

Strategic Development Plan for the INTO- SAI Framework of Professional Pro- nouncements

2017-2019

Foreword

This is the first Strategic Development Plan (SDP) for the INTOSAI Framework of Professional Pronouncements (IFPP). The SDP provides the general strategy and overall working plan for the development of INTOSAI principles, standards and guidance on auditing in 2017-2019. This includes expected work that will serve to provide a revised INTOSAI Framework of Professional Pronouncements in line with the decisions of the XXII INCOSAI in Abu Dhabi in 2016. This SDP therefore lays out a common path for all contributing working groups towards a high quality set of standards for public sector auditing – the International Standards of Supreme Audit Institutions (ISSAI) – accompanied by clear and consistent INTOSAI Guidance (GUID) to support their implementation.

The SDP for the INTOSAI Framework of Professional Pronouncements is a new planning instrument for the development of the content of the framework. It will serve as a practical and flexible working tool and ensure continuous overall planning and coordination of any drafting work undertaken by working groups in INTOSAI on ISSAIs, GUIDs or other pronouncements. The introduction of the SDP is a result of the efforts made in 2014-2016 under goal 1 of INTOSAI Strategic Plan to evaluate and strengthen our standard-setting processes.

The new comprehensive planning is provided for by the revised due process for INTOSAI's professional pronouncements, which will take effect upon its endorsement at the XXII INCOSAI in December 2016. During 2016 the chairs of the Professional Standards Committee (PSC), Capacity Building Committee (CBC) and Knowledge Sharing Committee (KSC) worked closely together on the planning process and ensured that any pre-existing plans made by individual subcommittees and working groups have been considered in this first SDP.

The development of the SDP was entrusted to the Forum for INTOSAI Professional Pronouncements (FIPP). FIPP is a body composed of experts from the INTOSAI community appointed by the chairs of the Professional Standards Committee (PSC), Capacity Building Committee (CBC) and Knowledge Sharing Committee (KSC). FIPP has evaluated the more than 3000 pages of principles, standards and guidance that are presently to be found at www.issai.org and assessed the needs and priorities for any further work. The PSC Steering Committee, which includes the chairs of the CBC and KSC, is responsible for the governance of FIPP and for the INTOSAI Framework of Professional Pronouncements.

This first SDP for the INTOSAI Framework of Professional Pronouncements therefore represents the joint efforts of all the SAIs engaged through the PSC, CBC and KSC in enhancing the professional pronouncements of INTOSAI.

I wish to thank the chair and members of FIPP as well as all the people engaged in the PSC, CBC, KSC, along with their subcommittees and working groups for their hard work, input and commitment, without which these achievements could not have been realised.

Nanna Henning
PSC Chair

Preface

I am happy to present the first Strategic Development Plan (SDP) for the INTOSAI framework of professional pronouncements that will define the development of the INTOSAI pronouncements for 2017-19.

According to the Terms of Reference of FIPP, it will act as a single entry point into the INTOSAI Framework of Professional Pronouncements and provide a more uniform approval process for the ISSAIs and any other pronouncements included in the framework. In the due process for INTOSAI's professional pronouncements FIPP will have general responsibilities for the content and quality of the full set of professional standards and other pronouncements defined by INTOSAI. The intention is that FIPP should strengthen INTOSAI as an international standard setter and drive the continued development of appropriate standards for public sector auditing.

The objective of this SDP is to lay down the strategic priorities for FIPP's work in the ensuing years to help to put in place the revised framework of INTOSAI Professional Pronouncements before 2019. The first priority in this regard will be to ensure the migration of the existing ISSAIs into the new framework, following the due process. Simultaneously, FIPP will develop guidance to support the usage of ISSAIs. In this, we will rely heavily on the accumulated body of work created by the different working groups within the INTOSAI community. Finally, FIPP will prepare the grounds for continuing work to expand and strengthen the framework beyond 2019.

In order to achieve the strategic priorities, this SDP consists of the list of projects that will need to be launched (and, in some cases, completed) by 2019 and those that can be taken up thereafter. The SDP includes a conceptual framework of the classification criteria and a numbering system that will provide the basis for implementing the working plan. FIPP will engage extensively with the working groups involved to facilitate a collaborative approach towards implementation of the projects.

This SDP is a fruition of several months of consultation and deliberation with the goal chairs, who in turn, have obtained inputs from their respective sub-committees and working groups. The members of FIPP have extensively discussed these inputs. I would like to thank the goal chairs and their sub-committees/working groups for providing their inputs for this plan. I would also like to express my gratitude to all the FIPP members for the hard work and commitment that they have put in to develop this plan.

I look forward to the support and collaboration of the INTOSAI community in the INTOSAI standard setting process and in taking forward the SDP.

Ganga Kapavarapu
FIPP Chair

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The purpose and priorities of this plan

The PSC will present a proposal for a revised INTOSAI Framework of Professional Pronouncements to the XXII INCOSAI in Abu Dhabi for endorsement. The overarching objective of this strategic development plan (SDP) is to complete the revised INTOSAI Framework of Professional Pronouncements through a broad collaboration with all the INTOSAI working groups that provide expertise and content for the framework. In order to accomplish this objective this plan outlines three priorities:

- 1) **Priority 1. Implementing the revised IFPP after 2016.** The first priority of this plan is to implement the revised INTOSAI Framework of Professional Pronouncements as soon as possible after the proposal on the framework has been approved at the INCOSAI in Abu Dhabi. This will make the framework more accessible and transparent for SAIs that seek compliance with the International Standards of Supreme Audit Institutions (ISSAI) and ensure better transparency through the ISSAI website.
- 2) **Priority 2. Guidance by 2019 to support ISSAI implementation.** The second priority is to provide improved INTOSAI Guidance (GUID) that can better support audits in accordance with the ISSAIs. In order to take this effort as far as possible by 2019, we will need to utilize all existing materials and draw on the accumulated knowledge and expertise that has been developed by different working groups of the INTOSAI community since 2004.
- 3) **Priority 3. Strengthening INTOSAI professional pronouncements beyond 2019.** The third priority of this plan is to prepare for further development of INTOSAI's pronouncements in key areas beyond 2019. These projects ensure consistency in the framework, address gaps and overlap between ISSAIs as well as strengthen the overall content of the framework. These projects may be initiated in 2017-2019 but will, in many cases, only be completed after 2019.

It is the PSC's ambition that the migration from the old ISSAI Framework to the revised INTOSAI Framework of Professional Pronouncements will be completed by 2019. In order to achieve this ambition, FIPP will seek, together with the relevant subcommittees and working groups, to carry out and complete the work that is outlined under each of the three priorities.

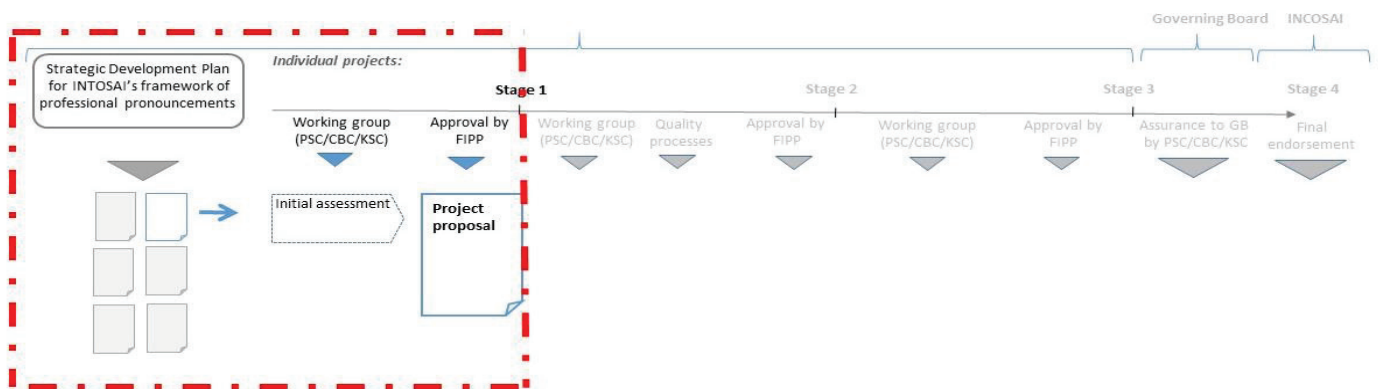
The purpose and status of the SDP for the INTOSAI Framework of Professional Pronouncements

The SDP for the INTOSAI Framework of Professional Pronouncements will take effect upon the endorsement of the governing board in Abu Dhabi in December 2016 and will serve as a common working tool for FIPP and all contributing working groups. The outcome of the projects planned through the SDP, will be presented for endorsement at INCOSAI when the pronouncements have been finalized in 2019 or 2022.

The SDP for the INTOSAI Framework of Professional Pronouncements is a new instrument in the INTOSAI community. It arises from the revised due process for the INTOSAI framework of professional pronouncements, which is expected to take effect from the XXII INCOSAI in Abu Dhabi.

It is the purpose of the SDP to ensure a common overall planning for the full set of INTOSAI's principles, standards and guidance. As shown below in Figure 1, the due process provides that the implementation of the strategic development plan be carried out through individual projects to develop, revise or withdraw pronouncements. This strategic development plan outlines all the initiatives that will be taken in order to prepare and initiate such projects. The following chapters provides a list of the envisaged projects for each of the three priorities. Each project will be further specified by the individual project proposals, which will be developed by the different working groups.

Figure 1. The role of the Strategic Development Plan in the Due Process for INTOSAI Pronouncements



Note: The dotted red square reflects the issues and processes that are outlined in this development plan and the 'grey zone' reflects the process for individual projects.

The Governing Board's endorsement of this first SDP in December 2016 will allow the work to proceed without unnecessary interruption in 2017. The process for developing this initial SDP was decided by the PSC Steering Committee at its meeting in Copenhagen in May 2016 in connection with the steering committee's approval of the revised due process and the revised INTOSAI Framework of Professional Pronouncements. FIPP has assessed the existing content of the old ISSAI Framework and considered how this can best be developed towards an adequate and consistent set of pronouncements. The SDP incorporates further inputs, which the chairs of the Professional Standards Committee (PSC), Capacity Building Committee (CBC) and the Knowledge Sharing Committee (KSC) have collected from subcommittees and working groups on their planning for 2017-2019. The SDP has also benefitted from the comments and reactions obtained from INTOSAI's members through the public exposure of the proposal on the revised framework, the draft classification criteria and the planned migration process.

Following the approval of the SDP, FIPP will engage in a broad collaboration with all affected subcommittees and working groups in order to further assess and define the individual projects. It is foreseeable that this process of implementing the SDP might lead to changes to the initial lists of projects provided in the following. The SDP will therefore remain a 'living' document, which the PSC Steering Committee may update during 2017 and 2018 if necessary to include new initiatives or reflect changing priorities. The revised due process requires that any new initiatives to develop, revise or withdraw pronouncements are included in the SDP and establishes the relevant procedures in this regard.

The term 'strategic development plan' refers to a general strategy and working plan for the development of the framework towards a clear, consistent and adequate set of professional pronouncements. Decisions on the organisation of the planning process and the content of the plan shall be taken by the PSC Steering Committee with the consent of the chairs of the CBC and KSC, and shall be based on proposals elaborated by FIPP.

The strategic development plan shall assemble all initiatives to develop, revise or withdraw professional pronouncements. Any INTOSAI member or other interested parties may provide suggestions in this regard for consideration and prioritisation in the planning process. The planning process shall include public consultations to encourage input from all interested parties as a minimum every three years. The PSC and the chairs of the CBC and KSC ascertain that all relevant needs are addressed by the strategic development plan in line with the objectives of goal 1, 2 and 3 of INTOSAI's strategic plan. FIPP takes initiative to propose amendments and updates to the plan as needed. The PSC consults with all affected parties before the plan is finalised and presented to the INTOSAI Governing Board for endorsement.

(Due Process for INTOSAI professional pronouncements, Section 1.1. as revised in 2016)

New classification and numbering system proposed

When the old ISSAI framework was established in 2007, the relevant documents that already existed were classified and numbered using a set of classification principles (see www.issai.org). With the revision of the framework, a new set of classification principles is needed. As stated in the due process for INTOSAI professional pronouncements, amendments of the classification principles shall be included in the strategic development plan.

The classification principles define the scope of the framework of professional pronouncements and the different categories of pronouncements included therein, whether in the form of ISSAIs, other standards, guidance, principles or other relevant formats. [...] If FIPP identifies a need to amend the classification principles, FIPP shall develop a proposal to this effect for inclusion in the strategic development plan for the framework of pronouncements.

(Due Process for INTOSAI Professional Pronouncements, Section 1.1. as revised in 2016)

With this SDP, the old classification principles are replaced with a new set of definitions and classification criteria that reflect the revised Framework for INTOSAI Professional Pronouncements. The new classification principles are included as **appendix 1** and will replace the existing principles on www.issai.org.

Priority 1. Implementing the revised IFPP after 2016

The Forum for INTOSAI Professional Pronouncements (FIPP) was assembled in 2015 by the chairs of the PSC, CBC and KSC and is composed of 15 members drawn from the entire INTOSAI community based on their competencies and experience to ensure a broad representation of INTOSAI members. The proposal for a revised INTOSAI Framework of Professional Pronouncements (IFPP) is the first result of FIPP's endeavours.

The implementation of the revised IFPP will require amendments in the individual documents that are currently displayed on www.issai.org. These will be carried out in accordance with the due process for INTOSAI professional pronouncements and will involve changes in all five official INTOSAI languages. The implementation will be carried out by following one of the four processes described below:

1. Relabelling and renumbering without further amendments

In cases where no revisions of substance are planned in 2017-2019, existing ISSAIs or INTOSAI Guidance for Good Governance (INTOSAI GOVs) will simply be classified and re-numbered in accordance with the new classification criteria. This applies to ISSAIs and INTOSAI GOVs developed in 2014-2016 and presented for endorsement at INCOSAI in Abu Dhabi. It also applies to a range of existing ISSAIs (see table below). In these cases FIPP will initiate the necessary amendments in compliance with the process for revising pronouncements (editorial changes) as per section 2.2. of the due process:

- The label of ISSAI or INTOSAI-GOV may be changed to INTOSAI-P, ISSAI or GUID as relevant under the new classification criteria
- The document number is changed in a few cases where this is also relevant
- Cross references between documents are amended as needed to reflect the new labelling and numbering
- Any references to the pre-existing definitions of the ISSAI framework are also adjusted as needed

Because of the editorial nature of these changes, these ISSAIs can be included within the revised framework as soon as it is practically possible after INCOSAI has endorsed the revised framework. FIPP will in collaboration with the goal chairs seek to find a practical solution to implement such purely editorial changes across the framework in an efficient way.

This relabelling and renumbering includes the following changes:

Table 1. Relabelling and renumbering

INTOSAI-P
ISSAI 1 The Lima Declaration is renumbered as INTOSAI-P 1 with no further amendments
ISSAI 10 The Mexico Declaration on SAI Independence is relabelled as INTOSAI-P 10
ISSAI 12 The Value and Benefits of Supreme Audit Institutions – Making a difference to the lives of citizens is relabelled as INTOSAI-P 12
ISSAI 20 Principles of transparency is relabelled as INTOSAI-P 20
ISSAIs
ISSAI 30 Code of Ethics is renumbered as ISSAI 130
ISSAI 40 Quality Control for SAIs is renumbered as ISSAI 140
ISSAI 300 Fundamental Principles of Performance Auditing is changed to ISSAI 300 Performance Audit Principles
ISSAI 400 Fundamental Principles of Compliance Auditing is changed to ISSAI 400 Compliance Audit Principles

GUIDs
ISSAI 3100 is moved to the GUID 3900 series
ISSAI 3200 is moved to the GUID 3900 series
ISSAI 5000 Audit of International Institutions is moved to the GUID 5000 series
ISSAI 5110 Guidance on Conducting Audits of Activities with an Environmental Perspective is moved to the GUID 5000 series
ISSAI 5120 Environmental Audit and Regularity Auditing is moved to the GUID 5000 series
ISSAI 5140 How SAIs May Co-operate on the Audit of International Environmental Accords is moved to the GUID 5000 series
ISSAI 5300 Guidelines on Information Technology Audit is moved to the GUID 5000 series
ISSAI 5450 Guidance on Auditing Public Debt Management Information Systems is moved to the GUID 5000 series
ISSAI 5600 Peer Review Guidelines is moved to the GUID 1900 series
ISSAI 5700 Guideline for the Audit of Corruption Prevention is moved to the GUID 5000 series
ISSAI 5800 Guide for Cooperative Audit of Corruption Programs between Supreme Audit Institutions is moved to the GUID 1900 or 9000 series
INTOSAI GOV 9160 Enhancing Good Governance for Public Assets is moved to the GUID 5000 series
INTOSAI GOV 9300 Principles for External Audit Arrangements for International Institutions is moved to the GUID 5000 or 9000 series
INTOSAI GOV 9400 guidance on evaluation of public policies is moved to the GUID 9000 series

2. Withdrawal of any outdated material by 2019

The due process has since 2010 required that any working group that has developed a new ISSAI or INTOSAI GOV should define how often the document would need to be reviewed in the future to ensure the content is up to date. Information on these reviews is provided on the ISSAI website.

There are a number of existing ISSAIs and INTOSAI GOVs, where a review of their content was planned for 2013 or 2016, but has been postponed. There is also a number of ISSAIs or INTOSAI GOVs where the next reviews are planned for 2017, 2018 or 2019. The purpose of these reviews is to decide whether there is a need to revise or withdraw existing documents or perhaps develop new documents for inclusion in the framework. The working group should set a deadline for the first review and remains responsible for these maintenance reviews unless it is dissolved.

FIPP has included all the affected ISSAIs and INTOSAI GOVs as part of the reviews planned under priority 2 and which will involve the responsible working groups.

There may however be cases where the responsible working group has been dissolved and there is not sufficient interest and resources to maintain the documents or where more recent documents address similar issues. Before 2019 FIPP will therefore take the initiative to initiate the withdrawal of any outdated ISSAIs or INTOSAI GOVs that are not under revision.

The withdrawals will follow the due process and be carried through in order to ensure the full implementation of the revised IFPP by 2019.

3. Key improvements - reference to the UN Resolutions 66/209 and 69/228 and updating ISSAIs on financial auditing

In addition, there are a few projects that cannot be considered purely editorial revisions, but which FIPP has found should be given a high priority in connection with the implementation of the revised framework.

- The first concerns the inclusion of references to the UN General Assembly Resolutions A/66/209 and/or 69/228. The UN Resolutions underline the importance of SAI Independence and the role of SAIs in providing efficiency, accountability of public resources for the benefit of citizens. FIPP propose that the INTOSAI community considers whether a reference to the UN resolutions should be added to the preamble of the Mexico Declaration.
- The second project concerns the ISSAIs for financial audits. The 'Fundamental Principles of Financial Auditing' (ISSAI 200) that concerns financial audits needs to be more principles-based. Recent changes in the ISAs, which will continue to be included in the framework, have been inconsistent with some of the detailed requirements set out in the ISSAI 200. In addition, there is a need to consolidate the practice notes developed by INTOSAI to the individual ISAs.

Initiatives are taken in the following areas in order to carry out a further assessment and develop a project proposal:

Table 2. Inclusion of references to UN resolutions and updating ISSAIs for financial auditing

Project name (preliminary)	Existing material reviewed	Preliminary working group may be drawn from	Category
1.1. Updating the preamble of INTOSAI-P 10 to include a reference to the UNs resolutions on SAIs (No further revision is foreseen)	ISSAI 10 in light of: The UN resolutions (Will be implemented together with the change to INTOSAI P 10)	<i>PSC/FIPP:</i> (The PSC working group on ISSAI 10 has been dissolved); INTOSAI General Secretariat	INTOSAI Principles
1.2. A more principles-based and future-proof ISSAI 200	ISSAI 200 in order to reduce the details and make the principles more robust in light of present and future changes in the ISAs A first review of ISSAI 200 has already been made by the FAAS Secretariat	<i>PSC:</i> ISSAI 100/200 ad hoc group (dissolved); Financial Audit and Accounting Subcommittee INTOSAI Regions (any interested/relevant groups as needed)	ISSAI 200 Financial Audit Principles
1.3. Consolidate and improve INTOSAI practice notes to ISSAIs	All practice notes in ISSAIs 1200-1815 In order to retain the notes that can be classified as part of the ISSAIs (Application material) A new format may be considered	Financial Audit and Accounting Subcommittee.	ISSAI

4. Developing the ISSAI website after 2016

After INCOSAI, it will be the role of FIPP in collaboration with the PSC Chair to ensure a swift implementation of the above-mentioned projects on the ISSAI website, www.issai.org. Responsibility for the website is transferred from the SAI of Denmark to the SAI of Brazil at the XXII INCOSAI when the SAI of Brazil takes over the PSC Chairmanship.

So that the process of implementing the IFPP can go ahead in a transparent manner, the ISSAI website will highlight the results from the ongoing revisions of the particular pronouncements. It will be of particular importance that FIPP and the PSC ensures that:

- All changes to the framework are visible on the issai.org website.
- The status of all documents listed should be up-to-date

The website will, for each ISSAI or INTOSAI GOV, provide information on the planned new category (for example INTOSAI-P, ISSAI or GUID) and document number. The information is posted when the SDP has been decided on and will remain on the website until the changes to the documents have been implemented as provided for by the due process.

Priority 2 - Guidance by 2019 to support ISSAI implementation

The second priority of this SDP is to provide better guidance that can support ISSAI implementation. The 'South Africa Declaration' called upon INTOSAI members to use the ISSAIs as a common frame of reference and to strive to implement the ISSAIs in accordance with their national mandates. Together, ISSAI 100 (endorsed in 2013) and the revised IFPP endorsed at INCOSAI in 2016 clarify what compliance with the ISSAIs entails in practice. The experience gained over the last 6 years does however also suggest that improved guidance is required in order to better facilitate successful implementation of the ISSAIs.

It is therefore the second key priority of this SDP to ensure that all guidance pronouncements (GUIDs) in the revised framework support the implementation of the ISSAIs and the conduct of audits in accordance with them.

Various parties in INTOSAI have been involved in creating the existing documents in the framework. Some were developed by the PSC, some by the KSC and some by the CBC. In addition, IDI and some of the regional organisations have also developed valuable guidance which may be relevant for the GUIDs. This vast resource of material and expertise will be the basis for providing a new set of consolidated and comprehensive guidance (GUIDs). FIPP will therefore aim to facilitate a broad cooperation between the relevant working groups that have been involved with producing guidance in the past.

At its meetings in Johannesburg in February and Delhi in September 2016, FIPP carried out a first general review of the existing set of auditing guidance (current ISSAIs 1000-4999 and ISSAIs 5000-5999) and INTOSAI GOVs and concluded that a number of ISSAIs and INTOSAI GOVs need to be substantially re-evaluated. In order to support the implementation of the ISSAIs more effectively they will need to draw on the Fundamental Principles of Public Sector Auditing outlined in ISSAI 100 in a more explicit way. In a number of cases, these documents provide conflicting messages or provide information that may be valuable but is not presented in a way that makes it clear why it is relevant for an audit or whether the guidance concern financial audits, compliance audits performance audits or more than one type of audit.

There is therefore a general need to consolidate this mass of material and eliminate duplication, fill in gaps and ensure common readable formats and clear alignment with the basic concepts and principles of the ISSAIs as established by ISSAI 100.

As a general approach, the development of the project proposals on improved guidance in support of the ISSAIs is therefore best carried out by drawing on the combined expertise of the many different parties within the PSC, CBC and KSC as well as in the wider INTOSAI community who have provided guidance in the past. FIPP has therefore recommended that these project proposals are developed by cross-cutting groups that will combine subject matter expertise drawn from KSC and CBC and other relevant parties with expertise in financial, compliance or performance auditing drawn from the PSC.

From initial assessment to project proposal

The first step in developing a project is to evaluate the source material through an initial assessment, with the intention of developing a project proposal. A project proposal may provide for revisions or withdrawals of existing pronouncements (ISSAIs/INTOSAI GOVs) as well as development of new professional pronouncements.

Each project proposal shall be based on a thorough initial assessment. The purpose of the initial assessment is to:

- Assess the need for the project and define its purpose and organisation.

- *Determine the categories of auditing or other engagements that will be covered by the resulting pronouncements.*
- *Consider the differences among SAIs that must be accommodated and the challenges that will have to be overcome in implementing the new pronouncements.*
- *Ensure consistency with existing ISSAIs and other professional pronouncements*
- *Determine the extent to which it will be possible and desirable to build on pronouncements from other internationally recognized, regional or national standard setters and if so, the extent to which supplementary pronouncements are needed in order to meet the needs and concerns of the INTOSAI community.*

(Due Process for INTOSAI Professional Pronouncements, Section 2.1. as revised in 2016)

For each area, FIPP has identified the existing working groups or other parties that FIPP recommends should be invited to engage in the initial assessment. After INCOSAI 2016, FIPP will consult with the chairs of the PSC, CBC and KSC on the forward process of engaging all relevant parties and assembling the preliminary groups needed to carry out the initial assessments foreseen under priority 2 of this plan. This may require the subcommittees and the working groups to reconcile and re-align their work plans such that the objective of the SDP can be collectively achieved.

Key activities of FIPP in relation to priority 2

FIPP will carry out several activities in order to facilitate accomplishment of the second priority by 2019. Key activities by FIPP are to:

- assign one of its members as liaison to each of the preliminary project groups early in 2017
- further clarify its expectations for the development of project proposals early in 2017
- ensure appropriate coordination on the scope and content of each projects as a number of projects are closely interlinked
- provide an improved set of drafting conventions for GUIDs in 2017 in order to meet the need for clarity regarding FIPP's expectations to format and presentation before the individual working groups start their drafting work.
- seek to provide FIPP publications on key issues related to interpretation of the ISSAIs. This will include the different ways to implement the ISSAIs and state compliance with the ISSAIs, and the role of GUIDs in this connection.

Tentative projects under priority 2

Table 3 provide the list of tentative projects identified by FIPP in order to provide a strong set of GUIDs in support of the ISSAIs. For each of these tentative projects the table identify the relevant existing ISSAIs/INTOSAI GOVs and other relevant material as well as the various parties that FIPP recommends should be engaged in the initial assessment and development of a project proposal. It will be the individual project proposals that define the scope and purpose of each project and set the level of ambition for the deliveries for 2019. The resulting projects may therefore deviate from the tentative indication provided in the table.

Some of the existing ISSAIs and INTOSAI GOVs have been developed by ad hoc groups that have been dissolved by the PSC or KSC when they had completed their tasks. The members of these groups may still be involved in the PSC or KSC in other ways and it could still be relevant to engage them in the forward process.

Table 3. Tentative projects on guidance to support the use of the ISSAIs.

Project name (preliminary)	Reasons for the project (FIPPs considerations)	Existing material reviewed or included as sources	Preliminary group may be drawn from	Category
2.1. Provide guidance on financial auditing	At the moment there is only limited practical guidance. (The practice notes to the ISA's provide application guidance on the individual ISA-requirements)	Practice notes (see project under priority 1) Relevant materials in INTOSAI Regions and IDI Handbooks The new 3100 and 3200 on performance audits may be relevant for comparison.	PSC: Financial Audit and Accounting Subcommittee. IDI and INTOSAI Regions	Supplementary financial audit guidance GUID 2900-2999
2.2. Provide guidance on compliance auditing	At the moment there is only limited practical guidance. (The ISSAI 4100 and 4200 has been withdrawn)	Material developed by CAS Guidance developed by INTOSAI Regions and IDI. The new 3100 and 3200 on performance audits may be relevant for comparison.	PSC: Compliance Audit Subcommittee. IDI and INTOSAI Regions	Supplementary compliance audit GUID 4900-4999
2.3. Using ISSAIs in accordance with the SAI's mandate and carrying out combined audits.	The need for guidance on the strategic decisions an SAI needs to take on the basis of its mandate before it applies the ISSAIs (cf. ISSAI 100). The mandate defines the different types of audits and engagements an SAI may carry out and ISSAIs need to be implemented accordingly. This may involve combined audits (cf ISSAI 100/23).	No pre-existing guidance in the framework PSC mapping of mandates from 2012. SAI database Experience from SAI PMF and IDI	PSC, KSC, CBC and IDI	To be determined (GUIDs)
2.4. Consolidated and improved guidance on SAI organizational issues.	The need to provide improved guidance on organizational issues such as independence, adoption of standards and quality control	ISSAI 11; ISSAI 21; Paper on setting up PA function (Annex of "old" 3100); ISSAI 140 and the accompanying tools on quality control ; SAI PMF; ISSAI 5000; ISSAI 5140; ISSAI 5600; ISSAI 5800 (endorsed 2016 changed to GUID). In light of principles on organizational issues in ISSAI 100	PSC: Ad hoc groups on ISSAI 11, 21, 40 and 100 (dissolved); Performance Audit Subcommittee (ISSAI 3100). KSC: Ad hoc group on ISSAI 5000 (dissolved); The Working Group on Environmental Auditing (ISSAI 5140). CBC and IDI: Governance and operational lead on SAI-PMF;	SAI organizational guidance GUID 1900-1999

			Subcommittee on Peer Review (ISSAI 5600); Subcommittee on Co-operative Audits (ISSAI 5800).	
2.5. Consolidated and improved guidance on understanding internal control in an audit	There are several ISSAIs and other documents covering the same issues. There needs to be clear guidance on this subject.	INTOSAI GOV's 9100-9130 on Internal control (revision already foreseen) Related ISSAIs in the 5000-series also dealing with internal control: ISSAI 1315. COSO Framework including the Entity Risk Management Framework +/+ ISSAI 5410 - IC on Public Debt +/+ ISSAI 5300 (endorsed in 2016 changed to GUID) and 5310 - IC on IT Audit, ISSAI 5450, IDI handbook on IT audit, the IT-audit of public debt.	<i>PSC:</i> Internal Control Subcommittee; ISSAI 100 ad hoc group (dissolved); Financial Audit and Accounting Subcommittee; Compliance Audit Subcommittee; <i>KSC:</i> <i>Would be desirable to co-opt members from:</i> Working Group on Public Debt; Working Group on IT Audit	Subject specific guidance GUID 5000-5999
2.6. Consolidated and improved guidance on reliance on the work of internal auditors.	The role of internal auditors needs to be stated in the context of an audit. There needs to be a clear linkage between the treatment of internal auditors in the ISSAIs and the supporting GUID	INTOSAI GOVs on Internal Auditors 9140-9150 and related ISSAIs for example ISSAI 1610.	<i>PSC:</i> Internal Control Subcommittee; Financial Audit and Accounting Subcommittee; Compliance Audit Subcommittee.	Subject specific guidance GUID 5000-5999
2.7. Consolidating and aligning guidance for audits of Privatization with ISSAI 100	The format and content needs to be better aligned with the ISSAI 100. Key messages need to be extracted and updated. Statements about 'best practice' need to be well founded.	ISSAI 5210 ISSAI 5220 ISSAI 5230 ISSAI 5240	<i>KSC:</i> Working Group on the Audit of Privatisation. <i>PSC:</i> ISSAI 100 ad hoc group (dissolved); <i>Would be desirable to co-opt members from:</i> Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee ; Compliance Audit Subcommittee.	Subject specific audits GUID 5000-5999
2.8. Consolidating and aligning guidance on IT-audit with ISSAI 100	There is a need to clarify how IT audit is linked with or supports the three main types of audit.	ISSAI 5300 (endorsed in 2016 changed to GUID)	<i>KSC:</i> Working Group on IT Audit <i>PSC:</i>	Subject specific audits GUID 5000-5999

	This may result in new GUIDs as well as changes in existing material	ISSAI 5310 (to be reviewed)	ISSAI 100 ad hoc group (dissolved); <i>Would be desirable to co-opt members from:</i> Compliance Audit Subcommittee; Performance Audit Subcommittee; Financial Audit and Accounting Subcommittee;	
2.9. Consolidating and aligning the audit of public debt with ISSAI 100.	There is a lot of repetition and numerous redundancies in the existing documents. These should be cleared and merged and furthermore be aligned with ISSAI 100	ISSAI 5410, 5420, 5421, 5422, 5430, 5440	<i>KSC;</i> Working Group on Public Debt <i>PSC:</i> ISSAI 100 ad hoc group (dissolved); <i>Would be desirable to co-opt members from:</i> Compliance Audit Subcommittee; Performance Audit Subcommittee; Financial Audit and Accounting Subcommittee;	Subject specific audits GUID 5000-5999
2.10. Consolidating and aligning the audit of disaster related aid with ISSAI 100.	There is a need to extract key messages, consolidate and make the material operational in the context of financial, compliance or performance audits after the ISSAIs.	ISSAI 5500, 5510, 5520, 5530, 5540 INTOSAI GOV 9250	<i>KSC;</i> Working Group on Accountability for and the Audit of Disaster-related Aid (dissolved) <i>PSC:</i> ISSAI 100 ad hoc group (dissolved); <i>Would be desirable to co-opt members from:</i> Compliance Audit Subcommittee ; Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee;	Subject specific audits GUID 5000-5999

Priority 3 - Strengthening INTOSAI Professional Pronouncements beyond 2019

The third priority of this plan is to outline and initiate further improvements in the ISSAIs and INTOSAI Principles. FIPP considers the projects planned under this priority as highly important. Unlike priority 1 and 2 projects, these projects are, however, not directly linked to the implementation of the revised IFPP. Some of them involve complex issues that may require a thorough initial assessment and careful consideration before the projects are launched. When the achievements under priority 1 and 2 are sufficiently well advanced and resources can be allocated to these areas, it will be relevant to initiate these preparatory efforts.

The PSC Steering Committee will be responsible for ensuring that the full INTOSAI community is engaged, as appropriate, in the continued planning and execution of the various projects. FIPP will therefore consult the PSC Steering Committee on the timing and priority of the individual projects.

Key activities of FIPP in support of priority 3.

FIPP will carry out several activities in order to facilitate the accomplishment of the third priority by 2019. Key activities by FIPP are:

- Elaborate on the existing drafting conventions in order to provide clear instructions to drafters of ISSAIs and INTOSAI-Ps. This will provide the basis for improving consistency in format and presentation in the full set of pronouncements.
- Explore options for refining the current model for differentiated compliance with the ISSAIs. The current model is defined by ISSAI 100 in its section on the authority of the ISSAIs, but is restated in different variations in other ISSAIs.
- Develop proposals for the PSC Steering Committee on the process of elaborating the next SDP, which may stretch beyond 2019. This planning process, in line with the due process, will ensure a broad consultation process.

Table 4. Tentative projects to strengthen INTOSAI Professional Pronouncements beyond 2019

Considerations (preliminary)	Material to be reviewed or included as sources	Preliminary group may be drawn from	Category
3.1. Global INTOSAI messages on SDGs in the context of the INTOSAI framework of professional pronouncements and possible needs for guidance.	Outcome of Theme 1 of IN-COSAI in Abu Dhabi ISSAI 5130 (WGEA) FIPP's dialogue with the UN over technical standard setting issues; Material from GALF meeting of 2016; IDI guidance on preparedness; Various material produced by the KSC; In light of INTOSAI - Ps and ISSAI 100. UN Development Strategy 'Transforming our World: The 2030 agenda for sustainable development'	General INTOSAI Think Tank on SDGs led by SAI UAE; <i>PSC:</i> Ad hoc group ISSAI 100; Performance Audit Subcommittee; Compliance Audit Subcommittee; Financial Audit and Accounting Subcommittee; <i>KSC:</i> Working Group on Environmental Auditing; Working Group on the Fight Against Corruption and Money Laundering; Working Group on Key National Indicators;	To be determined

		Working Group on Audit of Extractive Industries; Working Group on Financial Modernization and Regulatory Reform; <i>CBC</i>	
3.2. Global INTOSAI messages about audit arrangements and independent standard setting in the context of the INTOSAI framework of professional pronouncements.	Theme 2 of INCOSAI; INTOSAI GOV 9200; INTOSAI GOV 9300 (endorsed 2016 changed to GUID); In light of INTOSAI-P 10; INTOSAI-P12 and ISSAI 100.	<i>PSC:</i> Ad hoc group INTOSAI GOV 9200; Ad hoc group INTOSAI-P 10; Ad hoc group ISSAI 100. <i>KSC:</i> Ad hoc group INTOSAI-P 12; Ad hoc group INTOSAI GOV 9300.	To be determined (May result in two separate projects)
3.3. Competency pronouncements. The project is intended to address the need for professional pronouncements for auditor competence, as identified in the newly revised IFPP	ISSAI 40, ISSAI 30, IDI documents, AFROSAI-E Manuals. CBC's position paper on competency framework and submission to INCOSAI IFAC IAESB materials	<i>PSC:</i> Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee ; Compliance Audit Subcommittee. <i>CBC :</i> Task Group for INTOSAI Auditor Certification <i>KSC</i>	COMPs
3.4. Providing a clear set of INTOSAI Core Principles	Consider eliminating duplication and streamlining the content of ISSAI 10,12 and 20 and identify any possible gaps	<i>PSC:</i> Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee ; Compliance Audit Subcommittee. <i>KSC ;</i> <i>CBC ;</i>	INTOSAI P
3.5. Consolidate and refining the organizational requirements for SAIs	Draw on outcome from project 2.4. Consider elimination of duplication and identify gaps: ISSAI 130 ISSAI 140 (to be reviewed by 2019) In light of ISSAI 100 and the INTOSAI-Ps	<i>PSC:</i> Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee ; Compliance Audit Subcommittee. <i>CBC ;</i> <i>KSC ;</i>	ISSAI 130-199
3.6. Cross-cutting issues in ISSAI 3000 and 4000 – requirements for direct reporting engagements and guidance on related technical issues	Consider common areas and alignment in ISSAI 3000 ISSAI 4000	<i>PSC:</i> Performance Audit Subcommittee ; Compliance Audit Subcommittee. ISSAI 100-ad hoc group	GUID/ISSAI

	Consider guidance on technical issues such as assurance and audit risk in the context of performance audit and other direct reporting engagements .	<i>CBC ; KSC ;</i>	
3.7. Auditing of implementation of state budgets and consolidated state accounts	Material from FAAS, CAS Experience obtained by the INTOSAI Regions and external parties (such as the World Bank) Other sources	<i>PSC: Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee, Compliance Audit Subcommittee. CBC ; KSC ; INTOSAI Regions</i>	GUID/ISSAI
3.8. Obtaining an understanding of Economy, Efficiency and Effectiveness of an entity and applying relevant methods in the context of a performance audit	Material from PAS and other sources	<i>PSC: Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee. Compliance Audit Subcommittee. KSC ; CBC ;</i>	GUID/ISSAI
3.9. Obtaining an understanding of laws and regulations and other authorities regulating public entities in the context of a compliance audit	Material from CAS and other sources	<i>PSC: Performance Audit Subcommittee ; Financial Audit and Accounting Subcommittee. Compliance Audit Subcommittee. KSC ; CBC ;</i>	GUID/ISSAI

Classification principles for INTOSAI Professional Pronouncements

The due process for INTOSAI's framework of professional pronouncements provides that the classification and numbering of pronouncements shall be based on a set of classification principles. The classification principles are provided by this document.

The classification principles define the scope of the framework of professional pronouncements and the different categories of pronouncements included therein, as well as the criteria to classify and number the various pronouncements in the framework. Definition and classification criteria for these pronouncements are described below:

1. Definitions

A. INTOSAI Professional Pronouncements

INTOSAI Professional Pronouncements are the formal and authoritative announcements or declarations of the INTOSAI Community. They rest upon the common professional expertise of INTOSAI's members and provide INTOSAI's official statements on audit-related matters. All professional pronouncements must therefore be developed and approved through a due process before they are presented to INCOSAI for endorsement.

The INTOSAI Professional Pronouncements consist of INTOSAI Principles (INTOSAI-P), International Standards of Supreme Audit Institutions (ISSAI), Competency Pronouncements (COMP), and INTOSAI Guidance (GUID).

B. INTOSAI Principles (INTOSAI-P)

The INTOSAI Principles consist of Founding Principles and Core Principles. The founding principles have historical significance and specify the role and functions which SAIs should aspire to. These principles may be informative to Governments and Parliaments, as well as SAIs and the wider public and maybe used as reference in establishing national mandates for SAIs. The core principles support the founding principles for an SAI, clarifying the SAI's role in society as well as high level prerequisites for its proper functioning and professional conduct.

C. International Standards of Supreme Audit Institutions (ISSAI)

The ISSAIs are the authoritative international standards on public sector auditing. The ISSAIs are comprised of:

- The basic set of concepts and principles that define public sector auditing and the different types of engagements supported by the ISSAIs.
- The fundamental principles which INTOSAI have defined as universally applicable professional standards. The auditing practices of all SAIs as well as any national standards for public sector auditing should be aligned to these.
- The organizational level requirements which the SAI and the engagement level requirements which the auditor must comply with if they state compliance with the ISSAIs (rather than national standards)
- Application material that is relevant to ensure that the fundamental principles and requirements are understood and applied as relevant in the circumstances of the individual engagement.

The purpose of the ISSAIs is to:

- ensure the quality of the audits conducted.
- strengthen the credibility of the audit reports for users
- enhance transparency of the audit process
- specify the auditor's responsibility in relation to the other parties involved.
- define the different types of audit engagements and the related set of concepts that provides a common language for public sector auditing.

ISSAI 100 'The Fundamental Principles of Public Sector Auditing' operationalizes the INTOSAI principles into standards at both the organizational level and at the engagement level. ISSAI 100 defines the authority of the ISSAIs and defines how an auditor can claim ISSAI compliance in an audit report.

D. INTOSAI Guidance (GUID)

Guidance pronouncements (GUIDs) provide guidance that supports the SAI in:

- Enhancing organizational performance in practice related to the organizational requirements and ISSAI implementation.
- Implementing mechanisms and programmes for competency development in line with the ISSAIs.

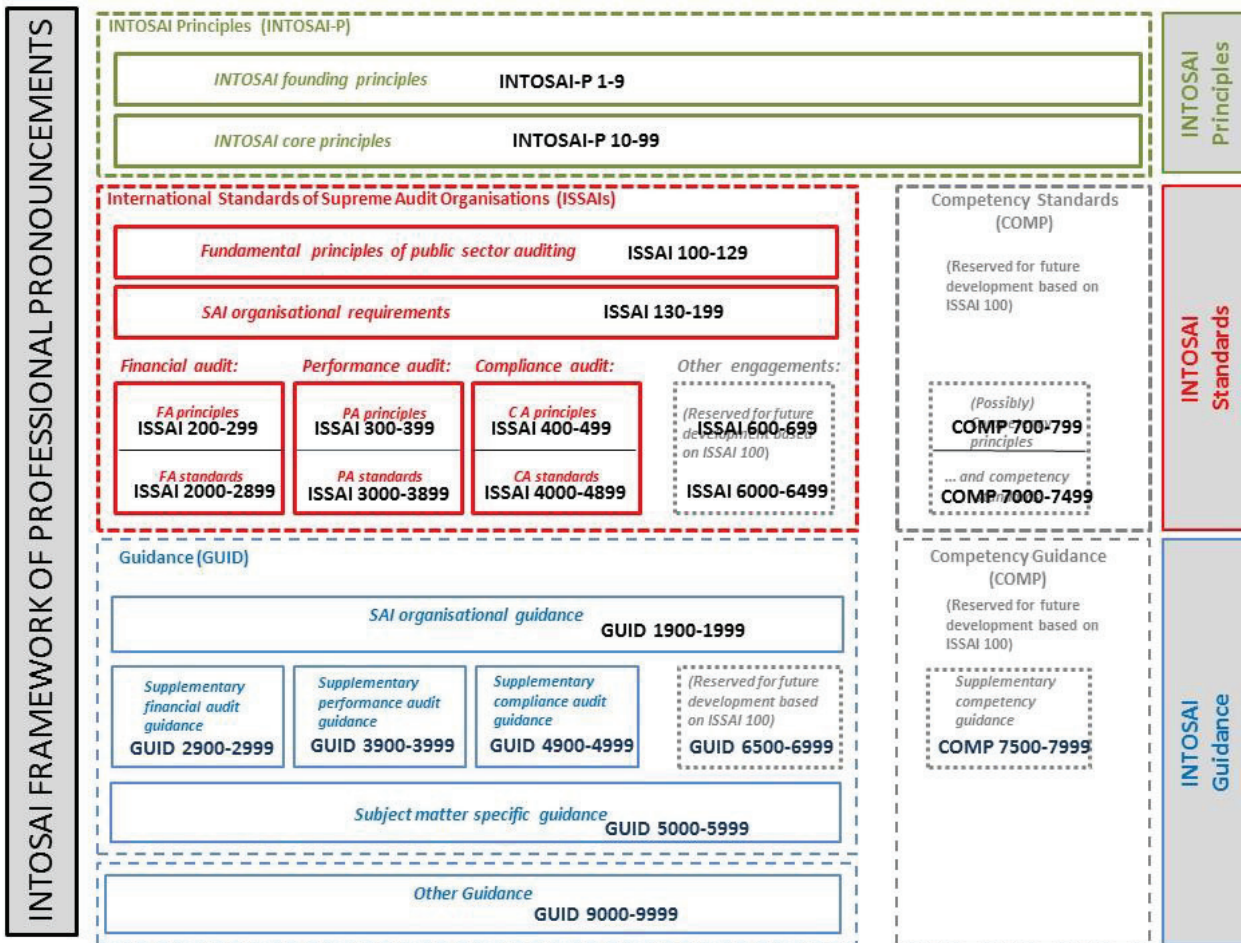
Guidance pronouncements (GUIDs) provide guidance that supports the auditor in:

- How to apply the ISSAIs in practice in the financial, performance or compliance audit processes.
- How to apply the ISSAIs in practice in other engagements.
- Understanding a specific subject matter and the application of the relevant ISSAIs.

E. Competency Pronouncements (COMP) - Future pronouncements

The COMPs will set out the competencies and professional skills, knowledge, ethics, values and attitudes required by the public sector auditor to undertake audits in line with the ISSAIs.

Figure 2. The INTOSAI Framework of Professional Pronouncements



2. The classification criteria of INTOSAI Professional Pronouncements

The Forum for INTOSAI Professional Pronouncements (FIPP) will use the following criteria to classify and number INTOSAI pronouncements in connection with FIPP’s decisions on approval of project proposals, exposure drafts and endorsement versions.

CATEGORY NUMBER	CATEGORY	CLASSIFICATION CRITERIA
INTOSAI P1-9	INTOSAI founding principles	Founding historical principles specifying the role and functions that SAIs should aspire to. These principles may be informative to Governments and Parliaments, as well as SAIs and the wider public and maybe used as reference in establishing national mandates for SAIs.
INTOSAI P10-99	INTOSAI core principles	Core principles that support the founding principles for an SAI, clarifying issues in relation to the SAI's role in society as well as high level aspirations for the proper functioning and professional conduct of an SAI.
ISSAI 100-129	Fundamental principles of public sector auditing	Defines basic set of concepts and principles that defines public sector auditing and the different types of engagements supported by the ISSAIs.
ISSAI 130-199	SAI organizational requirements (SAI level)	Requirements for organizational functions of an SAI that are designed to enhance the performance of quality audits.
ISSAI 200-299	Financial audit principles	These define the elements and principles of financial auditing, with reference to the fundamental principles of public sector auditing.
ISSAI 300-399	Performance audit principles	These define the elements and principles of performance auditing, with reference to the fundamental principles of public sector auditing.
ISSAI 400-499	Compliance audit principles	These define the elements and principles of compliance auditing, with reference to the fundamental principles of public sector auditing.
ISSAI 2000-2899	Financial audit standards	Standards for financial auditing, in conformity with the financial audit principles.
ISSAI 3000-3899	Performance audit standards	Standards for performance auditing, in conformity with the performance audit principles.
ISSAI 4000-4899	Compliance audit standards	Standards for compliance auditing, in conformity with the compliance audit principles.
GUID 1900-1999	SAI organisational guidance	Guidance that supports the SAI in enhancing organisational performance in practice related to the organizational requirements and ISSAI implementation.
GUID 2900-2999	Supplementary financial audit guidance	Guidance that supports the auditor in the financial audit process on how to apply the ISSAIs in practice.
GUID 3900-3999	Supplementary performance audit guidance	Guidance that supports the auditor in the performance audit process on how to apply the ISSAIs in practice.

GUID 4900-4999	Supplementary compliance audit guidance	Guidance that supports the auditor in the compliance audit process on how to apply the ISSAIs in practice.
GUID 5000-5999	Subject matter specific guidance	Guidance that supports the auditor in understanding a specific subject matter and the application of the relevant ISSAIs.
GUID 9000-9999	Other guidance	Other guidance that supports the auditor.
	Reserved for future development based on ISSAI 100	
ISSAI 600-699	Principles for other engagements	These define the elements and principles of other engagements, with reference to the fundamental principles of public sector auditing.
COMP 700-799	Competency principles	Principles laying down the competencies and professional skills, knowledge, ethics, values and attitudes required by the public sector auditor to undertake audits in line with the ISSAIs.
ISSAI 6000-6499	Standards for other engagements	Standards for other engagements in conformity with the fundamental principles of public sector auditing. This may include other INTOSAI audit types or standards developed by other recognized standard setters and adopted by INTOSAI.
COMP 7000-7499	Competency standards	Standards that set out the competencies and professional skills, knowledge, ethics, values and attitudes required by the public sector auditor to undertake audits in line with the ISSAIs.
GUID 6500-6999	Supplementary guidance on other engagements	Guidance that supports the auditor in other engagements on how to apply the ISSAIs in practice.
GUID 7500-7999	Supplementary competency guidance	Guidance to an SAI in implementing mechanisms and programs for competency development in line with ISSAIs.