

5th INTOSAI-Donor Steering Committee Meeting

London, 18-19th October

Summary and Key Decisions

Opening statements were provided by Martin Sinclair of UK NAO and Mark Bowman of DfID, focusing on how effective SAIs can make meaningful contributions to the development of better governance, transparency and accountability in partner countries.

Agenda Item 1: Update on INTOSAI-Donor Activities

Participants were encouraged by the progress made on implementing the eight regional and global initiatives from the first round of matching, and the Secretariat agreed to develop a short summary of the Cooperation's achievements to date, that could be used in participants' outreach.

Significant progress on the SAI Capacity Development Database was noted, with around 240 projects now registered, and the database being actively used by Steering Committee members for coordination and planning of support to SAIs. Participants were thanked for their efforts in populating the database, and reminded of the need to continue to update and use the database going forward.

Agenda Item 2: SAI Performance Measurement Framework (SAI PMF)

Participants expressed appreciation for the work done so far in developing the draft SAI PMF and commencement of phase 1 pilots in Norway, Sierra Leone, and Djibouti. There was agreement on the importance of allowing sufficient time for phase 2 pilots and global consultation, as reflected in the revised timetable. The Secretariat agreed to look at the options to advance the planned timing of the final endorsement of the SAI PMF, currently scheduled for INCOSAI XXII in 2016.

Participants emphasized that understanding the context in which the SAI operated was crucial to appropriate assessments, and that the tool needed to be applicable in SAIs of different administrative heritages.

Agenda Item 3: Working with Parliaments

The work being undertaken by the UK NAO with Parliaments, on both a bilateral and regional level, was noted and a number of possible areas for further engagement were suggested. Outputs from the recent UN-INTOSAI symposium which included the linkages between SAIs and Parliaments also demonstrate efforts by INTOSAI in this area.

Agenda Item 4: Global Call for Proposals

Roundtable discussions on progress of initiatives under the 2011 Global Call for Proposals illuminated the considerable progress being made. Highlights included, but were not limited to, African Development Bank funding for CREFIAF, USAID and IDI jointly supporting ARABOSAI, the SAI Sweden partnering with SAI Uganda, and Canada supporting SAI Vietnam. The Inter-American Development Bank emphasized their expansion of work with SAIs, the European Commission provided an update on five projects, and the World Bank confirmed that support to Moldova and the Maldives had been approved, whilst there was ongoing dialogue related to a further 16 projects.

Participants agreed to provide an update on the status on the matching to the Secretariat by 16 November. The Secretariat will update the database with the updated status on the projects by 30 November.

The recommendations of the discussion paper on the future of the Global Call for Proposals were broadly endorsed.

On the decision on the timing of the next Global Call for Proposals:

- INTOSAI participants expressed an interest for a second Global Call for Proposals in the near future.
- It was noted that the XXI INTOSAI Congress in Beijing, in October 2013, was a major event in the INTOSAI calendar and represented a critical milestone. The launch of the next Global Call for Proposals, and announcement of the establishment of the SAI Capacity Development Fund (SAI CDF), a Multi-Donor Trust Fund, should be possible by no later than the INTOSAI congress in 2013.
- The meeting resolved that the Steering Committee Leadership in due course will make a recommendation to the Steering Committee on the proposed timing of the second Global Call for Proposals.

On the distribution of concept notes between individual providers of support and the SAI CDF:

- Option A where concept notes would be distributed first to the SAI CDF, while feasible, did not meet the needs of some donors and SAI providers of support.
- Option B where concept notes would be distributed first to individual providers, undermined the incentives for pooled funding and would not be supported by those donors interested in providing pooled funds.
- Option C where concept notes would be distributed in parallel to the SAI CDF and individual providers, was most consistent with the spirit of the INTOSAI-Donor MoU, and faced none of the disadvantages of the other two options. It was noted within this option that the coordination arrangements and timetables would need to be further developed and clearly communicated among all parties, to enable both pooled funding and bilateral support decisions to be made in an effective and coordinated manner. In the event of the SAI CDF funding board and individual donors both expressing interest in supporting a concept note or proposal, it was agreed that applicants would decide with whom to take forward their proposals.

The Steering Committee agreed to pursue option C as outlined in the paper.

Agenda Item 5: SAI Capacity Development Fund (SAI CDF)

Donors interested in providing funding to the SAI CDF met prior to the meeting to finalize the draft operating arrangements for the SAI CDF. These allow for development partners whose mandate focuses on specific regions to participate in pooled funding arrangements. Donors were at different stages with regards to making firm commitments and pledges to contribute to the SAI CDF.

Participants in the pooled fund meeting agreed on the importance of bringing as many donors forward as possible together, while also managing and meeting expectations within the INTOSAI-Donor Cooperation.

Reflecting the long discussions on pooled funding within the INTOSAI-Donor Cooperation, donors were requested to indicate their agreement in principle to provide funding, by the end of November.

Agenda Item 6: Building Capacity of SAIs to Develop Funding Proposals

Participants agreed on the continuing need to support SAIs in some regions, subject to demand, to be able to better engage with development partners. It was agreed that in taking forward this agenda, the primary focus should be to develop the skills and capacities of INTOSAI regional bodies and regional networks to support their members, and that this work should be integrated with other efforts to strengthen the regions, including work of the INTOSAI Capacity Building Committee.

Agenda Item 7: Independence of SAIs

The INTOSAI General Secretariat highlighted the importance of the UN Resolution on SAI independence, and presented tools for advocacy efforts to strengthen independence of SAIs. Concrete examples of efforts to support SAIs at the national level in pursuing SAI independence were also provided. Participants agreed on the importance of INTOSAI and the Donor communities working jointly to support the efforts of developing country SAIs to enhance their independence.

Agenda Item 8: ISSAI Implementation Initiative (3i)

The 3i program, where phase one is supported by the World Bank and by substantial in-kind contribution from the SAI community, facilitates and supports SAIs in the implementation of the International Standards of Supreme Audit Institutions (ISSAIs). The program was launched in late 2011. It constitutes the most ambitious capacity building project in the history of INTOSAI, and has the potential to significantly enhance the quality, uniformity, professionalism and credibility of the work of developing country SAIs globally. The program currently focuses on supporting SAIs in English speaking regions, but will be launched in Arabic, French and Spanish in 2013. The importance of this initiative was highlighted by both donor and SAI participants, and the meeting called for additional donors to come forward to support the 3i program. Through the regional approach of 3i, donors will be able to channel support into regions of specific interest.

Agenda Item 9: Strengthening the SAI Capacity Development Supply Side

The representative of the Chair of the Capacity Building Committee summed up the conclusion of the SAI supply side seminar held in September 2012. The meeting agreed that the issue of strengthening the SAI supply side was of considerable importance, and should be lifted to the INTOSAI Governing Board for strategic consideration. A number of concrete ways to augment the SAI capacity building supply side were agreed, including the development of a community of practice for providers of support and the development of guidance material for evaluations of SAI capacity development initiatives.

Agenda Item 10: OECD-DAC Task Force on PFM Guide on Support to SAIs

Participants expressed their appreciation of the OECD-DAC Task Force on PFM guide on supporting SAIs, and recognized the need to support donor staff through training and other means.

Agenda Item 11: 2013-2015 INTOSAI-Donor Cooperation Program Document

The Steering Committee agreed in principle on a small scaling up of the Cooperation (option 2 of the draft Program Document). This option entails that building on the successful work carried out in phase one, the focus in phase two will be on the following themes: a) INTOSAI-Donor Cooperation Management, b) Funding Mechanisms and Project Identification, c) SAI PMF, d) Knowledge Center on Support to SAIs, e) Strengthening the Supply of Support to SAIs, f) Research and Evidence, and g) Monitoring, Evaluation and Lesson Learning.

To ensure appropriate resourcing of the Secretariat to implement the 2013-2015 program document, Donors were encouraged to look into the possibility of providing funding for the INTOSAI-Donor Secretariat. This could be in the form of core funding, or ring fenced support for specific themes. The INTOSAI participants were also encouraged to provide support of human resources to support the work of the INTOSAI-Donor Secretariat.

Following the meeting, the INTOSAI-Donor Secretariat will finalize the Program Document in close cooperation with the current funding partners and the Steering Committee Leadership.

Based on the decision in principle on the way forward, an annual work plan for the Cooperation is included in annex A.

The Steering Committee Leadership, in consultation with the INTOSAI-Donor Secretariat, will in due course announce the timing and location for the next Steering Committee meeting.

Annex: INTOSAI-Donor Cooperation Work Plan 2013

No.	Theme and Task	Priority for 2013	Responsibility	Deadline
1	INTOSAI-Donor Cooperation Management			
1.1	Facilitate SC meeting and SC leadership teleconferences	High	Secretariat	Continuous
1.2	Communication and outreach on INTOSAI-Donor Cooperation (inc. newsletters)	High	Secretariat	Continuous
2	Funding Mechanisms and Project Identification			
2.1	Secure pledges for and establish SAI Capacity Development Fund	High	Donors and Secretariat	ASAP
2.2	Launch 2 nd Global Call for Proposals	High	Secretariat	TBC
2.3	Prepare and submit concept notes	High	INTOSAI applicants, Secretariat	TBC
2.4	Develop full proposals and match to funding	High	INTOSAI applicants, World Bank, Secretariat	TBC
3	SAI Performance Measurement Framework			
3.1	Exposure draft SAI PMF published on WGVBS website	High	SAI PMF Task Team	April
3.2	Training courses for assessors run in all INTOSAI regions	High	SAI PMF Task Team	June
3.3	Phase 2 pilots in progress	High	SAIs, INTOSAI bodies, donors	Continuous
3.4	Exposure draft SAI PMF presented at 6 th SC meeting and INCOSAI XXI	High	SAI PMF Task Team	October
4	Knowledge Centre on Support to SAIs			
4.1	Maintenance of SAI capacity development database	High	Secretariat	Continuous
4.2	Disseminate public goods, support to donor engagement with SAIs, represent INTOSAI in development fora	Medium	Secretariat	Continuous
4.3	Training for donors on working with SAIs <ul style="list-style-type: none"> • Training material drafted • Pilot training course completed • Proposal for roll-out completed 	Medium	Secretariat	<ul style="list-style-type: none"> • March • June • October
4.4	Training for SAIs on engagement with donors and writing funding applications	Medium	Secretariat	TBC – linked to timing of Global Call for Proposals
5	Strengthening the Supply of Support to SAIs			
5.1	<ul style="list-style-type: none"> • Establish SAI Supply Side Community of Practice • Hold first technical update 	Medium	Secretariat	<ul style="list-style-type: none"> • July • December
5.2	Develop guidance on better evaluations of SAI capacity development projects <ul style="list-style-type: none"> • Terms of reference approved 	Medium	Secretariat, SAI Sweden & SAI Norway	<ul style="list-style-type: none"> • September
6	SAI Research Agenda			
6.1	SAI involvement in audit of extractive industries – mapping and way forward	Low	Secretariat with AFROSAI-E	April
6.2	Benchmarking of SAI funding levels <ul style="list-style-type: none"> • Decision on inclusion in possible 2013 stock taking, and way forward 	Low	Secretariat	TBC, subject to progress on INTOSAI Information Database
7	Monitoring and Evaluation			
7.1	Annual progress report	High	Secretariat	May
7.2	Stock taking update <ul style="list-style-type: none"> • Decision on added value from possible 2013 stocktaking, and way forward 	Medium	Secretariat	TBC, subject to progress on INTOSAI Information Database
7.3	External evaluation of IDI	Medium	IDI	June