



## Terms of Reference for IDC Working Group on Technology

### Background

The COVID-19 pandemic has stressed the need for donors and INTOSAI to be responsive to emerging trends. During the 14<sup>th</sup> Annual Meeting, IDC SC members discussed how they could support SAIs in meeting new challenges. The Steering Committee decided to set up Working Groups which could explore ways of supporting SAIs in the following areas;

- technological improvements in SAIs, particularly as a response to COVID-19 both on infrastructure, hardware and software as well as technical capability in areas such as data analysis.
- the need for climate change considerations to be built into auditing systems and the importance of effective SAIs contributing to this agenda.

This TOR outlines direction for establishment of the working group for technology.

### Technology as an emerging issue for SAIs

In the Moscow Declaration (INCOSAI, 2019), Supreme Audit Institutions (SAIs) were encouraged to respond effectively to the opportunities brought about by technological advancements. This includes making better use of open-source data and using data analytic tools to make audit operations more effective. Since the early 2000's digitalization of public sector has been ongoing, with differing speed and emphasis across regions. Digitalisation can be a tool for government to collect data to better understand citizens' needs. Similarly, it creates opportunities for greater accountability, providing new insights in delivery of public services. SAIs could also promote openness of data, and thus foster transparency.

The IDI Global Stocktaking Report 2020 notes that the mandates of SAIs are getting more complex, but that half of SAIs lack sufficient resources to deliver. Audit coverage is also affected by the extent of the scope of the mandate of the SAI, as well as SAI prioritisation. In practice, access to resources and size of staff will affect ability to meet the mandate, in terms of coverage. The use of technology for automatisisation, and broader coverage of audited entities could alleviate the increased pressure on SAIs. Making full use of the data available also would permit SAIs to improve their analysis of delivery of services and governance of systems.

The COVID-19 pandemic has further lifted the consciousness of stakeholders of SAIs' need for support to establish ICT structures that would allow for better governance, remote auditing, and the use of appropriate software to make their work more efficient. This would serve two purposes; firstly, overall increase the effectiveness and quality in audit operations, secondly making Supreme Audit Institutions more agile in the case of new crises. INTOSAI already has working groups working on technology. The working groups include IT Audit, Impact of Science and Technology on Auditing and Big Data.



## Overarching objectives

In line with the MOU principles of INTOSAI-Donor Cooperation the overarching objective of the working group is scaled up support to SAIs on ICT and technology (including data analysis tools). The working group should also secure support to SAI under existing PFM reform support, to maximize effects of digitalisation of public sector. It should also promote support to digitalization of SAIs.

## Principles for the working group

- The working group should define its own work plan with defined activities, output and result indicators
- Duplication of purpose with existing working groups in the INTOSAI community to be avoided.
- The Working Group on Climate needs to build up on the work of INTOSAI Working Groups related to ICT and Technology. As many GPG exists facilitation of funding for relevant capacity development projects should be a main priority.
- The group should seek to identify and draw on strategic partners
- Development of Global Public Goods may be explored.
- The relevant INTOSAI working group(s) will be consulted and invited as a member during the establishment of the working group

## Timeframe

The initial timeframe for the operations of the working group is 2022-2025, with assessment of progress regularly by the IDC leadership.

## Governance arrangements

- The working group is led by a coordinator
- The working group reports regularly the IDC Leadership which approves its workplan
- The working group reports on its results to the Steering Committee