



**3rd Steering Committee Meeting
of the
INTOSAI Knowledge Sharing Committee
(Moscow, 5–6 October 2011)**

Minutes

The 3rd meeting of the Steering Committee of the INTOSAI Knowledge Sharing Committee (KSC) was hosted by SAI of Russian Federation in Moscow from 5 to 6 October, 2011. The meeting was presided over by Mr. Vinod Rai, Comptroller & Auditor General of India and Chairman of the KSC. The list of delegates who attended the meeting is attached as Annexure.

Agenda item 1 and 2

Welcome Address and KSC Chair Opening Remarks

Dr. Sergey Stepashin, Chairman of the Accounts Chamber of the Russian Federation and Goal Liaison for the KSC greeted the delegates to the 3rd Steering Committee meeting of KSC. He stated that the Accounts Chamber of Russian Federation being a young institution was delighted to use the results of international cooperation because the foundation and development of their institution was based on tenets of INTOSAI. The Accounts Chamber was actively participating in many working institutions of INTOSAI created for direct organization of international cooperation of SAIs in different countries on the most urgent issues of their work, hosted a number of meetings of these institutions in Moscow, made a decisive contribution to the establishment and development of cooperation between EUROSAI and ASOSAI. As a result a programme of cooperation between the two regional organisations was adopted and the first conference was held in Turkey in September 2011. In addition, SAI of Russia cooperated at bilateral basis with 60 SAIs of other countries.

The welcome address was followed by opening remarks from Mr. Vinod Rai, Comptroller and Auditor General of India and Chairman of the INTOSAI KSC Steering Committee. He informed the Committee that the progress reports of Working Groups and Task Forces discussed at the meeting would form the basis of their report to the 62nd Governing Board meeting. He welcomed *Mr. Gijs De Vries* from the Netherlands Court of Audit and a member of the European Court of Auditors to the KSC fraternity on taking over as Chair of the Working Group on Accountability for and Audit of Disaster Related Aid in January 2011 from Mr. Maarten Engwirda, the outgoing Chair of the Working Group. He placed on record his appreciation of the outgoing Chair for his excellent steering of the Working Group and his very valuable contribution to the work of the Knowledge Sharing Committee. He informed the Committee that the KSC website, now accessible at www.intosaiksc.org, had been revamped with the addition of three new features on 'Forum', Survey System' and 'Archives'. Besides, an additional section to accommodate newly created 'Task Force on SAIs Information Database' Chaired by SAI Mexico had also been developed.

The Agenda was endorsed by the members of the KSC.

Agenda item 3

Report by the INTOSAI General Secretariat

Mrs. Monika Gonzalez Koss, Director of Strategic Planning presented the report of the INTOSAI General Secretariat on behalf of the Secretary General. She gave a brief account of the development of the INTOSAI initiative of promoting the importance of adopting the 1977 Lima Declaration of Guidelines on Audit Precepts and the 2007 Mexico Declaration on SAIs Independence as a UN-



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Document. The initiative aimed at strengthening SAI's independence by incorporating the principles of independence of the Declarations of Lima and Mexico into international law. She informed the committee that the ECOSOC, a primary body of the UN, formally recognized the work of INTOSAI and its fundamental principles of independence for government auditing by adopting a resolution in this regard in April 2011.

She also emphasized on the usefulness of a proposal of the General Secretariat to form an "INTOSAI information sharing network". This would make possible for SAIs to state which capacity building measures or other support services they could offer to/ or receive from other SAIs. An information sharing network where SAIs can also report their strength, weaknesses, and needs would contribute to give sound explanations mainly to external stakeholders as to the role SAIs had been performing.

She also informed the committee that the General Secretariat, in cooperation with relevant INTOSAI Groups, would put up on the INTOSAI website all executive summaries of existing guidelines and standards of INTOSAI for the benefit of auditors and stake holders. The first such set of executive summaries would be available on the INTOSAI website by the end of 2011.

Agenda item 4

Report by the Director of Strategic Planning (Mrs. Monika Gonzalez Koss)

Mrs. Monika Gonzalez koss, Director of INTOSAI Strategic Planning (DSTP) presented a report on the implementation of the Strategic Plan 2011-2016 by all the four Goal chairs. The DSTP expressed her thanks and appreciation to all those involved in the rapidly progressing implementation of the Strategic Plan, notably the Steering Committee Chairs and the Goal Liaisons with their Teams.

She also made a special mention of the 21st UN/INTOSAI Symposium, wherein the United Nations had invited INTOSAI to involve itself in the Rio + 20 Summit of the United Nations

on Sustainable Development. The General Secretariat, in close cooperation with the Working Group on Environmental Auditing, had prepared a draft text for presenting at the Rio + 20 Summit in Rio de Janeiro in June 2012 for incorporating in the final document.

She further informed that the Finance and Administrative Committee of Goal 4 in its meeting in July 2011 had set up a Task force "INTOSAI Financial Foresight" of which DSTP is a member. The Task Force would study future funding modalities of INTOSAI in depth.

Agenda Item 5

Report of INTOSAI Development Initiative (Director General, INTOSAI Development Initiative)

The report was introduced by Mr. Magnus Borge, Director General of IDI and presented by Ms. Elizabeth Laura Walmann, Project Manager. Ms. Elizabeth Laura gave an account of the progress and achievements of the IDI in the fields of capacity building activities and knowledge sharing efforts, and update on developments in the INTOSAI-Donor Cooperation. She informed that during the last year, the IDI had worked in cooperation with all INTOSAI regions to meet the capacity building



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needs of the SAIs. The IDI had taken an active part in the developments within INTOSAI and had enjoyed a fruitful cooperation with several INTOSAI Committees and Working Groups. The IDI was confident that this cooperation would continue in the future and that the close relationship with the different INTOSAI bodies would continue as the IDI embarks on new capacity building programmes and activities.

Agenda item 6

Report on the achievements of INTOSAI Journal of Government Auditing (SAI-USA)

The report was presented by Mr. Gene Dodaro, Comptroller General of the Government Accountability Office of the United States of America. Mr. Gene Dodaro presented the 2010 Annual Report and audited financial statements of the International Journal of Government Auditing for the year ended 31 December 2010. He informed the members that the Journal had received a clean audit opinion from their external auditors and it continued to maintain adequate financial reserves. He recognized and appreciated the in-kind contributions made by the SAIs of Austria, Canada, Tunisia, and Venezuela in coordinating the translation of the Journal in each of INTOSAI's five official languages. He also apprised the members of the decision of the Finance and Administrative Committee to propose a motion to the Governing Board to reduce the transfer to the Journal received from the members' dues from 25% to 20%.

Agenda item 7

Report by the Professional Standards Committee (PSC Secretariat)

Ms. Anne Elmore, Head of the PSC Secretariat at Denmark presented the PSC Report on 'Maintenance of the ISSAIs and INTOSAI GOVs'. She elaborated on the 'Due Process for INTOSAI's Professional Standards' which defines the responsibility of the chairs and subcommittees of the PSC, the Knowledge Sharing Committee (KSC) and the Capacity Building Committee (CBC) for ensuring appropriate maintenance of the ISSAIs and INTOSAI GOVs. She informed the Committee that the frequency of maintenance reviews of the ISSAIs and INTOSAI GOVs at level 4 of the ISSAI framework would be the responsibility of all relevant subcommittees of PSC, KSC and CBC and this information would be published on the ISSAI website www.issai.org. The PSC Chair would be responsible for appropriate maintenance of ISSAIs at levels 1 to 3 of the ISSAI framework, for which there are no standing subcommittees.

Agenda item 8

Report by the Capacity Building Committee (CBC Secretariat)

Mr. Mohammed Kamal Daoudi, Senior Magistrate in the Court of Accounts of the Kingdom of Morocco presented an update on the INTOSAI Capacity Building Committee (CBC). He briefed the Steering Committee on the Mission and new Strategies of the CBC for the period 2011–2016. He also elaborated on the governance of CBC through its Main Committee, Steering Committee, three specialized subcommittees, and the UN-INTOSAI platform and provided an update on the activities of its subcommittees.



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Agenda item 9

Progress Report of Working Group on Accountability and Audit of Disaster Related Aid (European Court of Auditors)

Mr. Gijs De Vries, Chair of the Working Group presented the progress report of the Working Group. He gave an account of the Work Programme 2011–2013 mentioning the 13 Tasks identified under its two objectives: (A) Audit of Disaster-related Aid and Disaster preparedness, (B) Accountability for Disaster-related/Humanitarian Aid. He also mentioned the output planned until the XXI INCOSAI of 2013. He also detailed the various activities undertaken on further development of audit guidance material, and establishing guidance and good practice in accountability since the last INCOSAI of 2010.

Agenda item 10

Progress Report of Working Group on Fight Against International Money Laundering and Corruption (SAI-Egypt)

SAI Egypt, Chair of the Working Group was unable to attend this meeting. As it also could not send the progress report of the Working Group, the Steering Committee decided to defer this item and request SAI Egypt to present their Report to the 62nd INTOSAI Governing Board.

Agenda item 11

Progress Report of Working Group on Environmental Auditing (SAI-Estonia)

Mr. Tõnis Saar of the National Audit Office of Estonia, Secretary General of the Working Group on Environmental Auditing presented the progress report of the Working Group. The report included the status of the actions arising from the Work Plan 2011–2013, which included updating existing and developing new guidance materials to SAIs; facilitating concurrent, joint and coordinated audits; enhancing information dissemination, exchange and training; cooperation between the Working Group international organizations and other INTOSAI bodies.

Mr. Tõnis Saar also informed the Committee of WGEA's participation in the forthcoming United Nations Climate Change Conference taking place in Durban, South Africa in November–December 2011 and the Rio+20 Conference taking place in Rio de Janeiro in June 2012.

He also apprised the Committee members that the tenure of the current Chair of the Working Group would end in 2013 and selection of a new Chair would take place at the WGEA's 11th Steering Committee meeting to be held in Buenos Aires in November 2011.

Agenda item 12

Progress Report of Working Group on Program Evaluation (SAI-France)

Mr. Arnold Migus, Magistrate in the Court of Audit of France presented the progress report of the Working Group. He informed the Committee that a website dedicated to the Working Group's activity



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had been opened in November 2010. The website provides all the information related to the WG activities, and also links to the evaluation community. The report on “Program evaluation for SAIs – A primer” endorsed by INCOSAI of 2010 is available on the site in the five official languages.

The Working Group had also developed a questionnaire to collect case studies and practical information on Program evaluation methodology and experiences, which would be circulated among the INTOSAI family in December.

Agenda item 13

Progress Report of Working Group on IT Audit (SAI–India)

Mr. Jagbans Singh, Principal Director of International Relations of SAI India presented the report of the Working Group. He informed the Committee that the new members to join this Working Group since the XX INCOSAI of November 2010 are SAIs of Cambodia and Indonesia, whereas SAI Netherlands opted to withdraw owing to other commitments in INTOSAI. The Working Group had held one meeting since the XX INCOSAI 2010. The 20th meeting of the Working Group was held in Sun City, South Africa in April 2011. SAI Malaysia would host the 21st meeting in Kuala Lumpur, Malaysia in January 2012 and SAI Republic of Lithuania would host the 22nd meeting of WGITA and 7th Performance Auditing Seminar in 2013. He further gave an account of the progress of the five research projects undertaken by the Project Leads under the WGITA Work Plan 2011–2013.

Mr. Jagbans Singh apprised the Committee of the decision of the National Audit Office of United Kingdom to abdicate their responsibilities as Editor of *intolT Journal* and hosts for www.intosaiitaudit.org website. WGITA had invited member SAIs to volunteer taking over these responsibilities.

Agenda item 14

Progress Report of Working Group on Public Debt (SAI–Mexico)

Mr. Benjamin Fuentes Castro, International Liaison Officer of SAI Mexico presented the report of the Working Group on behalf of Mr. Juan M. Portal, Auditor General of Mexico and Chair of the Working Group. He presented a brief report of the latest activities of the Working Group since this Steering Committee’s last meeting. The most important issues were the presentation of the 2011–2016 Work Plan and an official product before the INTOSAI Governing Board and the XX INCOSAI, the launching of the revision process of current Working Groups’ ISSAIs and INTOSAI GOVs, and finally the annual reunion of the Group and

its outcomes. The final version of the official product “Debt Indicators” in the five INTOSAI official languages was presented in Johannesburg for the endorsement of the XX INCOSAI, thus becoming ISSAI 5411.

He informed the Committee that the membership of the Group increased with the addition of the SAIs of Moldova and Indonesia in 2011. The Working Group’s 2011 meeting took place in Vilnius, Lithuania and the next annual meeting would take place in Finland.

He commented that the WGPD would also designate some of its members to revise the existing



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products, in order to ensure that they were properly updated and valuable for the INTOSAI community. The revised versions of all products would be presented during the 2012 Working Group's meeting.

The WGPD had also considered two investigation themes as possible Working Group official products for the XXI INCOSAI in 2013: *Impact of Financial Crises on Public Debt and INTOSAI Initiatives*, prepared by the United States of America, and *Evaluation of Information Systems Related to Public Debt Management*, currently developed by Brazil.

Agenda item 15

Progress Report of Working Group on Key National Indicators (SAI–Russian Federation)

The report was presented by Dr. Sergey Stepashin, Chairman of the Accounts Chamber of the Russian Federation. Dr. Stepashin elaborated on the results of the Working Group since its establishment three years ago. The Group managed to accomplish all their plans and reach significant results, which were approved at the 20th INCOSAI. The main results of the activities of the Group include the preparation of Review of the international experience in the development and use of KNI, 'Principles of SAIs application of KNI', as well as 'Recommendations on the development and use of KNI in innovative economies' and in the CIS countries. In addition, the Working Group contributed to the development of the INTOSAI Glossary of audit terms. Thus, the Working Group managed to create the basis for further more profound development of the issue related to assessing socio-economic development, as well as to set wider goals.

Dr. Stepashin further informed the Committee that the Working Group in its fourth meeting approved the following subprojects as the main tasks for the coming three years:

1. Preparation of Draft Methodology (guidance) on the KNI selection for the use in SAIs activity;
2. Analysis of opportunities on the use of KNI for international comparisons in the context of sustainable development and preparation of appropriate recommendations;
3. Possibilities of development and use of key indicators for R&D evaluation;
4. Methodic and informational support of the KNI selection for the assessment of global economic imbalances.

The implementation of these subprojects was directly connected with the development of the White Paper on KNI, which would serve as 'Draft Guidelines' for development and use of KNI in SAIs activities. The findings obtained within the frameworks of the subprojects implementation would also be used for the Knowledge Base on KNI development.

Lastly, Dr. Stepashin reminded the Committee that all materials of the Working Group, including the results of the subprojects, were available on the website of the Working Group (www.ach.gov.ru/en/intosaikni) maintained and updated by the members of the Secretariat.

Agenda item 16

Progress Report of Working Group on Value and Benefits of SAIs (SAI–South Africa)

As Mr. Terence Nombembe, Auditor General of South Africa and Chair of the Working Group



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(WGVBS) could not attend the meeting; the report was presented by Mr. Benjamin Fuentes Castro of SAI Mexico on behalf of SAI South Africa. He explained that the Working Group had expanded its membership base to ensure representation from all INTOSAI regions. Six more SAIs joined the WGVBS as members and the INTOSAI Development Initiative (IDI) confirmed its willingness to participate as an observer.

The Committee was informed that WGVBS had also launched its website during its 4th meeting held in Jamaica in August 2011, which could be accessed at www.intosai-wgvbs.org. The WGVBS also envisaged making extensive use of INTOSAI's Online Collaboration Tool. The project coordinators within the WGVBS would be encouraged to explore the optimal utilisation of the Collaboration Tool to maximise the efficient achievement of their project milestones.

Mr. Benjamin Castro also informed the Committee that the WGVBS identified four projects based on the discussion during its 4th meeting, and agreed on the scope of the projects. A work programme was approved that includes time frames for the deliverables for the period 2011–2013. Projects were being monitored through quarterly progress reports until the next meeting of the WGVBS, scheduled for June 2012, where detailed progress reports would be delivered. The KSC endorsed the Project proposal 1: Preparation of the Framework on the Value and Benefits of SAIs in line with the due process for INTOSAI Professional Standards for inclusion in the ISSAI Framework.

Agenda item 17

Progress Report of Task Force on SAIs Information Database (SAI–Mexico)

Mr. Benjamin Fuentes Castro, International Liaison Officer of SAI Mexico presented the report of the Task Force on behalf of Mr. Juan M. Portal, Auditor General of Mexico and Chair of the Task Force. He reminded the members of the Committee that the Task Force was established at the 60th Governing Board meeting of INTOSAI for creating an updated and specialized information database on SAIs. Mr. Benjamin presented the Annual Report and mentioned in detail the mandate, membership, Terms of Reference, Work Plan 2011–2013 and expected products of the Task force.

He informed that the Task Force's first working meeting took place in September 2011 in Mexico City. During the meeting it was agreed that the creation of the SAIs' Information Database is aimed exclusively at strengthening the communication and knowledge sharing among SAIs and stakeholders. It is neither expected to evaluate nor to judge the INTOSAI members' performance, products, organization, and relationship with other entities.

He went on to further explain that the endeavors of the Task Force were divided in to five working phases for which a set of specific strategies have been agreed upon to achieve each of the general objectives, and complete mission in due time. These strategies are a part of the Terms of Reference and the Work Plan.

The KSC endorsed the Terms of Reference and Work Plan 2011–2013 of the Task Force and supported its proposal to conduct a technical study to validate the possibility for the SAIs' Information Database to evolve into a Platform for INTOSAI Information.



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Agenda item 18

Progress Report of Task Force on Global Financial Crisis (SAI–USA)

Mr. Gene Dodaro, Comptroller General of the United States of America presented the report of the Working Group. He continued with the mandate of the Working Group established three years ago and discussed the formation of subgroups to focus on the following areas: Subgroup 1– Causes of Financial Crises and Lessons Learned, Subgroup 2– Actions to Minimize and Avert the Crisis; What Is Working and What Is Not, and Subgroup 3– Challenges to SAIs. A teleconference was held in April 2010 followed by another in-person meeting in September 2010 in which the chairs discussed the status of their subgroup's work and the next steps for circulating their papers. The preliminary findings of the Task Force covering the following areas were presented at the XX INCOSAI of 2010 in Johannesburg: Emergence and Development of the Global Financial Crisis, Multiple Causes and Contributors to the Crisis, Similarities and Differences Across Countries, Governments' and Central Banks' Responses to the Crisis, Governments' Fiscal Stimulus Policies, Potential Roles of SAIs, and Implications and Lessons Learned for SAIs Going Forward.

Mr. Gene Dodaro further informed that Sub groups 1 and 2A had completed their work and their fine papers were posted to the INTOSAI website. Papers from subgroups 2B and 3 were in process and would be reviewed by the Task Force membership before posting the finalized papers to the INTOSAI website, and an executive summary for the four papers would be issued. In terms of next steps, in the second phase of work the Task Force proposed to examine the situation that had evolved over the last 2 years. The Task force believed that it would be fruitful to carry on its work with an emphasis on three key areas: (a) Market evolution and government response, (b) Financial regulatory reform, and (c) Role of SAIs. He further informed that the Task Force's proposal would be to seek approval at the upcoming Governing Board meeting for an extension of the Task Force until the 2012 Governing Board meeting. He also mentioned that after conferring with Mexico, the Task Force would collaborate with the Working Group on Public Debt on a joint meeting in early 2012.

OTHER ISSUES:

Agenda item 19

Venue for the next KSC Steering Committee meeting

The European Court of Auditors agreed to host the next KSC Steering Committee meeting. Venue and dates of the meeting would be communicated separately.

Agenda item 20

Closing Remarks and end of session (KSC Chair, SAI–India)

Mr. Vinod Rai thanked Dr. Sergey V Stepashin, Chairman of the Accounts Chamber of the Russian Federation and his officers for organising the event and the delegates for their active participation. He expressed that the participation of all the principal players of INTOSAI, *viz.*, the General Secretariat, the International Journal of Government Auditing, the INTOSAI Development Initiative, the



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Professional Standards Committee and the Capacity Building Committee make these annual meetings of the Steering Committee an important forum for exchange of information and ideas.

He then declared the meeting closed.



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**ANNEXURE
LIST OF PARTICIPANTS**

#	Country	Name of delegate	Job Title
1	India	Mr. Vinod Rai	Comptroller & Auditor General of India & Chair of the Steering Committee
		Mr. Jagbans Singh	Principal Director, International Relations
		Mr. S. Alok	Principal Director to CAG of India
2	INTOSAI General Secretariat (Austria)	Mrs. Monika Gonzales-Koss	Director of Strategic Planning (DSP)
3	Professional Standard Committee Secretariat (Denmark)	Ms. Anne Elmoose	Head of PSC Secretariat
4	Estonia	Mr. Tonis Saar	Director of Corporate Services Secretary General of INTOSAI WGEA Secretariat
5	European Court of Audit	Mr. Gijs de Vries	Member of the European Court of Audit
6	France	Mr. Arnold Migus	Magistrate, Court of Audit of France
7	Morocco	Mr. Mohammed Kamal Daoudi	Senior Magistrate, Head of Cabinet, CBC Secretariat, Court of Audit of Morocco
8	Mexico	Mr. Juan Portal Martinez	Auditor General of Mexico
		Mr. Benjamin Fuentes Castro	International Liaison Officer
9	Russian Federation	Dr. Sergey Stepashin	Chairman of the Accounts Chamber of the Russian Federation
		Dr. Alexander Piskunov	Auditor, Accounts Chamber of the Russian Federation
		Mr. Nikolay Paruzin	Director, External Relations Department, Accounts Chamber of the Russian Federation
		Mr. Roman Senin	Consultant, External Relations Department, Accounts Chamber of the Russian Federation
10	United States of America	Mr. Gene Dodaro	Comptroller General of the United States
		Mrs. Helen Hsing	Managing Director for Strategic Planning and External Liaison, General Accountability Office of the United States of America
11	INTOSAI Development Initiative	Mr. Magnus Borge	Director General, INTOSAI Development Initiative
		Ms. Elizabeth Laura Walmann	Project Manager, INTOSAI Development Initiative