



Capability Statement – The Swedish National Audit Office

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

| | |
|--|--|
| 1. <i>Is the body a legal entity capable of entering into contracts?</i> | Yes |
| 2. <i>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)</i> | Yes, provided that the support is in line with the Swedish Government's policy for development cooperation. |
| 3. <i>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.</i> | Yes, mainly for short term |
| 4. <i>Is the body able to provide any other forms of in-kind support, e.g. provision of training facilities? (If so, provide details)</i> | No |
| 5. <i>Is the body required to operate on a full cost recovery basis?¹</i> | Yes, if not funded by own designated funds. See question 1. |
| 6. <i>Does the body have the mandate to compete for service delivery contracts against other INTOSAI providers of support?</i> | Yes |
| 7. <i>Does the body have the mandate to compete for service delivery contracts against private sector providers of support?</i> | Yes |
| 8. <i>Is the body restricted to work in specific countries or regions, or does it have specific focus countries or regions? (If so, provide details)</i> | Own funding should be spend in line with the priorities by the Swedish Government. When it comes to external funding there are no constraints in terms of countries. However due to resource |

¹ Defined as covering full staff costs, reimbursables and a reasonable allocation / apportionment of the organisation's overheads and indirect costs.

| | | | |
|--|--|---------------|--------|
| | constraints we would prioritise the countries where we have projects funded by our core funding. | | |
| 9. Does the body have any preference for providing support under tier 1 or tier 2? | See above | | |
| 10. 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) | No | | |
| 11. Does the body have a dedicated department responsible for coordinating and implementing peer-to-peer capacity development support? | Yes | | |
| 12. 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? | | Comprehensive | Ad Hoc |
| | Arabic | | |
| | English | X | |
| | French | | X |
| | Portuguese | | X |
| | Russian | | |
| | Spanish | | X |
| | Other: (Please state) | | |
| 13. Would the body be willing to act as the lead responsible body for provision of long-term support under the GCP? | Yes | | |
| 14. 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 | | |
| 15. 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? | Preferably at least six months in advance for long term projects. For short term assignments a 2 months should normally be enough. | | |
| 16. Please include any additional information relating to the body as a potential provider of support to initiatives under the GCP. | | | |

Generic Contents of a Capability Statement

Short description of the organisation

The Swedish NAO is part of the central control power of the Swedish Riksdag (Parliament). We ensure that the Riksdag receives a coordinated and independent audit of the state finances. This assignment is unique as the Swedish NAO is the only body that can audit the entire state finances.

We audit the whole chain of the executive power. We are an independent organization under the Riksdag and we are independent in relation to those we audit. We carry out both performance- and financial audits.

Furthermore, we contribute to the development of the parliamentary control power and the democracy of other countries through our international assignment.

The Swedish National Audit Office engages in extensive international operations. We represent Sweden in international contexts and we also have the Riksdag's (Parliament) assignment to conduct international development cooperation. The international work of the Swedish NAO is divided into four areas: International development cooperation; International relations; EU-cooperation; and Audit of international Organizations.

The aim of the international development co-operation is to help build stronger audit institutions in developing countries, to enable these organizations carry out their audits in accordance with internationally accepted standards. At present the Swedish NAO is primarily an institutional cooperation partner in several bilateral projects in Africa and in South-East Europe, but we are also involved in a regional project for English-speaking SAIs in Africa (AFROSAI-E) and a few more countries. The Riksdag has been granting the Swedish NAO funds to be used in the international development co-operation since 2004.

Core areas of capacity development support offered

Financial audit:

Implementing ISSAI, with focus on the more basic standards, depending on the level of the SAI.

Compliance audit:

Support in applying the ISSAI.

Performance audit

- advising SAIs on a strategic level regarding establishment and further development of performance auditing;
- management of performance auditing at different levels;
- basic training of performance auditors;
- other training and workshops for professional development of performance auditors;
- coaching of performance audit teams, preferably in cooperation with their line managers;
- quality assurance and quality reviews of SAIs; and
- and development of Handbooks, manuals and guidelines for performance auditing.

Management & Leadership

Approach; integrating generic leadership with the audit- and support processes to turn capacity into capability

- Support to SAI top-management team on strategy, planning and vision
- Operational Management Tool-Box for Middle Management and Team leaders
- Interpersonal skills and 360 mirroring

Communication

Approach; Internal and External Communication

- Communication strategy and policy support
- Development of communication department and functions
- Platforms for external and internal communication
- Media- and other stakeholder relations

HRM (Human Resource Management)

Approach; focus on Performance Management processes

- HR as a strategic partner
- Recruitment & Succession planning
- Competency Framework and Development plans
- Appraisals dialogues

Project History

Moldova

The Swedish National Audit Office has a cooperation project with the Supreme Audit Institution of Moldova, Court of Accounts (CoA), since 2007. The Memorandum of understanding with the National Audit institution of Moldova, the Court of Accounts (CoA), has been extended by one year, until December 31 2017. The aim of our cooperation is sustainability of a financial audit in accordance with international standards of Supreme audit institutions (ISSAI). The Swedish NAO supports the CoA transition from a control institution to a Supreme audit institution

Kosovo

The Swedish National Audit Office has a cooperation project with the National Audit Office of Kosovo (KNAO) since 2013. The current agreement is valid until June 2016. Since the independence of Kosovo in 2008, the NAO has developed its capacity. The cooperation with the Swedish National Audit Office lies in the context of NAO 's strategy to professionalize the organization at all levels and to strive to conduct audits in accordance with international standards.

The cooperation with the Swedish National Audit Office aims at strengthening NAO 's capacity, mainly in performance audit but also certain activities aiming at developing management skills and HR.

AFROSAI-E

The Swedish National Audit Office (Swedish NAO) has a well-established development cooperation with AFROSAI-E, a sub-regional organization of INTOSAI, whose members are 24 English-speaking and two Portuguese-speaking supreme audit institutions (SAIs) in Africa. The Swedish NAO has cooperated with AFROSAI-E since its establishment in 2005, but even AFROSAI-E's forerunner received Swedish development support from 1989.

The present cooperation agreement runs from the beginning of 2015 until the end of 2017 and it is based on the AFROSAI-E Corporate Plan 2015-2019. It is the Swedish NAO's expectation, through the support to AFROSAI-E, to be able to contribute to developing audit capacity of the supreme audit institutions of these 26 member states. Our main purpose continues to be supporting the AFROSAI-E's Secretariat with one Swedish NAO long-term staff member and two staff members recruited in the region, to manage the implementation of the organisation's Corporate Plan. In addition to that, a large number of Swedish staff is engaged through short-term assignments in the development

activities organised by the secretariat. One of the main focus areas for the Swedish support continues to be the development of methods and skills in performance audit, but we are also involved in the development of methods in financial audit, quality control, combating corruption, HR and communication. A new focus area is leadership development where we together have implemented a leadership and mentoring program targeting top executive teams providing an opportunity to develop strategic and interpersonal leadership skills in the SAIs. This leadership program has run with good results during 2015-2016. New initiatives in this field for directors and senior managers will be organised during 2017.

The Swedish NAO, The OAG Norway (OAGN), The Netherlands Court of Audits (NCA) and the Canadian Comprehensive Audit Foundation (CCAF) are AFROSAI-E institutional partners. The IDI (INTOSAI Development Initiative) is also an important partner. Moreover, the organization receives financial support from the Swedish and Norwegian Governments as well as from the German International Cooperation Agency (GIZ).

Tanzania

The Swedish National Audit Office's development cooperation with the National Audit Office in Tanzania (NAOT) started in 2004. The first phase of the project focused on financial audit, performance audit, and to revise the Audit Act of NAOT. The second phase began in March 2008 and lasted until June 2012. A new audit manual was introduced and performance audit at NAOT was further developed. In January 2013, after a bridging period of six months, a new three-year agreement was launched – the so-called Sustainability project – which aimed to consolidate the achieved progress. Although the Sustainability project was extended until December, 2016, there is still evidence that further development interventions are needed. Hence, a new cooperation phase is soon to be agreed for the period 2017-2020. More focus is likely to be put on operative management training, ICT, and communication.

The cooperation project is primarily conducted on a short-term basis, which requires a common careful planning, coordination and monitoring of project activities. To that end, NAOT has appointed a new unit – the Planning, Monitoring and Evaluation unit.

Kenya

Since 2011, the Swedish NAO works together with The Office of the Auditor General in Kenya (OAGK). The collaboration is part of the Swedish international development support. The overall purpose is to promote good governance in the country. Following the general elections in 2008, Kenya is still in the middle of a radical restructuring of the government administration. In accordance with the current Kenyan

Constitution, eight provinces transform into 47 autonomous counties. This places great demands on OAGK's organization and operations.

During 2015–2017, we highlight regularity audit, performance audit, as well as the importance of well-functioning internal communication and management organization.. There is a Memorandum of Understanding for 2015–2017 which is the second phase of the cooperation that was first launched in 2011.

Uganda

In March 2013 the Swedish NAO signed a cooperation agreement with the Office of the Auditor General of Uganda (OAG). The cooperation is part of the Swedish development support to Uganda, and is ultimately intended to promote good governance in the country. In a first phase, after some extensions, the cooperation ran until end 2016. A new project phase is planned for 2017-2020.

The Swedish NAO support focuses on the relations with Parliament and on various management issues. The Swedish contribution to OAG aims, i.a., at a greater impact of the OAG's reports in the Ugandan Parliament. This will be done in areas where the OAG sees a need for support in their development: financial audits (especially quality assurance), value for money audits, and matters related to the leadership of a supreme audit institution, such as communication and HR.

Georgia

In 2014 the Swedish National Audit Office (Swedish NAO) and the State Audit Office of Georgia (SAO) signed a Memorandum of Understanding (MoU) concerning the second phase (2014-2016) of the bilateral cooperation between the partners concerned.

Further development of SAO's institutional and professional capacity to conduct performance auditing in compliance with international principles and standards ISSAI is the main focus of the cooperation in question. In addition, the partners intend to conduct a number of activities related to internal and external communication, as well as leadership and management.

Cambodia

The Swedish National Audit Office is cooperating with the National Audit Authority of Cambodia since 2011.

The cooperation has had a focus on developing financial audit in accordance with international auditing standards (ISSAI) which has included developing a financial audit manual, coaching pilot teams in implementing the new manual, support in establishing a quality assurance and control teams as well as the training of trainers. The Swedish NAO

is also providing support for the management as well as developing NAA's performance audit capacity. The current project period lasts until 2017.

ASEANSAI

ASEANSAI was established in 2011 and is a regional organization made up of ten Supreme Audit Institutions (SAIs) including Jabatan Audit Brunei Darussalam, National Audit Authority of Kingdom of Cambodia, The Audit Board of the Republic of Indonesia, The State Audit Organization of Lao P.D.R, Jabatan Audit Negara Malaysia, Office of the Auditor General of the Union, the Republic of the Union of Myanmar, The Commission on Audit of the Republic of Philippines, Auditor General's Office of Singapore, Office of the Auditor General of Thailand and State Audit of Vietnam.

ASEANSAI strives to encourage and promote good governance within the ASEAN region through exchanges of knowledge and expertise between its member states and by discussing important and shared issues on public audit.

Since 2015, the Swedish NAO has provided expert-knowledge to the members of ASEANSAI, by supporting seminars and workshops on the implementation of international standards on public auditing.

Palestine

The partners, the Swedish National Audit Office and the State Audit and Administrative Control Bureau of Palestine (SAACB), have agreed to focus in the development of the capacity of the SAACB to conduct performance auditing in the environmental field.

In addition, the project plan envisages some activities that aim at enhancing the capacity of the leadership of the SAACB to manage an audit institution in a transition period.

These activities are limited to exposure the SAACB leadership to best practices.

The Auditor General of Sweden, Margareta Åberg and of Palestine, Iyad

Tayyem, extended the first phase of the bilateral cooperation by one year, until 31 December 2016. The cooperation started in 2013.

Regional cooperation Western Balkans and Turkey and JWGAA

Swedish NAO became the co-chair of Joint Working Group Audit Activities (JWGAA) in 2016 together with the SAI of Romania. JWGAA is a working group set up to promote and facilitate small-scale, practical, hands-on co-operation between SAIs of the Contact Committee (EU Member State SAIs) and the Presidents' Network (acceding, candidate and potential candidate countries). JWGAA supports the Presidents' Network (PN) by providing professional, organisational and technical advice. Swedish NAO is working as a hands on partner to JWGAA by providing experts and holding events, conducting workshops and training sessions etc. Examples of activities conducted in 2016 are:

Workshop on materiality and sampling in financial audit and Roundtable event on audit reports and opinions as well as a project on parallel performance audit with a number of workshops.

Core Team

The Swedish NAO can provide expertise from the whole organisation on various fields which enables us to adapt the expertise to the demands in every individual project. The staff members working full time with development cooperation are the following.

Magnus Lindell

Deputy Auditor General, International Affairs
MBA

Isabelle Berglund

Senior International Advisor
B. Sc. in Political science

Ms Ingela Ekblom

Senior expert - Management & Communication and HRM
University Examine (UC) in Journalism

Lars Florin

Senior International Advisor
Coordinator for Performance Audit and member of INTOSAI Performance Audit Subcommittee
B. Sc. in Public Administration

Magnus Gimdal

Senior International Advisor
M. Sc in Business and Economics

Karin Holmerin

Coordinator for Financial audit and quality assurance expert
B. Sc. in Business administration

Magdalena Karnebäck

Senior International Advisor/Project manager.
M. Sc. in Political Science and Master's degree in Communication for Development.

Jan-Åke Nilsson

Expert in Financial-/Compliance Audit including Quality Control and Assurance
B. Sc. .in Business and Economics

Amanda Söderlund

Senior International Advisor
Performance audit expert
M. Sc. in economics

Jenny Öhman Persson

Audit Director
Performance Audit and Quality Assurance Expert
Ph.D.