



INTOSAI DEVELOPMENT INITIATIVE (IDI):

BOARD MEETING MINUTES

19–20 March 2024

Name	Position	Board Status
Board Members:		
Mr Karl Eirik Schjøtt-Pedersen	Auditor General, Office of the Auditor General of Norway	Chair of the Board
Ms Tsakani Maluleke	Auditor General, Office of Auditor General of South Africa and Chair, INTOSAI CBC	Vice-Chair of the Board
Dr Margit Kraker	Secretary General of INTOSAI, President Austrian Court of Audit	Board Member
Dr Hussam Al-Angari	President, General Court of Audit, Kingdom of Saudi Arabia	Board Member
Ms Nancy Gathungu	Auditor General, Office of the Auditor General of Kenya	Board Member
Dasho Tashi	Auditor General, Royal Audit Authority of Bhutan	Board Member
Mr Gareth Davies	Comptroller and Auditor General, National Audit Office of the United Kingdom	Board Member
Mr Bruno Dantas	President, Federal Court of Accounts, Brazil	Board Member
Mr Tom-Christer Nilsen	Member of the Board of Auditors Generals of Norway	Board Member
Ms Merethe Nordling	Chief of Staff, Office of Auditor General of Norway	Board Member
Other Participants:		
Mr Cobus Botes	Senior Manager, International Relations, Office of Auditor General of South Africa	Accompanying Ms. Maluleke
Ms Manal S. Al-Duhaymi	First Senior International Cooperation Specialist, General Court of Audit, Kingdom of Saudi Arabia	Accompanying Dr. Al-Angari
Mr Jesse Mutua	Deputy Director/ Executive Officer Office of the Auditor General of Kenya	Accompanying Ms. Gathungu
Dr Silke Steiner	Head of INTOSAI General Secretariat, Austrian Court of Audit	Accompanying Dr. Kraker
Ms Elaine Ferreira Souza Dantas	Advisor, President's Office, Federal Court of Accounts, Brazil	Accompanying Mr. Dantas
Mr Einar Gørrissen	Director General	IDI Secretariat
Ms Archana Shirsat	Deputy Director General	IDI Secretariat
Mr Ola Hoem	Deputy Director General	IDI Secretariat
Mr Brynjar Wiersholm	Deputy Director General	IDI Secretariat
Dr Shourjo Chatterjee	Senior Manager	IDI Secretariat
Ms Petra Schirnhofen*	Senior Manager	IDI Secretariat
Mr Martin Aldcroft*	Senior Manager	IDI Secretariat
Ms Bente Nordbye**	Partner, PwC Norway	Auditor

* Participated remotely, ** Participated remotely in agenda items 4 and 5

WELCOME AND OPENING REMARKS

Mr. Schjøtt-Pedersen opened the meeting, welcomed the participants and thanked Dr. Al-Angari for hosting the meeting. He welcomed Mr. Nilsen and Ms. Nordling as new members to the Board. Dr. Al-Angari welcomed the participants to Riyadh.

APPROVAL OF THE AGENDA

Decision: The Board approved the agenda.

1. CONFIRMATION OF REGISTER OF RELATED PARTIES AND RELATED ENTITIES AND DISCLOSURE OF PERCEIVED AND ACTUAL CONFLICTS OF INTEREST

The Chair informed the Board that the register has been updated with the details for Mr. Nilsen and Ms. Nordling. Mr. Dantas informed the Board about the need to update the register with his new additional roles as the Chair of SAI 20 and Member of UN Board of Auditors.

Decision: The Board approved the register. The Secretariat will update the register with the above change.

2. TOUR D'HORIZON FROM IDI DIRECTOR GENERAL

The Director General (DG) briefed the Board on the following issues:

- *IDI Finances:* IDI funding remains solid with a core group of supportive and long-term donors. Ministry of Foreign Affairs of France will likely increase its funding support from Euro 100,000 per year to Euro 600,000 for two years but shift the funding from the Accelerated Peer-support Partnership (PAP-APP) to SAI Independence. SAI Latvia's funding changed to core funding from earmarked funding for bilateral support. With EU's earmarked funding coming to an end, it might be difficult to sustain PAP-APP unless other donors come on board. ADB is likely to increase its funding for IDI's initiative on Sustainable Audit Practices. Discussions are ongoing with USAID, SAI Qatar, Austria, Ireland, EU and Sweden for additional / renewed funding.
- *Funding for INTOSAI regions and SAIs:* Given concerns regarding GIZ, Germany pulling out of AFROSAI-E and CREFIAF, and focussing on country level support, global Official Development Assistance (ODA) trends were presented based on IDI's discussions with developmental partners and anecdotal evidence. Additional ODA focus for Ukraine and refugee support and overall static levels were mentioned. Trends in ODA support for different regions, including a push for donors shifting from Africa were discussed. Sectoral trends in ODA availability were also discussed. The specific and different requirements of different INTOSAI regions and their secretariats need to be considered for planning a funding strategy. A good strategy and clear results framework, as well as strong governance systems can help in accessing donor funding. Regular dialogue with donors, reporting on the use of funds and results achieved, and identifying focus areas whether at regional level or country level will be of help. Board members discussed that this issue needs to be taken up at the upcoming INTOSAI-Regions Coordination Platform meeting in Bucharest in September 2024.
- *SAI Independence:* An update was provided on the tribunal case of the former Vice-Chair of IDI Board and Auditor General of Sierra Leone, Ms. Lara Taylor-Pearce and her deputy. The DG attended the proceedings as a defence witness. The validity of her actions in accordance with the Compliance Audit ISSAIs and in the broader public interest was emphasised. Hearings have been concluded and the verdict is awaited. An article on the subject has been developed, pending publication, highlighting the Sierra Leone situation along with quotes from IDI Board members. Updates were also provided on the SIRAM case in Chad and the joint research and cooperation between IDI, IMF and OECD on SAI Independence.
- *Bilateral Support:* Update was provided on IDI's bilateral support to SAI Madagascar. The Board was informed about the possibility of a bilateral support project for SAI Comoros with USAID funding. Further steps in this regard, if necessary, will be taken with the Board's approval by email/circulation before the November 2024 Board meeting. Mention was also made regarding IDI's possible role in support to SAI Ukraine and the President of SAI Ukraine's upcoming visit to Oslo. SAI Ukraine will also

have meetings with other stakeholders in Norway including OAGN, MFA Norway, Norad and members of Parliament.

- *Support to staff and families of SAI Afghanistan:* The Board was updated that all 16 staff and families from SAI Afghanistan whose resettlement after Taliban threats was being coordinated by IDI and SAI UAE, have now been resettled in the US, Canada, Ireland, France and Australia.
- *SAIs around the world:* IDI has continued to monitor implications for working with SAIs around the world which present potential reputational, legal and grant risks. Bilateral support to SAI Niger remains on hold following the developments in the country. There have been no changes in IDI's position in working with the SAIs of Afghanistan, Russia, Myanmar. IDI also continues to cooperate with the SAIs of Israel and Palestine.

Decision: The Board noted the updates.

3. IDI PERFORMANCE AND BUDGET REPORT

3 (i): IDI Performance and Accountability Report Highlights 2023

- The IDI Secretariat presented the 2023 PAR. Results were presented against the June 2023 update of the Operational Plan. Outreach figures for 2023 were strong again. 152 SAIs and 2000 SAI staff globally participated in the long-term capacity development initiatives. 26 SAIs participated in stand-alone trainings and 162 in IDI knowledge sharing events. Altogether 210 SAI teams were supported. 2700 participants took part in knowledge sharing and awareness raising events. 48 SAIs were supported on gender and inclusion. IDI received 2777 estimated days of in-kind support in 2023 equivalent to 13 full time positions equivalent or 13,1 million NOK. This is 12% of IDI's 2023 expenditures.
- In terms of targets versus results, the number IDI and IDI-SAI Outputs on target or exceeding was stable at 60%, marginally up from 59% in 2022. The initiatives that could not be initiated in 2022, progressed well in 2023 resulting in a reduction of the 'off track' indicators from 22% to 5%. The 31% figure close to track are mainly the result of delays, some of which are cascading from 2022. Six of eight Key Performance Indicators were met.

3 (ii): IDI Performance and Accountability Report 2023 Appendices

- The IDI Secretariat presented the results of the different workstreams contained in the seven appendices.

3 (iii): IDI Budget Report 2023

- Expenditures show a modest increase overall in activity levels when considering inflation in comparison to 2022. Donor support and funding levels has been stable. Carry forward increased mainly due to advance funding for 2024 activities from SECO Switzerland and Global Affairs Canada. 5% of INTOSAI membership fees and EUR 50,000 from INTOSAI surplus funds have increased IDI reserves during the year.

Board members commended the IDI Secretariat on its performance and improved presentation of financial information. Members highlighted the importance of increasing advocacy for the work of SAIs and improving communication. The Board reiterated the need to explore ways to increase the size of the reserves. IDI needs to monitor its workload and avoid spreading too thin across several areas at the expense of sustainable capacity development support. Greater coordination with UN agencies and working as part of the UN community needs to be explored. The Secretariat clarified about challenges in monitoring the impact of IDI's efforts at the level of SAIs or beyond the SAIs' sphere of control. The

Secretariat also mentioned the regular coordination efforts that are made with other INTOSAI bodies, especially INTOSAI regions. IDI's work with sustainability reporting and artificial intelligence as part of the LOTA initiative were also highlighted. Board members raised the possibility of developing a shorter and more impactful annual report/ overview of the current report to enhance communication with external stakeholders.

Decision: The Board approved the IDI Performance and Accountability Report 2023 and the IDI Budget Report 2023. The Board agreed to send a letter from the Chair and Director General of IDI to the Donors at the conclusion of the 2019–2023 Strategic Plan period, highlighting the results achieved.

4. IDI'S FINANCIAL STATEMENTS AND EXTERNAL AUDITOR'S PRESENTATION

The Secretariat presented the Annual Financial Statements and Notes for 2023. The annual audit, done by PwC, concluded with an unmodified (clean) opinion. The audit further concluded that there was no requirement for issuing a management letter as there was no instance of material misstatement or additional need for monitoring risk items. Internal controls and financial reporting had been effective. Board members recommended revisiting the basic format of the financial statements and details like indication of dates, additional disclosures, bank account details, and totals of line items wherever necessary.

Decision: The IDI Board approved IDI Financial Statements 2023.

5. EXTERNAL AUDITOR'S PRESENTATION ON IDI INTERNAL CONTROL SYSTEM

There have been minor changes in the framework for 2023. It has been audited by external auditors as part of annual audit. There were no audit comments on any of the components of the maturity matrix. Members recommended that Maturity Level of 4 should be aimed for controls to the extent possible. The Secretariat will revise the framework in the context of Strategic Plan 2024–2029, consider the recommendation and update the Board in the November 2024 meeting.

Decision: The Board noted the information.

6. UPDATE OF THE IDI CORPORATE AND DEVELOPMENTAL RISK REGISTER

The Secretariat provided an update on the register which was approved by the Board in its November 2023 meeting after being recast for the 2024–2029 Strategic Plan. The current update featured supplementing the text of Corporate Risk 12 on Digitalisation with IDI's internal digital skill sets. Other changes to control measures were also presented.

Members recommended re-examining the residual risks for the corporate risks on quality and staffing with the control status being changed to highly controlled instead of moderately controlled. The re-examination of the impact of developmental risks on strategic planning and digitalisation from 'High' to 'Medium' was also recommended.

Members recommended that in respect of measures where the Board is co-responsible for mitigating controls, the Board would want to specifically look at progress made during the March 2025 meeting.

Decision: The Board approved the updates to the register. The Secretariat will update the register with these recommendations for the Board in its November 2024 meeting.

7. UPDATE ON IDI AUDIT AND EVALUATIONS MONITORING DATABASE

The Secretariat updated the Board on the changes in the IDI Audit and Evaluations Monitoring Database during 2023. The changes have been summarised in a report as per the decision of the Board in its meeting in March 2022. The position of accepted, settled and open recommendations pertaining to six evaluations, one due diligence review and one audit during the Strategic Plan 2019–2023 period was presented.

Members recommended that the Board needs to be updated with details of the ‘non accepted’ recommendations for the upcoming reviews/ evaluations. Summary of the main recommendations from the reviews/ evaluations may also be presented to the Board during the meeting in addition to them being included in the summary report.

Decision: The Board noted the update.

8. SAI GLOBAL STOCKTAKING REPORT 2023

- The Secretariat presented the draft report. It was mentioned that the report will be finalised in April 2024 after some editorial changes and designing. Like previous reports, this fifth report relies on triangulation of data from different sources besides the responses to the Global Survey received from 166, about 80%, of SAIs. In addition to the regular sources, this time the Varieties of Democracy (V-Dem) dataset used for conceptualizing and measuring democracy has also been considered.
- Chapter 1 of the report provides insights into the decline of democracy and accountability levels, continued regression of SAI independence, increase in reported interference in SAI independence, and other institutional challenges.
- Chapter 2 presents the sustaining of strategic management practices over time, performance reporting with limited transparency, and Human Resource Management limited by institutional constraints.
- Chapter 3 brings out that ISSAI adoption needs a more systematic guidance, there is slow progress on ISSAI compliant audits, professionalisation and quality management efforts are needed, and reduction in peer support continues.
- Chapter 4 details that SAIs are responsive to emerging issues, SAIs are becoming more gender responsive, reporting practices needs to be better understood, stakeholder management practices stay the same, there are gaps in follow-up of audits.
- Chapter 5, for the first time brings together all information regarding the work of SAIs in respect of fighting fraud and corruption.

Board members recommended the preparation of a presentation for Civil Society Organisations and wider set of stakeholders bringing out the role and performance of SAIs based on the report, as well as to leverage the concept of the accountability ecosystem in the public messaging. Board members suggested consideration of added areas for audits in subsequent exercises including audit of central banks, stock exchanges etc the Secretariat clarified about the dissemination plans of the report including development of a digital dashboard for the report, comparison over the years. Regarding ISSAI adoption, Board members suggested that IDI and INTOSAI need to get the basics right by closing the loop between the effective implementation of auditing standards and the successful assurance by SAIs of the quality of their outputs.

Decisions: The Board took note of the presentation and requested that the UN is informed about the key conclusions of the report.

9. NEW IDI POLICIES

9 (i): IDI Communication Strategy and Policies

The Secretariat presented the over-arching Communications Strategy that supports the IDI Strategic Plan 2024 – 2029 as per six guiding principles for IDI communications. It centralises IDI communications through a dedicated comms team. The Strategy is in turn supported by three communication policies focussing on Internal Comms, Digital Comms and External Comms. The Secretariat clarified that the communication indicators for IDI will be monitored as part of the IDI Results System. The plans for the

strategy and policy post approval by the Board were shared. Process of development of the policy and involvement of IDI staff was mentioned.

Decision: The Board approved the IDI Communication Strategy and Policies

9 (ii): IDI Gender and Inclusion Policy

The Secretariat presented the new policy that has been developed in the context of the new Strategic Plan 2024-2029 and to broaden the focus covering gender and inclusion. Process of development of the policy and involvement of IDI staff was mentioned. The gender and inclusion objectives, policy statements, IDI's commitments regarding gender and inclusion and the six principles were presented. The plans for the policy after its approval by the Board were shared.

Decision: The Board approved the IDI Gender and Inclusion Policy

10. OVERVIEW OF FIRST RESULTS OF THE IDI ORGANISATIONAL REVIEW

The review is being conducted by Max.recall information systems GmbH during November 2023 to April 2024. The Secretariat provided the background for the review in the context of the IDI's organisational growth over recent years, the new Strategic Plan 2024-2029, follow up on internal work on organisational change & coordination, IDI's organisational environment & culture. Objectives of the review focus on coordination and collaboration, organisational structure for effective work and linking the organisational arrangements with IDI's mission. The methodology of the review including involvement of IDI staff was discussed.

Preliminary findings regarding IDI's structure, processes and culture were presented. The positive aspects as well as identified risks were covered.

Decision: The Board noted the preliminary results from the review. Secretariat will present to the Board the final report and plans to take forward the final recommendations from the review.

11. IDI PORTFOLIO AND FORESIGHT REVIEW

- The portfolio review aids the Board in providing ongoing strategic advice to IDI. The Secretariat presented the overview of IDI's current work across all the six work streams. The portfolio represents commitments made to deliver capacity development support to SAIs, and meets the agreements made with some donors on the use of funds.
- IDI provided an update on the various innovative delivery mechanisms that feature in the new strategic plan, including certification, learning centres and shared service arrangements. The Board emphasised the importance of building effective partnerships to deliver, given the broadening of IDI's approaches. The need for basic education for SAI auditors was emphasised. IDI noted this fits in with plans for laddering PESA and wider plans under the Centre for SAI Audit Professionals.
- The Secretariat presented analysis of trends in IDI's income and expenditure, highlighting the funding diversity, reliance on a core donor group, and the gradual shift from core to semi-earmarked funding with additional constraints. This requires more careful planning on the use of IDI funds.
- Under foresight, IDI presented an update of the register of emerging trends which may impact the future environment in which SAIs operate. Advancements in Generative AI, with implications for government service delivery and public audit, were noted.
- The Secretariat clarified about the cooperation with Professional Accountancy Organisations, Civil Society Organisations as well as other technical providers for delivering on different initiatives including certifications. The Chair noted the relevance of IDI's service offers for SAIs of developed countries, while noting the importance of ensuring that donors funds are spent as intended, primarily for the benefit of SAIs in developing countries.
- Board members advised IDI to consider how to make IDI's impact bigger than the sum of its parts, through increasing effectiveness, leveraging the work of others, and raising impact. The role of strategic

communication was noted, not only regarding IDI's role but also communicating the value and benefits of SAIs. Examples included the impact that effective audit has on GDP, borrowing costs, and facilitating improvements in the efficiency and effectiveness of government services.

- Board members emphasised the importance of work to strengthen the accountability ecosystem in which SAIs operate, and especially noted IDI's partnership with Transparency International to strengthen the role of CSO in supporting SAI independence. The Board also cautioned on the need to retain SAI independence, especially regarding the risk of working with and being co-opted by those Civil Society Organisations that may have an inherently political motive.
- IDI will keep the register of trends up to date and consider its implications for the update of its initiatives and future operational plans. IDI will look at its strategic communication activities and advocacy work considering the newly approved communications strategy and policy.

Decision: The Board noted the discussions.

12. POST-STRATEGIC PLAN 2019-2023 REVIEW OF IDI RESULTS

The Secretariat summarized IDI's performance and results against the targets for the Strategic Plan period 2019-2023. The preliminary material developed for the Board focusses on value delivered by SAIs (through submitting, publishing audit reports); enhanced capacity of SAIs to deliver on their mandate & report to stakeholders; internal capacity of SAIs at institutional, organisational and staff level; IDI's outreach, products, certifications & partnerships for the benefit of SAIs; results from evaluations, reviews, stakeholder testimonies; and sources of IDI funding, levels of in-kind support.

The contents will be supplemented further with details from the Global Stocktaking Report 2023 after it is published and developed into a visually appealing format for sharing with IDI's donor and other stakeholders.

Decision: The Board noted the discussions. The IDI results 2019-23 will be shared with stakeholders. As decided in Agenda Item 3, these will also be included in the letter from the Chair of the Board and DG to the IDI Donors.

13. TERM OF IDI'S STATUTORY AUDITOR

Following up on the decisions from previous Board meetings, the Secretariat proposed an amendment to para 19 of IDI Board's Rules of Procedure. The proposal involved supplementing the current text with "The external auditor is to be appointed for a three-year term which can be renewed only once subject to evaluation by the IDI Board of satisfactory performance. Renewal of the term shall, however, require the auditor to change/ rotate the team leader for the auditor assignment. The external auditor can be considered for further assignments after a break of one term."

Decision: The Board approved the change.

14 & 15. PRESENTATION OF IDI INITIATIVES

The Secretariat presented an update on the IDI initiatives of the Well Governed SAIs, Bilateral Support, Professional SAIs and Relevant SAIs work streams. Different initiatives were covered in terms of their design, interface with other IDI initiatives, participation, outreach and challenges.

Decision: The Board took note of the presentation.

16. POST-MEETING SELF ASSESSMENT OF THE BOARD

The Chair thanked the IDI Secretariat for a well-prepared meeting. Board members thanked the Chair for a well-facilitated meeting that allowed for strategic discussions. They also thanked the host and colleagues at the General Court of Audit, Saudi Arabia for hosting the well conducted meeting at Riyadh. The Board members suggested that meetings in addition to those in March and November may be decided as per any focussed need arising for the same.

Decision: The Board recommended supplementing the Summary document with purpose for the different Board documents and the expected guidance from the Board.

17. ANY OTHER BUSINESS AND NEXT MEETINGS

Dates for the upcoming meetings were shared. The next meeting will be a virtual meeting on 27 November 2024. This will be followed by an in-person meeting on 19-20 March 2025 in Bhutan. If necessary, an additional virtual meeting will be held for discussing the Organisational Review and other issues. The Chair formally closed the meeting, and the host thanked the attendees.

The minutes are hereby approved by the ten members of the IDI Board.



Karl Eirik Schjøtt-Pedersen



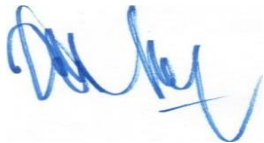
Tsakani Maluleke



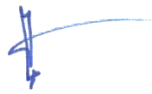
Merethe Nordling



Tom-Christer Nilsen



Tashi



Hussam Al-Angari



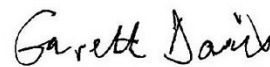
Bruno Dantas



Margit Kraker



Nancy Gathungu



Gareth Davies