

[Agenda for the May 2024 web-meeting of the](#)

[Forum for INTOSAI Professional Pronouncements \(FIPP\)](#)

| <p>The agenda is an overview of all agenda-items planned to be discussed during all sessions. Some items will be discussed in several sessions.</p> |  |  |
|---|--|--|
| <p><b>Meeting day</b><br/><b>Thursday 16 May 2024 - 13:00–17:00 CET</b></p>   |  |  |
| Agenda Items  | Purpose  | Output   |
| <p><b>Preparation for the work on the SDP</b></p>   |  |  |
| Future format of the ISSAIs   | Based on the homework (Annex 1), an initial discussion on the format of the ISSAIs. This is the first of a series of discussions as a preparation for the upcoming SDP projects. | To build a shared understanding of the format of the ISSAIs.   |
| <p><b>Project proposal template</b></p>   |  |  |
| Project proposal template   | A discussion on possible format for an updated SDP project proposal template. See Annex 2.   | Agreement on possible elements to include in an SDP Project proposal template.   |
| <p><b>Information from FIPP chair</b></p>   |  |  |
| FIPP Chair  |  |  |
| <p><b>Information PSC Secretariat</b></p>   |  |  |
| PSC Secr  |  | <ul style="list-style-type: none"> <li>- Update on the concept papers and the future of the Core group.</li> <li>- The agenda of the PSC-SC in June</li> </ul> |

## **Annex 1 - Exercise in preparation for FIPP's discussions on the format of ISSAIs**

### **Purpose**

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Under the new SDP the ambition of the I-initiative is to revise the ISSAIs. The purpose of the revision will be to implement the terminology developed under the T-initiative and enable a subsequent digitalization. The drafting work under the I-initiative is to be carried out by a project group, which is still to be assembled.

In addition to approving project proposals, exposure drafts and endorsement versions, FIPP is also responsible for providing guidance to the project groups during their work. Timely guidance and directions from FIPP is important in order to ensure that the drafts developed can be approved by FIPP and that the approval process works as smoothly as possible.

In the past years FIPP has therefore already:

- developed drafting guidelines for GUIDs
- developed drafting guidelines for application material within the ISSAIs (for the purpose of the project on ISSAI 2000/GUID2900)
- considered and approved the format of ISSAI 200 which differs from the two older documents ISSAI 300 and ISSAI 400
- defined the format of ISSAIs in the ISSAI 130-199 organizational requirements series (for the purpose of development of ISSAI 150 and revision of ISSAI 140 and the related amendments in ISSAI 100).

FIPP has however not yet settled all issues concerning the format of the ISSAIs. Before the drafting starts under the I-initiative we will therefore need in FIPP to be ready to give guidance on any important issues of formatting in the full set of ISSAIs.

During 2024 FIPP will therefore spend some time discussing the format of the ISSAIs.

The purpose of this first exercise and discussion is to consider the logical relationship and linkages between the auditing principles, requirements and application material in the ISSAIs. The ambition is to define a format that makes these different elements of text work as good as possible together.

### **Background – to know before completing the exercise**

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The ISSAIs consists of at least three main elements of text:

- Auditing principles
- Requirements
- Application material

The ISSAIs are defined in the section on 'Purpose and authority of the ISSAIs' in ISSAI 100. ISSAI 100 states that:

ISSAI 100 Fundamental Principles of Public-Sector Auditing establishes fundamental principles which are applicable to all public-sector audit engagements, irrespective of their form or context. ISSAI 200 Financial Audit Principles, ISSAI 300 Performance Audit Principles and ISSAI 400 Compliance Audit Principles build on and further develop the principles to be applied in the context of financial, performance and compliance auditing respectively. They should be applied in conjunction with the principles set out in ISSAI 100. [...]

The Fundamental Principles of Public-Sector Auditing (ISSAI 100) and the Financial, Performance and Compliance Auditing Principles that flow from this 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.

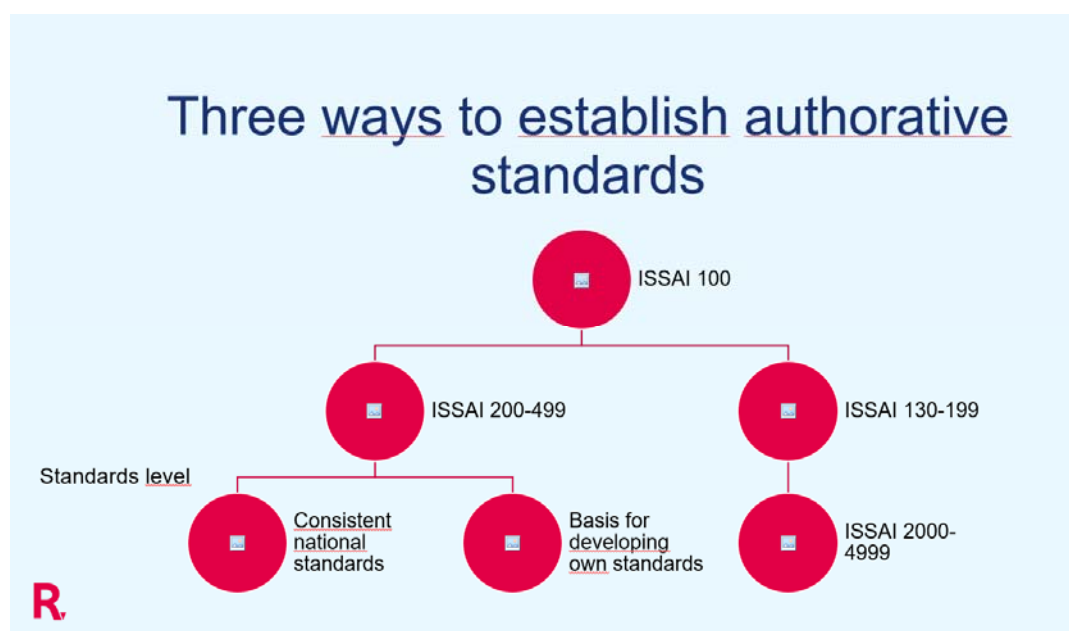
[...]

An SAI may declare that the standards it has developed or adopted are based on or are consistent with the principles of the ISSAIs only if the standards fully comply with all relevant principles in ISSAIs 100, 200, 300 and 400.

[...]

SAIs may choose to adopt the ISSAIs as their authoritative standards. In such cases the auditor must comply with all ISSAIs relevant to the audit. Reference to the ISSAIs applied may be made by stating:

...We conducted our audit[s] in accordance with the International Standards of Supreme Audit Institutions (ISSAIs).



The ISSAIs are also defined in the *classification principles* that defines the scope and categories of the IFPP. INTOSAI's due process provides that FIPP's decisions on classification of material into the IFPP should be taken on the basis of these principles. The current version of the IFPP classification principles was approved by Governing Board in 2022 based on a proposed amendment from FIPP.

The IFPP classification principles state that:

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 must comply with 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.

## The exercise

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Note that ISSAI 100 on [www.issai.org](http://www.issai.org) has not yet been updated with the amendments approved by FIPP as a result of the project on quality management/ISSAI 140. **Use therefore the enclosed endorsement version, so you refer to the correct paragraph numbers in ISSAI 100.**

**Step 1.** Choose two principles in ISSAI 100. One should be from the section on 'general principles' (paragraph 38-45 in ISSAI 100. The other should be from the section on 'principles related to the audit process' (paragraph 46-53). Note your choice here:

First principle chosen ('general principle'):

Second principle chosen ('principle related to the audit process'):

**Step 2.** Try now to find the two corresponding principles in ISSAI 400. Are they easy to find?

Answer:

**Step 3.** For each principle: Consider how the compliance audit principle in ISSAI 400 *build on and further develops* on the fundamental auditing principle in ISSAI 100. Read the fundamental principle in ISSAI 100 *in conjunction* with the compliance audit principle in ISSAI 400. Is it clear what a compliance audit engagement should live up to?

Answer:

**Step 4.** For each of the two principles in ISSAI 100 (and the related principles in ISSAI 400): Find the requirements in ISSAI 4000 that are based on the principle in ISSAI 100. Were the requirements easy to find?

Answer:

**Step 5.** For each set of related principles and requirements: Consider how the requirements in ISSAI 4000 specify what applies to compliance audit with regard to the fundamental auditing principle in ISSAI 100 and the supplementary compliance audit principle in ISSAI 400. Provide your reflections:

- Are the requirements of ISSAI 4000 sufficient to ensure that the principles are complied with?
  
  
  
  
  
  
  
  
  
  
- Are the requirements of ISSAI 4000 more specific than the principle in ISSAI 100 applied in conjunction with ISSAI 400?
- Are the requirements more demanding than the principles? If yes – will the requirements always ensure a higher audit quality than the principles?

Answer:

**Step 6.** Consider now the 'Explanation' to the requirements in ISSAI 4000. Could the explanation-section be considered to be 'application material' to the requirement? Why? / Why not?

Answer:

**Step 7.** For one of the two principles in ISSAI 100 you have chosen: Try to improve upon the current wording of the principles, requirements and application material ('explanation' section in ISSAI 4000). Use the current text in ISSAI 100, 400 and 4000 as your 'raw-material' and write an example on how it can be improved. Make sure you provide:

- 1) A fundamental principle that can be applicable to all audit engagements of all SAIs – financial, performance, compliance auditing as well as anything else (if the current phrasing in ISSAI 100 works keep it, if not improve it).
- 2) The additional statements that specify what this principle implies in the case of compliance auditing (if the current phrasing in ISSAI 400 works keep it, if not improve it).
- 3) The 2-4 requirements that would comply with your proposed principles (item 1 and 2 above) and be sufficiently specific to be applied directly to the individual compliance audit (if the current phrasing in ISSAI 400 works keep it, if not improve it).
- 4) The related application material (if the current phrasing in ISSAI 400 works keep it, if not improve it).

Try to make your example as clear and logical as possible. At a later stage the examples may be used a basis for discussing different ways of organizing and linking the relevant parts in the set of IS-SAIs. Write your proposed text here:

**Fundamental principle applicable to all SAIs and all audit engagement (ISSAI 100):**

**Specification on what the principle implies in the case of compliance audit:**

**Compliance audit requirement 1:**

**Application material to requirement 1:**

**Compliance audit requirement 2:**

**Application material to requirement 2:**

(Add further requirements with application material if needed)

## Annex 2 - Project Proposal Homework

In a previous FIPP meeting we engaged in an initial discussion on the Project Proposal and how this would fit the future SDP initiatives/projects. As part of the preparation for the SDP initiatives the Core group developed a Concept paper template as part of the call for candidates to the initiatives. Over time, FIPP have identified some weaknesses in the existing Project proposal template and have also received feedback from the “users” that there is a need for improvements in the template. The feedback from the PSC secretariat is included in the attachment.

The Concept paper template partly covers some of the same issues and could serve as an inspiration for the next generation of templates. In moving forward, we can either develop the current Project proposal template further or use the Concept paper template as a starting point and develop this in order to address the needs of future projects.

The purpose of the discussion during this FIPP meeting is to agree on topics that we find important as part of project management and whether we should continue developing the current template or rather develop the concept paper template for future use.

Please have a look at the attached document containing:

- Project proposal template
- Concept paper template
- Comments from the PSC on potential inclusions for a new project template

### Specific questions:

Question 1: Based on your experience as an LO or other relevant project management experience, what topics do you expect to be included in a Project proposal template?

Question 2: Looking at the Concept paper template, what topics from this template would you expect to find in a project proposal?

Question 3: if you were to develop the Concept paper template into a full project proposal, what changes or amendments would you find necessary?

This form is used is used to stand as a record of the proposal from the project team.

**PART A: PROJECT IDENTITY**

| Description                                 | Information |         |         |       |              |                       |                                 |
|---|-------------|---------|---------|-------|--------------|-----------------------|---------------------------------|
| Project number and title as per SDP         |             |         |         |       |              |                       |                                 |
| Working title(s) for the new pronouncements |             |         |         |       |              |                       |                                 |
| Project aim                                 |             |         |         |       |              |                       |                                 |
| Project objectives                          |             |         |         |       |              |                       |                                 |
| Project duration                            |             |         |         |       |              |                       |                                 |
| Name of the lead WG                         |             |         |         |       |              |                       |                                 |
| Key contacts                                | Name        | Surname | Address | Email | Office Phone | Business Mobile Phone | Organization/<br>Sponsoring SAI |
| Project Group Lead                          |             |         |         |       |              |                       |                                 |
| Contact persons for the goal chair          |             |         |         |       |              |                       |                                 |
| FIPP liaison officers                       |             |         |         |       |              |                       |                                 |



| <b>Other anticipated project team members (list of names and organizations)</b> |             |                |                |              |                     |                              |   |
|---|-------------|----------------|----------------|--------------|---------------------|------------------------------|---|
| <b>Key contacts</b>   | <b>Name</b> | <b>Surname</b> | <b>Address</b> | <b>Email</b> | <b>Office Phone</b> | <b>Business Mobile Phone</b> | <b>Organization/<br/>Sponsoring SAI</b> |
|   |             |                |                |              |                     |                              |   |
|   |             |                |                |              |                     |                              |   |
|   |             |                |                |              |                     |                              |   |
|   |             |                |                |              |                     |                              |   |
|   |             |                |                |              |                     |                              |   |
|   |             |                |                |              |                     |                              |   |

**PART B: PROJECT MILESTONES**

| <b>Stage</b> |  | <b>Due process milestones</b>  |                 |                                       |                 |
|--------------|--|--|-----------------|---------------------------------------|-----------------|
| 1.           | <b>Project Proposal</b>  | <b>Start Date</b>  | <b>End Date</b> | <b>Expected Time in Total</b>         | <b>Comments</b> |
|              |  |  |                 |                                       |                 |
|              |  | <b>N.B. Allow three months between end date of stage 1 and start date of stage 2 for FIPP approval of the project proposal</b>   |                 |                                       |                 |
| 2.           | <b>Exposure draft</b>  | <b>Start Date</b>  | <b>End Date</b> | <b>Expected Time in Total</b>         | <b>Comments</b> |
|              |  |  |                 |                                       |                 |
|              |  | <b>N.B. Allow three months between end date above and start date below for FIPP approval of the project proposal</b>   |                 |                                       |                 |
|              | <b>Exposure period</b>   | <b>Start Date</b>  | <b>End Date</b> | <b>Time in Total (not negotiable)</b> | <b>Comments</b> |
|              |  |  |                 |                                       |                 |
|              |  |  |                 |                                       |                 |
| 3.           | <b>Endorsement version</b>   | <b>Start Date</b>  | <b>End Date</b> | <b>Expected Time in Total</b>         | <b>Comments</b> |
|              |  |  |                 |                                       |                 |
|              |  | <b>N.B. Allow three months between end date of stage 3 and start date of stage 4 for FIPP approval of the project proposal</b>   |                 |                                       |                 |
| 4.           | <b>Final pronouncement, including translation into all official INTOSAI languages*</b> | <b>Start Date</b>  | <b>End Date</b> | <b>Expected Time in Total</b>         | <b>Comments</b> |
|              |  |  |                 |                                       |                 |
|              |  | * "Unless other mechanisms have been established, the working group is responsible for translation of the approved endorsement version into the five official languages." (Due Process, page 9.) |                 |                                       |                 |

**PART C: INITIAL ASSESSMENT AND PROJECT PROPOSAL**

| <b>Initial assessment – Matters to be covered (Due Process, pages 6 and 7)</b> |   |
|--|---|
| C.1.   | Explanation of the need for the project |

|      |   |  |
|------|---|--|
| C.2. | Description of the categories of auditing or other engagements that will be covered by the new pronouncement(s)   |  |
| C.3. | Description of different types of SAIs/audit engagements that must be accommodated in the new pronouncement   |  |
| C.4. | Challenges, if any foreseen, that would have to be managed by SAIs in implementing the new pronouncements   |  |
| C.5. | Explanation of how consistency with ISSAI 100, other existing ISSAIs and other professional pronouncement(s) will be ensured  |  |
| C.6. | Explanation of 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 to provide clarity on new pronouncement. |  |
|      | <b>Project proposal – Matters to be covered (Due Process, page 7)</b>   |  |
| C.7. | Explanation of organization of the project describing how project group members will be drawn from relevant sub-committees/working groups/other interested parties  |  |
| C.8. | Explanation of the outcome of the project specifying how existing professional pronouncements may be affected.  |  |

Version: **Date Month Year**

**Project Proposal**

**Insert name of Working Group**

|      |  |  |
|------|--|--|
| C.9. | Explain the quality processes that will be applied in the drafting process (see Due Process, page 7 and 8) along with the parties that the project group will consult and engage with. |  |
|------|--|--|

**PART D: AUTHORITIES**

| <b>PERSON</b>          | <b>NAME</b> | <b>SURNAME</b> | <b>DATE</b> | <b>SIGNATURE</b> |
|------------------------|-------------|----------------|-------------|------------------|
| Project Leader         |             |                |             |                  |
| Responsible Goal Chair |             |                |             |                  |



# Concept paper: SDP 2023-2028 ‘X’ initiative

## Background information

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Purpose, intended use and target group

[Generic text: The purpose of this concept paper is to provide the INTOSAI community with a general overview of what the ‘X’ initiative under the PSC Strategic Development Plan 2023-2028 foresees and the possible implications of its implementation.]

Why will we look into this?

Involvement in the ‘X’ initiative – benefits for the SAs and related auditors

[Brief and focused ‘sales’ statement with possible alignment after the 26/2-meeting]

## Scope of the project

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What will we look into?

Required competences

[what skills do we need in the project group, while ensuring diversity and inclusion for all interested applicants]

Timeline

[indicative timeline featuring the following key dates:

Project proposal completion (mid 2025), (substantial) completion of the project (2028) and approval by GB (end of 2028)]

## Approach

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How will we implement the project?



Approval process

[Standard sentence: The initiative/project will follow the due process to ensure that all aspects follow a quality control process]

Whom will we consult?

## Likely outcome

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Expected deliverables

[e.g. clear criteria, repositioning of pronouncements, accessible framework, coherent terminology, clarified standards]

Expected scenarios

This could be to confirm the status quo or keep current placement/format but modify content or propose different placement and modify or other following the initial assessment of the project group.

[e.g. accessible quality tools for the practitioner]

Some comments from the PSC on what might be included in a new project template

- An *issue analysis* between the project core group and the PSC secretariat and the FIPP liaison officer. By Issue analysis we mean applying structured, rigorous, logical thinking through discussion with a wider set of stakeholders. Discussing possibilities provides an opportunity for creative dialectic about the direction, of the task. Having key stakeholders (FIPP) involved helps to secure their buy-in to the final product. The basis for this could be the issue papers which are currently being developed. Although issue analysis would be in a meeting format, the outcome could be recorded in the project template.
- A type of *evidence collection plan* where the audit team scopes what they need to do, what material they will need, where are they going to get their materiel, how they will get the materiel and what they will exactly do once they have got it, but at a fairly high level perhaps concentrating on inputs, outputs, results and impacts.
- The project should provide information about necessary coordination between project groups. The Core group should be mentioned here since the project lead will be invited for regular meetings.

More detailed information on the implementation of the project, such as:

- Team members and time required, including external experts and established roles and responsibilities.
- A timetable with the key milestones for the task/project, including quality assurance, and deliverables to FIPP.
- Detailed description of the project content e.g. inspired by the Component 1 study and delivery

Detailed information on the risks to delivery of the project within time, such as:

- Identifying and disclosing major risks to delivering the project within the agreed timetable which could involve a brief/broad analysis of the major risks.
- In this relation, the FIPP might consider issues like:
  - The overall likelihood of major risks occurring.
  - The overall potential impact if the risks were to materialise.
  - Measures which could or are put in place to manage/mitigate the risks.