12th INTOSAI-Donor Cooperation Steering Committee Meeting
Tokyo, Japan 4 July 2019

Key Decision Points

Welcome address by Dr. Mari Kobayashi; Opening remarks from Dr. Hussam Al-Angari, INTOSAI Chair of the Cooperation, and Mr. Edward Olowo-Okere, Donor Chair of the Cooperation.

The Steering Committee welcomed updates from Magnus Lindell, from the INTOSAI Capacity Building Committee who informed about decisions and discussions at the CBC Steering Committee.

The Steering Committee welcomed updates on the SAI Capacity Development Fund from Arun Manuja from The World Bank. The country cases from SAI Nicaragua and Georgia were emphasized in the presentation. SAI Chile was recognized for providing its auditing software, SICA to SAI Nicaragua and providing them support in its implementation in Nicaragua under the SAICDF. IDI was also recognized for including Georgia in pilot audit trainings. GAO's Center for Audit Excellence was appreciated for providing excellent audit support to Georgia, which have been key to a successful completion of Georgia's IT audit capacity development project under the SAICDF.

Agenda Item 1: Global Call for Proposals
The INTOSAI Vice-Chair introduced the agenda item by recapping on the process that the GCP has undertaken and the modifications that have been done to the approach over time to make it more effective. Nine SAIs in Africa were identified under tier 2. Tier 2 however did not manage to attract any bilateral funding from the donors. Notably, SAIs were expected to draft proposals for enhancing their capacity under tier 2, which became a difficult task for them due to their limited capacity.

IDI and AFROSAI -E presented on Tier 2: the PAP-APP programme current status, which has been working systematically to produce SAI led strategies as the basis for such proposals, which is referred to as phase 2.

Among the main points highlighted in the plenary were:
- The need to secure funding for the next phase of the GCP Tier 2 programme;
- Barriers encountered by the donors to be able to provide support;
- Level of capacity currently provided by the three implementing partners;

- And the extent to which Cooperation members would be interested in expanding Tier 2 to other regions.

Decisions made by the Steering Committee:
1. IDI Global Foundations Unit (GFU) will reach out to all MoU signatories that are not participating in support to Tier 2 countries and follow up.
2. In countries where the SAI has not yet been able to properly lead on driving forward the Project Support Groups, donors will appoint a lead donor that can act as focal point and coordinate. In cases where no donor is willing to do so, the World Bank has offered to take that role to bolster the PSGs, with a view to this being a capacity development initiative empowering the SAIs to be able to take on this role in future. The focal point could also work on advocacy and policy dialogue on key SAI topics e.g. independence and encouraging prompt appointment of SAI Heads.

3. GFU will facilitate discussion to find a new name for the Project Support Groups.
4. GFU will compile a list of donors active in each tier 2 country and which are not active in the coordination groups, so leadership can contact and help convince them to participate.
5. INTOSAI leadership and IDI GFU, to invite all nine countries for a meeting at INCOSAI.
6. IDSC agreed with the donors' proposal raised during consultations with the IDI Board that there should be a focal donor in each of the tier 2 countries, who should then coordinate with SAI and other donors and liaise drafting the capacity development proposal and seeking funding for the proposal[1]. The focal donor will also lead on advocacy and SAI related policy dialogue in the country.
7. GFU will start preparation work for making an informed decision on a possible expansion of GCP Tier 2 to other regions by:
   a. Working with the INTOSAI regions and donors to identify a small number of SAIs that (needs based) may potentially be candidates for a future expanded Tier 2 – without yet creating expectations of support.
   b. Examining the capacity and support needs of INTOSAI regional bodies and regional peer providers to act as implementing partners for an expanded Tier 2.
   c. Mapping of needs in the regions regarding key SAI areas and status of capacity development needs for SAIs

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[1] As per discussion amongst the donors after the IDSC meeting, the World Bank agreed to lead the dialogue with SAIs in four out of the nine tier 2 countries: Gambia, Togo, Madagascar and Congo (African Development Bank agreed to lead in Niger and Guinea. DFID agreed to lead in Sierra Leone and Zimbabwe, subject to confirmation. EC will look in to the possibility of leading in Eritrea and revert to the IDC).

8. PAP-APP to propose options for effective support modalities in phase 2, which could accommodate different forms of financial support from donors and facilitate funding of individual countries and/or groups of SAIs.
9. GFU to disseminate achievements under PAP-APP widely once known and provide regular status reports to leadership

Regarding Tier 1, IDI introduced the session by welcoming a presentation, by Asian Development Bank, of their recent match with the concept note from SAI Pakistan. The ADB representative explained the organization´s structure and mechanisms that had allowed them to support the above proposal.

In the plenary discussion, the Steering Committee focused on discussing the current strengths and weaknesses of the GCP Tier 1 mechanism as well as its concept. The IDI team made clarifications regarding the GCP as a service that is provided to SAIs in need of assistance in writing concept notes for funding. The IDI further explained that this advisory role is complemented by bridging asymmetries of information within SAI-Donor engagements.

Decisions made by the Steering Committee:
1. GFU will focus on offering training to SAIs on engagement with development partners and writing high quality concept notes. This will permit SAIs to feel empowered when they reach out for support.
2. IDI will enhance communication around support available from GFU with the GCP mechanism by providing early information to applicable donors to determine the initial feasibility of the proposal. Also, work with miscommunication about the GCP logic/intention in order to manage expectations gap.
3. GFU to find a way to better facilitate contact with in-country donors for the SAIs that struggle with this.
4. GFU will streamline matching process by providing an early warning to potential donors when a proposal is flagged.

IDSC was informed about the reestablishment of quarterly donor coordination meetings, the first one being in October 2019.

Agenda item 2: SAI Independence
The Steering Committee held its first strategic discussion on SAI independence, covering four topics. A more detailed write-up of the session is attached. There is now significant momentum behind the SAI independence agenda, and all partners expressed interest in working together to translate this into concrete and coordinated action.

The World Bank briefed about a SAI Independence Assessment Tool developed by its team that can be used by the country offices to measure SAI independence. This tool has been developed subsequent to a high-level meeting held between the World Bank Interim President and CEO, and the INTOSAI leadership in February 2019, which discussed the importance of having strong, independent, and capable SAIs in our client countries.

This tool is expected to be a practical instrument that will allow the World Bank governance specialists (consulting with SAIs) to assess SAI independence in a quick manner and update it on an annual basis (like the CPIA annual exercise). It will permit the World Bank staff working with country authorities to do better advocacy for SAI independence and consider it as part of policy dialogue. The IDSC was informed that the World Bank has invited the other development partners (DFID, EC, Asian Development Bank, African Development Bank, Inter-American Development Bank etc.) to provide comments and suggestions on it, before it's formally rolled out by them in August/September 2019.

Agenda item 3: New IDC Strategy 2020-2030

The Steering Committee approved the new INTOSAI-Donor Cooperation Strategy for 2020-2030 appreciated the work of the drafting group, consisting of Mohammed Al-Habib (GAB), Natalie Bertsch (SECO), Ole Schøyen (IDI), Susanne Wille (EC) and led by Mike Hix, from US GAO, for drafting the strategy.

Agenda item 4: ICT support to SAIs

The representative from GIZ presented on the challenges, opportunities, and support approaches on Information and Communication Technology to Supreme Audit Institutions. GIZ committed to prepare a write up of the main takeaways of the session which will be circulated to the Steering Committee members afterwards.