



INTOSAI Professional Standards Committee

Status on Goal 1: Achievements and future challenges
PSC Mandate 2014-2016

This is a report gives an overview of INTOSAI's achievements and future challenges as an international standard-setter and presents the proposed mandate 2014-2016 for the PSC and the PSC Subcommittees.

The achievements of the PSC and the PSC Subcommittees in the mandate period 2011-2013 are presented in the "Progress Report – Achievements 2011-2013".

International Standards of Supreme Audit Institutions (ISSAI)
and INTOSAI Guidance for Good Governance (INTOSAI GOV)
– find them on www.issai.org

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INTOSAI's standard setting at a cross roads

INTOSAI has for 60 years with great success provided a forum for SAIs for development, knowledge sharing and continuous enhancement of public-sector auditing. INTOSAI is the only global organisation within its field and its membership comprises SAIs from almost every member of the United Nations. INTOSAI is the only existing channel through which the community of SAIs can develop their common profession and influence the international standards that define the future of public-sector auditing.

In the last decades, INTOSAI's membership has moved the organisation to take on a new and challenging role; INTOSAI is slowly emerging as an internationally recognised standard-setter for public-sector auditing. This new role reflects the world of our age. In the offices of Auditor Generals and Court of Accounts around the world, it is increasingly realised that SAIs depend on adequate international standards to safeguard their independence, ensure the quality of their work and enhance the credibility and impact of their audit reports. SAIs are held accountable by the media and the wider public for the use of their resources and the accuracy of their audit reports. The constitutional bodies that we serve expect, rightfully so, that our audits live up to applicable professional standards, and the importance of auditing standards has been clearly stated in *ISSAI 10 – The Mexico declaration on independence* and is also reflected in numerous other INTOSAI decisions.

In the world of our age, having inadequate standards can be worse than having no standards. Standards that cannot pass the test of a critical expert reader and are not backed by sound transparent processes, represent a reputational risk for the SAIs that refer to them. On the other hand, even the most robust and credible standard can be disruptive, if it does not adequately support the purposes of the public-sector audits performed by the SAI.

INTOSAI's members have come to rely on INTOSAI to provide relevant and credible standards that can ensure audit quality and guide the public's expectation to our work. If INTOSAI cannot in the long run meet this challenge, it will be left to other standard-setters or key opinion leaders to shape the future of public-sector auditing and define the relevance of SAIs.

In INTOSAI's first Strategic Plan from 2004, it was therefore decided to revitalise INTOSAI's standard-setting role and the 71 members of the Professional Standards Committee (PSC) were entrusted with the task. The goals of standard setting (Goal 1) and capacity building (Goal 2) were recognised on an equal footing with INTOSAI's more traditional goal of knowledge-sharing (Goal 3), reflecting that each of these three different goals require different working methods, processes and external partnerships. Since 2004, a series of INCOSAI decisions has led to the establishment of the International Standards of Supreme Audit Institutions (ISSAI) and the INTOSAI Guidance for Good Governance (INTOSAI GOV). Today the credibility of INTOSAI as an organisation and the quality of INTOSAI's professional standards, are closely inter-linked and the ISSAIs have been widely embraced by INTOSAI's members as the international basis for our audit work.

In light of these achievements, the PSC is now ready to turn to the next challenge. Having developed the ISSAIs to their current level, we are approaching a new crossroads; without a better organisation of our work, we cannot ensure INTOSAI's position as a reliable partner and international standard-setter. If we wish to influence the future of public-sector auditing, we need to strengthen our standard-setting processes.

INTOSAI's position as a recognised standard-setter is founded on the broad and active commitment of its membership. The development of our professional standards must in many ways build on the traditional virtues of INTOSAI, as expressed by our common motto 'Mutual experience benefits all'. However, in a few, but highly important respects, our role in standard-setting places new demands on us. The 60-year old *modus operandi* that was developed to serve the exchange of experiences, must be supplemented by reliable standard-setting processes. Standard-setting differs, because it requires INTOSAI's members to entrust their professional credibility to INTOSAI's processes, and because the success and relevance of our standards depend on the wide recognition among external stakeholders as well as SAIs. Standard-setting is a long-term commitment that makes little sense and have little prospect of success, unless it is backed by an adequate and sustainable organisational set-up.

With this report to the XXI INCOSAI, we provide an account of INTOSAI's achievements and future challenges as an international standard-setter, which form the basis for the proposed mandate 2014-2016 for the PSC.

Bettina Jakobsen
Chair of the PSC

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I. Items for decision by the Congress

Upon reading and discussing this report the Congress is asked to:

- Take note of the PSC mandate 2014 – 2016

II. Status - INTOSAI as an international standard-setter

Goal 1 of INTOSAI's strategic plan is to promote strong, independent and multidisciplinary SAIs and encourage good governance by:

- providing and maintaining the International Standards of Supreme Audit Institutions (ISSAI), and
- contributing to the development and adoption of appropriate and effective professional standards

In this chapter, the PSC provides an overall status of our endeavours towards achieving this strategic goal. It describes the historical experiences through which INTOSAI has emerged as an international standard-setter for public-sector auditing. It also provides an initial account of the key strength and weaknesses of INTOSAI as an international standard-setter. As described in chapter IV, the PSC will in 2013-2016 initiate a more thorough evaluation of INTOSAI's standard-setting processes. It will be up to all of INTOSAI's members to seize the opportunities we have before us and ensure that we safeguard and strengthen INTOSAI's position as an internationally recognised standard-setter in the future.

The emergence of INTOSAI as a standard-setter

INTOSAI's historical experience in the field of standard-setting has been a long learning process with its share of successes and setbacks.

The first INTOSAI Auditing Standards were launched in 1992 and provided the first international basis for the SAIs' development of their audits. This was supplemented by a Code of Ethics (2001) and implementation guidelines on performance auditing (2004), as well as a range of documents that were developed by different working groups on specific issues such as IT, environment or public debt.

In the same period, international standards developed rapidly in private-sector auditing; IFAC established an effectively working standard-setting board, and went on to strengthen the board's independence and engage external stakeholders as representatives of the public interest. As a consequence of these activities, IFAC's standards are increasingly recognised by national legislators around the world. In some countries, this development has also influenced the expectations to the auditing performed by SAIs and it has moved legislators and SAIs to adopt IFAC's auditing standards for the purpose of public-sector audits. A survey carried out among the members of INTOSAI in 2006 showed that 75 of 100 SAIs made some use of the INTOSAI auditing standards, but only a limited number of these SAIs referred to the standards in their audit reports. 55 of 100 SAIs used IFAC's standards.

A few years after their adoption, the INTOSAI Auditing Standards were met with criticism from external stakeholders as well as from some of INTOSAI's members. INTOSAI's processes were not perceived as being reliable and the standards developed were not considered to be of a quality that would give sufficient credibility to audits. After much discussion, the INTOSAI community therefore decided to engage in a close partnership with IFAC in order to develop better guidelines on financial auditing. Since 2005, INTOSAI representatives have participated in the development of the ISAs, and INTOSAI has – with

the support of external donors - issued a supplementary practice note on each ISA that highlights public-sector issues.

In addition to auditing standards, INTOSAI has in the past also invested much effort into the development of INTOSAI's Accounting Standards Framework from 1995. However, when a range of international organisations took initiative to establish international accounting standards for the public sector, IFAC was entrusted with the task. INTOSAI has now withdrawn its accounting standards (INTOSAI GOVs 9200-series), and instead provides input to the International Public Sector Accounting Standards Board established by IFAC.

Goal 1 of INTOSAI's first Strategic Plan for 2004-2010, made it INTOSAI's ambition to establish a framework of professional standards in close relationship with INTOSAI's external partners. Establishing such a framework to comprise all INTOSAI standards required strong coordination. A range of existing working groups were therefore merged into one new committee – The Professional Standards Committee (PSC) – which would have the overall responsibility for all INTOSAI's professional standards. It has been the PSC's strategy to draw on materials from other standard-setters to the extent possible, in order to focus its own development of standards on the specific needs of SAIs and the distinctive characteristics of public-sector auditing.

Since 2004, more than 70 Supreme Audit Institutions have - with great commitment and dedication - participated in the development of ISSAIs through the PSC. In addition, working groups established under the Knowledge Sharing Committee and Capacity Building Committee have chosen to pursue their respective objectives by developing supplementary ISSAIs within their specific fields of expertise.

The establishment of the ISSAIs has taken place step-by-step (see table on page 10). By the XIX INCOSAI in Mexico in 2007, the relevant official INTOSAI documents were merged into one framework for professional standards. By the XX INCOSAI in South Africa in 2010, the first due process for standard-setting and the first comprehensive set of ISSAIs were launched. The South Africa Declaration encouraged all members to use the ISSAIs as a common frame of reference for public-sector auditing, measure their own performance and auditing guidance against the ISSAIs and implement the ISSAIs in accordance with their mandate and national legislation. However, it was also realized in 2010 that the ISSAIs lacked the clarity and consistency that must be expected from a set of professional standards. Because the ISSAIs have been developed through a diversity of different working groups, they appeared as a collection of individual documents, rather than as a set of standards that can be used and referred to for auditing purposes.

In 2010-2013, the PSC therefore focused most of its efforts on the ISSAI Harmonisation Project. With the completion of the project, and the expected endorsement of the resulting four new documents (ISSAIs 100-400) at the XXI INCOSAI in Beijing, INTOSAI now has an updated set of Fundamental Auditing Principles.

The four new ISSAIs, 100, 200, 300 and 400 define the principles of public sector auditing upon which the SAI's auditing standards should be based in the future. The next challenge will be to develop the practical guidelines on performance and compliance auditing at level 4 of the ISSAI Framework towards a clearer set of auditing standards that can be used and

referred to by SAIs in the same way as the standards for financial auditing that are developed in cooperation with IFAC.

An overview of the key milestones in INTOSAI's standard setting is included in annex 1.

INTOSAI will by 2013 have issued 78 ISSAIs and 9 INTOSAI GOVs in addition to ISSAI 1 - The Lima Declaration. The volume of texts which INTOSAI has taken upon itself to maintain in the future is well over 3500 pages of guidance. As the table below shows the responsibility for INTOSAI's Standards are divided among several different bodies. With a few exceptions the PSC is responsible for the auditing principles and standards provided through ISSAIs 10-4999 while the KSC is responsible for the supplementary guidelines on specific subjects in ISSAIs 5000-5999. Within the PSC the permanent subcommittees FAS, PAS and CAS maintains ISSAIs 1000-4999 while it is for the PSC Steering Committee to establish any ad hoc groups needed to solve cross-cutting issues or maintain and develop on ISSAIs 10-999.

INTOSAI's Professional Standards - number of documents

International Standards of Supreme Audit Institutions (ISSAI) – total: 78				
<i>Source/maintenance responsibility:</i>	Older INTOSAI documents	Endorsed 2007	Endorsed 2010	Endorsement 2013
Professional Standards Committee				
- ad hoc groups:	3	2	3	4
- subcommittees:	1	-	5	-
- practice notes to ISAs:	-	10	27	-
Knowledge Sharing Committee	12	3	1	6
Capacity Building Committee			1	
INTOSAI Guidance for Good Governance (INTOSAI GOVs) – total: 9				
	Older INTOSAI documents	Endorsed 2007	Endorsed 2010	Endorsement 2013
Professional Standards Committee	4	1	3	
Knowledge Sharing Committee				1

INTOSAI as a standard-setter - main strengths

The development of the ISSAI Framework and the ISSAIs would not have been possible without the wide support and commitment displayed by the INTOSAI members, and the partnerships with IFAC, The IIA, the World Bank and others. The roll-out of the ISSAIs

through the IDI and INTOSAI's regions, is a key objective for the INTOSAI community and an increasing number of SAIs are now using the ISSAIs as a basis for their methodology or have adopted the ISSAIs as their auditing standards. Also the United Nations General Assembly Resolution A/66/209, put INTOSAI – including its standard-setting work – in the focus of the worldwide community. A new responsibility is now placed on INTOSAI to ensure that the ISSAIs provide sound and consistent messages. INTOSAI's standard-setting activities should promote the strength of public-sector auditing in comparison to private-sector auditing in a transparent way, foster the credibility, professionalism and sustainability of the ISSAIs, and also strengthen INTOSAI's position in relation to other standard-setters.

PSC's five Subcommittees provide important specialised expertise within financial, performance and compliance auditing, internal control and accounting. The Subcommittees also monitor the development within their respective fields of expertise and consider the need for maintenance or revision of the general auditing guidelines at level 4 of the ISSAI Framework (ISSAIs 1000-4999) and the INTOSAI GOVs. When needed, the Subcommittees develop project proposals for the PSC Steering Committee in order to move it to initiate a revision or development of an ISSAI/INTOSAI GOV. When it comes to the three key strings of public-sector auditing; financial, performance and compliance auditing, it would, however, not serve the community of SAIs, if the ISSAIs in these areas were developed as separate standards for three separate professions. The current organisation therefore depends heavily on the ability of the PSC Steering Committee to ensure consistency across the work of the three subcommittees that are responsible for financial, performance and compliance auditing standards, and establish the cross-cutting project groups that are needed to maintain and develop the ISSAIs as one coherent set of standards.

It is therefore one of the key strengths of the Due Process for INTOSAI standards that it provides one body - the Steering Committee - with the formal competences to ensure consistent quality in the ISSAIs. Within the PSC, it is the Steering Committee that approves new projects to develop or revise ISSAIs and it decides on the organisation of projects (e.g. whether they can be referred to one of the permanent Subcommittees or an ad-hoc project group). The PSC Steering Committee is responsible for ensuring that the exposure drafts developed are of sufficient quality, and approving that final versions of the ISSAIs are ready for endorsement by INCOSAI.

Challenges

In practice, it is a challenge for the PSC Steering Committee to full-fill its role as outlined in the INTOSAI Due Process and at the same time drive the continued improvement of the ISSAIs. The PSC Steering Committee and Subcommittees are currently responsible for well over 60 ISSAIs and INTOSAI GOVs. In addition, the PSC provides representatives and input to six different bodies established by other standard-setters. In the current set-up, the PSC Steering Committee's function is three-fold:

- The PSC Steering Committee has strategic responsibilities; it is responsible for strategic coordination and planning within the PSC and for relations with external stakeholders.
- The PSC Steering Committee has – in cooperation with the Knowledge Sharing Committee (KSC) and the Capacity Building Committee (CBC) - an overall

responsibility for overseeing the maintenance of ISSAIs and ensuring consistent solutions across the ISSAI framework.

- In the current setup, the PSC Steering Committee is also the primary standard-setting body acting on behalf of INTOSAI; the Steering Committee issues the ISSAIs and has the responsibility for the requirements contained therein.

However, the members of the PSC Steering Committee – and this applies also to the members of the PSC Subcommittees – generally meet only for around 2 days every year. Participants are changing from meeting to meeting and a limited number of the participants have previous experience in standard-setting or knowledge of the existing set of ISSAIs. There is no secretarial support to the drafting work and the text of the individual ISSAIs is, to a large extent, formulated by a single person or a small group of people, who are able and willing to take on the task. English speakers have had a natural advantage and there has been a tendency that the persons attending the PSC's meeting have their background in financial rather than performance or compliance auditing. Overall, there is therefore a risk that the ISSAIs

- reflect the personal views and perspective of the drafters, but fail to take into consideration the needs and requirements of the rest of the INTOSAI community;
- contradict the messages provided in ISSAIs developed by other drafters;
- promote a narrow perspective on the auditing that reflects the special interests of specific groups for example 'financial auditors', 'performance auditors' or 'compliance auditors';
- lack the quality in terminology and message that one may rightfully expect from international standards.

In practice, the development of the ISSAIs as a set of auditing standards has very much relied on IFAC's support and standard-setting expertise. Most of the ISSAIs developed by the PSC Subcommittees and projects have either incorporated, or to some extent drawn on, IFAC's standards. While this approach offers many advantages, it remains a key challenge for INTOSAI to build its own independent standard-setting capacity. Without sufficient independent standard-setting capacity, it is also difficult for INTOSAI to engage in cooperation with other standard-setters on an equal and mutual basis. In order to promote and safeguard public-sector auditing, INTOSAI must be able to develop and maintain clear and reliable standards in the key areas, where SAIs have special needs, i.e. performance and compliance auditing.

At the same time, the total volume of text within the ISSAI Framework has grown rapidly. The many different groups within the PSC, CBC and the KSC are in many cases better suited for developing new documents on a voluntary basis than for maintaining existing texts. It is important for INTOSAI's members that the complexity and volume of the ISSAIs remain manageable. The inclusion of each new ISSAI in the ISSAI Framework triggers a need for additional resources in the INTOSAI community as such, as well as in the individual SAI that is considering whether and how to implement the new ISSAI. The ISSAI Framework may therefore be approaching a point, where INTOSAI needs to focus on quality rather than on quantity in the standard-setting work.

Opportunities

There is general agreement within the PSC Steering Committee that further improvement of the PSC's processes is required. INTOSAI's processes should provide a level playing field for all INTOSAI members – regardless of language and geography – and should provide sufficient guarantees that the ISSAIs and INTOSAI GOVs provide consistent messages of a high professional quality.

Developing and maintaining professional standards in a uniform high quality requires a core group of dedicated people, who can develop a common expertise in writing standards for the INTOSAI community. A possible way to meet this need could be to establish a permanent ISSAI Board to assist the PSC Steering Committee with some of the standard-setting functions that formally fall upon the Steering Committee in the current set-up. This would allow the PSC Steering Committee to concentrate on strategic issues and relations to external stakeholders. It will, however, require due consideration to ensure that such a board enjoys the full trust of all INTOSAI's members. It will therefore need to be clarified, how it can best be established in a sustainable way in accordance with INTOSAI's values and ways of working.

With the new Fundamental Principles of Public Sector Auditing, INTOSAI has laid a new cornerstone for the ISSAIs. With this new foundation, and the support of INTOSAI's members, INTOSAI will be well positioned to develop its current guidelines towards a clearer and more credible set of standards for public sector auditing. The ISSAIs on financial auditing will continue to draw on the international standards on auditing, but will provide additional standards at an equal level on compliance and performance auditing and other key areas of public-sector auditing.

The past nine years have shown that INTOSAI is a resourceful community that has been able to launch and develop an impressive range of professional standards. If INTOSAI and its members are prepared and able to strengthen our standard-setting processes even further, INTOSAI's position as an internationally recognised standard-setter for public-sector auditing will also become stronger.

III. PSC mandate 2014-2016

Safeguarding the results achieved by the members of the PSC, Subcommittees, Project, Working Groups and Task Forces so far in respect to the foundation of the INTOSAI framework of International Standards of Supreme Audit Institutions will be a key task for the PSC in the next three years. INTOSAI and the PSC will continue to cooperate with other standard-setters and develop standards that meet the needs of the INTOSAI community. The XX INCOSAI in 2010 marked the launch of the first comprehensive set of ISSAIs. Through the adoption of the South Africa Declaration, the members of INTOSAI made a commitment to use the ISSAI framework as a common frame of reference for public sector auditing; to measure their own performance and auditing guidance against the ISSAIs, and to implement the ISSAIs in accordance with their mandate and national legislation and regulations. Implementing the ISSAIs is a key ambition in INTOSAI's strategic plan 2010-2016 and a range of important initiatives have now been launched through the IDI, the regional working groups and other INTOSAI bodies.

This commitment placed new demands on the transparency, credibility and professionalism of INTOSAI's standard-setting process. At the INTOSAI Governing Board meeting in 2012 in Chengdu, China, there was general agreement that the current PSC Chair would continue until 2016 for the purpose of establishing a more sustainable standard-setting solution for INTOSAI.

PSC's mandate 2014 – 2016 represents a natural extension of the adoption of the South Africa Declaration in 2010 and the decision by the Governing Board referred to in the above. It also represents the on-going commitment to keep the ISSAI framework updated and on edge with developments within public sector auditing, and the experience gained from the recently concluded Harmonisation Project. Based on this, the PSC and its five subcommittees will focus on four areas in the mandate period 2014-2016:

1. Evaluate and improve the standard-setting processes in close cooperation with the INTOSAI Task Force on Strategic Planning in order to ensure and develop INTOSAI's standards for public-sector auditing.
2. Carry out maintenance reviews of all General Auditing Guidelines on level 4 of the ISSAI framework to identify the need for revisions to ensure consistency with the new Fundamental Auditing Principles on level 3 and develop them towards a clearer set of auditing standards.
3. Revise/develop ISSAIs and INTOSAI GOVs in accordance with the INTOSAI Due Process.
4. Support implementation of the ISSAIs.

1. Improve the PSC's standard-setting process

Ensuring the transparency, credibility and professionalism of INTOSAI's standard-setting activities in the future is a pressing concern, and the PSC will therefore in the mandate period 2014-2016 work towards the implementation of a solution that will effectively meet this challenge. Determining the scope and the nature of activities that could further support INTOSAI's role as a standard setter will, in addition to the five PSC subcommittees, require close collaboration with representatives of the Capacity Building Committee, the Knowledge

Sharing Committee, the INTOSAI Development Initiative, other standard setters and the FAC Task Force on Strategic Planning.

Initially, focus will be on evaluating and identifying the strengths and weaknesses, and costs and benefits of possible improvements of the current setup for standard-setting in INTOSAI. The result of the activities pursued in this respect along with proposals for possible new structures, will be presented to the INTOSAI Governing Board in 2014, and will guide the activities in the years 2015 and 2016.

2. Maintenance reviews

One of the tasks resulting from the Harmonisation Project is the need to ensure consistency between the new Fundamental Auditing Principles and the General Auditing Principles. In accordance with the agreed maintenance frequencies for the ISSAIs, the PSC (Performance Audit Subcommittee, Financial Audit Subcommittee and Compliance Audit Subcommittee) will therefore carry out reviews of the General Auditing Principles to identify the need for revisions, and the Internal Control Standards Committee and the Subcommittee on Accounting and Reporting will handle maintenance of the INTOSAI GOVs.

3. Revise/develop relevant ISSAIs in accordance with the INTOSAI Due Process

Depending on the outcome of the maintenance reviews, the PSC will launch projects to revise/develop ISSAIs to ensure that the requirements of auditing are clarified and the guidelines are based on the new fundamental auditing principles (ISSAIs 100-400).

4. Support implementation of the ISSAIs

The implementation of the ISSAIs gained momentum when the INTOSAI's Development Initiative (IDI) launched the ISSAI Implementation Initiative (the 3i programme-Programme) in 2012. The PSC has previously had its focus on raising awareness on the ISSAIs, but with the establishment of the 3i programme emphasis has shifted to contributing to the implementation of the ISSAIs. The 71 members of the PSC are, through the experience gained from the standard developing work, well positioned to contribute to this work - together with relevant parties in INTOSAI - and will continue to do so in the next mandate period.

Annex 1: Milestones in INTOSAI's standard-setting

2004

XIIX INCOSAI in Budapest (Hungary)

The INTOSAI Strategic Plan 2004-2010 is launched. Goal 1 of the plan - 'Accountability and Professional Standards' - is to ensure that INTOSAI can provide an up- to-date framework of professional standards that is relevant to the needs of its members.

2005

PSC Steering Committee meeting Oslo (Norway)

The inaugural meeting of the Steering Committee. First discussion on the framework of professional standards.

2006

PSC Steering Committee meeting Washington D.C. (USA)

Discussions and decisions on the Framework of Professional Standards. The names ISSAI and INTOSAI GOVs are agreed on. The text of the INTOSAI Auditing Standards from 1992 is included at level 3 in the Framework. However the name of level 3 is changed by the Steering Committee from 'Auditing Standards' to '*Fundamental Auditing Principles (ISSAI 100-999)*'. This reflects that the content of level 3 is likely to evolve over time and that efforts to improve on the framework as well as the individual documents will continue with a renewed mandate after 2007.

PSC Steering Committee meeting in Yaounde (Cameroon)

Development of a survey on the needs and priorities of Supreme Audit Institutions (SAI) in the future development of professional standards.

2007

PSC Steering Committee meeting in Manama (Bahrain)

Discussion on the PSC's mandate 2007-2010 based on the survey results. 3/4 of all SAIs use INTOSAI Auditing Standards - often in combination with other standards. There is widespread consensus that there are differences between public and private sector auditing and almost all SAIs find that there is a need for further INTOSAI guidance. The PSC decides to fill in the ISSAI Framework with new guidelines and provide a first comprehensive set of ISSAIs by 2010.

XIX INCOSAI and PSC and Governing Board meetings in Mexico City (Mexico)

Endorsement of the Framework for Professional Standards and launch of the new names International Standards of Supreme Auditing Institutions (ISSAI) and INTOSAI Guidance on Good Governance (INTOSAI GOV). Level 3 of the Framework (ISSAI 100-999) contain the fundamental principles for carrying out audits of public entities. Level 4 (ISSAI 1000-5999) provide auditing guidelines that translate the fundamental auditing principles into more specific, detailed and operational guidelines that can be used on a daily basis for auditing tasks. The decision states that the Fundamental Auditing Principles (ISSAI 100-999)

presently consist of the INTOSAI Auditing Standards. To underline the importance of these standards and allow for flexibility in the future development, each of the 4 chapters is given its own ISSAI-number.

2008

PSC Steering Committee meeting in Beijing (China)

Decision to develop a due process for developing, revising and withdrawing INTOSAI Professional Standards.

2009

PSC Steering Committee meeting in Brasilia (Brazil)

Theme discussion on consistency in the ISSAIs. Decision to revise the Fundamental Auditing Principles and agreement on a set of initial directions for the revision. In preparation of the project, representatives from INTOSAI's Regional Working Groups should carry out a mapping of mandates. Based on this the chairs of PSC, FAS, PAS and CAS should elaborate a project proposal.

INTOSAI Governing Board meeting, Cape Town (South Africa)

Decision on the Due process for INTOSAI Professional Standards. The PSC presents its plans to launch a project on ISSAI Harmonisation that should revise the Fundamental Auditing Principles and improve consistency in the ISSAIs.

2010

Meeting of the PSC representatives of INTOSAI's Regional Working Groups in Brussels (Belgium)

Elaboration of the report 'The auditing function of Supreme Audit Institutions - A systematic mapping of the auditing assignments of 31 selected Supreme Audit Institutions across the regions of INTOSAI'. The regional working groups agree on a set of recommendations on the future Fundamental Auditing Principles.

PSC Steering Committee meeting in Copenhagen (Denmark)

The joint project proposal from the chairs of the PSC, FAS, PAS and CAS is approved in line with proposed new Due Process for INTOSAI Professional Standards. The project is named 'Harmonisation of ISSAIs - Revision of the Fundamental Auditing Principles' (The ISSAI harmonisation project).

XX INCOSAI and PSC and Governing Board meetings in Johannesburg (South Africa)

Launch of the first comprehensive set of ISSAIs and the new due process for INTOSAI professional standards. In the South Africa Declaration INTOSAI calls upon its members to use the ISSAI framework as a common frame of reference for public sector auditing; measure their own performance and auditing guidance against the ISSAIs; and implement the ISSAIs in accordance with their mandate and national legislation. At the same time INCOSAI mandates the PSC to move to the next challenge: To develop the present collection of ISSAIs into a truly coherent set of standards. By 2013 the ISSAI harmonization project should result in a revised set of fundamental auditing principles.

2011

First ISSAI Harmonisation project group meeting in Copenhagen (Denmark)

The project group started its work on the basis of the existing text of level 3 (The old INTOSAI Auditing Standards) as well as the guidelines on level 4 endorsed in 2010. A drafting group is established for each of the 4 planned drafts ISSAI 100, 200, 300 and 400.

PSC Steering Committee meeting in Wellington (New Zealand)

Discussion on a first draft for ISSAI 100 Fundamental Principles of Public Sector Auditing and initial outlines of ISSAI 200, 300 and 400. The Steering Committee develops an overall introduction to the ISSAI Framework in order to clarify the purpose and authority of the ISSAIs at each level.

2012

PSC Steering Committee meeting in Johannesburg (South Africa)

The draft ISSAI 100 and 300 approved with a number of comments to be included in the exposure drafts.

14 November 2012 – Start of the exposure period. Exposure drafts ISSAI 100, 200, 300 and 400 are all published on the www.issai.org and sent to INTOSAI members and other interested parties

INTOSAI Governing Board meeting in Chengdu (China)

The Governing Board welcomes the 4 exposure draft ISSAIs and encourages all INTOSAI members to provide their comments before 15 February 2013.

The Governing Board expressed support for the establishment of a sustainable solution to handle development and maintenance of the ISSAI framework in the future.

2013

Final ISSAI Harmonisation project group meeting in Chandigarh (India)

The proposed endorsement versions of ISSAIs 100, 200, 300 and 400 are finalised. The project group also decides on a proposed set of drafting conventions for auditing guidelines.

PSC Steering Committee meeting in Stockholm (Sweden)

The PSC Steering Committee's approval of endorsement versions of ISSAIs 100, 200, 300 and 400.

Planned:

XXI INCOSAI and Governing Board meeting in Beijing (China)

The ISSAIs 100, 200, 300 and 400 are endorsed by INCOSAI