



**Riksrevisjonen**

Office of the Auditor General

Executive officer  
Geir Ambro +47 22241339  
Our date 24.02.2017 Our reference 2017/00311-2  
Your date Your reference

Norge

### **Submission of Capability Statement - OAG Norway**

With reference to your "Global Call for Submission of Capability Statements from SAIs and INTOSAI Bodies as Providers of Capacity Development Support", we enclose our response below:

Capability Statement - OAG Norway

#### **Capability statement**

Principles for the Office of the Auditor General's international development cooperation and international development assistance

External audit of government authorities and public institutions has come to play an increasingly key role in international development assistance work. An independent external audit in line with international standards can provide an important contribution towards promoting good governance and fighting corruption. Supreme Audit Institutions (SAIs) are charged with providing oversight on the management of public funds. The call to support SAIs has grown in recent years, in part as result of the agreement between the donor community and INTOSAI on coordinating support to build up capacity in SAIs in various reforming and developing countries.

#### **Framework for the OAG's development assistance work**

The Storting (Norwegian Parliament) has determined that the Office of the Auditor General (OAG) can undertake international assistance work. The OAG's assistance work shall be in line with and support Norway's foreign and development policy. The OAG makes the final decision to embark upon development cooperation, which shall be organized in a form which ensures the OAG's independent role as auditor.

#### **Objective of the OAG's development assistance work**

The OAG will support Norwegian development aid policy goals of building democracy and fighting poverty by contributing to the development of good governance and fighting corruption in partner countries. The objective of the OAG's development assistance work is to strengthen the impact of SAIs so as to improve management of public resources.

#### **Work methodology for the OAG's development assistance work**

INTOSAI's guidelines for capacity-building of SAIs and the OECD's/DAC's principles for international development cooperation form the basis for the OAG's development assistance work. The work is also founded on INTOSAI's audit standards (ISSAIs) and sound public sector auditing practices. The OAG takes a holistic approach to capacity-building and supports three dimensions of an SAI's capacity: individual capacity, organizational capacity and institutional capacity. These three dimensions impact and are dependent on each other. Development of individual capacity is linked to reinforcing knowledge, skills and attitudes among the employees at various levels in our sister institutions. Development of organizational capacity entails development of effective audit processes and support services. Development of institutional capacity is tied to the partner SAI's framework conditions and interaction with other actors. Activities can also target other stakeholders in the public financial management sector, such as the country's parliament.

We place great emphasis on the importance of combining theoretical knowledge with practical experience, and we provide support for concrete work tasks that are part of our partners' core activities. We use methods such as "on the job-training" and mentoring on audits, rather than traditional course activity. Capacity development projects generally carry risk in terms of not achieving goals or sustainable results. Close dialogue with the partner SAI is necessary to determine which preconditions must be in place in order to bring about change. These parameters may include factors that our partners exert some control over, but also factors that fall outside the sphere that an SAI can influence. The OAG's support shall take the project's identified risks and assumptions into account. How the cooperation can contribute to change, and which preconditions must be in place to achieve these goals, must be clearly laid out. We will use INTOSAI's framework (SAI PMF or equivalent), which has been developed to measure the performance and development of SAIs, to measure quality and progress in our projects against international standards and best practices.

#### OAG areas of expertise

- OAG is working actively with capacity building on following topics
- Financial Audit
- Audit of Extractive Industries
- IT-Audit
- Performance audit
- Environmental audit
- Quality Assurance
- IT infrastructure
- SAI-PMF
- Legal Framework
- Stakeholder management

#### Specifics of the SAI / INTOSAI Body as a Provider of Support

Is the body a legal entity capable of entering into contracts?	Yes
Does the body receive core funding (i.e. not linked to specific projects) that it <u>could</u> utilise to support activities under the GCP? (If so, provide details)	Yes. OAG Norway receives core funding. A specific sum is allocated to international cooperation. It is within the discretion of OAG to decide how the funding is used.
Is the body able to provide its staff to support GCP activities as in-kind support? If so, please indicate possible volumes and whether short or long term.	Yes. In-kind support is our main modality of development cooperation.
Is the body able to provide any other forms of in-kind support, e.g. provision of training facilities? (If so, provide details)	It will depend on the type of support. We can fund training facilities for specific project activities, to a limited extent.
Is the body required to operate on a full cost recovery basis? <sup>[1]</sup>	No
Does the body have the mandate to compete for service delivery contracts against other INTOSAI providers of support?	Yes, but not a common practice.
Does the body have the mandate to compete for service delivery contracts against private sector providers of support?	Yes, but not a common practice.
Is the body restricted to work in specific countries or regions, or does it have specific focus countries or regions? (If so, provide details)	Yes, we are limited to working with SAIs in OECD/DAC-ODA countries.

Does the body have any preference for providing support under tier 1 or tier 2?	We have a preference towards long term support in tier 1, but will consider tier 2 support on a project to project basis.																										
Does the body restrict its support to countries with a specific administrative heritage or type of SAI (E.g. Court model SAIs, Parliamentary model SAIs)	We normally prefer to work with Parliamentary model SAIs.																										
Does the body have a dedicated department responsible for coordinating and implementing peer-to-peer capacity development support?	Yes. International Division within OAGN is staffed with a head of staff and six experienced senior advisers/project coordinators.																										
In what languages can the body provide comprehensive support (I.e. respond to demand for support in a wide variety of subject areas, with a pool of possible experts in each area) or ad hoc support?	<table border="1" data-bbox="735 528 1294 994"> <thead> <tr> <th data-bbox="735 528 975 611"></th> <th data-bbox="975 528 1187 611">Comprehensive</th> <th data-bbox="1187 528 1294 611">Ad Hoc</th> </tr> </thead> <tbody> <tr> <td data-bbox="735 611 975 667">Arabic</td> <td data-bbox="975 611 1187 667"></td> <td data-bbox="1187 611 1294 667"></td> </tr> <tr> <td data-bbox="735 667 975 723">English</td> <td data-bbox="975 667 1187 723">X</td> <td data-bbox="1187 667 1294 723"></td> </tr> <tr> <td data-bbox="735 723 975 779">French</td> <td data-bbox="975 723 1187 779"></td> <td data-bbox="1187 723 1294 779">X</td> </tr> <tr> <td data-bbox="735 779 975 835">Portuguese</td> <td data-bbox="975 779 1187 835"></td> <td data-bbox="1187 779 1294 835"></td> </tr> <tr> <td data-bbox="735 835 975 891">Russian</td> <td data-bbox="975 835 1187 891"></td> <td data-bbox="1187 835 1294 891"></td> </tr> <tr> <td data-bbox="735 891 975 947">Spanish</td> <td data-bbox="975 891 1187 947"></td> <td data-bbox="1187 891 1294 947">X</td> </tr> <tr> <td data-bbox="735 947 975 994">Other: (Please state)</td> <td data-bbox="975 947 1187 994"></td> <td data-bbox="1187 947 1294 994"></td> </tr> </tbody> </table>				Comprehensive	Ad Hoc	Arabic			English	X		French		X	Portuguese			Russian			Spanish		X	Other: (Please state)		
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Would the body be willing to act as the lead responsible body for provision of long-term support under the GCP?	Yes																										
Would the body be interested in taking on a supporting role for provision of support, in partnership with another SAI / INTOSAI body which acts as the lead responsible body? (E.g. an emerging provider partnering with a mature provider).	Yes																										
In order to support a capacity building project in a peer SAI, how long in advance does this need to be planned to incorporate it into the SAI's annual work plan?	Usually six months ahead, depending on the resource demand. More resource intensive projects need longer planning time in order to allocate resources or recruit staff to the missions.																										
Please include any additional information relating to the body as a potential provider of support to initiatives under the GCP.																											

Sincerely yours

Geir Ambro  
Senior Adviser  
OAG Norway