

## Words from the Chair



All of us have a dream of serving our nation, so that the citizens can live a good life, that basic needs are met with regards to an income and provision of good public services. I would like to congratulate our Tunisian colleagues with a new constitution, with the aim of building a democratic regime guaranteeing freedom and dignity, and with an independent SAI who serves the people. We're so proud of you!

Many of you may know Gert Jønsson, long serving as chair for FAS, now retired. I have never forgotten the speech he held in Cameroon, saying that development of international standards was his tiny little contribution to peace in the world. For me this has always been an inspiration to carry on and never give up. And this spirit is what I felt when the subcommittee chairs met in Copenhagen with the PSC chair to discuss closer cooperation, support to IDI on implementation, and a sustainable solution for organizing INTOSAI standards in the years to come. We found the tone -Three committees - one direction. And the new chair of FAS, SAI of the United Arabic Emirates, has entered the scene with new energy and perspectives.

I would like to thank you all for the substantial and continuous contribution to CAS and development and implementation of the standards. An important PSC meeting in Bahrain is ahead, and because of the work you all do, CAS is able to take a leading role in putting key issues on the agenda. I wish you all luck, and look forward to seeing you in Oslo in September.



## The Tunisian SAI in the New Constitution, well-established and independent

*by Amel Elloumi Baouab, Magistrate, Court of Accounts, Tunisia*

The Tunisian National Constituent Assembly, on 26 January 2014, after two years of work, adopted a new Constitution by 200 votes from 216, sending out a message of stability and unity, not only to the Tunisian public, but also to international community, responding to a common objective of building a democratic regime that guarantee “ freedom an dignity“ , and where the State shall ensure the proper use of public funds and take the necessary measures to spend it according to the priorities of the national economy.

The Constitution states that “*Public administration is at the service of citizens and the public interest,*

*and is organised and operates in accordance with the principles of impartiality, equality and the continuity of public services, and the rules of transparency, integrity, efficiency and accountability”.*

With regards to INTOSAI standards that emphasize on the necessity, for a healthy democracy, that the country has a Supreme Audit Institution whose independence is guaranteed by an appropriate and effective constitutional framework and can accomplish its tasks being protected against outside influence, the New Constitution reinforces the positioning of the Court of Accounts as the Tunisian SAI in its role of a republican institution contributing in sound management, responsibility and accountability, which are the pillars of the State reforms.

The Court of Accounts has been placed within the Judiciary as an independent authority that contributes to ensure the prevalence of justice, the sovereignty of law, and the protection of rights and freedoms, stating that Judges are independent and that no power shall be exercised over their rulings other than the power of the law.

*Article 117 of the New Constitution states that The Court of Accounts shall have jurisdiction to supervise the sound spending of public funds in accordance with the principles of legality, efficiency and transparency. It evaluates the expenditure of public funds and punishes any mismanagement in that regard. The Court of Accounts shall assist the legislature and the executive in supervising the enforcement and sealing of financial laws .It shall prepare a general annual report to be submitted to the President of the Republic, the President of the Chamber of Deputies, the Prime Minister, and the President of the Supreme Judicial Council. The report shall be published. The Court of Accounts shall, when necessary, prepare special reports that may be published. A law shall regulate the organization, mandate and procedures of the Court of Accounts as well as the statute of its judges .*

Through strengthening its positioning and independence, these constitutional provisions are a committed response by the actors at the Tunisian SAI to international standards exigencies. They are an expression of the Tunisian SAI's resolve to be a useful, influential and efficient institution in the service of good governance and the national strategic choices.

## **Implementation handbook in Compliance Audit**

The State audit institution (SAI) in the United Arab Emirates (UAE) was hosting a three weeks workshop on developing a handbook and e-learning course in compliance auditing, from the 10<sup>th</sup> to the 28<sup>th</sup> of February In Abu Dhabi. The workshop was opened by the president of the State Audit Institution, UAE Mr. H.E. Dr. Harib AL Amimi. This workshop was the initiative of IDI, and they had invited mentors from Pakistan (Mr. Arsalan Haneef), Samoa (Ms. Violet Faasavalu), Lesotho (Ms. Mafani Masoabi), Lithuania (Ms. Aurelija Brukštutė), Tyrkey (Mr. Abdullah Ömer Karamollaoğlu) and Grenada (Ms. Isha Mc Donald-Abraham ) together with the CAS secretariat from Norway (Ms. Mona Paulsrud and Ms. Ingvild Gulbrandsen). Firstly the CAS secretariat gave a two days course on the ISSAI 400/4000/ 4100/4200. Secondly the mentors, IDI and CAS secretariat were working for the remaining time on developing the handbook and e-learning course in compliance auditing.



The president of the State Audit Institution, UAE Mr. H.E. Dr. Harib AL Amimi.



View from the window of our office when we were working in Abu Dhabi.

## **EUROSAI training seminar on Compliance Audit: Use of the Compliance Audit Guidelines (ISSAI 400 and 4000-4999) and Best Practice**

*by Aurelija Brukštutė, National Audit Office of the Republic of Lithuania*

On 28–29 October 2014, the National Audit Office of Lithuania as part of the operational plans of the EUROSAI Goal Team 2 “Professional Standards” and Goal Team 3 “Knowledge Sharing”, will host a seminar on “Compliance Audit: Use of the Compliance Audit Guidelines (ISSAI 400 and 4000–4999) and Best Practice” aimed at sharing experiences in implementation of ISSAI on compliance auditing and exchanging practices for conducting compliance audits within EUROSAI members.

The relevant ISSAIs will be presented by representatives of the INTOSAI Sub-Committee on Compliance Audit (CAS). In addition to that, INTOSAI Development Initiative (IDI) will introduce its ISSAI compliance assessment tool (iCAT) on compliance audit and draft ISSAI Implementation Handbook for Compliance Audit.


A key issue will be the presentation of case studies and exchange of experiences in planning, conducting and presenting compliance audits with the help of ISSAI in practice. Participants will divide up into working groups and analyse the presented case studies and their particularities, share ideas and identify good practices as well as lessons learnt. In addition, a separate working group will be organised for methodology staff in which discussion will be based on exchange of experiences on implementation of ISSAI on compliance audit.

To tailor the seminar to the participants needs in the best possible way, the SAI of Lithuania with the help of CAS and GT2 have prepared a questionnaire and sent it to all the EUROSAI members. 29 replies were received based on which the seminar agenda will be prepared. Moreover 19 SAIs expressed their interest in contributing to the seminar.

The National Audit Office of Lithuania believes that this seminar will help the participating SAIs to better address the challenges in implementing the Compliance Audit Guidelines to improve their compliance auditing methodology and practice.

## **Maintenance and development of the new ISSAI 4000**

As the discussions of the CAS annual meeting in Brasília sent the committee off for yet another adventure by identifying the short term objective of our work to develop a first draft of a common



ISSAI 4000 Compliance Audit Standard of INTOSAI by the next committee meeting, the committee members are at present engaging in an impressive maintenance process. The maintenance process is organized in three maintenance groups. All groups have now agreed on a mandate and a work plan and are busy working. In order to ensure transparency within the committee, the documents of the maintenance groups are available for committee members on the closed webpage for CAS members:

<http://www.psc-intosai.org/subcommittees/compliance-audit-subcommittee/members-of-the-subcommittee/for-cas-members/>

The maintenance process is a complex work process in the sense that it involves different, yet interrelated issues. The maintenance group nr. 1 is working on the technical shaping of the document, which in the end will be directive as to how contents will be worded and given the weight of a standard requirement or not within the new ISSAI 4000. The maintenance groups 2 and 3 are working on crucial and substantial issues in need of further development within the Compliance Audit ISSAIs. Maintenance group 2 is responsible for filling in the contents in the areas of compliance audit where financial audit terminology has been given a wider meaning for compliance purposes, mainly in the areas of assurance and how to give an opinion. Maintenance group nr. 3 is exploring possibilities on the basis of the terminology and audit approached specific for public sector compliance auditing, which is authorities, propriety and how to identify the subject matter and the criteria of the audit. Finally, but not least, the Compliance Court group will adapt its work to the new standard.

In order to address the complexity of the process, a common masterplan of the maintenance process has been developed by the CAS secretariat for all maintenance groups to coordinate its effort. Yet, the success of the work mainly depends on all the energy and professionalism now being devoted to the maintenance and development by all committee members. This will lead us to most constructive and interesting discussions at the next committee meeting on the basis of a very first draft standard in Oslo in September.



Compliance Audit Subcommittee of INTOSAI  
Maintenance groups 2014 - common masterplan

COMMON DEADLINES	Maintenance group nr. 1 Process group leader: Norway	Maintenance group nr. 2 Process group leader: Romania	Maintenance group nr. 3 Process group leader: India	Court group Process group leader: Tunisia
January/ February: Start of all maintenance groups				
			25th of March: Second group telephone conference	
	9th of April: Second group telephone conference			
		29th/30th of April: Second group telephone conference		
	26th of May: Third group telephone conference		28th of May: Third group telephone conference	
1st of June:	First technical draft of new ISSAI 4000 available to all maintenance groups			
		30th of June: Third group telephone conference	June: Final document redrafted by the Group process leader and commented upon by the group.	A new version of the court document will be elaborated with one more column containing the main elements for consideration in the new Compliance Audit Standard.
		31st of July: Final document sent to the CAS secretariat		
1st of August:	All group products to be sent to the CAS secretariat			
4th- 15th of August	All group products to be elaborated into one common document by the CAS secretariat			
18th - 29th of August	Committee hearing on the draft ISSAI 4000 and proposals from maintenance groups			
September	Issue papers and final proposals to the committee to be prepared by the CAS secretariat			
				15th of September: Final meeting of the court group in Oslo
17th-18th of September	CAS meeting in Oslo			

## Coordinative meeting of the PSC and its subcommittees in Copenhagen

In departing from harmonization into the maintenance and further development of the level 4 ISSAIs, the subcommittees of the PSC have identified a need for closer and more concrete cooperation in order to ensure a coherent ISSAI framework adapted to the needs of the SAIs applying these standards.

Hence, the subcommittees of the PSC met with the PSC secretariat in Copenhagen on the 2<sup>nd</sup> of April in order to discuss these needs. The meeting was followed by a two days strategic session on a future standard setting solution of INTOSAI hosted by the PSC. On the basis of these discussions concrete proposals of how to draft the updated level 4, cooperative activities between the PSC and the subcommittees and a future standard setting solution of INTOSAI will be presented before the PSC steering committee meeting in Bahrain in May.



Little mermaid of Copenhagen  
Photographer: Mona Paulsrud

## CAS meeting in Oslo in September

All CAS members will soon received the invitation from the Office of the Auditor General of Norway, to the CAS meeting in Oslo on the 18<sup>th</sup>-19<sup>th</sup> of September 2014. Our meeting will be held in the center of a hopefully sunny Oslo. After a most fruitful year working with rather challenging concepts in compliance audit and the structure of ISSAI 4000, we will now decide on content and structure.

As the implementation activities related to the ISSAIs are increasing in volume, there is a need for the

standard setting committees of INTOSAI to provide further support to implementation. Therefore the CAS secretariat is offering a one day introduction to the newly produced handbook in compliance audit. The second day before the official meeting is planned to be for the CAS members to present papers on implementation issues. The CAS secretariat will send out a call for papers in the beginning of June together with a template where it is indicated what to do. We hope many committee members will take the opportunity to participate.

## Information update

The CAS webpage has benefited from technical refreshment and you may enjoy the results here:

<http://www.psc-intosai.org/subcommittees/compliance-audit-subcommittee/>

The CAS secretariat welcome you to the country of Trolls in September 2014, and may you have a piecful Easter Holiday for those of you that take som days of.

