

# Minutes of the Inaugural INTOSAI-Donor Steering Committee Meeting

Marrakech, Morocco, February 22-23, 2010

## LIST OF PARTICIPANTS

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Anders Hjerstrand	Swedish National Audit Office
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Anthony Hegarty	World Bank
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## Welcome and opening remarks

1. First President of the Court of Accounts of the Kingdom of Morocco opened the meeting by welcoming the delegates, and providing remarks about the importance of the tasks before us, the significance and relevance for having the meeting in Morocco. The European Commission, representing the Donor Community, and the Supreme Audit Institutions (SAIs) of Saudi Arabia and the USA, representing INTOSAI also delivered

opening remarks, highlighting the importance of moving away from providing capacity building support on a case-by-case basis to a more strategic and coordinated approach to building the capacity of SAIs in developing countries. The opening remarks emphasized the high expectations concerning this initiative, and the importance to move forward together to ensure the successful implementation of the Memorandum of Understanding (MoU).

## **Steering Committee Discussion Paper**

2. As established at the technical meeting following the signing of the MoU in Brussels in October 2009, the taskforce consisting of the UK Department for International Development (DFID), the European Commission, the INTOSAI Development Initiative (IDI) and the World Bank, developed papers on the Steering Committee and Secretariat for discussion at the inaugural Steering Committee meeting. The IDI presented the discussion paper on the Steering Committee that covered:
  - The Working Modalities of the Steering Committee
    - size and composition
    - leadership
    - work arrangements
    - roles and responsibilities
  - An indicative work programme for the Steering Committee
  - Funding modalities
3. In the pursuing discussions on the Steering Committee (SC), several Donors emphasized the need to accelerate the process for increased coordination in a transparent manner to ensure that there are adequate resources to provide concrete results. Several donors stated their preparedness to provide funding to implement the MoU. An important activity for the forthcoming period will thus be to undertake a stocktaking of the status and current assistance in target countries SAIs. This entails establishing status with regards to strategic and development action plans in effective use, and an overview of ongoing capacity building initiatives supported by donors or financed domestically. There will also be a need to identify demand driven funding gaps at the national, regional and global levels.
4. The Donor Community representatives met in a separate session, and the European Commission provided the following summary when reconvening with the INTOSAI delegates. Agreements reached were
  - a. there should be a medium term work program for the period from February through October, 2010;
  - b. a stock should be taken of what is going on at the SAIs in terms of action plans, current programs in place, by donors, and the country itself;
  - c. the SC Secretariat will be in place and will be receiving inputs from donors
  - d. there should be some good practice examples for effective SAI policies, activities, or actions plans.
5. It was agreed that the SC Secretariat will have to be a driving force in executing this work, and that some donors may be willing to finance this activity. The information collected will serve as crucial input into the Joint Work Programme which would be presented at the second Steering Committee meeting together with the results of the stocktaking. Another task to be carried out ahead of the next Steering Committee meeting is to develop

an overview of good practice examples of capacity building of the INTOSAI Community. Regional input was also noted as being highly valuable to the success of this effort.

6. The Steering Committee addressed the various issues put forward in the Steering Committee discussion paper and decided the following:
  - To continue the principle of open ended Steering Committee membership for any donor signing the MoU in line with the wording of the MoU.
  - That the Steering Committee will be open to observers (including donors that have not yet signed the MoU and other stakeholders). Observers will not have voting rights on the Steering Committee.
  - That the leadership of the Steering Committee will consist of joint Chairpersons and Vice Chairpersons from the INTOSAI and Donor Communities respectively.
  - The Donor Community appointed the World Bank as Chair as a representative of multilateral organizations, and DFID as Vice Chair representing bilateral organizations. There may however be a change of Vice Chair at the second Steering Committee meeting, due to the work commitments of DFID.
  - INTOSAI appointed the Chair and Vice Chair of the INTOSAI Finance and Administration Committee as Steering Committee Chair and Vice Chair. Currently this is the SAI of Saudi Arabia and the SAI of USA respectively.
  - That the tenure of appointment to the posts of Chairs and Vice Chairs will be at the discretion of the Donor and INTOSAI Communities respectively.
  - To utilise consensus decision making for decisions made by the Steering Committee, and allowing for delegated representation when Donor Steering Committee members are unable to participate at meetings.
  - To conduct semi annual Steering Committee meetings for the time being.
  - To approve the proposed interim roles and responsibilities of the Steering Committee. These are as follows: 1) Provide strategic guidance and counselling, 2) Develop and implement Joint Work Programme, 3) Establish Operational Guidelines, 4) Establish and provide leadership and direction vis-à-vis the SC Secretariat, 5) Encourage mobilization of financial resources to implement Joint Work Programme, 6) Monitor and evaluate the Partnership, 7) Serve as ambassadors for the Partnership.
  - To approve the proposed interim work programme for the period between the first and second Steering Committee meeting with the following amendments: 1) The stocktaking should consist of: i) Inventory of country owned strategic and development action plans, ii) Inventory of capacity building projects undertaken with and without donor support, iii) Identified funding gaps with indications of amounts needed. These identified funding gaps should be demand driven. This stocktaking should be completed by the end of August 2010 at the latest and serve as input to the Partnership Joint Work Programme. 2) Collecting examples of good practices of capacity building of the INTOSAI community. The revised work programme is provided as an annex to these minutes.
  - The Steering Committee decided to establish a SC Secretariat to provide the Steering Committee with support, and decide to allocate this role to the IDI. The mandate and tenure of the SC Secretariat are to be continuously defined by the Steering Committee.

## **Opening remarks by Chairs of the Steering Committee**

7. The newly appointed Chairpersons, the World Bank and the SAI of Saudi Arabia, provided opening remarks. It was underlined that all SC members have important roles in terms of serving as ambassadors, and the importance of timing, that Donors should begin to identify funding for the next budget period that can be used to support SAI capacity building. INTOSAI stands ready to assume the necessary responsibilities associated with the MoU, and the SAI of South Africa would be willing to host the next Steering Committee Meeting in South Africa. The meeting will take place on 18-19th November 2010 just prior to the triennial INTOSAI Congress

## **SC Secretariat Discussion Paper**

8. The IDI presented the SC Secretariat discussion paper. The presentation covered the proposed initial roles and responsibilities of the SC Secretariat put forward to the Steering Committee as the interim Terms of Reference, and examples of potential future tasks that the Steering Committee could consider allocating to the SC Secretariat.
9. A number of donor representatives expressed interest in having the SC Secretariat take on some of the additional roles described in the discussion paper including that of developing into a competence and knowledge centre, assisting the Steering Committee in conducting monitoring and evaluation tasks, and being a service centre for SAIs in partner developing countries. Participants in general also emphasized that the SC Secretariat will have a pivotal role in terms of ensuring appropriate coordination and communication.
10. The representative from CIDA asked that the initiative give due consideration to and refer to gender data as possible going forward.
11. The Norwegian Agency for Development Cooperation (Norad) will provide financing to the SC Secretariat. The Austrian Development Agency (ADA) and Ireland indicated that they may provide additional funding necessary to complete the stocktaking and development of a draft Joint Work Programme. In terms of the staffing, the IDI will enter into a dialogue with the Chairs and Vice-Chairs to discuss this issue.
12. The Chairpersons, Vice-chairpersons and SC Secretariat will have periodic meetings, preferably monthly, to facilitate implementation of the MoU.
13. The following roles and responsibilities form part of the interim Terms of Reference for the SC Secretariat that was approved by the Steering Committee:
  - Administer and facilitate SC meetings
  - Assist the SC in drafting a Joint Work Programme and possibly Operational Guidelines
  - Ensure effective communication within the Partnership and with stakeholders.
  - Carry out information and awareness raising activities
  - Take stock of : i) country owned strategic and development action plans, ii) capacity building projects undertaken with and without donor support, III) identified funding gaps with indications of amounts needed
  - Assemble collection of examples of good practices of capacity building of the INTOSAI community

14. Possible additional functions of the SC Secretariat will be decided upon by the Steering Committee in due course. Allocating additional roles and responsibilities to the SC Secretariat that are not administrative in nature may however necessitate a revision of the MoU as it states that the SC Secretariat will provide administrative support to the Steering Committee.
15. Agreement was reached that IDI, as the SC Secretariat, would cooperate with the meeting hosts, the SAI of Morocco to develop the main summary points of the meeting to be distributed immediately, as well as a press release and minutes of the meeting for distribution. The SC Secretariat will also develop a power point presentation and communiqué on the Partnership for circulation to and future use by the Steering Committee members.

### **Presentation and Overview of Donor Questionnaire and Discussion Thereof**

16. DFID and the Swedish National Audit Office served as discussant leader on this topic, and shared ideas on how to assemble information of ongoing capacity building initiatives. DFID's presentation demonstrated how the stocktaking could be important in terms of establishing a baseline on Donor support, for identifying funding gaps, and providing information on how the Partnership should progress. Possible progress measurements include increasing the level of funding provided to SAIs, fewer and bigger projects rather than fragmented support, more predictable financing, more strategic and development action plans in place, growing role of the INTOSAI regional bodies, to result in more successful projects, stronger SAIs and better overall public sector financial management.
17. The information we need to collect include information on ongoing capacity building initiatives, the degree to which there are strategic and development action plans in place, and the top priorities of the SAI target group. The question is thus what information to collect, how to get it and who should be responsible for this. In addition there may be a value in posing questions on current perceptions or existing problems. In terms of who should be responsible, alternatives include the SC Secretariat, the INTOSAI Capacity Building Committee (CBC) or a combination thereof.
18. The Swedish National Audit Office gave a presentation of the CBC Directory for Capacity Building Projects and expressed their willingness to develop the database further to meet the demands of the INTOSAI and Donor Communities. The directory is available at: <http://www.cbcdirectory.org/default.aspx>
19. In the pursuing discussions the objective of taking stock at a high level was emphasized and agreed to by the participants, as this is one input to the future decisions of the Steering Committee, and that a full mapping is not expected. It was also pointed out that the stock take would be of developing countries only, and not include all SAIs. Donor representatives added that the executive summary needs to be sharp and outline the top priorities and findings. There is a need to establish clear measurements and some of the PEFA indicators and gap analysis of the World Bank could feed into this work. Several members of the Steering Committee commented that the most effective approach to collect the necessary data would be channel questionnaires to SAIs through the INTOSAI regions.

20. The stocktaking will be the responsibility of the SC Secretariat, but will be carried out in close consultation with the Steering Committee leadership, the INTOSAI Capacity Building Committee, the INTOSAI regions, and Donors.

### **Annex 1: Steering Committee Work Programme**

<i><b>Task</b></i>	<i><b>Deadline</b></i>	<i><b>Responsible</b></i>
Decision on SC Size and Membership	February 2010	SC
Decision on SC Leadership and Work Arrangements	February 2010	SC
Decision on SC Roles and Responsibilities	February 2010	SC
Decision on indicative SC Work Programme	February 2010	SC
Identification of short term Partnership activities to be financed	February 2010	SC
Appointment of SC leadership (co-chairs and co-vice chairs from INTOSAI and Donor Community)	February 2010	SC
Decision on SC Secretariat function	February 2010	SC
Awareness raising during INTOSAI and Donor forums	Continuous	SC
Development and approval of SC Work Programme	October 2010	SC
Stocktaking covering: i) Inventory of country owned strategic and development action plans, ii) Inventory of capacity building projects undertaken with and without donor support, iii) Identified funding gaps with indications of amounts needed.	End of August 2010	SC
Collection of examples of good practices of capacity building of the INTOSAI community	October 2010	SC
Development and approval of Joint Work Programme and possibly interim Operational Guidelines	October 2010	SC
Analysis of possible additional SC Secretariat roles and responsibilities	October 2010	SC