

INTOSAI



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SDG
INTOSAI WORKING GROUP
KSDI

WGSDG KSDI


Newsletter

Fifth issue



January 2023

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Foreword



Mr. Dmitry Zaitsev

Head of the WG SDG KSDI Secretariat

Dear colleagues,

I am pleased to present to you the Fifth issue of the WGSDG KSDI Newsletter. This issue is dedicated to the Third meeting of the group, which took place in October last year.

The meeting saw a lot of interesting presentations, touching on various aspects of the audit of the SDG implementation. I am sure that this exchange of experience will allow the members of the group to consider new aspects of the SDG audit in their work.

I am delighted to welcome the SAIs of Egypt, India, Jamaica, the Maldives and Thailand. The Newsletter contains welcome presentations of five new members that joined the group in 2022. I am sure that our interaction will be very fruitful.

In this issue you will also find information about the group's current projects and plans for the next period.

I would like to note that in addition to the planned projects, such as the preparation of the Guidance on audit of the reliability of macroeconomic forecasts, the Secretariat also prepared the Scoping paper of the future Guidance on ESG audit and the Practical guidance on SDG audit at the regional level. Both the documents are developed in accordance with Quality Assurance level 3.

The Scoping paper on ESG audit and Practical guidance on SDG audit at the regional level had already been reviewed by the members of the group and the comments had been summed up by the Secretariat.

I am also pleased to announce that the Secretariat has recorded educational videos on the SDG audit in Russian and posted them on the platform of the INTOSAI University (U-INTOSAI). Given the fact that the materials on SDG audit are mainly available in English, I am sure that these videos will be a good help to Russian-speaking SAIs to implement the practice of SDG audit in their work.

I would be glad if the group members would be interested in translating our educational course into other languages.

In the Newsletter, we also touched upon the topic of XXIV INCOSAI, where the working group was represented at the information and exhibition space.

In conclusion, I would like to wish everyone a successful and fruitful 2023 year!

WGSDG KSDI Third Meeting

The third online meeting of the INTOSAI Working Group on SDGs and Key Sustainable Development Indicators was held on October 14, 2022.

The meeting brought together 135 participants from 23 SAIs, as well as representatives of AFROSAI - E and regional audit institutions of the Russian Federation.

Participants made presentations on the experience in SDG auditing, discussed new WG projects and WG Action Plan for 2022-2023.

Full video of the seminar is available in [English](#) and in [Russian](#).

Welcome speech



Mr. Dmitry Zaitsev

Head of the WG SDG KSDI Secretariat

7 years have passed since the adoption of the Sustainable Development Agenda, and we see that sustainable development issues are playing an increasingly significant role, both in the activities of governments and in the activities of supreme audit institutions.

The relevance of SAI's role, previously designated by the international community, has increased. The recommendations given by SAIs draw even more attention to the existing risks and nudge governments to take the necessary measures.

The success in achieving the Sustainable Development Goals largely depends on building an effective monitoring, analysis and control system. And today we see that for many SAIs, SDG audit has become one of the priority areas of activity.

Presentations of the WGSDG KSDI new members



Mrs. Rochelle Bailey-Thomas
Senior Auditor, SAI Jamaica

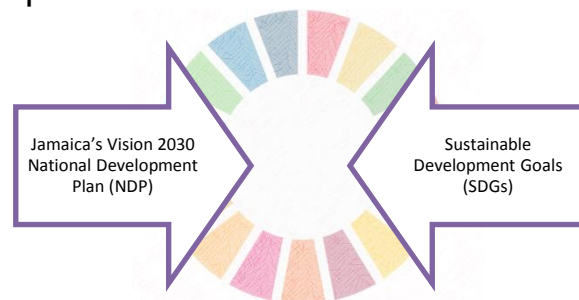


Ms. Stacy-ann Dias
Senior Auditor, SAI Jamaica

SAI Jamaica is grateful for the opportunity to share our experiences in auditing the SDGs with the Working Group on Sustainable Development Goals and Key Sustainable Development Indicators (WGSDGKSDI). Jamaica's Vision 2030 National Development Plan (NDP) and Sectoral policies were assessed in 2017 and found to be 91 per cent aligned with the SDGs with the 15 National Outcomes of the NDP directly linked to the 17 Goals of the SDGs. SAI Jamaica has also aligned its strategic objectives to Jamaica's Vision 2030 NDP and SDGs 16 and 17. Since 2017, SAI Jamaica has implemented a risk-based, thematic approach for the selection of audits based on five audit themes namely i) Governance, ii) Project Management, iii) Resource

Management, iv) Procurement and Contracts Management and v) Information and Communications Technology. Through our audits, **SAI Jamaica aims to contribute to the efficient and effective use of scarce public resources which is critical to the achievement of the goals of Vision 2030 NDP and the SDGs.** SAI Jamaica also utilizes the IDI SDG Audit Model (ISAM) as a guide in the preparation and execution of the SDG implementation audits.

Over the last five years, SAI Jamaica has conducted various performance audits covering topics ranging from energy efficiency to lifelong learning and school nutrition, which highlighted the progress towards Jamaica's achievement of specific National Outcomes and the SDGs. **In 2017, SAI Jamaica conducted an audit which focused on Jamaica's preparedness for the implementation of the SDGs.**



We found that Jamaica has made notable progress towards the implementation of the SDGs and recommended that the Government should consider delegating overarching responsibility for coordinating the implementation of the SDGs to a specific entity. Also in 2017, SAI Jamaica conducted an Energy Security and Efficiency Audit which focused on National Outcome # 10 – Energy Security and SDG 7 (Access to affordable, reliable, sustainable, and modern energy for all). While our audit acknowledged the important progress made in Jamaica's energy diversification programme, we noted weaknesses in cross-government linkages between the portfolio ministry and other stakeholders in implementing strategies for energy diversification. As

such, we recommended that a coordinated Whole of Government (WOG) approach be taken towards the implementation of the energy diversification strategies.

In 2020, we also conducted an audit on Lifelong Learning at the Human Employment and Resource Training/National Service and Training Agency Trust (HEART/NSTA). The audit focused on progress towards attainment of National Outcome #2 - World-Class Education and Training as well as SDG 4-Education and Lifelong Learning and SGD 8 Economic Growth and Employment. We found that certification rates remained low despite increase in student admissions and HEART/NSTA could not demonstrate the extent to which participants obtained the stated aim of gaining entrepreneurial benefits. Our recommendations included a review of the training programmes with a view to implement changes that will improve the entities overall effectiveness. Further in 2021, SAI Jamaica conducted a performance audit of the management of school nutrition by the Nutrition Products Limited (NPL). The audit focused on the entity's role in contributing towards attaining National Outcome #1: A Healthy and Stable Population and SDG #2: Zero Hunger. The audit identified internal control weaknesses which resulted from ineffective oversight by the Board of Directors and the Portfolio Ministry. Considering this, we recommended that the Board effectively monitor and provide oversight to the entity.

As experienced across the globe, Covid 19 has also impacted Jamaica's progress towards the implementation of its National Development Plan and the SDGs. Recovery from the ill-effects of Covid-19 will require Government and all stakeholders to solidify their

commitment to achieving the 2030 Agenda- SDGs and ensure that the benefits from development are experienced by all Jamaicans, inclusive of the vulnerable groups of society. SAI Jamaica remains committed to conducting comprehensive, in-depth Whole of Government audits on the progress of implementation of Jamaica's National Outcomes and Sustainable Development Goals, while utilizing the guidance provided by the IDI.



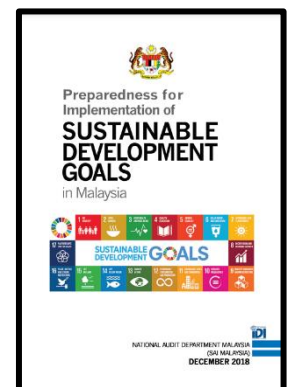
Mrs. Noraza Moh Ariff
Deputy Director of Performance Audit Sector, SAI Malaysia

In Malaysia, the nation's five-year development agenda were integrated and mapped into 6 strategic thrusts in SDGs goals including the 11th Malaysia Plan (2016-2020) and the 12th Malaysia Plan (2021-2025). Not only that, the Mid-Term Review of 11th Malaysia Plan in 2018, SDGs goals were then remapped according to Malaysia's priority in 6 pillars.



Implementation of Performance Audit in SDGs

As stated in the 2021-2025 Strategic Plan of SAI Malaysia, the policy to introduce SDGs based auditing is being established in the plan. This is due to SAI Malaysia having considered the external audit challenges and taking into account on how SDGs changes the development plan of the governments. SDGs Audit goes beyond usual performance audit whereby the approach is very



wide scope using the same process on performance audit as outlined by the ISSAI 300. Beside that, SAI Malaysia also is looking forward to use the IDI SDGs's Audit Model (ISAM) to guide us in the auditing of implementation of SDG's Agenda in Malaysia.

SAI Malaysia is taking the initiative to implement the goals of the SDGs in conducting performance audits by incorporating the theme of the SDGs in the selection of audit topics that align with national strategy and priority. The selected audit topic on any program/activities based on Malaysia Plan indirectly will related to SDGs since the five-years development plan being mapped into six strategies based on SDGs goals. An audit is conducted not only to evaluate the economy, efficiency, and effectiveness of Government programs/activities/projects implemented but also the progress of achieving the goals set in the SDGs. Currently, there are two (2) completed auditing and four (4) audits which is still ongoing related to the SDGs audit.

Engagement Approach to Provide Data and Information on SDGs

Since the work of Malaysian Government are still on-going, the monitoring is part of that also. SAI Malaysia work closely with the Central Agencies especially with the Economic Planning Unit (EPU) that act as the prime agency for SDGs matters. SAI Malaysia also relies on the information on achievement of the SDGs Goals and related targets through the Department of Statistics of Malaysia (DOSM) SDGs Dashboard. Hence, the Working Group on SDG & Key Sustainable Development Index (WGSDG&KSDI) of SAI Malaysia engage closely with these two key player (which is EPU & DOSM) in term of data and information sharing to ensure the continuous updating process are in order especially regarding latest progress on SDGs in

Malaysia.

Challenges and Way Forward of SDG Auditing in Malaysia

In implementing the audit, among the challenges faced is incomplete data to measure the achievement of the related project/activity/programme due to data not properly maintained by the Ministry/Department/Agency. The other challenges faced is the auditors need to be able to effectively evaluate complex governance issues, assess institutional mechanisms, consider the interlinkages between sectors, institutions and policies. Furthermore, less awareness and exposure on the links of SDGs in the National Agenda among auditors, government employees, stakeholders and general public at large also may affect the SDGs audit process.

To ensure the Auditor are capable in conducting the audit on SDGs, SAI Malaysia send our teams for the training at the international level, exposed them to domestic and international courses/seminars/Training of Trainers (TOT) to give the background knowledge, skills and practical experience. In addition, subject matter experts on the SDGs and SAI Malaysia Digital Audit initiative have also been established. Data from various public organization such as data on budgeting, project development, government procurement, as well as data on performance management will be extracted and analyzed. The insight from this initiative provides a way for auditors to gain a better understanding of stakeholder's demand and make better decision on key areas like SDGs. This also in line with the 2021-2025 Strategic Plan of SAI Malaysia.



Dr. Sutthi Suntharanurak
Director of International Affairs Office, SAI Thailand

Since 2015 several global challenges have affected public sector auditing. **The State Audit Office of the Kingdom of Thailand, or SAI Thailand, has prepared for these challenges by conducting applied research.** These studies are based on both academic and practical approaches. The recommendations could lead to the implementation the State Audit Policy in Thailand.

For example, in 2016, SAI Thailand researched SDG audits for SAI Thailand. The researchers set the simple question of how to develop SDG audits in Thailand. The answer found that SAI Thailand should issue the State Audit Policy by representing the role of SAI Thailand and monitoring SDG targets in Thailand. Therefore, the State Audit Commission implemented this study to subject the SDG audit to the long-term State Audit Policy 2018-2022.

In the meantime, our team researcher proposed the six E criteria as the micro view to conducting the performance audit in the SDG topics. The six E criteria consisted of Economy, Efficiency, Effectiveness, Environment, Equity, and Ethics. These dimensions covered SDG's concept, especially the principle of Leave No One Behind (LNOB). Presently, the SDG audit of SAI Thailand has been improved by conducting applied research, which contributes to developing SDG audits practically.



Sustainable Development Goals (SDGs) and 6Es principles

Economy, Efficiency, Effectiveness, Environment, Equity, and Ethic



Ms. P. Madhavi
Principal Director of Audit, SAI India

SAI India conducted a Performance Audit on “Preparedness for the Implementation of SDGs” in 2019. Preparedness was examined specifically for “Goal 3-Good Health and Well Being”. SAI India also conducts audit of various Government programmes and initiatives that impact SDGs. In environment related audits, SDG indicators are used as audit criteria to derive audit points.

An example of audit of environmental SDGs is performance audit of ground water management and regulation (published in 2021) undertaken to assess whether appropriate steps were taken to achieve targets under SDG 6. The important audit findings were that the Central Ground Water Board had not achieved its own targets for mapping of aquifers and its activities were not aligned with the targets and indicators set for achieving SDGs. Latest initiative by Government of India was development of ‘JALDOOT’ App for improving ground water management.



International Centre for Environment Audit and Sustainable Development (iCED) at Jaipur carries out research related works on behalf of SAI India for subjects related to sustainable development. **SAI India released a concept paper on Natural Resources Accounting in 2020 involving physical accounting, monetary valuation, and economic accounting.** SAI



India plans to release national compilation on mineral and energy resources by October, 2022.

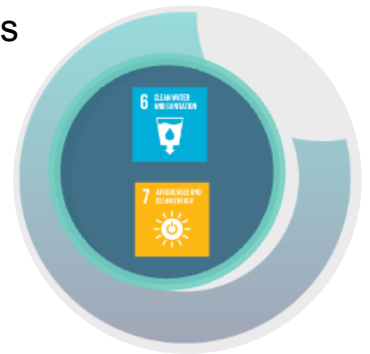


Mr. Mohamed Ibrahim Jaleel
Manager, Environmental Audit, SAI Maldives

Mohamed Ibrahim Jaleel shared the experience of SAI Maldives in SDG auditing. As such, he noted that **SDG preparedness audit was conducted in 2019**. The audit findings revealed that attribution in government regarding 2030 agenda were not clearly defined. Furthermore, the practice of Line Ministry's working in silos without effective horizontal coherence and coordination, the absence of ownership of the SDG goals and delays in finalizing communications strategy were noted as barriers in making effective progress towards the goals. He also noted that the strong engagement and participation was shown in social sectors, however, there was a notable lack of awareness in economic and governance sectors.

As the SDGs were set for the year 2030, the absence of long-term national planning framework was seen as a major challenge as the national plans were only formulated for a 5-year period. In terms of resources and capacities, the works of resource gap evaluations were not conducted, hence it was not certain on the extent of resources and capacities secured for the implementation of the goals. From a monitoring perspective, weakness was noted in the absence of monitoring guidelines and data quality assurance framework. Furthermore, he noted the government's efforts to identify and create multi-stakeholder relationships.

Mohamed Ibrahim Jaleel informed that **SAI Maldives is currently conducting an SDG audit on goal 6 (Clean water and Sanitation)**, mainly aiming at the national policy of ensuring access to adequate sewerage services that are cost-effective and environment friendly. Furthermore, he also informed that **the SAI intends to cover the SDG goal 7 (Affordable and clean energy) next year**, targeting the national policy of expanding and developing the renewable energy sector.



Mr. Assem Lotfy
Advisor, SAI Egypt

The Egyptian Government's Efforts regarding Sustainable Development Goal 13 "Climate Change" and Climate Change Mitigation and Adaptation Policies":

- Building an integrated legislative and institutional framework that includes the Egyptian Constitution of 2014, and a set of laws regulating environmental affairs, including Environmental Affairs, Natural Reserves, Nile River Protection, liquid waste disposal, as well as the waste management regulation laws.
- Assuming the presidency of the Conference of United Nations Framework Convention on Climate Change COP 27, which will be held in Egypt in November 2022 in Sharm El Sheikh.
- Signing up the Paris Agreement on Climate Change mitigation and

adaptation policies on April, 2016.

- Launching Egypt's Vision 2030, preparing and launching national strategies for hydrogen, managing water resources, protecting shores, and moving towards new and renewable energy as well as launching the national strategy for climate change Egypt 2050 and forming the National Council on Climate Change headed by the Prime Minister. In addition to preparing the Nationally Determined Contributions to 2030 Update Report to the United Nations on June 2022.
- Issuance of green bonds, for financing sectors such as sustainable transport, renewable energy, energy efficiency and infrastructure. And in this regard, Egypt launched the national initiative to finance smart green projects in various governorates in August 2022.
- Encouraging the transition towards green economy by stimulating industries that rationally consume natural resources, energy and water, encouraging cleaner industrial production, moving towards less water-consuming agriculture, and increasing the share of renewable energy from 20% of the energy mix produced in 2022, to 42% by 2035. Accessioning to the global pledge on methane, in June 2022 to reduce greenhouse gas emissions by 30% by 2030.

The role of SAI Egypt in following up the implementation of the sustainable development goals:

- SAI Egypt is keen to play its role in the financial, performance, and compliance auditing of the national state projects and aims to assess the interlinkages and integration between the sustainable development goals, highlight the specific findings and recommendations through the various audits, as well as providing valuable information to

governments and stakeholders, and working towards the full implementation of the 2030 Agenda.

- Auditing all activities of ministries and companies with environmental activity, by verifying its compliance with international and national agreements and standards, and the sustainable development goals implementation rates in accordance with INTOSAI principles.
- Verification of conducting environmental impact assessment studies for new activities and expansions before implementation, and the associated economic feasibility studies, and the availability of funds for implementation for companies.
- Verification of the use of digital solutions and new technology to move towards green economy in production, recycling and disposal of solid, liquid and gaseous waste, and establishing advanced environmental monitoring laboratories.
- Verification of the periodic measurement of gas emissions in industrial companies and their compliance with environmental limits, standards and laws and verification of the companies which obtained ISO certificates related to environmental activity, including: ISO 9001, 14001, and 45001.
- Auditing the funds spent on environmental protection programs, environmental fines and their causes, and recommending measures to prevent recurrence as well as auditing the economy, efficiency, effectiveness and environmental auditing of the implementation of climate adaptation projects, comprehensive auditing of risk fund management systems and the flexibility of investment schemes, as well as auditing financial and tax instruments, in relation to sectors such as

water infrastructure, energy, and transport.

Examples of the audit of the sustainable development goals carried out by SAI Egypt:

- Auditing and monitoring the sustainable development goal # 13 - climate change. (Protecting the shores of the Arab Republic of Egypt from climate change impacts).
- Auditing plastic waste (Goal 12 Responsible consumption and production).
- Climate Change Audit - Carbon Emissions and Carbon Finance.
- Auditing Combating Desertification and sustainable agriculture (Goal 2, 15).
- Auditing Infrastructure and sustainable transport (Goal 9, 11).
- Follow-up and evaluation of the environmental performance of the chemical industrial companies, metal companies as well as spinning and weaving companies.

WGSDG KSDI Annual Report 2021 – 2022



Mr. Dmitry Zaitsev

Head of the WG SDG KSDI Secretariat

The past year has been quite busy for the Working Group. We managed to implement the planned directions of our work, as well as to develop additional materials outside the plan.

Last year the group members participated in the Open discussion on SDGs within the First INTOSAI International Scientific and Practical Conference.

The First INTOSAI International Scientific and Practical Conference was held under the auspices of the INTOSAI Chair. It was a unique online platform for exchanging experience: we managed to bring together specialists in government auditing and business as well as representatives of the scientific community. Over the two days, about 700 participants representing 101 SAIs took part in the event.

WGSDG KSDI with INTOSAI Working group on environment auditing have established cross-functional project team which consisted of 13 SAIs. Project Proposal, Justification statement and structure of GUID-5202 were submitted and considered by the Forum for INTOSAI Professional Pronouncement (FIPP). But the Forum decision regarding the project proposal was negative.

Taking into account the fact that the GUID is outdated and requires updating, KSC asked to include the GUID 5202 update in the Strategic Plan for 2023-2026. We expect that the GUID update will be included in the Strategic Plan, and we will continue this work.

The Working Group held a webinar for SAIs of Commonwealth of Independent States Countries on SDG Audit in December last year. The webinar gathered 46 participants from 9 SAIs as well as representatives of IDI. The presentations were dedicated to the role of SAIs in Agenda 2030 implementation and the experience of the Accounts Chamber of the Russian Federation in auditing preparedness for implementation of the SDGs. Archana Shirsat from IDI presented ISAM, its purpose and main characteristics, and spoke about the importance of ISAM for improving SAIs capacity to undertake high-quality performance audits of SDGs and significance of undertaking SDGs audits in CIS countries. This webinar has also been reworked into **an educational course " SDG Audit. CIS Countries' Experience "**.



The Secretariat also recorded **an educational course "Audit of Sustainable Development"**. This is the first course in Russian that addresses the issues of sustainable development audit. It will be useful for both SAIs and RAIs. The course includes three lectures.

The first lecture concerns the role of SAIs in the implementation of the Sustainable Development Agenda and general methodological approaches to the SDG audit.



The second lecture addresses the issues of auditing the preparedness of the public administration system to implement the SDGs and is

based on the example of the experience of the Accounts Chamber of the Russian Federation.

The third lecture covers the approaches to SDG auditing.

Both educational courses are posted on the INTOSAI University website.

According to the Action Plan the Secretariat continues working on preparation of the Guidance on audit of reliability of macroeconomic forecasts.

Last year the Secretariat initiated the preparation of Guidance on ESG Audit. The Guidance will not be included in the IFPP document system and will be developed in accordance with Quality Assurance Level 3.

Our initiative was included in the list of KSC new projects in the framework of its annual report and presented at the 75th meeting of the Governing Board last year.

Another area of the WG's activities last year was the preparation of draft Practical Guidance on Sustainable Development Goals Audit at the Regional Level.

Through development of the Practical Guidance, we provide hands-on support to RAIs auditing the SDGs. RAIs can boost the attention to the sustainable development and encourage the local public authorities to address the relevant goals and objectives of the Agenda for Sustainable Development.

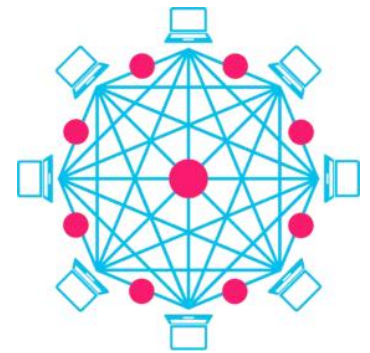
Presentations of the WGSDG KSDI members on the experience in auditing the SDGs



Mr. Eldon Teixeira Coutinho
Federal Government Auditor, SAI Brazil

Ongoing project of SAI Brazil and the Brazilian Development Bank called “Blockchain Brasil network”

In 2019, the Brazilian Development Bank (BNDES) invited the TCU to establish the Brazilian Blockchain Network - RBB. After signing a cooperation agreement with the BNDES in 2022, we have been working to establish a common governance and to encourage and admit new participants in the network. Currently, the RBB is running as a laboratory, with some participants acting as nodes, like the TCU (Federal Court of Accounts - Brazil), the BNDES (Brazilian Development Bank), PUC-Rio (Pontifical Catholic University of Rio de Janeiro), the RNP (the Social Organization that helped bringing the Internet to Brazil), Dataprev (state company that provides IT services in social security area), and others.



The RBB was inspired by international initiatives that had the same purpose, such as the LACChain - blockchain/DLT network for Latin America and the Caribbean, led by the Inter-American Development Bank - BID (network launched in 2018), Alastria - blockchain network for Spain (created in 2017) and the EBSI - European Blockchain Services Infrastructure, a network of the European Commission (created in 2018).

Like the aforementioned networks, the RBB seeks to implement a blockchain infrastructure that is both permissioned, where the participating nodes need authorization (permission) to participate, and public, since theoretically any public entity will be able to access the network. Public-permissioned networks take advantage of the decentralized transparency of public networks and the low cost of permissioned networks, allowing the engagement of entities that promote solutions in the public interest. It is important to highlight that in fully public networks, such as the Ethereum Mainnet network, the inclusion of new blocks, arising from the adopted consensus protocol, generates costs in cryptocurrency to the participant proposing the transaction, a situation that does not occur with the RBB, where the consensus protocol (validation) does not generate costs in cryptocurrencies.

Another advantage of the shared adoption of the blockchain infrastructure proposed by the RBB is the possibility to share services on the network. Document identification and authentication services (notarization) are examples of smart contracts that can be shared, offering a base of common services, reducing costs, and providing a standard to transactions. In addition to the services, data can be

shared between transactions, enabling the integration of the applications of the different participants.



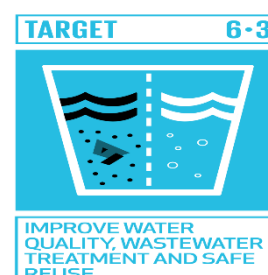
Ms. Thandiwe Sibalwa Kapotwe
Senior Performance and Environmental Auditor,
SAI Zambia

Audit of Control of Water Pollution in Zambia 2016 - 2019

Am delighted to have been privileged to present to the WGSDG KSDI third meeting one of the reports conducted by SAI Zambia on the “Control of Water Pollution”. Water is one of the key economic resources in the country and accounts for over 40 percent of the water resources in the Southern African Development Community (SADC). The water bodies provide a source of livelihood for locals who venture in fishing and agriculture and is used for domestic and commercial purposes. However, pollution has been a challenge. The increase in mining, agriculture and manufacturing activities has increased the



pressure on water bodies from industrial and agricultural emissions. The audit was in line with SDG 6: Clean water and sanitation specifically Target 6.3 which seeks to have improved water quality waste water treatment and safe reuse by 2030.



The objective of the audit was to assess the effectiveness of the measures put in place to control water pollution from effluent discharging facilities. The main auditee was the Ministry of Water Development, Sanitation and Environmental Protection through Zambia Environmental Management Agency (ZEMA). The audit covered the period 2016 to 2019.

The audit found that ZEMA had not developed; water pollution control guidelines, ambient standards and a baseline for water quality on all the major rivers in the country. There was also a weak monitoring and surveillance system for facilities emitting effluent as there was low compliance to set standards. Further, ZEMA did not implement the Polluter Pays Principle on defaulting facilities.

The audit concluded that measures put in place to control water pollution by effluent discharging facilities were not effective. ZEMA has failed to put measures in place which limit excess pollutants from being emitted into the environment. On a positive note, ZEMA has developed ambient standards which allows them to set parameters for each water body.

OAG Zambia's Performance and Environmental audit unit is under the Specialised Audits Department. It is good to mention that the Performance and Environment Audits Unit will soon be a standalone. This will provide opportunities for more resource allocation thereby widening the audit coverage for environmental audits.



Mr. B. Dwita Pradana
Director General of Planning, Evaluation and
Development, SAI Indonesia

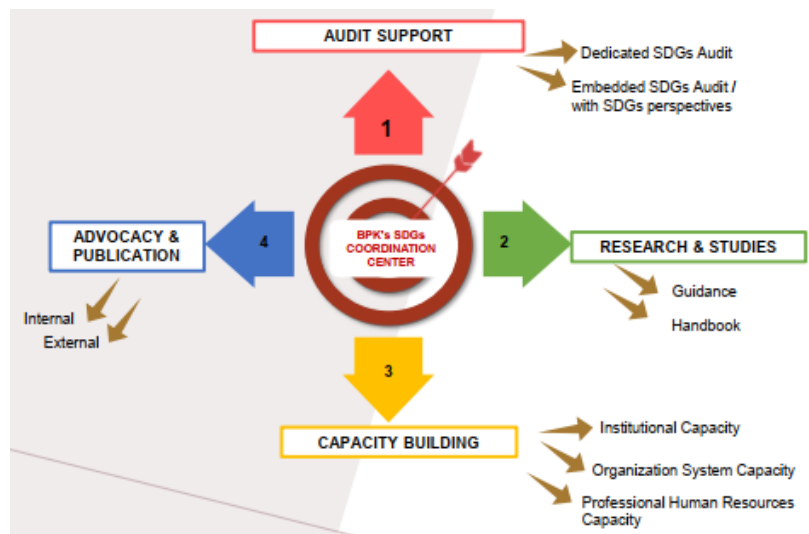
Strengthening the role of SAI of Indonesia in overseeing the implementation of SDGs

SAI Indonesia (BPK) participated at the 3rd Online Meeting of INTOSAI Working Group on SDGs and Key Sustainable Development Indicators (WGSDG KSDI), on October 14 2022, in which BPK shared its experiences in contributing to the implementation of SDGs and in initiating Supreme Audit Institutions 20 (SAI20) under the 2022 Indonesia's G20 Presidency. BPK was represented by the Director General of Audit Planning, Evaluation and Development, Mr. B. Dwita Pradana.

BPK has been contributing to the implementation of SDGs in Indonesia since 2018 by, among others:

adapting four INTOSAI approaches: Audit SDG's Preparedness; Auditing SDG's Implementation, and Reviewing the Indonesia's Voluntary National Review (VNR); Assessing and Supporting SDG 16 and 17; and becoming Models of Transparency and Accountability by implementing SAI-PMF and Sustainability Reports. BPK also shared the use of technology, such as Big Data Analytics (BDA) to support audit.

In 2021 BPK established an SDGs Coordination Centre, a working-unit dedicated to ensure its continuous contribution to the implementation of SDGs until 2030. In long term, BPK has committed to contribute to the SDGs implementation, simultaneously with its efforts in increasing its maturity model through oversight, insight, and foresight roles.



Mr. Pradana also emphasized BPK's key role in initiating the establishment of SAI20, as the world needs a stronger commitment to work together to get SDGs 2030 back on track after the strike of the COVID19 pandemic. At SAI20 summit, SAI20 country members agreed on SAI20 Communique that comprises two priority issues, one of which pertaining to the achievement of SDGs. The SAI20 communique embodies concerns in the implementation of SDGs post-pandemic, and thus calls on the governments of G20 to adopt a framework on sustainability reporting, such as ESG (Environmental, Social and Governance). The ESG is in line with one of WGSDG KSDI subprojects. Having the first SAI20 communique endorsed, BPK has set a number of way forwards, to ensure that SAI Indonesia continuously supports the spirit of SAI20, by ensuring that BPK remains as the partner of the government of Indonesia in post pandemic economic recovery and SDGs implementation.

Information on WGSDG KSDI subprojects



Mr. Anton Kosyanenko

Head of the Department for Audit of Economic Development of the
Accounts Chamber of the Russian Federation

Information on the development of the Guidance on audit of the reliability of macroeconomic forecasts

The [Knowledge Base](#) on macroeconomic forecasts was developed as part of the preparation of the Guidance on audit of the reliability of macroeconomic forecasts. To make the guidance practical, a survey was conducted among the members of the group, touching upon such issues as the structure of macroeconomic forecasts, the assessment of such forecasts, the regulations governing the development and approval of forecasts etc. The data obtained as a result of the survey was posted on the group web page. This information will be included in the Guidance as illustrative examples of specific SAIs.

An important feature of the future Guidance is its practical applicability, so the Guidance will meet the following criteria:

- ✓ Higher level document;
- ✓ Slim document, plain language;
- ✓ Visualization and infographics;
- ✓ Extensive use of examples to illustrate different approaches and institutional frameworks used in different countries;

- ✓ Development under QA1 procedure for non-FIPP documents;
- ✓ Closely connected to the relevant INTOSAI pronouncements.

Information on the development of the Guidance on ESG audit

Most of our SAIs are already supporting governments in tracking progress on SDGs and identifying opportunities for improvement. At the same time, some important aspects of the achievement of the SDGs remain undisclosed.



The ESG audit topic is closely related to the audit of the implementation of the SDGs and touches upon important aspects of sustainable development.

SAIs can play a significant role in this field. We are sure, that the analysis of how governments promote business to be responsible, as well as the assessment of the completeness, accuracy, and reliability of ESG-reporting by public sector organizations, is an important task in the framework of SDG auditing.

In August of this year, the Secretariat took part in the SAI 20 meeting in Indonesia, where, according to its proposal, an item on the importance of stimulating ESG public sector reporting was included in the final communique.

The development of the guidance will be included in KSC Work Plan 2023-25 as a project to be undertaken outside the IFPP framework. This document is supposed to be developed in accordance with the requirements of Quality Assurance level 3.

The Secretariat has already developed ESG Audit Guidance – Scoping Paper. In Scoping paper, we tried to answer the questions: Why do we need an ESG audit? What is it? and How to conduct it?

The Secretariat is planning further work on the development of the Guidance on ESG audit and the group has a possibility to help auditors a lot and to make a significant contribution to the promotion of public audit by developing the document.

The Guidance will be written taking into account two important areas of ESG audit:

- ✓ Using this guidance, SAs will be able to audit the measures of national governments aimed at stimulating responsible business conduct thereby support them by recommendations in developing new or adjusting existing measures.
- ✓ The guidance will help SAs to audit non-financial statements of public sector organizations and develop recommendations for their improvement.

Information on the draft Practical guidance on SDG audit at the regional level

It is clear that sustainable development and progress towards SDGs in a specific country cannot be achieved without the active involvement of its regions¹.

¹ Partially self-governing administrative units of the country with their own area and borders. Especially relevant for the countries with a federal system of government.

However, various regional authorities have different starting points and have made diverse progress in achieving particular SDGs. This is mainly due to geographical, demographic, economic, sociocultural and other regional features.

Regional audit institutions (hereinafter referred to as “RAI”)² can draw attention to the sustainable development and encourage the regional public authorities to address the relevant goals and objectives of the 2030 Agenda within the region.

Through development of the Practical Guidance we provide hands-on support to RAIs auditing the SDGs.

The practical guidance is based on the best practices and include a description of all stages of the SDG audit, as well as a list of basic concepts, approaches and principles.

The proposed suggestions are intended to provide assistance to RAIs’ inspectors in auditing SDGs at the regional level. Moreover, they are aimed at assessing the achievement of sustainable development indicators, and at identification of systemic risks in the field of safe sustainable development, as well as drawing the attention of the regional authorities to them.

Draft Practical Guidance on Sustainable Development Goals Audit at the Regional Level includes recommendations on 5 stages of audit:

² An example of a RAI can be both an independent audit body subordinated to the legislative body of a region and regional divisions of a supreme audit institution.

- SDG audit approach;
- SDG audit design (planning);
- SDG audit;
- Report preparation and
- Audit findings implementation control.

WGSDG KSDI Action Plan for 2022-2023

	Activity	Time	Coordinator/ Participants
1.	XXIV INCOSAI	November 7-11, 2022	WG Secretariat, WG Members
	One page on WGSDG KSDI activity results	November 7-11, 2022	
	Video presentation on WGSDG KSDI activity results	November 7-11, 2022	
2.	Practical guidance on SDG audit at the regional level	May 2023	WG Secretariat, WG Members
	WG members approvement	October 2022	
	Endorsement version	December 2022	
	Final approvement	May 2023	
3.	Guidance on ESG audit	2022-2023	WG Secretariat, WG Members
	Presentation of interim results	May 2023	
4.	Guidance on audit of the reliability of macroeconomic forecasts	2022-2023	WG Secretariat, WG Members
	Presentation of interim results	May 2023	
5.	Pilot project on GUID-5202 update activity	2022-2023	WG Secretariat, WG Members,
6.	Cooperation with working groups	the whole period	WG Secretariat, WG Members
	Cooperation with ASOSAI Working Group on Sustainable Development Goals	the whole period	
7.	WG SDG KSDI Newsletter	the whole period	WG Secretariat, WG Members
	Fifth Issue	January, 2023	
	Sixth Issue	June, 2023	
	Seventh Issue	December, 2023	
8.	Social Media	the whole period	WG Secretariat
	WG SDG KSDI websites update	the whole period	
9.	WG SDG KSDI Forth meeting	May 2023	WG Secretariat, WG Members

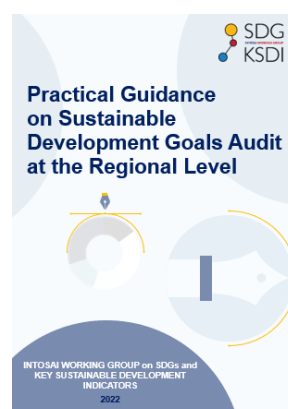
XXIV INTOSAI Congress

On November 7–11, 2022, the XXIV INTOSAI Congress – the main event in the life of the entire international audit community – was held in Rio de Janeiro under the leadership of the SAI Brazil.

More than 700 representatives of Supreme Audit Institutions and international organizations discussed progress in achieving the INTOSAI strategic goals of and identified the main directions for further development. In parallel with the Congress, the 76th Governing Board Meeting and Academic Forum on Government Auditing took place.

The Chamber of Accounts of the Russian Federation completed its INTOSAI Chairmanship by transferring responsibility to the Brazil's Federal Court of Accounts. Taking personal part in the Congress, SAI Russia Chairman Aleksei Kudrin summed up the results of key projects in INTOSAI and Supervisory Committee on Emerging Issues.

Two documents of the Working group were presented at the information and exhibition space of the Congress: [ESG Audit Guidance – Scoping Paper and draft Practical guidance on SDG audit at the regional level.](#)



A presentation was made with quotes from the Group members, and a booklet about the activities of the Group was distributed among the participants of the Congress. The group's materials aroused great interest among the Congress participants.

INTOSAI WORKING GROUP on SDGs and KEY SUSTAINABLE DEVELOPMENT INDICATORS



WGSDG KSDI created in **2019** to support the efforts of the INTOSAI community in achieving SDGs

- **34** members and **7** observers
- **4** WG SDG KSDI Newsletters

Working Papers

- ToR
- Philosophy and Principles

3 WGSDG KSDI current projects

- Guidance on audit of the **reliability** of macroeconomic forecasts
- Practical guidance on **SDG** audit at the regional level
- Guidance on **ESG** audit

2 Educational courses in Russian at U-INTOSAI

«SDGs Audit. CIS Countries' Experience»

«Audit of Sustainable Development»




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Accounts Chamber portal
<https://ach.gov.ru/en/page/the-intosai-working-group-on-sdgs-and-key-sustainable-development-indicators>

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