

ACTIVITY 3

Organize and facilitate trainings and workshops based on SAI needs”

MANILA, PHILIPPINES

27TH – 29^H MAY 2019

Presentation outline

- Background
- Training undertaken since 2016
- WGEI Learning Task Force
- Extractive Industries Training Framework
- Challenges
- Future Plans

Goal of Activity 3

- Strengthen the capacity of the Supreme Audit Institutions(SAIs) to carry out high quality audits in the EI thereby promoting transparency, accountability and good governance of the sector.

Objectives of Activity 3

- Organize trainings, workshops and short-term courses facilitated by experts from various SAIs and other non-SAI organizations.

Background

- Design and pilot e-learning courses on selected topics.
- Liaising with other WGEI activity leaders to contribute towards full realisation of the WGEI mandate.

Expected outcomes

- Enhanced skills and knowledge in the audit of extractive industries.
- Timely production of high quality extractive industry audit reports
- Attainment of the WGEI targets

Training/Workshops undertaken since 2016

- **Kampala, Uganda (11th – 15th September 2017)**

AFROSAI-E, WGEI training - knowledge and experience sharing in audit of EI, identification and mitigation of risks in EI

- **Zimbabwe (12 – 16 December 2016)**
- **Lusaka, Zambia focusing on IFF (16th – 20th October 2017)**

facilitated and coordinated by CoP Coordinator

Training undertaken

- **Training Workshop in South Sudan (8th – 12th May 2017) focusing on Cost recovery manual and risk assessment in EI.**
- **CoP Coordinator participated in AFROSAI-E workshop on EI (4TH – 8TH June 2018)**
- **SAI –Kenya benchmarking with SAI-Uganda 2017, 2018, 2019**
- **AFROSAI-E courses**

Other trainings/Knowledge sharing –

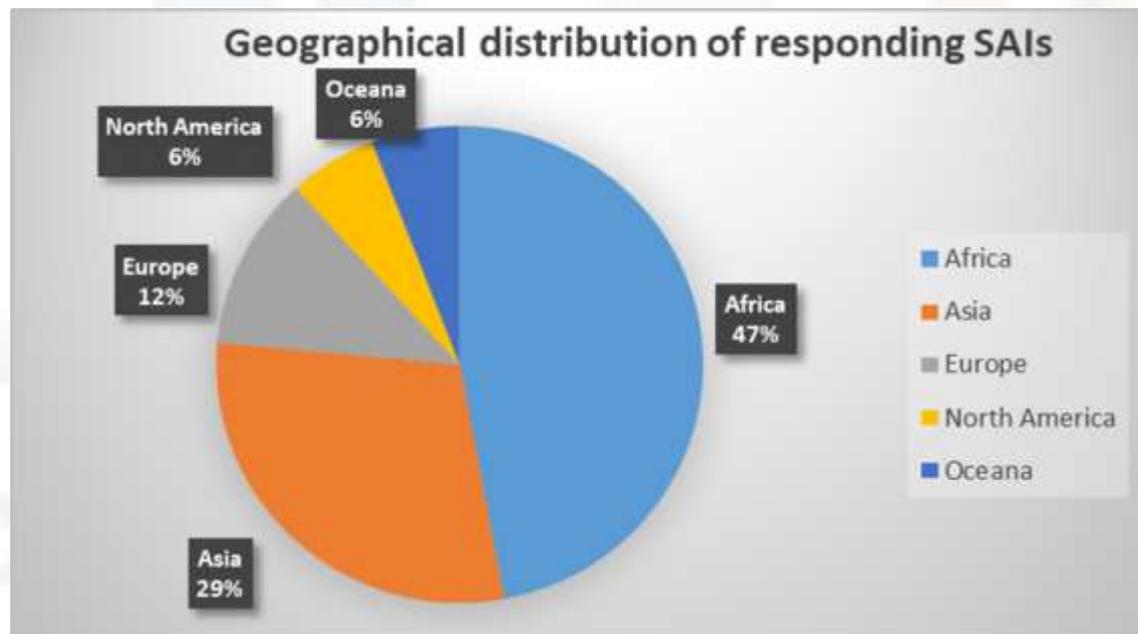
- SAI Norway Transfer pricing
- SAI Norway, OAGU, OAG Sierra Leone
- Giz Regional workshop Uganda - 8 countries
- Giz Ghana –Performance Audits
- NRGI sponsored training – Summer school (Ghana)
- NRGI –Ghana Audit services training and TA mineral revenue audits

WGEI Learning Task Force

- **Steering Committee** - annual meeting of September 2017 in Washington resolved to form a WGEI learning task force
- **Learning task force SAI composition:** Ecuador, Ghana, India, Iraq, Norway, Uganda, Vietnam, Zambia, Zimbabwe and AFROSAI-E (observer).
- **Tasked with developing a learning curriculum for EI.**

WGEI Learning Task Force

- 1st meeting held in India 22nd -27th January 2018
- a survey questionnaire developed to establish the capacity and learning needs of WGEI member SAIs



Expertise

Learning needs

* 1 is most needed

* 1 = highest level of expertise among the SAIs

| Topic | Score |
|-------------------------------------------|-------|
| 1 Assessment and collection of revenue | 2,69 |
| 2 Awards of Contracts | 2,58 |
| 3 IT/ERP | 2,58 |
| 4 Environment and sustainable development | 2,51 |
| 5 Revenue management | 2,48 |
| 6 Exploration and data management | 2,41 |
| 7 Monitoring of operations | 2,31 |
| 8 Legal framework | 2,11 |

| Topic | Score |
|-------------------------------------------|-------|
| 1 Legal framework | 1,98 |
| 2 Awards of Contracts | 1,81 |
| 3 Revenue management | 1,65 |
| 4 Assessment and collection of revenue | 1,56 |
| 5 Environment and sustainable development | 1,42 |
| 6 Monitoring of Operations | 1,41 |
| 7 IT/ERP | 1,36 |
| 8 Exploration and data management | 1,30 |

- **Draft EI Training Curriculum developed and circulated to members for comment**
- **Comments received and adjustments made in Zambia 9th to 12th April 2018**
- **2nd Draft – May 2018**

- **Comments received and adjustments made**
- **Curriculum presented to SC for approval at annual meeting in Pretoria (September 2018)**
- **Steering Committee renamed it “*Extractive Industries Training Framework*”**

Extractive Industries Training Framework

- Framework submitted to Goal Chair KSC for approval

Objectives of the Framework

- to provide a guide to SAls and interested stakeholders, to provide training/learning in the audit of extractive industries
- Create an Extractive Industries knowledge base
- Strengthen the capacity of SAls to carry out high quality audits in the extractive industries

Contents of Framework

10 modules based on EI value chain designed for both SAI management and operational staff

| MODULE | DESCRIPTION |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Module 1: An overview of the extractive industries | Introductory course designed to give participants an overview and general knowledge of the EI sector |
| Module 2: Policy, legal and institutional framework | Aimed at equipping participants with knowledge on the legal and institutional frameworks governing the EI |
| Module 3: Exploration and data management | Looks at how governments/companies explore, search for and manage the data obtained from the exploration of extractive resources |

Extractive Industries Training Framework

| MODULE | DESCRIPTION |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Module 4: Award of contracts and licences | Aimed at equipping participants with knowledge on how governments allocate exploration, development and production rights/licenses to EI contractors |
| Module 5: Monitoring and evaluation | Aimed at providing participants with an understanding of the role of key stakeholders in monitoring and evaluation |
| Module 6: Assessment and collection of revenues | Meant to equip auditors with the skills and techniques to conduct audits on revenue from the Extractive industry and analyse the cost structures of EI companies |
| Module 7: Revenue management and allocation | Intended to prepare learners to analyse the appropriateness of revenue distribution and management by their governments (pre-source/resource curse) |

| MODULE | DESCRIPTION |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Module 8: Environment and sustainable development | The module should enable the auditors to understand the environmental and sustainability issues at various stages of the EI value chain |
| Module 9: Audit of extractive industries in digital environment | Aimed at learners getting knowledge about ERP systems, auditing in ERP systems and use of data analytics techniques for auditing |
| Module 10: Accounting standards in the exploration for and evaluation of mineral resources | Designed to expose auditors to the accounting and reporting standards employed in the EI. IFRS, FSAB, SOAP, |

Future Plans

- **Conduct training workshops based on EI Training Framework**
- **Launch e-learning course based on the Framework**
- **Partner with INTOSAI Regional Groups, SAIs, NRGI to deliver region specific training,**
- **Receive feedback on the use of the Framework**



End

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