



IDI Bilateral Support Policy

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From the Director General's Desk



It is my pleasure to present our revised IDI Bilateral Support Policy.

In March 2017, the Board adopted the IDI's Bilateral Support Policy aiming at providing support to the most challenged SAIs, for strengthening their performance, independence and professionalism. Following almost eight years of bilateral support experience, we decided to take stock and revised the policy. The revision builds on the lessons learnt, the feedback from beneficiary and peer's SAI, the recommendations stemming from independent evaluations, stakeholder expectations and the new IDI strategic priorities.

The revision also aims at simplifying the original policy, by focusing on the essential "policy" issues: objectives, criteria, principles and main stages. We have removed many details and those specific arrangements that fall under operational management. The result is a more concise Bilateral Support Policy which addresses the decision-making remit of the Board, clarifies the information offered to stakeholders and provides a sound management framework.

I encourage IDI staff, our partner and stakeholder to join hand in hand ensuring that the policy is consistently applied and serves as a guiding framework for our bilateral support activities, which I believe will allow IDI to continue delivering a sustainable and quality support to the most challenged SAIs.

Einar E. Gorrissen



1. What is bilateral support and why is IDI involved in it?

This document presents an overarching view of bilateral support for Supreme Audit Institutions (SAIs), along with the INTOSAI Development Initiative (IDI) objectives in bilateral support, selection criteria, principles, and stages for delivering the support. It considers the risks involved, the lessons learnt, and the views expressed by INTOSAI regions, donors and other stakeholders.

In the context of the IDI, *Bilateral Support* is defined as “tailored and extensive support to an individual SAI considering its unique needs and situation.” The notion of *tailored support* is a commitment to adjust to what can work for the beneficiary SAI. *Extensive support* is support that is planned for the long term and can cover and develop all types of capacities: professional, organizational and institutional¹.

IDI's Bilateral Support has a multi-partner approach and relies on Peer-to-Peer collaboration, where a SAI benefits from support from one (or more) SAI. As SAIs are often supported by different projects, bilateral support requires active coordination and collaboration of all partners.

For SAIs in challenging countries, bilateral support is an enabler for them to contribute to the Sustainable Development Goals. In these cases, the SAI, although limited in capacity, can play a key role in promoting good governance and accountability, thus contributing to core state functions and peace.

Following the mandate given by INCOSAI 2013, IDI provides bilateral support to the most vulnerable SAIs: those with limited capacity, where there are no other INTOSAI providers willing and able to deliver the support, and the SAI would otherwise be left behind. The support focuses on the SAI's priorities and strategic plans and is flexible regarding the types of activities and delivery methods.

2. What is the objective of IDI bilateral support?

The objective of IDI's bilateral support is to *improve in a sustainable manner the capacity and performance of SAIs in challenging countries, enabling them to provide value and benefits to the government, Parliament and citizens, and contribute to sustainable development.*

Challenging countries are those facing difficult situations, which may include a fragile state², conflict, humanitarian crises, political instability, poor governance, or weak institutions. These countries encounter considerable obstacles to effective governance, making capacity-development both crucial and difficult. Bilateral support prepares a SAI for future opportunities and promotes it as a reform agent of the state.

1 The areas can include audit, strategic management, communication and stakeholder engagement, and independence among others.

2 OECD (2022), States of Fragility 2022, OECD Publishing, Paris, [States of Fragility 2022 | States of Fragility | OECD iLibrary](#) ([oecd-ilibrary.org](#))



3. Which SAIs can be supported bilaterally?

Following the UN principle of “leaving no one behind,” IDI is willing to support all SAIs regardless of the environment they operate in and of the risks involved.

IDI would consider providing bilateral support:

- a) if requested by the SAI, either through the INTOSAI-Donor Cooperation or directly to the IDI, or;
- b) if asked by a donor, following a dialogue with the SAI;
- c) if allowed by the political situation and the safety conditions.

IDI must apply the following criteria prior to selecting a SAI for support:

1. The SAI operates in fragile states and/or has major challenges affecting the effective delivery of its mandate.
2. The SAI is not receiving adequate support for fostering SAI improvements. This is sufficient, relevant, effective and long-term support.
3. There are *no other INTOSAI providers* (SAIs or regional organizations) able and willing to deliver the support needed.
4. The SAI adheres to the principles of *INTOSAI-P 12: SAIs making a difference to the lives of citizens* and demonstrates a willingness and continued commitment to strengthen its performance and operate according to the principles of transparency and accountability.
5. The IDI has the capacity to provide support, and it has comparative advantages to deliver it.

IDI must assess these criteria both prior to determining whether to establish a project, and throughout the project implementation.

IDI must give priority to the SAIs that, while satisfying the criteria and having absorption capacity, are in fragile states, lack core functions and struggle to complete and report basic audits and control functions.





4. What are the Principles guiding IDI's approach to bilateral support?

IDI must design and implement the bilateral support projects in accordance with the following eight principles:



4.1.1 SAI-driven

The bilateral support must be based on demand and defined from the SAI needs and conditions. Such an approach enhances ownership and sustainability and assure to “do no harm” in a fragile context.

The bilateral support must align priorities, outputs, outcomes, and impacts to the SAI's Strategic and Operational Plan.

4.1.2 Change oriented

Bilateral Support aims to contribute to positive change; IDI must focus on capacities that have the most impact. This may include empowering leadership, creating awareness of the SAI's potential role, developing partnerships with key stakeholders like donors, civil society, media, academia, and parliamentarians. Fostering change may also involve auditor professionalization, strengthening SAI governance and conducting audits that showcase SAI's value, particularly on critical topics.

In challenging context, change may take time; moreover, the process may include factors that fall outside the sphere that a SAI could directly influence. Expectations are realistic; IDI provides support in areas where it has reasonable assurance that improvements will occur, and carefully considers the capacity of the SAI to utilize external assistance in an adequate manner.



4.1.3 Gender and inclusion

A SAI is to lead by example and promote gender equality, diversity, and inclusion. Gender equality and Inclusiveness is a high priority of Sustainable Development, since it is strongly linked to poverty reduction, improvements in justice and equity in society.

IDI's bilateral support will contribute to these goals and put in place projects that are inclusive and gender focused. IDI will work to ensure adequate female participation in the activities, support organizational changes and awareness, and promote audits that address gender issues.

4.1.4 Peer-to-peer support

IDI will seek to utilize resource persons from peer SAIs and from INTOSAI regional organisations. They must be selected based on inter-personal and professional skills and experience in similar projects. If qualified peers are not available, IDI can also use staff from other public national or international organisations or consultants.

The resource persons will seek to understand the local context and build personal relationships and mutual trust with the SAIs' staff. To this end, IDI will foster on-the-job training and mentoring.

4.1.5 Open communication

Open and transparent communication are important for establishing the necessary trust, developing good organisational and cultural knowledge, gaining insight into political and economic contexts, and enhancing relevance as a partner.

4.1.6 Global partnership and collaboration

IDI will seek partnerships with INTOSAI regional secretariats, neighboring and peer SAIs to ensure that support is well coordinated and benefits from the available network and competencies.

IDI will seek synergies with its other initiatives. It encompasses contributing to the development of the initiatives; building from the experience gained by the bilateral projects; leveraging materials and resource persons within the projects and initiatives and encouraging the participation of the SAI in initiatives that might contribute to their strategic objectives.

Finally, the bilateral support shall be carried out in close coordination with other actors intervening in the Public Financial Management and anti-corruption arena.

4.1.7 Adaptability

IDI is committed to adapt the bilateral support to the evolving conditions facing the SAI and the lessons learned: IDI will adjust, as necessary, its plan, role, budget, partnerships, and project delivery mechanisms.

4.1.8 Long term support

IDI must plan to provide long-term bilateral support for SAIs to ensure it contributes effectively to strengthen the SAI's capacities (professional, organizational, and institutional) and to instill positive change.



5. What are the stages involved in implementing bilateral support?

IDI must manage bilateral support projects through the following steps:



5.1.1 Assessment

IDI conduct a desk review of the SAI's request/proposal and a fact-finding mission to assess whether the criteria are met and match the priorities. IDI must inform the SAI on the results of the assessment and on whether the request is accepted or not.

5.1.2 Planning

If the request is accepted, the SAI and IDI must develop a plan and a draft Cooperation Agreement laying out the SAI needs and conditions. This agreement shall include outlining the principles for the cooperation, the funding arrangements, the roles of potential partners and a work-plan.



5.1.3 Financing arrangements

IDI will seek long-term and flexible financial arrangements for bilateral support, considering the major risks involved. IDI must only initiate bilateral support when dedicated funds are secured³.

5.1.4 Approval & information to the Board

The IDI's Director General must approve the bilateral support project and must sign the "Cooperation Agreement" in accordance with IDI procedures. IDI will include the project in the Operational Plan that is approved by the Board and will keep the Board informed of its implementation.

5.1.5 Execution

The SAI shall integrate as far as possible the project management in its own procedures, including decision-making, operational planning, and annual performance reporting.

All major activities are to have a Terms of Reference, listing objectives, tasks, responsibilities, and a calendar. The Cooperation Agreement will outline project governance in detail.

5.1.6 End of Cooperation Agreement

The Cooperation Agreement will establish the project end date.

It is possible for a project to be finalized before the intended closing date if there are discrepancies around the SAI meeting key agreements of the cooperation. In such instances, IDI and the partner SAI will have a dialogue to resolve any issues and avoid a premature end to the project.

The SAI and IDI must plan an "*exit strategy*" to ensure the sustainability of the project outcomes on the performance of the SAI.

When approaching the closing date, IDI will review or evaluate the project in accordance with the terms established in the Cooperation Agreement. The partner SAI and the financial donor will be invited to provide input to the review or evaluation.

5.1.7 Management of risks

In its corporate risk register, IDI identifies high operational and reputational risks involved in bilateral support. To manage the risks, it is critical to conduct a realistic assessment of the IDI capacity, of the characteristics of the SAI and of the local context. IDI will regularly monitor and update the register and assess the strategy to address the risks



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