Content

Meeting agenda

DAY 1, 25 MAY

Time (CET)	No.	Agenda item	Speaker(s)/moderator
Please join the meeting a few minutes early. We will start precisely at 1 p.m. (13:00) CET.			
13:00-13:10	1-A	**Opening remarks**	PAS Chair, Mr Morten Nordberg
13:10-13:25	1-B	**PAS Work Plan 2020-2022** *For information and discussion.*	Speaker: Ms Hege Larsen (PAS) Moderator: Mr Morten Nordberg (PAS)
13:25-14:10	1-C	**Update on INTOSAI processes and PAS activities** - Member updates - Communication: initiatives and status - ISSAI updates - SDP for the IFPP 2020-2022 Component 1 Review Process - PAS/INTOSAI consultations *For information and discussion.*	Speakers: - Ms Hege Larsen (PAS) - Ms Paula Dutra and Mr Geoffrey Simpson (both PSC Secretariat) Moderator: Mr Morten Nordberg (PAS)
14:10-15:00	1-D	**Technical update: Combinations in public sector auditing with a focus on performance**	Speaker: Mr Lars Florin (SAI Sweden) Moderator: Ms Hege Larsen (PAS)
15:00		**End of Day One**	

DAY 2, 26 MAY

Time (CET)	No.	Agenda item	Speaker(s)/moderator
Please join the meeting a few minutes early. We will start precisely at 1 p.m. (13:00) CET.			
13:00-13:05	2-A	**Welcome and opening remarks**	Mr Morten Nordberg, PAS Chair
13:05-13:50	2-B	**Technical update: discussion on using the work of internal auditors in performance audit**	Speaker: Mr Wilfred Aquilina (ECA) Moderator: Ms Hege Larsen (PAS)
13:50-14:20	2-C	**PAS priorities:** - Knowledge sharing initiatives and implementation support - Quality assurance process for non-IFPP products - Membership and organisational structure *For information and discussion.*	Speakers: - PAS secretariat - PSC secretariat Moderator: Ms Lene Christiansen (PAS)
14:20-14:40	2-D	**Technical update: IDI Performance Audit Handbook** *For information.*	Speakers: - Mrs Cathleen Berrick (US GAO) - Mr Andy Fisher (UK NAO) Moderator: Mr Morten Nordberg (PAS)
14:40-14:45	2-E	**PAS Work Plan 2020-2022** *Motion of approval.*	Speaker: Mr Morten Nordberg (PAS)
14:45-14:55	2-F	**Other business, items list:** - Summing up decisions - Evaluation of the agenda - Information about future meetings	Moderator: Ms Lene Christiansen (PAS)
14:55-15:00	2-G	Closing remarks	PAS Chair
15:00		**Meeting closed**	

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Useful abbreviations

INTOSAI goal chairs:

- ❖ PSC: Professional Standards Committee (Chair: TCU Brazil, Vice-Chair: ECA)
  - o TCU: Tribunal de Contas da União
  - o ECA: European Court of Auditors
- ❖ PSC-SC: PSC Steering Committee
- ❖ KSC: Knowledge Sharing Committee (Chair: SAI India)
- ❖ CBC: Capacity Building Committee (Chair: SAI South Africa, Vice-Chair: SAI Sweden)

PSC Subcommittees:

- ❖ PAS: Performance Audit Subcommittee (Chair: SAI Norway)
- ❖ FAAS: Financial Audit and Accounting Subcommittee (Chair: SAI United Arab Emirates)
- ❖ CAS: Compliance Audit Subcommittee (Chair: SAI India)
- ❖ ICS: The Subcommittee on Internal Control Standards (Chair: SAI Poland)

Observers to PAS:

- ❖ AFROSAI-E: African Organization of English-speaking Supreme Audit Institutions
- ❖ IDI: INTOSAI Development Initiative
- ❖ IIA: Institute of Internal Auditors
- ❖ WGEPPP: INTOSAI Working Group on Evaluation of Public Policies and Programs

INTOSAI Framework:

- ❖ IFPP: INTOSAI Framework of Professional Pronouncement (former ISSAI framework)
- ❖ ISSAI: International Standards of Supreme Audit Institutions
- ❖ GUID: INTOSAI Guidance
- ❖ FIPP: Forum for INTOSAI Professional Pronouncements
- ❖ TSF: Technical Support Function
- ❖ SDP for the IFPP: Strategic Development Plan for the INTOSAI Framework of Professional Pronouncement

Other:

- ❖ SAI: Supreme Audit Institution
- ❖ NAO: National Audit Office
- ❖ SAO: State Audit Office
- ❖ SDGs: Sustainable Development Goals

Agenda items 1-B AND 2-E: PAS Work Plan 2020-2022

The Performance Audit Subcommittee´s overall strategies are reported in the triennial PAS Work Plan, which corresponds with the INCOSAI cycles and is adopted at the first PAS meeting after an INCOSAI. Due to the escalation of the Covid-19 outbreak in early 2020, and the subsequent cancellation of the planned 13th annual PAS meeting in Georgia the same year, the work plan did not undergo the appropriate approval process during 2020. Nevertheless, the main priorities listed in the current draft plan guided PAS´ work throughout 2020 and 2021.

The adoption process requires a written consultation in PAS, and any feedback and suggestions from members and observers should be considered before presenting a final draft for approval. The draft work plan was recently emailed to members and observers for comments, with the deadline 7 May 2021. We would like to thank members and observers for commenting on the plan. Most of the comments were in agreement with the priorities, without suggesting any changes or additions. In this session, we will briefly introduce the work plan and address some of the comments and suggestions that came up during the consultation phase. The plan should be formally approved by PAS on day 2 of this meeting.

We ask that the committee consider the 2020-2022 PAS Work Plan for approval on the 26th May 2021:

The 2020-2022 PAS Work Plan is focused around six main priorities, consistent with PAS´ mandate and strategies. Involvement in external projects and initiatives (category: "other priorities") will depend on an assessment of perceived relevance and available resources, and thus be subject to negotiation in each individual case.

PAS main priorities 2020-2022:

❖ Support the implementation of the INTOSAI standards on performance auditing by focusing on PAS specific projects and the development of additional support material for performance audit.
❖ Follow up and conclude PAS participation in existing engagements from the Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements 2017-2019.
❖ Contribute to realizing the Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements 2020-2022, specifically related to:
  o Component 1: Reviewing and refining the conceptual framework, and:
  o Component 2: Development work on key topics, when relevant.
❖ Start planning scheduled maintenance of ISSAI 3000 and GUIDs 3910 and 3920
  o Including GUID 3910 Appendix: Building a Performance Audit Function.
❖ Continue to be an arena for sharing knowledge and good practice in performance audit.
❖ Finalise IDI´s Performance Audit ISSAI Implementation Handbook.

Other priorities:

❖ Support, when possible, other INTOSAI standard setting projects that may require the involvement of performance audit experts.
❖ Support, when possible, capacity building and training efforts of relevant INTOSAI bodies.

Agenda item 1-C: Update on INTOSAI processes and PAS activities

Please find below, links to relevant PAS and PSC sites.

Performance Audit Subcommittee (PAS):

- ❖ Activities
- ❖ Communication

Professional Standards Committee (PSC):

- ❖ Professional Pronouncements (overview)
- ❖ INTOSAI Due Process
- ❖ SDP for the IFPP 2020-2022
- ❖ Standard setting (projects)

You will find information about the Component 1 review process here. Component 1 is now in its third phase, which is the preparation of a survey to identify the needs of the INTOSAI community.

Agenda item 1-D: combinations in public sector auditing with a focus on performance (technical update)

2021-05-20

This discussion paper has on request from the PAS secretariat been written by Lars Florin from the Swedish National Audit Office. The purpose is to contribute to the understanding and discussion within PAS on overlaps and combination of different types of audits. The paper does not necessarily reflect any current or coming views and opinions of the Swedish National Audit Office.

Combinations in public sector auditing

The ISSAIs mention overlaps between different types of audits and combined audits, without elaborating on this in any detail. Trying to add to increased clarity on this issue I here discuss different combinations in public sector auditing with a main focus on performance auditing and aspects of performance. The standards for all three main types of audit enable the auditors to bring up other issues than the main purpose under certain conditions. For this reason, I suggest the term "combined audits" to be used for situations where different audit standards need to be applied for different elements in the same audit.

In this paper I discuss:

- Public sector auditing and other engagements;

- Combining issues within each main type of audit;

- Overlaps between audit types;

- Combined audits; and

- Advantages and risks with different combinations.

Public sector auditing and other engagements

ISSAI 100 describes public-sector auditing as a systematic process of objectively obtaining and evaluating evidence to determine whether information or actual conditions conform to established criteria. Three main types of public sector auditing are defined: financial audit, performance audit and compliance audit. SAIs also may carry out audits or other engagements on any subject of relevance to the responsibilities of management and those charged with governance and the

appropriate use of public resources. SAIs may further conduct combined audits incorporating financial, performance and/or compliance aspects.[1]

ISSAI 300:14 deals with overlaps between audit types (or combined audits). The following points should be considered[2]:

- Elements of performance auditing can be part of a more extensive audit that also covers compliance and financial auditing aspects.

- In the event of an overlap, all relevant standards should be observed. This may not be feasible in all cases, as different standards may contain different priorities.

- In such cases, the primary objective of the audit should guide the auditors as to which standards to apply. In determining whether performance considerations form the primary objective of the audit engagement, it should be borne in mind that performance auditing focuses on activity and results rather than reports or accounts, and that its main objective is to promote economy, efficiency and effectiveness rather than report on compliance.

Combining issues within each main type of audit

The main audit types of public sector audit are related to the main purpose of the audit. However, an audit of one of the three main types may under certain conditions, according to the applicable standards, also include other aspects, see the table below.

Table: Possibilities to combine issues within the three main types of audits

The type of audit conducted	Applicable standards	Conditions for bringing up different aspects in the audit		
		Financial aspects	**Aspects of performance**	**Aspects of compliance**
Financial audits consistent with ISSAI 200	ISSAI 1000 series, ISA or national standards consistent with or based on ISSAI 200	All aspects relevant to the audit objective	Only aspects: Impacting on the financial statement; Explicitly required in the mandate; or Based on procedures agreed with the audited entity	Only aspects: Impacting on the financial statement; Explicitly required in the mandate; or Based on procedures agreed with the audited entity
Performance audits consistent with ISSAI 300	ISSAI 3000 series or other standards developed/adopted consistent with or based on ISSAI 300	Aspects relevant for the audit objective and directly linked to performance	All aspects relevant for the audit objective	Aspects relevant for the audit objective and directly linked to performance
Compliance audits consistent with ISSAI 400	ISSAI 4000 series or other standards developed/adopted consistent with or based on ISSAI 400	Aspects relevant for the audit objective and directly linked to compliance	Some overlaps. Criteria used in performance audits may be similar or identical to regulatory or propriety criteria used in compliance audits. Compliance audits may also include aspects of performance as explanations to non-compliance. Aspects relevant for the audit objective and directly linked to compliance	All aspects relevant for the audit objective

The table indicates that a financial audit also may cover aspects of performance and/or compliance, if those issues have an impact on the financial statement, are explicitly required by the SAIs mandate or are based on procedures agreed with the audited entity. However, it may also be necessary to develop or adopt additional standards for these aspects, making it a combined audit.

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[1] ISSAI 100:18, 21-23.
[2] See also ISSAI 3000:16.

A performance audit engagement may bring up financial or compliance aspects, provided they are related to relevant aspects of performance according to the audit objective(s). Similarly, a direct reporting compliance engagement may bring up financial or performance aspects, provided they are related to relevant aspects of compliance according to the audit objective(s).

Overlaps between audit types

While financial and performance audits are reasonably well-defined types of studies, compliance audits cover a broad spectrum of audits with different characteristics, examining activities, financial transactions or information. The nature of compliance audits can vary from short and quick attestation engagements to in-depth studies in direct reporting engagements. Subsequently, the type of report, the level of assurance provided and the use of conclusions or audit opinions vary substantially. There are similarities between certain types of in-depth direct reporting performance and compliance audits, and it seems to be fairly common that also auditors have difficulties to separate the two types. The reasons I see for this are that:

- 'Performance' is a broad concept encompassing also 'compliance'. There are many cross-cutting requirements and objectives government entities need to consider in delivering on their mandates. Compliance can be seen as such a cross-cutting requirement or objective and be the topic for a performance audit. The main purpose of such audit would not be to identify instances of non-compliance but to analyse causes to limitations in compliance, possibly for several entities, in order to identify what can be done to improve the situation.

- Compliance can be relevant when assessing if the principles of the three Es have been met, for example if the audit entity have respected the citizens' rights in processing permits and subsidies.

- Laws and regulations frequently cover the intention and objectives of different activities as well as influences how the activities are supposed to be carried out to lead to the expected results. Thus, laws and regulations are important and highly credible sources for identifying criteria relevant for assessing performance.

- In some performance audits the same evaluation technique as in compliance auditing is used, focusing on the gaps in relation to criteria rather than to assess what is done by applying the criteria. This could be called 'compliance' with performance relevant criteria.

In my understanding, it is only when the criteria in the last example have been developed from laws and regulations, or from generally accepted principles of propriety, I find it reasonable to describe it as an overlap between the two audit types. Probably the SAI can in such situations choose between applying the performance audit or compliance audit standards. The resulting report, however, is likely to differ significantly depending on the choice. This is likely to be because of:

- Differences in the information presented in the report depending on the purpose of the audit;

- Differences of the precise set of criteria used;

- Differences in how the criteria are used, focusing on non-compliance as such or the substance of what is missing when the criteria are not met;

- Differences in addressing causes to problems, which would be expected in a performance audit but not necessarily in a compliance audit;

- Differences in concluding on the substance of the criteria (the performance) or on the compliance as such; and

- Differences due to different ways of providing assurance in the two audit types.

Combined audits

The standards allow SAIs to go further in combining different issues in the same audit than what can be encompassed within any of the main types of audits. ISSAI 100 states that SAIs should declare which standards they apply when conducting audits, and this declaration should be accessible to users of the SAI's reports. Where the standards are based on different sources, this should also be stated.[3] When it is not sufficient to use the standards consistent with one of the ISSAIs in the 200 – 400, the SAI needs to adopt or develop additional standards.

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[3] ISSAI 100:8 and 12.

ISSAI 100 states that SAIs can choose to carry out audits and engagements of any subject of relevance to the responsibilities of management. Such audits may cover aspects of performance, potentially in different combinations with other aspects. The distinction between other audits and other control engagements is not explicitly defined. Even so, two basic requirements for what may be considered as an "audit" stands out: that the work is based on adopted or developed standards, and that those standards are consistent with ISSAI 100.

It seems clear that there may be situations where it is reasonable to combine audit of aspects of performance with other audit types. Once such example is the audit of performance information presented in annual reports which also include the financial statements. It would make sense to audit the annual report as a whole in the same audit, creating a need to adopt standards for auditing the performance information while the financial statements are audit based on financial audit standards.

It is a more open question whether there are situations where performance audits need to be combined with other types of audits. Combining a performance audit based on the principles in ISSAI 300 with an attestation engagement (financial audit or compliance audit) seems theoretically difficult, if at all possible. It seems theoretically possible to combine a performance audit with a direct reporting compliance audit, but it is difficult to see why such need should arise since compliance aspects can be addressed in an audit conducted according to performance audit standards. The possible exceptions from this I have been able to identify are needs to combine performance audits with compliance audits or other direct reporting audit engagements arising from requirements in national legislation. I can envisage three such potential situations:

- Some SAIs with a judicial function can apply administrative sanctions in compliance audits but not in performance audits. This can create a need to use both sets of standards in the same audit, to avoid violating national legislation when applying sanctions.

- National legislation may define one annual audit to be carried out for each ministry (or similar), covering all audit work carried out during the year. This could mean that one study is carried out based on performance audit standards but considered to only be one element in the audit also including other studies based on other standards.

- National legislation may include a definition of performance audit that differs from the one used in ISSAIs. This could make it is wise to combine the use of performance audit standards with the other adopted standards, to avoid being seen as not following the national legislation.

Advantages and risks with combined audits

Currently, some SAIs are making efforts to increase the quality of their audit practices and the compliance with ISSAIs by focusing on one or several main audit types of audits, and let some auditors specialise on this type of auditing. A driving force for this development is the increased clarity and increased awareness of the different types of audit and the challenging requirements in the ISSAI framework. Several actors have also focused efforts the last years to support SAIs to improve the implementation of the ISSAIs. IDI has for example implemented the ISSAI Implementation Programme since 2012.

In this development some SAIs try to reform an audit practice that previously have mixed elements of financial, compliance and even performance aspects - without fully meeting the standards for any of the main types of the audit. One prioritised area seems to be to develop financial auditing that meets the international standards, or when this is not possible because the country lacks an appropriate financial reporting framework, more clearly apply principles and standards for compliance auditing. Some SAIs also creates performance audit functions and let some auditors specialise on performance auditing.

At the same time, there are other SAIs practicing or attempting to increasingly cover different aspects in the same audit, either by adding limited additional issues in existing main types of audits or combining different types of audits. Terms as "combined audits", "integrated audits" or similar is sometimes used. The driving force behind such initiatives seems to be an intention to increase the coverage of certain aspects – largely performance or compliance aspects – without doing it through resource-intensive separate audits.

The differences in development trends correspond to differing views among SAIs and auditors on whether the desirable development is towards more of specialisation or towards increased integration of audit types. Those in favour of a clear focus on the main types of audits, with the appropriate adjustments that may be needed because of the SAIs mandate, points to that different forms of combinations increases the risk that:

- The main purpose and focus of the audit is distorted or even lost;

- New or mixed expectations on the same audit makes it more difficult to comply with the relevant ISSAIs, something that still is a challenge for many SAIs;

- New expectations are added without a corresponding increase of available resources, increasing the workload for auditors and the challenge to comply with relevant ISSAIs;

- The involved auditors do not have the appropriate skills and experience to cover the different aspects.

Agenda item 2-B: discussion on using the work of internal auditors in performance audit (technical update)

Please see separate attachment: "Draft PA practice note on using the work of internal auditors v.1.0". This will be the background document for a discussion on the subject.

Agenda item 2-C: PAS priorities

Knowledge sharing initiatives and implementation support

For discussion: what type of projects and initiatives should PAS focus on to promote good practice and provide implementation support?

To provide the most recent background, please read the following excerpt from the 2019 (12th annual) PAS meeting minutes:

(2019) 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)*?"

Relevant considerations that came out of the session in the 2019 meeting, particularly related to knowledge sharing and implementation support, are summarised below:

> ➢ Advanced training/workshops to share knowledge and experience: the PAS community should share more knowledge on different types of audit and experiences.
> ➢ Knowledge sharing: using website, present specific case studies, enhance Teamwork.com and use it as a platform for knowledge sharing.
> ➢ 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.
> ➢ 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).

In addition to considering mandatory INTOSAI development processes that are part of the implementation of INTOSAI Strategic Plan Goal 1 (professional standard setting), the PAS chair has taken into account input from PAS members and observers when drafting the current work plan.

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Quality Assurance Process for non-IFPP products

For information: as part of discussions about knowledge sharing and implementation support initiatives, the committee should be informed that also non-IFPP products may require a formal quality assurance process.

The following has been copied from the original PDF File:

Guidance on Quality Assurance (QA) levels and procedure for QA evaluation of non-IFPP products

Introduction

1. The paper on the "Quality Assurance of products developed outside the Due Process" developed jointly by the INTOSAI Goal Chairs and INTOSAI Development Initiative (IDI) and approved by INTOSAI GB envisages the following three Quality assurance levels:

> 1. Products that have been subjected to quality assurance processes equivalent to INTOSAI due process, including an extended period of transparent public exposure;
>
> 2. Products that have been subjected to more limited quality assurance processes involving stakeholders from outside the body or working group responsible for the products' initial development. Quality assurance processes might, for example, include piloting, testing and inviting comments from key stakeholders, although not go as far as full 90-day public exposure;
>
> 3. Products that have been subjected to rigorous quality control measures within the body or working group responsible for their development;

2. The paper also envisions affixing of a quality assurance statement prominently on or immediately after the cover page of the document and an annex succinctly outlining the quality assurance measures that were taken and their outcome. The statement shall also include either a revision or expiry clause, stating clearly the latest date by which the product will be reviewed and updated or the date upon which the guidance in the product will cease to be valid.

3. The goal chairs have jointly developed the templates for the project proposals and the QA certificates for the non-IFPP products. These were also presented before 71st INTOSAI GB as one of the initiatives under Goal chairs collaboration. It was agreed in principle to follow a 2 tier certification process, wherein based on the assurance provided by the Chair of the Working Group/Subcommittee/Work-stream on the adherence to the QA level, the Goal Chairs would issue a certificate to be affixed in the document.

Detailed Procedure

4. The paper also required the Goal Chairs to develop the necessary procedures and templates. Accordingly, the following procedure is being prescribed. The procedure will be subject to review by the Goal Chairs every year.

5. The Chairs of the Working Group/Subcommittee/Work-stream in their Work Plan may also indicate the QA level of the new products. The information may be sent to the Goal Committee Secretariat to enable them to keep consolidated records and to keep track of the progress as per the set QA level.

6. In case the QA level could not be determined at the time of preparation of Work Plan, it may be determined at the soonest possible, preferably before the first Steering committee meeting of the Goal committee under the new Work Plan, to enable discussion on the matter in the meeting.

7. At the time of determining the QA level, it is also advisable to decide the expiry date and the date of the renewal of the proposed new documents.

8. Once the project team is constituted, the team may be advised to forward a detailed project proposal in the template prescribed at Annex -I. A copy of the project proposal may be forwarded to the Goal Committee Secretariat for record and for keeping track of the progress of the project.

9. The progress of the project shall be presented by the Chair of the Working Group/Subcommittee/Work-stream at the Steering Committee meeting of the Goal Committee so that any deviation from the procedure or special consideration and challenges can be discussed and resolved in a timely manner.

10. Once the exposure draft of the document is in place, the following procedure may be followed depending on the QA level at which the document is placed.

Procedure QA level 1:

11. The project team has to follow the entire procedure equivalent to the Due Process of IFPP as detailed in the paragraphs below.

12. Instead of FIPP which approves the document at all the three stages in the Due process of IFPP, namely, the project proposal, exposure draft and endorsement version, the Steering Committee of the Goal Committee or any body designated by it (henceforth called the Approving Body), will be the body which would approve the documents.

13. The document should at all the three stages be referred to by the Chair of the Working Group/Subcommittee/Work-stream to Approving Body by email at least a month in advance to allow the members to independently examine the documents.

14. The Project team may go to the next stage only after the approval of the Approving Body.

15. During the exposure period, the document has to be exposed for a mandatory period of 90 days for comments from the INTOSAI Community through the INTOSAI Community Portal.

16. The Project team should analyse the comments on exposure drafts and address them appropriately while finalizing the document.

17. The Chair of the Working Group/Subcommittee/Work-stream shall oversee the entire process including the exposure of the documents and consideration of the comments in finalizing the documents.

18. The Project team shall forward the disposition table containing the comments received and how they were addressed to the Goal Committee Secretariat for display on INTOSAI Community Portal. The file will be posted in the INTOSAI Community Portal till the document is finalized.

19. When the final document is approved by the Approving Body, the Chair of the Working Group/Subcommittee/Work-stream shall refer the document to the Goal Chair with the necessary assurance certificate (Annex II) that the due process has been followed in all aspects.

20. The Goal Chair may also in parallel conduct an independent assessment of the process. The Goal Chair may, if need arises, contact the Project team lead for any clarification/query on the matter.

21. Based on his own independent assurance and the assurance provided by the Chair of the Working Group/Subcommittee/Work-stream, the Goal chair shall issue a certificate (Annex-III) which will be affixed in the Document.

Procedure for QA level 2:

22. The procedure for QA level 1 will be followed, but instead of exposing the document for a period of 90 days, the project group may expose the document for atleast 45 days.

23. The Steering Committee of the Working Group/Subcommittee/Work-stream or any body authorized by it will be the approving authority for the project proposal, exposure draft and endorsement version.

24. In addition to exposing the document, the project team may also consider identifying other parties outside the Working Group/Subcommittee/Work-stream and seek their expert comments on the document, in consultation with the Chair of the Working Group/Subcommittee/Work-stream, giving reasons for selecting such parties and their connection with the subject matter.

25. The Working Group/Subcommittee/Work-stream may forward the list of external sources identified to the Goal Committee Secretariat.

26. Other process from sl.no. 16 to 21 remain the same.

Procedure for QA level 3:

27. The reasons for placing the document at QA level 3 may be explicitly brought out and forwarded to Goal Committee Secretariat.

28. The project team shall seek the comments of all members of the Working Group/Subcommittee/Work-stream by giving them sufficient time to respond and finalize the document after duly addressing their comments.

29. The Chair of the Working Group/Subcommittee/Work-stream while referring the document to the Goal Chair shall provide the assurance that the exposure draft was circulated to all the members of the Working Group/Subcommittee/Work-stream and their opinion was duly considered by the Project team while finalizing the document.

30. Once the document is finalized in accordance with above procedures, the Goal Chair shall include the document in the Goal committee's motion to the INTOSAI GB.

31. The finalized document will then be published on the INTOSAI Community Portal. The Chair of the Working Group/Subcommittee/Work-stream shall take measures to inform the INTOSAI Community about the availability of the new document

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PAS membership and organisational structure

For information (and initial discussion): In this session, we will start a discussion about the current membership structure and the resource situation in PAS. Participants may note that as of February 2020, the Chair temporarily stopped appointing new members to PAS (see below). We will discuss the background for that decision. Meeting participants should be familiar with the PAS Terms of Reference document, which was last revised in 2018.

Excerpt from PAS Terms of Reference:

Membership

The Performance Audit Subcommittee has 29 members (*updated February 2020*): Norway (Chair); Australia; Austria; Azerbaijan; Brazil; Canada; Denmark; European Court of Auditors (ECA); France; Georgia; Germany; Guyana; Hungary; India; Iran; Ireland; Kiribati; the Netherlands; Peru; Qatar; Romania; Russia; Saudi Arabia; South Africa; Sweden; Thailand; Tunisia; United Kingdom; United States of America.

Observers are the African Organisation of English-speaking Supreme Audit Institutions (AFROSAI-E), the INTOSAI Development Initiative (IDI), the Institute of Internal Auditors (IIA) and the Working Group on Evaluation of Public Policies and Programmes (WGEPPP).

Appointment of new members

Originally, members of PAS were appointed by the INTOSAI regional working groups (one SAI from each region) and supplemented by other SAIs with special interest and expertise in performance audit. Currently, members may be appointed on request to the Chair. The Chair presupposes that members commit to taking an active role in the work of the subcommittee, and are willing to contribute to tasks in line with the PAS work plan. Since the PAS has many members, regional distribution will influence the Chair`s assessment of new membership applications.

Additional, current text on the PAS Website:

"Please note that as of March 2020, the PAS Chair will not appoint any new members to the PAS. Due to a large number of existing – both active and less active – members, the committee has reached its maximum capacity".

Agenda item 2-E: PAS Work Plan, motion of approval

PAS Chair´s motion of approval:

During this meeting, participants may have observed that there are many different sides to PAS´ activities and involvement. On the one side, there is a high demand for PAS´ feedback and involvement in external processes, of which some are mandatory, while others are not. We have also heard that a consultation role (as opposed to the role as an equal and active drafting partner) can be problematic, especially in cases where performance audit is to be included in external projects.

PAS is first and foremost a subcommittee under the Professional Standards Committee (PSC), and thus obligated to contribute to the overall Goal 1 of INTOSAI´s Strategic Plan (professional standard setting). We strive to contribute constructively in all our partnerships. Nevertheless, we are restricted by a number of factors already discussed in the meeting, such as limited resources, the committee´s own priorities and role and, sometimes, opposing views regarding technical content and/or the integration of performance audit in external initiatives.

Based on an assessment of these issues, including considerations about what are the primary responsibilities of PAS, we would like to ask the committee to approve the Work Plan that has been presented to you during these two days. We considered all input received during the consultation phase, and believe the current draft plan provides us with the necessary flexibility. It gives direction for PAS priorities, but at the same time, it allows us to adjust to the unpredictable nature of INTOSAI processes and projects. By being general, rather than detailed, the plan permits us to consider future individual projects and resources in real time, and upon request.

The Chair recognises members´ need for information about what is expected from them in terms of input in planned or ongoing projects (internal or external). In order to meet these concerns, we propose to operationalise PAS activities in an internal, more detailed, work plan, which should be communicated, as a minimum, to members getting involved in specific processes or projects. We will do our best to predict working conditions and future project developments, but also rely on members´ input when it comes to assessing relevance, priorities and available resources. PAS involvement in any project requires close collaboration between the chair and project team members, including in externally managed initiatives.

Lastly, any external project or process which is not mandatory for PAS as a standard-setting committee, will be subject for negotiations. Should the decision (following negotiations) be to contribute, an external project or activity should be included in PAS´ current or future work plans and PAS´ role and responsibilities in the project should be mapped out in detail at the planning stage. It is important that PAS retains authority over its own resources and strategies, within the existing mandate, and this should be reflected in the committee´s Terms of Reference after the next revision (no later than 2024).

The chair, having carefully considered all input from members and observers, asks that the Work Plan is considered for approval:

PAS main priorities 2020-2022:

- ❖ Support the implementation of the INTOSAI standards on performance auditing by focusing on PAS specific projects and the development of additional support material for performance audit.
- ❖ Follow up and conclude PAS participation in existing engagements from the Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements 2017-2019.
- ❖ Contribute to realizing the Strategic Development Plan for the INTOSAI Framework of Professional Pronouncements 2020-2022, specifically related to:
  - o Component 1: Reviewing and refining the conceptual framework, and:
  - o Component 2: Development work on key topics, when relevant.
- ❖ Start planning scheduled maintenance of ISSAI 3000 and GUIDs 3910 and 3920
  - o Including GUID 3910 Appendix: Building a Performance Audit Function.
- ❖ Continue to be an arena for sharing knowledge and good practice in performance audit.
- ❖ Finalise IDI´s Performance Audit ISSAI Implementation Handbook.

Other priorities:

- ❖ Support, when possible, other INTOSAI standard setting projects that may require the involvement of performance audit experts.
- ❖ Support, when possible, capacity building and training efforts of relevant INTOSAI bodies.

Following approval, the work plan should be considered for adoption at the 2021 INTOSAI Governing Board.