INTOSAI

International Organisation of Supreme Audit Institutions

Strategic Development Plan

2023 – 2028

For the INTOSAI Framework of Professional Pronouncement

Contents

Introduction

INTOSAI's Strategic Plan for 2023–2028 focuses on five key organisational priorities and four strategic goals. Goal 1 is to "*Develop, Advocate for and Maintain Professional Standards for SAIs*", provides as follows:

> "*INTOSAI will support the effective functioning of SAIs in the public interest by providing, maintaining and advocating for internationally recognized professional principles, standards and guidance that promote the quality, excellence, credibility, independence, and relevance of public sector audits.*"

This Strategic Development Plan (SDP) aims to support the achievement of INTOSAI's Goal 1. The SDP covers all initiatives that could result in the development, revision or withdrawal of INTOSAI Professional Pronouncements. INTOSAI Professional Pronouncements are the formal, authoritative announcements or declarations of the INTOSAI Community. They are based on the common professional expertise of INTOSAI's members and convey

INTOSAI's official statements on audit-related matters. The INTOSAI Framework of Professional Pronouncements (IFPP) categorizes the pronouncements into principles, standards and guidance.

The overall aim of the SDP is to develop the IFPP towards a clear, consistent and relevant set of professional pronouncements and thereby ensure its quality. In this way,

the SDP supports the full value chain of standard setting, including the processes of implementation and providing feedback to further improve the standards and ensure that auditing benefits the citizens.

A framework of international standards is fundamental for the Supreme Audit Institutions (SAIs) and INTOSAI. For INTOSAI, an organisation whose tasks include providing principles, standards and guidance to its members, the IFPP makes an important contribution to supporting the effective functioning of the SAIs. For the SAIs, the IFPP is important as a means of demonstrating the quality, excellence, credibility, independence, and relevance of public sector audits and other products anchored in their mandate. The IFPP is also a tool that helps SAIs to underpin the value of their work and their accountability to the public, and to strengthen trust in their role and output.

The IFPP is also of benefit to parliaments, governments, auditees, academia, civil society and the public, offering assurance that the SAIs are fulfilling their mandate by applying a set of reputable principles and standards that are followed by the majority of SAIs around the world.

As the INTOSAI Strategic Plan covers the period from 2023 to 2028, the new SDP covers the same time span. The SDP may be updated in 2025, depending on progress made, developments in the audit profession and user feedback.

This plan has been developed by the Forum for INTOSAI Professional Pronouncements (FIPP) in accordance with the *Due Process for INTOSAI's framework of professional pronouncements* and in close cooperation with the Capacity Building Committee (CBC), the Knowledge Sharing Committee (KSC), the Professional Standards Committee (PSC) and the INTOSAI General Secretariat. The corresponding Goal Chairs and the FIPP will ensure that the initiatives are coordinated and involve the relevant stakeholders (see *INTOSAI Strategic Plan 2023–2028* and the *Due process for INTOSAI's framework of professional pronouncements*).

This SDP outlines the strategic initiatives that INTOSAI will pursue in updating and revising the IFPP.

Vision and strategic rationale for developing the IFPP

INTOSAI's vision for developing the IFPP

To enhance the understandability and the recognition of the INTOSAI professional pronouncements both with SAIs and with external stakeholders and thereby encourage increased and consistent application of the ISSAIs leading to a global improvement in audit quality.

The IFPP consists of three main categories of pronouncement: the INTOSAI Principles (INTOSAI-Ps), International Standards for Supreme Audit Institutions (ISSAIs) and Guidance (GUIDs). These serve different but complementary purposes, as follows:

- **the INTOSAI Principles** specify the role and functions that SAIs should aspire to in light of their mandate and national context as well as prerequisites for their proper functioning and professional conduct;

- **the ISSAIs** set the principles and requirements governing different types of audit performed by the SAIs; and

- **the GUIDs** support the implementation and practical use of the INTOSAI-Ps and ISSAIs.

The different approaches for SAIs applying the ISSAIs are described in the ISSAI 100 *Fundamental Principles of Public Sector Auditing* paragraph 8 and can be used to establish authoritative standards in **three ways**:

As a basis on which SAIs can develop standards	As a basis for the adoption of consistent national standards	As a basis for adoption of the ISSAIs

Figure 1: The framework is widely used by SAIs in different contexts and with different mandates.

INTOSAI's overall ambition is to encourage even more SAIs to apply the ISSAIs and to do so more consistently. Depending on their mandates, individual SAIs carry out financial, compliance and performance audits in various combinations and also combine these with other assignments, such as jurisdictional functions. In 2020, the PSC (INTOSAI Goal 1) initiated a review under the SDP 2020–2022 (Component 1) to examine amongst other things if and how the framework is implemented and to identify obstacles to implementation and compliance with the requirements.

The *Final report on the review and analysis of the IFPP* concluded that the qualities of a good framework were not always achieved. Such qualities are set out below:

- Clarity in all INTOSAI Professional Pronouncements, including consistency, logical structure and plain language, is essential to ensure that the pronouncements are authoritative and effective. Clarity is also important for producing high-quality audits, which enhance the credibility of INTOSAI and its members.

- Relevance is key to enabling users to decide whether or not to apply the IFPP. This decision is based on whether the framework is practically useful, covers the work they do, and adds to the credibility of their work.

- Robustness is critical, not only in the sense of having a framework underpinned by technically sound material, but also as it leads to reliable results. This includes clarity in what should be achieved (i.e. the way requirements are calibrated), and what it means to apply and claim compliance with the framework.

- Accessibility means availability to all users, including stakeholders, in ways that suit their needs. Beyond linguistic accessibility, this includes presenting content in a way that is user-friendly and intuitive. One key way to improve accessibility is by digitalising.

In addition to the *Final report on the review and analysis of the IFPP*, the IDI *Global SAI Stocktaking Report 2020* and feedback from working bodies within INTOSAI engaged in standard setting were also key sources in the development of this SDP.

The *IDI Global SAI Stocktaking Report 2020* is based on an analysis of the following key areas of SAI performance:

- independence and mandate;
- governance, including strategic management and accountability;
- core audit services;
- professionalization and human resource management;
- stakeholder management and communications;
- capacity development;
- cross-cutting issues such as gender, inclusiveness and digitalisation.

Strategic Development Plan 2023 – 2028

The Final report on the review and analysis of the IFPP

IDI Global SAI Stocktaking Report 2020

Other feedback on ISSAI implementation

Figure 2: Sources used in the analysis leading up to the SDP 2023–2028.
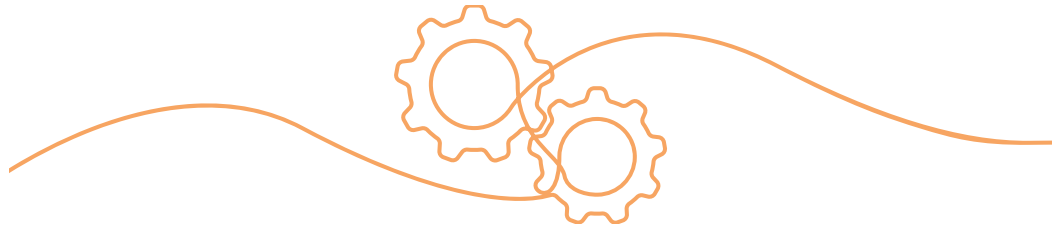
Strategic standard-setting initiatives

To pursue INTOSAI's vision for developing the IFPP, this SDP defines the following five strategic initiatives:

THE 'A' INITIATIVE	Improving **accessibility** to the pronouncements

THE 'T' INITIATIVE	Developing clear and consistent **terminology** for the IFPP

THE 'P' INITIATIVE	Updating the content and presentation of the INTOSAI **Principles**

THE 'I' INITIATIVE	Ensuring the clarity of the **ISSAIs**

THE 'G' INITIATIVE	Developing a better approach to providing **guidance**

THE 'A' INITIATIVE

Improving **accessibility** to the pronouncements

Accessibility is a key factor in helping users approach the framework with confidence and use it intuitively. Digitalizing the framework provides us with new opportunities to improve accessibility which can lead to a better understanding and more intensive use of the pronouncements, as well as enabling users to access them in a more interactive way.

To digitalize the framework, we need to develop terminology, update content and consider a more intuitive way to access the pronouncements. Therefore this initiative will be closely linked to the 'T' initiative (*Developing clear and consistent terminology for the IFPP)*. In the meantime, improvements will be made to the IFPP website (issai.org) to address some of the challenges identified.

The 'A' initiative consists of two sub-initiatives:

- short-term initiative: update the issai.org website to make it more user-friendly and communicate as clearly as possible the purpose and authority of the different classes of pronouncements as currently defined;

- longer-term initiative: based on the development of terminology and definitions, and following the other initiatives, digitalize the framework to allow users to access content that suits their needs.

To ensure continuity for IFPP users and allow for a test-period, the current document-based framework will be applicable while the digital platform is being prepared, and at least for a transitional period after it has been approved for use and has proven its usefulness in practice.

Ambition and output

The *ambition* for this 'A' initiative is to digitalize the entire IFPP and to make its content more accessible for SAIs and auditors, thereby allowing them to use the pronouncements more frequently.

The *output* of this 'A' initiative will be a full set of prono-uncements that can be accessed in a more interactive way.

THE 'T' INITIATIVE

Developing clear and consistent **terminology** for the IFPP

The INTOSAI pronouncements were developed over many years by different teams and working bodies. This has resulted in some inconsistent use of terminology, as well as outdated content. The individual pronouncements provide definitions of certain key terms but there is currently no consolidated glossary. These were also the major findings and conclusions from the *Final report on the review and analysis of the IFPP*.

In order to be able to clarify the content of ISSAIs and other pronouncements, an important first step is therefore to develop clear and consistent terminology for the IFPP, focusing on substance rather than form.

The 'T' initiative includes activities related to:

- establishing a list of terms and definitions currently used in the IFPP, identifying where clarity could be improved and addressing multiple terms covering the same concept or issue;

- based on that list and accompanying analysis, deciding on consistent terminology for use in any new pronouncements and when updating the current ones;

- ensuring that the same matters are described in the same way while emphasizing the key differences between audit types or other relevant circumstances.

The 'T' initiative aims to harmonise concepts and definitions across the pronouncements where relevant. This ambition should be achieved without moving away from the initial idea that the IFPP should provide the SAIs with standards for three audit types to be used according to the mandate of each SAI. The glossary and language conventions could potentially affect both current and new pronouncements.

Ambition and output

The *ambition* for this 'T' initiative is to define the terminology that will be used in all future professional pronouncements and when updating the current ones. Future revisions and updates of the terminology will be carried out when relevant. The terminology developed will be based on the concepts defined in ISSAI 100 *Fundamental principles of public sector auditing*, and the additional concepts defined in other key pronouncements. The resulting terminology will include the professional language for different types of audit and steps in the audit process as well as the concepts used to define the authority of the ISSAIs and what it means to comply with them.

The *output* of this 'T' initiative will be:

- a glossary of key terms for professional practice used within the IFPP defined in the official INTOSAI languages;
- a set of language conventions that will provide the basis for all future development or revision of content in the IFPP;
- a solution for how consistent application of the terminology developed can be sustained across the IFPP in future.

THE 'P' INITIATIVE

Updating the content and presentation of the INTOSAI **Principles**

The INTOSAI-Ps address the role and function of the legal, institutional and organisational frameworks for SAIs, and set the principles that form their basis. This is how the INTOSAI supports SAIs, legislators and governments in establishing relations, setting out the values and benefits of SAIs, and demonstrating their contribution to improving the overall system of public accountability.

The *Final report on the review and analysis of the IFPP* identified a high degree of overlap between the INTOSAI-Ps, notably INTOSAI-P 1 *The Lima Declaration*; INTOSAI-P 10 *Mexico Declaration on SAI Independence*; INTOSAI-P 12 *The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens*; and INTOSAI-P 20 *Principles of Transparency and Accountability*. These important documents need to be consolidated into a clear set of INTOSAI Principles for the IFPP.

The 'P' initiative will progress in two steps:

- Step 1: an analysis of how the INTOSAI-P 1 *The Lima Declaration*,

is used in the INTOSAI community in order to determine how this important historical document can best be treated in the consolidation of the INTOSAI-Ps. If changes in the content or status of INTOSAI-P 1 are required, the FIPP will propose an update to this SDP allowing the PSC Steering Committee and Governing Board to consider the matter before any further steps related to INTOSAI-P 1 can be taken.

- Step 2: will be a process to revise the INTOSAI-Ps to achieve a clear set of INTOSAI Principles.

Ambition and output

The *ambition* for this 'P' initiative is to achieve a clear set of INTOSAI Principles stemming from the current INTOSAI-P documents.

The *output* of this 'P' initiative will be a consolidated set of updated INTOSAI Principles for the IFPP, presented in a way that is easily accessible for users both inside and outside INTOSAI.

THE 'I' INITIATIVE

Ensuring the clarity of the **ISSAIs**

The ISSAIs are the international standards on public sector auditing. They define the audit types, the principles and requirements for these audit types, and a set of organisational requirements. The standards assist public sector auditors in providing high-quality audits. When SAIs refer to the ISSAIs, external stakeholders are assured that the audit reports are of high quality and that they can rely on the conclusions of the audit work.

The purpose of the 'I' initiative is to revise the ISSAIs to implement the terminology and language conventions resulting from the 'T' initiative (*Developing clear and consistent terminology for the IFPP)*. This includes activities to:

- identify text that could be used across the full set of ISSAIs to ensure clarity for users of the ISSAIs;
- identify unnecessary repetition throughout the framework and ensure consistency by describing the same matters in the same way, while emphasising the key differences between the audit types; and

- define and distinguish appropriately between auditing principles, requirements and application materials.

Ambition and output

The *ambition* of this 'I' initiative is to achieve a clear and understandable set of ISSAIs that can support SAIs in delivering high-quality audits regardless of the approach the SAI is using when applying the ISSAIs (see Figure 1).

The *output* of this 'I' initiative will be an updated set of ISSAIs.

THE 'G' INITIATIVE

Developing a better approach to providing **guidance**

The INTOSAI Guidance pronounce-ments (GUIDs) support SAIs in enhancing their performance in relation to organisational requirements, development of competencies and ISSAI implementation. The guidance helps the SAIs to apply the ISSAIs in financial, performance and compliance audit processes, amongst others, and gives them a better understanding of subject matter-specific issues.

The *Final report on the review and analysis of the IFPP*, feedback from users and consultations with key bodies involved in standard setting showed that there is potential for improvements in content and accessibility to relevant guidance. This applies to the status and definition of guidance in its various forms within and outside the IFPP, such as:

- the current inconsistent approach to presenting and making available guidance prepared by various INTOSAI bodies (including the IDI, INTOSAI regions, other groups etc.);
- the lengthy and complex process for including the GUIDs in the IFPP, which does not support the timely revision of existing material or development of new material, particularly when responding to urgent needs;
- insufficient clarity about the need for and format of guidance, notably when covering subject matter-linked material; and
- the inconsistency between the audit methodology in a GUID and the audit methodology required by the ISSAIs.

Ambition and output

The *ambitions* of this 'G' initiative are:
- to ensure that the INTOSAI community has easy access to relevant and high-quality guidance material regardless of the history of its development, and that guidance closely related to the implementation of the ISSAIs is refined to support SAIs implementing the standards; and
- to encourage INTOSAI bodies and SAIs to develop and share guidance material as a manifestation of the mutual benefit this brings. This could be done through a digital "gateway" to relevant guidance, white papers, knowledge-sharing papers and so forth to address the need for guidance.

The *output* for this 'G' initiative will be a set of recognised criteria for the nature of guidance that should be an integral part of the framework, an appropriate due process for such material, and easy availability of guidance material within the IFPP with links to guidance outside the framework.

While the 'G' initiative is ongoing, all working groups are invited to continue to develop material on various topics as part of the general knowledge sharing within INTOSAI. Material that meets the criteria resulting from the 'G' initiative could, at a later stage, potentially provide the basis for development of INTOSAI Guidance for the IFPP.
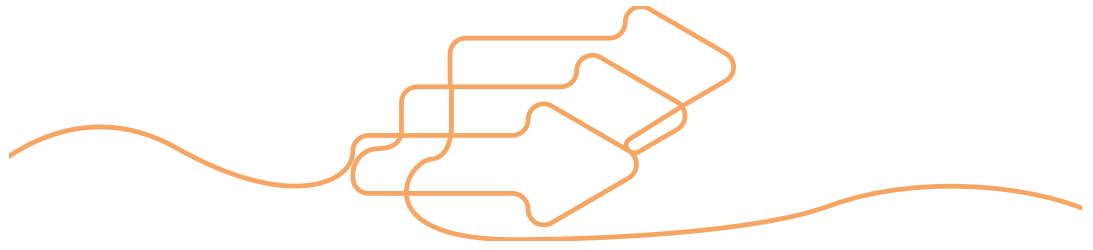
Sequence of initiatives

With a view to advancing as quickly as possible and ensuring that the work is of good quality, the initiatives need to run in parallel where feasible while maintaining a sequence of tasks that allows for the effective coordination and division of work between the initiatives.

The 'T'-initiative will provide terminology and language conventions for implementation through the revisions of INTOSAI-Ps and ISSAIs under the 'P'-initiative and the 'I'-initiative. The 'T'-initiative will also provide a basis for distinguishing application material within the ISSAIs from the issues of guidance considered under the 'G'-initiative. In the initial phase, the progress of the T-initiative may therefore affect the timing of the other initiatives (see Diagrammatic process of the initiatives, Figure 3).

The Goal Chairs and FIPP will maintain close coordination and collaboration on all aspects of the order and timelines of tasks during the execution of the SDP.

Diagrammatic process of the initiatives

T	Developing clear and consistent **terminology** for the IFPP		
		P	Updating the content and presentation of the INTOSAI **Principles**
		I	Ensuring the clarity of the **ISSAIs**
		G	Developing a better approach to providing **guidance**

| A | Short term: improving **acessibility** to the pronouncements |

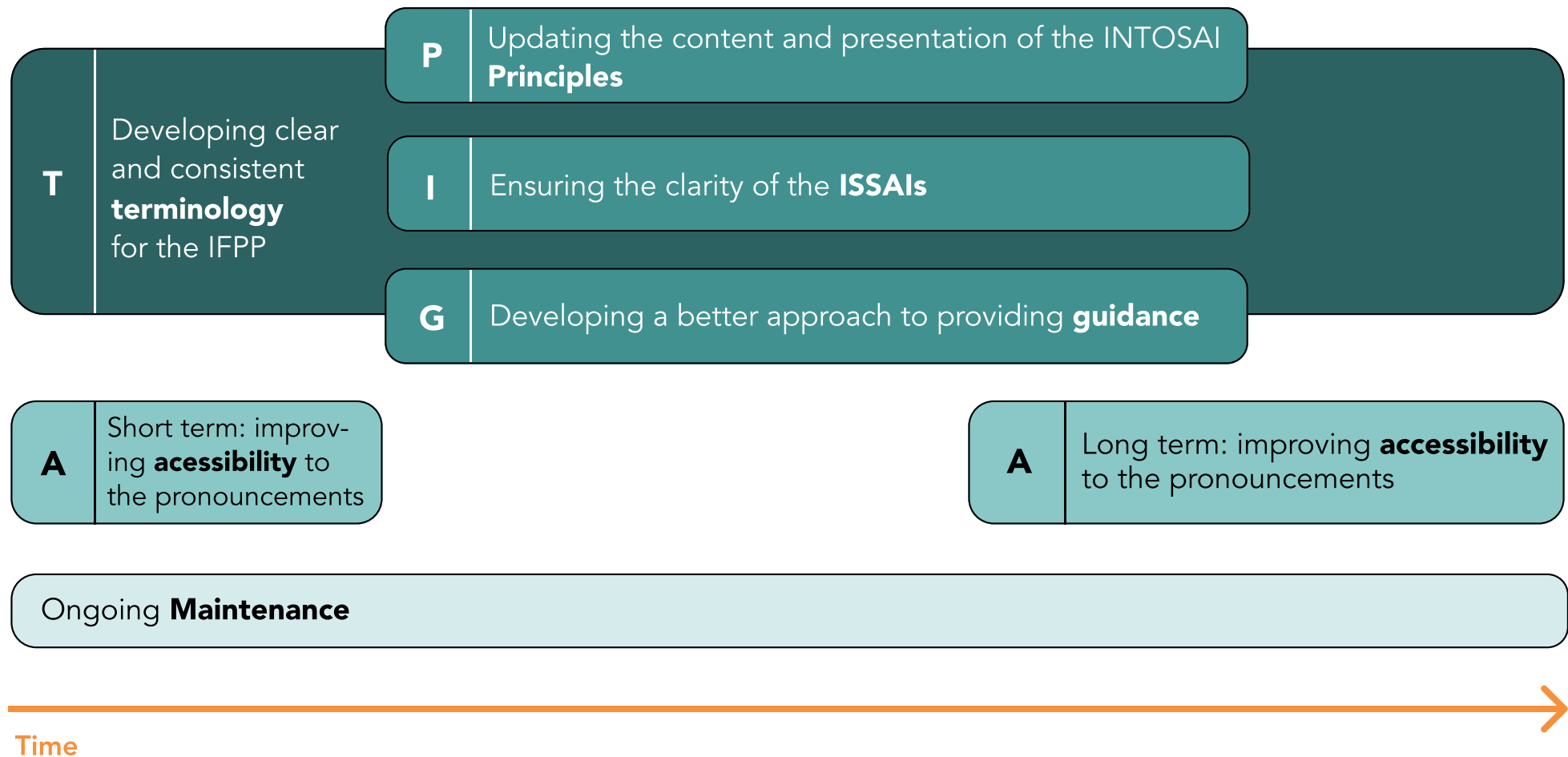| A | Long term: improving **accessibility** to the pronouncements |

Ongoing **Maintenance**

Time →

Figure 3: Diagrammatic process of the initatives.

Due process

Any changes affecting the IFPP follow the *Due process for INTOSAI's framework of professional pronouncements* (IFPP).

The *Due process for IFPP* regulates how this SDP and the classification principles defining the IFPP may be amended or supplemented, as well as how individual pronouncements are developed, classified, revised or withdrawn. The 'A' (*Long term: improving accessibility to the pronouncements*) and 'T' (*Developing clear and consistent terminology for the IFPP)* initiatives may result in new material and decisions that are not necessarily defined in the due process, but will potentially affect the content or format of future INTOSAI pronouncements. The development and conclusion of any such material or decisions will follow the process for developing pronouncements, as will the 'I' and 'P' initiatives (Section 2.1 of the *Due Process for IFPP)*. The 'G' initiative will adhere to the provisions on how to amend classification principles (section 1.1.), exempt categories other than ISSAIs from the full due process (section 1.1.), and develop (section 2.1), revise (section 2.2) or withdraw (section 2.3) pronouncements as relevant.

All initiatives under this SDP will involve close collaboration between the FIPP and the relevant project groups. Each project group will be composed of members with a broad set of relevant competences and perspectives and include members drawn from the relevant parties within INTOSAI contributing to the IFPP.

The *Due process for IFPP* provides that the project group may seek guidance from the FIPP at any stage of the project (cf. section 1.1.). In light of the high ambitions of this SDP and the FIPP's experiences of earlier SDP projects, it will be part of the project group's assignment to present issue papers. These will cover any key issues that require the FIPP's attention and guidance before the resulting draft material is finalized by the project group and referred to the FIPP for approval. The issue papers will serve to enable sufficient alignment in the outcomes developed under the different initiatives. In order to ensure full transparency, the issue papers and the FIPP's preliminary conclusions on the issues presented will be made publicly available within INTOSAI, before the outcome of each initiative is made public for comments, finalized and referred to INCOSAI for final endorsement.

Initiatives to allow for ongoing maintenance and development

In addition to the five strategic initiatives above, projects to develop, revise or withdraw pronouncements can be carried out under the following initiatives if resources allow:

INITIATIVE
Conforming changes to new ISSAI 140 *Quality management for SAIs*
Completion of the categories of organizational requirements (ISSAIs 130-199) and related guidance
Scoping of compliance audits (GUID and/ or improvements in ISSAIs) – scope and extent of substantive testing
Revision and update of GUID 2900 *Guidance to the financial auditing standards*
Scheduled maintenance of ISSAI 3000 *Performance Audit Standard*
Scheduled maintenance of GUIDs 3910 *Central Consepts for Performance Auditing* and 3920 *The Performance Auditing Process*

The FIPP will also remain alert to SAI needs and any new developments that may call for a response in INTOSAI's professional pronouncements. To this end, research, analysis or other preparatory work may be initiated through the network of INTOSAI Standards Liaison Officers (ISLO) or other means.

Initiatives/projects resulting from previous SDPs

The following initiatives from the first SDP approved in 2016 (SDP 2017–2019) have resulted in approved project proposals but have not yet resulted in exposure drafts. If an exposure draft has not been approved by 1 January 2025, the responsible Goal Chair, in conjunction with the working group, should conclude any project aimed at producing a professional pronouncement.

The material developed may instead be published as an unofficial document outside the IFPP. This is to allow the 'G' initiative to be carried through and releasing project team resources for the activities launched through this SDP.

INITIATIVES FROM SDP 2017–2019
2.3 GUID 5000 *Guidance on carrying out combined audits in accordance with mandate of SAI*
2.5 GUID 5150 *Consolidated and improved guidance on under-standing internal control in an audit*
2.6 GUID 5160 *Guidance on using the work of internal auditors*
2.7 GUID 5340 *on the Audit of Public-Private Partnership (PPP)*
2.8 GUID 5101 *Guidance on Audit of Security of Information Systems*

Actions needed to ensure progress

Resources

In order to deliver according to this SDP, we need to:

- ensure sufficient people with the necessary competencies within each initiative;
- provide administrative support such as the development of templates, translations, communication and information to the INTOSAI community;
- identify interdependencies between initiatives and the need for coordination.

The PSC Secretariat and FIPP will work closely together to ensure we use our resources in the best way possible to enable an efficient way of working.

Monitoring and evaluating the SDP

To ensure that this SDP delivers the desired outcomes, a mid-term review is necessary, including monitoring and evaluation. Follow-up questions will be included in the future INTOSAI Global Survey to create a feedback loop in order to provide the Goal Chairs and FIPP with relevant information in this regard. This feedback loop could also potentially provide us with new ways to improve the initiatives and processes.

Approved by the Governing Board November 2023