focused on developing competencies rather than training as such. The IDI is currently in the process of finalising the syllabus, which is based on the competency framework. Comments from PAS chair/secretariat and PAS/TFIAP member Mr John Sweeney were received in January 2019. The PAS will be notified how their comments have been addressed. The timeframe of the PESA pilot demonstrated that the delivery will start in 2020, and assessment of pilots in 2021. PAS assistance will be requested to execute these processes.

The presentation by Mr John Sweeney of the European Court of Auditors and the TFIAP reflected upon the relationship between compentency models and performance audit practice, with a particular focus on understanding the competencies and their limitations in this setting. Mr Sweeney also focused on identifying how PA competencies are different. Based on his doctoral work on audit competencies, Mr Sweeney demonstrated some specific attributes of performance auditors, such as: citizenship, trust, social intelligence (influencing others to effect change, negotiations), perspective-taking with empathy, critical and structured thinking, and a love of learning.

The plenary discussion reflected upon competencies required specifically for performance auditors and current challenges. Here, one of the challenges identified was the need to address fraud and corruption in performance audit. Further, competencies lie within the structure of a team rather than at the mere individual level. There was agreement that the committee needs to continue to work together with the TFIAP, CBC and IDI on developing the competency framework, the PESA pilot and, in due course, competency pronouncements.

See PowerPoint for more details on the presentations.

Decisions: the PAS will work together with the CBC to develop further the INTOSAI competency framework on the performance audit side, with IFPP competency standards as a long-term goal. The PAS will also support the IDI in their efforts on building performance audit competency, especially related to the PESA programme.

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Agenda item 2C: United Nations Sustainable Development Goals (SDGs)

The development of practice on auditing SDGs is part of the current PAS Work Plan, and PAS involvement is executed mainly through our collaboration with the IDI. Through presentations and a group exercise, the committee shared experiences and identified challenges related to auditing SDG in this session. Presenters were:

- ❖ Ms Nadine Cormier, OAG Canada: "The Integration of Sustainable Development Goals in Planning Audits at the Office of the Auditor General of Canada".
- ❖ Ms Maria Lucia Lima, IDI: "Performance Audit ISSAIs and Auditing SDGs".

Ms Nadine Cormier explained how OAG Canada integrate the assessment of SDGs when planning audits, starting from the strategic audit planning process, to the annual process of selecting audit topics. SDGs are now part of the many factors considered by a Management Committee to select audits for the next two years. When selecting audits related to SDGs one must consider horizontal matters and policy coherence, and because SDG issues are long-term, the period under audit may need to be longer. Lack of data to measure progress on SDGs is an issue also in Canada.

OAG Canada´s audit on preparedness to implement the UN SDGs (spring 2018) concluded that the Government of Canada was not adequately prepared to implement the UN 2030 Agenda for Sustainable Development. Subsequent events to the audit was the provision of significant funds over the Federal budget to establish a Sustainable Development Goals Unit and fund monitoring and reporting activities by Statistics Canada.

Ms Maria Lucia Lima explained how the IDI´s significant efforts on SDGs is currently shifting from performance audit on preparedness for implementation of SDGs, to audit of implementation. Through the development of the IDI SDG Audit Model (ISAM), the focus will be on how to audit implementation related to individual SDG targets considering both SAI level and individual audit level. The model will focus on coherence, integration, inclusion and participation, and ensure the establishment of a link between performance, financial and compliance audit. Ms Lima demonstrated how to move from classic performance audits to SDG relevant performance audits.

Please see PowerPoint presentations for more information.

The group exercise focused on sharing experiences of auditing the SDGs. The groups were asked to reflect on the following question: "Is it necessary to think differently about how to carry out SDG-audits, compared to other subject matters? Why? Why not?" And: "If yes, does it have implications for PA methodology / the ISSAI 3000 series?". Groups:

1. South Africa (group leader), Sweden, India, Australia, Norway, Brazil
2. Canada (group leader), Hungary, Denmark, Saudi Arabia, Georgia, Ireland, IDI
3. ECA (group leader), Qatar, Netherlands, USA, United Kingdom, AFROSAI-E

Summary, group exercise reporting:

- Audit on SDGs is crosscutting, needs increased focus when scoping and conducting the audit.
- PA methodology can be used for auditing SDGs, no need for additional standards (all three groups seemed to agree that the ISSAI 3000 series is sufficient).
- Q: are there any requirements that SAIs should provide assurance to/verify the government's reporting on SDGs?
- More information exchange on SDGs.
- More reasonable to audit one individual target, rather than many targets?
- Difficult to identify which entity is responsible for ensuring the fulfilment of the target.
- SAIs are already carrying out crosscutting audits, thus practice exists. And should they be conducted as problem-oriented or system-oriented audits?
- Challenges: defining the SDGs, for example: what does equality and inequality mean? (It is up to governments to define these aspects, despite reluctance due to resource implications).
- What is the added value of SDG audits? This can be bringing goals together into a coherent strategy; identifying and resolving conflicts, and achieving process benefits through capacity building of many players from local to national level.
- Ultimately, it is the responsibility of government to report on SDGs and for SAIs to give an opinion on the quality and completeness of that information.

Decisions related to agenda item 2C: the PAS will support the IDI in their efforts related to developing the IDI SDGs Audit Model. Should there be a research project on SDGs included in the next SDP, the PAS should participate in the scoping of the project. Following the possible development of a project idea, the PAS will consider its further participation.

Agenda item 2D: Other business

The items list for this agenda item were the following: summing up decisions 2019 meeting, evaluation of the agenda, and introducing the host of the 2020 meeting. The PAS Chair summed up decisions/conclusions for each agenda item, and asked PAS members´ to confirm their approval or supplement additional points. Decisions are summed up for each agenda item throughout the meeting minutes. There were no comments to the evaluation of the agenda.

It was officially announced that the host of the 2020 PAS meeting will be the State Audit Office of Georgia. PAS member Mr Giorgi Kapanadze gave a presentation about the host country and SAO Georgia´s history and current affairs, including the SAO´s 2019 audit plan and strategic goals. We also learnt about SAO Georgia´s international cooperation efforts and previous international events hosted by the state audit office. Through pictures and maps, Mr Kapanadze provided PAS members with background about the country, its history and culture.

Please see PowerPoint presentation and SAO-Georgia-host2020 for more information about SAO Georgia.

Agenda item 2E: Closing remarks

In his closing remarks, the Chair informed the committee that he will step down as PAS chair within a few months, but continue until a replacement has been appointed. The Director of the Support and Development Department, Mr Sverre Lunde, added that the Office of the Auditor General of Noway remains committed to the PAS, and the continuation of the current PAS Secretariat alongside the appointment of a highly qualified new chair will ensure the successful continuation of the committee´s work in times ahead.