

IDI/ADB project ‘Sustainable Performance Audit Practices in Asia and the Pacific’ – Phase 2

ENVELOPE 6

Pilot Performance Audit

What is a pilot performance audit?

A pilot performance audit is an individual audit engagement, which pilots or tests ISSAI compliant performance audit methodology. Such a performance audit (PA) would meet all applicable requirements of an ISSAI compliant performance audit, as assured through an independent quality review. This implies that the individual PA engagement is selected following the criteria for selection stated by the ISSAIs; the audit planning, conducting, reporting phases meet the applicable ISSAI requirements. It uses the processes, methods, tools, and templates defined by the SAIs PA methodology and helps the SAI in testing those. It also integrates audit impact considerations throughout the audit process.

Why should SAIs conduct pilot performance audits?

PA pilots provide SAIs an opportunity to test the audit methodology on a limited scale before rolling it out across the performance audit practice. It provides feedback and lessons learned to check how the methodology works in actual practice. Moreover, it can also build confidence and capacity of SAI auditors to use the methodology. Applied on an audit topic of relevance, it can also be a quick win for the SAI, as the SAI can show audit output which contributes to audit impact.

How can SAIs conduct pilot audits ?

The following are typically the steps taken by an SAI in conducting a pilot audit:



What support will IDI provide under this envelope?

IDI will support the SAI throughout the audit process through professional education for the audit team, as well as audit support.

- 1) Help the SAI in selecting an audit topic of high relevance from its portfolio.
- 2) Provide professional education to the team composed by the SAI. In case the SAI selects a topic on a subject matter that IDI has been working on, including equality, climate change adaptation, technology, audit of SDGs and vaccine rollout, IDI support can also include education on the subject matter.
- 3) Provide audit support for all stages of the audit, including review of the audit plan, draft findings, conclusions, and recommendations.
- 4) Support SAIs in engaging with key stakeholders throughout the audit process.
- 5) Support SAIs in managing audit quality and mainstreaming impact considerations.
- 6) Facilitate an independent quality review of the pilot.
- 7) Support the SAI in making arrangements for follow up of the audit.
- 8) Help the SAI in documenting lessons learned and adjusting the methodology.

The specific scope, structure, and timeline of this support will be determined through detailed discussions involving the IDI team, the SAI's top management, and technical leaders.