INTOSAI Supervisory Committee on Emerging Issues
COVID-19 Expert Group

Recommendations to the INTOSAI Governing Board

As the COVID-19 pandemic emerged and developed across the world in early 2020, the functioning of SAIs, as well as of INTOSAI, its working bodies and Regional Organizations, has been deeply affected by these new circumstances.

Continuity of SAIs' operations during emergencies has become a real concern. It required a quick response and resulted in a variety of measures implemented by SAIs in terms of their role in the pandemic, their operations, audit plans, staff safety, etc. And almost instantly the audit community members started to learn from each other, generate and exchange experience, which led to a number of multilateral COVID-19 related initiatives developing for knowledge sharing and mutual support across INTOSAI community, including the short term COVID-19 Initiative led by the United States GAO within the Policy, Finance, and Administration Committee

The Supervisory Committee on Emerging Issues (SCEI) is a permanent INTOSAI body dedicated to monitor and address trends and emerging issues which could affect INTOSAI and its members, such as the current challenges resulting from the pandemic. It is characterized by the long-term outlook of its work and conclusions. So, as envisaged by its Terms of Reference, a separate Expert Group was established in order to evaluate the impact of the COVID-19 pandemic on SAIs and INTOSAI.

It was aimed to unify and generalize the experience gained by global audit community members, both individually and collectively, and identify most common and urgent problems and their potential solutions. The objective was set to elaborate a document providing particular recommendations on how INTOSAI can keep being successful, agile and operational in any similar challenging circumstances in the future, and submit them to the Governing Board for considering the need of further actions.

Open and publicly available expert discussions in the form of webinars were used as the main type of work. They were devoted to the following aspects of the COVID-19 impact on the work of SAIs and INTOSAI:
- Priorities of SAIs in the COVID-19 pandemic, including audit themes, methods and techniques
- Remote auditing: technological challenges and solutions
- Openness of SAIs and ensuring inclusiveness in emergency conditions
- INTOSAI online transition: how can organizations adapt to the new normal of teleworking?

The summary reports of the events serve as Annexes to the present document and provide detailed factual information on the matters discussed for additional reference.

Having analyzed the results of the discussions, the SCEI COVID-19 Expert Group proposes for the consideration of the Governing Board the following conclusions and recommendations.

Regarding the continuity of operations of INTOSAI as an international organization and its relevance in case of future emergencies,

1. Transition to online and remote practices

INTOSAI should consider developing **remote working procedures** for its working bodies. The general principle could be established that physical presence may not always be necessary to participate in INTOSAI activities and decision-making process. This would allow SAIs to continue being part of the INTOSAI community and make their contribution regardless of travel restrictions, financial situation, or any other possible circumstances, as well as reduce its carbon footprint through limited air travel. However, some meetings should continue with personal attendance unless external circumstances dictate otherwise. These procedures could draw upon existing best practices identified through the PFAC COVID-19 Initiative that are listed on its website: https://intosaicovid19.org/intosai-continuity-of-operations/

A **separate technical guidance on remote functioning** of INTOSAI administrative and working bodies could be suggested for further development. This could indicate rules of procedure for meetings where all or some of the members participate remotely and provide agreed-upon mechanisms to obtain formal approval on agenda items, standards for preparation and distribution of documents and materials for such meetings, accepted and recommended range of digital tools and communication channels. The PFAC guidance on remote work may be recommended as a starting point.

Moreover, INTOSAI could **better coordinate an international agenda with its working bodies** with the help of the existing calendar on INTOSAI web-resources, to avoid overlapping of several events in a short period of time. A model of shorter, more frequent and regular online meetings along with a possibility of regular annual meetings could be evaluated. This would allow for more agility and focus and increase the participation of SAIs.

2. Providing expertise for the audit community

INTOSAI might consider **establish a high-level database or collection of best practices** related to the work of SAIs during emergency conditions for future reference. It could be composed of the materials generated by individual SAIs and multilateral initiatives such as PFAC, SCEI Expert Group, OLACEFS series of webinars, the EUROSAI Project Group on Auditing the Response to the COVID-19 pandemic, International Observatory on COVID-19, as well as other relevant materials from external stakeholders and experts. Possible ways

include creating a special section on the INTOSAI website, intosaicommunity.net platform, creating a separate INTOSAI Open Knowledge Repository or ensuring that the existing online resources are preserved and maintained beyond the pandemic. This would help remove duplication between resources and increase usability and practical usefulness of this knowledge. These best practices could draw upon the PFAC COVID-19 Initiative Lessons Learned report finalized in September 2020.

3. Promoting the value and benefits of SAIs

INTOSAI could build upon existing efforts to **promote the importance and relevance of SAIs** in emergency conditions in its communication with external international organizations. The assistance of the international community may help avoid some of the obstacles encountered by SAIs during the pandemic related to possible shift in priorities of national authorities, channeling funds away from SAIs, or neglect of the principles of accountability and transparency. Particular examples relate to SAIs work on auditing the use of financial assistance, provided by international community; as well the implementation of real time or concurrent control activities on the measures being implemented by governments, in order to alert possible risks and suggest improvements. The International Journal of Government Auditing can play an important role in this effort. This effort could also feed into the two theme papers for the next INCOSAI.

INTOSAI should **advocate further for the organizational, operational, and financial independence of SAIs.** The pandemic provided numerous examples of SAIs being unable to engage in relevant audit activities due to the lack of organizational independence (inflexibility of audit plans, inability to implement necessary audit procedures and techniques, legal issues, staff cuts, etc.). It would be beneficial for INTOSAI to send a clear message to the international community stating the need for the flexibility of SAI operations and reiterating the importance of SAIs independence through the SAI Independence Rapid Advocacy Mechanism (SIRAM), SAI Independence Goodwill Ambassador and other available mechanisms. It should be stressed that deciding on whether to undertake audits related to an emergency must be the sole decision of a national SAI. SAIs should have the authority to re-evaluate strategic plans and undertake new audits if necessary, even during the emergency period itself, while legal authorities and powers of SAIs cannot be restricted or reduced. This effort could build upon existing outreach efforts carried out by IDI, the Secretary General, the CBC, and the PFAC leadership.

4. Strategic transformation of INTOSAI

INTOSAI should consider **adjustments to the process of its strategic transformation and development**. Namely, an end-to-end review of all INTOSAI operating practices and procedure regulations may be recommended, which falls within the PFAC authority and has implications for the next INTOSAI Strategic Plan, so as to ensure they are relevant, up-to-date and fit for purpose under any operating environment.
Further, Goal Chairs should continue their performance monitoring efforts to **evaluate and report on the impact of the pandemic on achieving INTOSAI Strategic Goals** for the period

2017-2022. In turn, INTOSAI Task Force on Strategic Planning should consider these issues as it updates the plan for the period 2023-2028.

Regarding the SAIs' work in emergency conditions,

5. Priorities and strategy in an emergency

INTOSAI could promote further work on a **guidance for SAIs on how to define their audit approaches** (priorities, strategy and methodology) in emergency situations, including the following key points:
- Developing an appropriate audit program, including any necessary adjustments to planned audits.
- Maintaining a balance between SAIs' role and responsibilities for accountability of public funds and the need of governmental agencies to respond to an emergency.
- Providing audit-based advice to government and legislative bodies.
- Carrying out real-time audit of emergency spending.

Such work has already begun, as SAIs and INTOSAI bodies reflect on the immediate and long-term consequences of this COVID-19 pandemic. IDI, the PFAC lessons learned document, and other publications may be mentioned in this regard. Additional work is recommended to elaborate **a more general and universal document**, based on available current and previous research, such as Workstream B2 of the EUROSAI Project Group. This way it will be applicable for possible emergencies in the future regardless of their type.

6. Continuity of operations

INTOSAI should proceed with its efforts to **provide financial help for SAIs**, in accordance with INTOSAI Financial Rules and Regulations, to sustain the continuity of their operations and overcome deterioration of financial conditions in emergency circumstances. **The INTOSAI COVID-19 SAI Continuity Grant was established** due to the collaborative efforts of the General Secretariat, PFAC and INTOSAI-Donor Cooperation. Moreover, possibilities should be examined to attract additional sources of external financial aid so as to extend this program in time and coverage.

7. Operations in emergency conditions.

INTOSAI could evaluate, in consultation with its working bodies and interested volunteering members, the possibility to elaborate **operational guidelines for SAIs' work during emergency conditions** in order to draw particular attention to the matters of staff security and safety.
It could take the form of a sample framework (action plan, check-list) based on the most common measures adopted and the experience collected. The same guidelines might include the review of challenges related to remote teamwork, employees working remotely from office, cover aspects of internal communication with employees, as well as value of mental health and wellness support.

8. Audit of particular areas

INTOSAI could **assist SAIs to increase their performance in the audit of particular areas** related to the pandemic, especially regarding **healthcare systems, social security and social support measures**. Given the already confirmed interest of some INTOSAI members, a motion could be submitted in consultation with the KSC on **the possibility to create a separate working body** (task force, working group) and invite all the interested SAIs to join its work. These matters have already been in the focus of work for some SAIs and of a number of planned cooperative audits across several regions. Therefore, multilateral exchange of experience, conclusions and observations would be beneficial to elaborate sharing of best practices, and serve as a possible reference for those members who are planning to engage in auditing these aspects in the future.

9. Openness and communication strategy

INTOSAI should **enable SAIs to promote openness** and elaborate **integral external communication strategies**. SAIs should share examples of how **additional value is provided** for external stakeholders and general public by providing information related to the audit results and professional audit-based expertise in an interesting and accessible way. This successful experience should be promoted on the grounds that those INTOSAI members who had already advanced in these areas before the COVID-19 pandemic confirm to have achieved better performance in emergency conditions. Available INTOSAI resources might also be taken into account for this purpose, such as the International Journal of Government Auditing. The implementation of citizen participation initiatives can also be a key asset in maintaining an open two-way communication between SAIs, civil society and other stakeholders.

10. Remote auditing

INTOSAI should **foster further advancements in the area of remote auditing**, meaning SAIs working distantly from auditees. The pandemic served as a catalyst for innovations and has provided successful examples of applying new technologies in audit work. Previous achievements in remote work turned out to be crucial for overcoming obstacles posed by the current emergency, helped achieve audit objectives, ensure timeliness of audit response, make audit engagement feasible in principle. Such examples raised significant interest among INTOSAI members and should be explored further beyond the pandemic. However, many SAIs expressed their concerns and asked for help in applying remote audit techniques. Therefore, INTOSAI is required to assist SAIs in this area. A collection of best practices accumulated on the PFAC COVID-19 and SCEI websites can be used for this purpose. Moreover, INTOSAI should promote this idea with external stakeholders, as it is relevant not only for SAIs, but also for auditees and legislative bodies. Remote auditing could be suggested as a separate focus for existing working groups. Possible objectives include assessing SAIs needs, identifying the challenges faced and suggesting respective solutions.