Leading up to the triennial International Congress for the world's Supreme Audit Institutions (XX INCOSAI) to be held in Sandton, Johannesburg, from 22-27 November, the Second Steering Committee Meeting between INTOSAI (International Organization of Supreme Audit Institutions) and the Donor Community made important agreements to improve coordination and strengthen capacity support to Supreme Audit Institutions (SAI) in developing countries through short-term and medium-to-long-term actions. Strengthening of SAI capacity is crucial to promote better governance and accountability, increase transparency and help combat corruption in governments worldwide.

Johannesburg, 18 - 19 November 2010 - The Office of the Auditor General of South Africa hosted the Second Steering Committee Meeting of the Cooperation between the INTOSAI and the Donor Community for Capacity Development of SAIs. The principles of the Cooperation are anchored in the milestone 2009 Memorandum of Understanding, signed by INTOSAI and the following 15 Donor partners: the African Development Bank, Austria, Belgium, Canada, the European Commission, the Inter American Development Bank, the International Monetary Fund, Ireland, Netherlands, Norway, Sweden, Switzerland, the United Kingdom, the United States of America and the World Bank.

The first global SAI needs assessment, the SAI *Stocktaking Report 2010*, was discussed and approved by the INTOSAI-Donor Steering Committee. The report highlights that despite ongoing support to the SAI community, there are significant needs and funding gaps facing many SAIs in developing countries. The findings of the report also point to the need for enhanced coordination of capacity development support, and identifies a number of good practices for support to the SAI community.

The Steering Committee also approved an Action Plan for the period 2010-2011 with a dual focus on short-term actions that will provide effective SAI support with demonstrable outcomes, and on the development of a practical framework for effective SAI support in the medium- to long-term that is consistent with the principles of the Memorandum of Understanding. A number of short-term regional and global capacity development initiatives were put forward for possible financing by development partners. Several Donors, hereunder the African Development Bank, the UK Department for International Development, the European Commission, the Inter American Development Bank and the Swiss State Secretariat for Economic Affairs have indicated their willingness to finance some of these initiatives. Development partners in Austria, Ireland and Norway have also agreed to finance the Secretariat until the end of 2012. Work will now commence on matching the short term prioritized support activities with Donors. The Steering Committee also agreed on the establishment of a pooled fund as a complement to other funding modalities under the Cooperation.

A Joint Work Programme was adopted for the period until the end of 2011, which includes amongst others the establishment of a databank of SAI support, voluntary review of SAI Strategic and Development Action Plans, research of SAI funding levels and establishment of the pooled fund.

Leadership of the Steering Committee is provided by Joint Chairs and Vice Chairs from the INTOSAI and Donor communities (the SAI of Saudi Arabia is Chair and the SAI of United States is Vice Chair for INTOSAI; the World Bank is Chair and the UK Department for International Development is Vice Chair for the Donors). The INTOSAI Development Initiative serves as Secretariat for the INTOSAI-Donor Cooperation.