IDI Evaluation report on PSC standard setting process

Introduction:

The INTOSAI Professional Standards Committee (PSC) has initiated a process to evaluate and improve the INTOSAI's standard-setting processes that would ensure better public-sector auditing practices. The evaluation is being carried out by the Chair of the PSC (SAI of Denmark) in cooperation with the Chair of the Task Force on Strategic Planning (TFSP) (SAI of USA) and the INTOSAI Development Initiative (IDI). The purpose of the evaluation is to assess whether INTOSAI as a result of Goal-1 has the capabilities and processes needed to define and influence international standards for public-sector auditing in the future.

> **Strategic Goal 1: Professional Standards**
> Promote strong, independent, and multidisciplinary SAIs and encourage good governance, by:
> 1) Providing and maintaining the International Standards of Supreme Audit Institutions (ISSAI)
> 2) Contributing to the development and adoption of appropriate and effective professional standards.

Through this evaluation PSC is also aiming to provide feedback into the overall INTOSAI strategic planning process. Since 2012 IDI is engaged in supporting the implementation of ISSAIs in SAIs of developing countries with its 3i Programme. PSC has requested the IDI to contribute in the SP process with a review of the ISSAIs.

Scope:

The evaluation process of the PSC includes the following five components:
1. Participants survey: To be done by the PSC
2. Benchmarking: To be done by the PSC
3. **IDI review of the ISSAIs:** Experts of the IDI will provide a desk review of the usability of the ISSAIs as a set of auditing standards for SAIs. This will include an assessment on how well the ISSAIs address the specific issues related to the mandate and function of SAIs and summarize experiences from the implementation efforts. IDI will report in the form of a 5-10 pages SWOT assessment where findings are rated after importance.
4. TFSP Internal Scan: The TFSP will conduct an internal scan in INTOSAI.
5. TFSP External Scan: The TFSP will engage with INTOSAI's external stakeholders.

The scope and purpose of IDI review is to assess the usability of the ISSAIs as a set of auditing standards for SAIs as well as to moving towards establishing a sustainable standard setting process in the coming strategic plan of INTOSAI.

The overall purpose of whether the INTOSAI as a result of goal-1 has the capabilities and processes needed to define and influence international standards for public-sector auditing in the future is evaluated through the following 6 themes:

Theme 1:	Do the processes established under goal-1 provide for legitimate, independent and transparent standard-setting?
Theme 2:	Has goal-1 resulted in a clear and consistent set of standards for public-sector auditing that can be implemented and referred to by all INTOSAI members?
Theme 3:	Is goal-1 supported by structures and capabilities that provide credible guarantees to INTOSAI's members and partners that the standards will be sustained and developed in the future?
Theme 4:	Is goal-1 supported by capabilities and processes that enable INTOSAI to cooperate with other standard-setters on a mutual and equal basis in order to influence requirements and expectations to audits?
Theme 5:	Is goal-1 supported by capabilities and processes that will encourage a wide recognition of the ISSAIs as a set of auditing standards that can be relied upon by auditors, users, other stakeholders and the wider public as a credible and adequate safeguard of the quality of public-sector audits.
Theme 6:	Is the organization of the work under goal - cost-efficient?

Of the six themes IDI was assigned to give its feedback based on Theme 2 and 5.

Methodology:

Based on the above theme 2 and 5 IDI prepared a survey questionnaire. Through its 3i programme IDI has developed a pool of resources on ISSAIs. To do the review IDI sent the survey to 43 ISSAI mentors, ISSAI experts and IDI-PSC certified ISSAI facilitators. This group is spread across the five English speaking regions of INTOSAI covering compliance, financial and performance audits.

The team was requested to provide their review comments on the usability of the ISSAIs as a set of auditing standards for SAIs. It was based on the following three main questions, which were divided into further sub-questions:

1. Theme 2: Has goal 1 resulted in a clear and consistent set of standards for public-sector auditing that can be implemented and referred to by all INTOSAI members?
2. Theme 5: Is goal 1 supported by capabilities and processes that will encourage a wide recognition of the ISSAIs as a set of auditing standards that can be relied upon by auditors, users, other stakeholders and the wider public as a credible and adequate safeguard of the quality of public-sector audits.
3. SWOT of ISSAI framework from implementation perspective.

Of the 43 members IDI has received 37 responses on the survey. These responses have been compiled and summarized in this document. In the compilation responses are tallied against each sub-question and showed the number of respondents against each sub-question. A SWOT on the ISSAI framework from implementation perspective is mentioned at the end of the document.

Evaluation Result Summary:

1. About 50% of the respondents agreed and 14% strongly agreed that goal 1 resulted in a clear and consistent set of standards for public-sector auditing, the rests either disagreed or were neutral.

2. About 55% respondent agreed and 16% strongly agreed that the standards can be implemented by all INTOSAI members.

3. 48% respondent agreed and 16% strongly agreed that goal-1 supported by capabilities and processes that will encourage a wide recognition of the ISSAIs as a set of auditing standards.

4. Of the 37 respondents of the survey 35% were ISSAI Mentors and Experts and 65% were the ISSAI Facilitators. General trend in the responses of ISSAI mentors, experts who are more knowledgeable about the ISSAIs, are more towards disagreement or being neutral to the questions. On the other hand the ISSAI facilitators who are exposed to ISSAIs recently and certified by the IDI and PSC are mostly agreed or strongly agreed to the questions.

5. SWOT on ISSAI framework incorporates many issues; however these are individual perceptions on the standards which are based on the respondents' SAI context and audit experience.

6. In general, some of the strengths of ISSAI framework, as mentioned by the respondents are, its availability in all languages, single platform for all SAIs, it seen as a basis for developing manuals, that help a common standardized practices across the SAIs, that it guarantees the SAIs audit is in accordance with best practice, enhances the reputation of the SAI, it is flexible to diverse needs, that it gives confidence to stakeholders and using it SAIs can measure its performances.

7. Some of the weaknesses are, that it doesn't address different SAI mandate, lacking guidance on how to implement, guidelines termed as standards, no explanatory material, standards are not detailed in some audit streams, translation may lead to wrong concept, standard setting process is slow, lack of understanding due to lack of professionals in public sector, interpretations of the standards differently, issues with small SAIs

8. Some of the opportunities are, mechanism of maintenance of the ISSAIs, SAIs interest, regional bodies working with the SAIs, creation of an ISSAI board, promotes professionalization of SAIs, create opportunities toward a public sector audit profession, SAIs commitment to implement,

9. Some of the threats are, SAIs have their own standards, SAIs claiming compliant but no mechanism to check that, cost intensive to implement the ISSAIs, strong external standard setters, risk of misunderstanding the standards, slow pace of implementation, lack of resources in the SAIs.

General introduction to the evaluation result:

The complete survey is summarized below along with the comments. Comments received summarized under the sub-questions/themes. Comments covered a wide spectrum of views as the respondents are from different regions with diverse background. We have kept all the views and tried to remove the duplications or similar points as much as possible. SWOT analysis also covered wide range of issues in all four domains. In some cases respondents agreed or strongly agreed to the questions, but gave comments which do not always conforms to their answers to the sub-questions.

1. **Has goal 1 resulted in a clear and consistent set of standards for public-sector auditing that can be implemented and referred to by all INTOSAI members?**

Clarity	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
1. The ISSAI Framework defines clear categories of documents provided in a clear structure on the basis of INTOSAIs decision from 2007	8	25	2	1	
2. It is possible for readers of the ISSAIs to see what status different statements have (e.g. whether they express advice, aspirational goals, general principles that can be applied with flexibility as relevant, considerations or judgments that should be made, a limited number of options or unconditional requirements that should be followed).	3	19	7	8	
3. The ISSAIs 10-4999 makes it clear what is required if a SAI wishes to assert that it complies with the ISSAIs and what is required of auditors who state that audits have been conducted in accordance with the ISSAIs	5	20	3	9	
4. The ISSAIs are written in a language that is easy to comprehend for auditors as well as users of the audit results	6	15	10	6	

Comments on point 1: *The ISSAI Framework defines clear categories of documents provided in a clear structure.*

- A concerted effort has been made to ensure that the ISSAIs are documented in a clear and systematic structure. This system is supported through names and numbers assigned to the various documents which make them easily identifiable.
- I think that the standards are clear and can be referred to by all INTOSAI members who have decided to adopt the level 4 standards. The standards are clear and easy to understand. The practice notes also make understanding easy.

- What makes it also confusing is when the ISA includes information that is not applicable to the public sector as in the case of ISSAI 1710 (predecessor auditor) and gives examples that add to the complexity of the situations illustrated.   In cases like this, it is suggested that the Practice Note is written to include examples of those instances that are applicable to the public sector only, emphasizing on the different scenarios, similar to what the ISA has illustrated.
- With the recent developments, where there are a number of proposed amendments to the series of ISA 700, it is suggested that Practice Notes be written more clearly and more focused.
- Although in appearance there is a clear categorization of the standards, the actual logic of the categorization is not clear. Level 1 is there mainly due to historical reasons. Otherwise, it is very difficult to relate and link any work conducted on the standards with Lima Declaration. The Declaration doesn't encompass the whole body of the ISSAIs and INTOSAI GOVs. Many statements in the Declaration don't match with the reality of current circumstances. Level 2 is totally disorganized. Although in our SAI we strove to benefit from these standards as a benchmark, it wasn't possible. Standards on this level are not capable of representing and guiding the main functions and organizational structure of an SAI. Level 3 and 4 are basically the same, and the logic in separating them is not clear.

Comments on point 2: *It is possible for readers of the ISSAIs to see what status different statements have.*

- Not all ISSAIs 10-4999 are written in a manner where it is clear if it is requirement or advice. For example, ISSAIs 4000 series for compliance audit, ISSAIs 3000-3999 for performance audit are written more as general principles, advices etc., they do not have strict requirements as shall or should be done. ISSAIs 1000-2999 for financial audit are written more as requirements as they include ISAs (which are written in that manner) but also not very clear.
- There are some categories of ISSAIs where the status of the ISSAI requirements and where options are available are given etc. however there are many ISSAIs where this is not clear and ambiguity exists in terms of what are requirements and what is guidance. Some ISSAIs however encourage SAIs to formulate their policies from the standards as a means of establishing a system of standards for the SAI.
- The requirements of performance auditing ISSAIs and Compliance Auditing ISSAIs are not very clear. Therefore, the above responses are based on Financial Auditing ISSAIs.
- The statements of general principles and advice can be clearly seen through the use of the terms "Principle" and "should" respectively. However, consideration or judgment statements and options or unconditional requirements seem difficult to identify.
- As far as performance audit standards are concerned, it is not immediately evident as to what are the requirements that have to be complied mandatorily. The standard in its present form is an amalgam of Standard, advisory notes and a manual.
- To some extent the relationship of level 2 as a prerequisite for functioning a robust audit practices in level 3 and level 4 is quite unclear, for example the code of ethic (ISSAI 30) and the quality control (ISSAI 40) applied in the individual type of audit guidelines have not been translated clearly and systematically. The degree of compliance to ISSAIs due to some constraint of the national standards and legal framewrok is not easy to measure whether the SAI has to state it should be in line with or in accordance with the ISSAIs.The lower the level of ISSAIs, the more easier and practical the writing

level ISSAIs .
- The current level 4 for PA is written in the form of guidance. They are similar to a book that explains how to do PA. However, requirements are hard to find because they are scattered in the text, expressed in many different forms. They are very useful documents for practitioners. Nevertheless, they do not provide clear requirements in the sense explained in the drafting conventions.
- The assessment had been carried out based on the understanding and experiences mainly of the ISSAI (Performance Audit). There should be a clarity on the status of different statements of ISSAIs so as to enhance the assessment/evaluation and ascertain the degree of compliance to ISSAI requirements.
- The ISSAIs are clear. It is noted that the Auditing Guidelines that incorporate the ISAs use the term 'shall' in relation to the expectations of the auditor compared to the 'should' of the Fundamental Auditing Principles. This gives an indication of status in my view.
- Apart from ISAs, ISSAIs are not clear in what they request from the auditor. They are frequently interpreted differently by different people and under different circumstances. They are not consistent in tone.
- Issues in levels one and two clearly show what is mandatory and what has to be in place or done for an SAI to compliant with ISSAIs, but at level four the same issues seem to be optional.

Comments on point 3: *The ISSAIs 10-4999 makes it clear what is required if a SAI wishes to assert that it complies with the ISSAIs.*

- While there are ISSAIs that are easy to understand, there are also some which are not. In some instances, the language (English) by which ISSAIs are written is not so easy to comprehend. On the basis of our iCAT implementation results, it appears that the requirements are not clearly worded because auditors have different interpretations (by the documents they presented) on how they comply with the requirements. For example, the series of ISSAI 1700, it's not clear where to include instances of non-compliance noted by the Auditor whether: in the Report on Other Legal and Regulatory requirements under the ISSAI 1700 series on standards of Financial Audit; or on the report following the Reporting Standard on Compliance Audit under ISSAI 4200.
- I think that ISSAI could improve clarity, especially regarding the statements and in what is required from a SAI to be complied with the ISSAIs (including the compliance of the different levels).
- The structure of the Framework is clear for auditors to follow and to understand it. Although ISSAIs are complicated, if the reader is serious it will not be an issue. The SAI can use ICATs in order to assert that it complies with the ISSAIs. The IDI needs to train more ISSAIs facilitators and to make follow-up on the projects that SAI are embark on with regards to ISSAIs implementation to assist where they are not doing well.
- Because the requirements of the standards are not clear, apart from ISAs, complying with them becomes ambiguous. If a requirement is interpreted as expressing advice, it seems possible to avoid it, while claiming to be complying with the standards. In their current structure, the standards provide advice, goals and requirements in the same text without distinction. Furthermore iCATs represent many advice, goals and options as requirements. Apart from ISAs, the quality of the text of the standards is generally poor: the intention of the text is not clear in a very large number of cases.

Comments on point 4: *The ISSAIs are written in a language that is easy to comprehend for auditors.*

6

- In terms of being written in language that is easy to comprehend I believe there are some shortcomings in this area since an important factor in analyzing the quality of the text starts with a proper in context definition of some key concepts and terms which I believe is lacking in some of the ISSAIs, given that the interpretation may be different across SAIs.
- Although ISSAIs were prepared using common language with provision of definition on some terminology, its technicality in especially level 3 & 4 of ISSAIs may cause some difficulties in understanding the content and application depending on the auditors and users' knowledge of the field of audit and English language.
- The language used could be simpler to make it more easily understood by users of the audit results.
- My English is not so good to evaluate the comprehensibility of the ISSAIs. I have met some difficulty with the comprehensibility of some ISSAIs on Financial Audit.
- With the endorsement of the new Level 3 ISSAIs the ISSAI framework now has a more logical progression. But language of some of the older ISSAIs can be simplified in order to make it more reader friendly for users of audit results and also for auditors of non - English speaking countries. Also it may be somewhat difficult for SAIs to clearly ascertain whether it is compliant with ISSAIs. SAIs would require help of ISSAI facilitators or specially trained personnel to ascertain level of ISSAI compliance.
- The ISSAIs are written in a language that is easy to comprehend for auditors as well as users of the audit results. I can't comment on non-auditor comprehension, I agree for auditors.
- It can be said as an overall view that the ISSAIs are structured clearly enough. Yet it is not possible to say the same thing for easy comprehension especially of financial audit standards. I would like to state that for me it is not very easy to comprehend the texts of the standards.
- Improvement can be made in respect of the language used in ISSAIs
- ISAs are written in a very difficult language and need to be simplified. The users can't be expected to understand the logic and language of these standards. Not the language, but the volume of the standards makes them very inaccessible. It is very difficult to train an auditor on such a vast number of standards. The standards are also inaccessible to the users of the audit reports, due to their volume.
- The standards are easy to understand as well as to implement.
- A good degree of technical knowledge and professional competence is required by the auditor to enable understanding thereof.

Consistency	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
1. The full set of ISSAIs provide consistent messages	6	20	6	2	
2. The ISSAIs use consistent terminology, so the same key concepts are used in the same way in all ISSAIs	7	18	6	4	1
3. The 5 official language versions are fully consistent	1	5	26		
4. The ISSAIs 5000-5999 draws on the ISSAIs 10-4999 and provide supplementary guidance on how these ISSAIs can be applied to specific subject matters	4	19	14	1	
5. The INTOSAI GOVs supplements the ISSAIs and do not in any way contradict the ISSAIs	5	16	17		

Comments on consistency:
- After approval of ISSAIs 100-400, it is in some inconsistency with fourth level ISSAIs (for example 4000 series, but they are underway to be eliminated)
- The standards are generally consistent. I cannot however to speak to the consistency across different languages.
- The usage to terminology is fair
- In the overall ISSAI Framework – the Principles, Standards and Guidelines need to be segregated to achieve consistency. Standards should be termed and named as standards and not Guidelines. For example, the IFAC Standards on Financial Auditing in Level-4 are the standards and not guidelines, which somehow have been named as Guidelines. However, it may be agreed that the Practice Notes accompanying ISSAI 1000-2999 may be understood as guidelines in so far the manner in which these have been formulated. There are very few from the practice notes that became requirements as can be seen from the iCAT on Financial Auditing.
- ISSAIs should improve a lot the consistency.
- The word Standards and Guidelines are used interchangeably in the ISSAI Framework.
- There are contradictions between ISSAI 3000 and 3100. Quality Assurance and Quality Control are described completely differently in ISSAI 40 and Performance Audit ISSAIs. Again there are differences between Level 2, 3 and Level 4 ISSAIs. For instance, characteristics of audit evidence are not consistently used in Level 3 and Level 4 ISSAIs.
- Since the time of issuance of particular ISSAI seems so different, I would say it could hamper the consistency of the meaning of the technical terminology. For instance, by having a new fundamental principle of public sector auditing (level 3) endorsed by INCOSAI in Beijing, the rest of ISSAI has to refer of the wording of those terminology. For the performance audit standard, the terminology of materiality in ISSAI 300 has to be followed by the ISSAI 3000 and 3100.

- Terminology (English) used seems to be consistent. I have insufficient knowledge on the complete set of ISSAIs to comment on this section.
- The ISSAIs generally provide consistent messages, but there are some inconsistencies. For example, the concepts of quality control and quality assurance can be more clearly explained in ISSAIs.
- Consistent explanations and terminologies for specific auditing guidelines and useful guidance for SAI.
- Presentation of issues in the ISSAIs is consistent and the different levels in the framework do complement and others supplement on each other.
- Specifically with regards to Performance Auditing, the terminology used in all the ISSAIs is not consistent. However, this is also because of the new ISSAI 300. In general, the harmonization team has to align the terminology across all the ISSAIs
- The terminology used in compliance and financial audit standards appear to be the same, but because of the lack of sufficient guidance on compliance audit, it is not clear whether they refer to the same thing or not. If the concepts are the same, then the logic of having two separate streams of standards which utilize the same concepts and processes is not clear, while compliance could be defined as one of the assertions in financial audit.
- In addition I would like to state that even though the key concepts are used consistently almost in all ISSAIs, this doesn't mean that they are understandable.
- Many concepts from FA were included in level 3 ISSAIs for PA and CA. For this reason, the actual level 4 is not consistent with level 3. Besides, some concepts from FA gained a different meaning in the other two audit types.
- A reasonable level of consistency is achieved throughout the implications and application of the different ISSAIS.

Comments on other language and INTOSAI GOVs:
- Reservation on whether ISSAIs 5000-5999 can be termed as Standards since these are guidelines for auditing specific areas. Therefore, these ISSAIs may be consistent with ISSAIs 10-4999.
- It may be helpful if reference is made to related information among ISSAIs in the respective ISSAIs such as ISSAI 1720 and INTOSAI GOV 9220.
- No comment can be provided regarding the consistency of other 4 official languages and the INTOSAI GOV. The other 4 languages are not our native language. INTOSAI GOV has not been extensively discussed and looked into yet.
- About 5 official languages - as far as we use only English version we assess it as "Agree"
- The ISSAIs 5000-5999 may cover more specific subject matter e.g. Budget Revenues, which is significant part of the "State Budget" process as a whole
- The INTOSAI GOV and the documents about compliance and financial audit. I don´t know those documents enough to say if I agree or disagree with the statements.
- I think, the answer on the last question needs the deep knowledge in INTOSAI GOVs, which I don't have.
- I do not know all the 5000 series nor all the INTOSAI GOVs, or all 5 official language versions. It would be better to have the option "I do not know".
- I can't comment on consistency of messages or official language versions. I have not reviewed all the body of standards and I only looked at the English ISSAIs. I can't comment on ISSAI 5000-5999. My SAI doesn't use those standards.
- I have no idea about the consistency of the translations in 5 official languages. That's why I replied the relevant question as 'neutral'.
- I have not been exposed to other languages thus I am not in a position to assess.

If it can be implemented by all members	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
1. It is clear from the ISSAIs 10-4999 which situations or types of audits and engagements the guidance apply to and do not apply to	10	21	3	3	
2. The ISSAIs are equally relevant for the various types of audits and engagements carried out by all segments of INTOSAI's membership	4	22	5	6	
3. The ISSAIs are relevant for SAIs with low capacity in least developed countries (LDCs) as well as SAIs with advanced capacity in high-income countries	4	19	7	7	1
4. The ISSAIs 1000-4999 are relevant for combined audits incorporating financial, performance and compliance audit aspects as well as separate financial, performance or compliance audits	6	18	4	8	
5. The ISSAIs 1000-4999 are relevant for audits that result in one annual/overall report to parliament (or equivalent) as well as SAIs that provide separate audit reports on each public-sector entity	5	23	4	5	

Comment on point 1: *It is clear from the ISSAIs 10-4999 which situations or types of audits and engagements the guidance applies to and do not apply to.*
- As ISSAIS can be used for various types of audits and engagements, but mostly ISSAIs are written in a manner of separate financial, performance audit, only compliance audit guidelines deal with combined audits. So combination of financial and performance audit is not dealt in the ISSAIs.
- Based on the ISSAIs I have had to use, I have found that they have attempted to clarify on use of the ISSAIs and have indicated the specific situations in which the ISSAIs should and should not be used. Relevance of ISSAIs relate to mandates and authorities of SAIs and since I am not familiar with a wide range of these I cannot comment in general. However in my SAI's context I have found them to be extremely useful and relevant and are now responsible for our consistency, quality and systematic approach when conducting audits. They have provided guidance that we may not have otherwise gained and is a useful and applicable resource.
- ISSAIs level 4 are related to the types of audit performed as stated in the mandate. However, the actual practice of SAI seems deviate from what is required in the standards. For example, the requirement for engagement letter is not commonly applied in SAI. Also, ISSAIs for Compliance Audit is relatively a new concept for our SAI despite the fact that this type of audit has been largely performed.
- I recognize that ISSAIs reflect an ideal situation that is not possible to meet in all SAIs. However, I do not think that it is wrong. Requirements set standards for high quality work. I do not think that some small SAIs should meet all standards despite their limitations. They should be aware of those limitations and fight to surpass those that seriously hamper the quality of their work.
- My experience with IDI has demonstrated that people reading the ISSAIs have difficulty determining which series of ISSAIs apply to their circumstances. Our country and many INTOSAI developed countries do not use INTOSAI standards as their primary standards either accounting or

auditing because they have adhered to national standards that are considered appropriate to their circumstances.

- I have strong doubts on the performance of the standards, especially financial and compliance audit standards, for meeting the expectations of SAIs. Level 3 ISSAIs provide an effective solution for implementation of fundamental auditing principles. Yet, when it comes to implementation of Level 4 standards the implementation becomes mostly a burden not serving to the interests of SAIs and public institutions. Especially the requirements of financial audit standards do not serve to the aim of ISSAI 12.
- Current ISSAI 100 and 400 have defined direct reporting and attestation engagement, as well as reasonable and limited assurance reviews. How the rest of the ISSAIs relate to these categories is not clear, and in fact establishing a link is very difficult.
- Generally ISSAIS can be implemented by all SAIs.   However application may vary from SAI to SAI depending on the mandate, laws, and the manner in which audits are conducted in the SAI, with particular consideration to Local Government Audits where the application of ISSAIS may pose some difficulty; e.g. with centralized government functions such as internal audit, audit committee. There may also be resource constraints in small SAIs.

Comment on point 2: *The ISSAIs are equally relevant for the various types of audits and engagements carried out by all segments of INTOSAI's membership.*
- I don't think the ISSAIs are equally relevant for all SAIs as each SAIs work within different legal and cultural environment. The capacity of the SAI may determine how much they will need to refer to the INTOSAI standards but it is a useful starting point for any SAI.
- Although the Financial and Compliance ISSAIs have sought to show the link between the two audit types the link with performance audit is still a bit ambiguous and more guidance is needed on how they can be linked.
- We have different SAIs with different realities. I think the ISSAIs, the way they are nowadays, are not able to deal properly with all this realities.
- The ISSAIs are framed in a way that all SAIs can implement. Though with challenges for those SAIS who have not yet met the Level 2 ISSAIs due to issues like economic and legal challenges.
- The ISSAIs is a great tool to be used by counties that are starting up units and/or have a low capacity in terms of human resources. This is very user friendly and is much appreciated by countries with limited resources, it provides them with a strong basis to work from.
- My view is that the ISSAIs are relevant for all SAIs though some aspects may not be applicable. Once a SAI is intent on compliance then the ISSAIs are relevant in the sense of a body of guidance for SAIs that should be considered to determine applicability. The ISSAIs would also be equally relevant to the extent they address all the audit contexts. However, if too many are not applicable to a SAI then there may a perception of irrelevance.
- The ISSAIs are mostly relevant to developed SAIs, in an Anglo-Saxon environment. It is very difficult for a developing SAI to relate to the whole body of ISSAIs. The greatest difficulty for these SAIs is in implementing Level 4 ISSAIs. In many instances, the public financial management framework, organizational structure, capabilities, competencies and culture of developing SAIs are not compatible with implementation level ISSAIs.
- Areas that have fewer resources (skilled professionals, funding etc.) in their SAIs will not necessarily be in a position to fully implement the ISSAIs. However it is relevant for the professionalization of the work of the SAI to implement the ISSAIs.
- There is a need for more awareness amongst SAIs staff about the ISSAI 5000 series. IDI may consider the organization of a workshop on ISSAIs 5000-5999 involving participants from SAIs members.

Comments on point 3: *The ISSAIs are relevant for SAIs with low capacity in least developed countries (LDCs) as well as SAIs with advanced capacity in high-income countries.*

- The implementation of the standard in least developed countries could be quite challenging. For small island countries, the issue of being independent could be a challenge since almost everyone know or are related. Also for least developed countries, engaging consultants to develop, audit manual or methodologies in line to ISSAI could be expensive.
- The SAIs in the LDCs can only learn from SAIs in the High Income Countries if ISSAIs are implemented by all SAIs around the world. If the SAIs in the developed countries subscribe to ISSAIs, every SAIs within the INTOSAI community can speak one language and can share one common goal when it comes to implementation of ISSAIs.
- The ISSAIs may be relevant in the above mentioned instances, especially SAIs with advanced capacity in high-income countries. However, in low-capacity SAIs in least developed countries, lack of resources may prevent them from complying. Also lack of mandate and the existing regulatory framework within the SAI environment may prevent ISSAI compliance. Examples are:
  - no mandate for a particular type of audit,
  - lack of resources to engage a quality control reviewer (ISSAI 1220),
  - No requirement to report on summary financial statements (ISSAI 1810),
  - Existence of bank secrecy law (external confirmations, ISSAI 1505), etc.
- In my view, the ISSAIs are more geared to SAIs with advanced capacity because some of the requirements would involve large numbers of stilled staff as well as some requirements are very costly to implement.
- I do not agree that the standards provide sufficient solutions for combined audits.
- Small SAIs may not be able to comply with some of the Performance Audit ISSAI requirements.
- Given each SAI has different mandate (leve1) and level of maturity of pre-requisite (level2), it can not be said that all SAIs could easily adopt or adapt all ISSAIs without having an established the level I and 2. However, if the perspective of implemenation ISSAIS seen from the invidual audit engagement, it would be fine for all type of audit either for least developed country or developed country. Therefore, it is not just automatically one SAI implement ISSAI in the audit practices without considering all relevenat matter which hamper the effectiveness of audit process itself.
- Proper customization is necessary to ensure that ISSAIs are relevant for SAIs with low capacity in least developed countries (LDCs) as well as SAIs with advanced capacity in high-income countries
- The barrier in implementation will reflect more pertinent when it comes to different SAI model (Westminster or Court System) rather than whether the SAI is from a DC or LDC.
- ISSAIs can be implemented by all members, however, capacity might be a problem, thus, INTOSAI – PSC- should looks to it that SAIs especially in Developing country specifically Southern Africa should be assisted in terms of human capacity.

Comments on point 4: *The ISSAIs 1000-4999 are relevant for combined audits incorporating financial, performance and compliance audit aspects as well as separate financial, performance or compliance audits.*

- We encountered challenges on when to apply ISSAI 4200. Some SAI's due to their size may find it challenging to apply some aspect of the ISSAIs. In addition, some ISSAIs may not be relevant to these SAIs. Guidance from the standard setting body on how to apply the ISSAIs provisions would be helpful in this circumstance.
- While ISSAI 4200 provide guidelines for compliance and financial audit together, there are no standards for combined financial, compliance and performance auditing or financial and performance auditing or Compliance and Performance Auditing.
- In my opinion it is difficult to combine the General Auditing Guidelines on Financial Audit (the ISSAIs 1000-2999) and the General Auditing Guidelines on Performance Audit (the ISSAIs 3000 and 3100), that's why I disagree with the statement.
- For combined audits, there is no clarity when it comes to reporting of the audit results. Hence, it may pose some difficulty in implementations.
- The guidance on combined audits is very brief mostly theoretical, and doesn't provide solutions to practical problems faced in the field. We have found that this guidance isn't useful for implementation.
- The ISSAIs 1000-4999 are more focused on separate financial, performance or compliance audits rather than for combined audits incorporating financial, performance and compliance audit aspects.

Comments on point 5: *The ISSAIs 1000-4999 are relevant for audits that result in one annual/overall report to parliament (or equivalent) as well as SAIs that provide separate audit reports on each public-sector entity.*

- As well ISSAIs are written in a manner on audit of each public-sector entity (financial audit), so it does not deal with the matters arising in giving results in one annual report or other reports to the parliament, as usually it covers all or most audit activities of SAI, not only separate or combined types of the audit.
- ISSAI 1000-4999 are relevant for annual audit of financial statements and for the purpose of auditing annual reports to the Parliament.
- SAIs may provide separate audit reports on each public-sector entity as well as one annual/overall report to parliament. SAIs may face lack of experience and knowledge how individual audit report findings should be consolidated in one annual/overall report. Sometimes purpose of individual audit reports and one annual/overall audit report purposes may be different, for example Financial audits of State Agencies and Budget Execution report.
- ISSAIs disregard the fact that SAIs audit 'entities' on an 'annual' basis. The streams of financial, compliance and performance audit have been defined as standalone methods, and attempts to combine them have remained weak. Therefore, standards don't provide sufficient guidance to audit different aspects of an entity and provide an annual report, in a cost-effective way.

2. **Is goal 1 supported by capabilities and processes that will encourage a wide recognition of the ISSAIs as a set of auditing standards that can be relied upon by auditors, users, other stakeholders and the wider public as a credible and adequate safeguard of the quality of public-sector audits.**

Capabilities	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
INTOSAI uses its general organizational capacities to promote the ISSAIs among external stakeholders	4	23	8		
INTOSAI bodies (e.g. IDI), members and others have access to advice and clarification from the standard-setting body on how the ISSAIs are to be understood and implemented	5	13	11	7	1

Comments:
- There is no such mechanism, that separate SAI could get advice on practical implementation of ISSAIs, only through IDI or other training activities of INTOSAI or regional organizations.
- Promotion/Buy-ins of the ISSAIs were evident in IDI/INTOSAI's meetings with heads of SAI
- So far we do not see any established mechanism as to how the clarifications and advices can be sought from the standard setting bodies. In the absence of this mechanism, the standards can be interpreted in different manner by different SAIs, and in the process there is a risk that the essence and intent of standards may be lost.
- If this refers to PSC, not sure how to avail of this access.
- It is very useful if IDI have access to advice and clarification from the standard-setting body on how the ISSAIs are to be understood and implemented to aid the implementation of ISSAI fully.
- INTOSAI bodies (e.g. IDI), members and others have access to advice and clarification from the standard-setting body on how the ISSAIs are to be understood and implemented
- The SAI who want to eleborate more had not had any information to communicate with the PSC intensely.
- INTOSAI needs to use its general organizational capacities more extensively to promote the ISSAIs among external stakeholders. Also awareness needs to be created, especially among members and key stakeholders of SAIs, about how and to what extent the standard setting body can facilitate understanding and implementation of ISSAIs.
- Even as an ISSAI mentor, I do not have an idea that we have that access to advice and clarification from the standard-setting body.
- To ensure that all SAIs adopt and implement the ISSAIs, INTOSAI and other bodies like IDI do provide support in terms of advice and clarification as well as capacity building.

- More should be done to create the awareness of ISSAIs amongst not only stakeholders but also SAIs staff.
- The ISSAIs themselves usually provide some advice on implementation. There have also been consultations on exposure drafts. I'm not clear whether a 'help-desk' type of situation is being referred to at point 2.
- The support provided by standard setting bodies in the product development meetings of the 3i program seemed to be largely inconsistent. Standards are interpreted in different ways by different committee members and experts, which reflect a weakness in standard setting. This reduces the reliability of advice provided by the standard setters.
- PSC provided experts to guide mentors in the implementation of the 3i programme.

Quality	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
It is clear how public-sector auditing may differ from the audits provided for by other international standards.	9	18	3	5	1

Comments:
- The Practice Notes refer to how the standards can be applied in the public sector environment.
- The additional objectives that need to be considered in the public sector auditing, for example while carrying out financial auditing are clearly provided in the Practice Notes to ISSAIs on Financial Auditing.
- The Practice Notes have served this purpose by enhancing on some reporting requirements such as reporting to the legislature and other bodies, enumerating specific reportable issues etc. Also, with the repetition of the sentence "The objectives of a financial audit in the public sector are often broader than expressing an opinion .." in a number of ISSAIs, the difference has been clearly emphasized.
- The issuance of ISSAI 100-Fundamental Principles of Public Sector Auditing has also helped.
- The requirements and practice notes provides useful guidance for the public sector auditors.
- I have not had any further information about the basis in developing the ISSAI if any revision or withdrawing of particular ISSAI. Is there any conceptual framework in developing the ISSAIs to ensure any changes have had a rationale doing so.
- There are few discussion about this issue.
- IFAC through the ISAs and ISAEs is making an effort to either include public sector considerations in their standards (ISAs) or to develop standards for other types of audit engagements that will consider circumstances specific to public sector auditing such as performance audits (ISAE 3000). Auditing a public sector entity is different than auditing a private sector entity and the ISSAIs provide for public sector auditing.
- Especially it is not clear with respect to performance audits.

- The ISSAIs form a basis of the quality and credibility of public sector auditing.
- In case of ISAs, the standards do provide details about the implementation of some requirements in the public sector. Yet, the same cannot be said for the practice notes. Even though the practice notes are written to provide details and solutions for the implementation in public sector, they do not give sufficient information and clarification. I believe that instead of adding useless practice notes that do not really provide any new guidance, the financial standards need to be re-evaluated and revised.
- May be there is a need to have ISSAIs separate from ISA (similar as IFRS and IPSAS for accounting). Each has its own identity.
- International standards (ISA) are focused more on financial matters, while ISSAIs consider compliance with legislations (Law and regulations) that governor public funds, thus, instill confidence in auditors when carry out audit and gives confidence on users, other stakeholders and the wider public with regards to credibility and adequacy of public-sector audits.
- This question is relevant to financial audit ISSAIs. These standards have originally been developed for the private sector. The current practice notes are not sufficient to cater to the needs of public sector audits. In order to be used by the public sector, the approach of writing practice notes is insufficient. A broader approach entailing rewriting the requirements in the public sector context, by encompassing all audit streams is necessary.

3. SWOT of ISSAI framework from implementation perspective

Strengths

- High awareness of ISSAIs among the SAIs
- Most SAIs take into consideration to apply the ISSAIs
- Will ensure standards that are more public sectors related and will avoid "non-applicable" issues related to the private sector.
- Generally consistent
- Professional and experienced personnel available to develop standards
- Standards made available that provides guidance to SAI on their administrative and technical functions
- Training provided to make build awareness of standards
- Facilitators trained to oversee implementation of ISSAI framework
- The standards are written with adequate practice notes
- The standards are provided in different languages
- The regional organization e.g. PASAI are creating awareness by carrying out regional audits
- Strong support from Heads of SAI for the implementation initiative
- Benchmark to measure the audit work
- Single platform to improve the quality of work
- Sub-committees to promulgate the standards
- Research based standards and guidelines
- Defining purpose and authority in Level-3 ISSAIs
- Due process followed for setting standards
- New mandate for IDI to facilitate implementation of ISSAIs
- Implementation support from IDI
- Provides clear structure of principles, guidance and guidelines
- Builds on SAI institutional capacity, without which the ISSAI framework will collapse
- Promotes strong leadership that will leverage on strong audit practices
- Encourages SAIs to upgrade their capacities on ISSAI compliance to gain support and respect from the citizens/stakeholders; support of the legislature in terms of resources/budget; and increased credibility;
- Provides separate guidelines for different types of audits including those on specific subjects
- Well-structured and cover both institutional level and practical/technical level
- Basis for SAIs to develop manuals, policies or procedures for work implementation
- Guiding principles to encourage common/standardized practice among all SAIs members.
- Cover various types of audit : Financial, Compliance, Performance and Specific purpose audits
- Comprehensive useful for developed and developing SAIs
- The ISSAI framework provides standardized guidance to SAIs that are specific to their unique environment. The implementation of the ISSAI framework therefore helps to raise the caliber of work performed by SAIs as well as increasing the public trust in the SAI.
- FA ISSAI's are based on ISA
  - The strength is from the perspective of Human Resources. It makes easy for SAIs to recruit staff who are familiar with ISA from the private sector
  - Existence of private sector audit experience and practice
  - Possibility to use work of other external auditors
  - Uniform approach to audit, which leads to understandability of a work done by auditors
- Implementation of ISSAIs guarantees that SAI acts in accordance with good practice.

- The existence of varoius bodies within INTOSAI to support of developing ISSAIs such as the PSC, the KSC, the IDI, the regional bodies and the task force/the working gorup.
- The spirit of "experienta mutua omnibus prodest"
- It is a continuously evolving framework, therefore the framework can provide SAIs and other users with a clearer understanding of latest updates and international best practices.
- It helps to develop both institutional and professional capabilities of SAIs
- Helps to increase reputation of SAIs by supporting delivery of good quality services and products.
- Members of standard setter bodies are experienced in the field and represent SAIs from different regions, traditions and sizes
- Benchmarking for performance of the SAIs
- Technically responds to public sector auditing needs
- Common frame of reference to support convergence in public sector auditing
- Flexible to respond to diverse needs of SAIs-considering peculiar environment in which different SAIs operate.
- Capacity building for the SAIs by training facilitators
- SAI leadership willingness to implement the ISSAIs
- The iCATs is one of the strongest aspect make it easily when it comes to the implementation of ISSAIs, because once it is performed perfectly the SAI will know exactly its position with regards the ISSAIs implementation
- The stakeholders are very interested and use the ISSAIs
- The framework and ISSAIs are user friendly and is easy to understand by all levels within a SAI
- Aligned to existing international standards
- Being open to continuous improvement and revision
- Receiving feedback from numerous stakeholders from various countries
- Uniformity among SAIs
- Easy to follow when refer back to it for financial audit
- For financial audit there is a standards for all step which makes it accessible at any time when facing difficulty during work
- The IDI is doing great in raising the awareness and implementation of the ISSAIs. The ISSAI facilitators that have been through the IDI program are best placed to work with SAIs in their regions to take the implementation of the ISSAIs further.
- International 'nature' of ISSAIs gives additional weight to their authority;
- Increased confidence and trust of external stakeholders in the work of auditors using globally accepted standards;
- Assist SAI in identifying gaps of ISSAI implementation, needs/resources among SAIs for additional guidance in auditing, in addressing accountability and transparency issues and promote professionalism
- Provides a measure (basis) against which the performance of the SAI may be measured. E.g. through Quality control and Quality Assurance.

Weaknesses
- No mechanism for approval whether the SAI is in compliance with ISSAIs. Peer reviews are done between fellow SAIs and are not done in strict manner. In private sector countries have established mechanisms to approve the professional auditors and etc.
- Wide range of different mandates of SAIs, though very different interpretation on compliance with ISSAIs

- May result in material non-compliance due to the poor implementation of the ISSAIs, as a result of a lack of understanding and knowledge of the ISSAIs.
- Specific guidance on how to implement is lacking
- Lack of resources in SAIs for implementation of ISSAIs
- Lack of resources and capabilities for training and coaching for staff
- Trained facilitators lack time to oversee implementation of ISSAI.
- Costly for INTOSAI to monitor implementation
- Lack of capacity to understand requirements fully
- ISSAI standards may not be in line with IPSAS
- Terminologies used are inconsistent in few places.
- There are competing priorities in the implementation process. Each SAI will need to do an internal/gap analysis to know where they are. Some SAI may not have the capacity or resource to do the analysis and will need external intervention.
- Guidelines instead of standards, mixing of guidelines and standards within the ISSAI Framework
- Unclear requirements in the Performance and Compliance Auditing ISSAIs
- Level-3 ISSAIs promulgated after Level-4
- Guidelines termed as standards
- Lack of guidance materials for implementation of ISSAIs
- Needs more clarity in the writing of the standards, particularly the requirements
- Does not provide adequate application and explanatory materials; Guidelines limit examples to Court of Accounts practices even if there are other SAIs with judicial functions;
- Does not support staggered implementation thus making a SAI, non-compliant with the ISSAIs even if it has already started implementing a number of ISSAIs
- Lack of awareness of auditors and stakeholders about the ISSAIs and its importance
- Its complexity and technicality cause challenges in application for developing SAI
- Some principles and requirements cannot be adhered to due to SAIs' circumstance
- No helpdesk clarification on particular areas
- Not enough practical auditing experience and expertise and lack of professional competence (knowledge on ISSAIs).
- Lack of document to support implementing ISSAI frameworks such as guidelines and manuals
- ISSAI's doesn't cover certain areas from the mandate of a SAI
  - Guidelines for Agreed Upon Procedures
  - Limited assurance engagements (These types of engagements may be initiated by relevant authorities e.g. Parliament may decide to ask a SAI to examine only revenues of "ABC Government Agency")
  - The examination of prospective financial information
- Compliance audit guidelines are not detailed
- Deficiency of clarity
- Distance from reality of some SAIs
- Requires a considerable amount of resources (time and trained people) to be implemented
- Clubbing of standard, advisory notes, manual into a single document
- Limited resources for implementation of the ISSAIs. SAI should detail the ISSAIs with consideration of specific circumstances.
- The capacity of the PSC to handle all request of clarification of ISSAI from the SAIs or review all proposal of any revision of particular specific guidelines from the working group.
- The lack of change managemnt iniative from implementing partners to enhance the implementation of ISSAIs

- The consistency of follow-up mechanism of implementing ISSAIs
- The ISSAI Framework addresses different types of SAIs and audit practices, therefore a SAI need to customize (adapt/adopt) the ISSAIs based on its own circumstances.
- The ISSAIs provide extensive instructions/guidelines, therefore acceptance of field level auditors should be ensured through well planned awareness and capacity building initiatives.
- Less developed SAIs may need additional resources and costly external assistance for implementation of ISSAI framework.
- For ensuring same level of understanding of ISSAIs among management and staff, SAIs may need to translate the ISSAIs.
- The ISSAI framework is an evolving framework; therefore significant resources are needed for continuous capacity development initiatives.
- The standard setting process is very slow
- Unclear requirements in the Performance and Compliance Auditing ISSAIs
- Poor representation of SAIs in development process of the Professional Standards
- Misunderstanding among some countries as to the nature of the ISSAIs
- It's a demanding task that may need to be approached as a project on its own in a SAI
- ISAs not really compatible with public sector financial system, ISAs are not easy to comprehend
- Practice notes do not give sufficient information
- Compliance audit standards are too weak and do not provide sufficient guidance
- Lack of communication and sharing between ISSAIs facilitators
- The only weakness with regards to ISSAIs implementation is the lack of capacity in terms of implementation, which complies of lacks of professional in public sectors and buy-in by some top management (especially who were audit without standards for past 40 years)
- The framework and ISSAIs are not used by all SAIs consistently
- Some SAIs interpret the ISSAIs in different ways (which suits them best)
- Some ISSAIs may not be applicable
- Insufficiency of good implementation samples
- The challenges from non-conformity among developed and underdeveloped countries
- No available funds to create necessary operational changes
- Most of the standards are not applicable in our small SAI
- Lack of activities on a regular basis from the facilitators and IDI perspective on regular basis to promote the ISSAI community.
- Lack of strong leadership
- Inadequate resources, requisite skills and competencies
- inadequate guidance materials and tools, non-standardized working methods
- Ineffective quality management strategies
- Time and resource consuming translation process;
- Managers and auditors spending time in training instead of auditing;
- A short-term impact on the delivery of the SAI's regular duties;
- Presence of internal legislations /regulations in which SAI operate may contradict /limit with the requirements of a framework.
- Interpretation and application of the framework may differ from audit to audit i.e. lacking consistency
- Difficulty in determining which ISSAI's are relevant to a particular audit so as to represent compliance and when this has been met.

Opportunities

- Mechanism of maintenance, development and improvement of guidelines.
- ISSAIs can be tailored based on the needs of the useful and meaningful.
- To become the premier recognized professional standard setting organization for auditing standards.
- SAIs interest in adopting standards
- Parliamentary support for adoption
- Consistent support from IDI, INTOSAI and sub regional organization eg PASAI
- Developing or maintain pool of ISSAI facilitators
- Collaborate with IPSAS
- Support from IDI and other donor agencies such as, IDB, World Bank in building SAI's capacity during implementation.
- Regional Bodies can lend support to SAI in the implementation
- Segregate Principles, Standards and Guidelines – Only standards to be named and termed as ISSAIs.
- Development of audit methodologies and tools to implement ISSAIs.
- Re-writing of Performance Auditing Standards and Compliance Auditing Standards.
- Cooperative ISSAI based audit.
- PSC to be elevated as ISSAI Board
- Establishment of ISSAI Implementation Committee process
- Promotes recognition and enhances credibility of SAIs;
- Allows SAIs to make a difference in the lives of citizens;
- Encourages full support for SAIs by stakeholders
- Encourages stakeholders' (legislature, donors, media) support for SAIs (fiscal autonomy, human resource mobilization, public information etc.)
- Promotes knowledge sharing among SAIs
- Encourages SAIs to benchmark with each other's performance;
- Promotes professionalization of the SAI personnel and its operations;
- Continuous improvement on ISSAIs in accordance with changes of audit practice
- Cooperation with other standard setting bodies
- Use as benchmark for SAI performance measurement
- Strong commitment from top management
- Continuous professional education
- The consistent set of standards helps to facilitate more cohesive linkages between SAIs throughout the world. This fact could provide opportunities for training; peer reviews; attachments; sharing and identification of best practices; and the ease of movement of personnel between SAIs with minimum training necessary.
- To elaborate Auditing Guidelines for "small and medium entities"
- Illustrative reports for each type of audit
- Increase the willingness of SAIs to implement ISSAIs
- To have auditors training in ISSAIs and ISSAIs based audits
- Increase the interchange of information and knowledge among auditors from the SAIs
- Creation of specialized audit personnel in various streams of audit
- Certification in the three different streams of audit with international recognition of the certification
- Implementation of the ISSAIs raises the trust and credibility of SAI. ISSAIs on Level 1 and Level 2 can be used by SAI as weighty argument in efforts to be independent.
- The increasing demand from stakeholder of each SAIs to have a reputable SAIs in their country.

- The develoment of IT breakthrough to ease the flow of indormation.
- The rise of joint and cooperative audit among SAIs in different regions.
- The ISSAI framework can help increase confidence of key external stakeholders about the service and products of SAIs.
- Create an opportunity for SAIs for developing professional relationships with different professional bodies and organizations.
- The ISSAI framework can create a common platform for SAIs for exchange of ideas, joint audits etc.
- Use standards as the basis to strength the public auditor profession by creating a certification arrangement for the three types of audit
- Segregate Principles, Standards and Guidelines – Only standards to be named and termed as ISSAIs.
- Development of audit methodologies and tools to implement ISSAIs.
- Re-writing of Performance Auditing Standards and Compliance Auditing Standards.
- Establishment of ISSAI Implementation Committee
- Modernize the public sector auditing across the world;
- Contribute to good governance and accountability at national and international level
- IFAC had issued a document "A framework for Audit Quality". Quality audits involve auditors applying a rigorous audit process and quality control procedures that comply with laws, regulations and applicable standards. Hence, ISSAIs framework is a means to ensure this
- ISSAIs implementation offers various opportunities to individual auditors as well as to the SAI.
- Auditors can get opportunity to participate in various training, workshop that focus on ISSAIs
- The SAI's audit work can be trusted by all stakeholders
- The SAI's audit work can change the life of the citizen, since its works are done professionally (based on International Standards)
- Existence of internal public sector accounting standards
- The resolution of SAIs to adopt and implement ISSAIs
- International collaboration such as ISSAIs Framework, have been promoted with globalization process
- Lending and donor agencies can gain increase confidence in the operations of the SAI
- Professionalization of the SAI work and standardization across various countries which boost market confidence as well.
- Availability of guidance materials and tools
- A framework against which it is possible to measure SAI performance;
- A high-quality standard will reduce auditor's risk.
- Simplify sharing of experiences, benchmarking, quality assurance, etc.
- Increased credibility of the audit results.
- Provides opportunities for human resource development to enhance practices adopted by the SAI.

Threats
- Cultural diversity and legislative restrictions
- The more standards are developed for more demanding SAIs the less they are understood by users
- Adoption require legislative change which is time consuming and costly
- the global trend of countries developing their own standards, e.g. USA,
- frequent changes in the government, e.g. Fiji

- brain drain of ISSAI facilitators from small pacific island countries
- Economic climate in SAI's country poses a threat in obtaining resources to implement the process.
- Sustainability of standards (amendment, new standards, etc.)
- Incorrect interpretation of standards.
- SAIs proclaiming ISSAI compliant audit without complying all relevant standards.
- Sustainable support to ISSAI implementation (E.g.: to IDI facilitating ISSAI implementation).
- Political climate/realities in different environments
- Resistance to change/lack of ISSAI buy-in by the SAI and/or its personnel
- Lack of SAI Mandate
- Misunderstanding with audited agencies on the SAI mandate and on ISSAI implementation
- Contradiction of ISSAIs with the local regulatory framework may lead to non-attainment of ISSAIs by SAI Members
- Smaller, lower income SAI in less developed countries might not be able to become compliant and meet the requirements of the ISSAIs due to limited capacity and resources.
- Implementation of ISSAI's may be cost intensive. The fact hinders implementation process.
- Implementing the ISSAI framework is a long term activity
- A misunderstanding about the ISSAI framework might lead SAIs to implement it in a wrong way or not want to implement it
- Reputational risk to INTOSAI and member SAIs if the ISSAIs are not revised to ensure clarity and consistency
- Countries preferring their own/regional standards (GAGAS) over ISSAIs
- No mandate for implementation of the ISSAIs.
- The soverignity of each country in keeping the confediality of information
- Implementation of ISSAIs in a SAI can only be possible when the Head of SAI and top management decide to do so.
- The field level managers and auditors may not welcome the changes introduces.
- Auditee organizations may not be prepared to provide data and other information required as per ISSAIs during audit engagements
- The Parliament and other users of audit reports may not welcome the changes introduced as a result of implementation of ISSAIs
- Standards set by INTOSAI may lose relevance in the face of the work of strong external standard setters
- Lack of human and financial resources in SAIs
- Different institutional capacity levels may affect the goal of having all SAIs implementing the ISSAIs within the specified time.
- Translation into local languages may create risks of misunderstanding and misinterpretations
- Focusing on the implementation of requirements especially for financial audit standards may lead to missing the essence and meaning of audit
- The lack political wills by Executives to give total independence to SAIs especially provide adequate financial supports which enable SAIs to develop its human resources and to retains the professionals
- More SAIs comply with level 2 (not level 4) and use their own standards, this will create more inconsistencies
- Dependence on individual SAIs and SAIs organizational capacity
- Pace of implementation lagging behind timely review and updating of the standards
- Due to voluminous and exhaustive, the risk of the ISSAIs to be considered inapplicable by SAIs

- Due to economic crisis and financing problems, the loss in interest of SAIs to ISSAI framework
- Under developed countries unable to comply with all standards, being down-graded by international agencies.
- Resourcing of SAIs in various countries. The structures of the SAIs does not allow for independence as envisaged by the ISSAIs.
- Lack of buy in the implementation of the ISSAI by the leadership in other SAIs
- Inappropriate audit results
- Lack of cooperation by audited agencies
- Difficulties in integration and coordination with other development activities;
- Resistance to change in audit culture
- SAIs may cite compliance in the Audit report on a theoretical basis, i.e. without have the necessary structures and framework in place.
- SAIs may not have the technical capacity (Resources) to implement ISSAIs and thus take shortcuts in the conduct of the audit, compromising on the quality of outputs. i.e. a "paper exercise"