The Integration of Sustainable Development Goals in Planning Audits at the Office of the Auditor General of Canada

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United Nations Sustainable Development Goals

Source: Transforming Our World: The 2030 Agenda for Sustainable Development
Recent Improvements

1. Strategic Audit Planning
2. Annual Process to Select Audits
3. Planning Phase Risk Assessment
4. Future Plans
1. Strategic Audit Planning (SAP)

- SAP about every 3 years.
- SAP promotes a consistent approach to multi-year audit planning that is documented and risk-based.
- Consultation with internal specialists.
- Environment and Sustainable Development (ESD) Internal Specialist updated Guide - Integrating ESD Considerations in Direct Engagement Work.
2. Annual Process to Select Audits

• Annual process to select audit topics.
• Audit Report Submissions.
• SDGs are now part of the many factors considered by a Management Committee to select audits for the next 2 years.
Audit Report Submission shows SDGs
## United Nations Sustainable Development Goals and Targets - Coverage

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**Audit Report Title**

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1. Audit proposed A
2. Audit proposed B
3. Audit proposed C
Points to consider – selection of audits related to SDGs

- Horizontal matters and need to consider policy coherence – Government-wide audits.
- SDG issues are long term – longer period under audit.
- Lack of data to measure progress is an issue.
3. Planning Phase Risk Assessment

• To identify functional risks for further consideration by the audit team early in planning. It promotes consultation with internal specialists.

• We updated the assessment to consider SDGs.

• Consultation with the ESD Internal Specialist.
# Functional Risk Identification

1. **Environment and Sustainable Development (ESD)**
   
   Consult the [Environment and Sustainable Development Guide](#) for more information.

   **Note: Special Examinations**
   
   Special examination teams are required to first consult the Preliminary Assessment of Environmental Risks in Crown Corporations. If the internal specialist has assessed the overall risk for the Crown corporation as medium or high, then the team must complete section 1 of this template, including mandatory consultation.

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<thead>
<tr>
<th>Step 1. Risk-screening questions</th>
<th>YES</th>
<th>NO</th>
<th>Comments</th>
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<tr>
<td>1. United Nations’ Sustainable Development Goals: Does the subject matter relate to any of the <a href="#">United Nations’ Sustainable Development Goals?</a> (if yes, then identify the goal(s), associated target(s), and indicator(s) in the Comments column. (Performance audit teams should refer to the Audit Report Submission. More information is provided in the <a href="#">Guide</a>.</td>
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<td>2. Activities, operations and projects: Might any of the activities, government operations, or projects involved in the subject matter have environmental impacts? Refer to Appendix 1 and Appendix 3 in the <a href="#">Guide</a> for examples.</td>
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<td>3. Financial assistance: If the subject matter involves grants, contributions, loans, or any other form of financial assistance, might activities or initiatives that benefit from this funding have environmental impacts? More information is provided in Appendix 3 of the <a href="#">Guide</a>.</td>
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<td>4. Commitments: For performance audit only: Does the subject matter relate to any of the current <a href="#">Federal Sustainable Development Strategy</a> commitments? (More information is provided in Appendix 3 of the <a href="#">Guide</a>.) For all audits: Does the subject matter relate to any international commitments for ESD? (See Appendix 5 of the <a href="#">Guide</a>.)</td>
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5. Environmental petitions (for performance audit only): Have entities responded to environmental petitions related to the subject matter? Environmental petitions submitted to the OAG by Canadian residents and departmental and agency responses to these petitions are published in the [Petitions Catalogue](#) on the OAG’s website. More information is provided in Appendix 3 of the [Guide](#).

6. **So what:**
   
   Is it possible that ESD will be a “so what” or part of a “why so” of any possible adverse finding?

7. **Other ESD risks:**
   
   Based on all your planning procedures (review of the corporate risk profile, interviews, media searches, etc.), are there further indications that ESD is particularly important to the subject matter?

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1. **Environment and Sustainable Development (ESD)**

   Consultation with the Environment and Sustainable Development Internal Specialist is mandatory. Continue the assessment below.

   **Step 2. Consultation of the Internal Specialist for ESD**

   Document your consultation with the ESD Internal Specialist. ([Hyperlink to related consultation documentation](#))

   **Risk for further consideration?**

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<th>Yes</th>
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   [If you identified potential risks, ensure that they are incorporated in Column A of the Risks and Controls Assessment Template.](#)
4. Improvements to come - Reporting audits related to SDGs

• Under consideration for consistency in all audits.
  – Introduction
  – About the Audit
  – Criteria
Audit on Canada’s Preparedness to Implement the United Nations’ Sustainable Development Goals – Spring 2018

• We concluded that the Government of Canada was not adequately prepared to implement the United Nations’ 2030 Agenda for Sustainable Development.
Subsequent Events to the Audit

• Federal Budget 2018 provided over 13 years
  – almost $50 million to establish a Sustainable Development Goals Unit and to fund monitoring and reporting activities by Statistics Canada.
  – close to $60 million, from existing departmental resources, for programming to support the implementation of the sustainable development goals.
International Collaboration

• UN High-Level Political Forum – Side-events:
  – July 2018, the OAG presented work the Office has done to integrate the SDGs in PA, and results of our Preparedness Audit.
  – July 2019, the OAG with the United Arab Emirates are preparing a side-event on the contribution of SAIs to the implementation of SDGs.

• Participation in international committees
  – Working Group on Environmental Auditing
Links to References

• OAG Canada - The Environment and Sustainable Development Guide

• OAG Canada - Audit on Canada’s Preparedness to Implement the United Nations’ Sustainable Development Goals
  http://www.oag-bvg.gc.ca/internet/English/parl_cesd_201804_02_e_42993.html
Questions?

• nadine.cormier@oag-bvg.gc.ca
Sharing experiences on audit of SDGs – group discussion

Questions:

• Is it necessary to think differently about how to carry out SDG-audits, compared to other subject matters? Why? Why not?

• If yes, does it have any implications for:
  • PA methodology?
  • The ISSAI 3000-series?