
Survey Results

Future of INTOSAI Working Group on Financial Modernization and Regulatory Reform

July 19, 2022

Background

- Created in the aftermath of the 2007-2009 global financial crisis as governments embarked on efforts to modernize their financial regulatory systems (e.g., creating new regulatory bodies) and reform their financial regulatory requirements (e.g., revising capital standards).
- Three goals:
 1. Develop tools and knowledge-sharing opportunities to enhance the capacity of SAIs to evaluate financial modernization and regulatory reforms.
 2. Establish mechanisms for sharing information on progress of financial modernization and regulatory reforms between SAIs and international organizations.
 3. Develop a system to track and synthesize information on the nature, scope, and status of financial modernization and regulatory reforms and identify gaps and areas where additional study is needed.

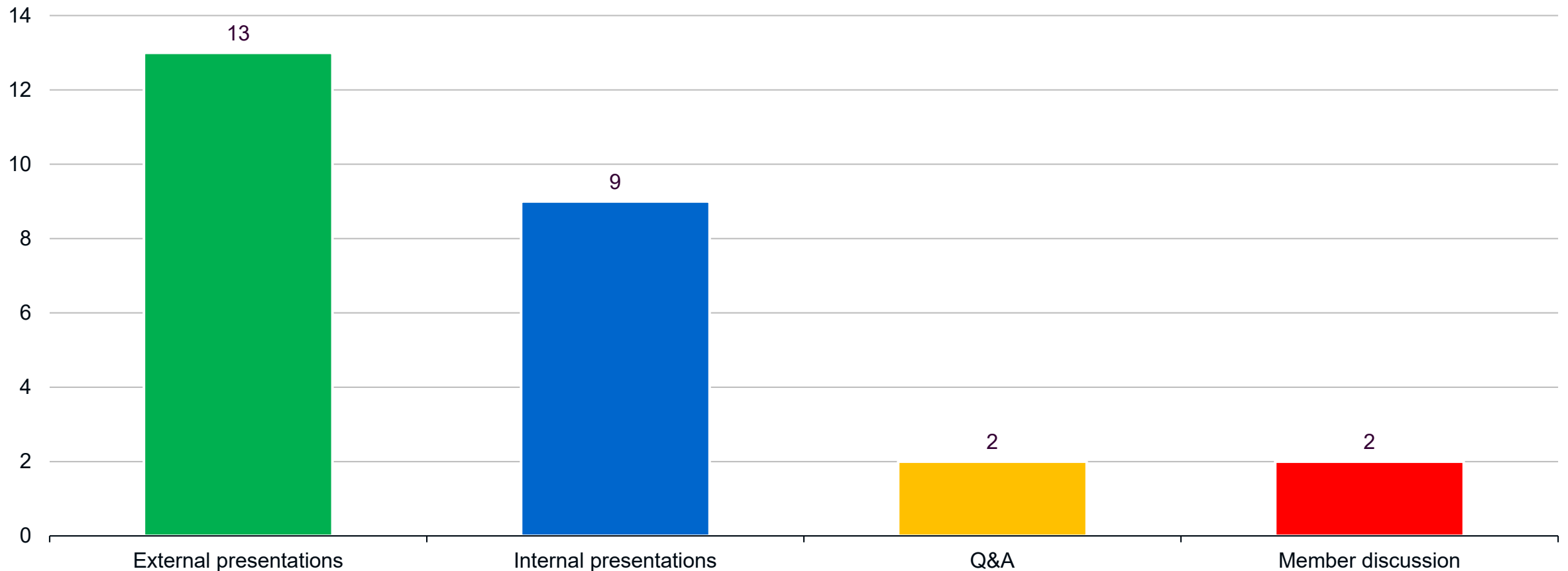
Key Findings from Survey

- Members like the mix of external and internal presentations and generally want to keep the current format moving forward. However, internal discussions are not as useful.
- Most members want a hybrid meeting format (in-person and virtual meetings).
- Key subjects for future work: fintech, cybersecurity, banking supervision, and climate risks.
- Key activities for future work: analyzing emerging risks and status of reforms, collaborating with international bodies and INTOSAI working groups, and knowledge sharing / training.
- There is strong but varied interest in types of methodologies to share, a potential new name for the working group, and national SAIs to engage for potential membership.

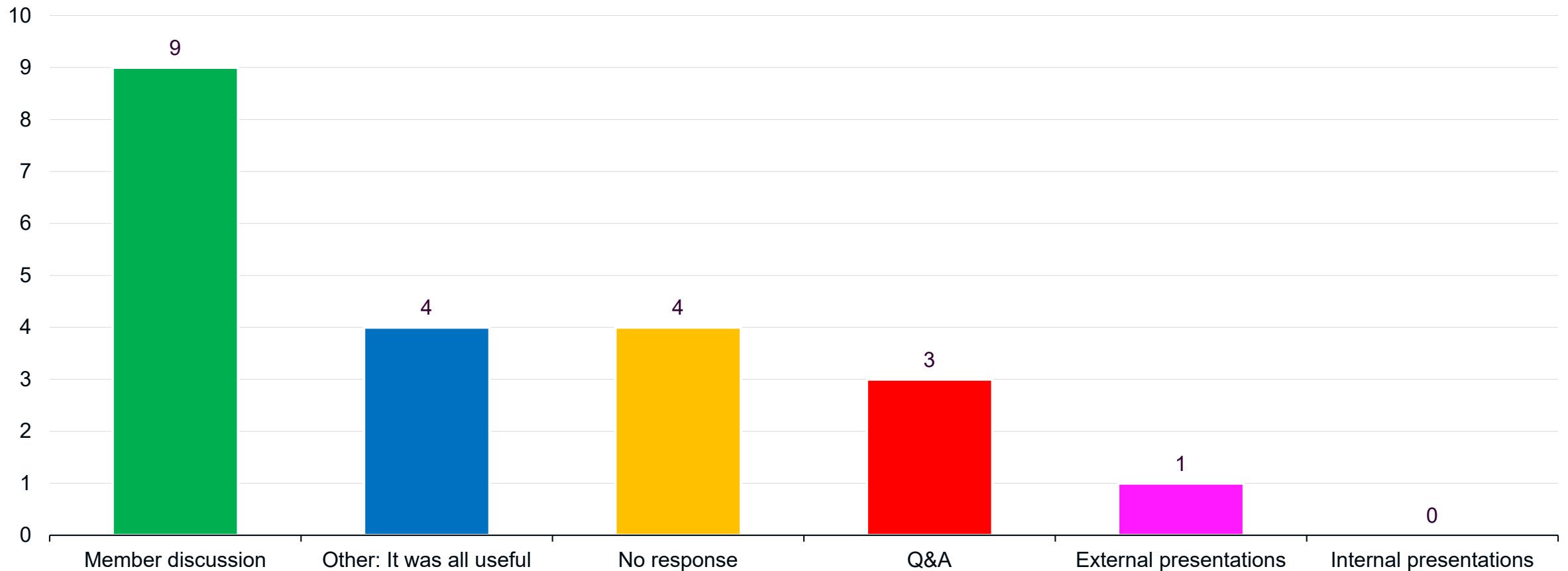
Response Rate

- 20 of 25 members (excluding SAI USA) responded (80 percent)
- Respondents: Austria, Brazil, Canada, China, Estonia, European Court of Auditors, France, Germany, Italy, India, Jamaica, Republic of Korea, Malaysia, Mexico, Pakistan, Poland, Qatar, Russian Federation, Spain, Sweden

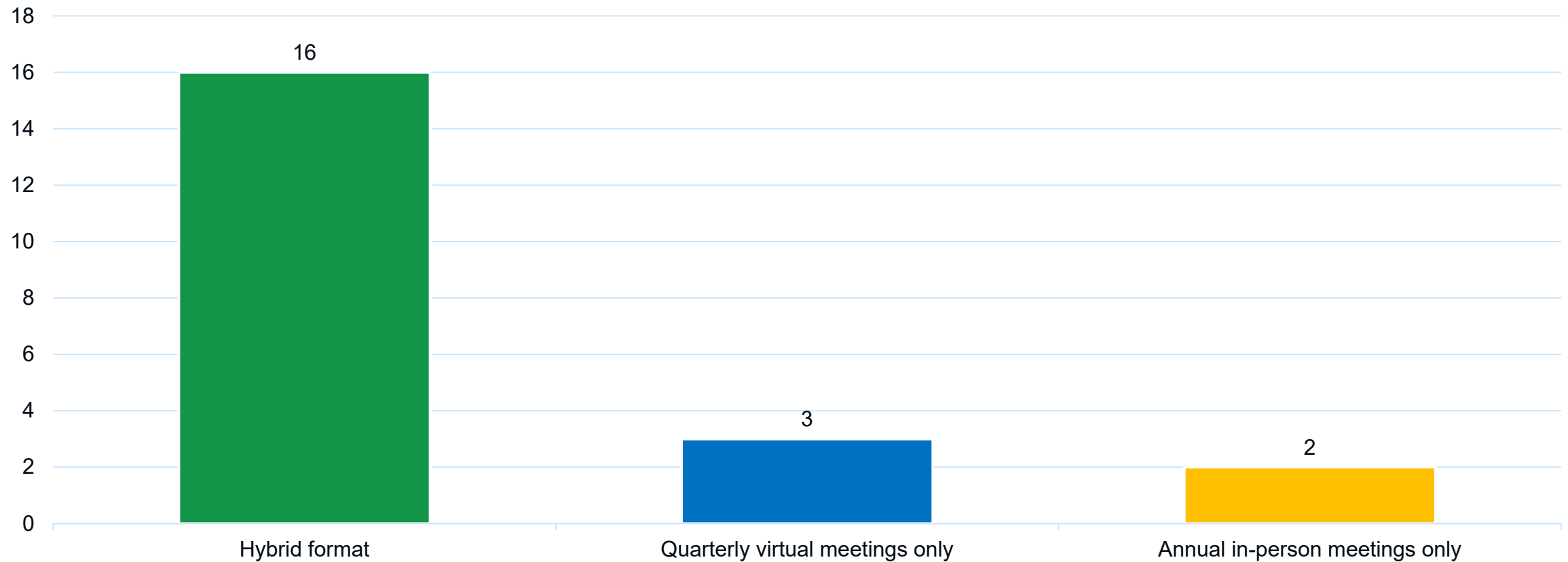
What aspects of the November 2021 and March 2022 virtual quarterly meetings did you find most useful?



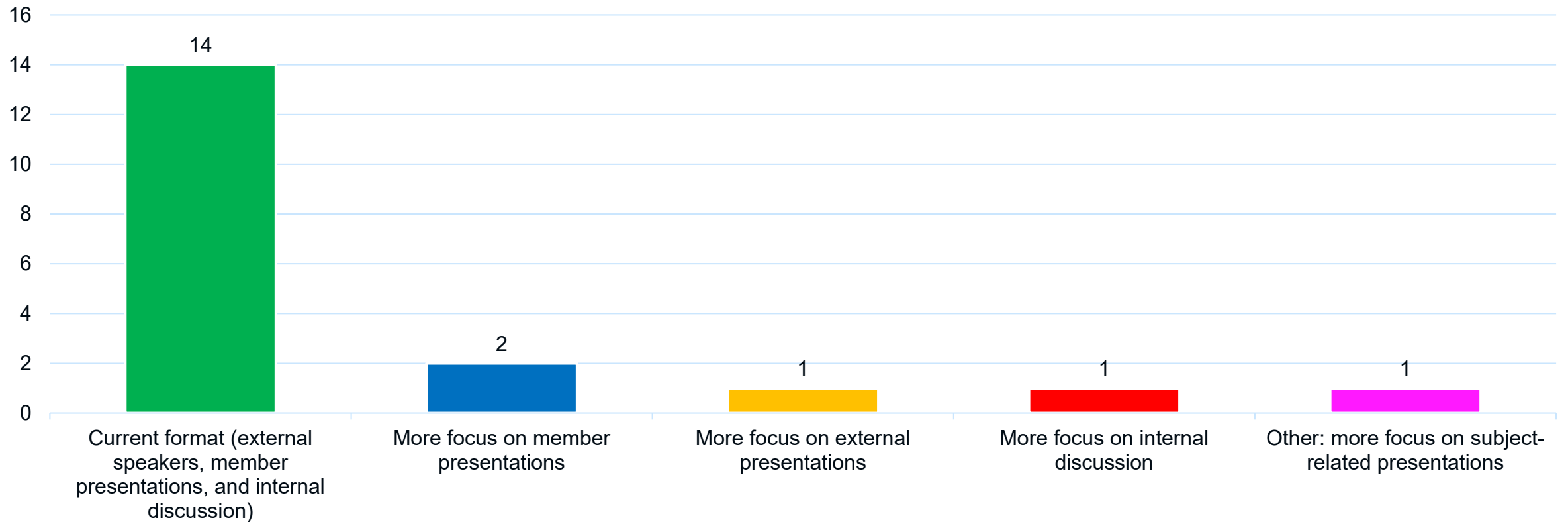
What aspects of the November 2021 and March 2022 virtual quarterly meetings did you find least useful?



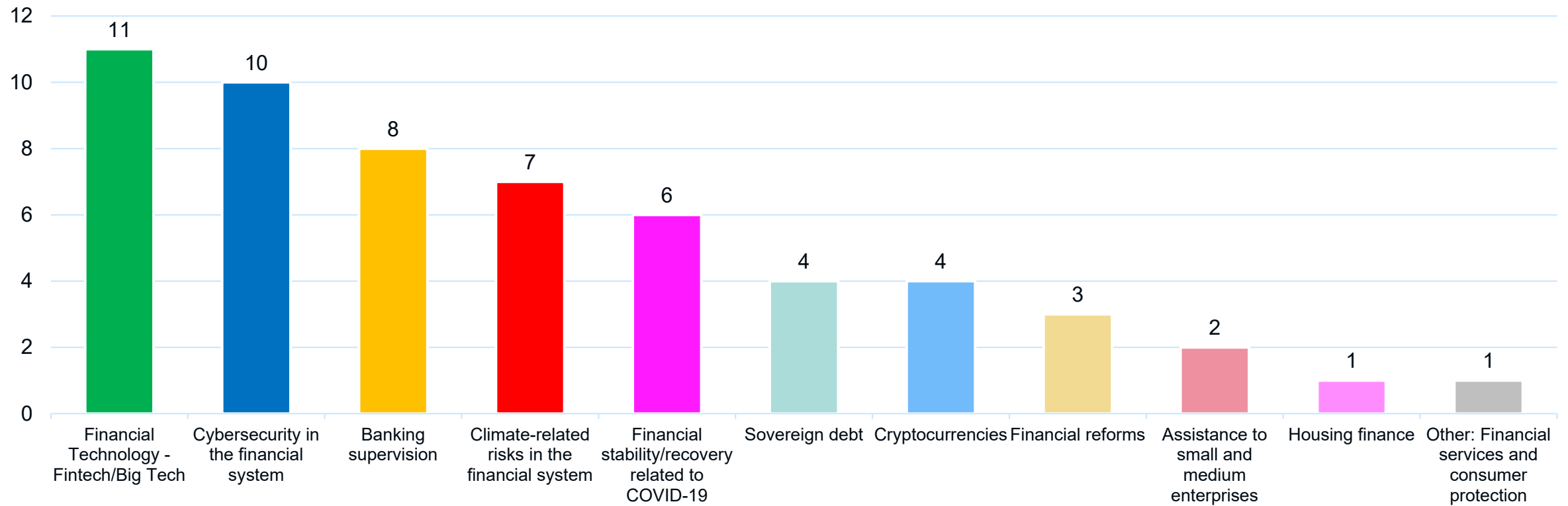
What format would you prefer for future WGFMR meetings?



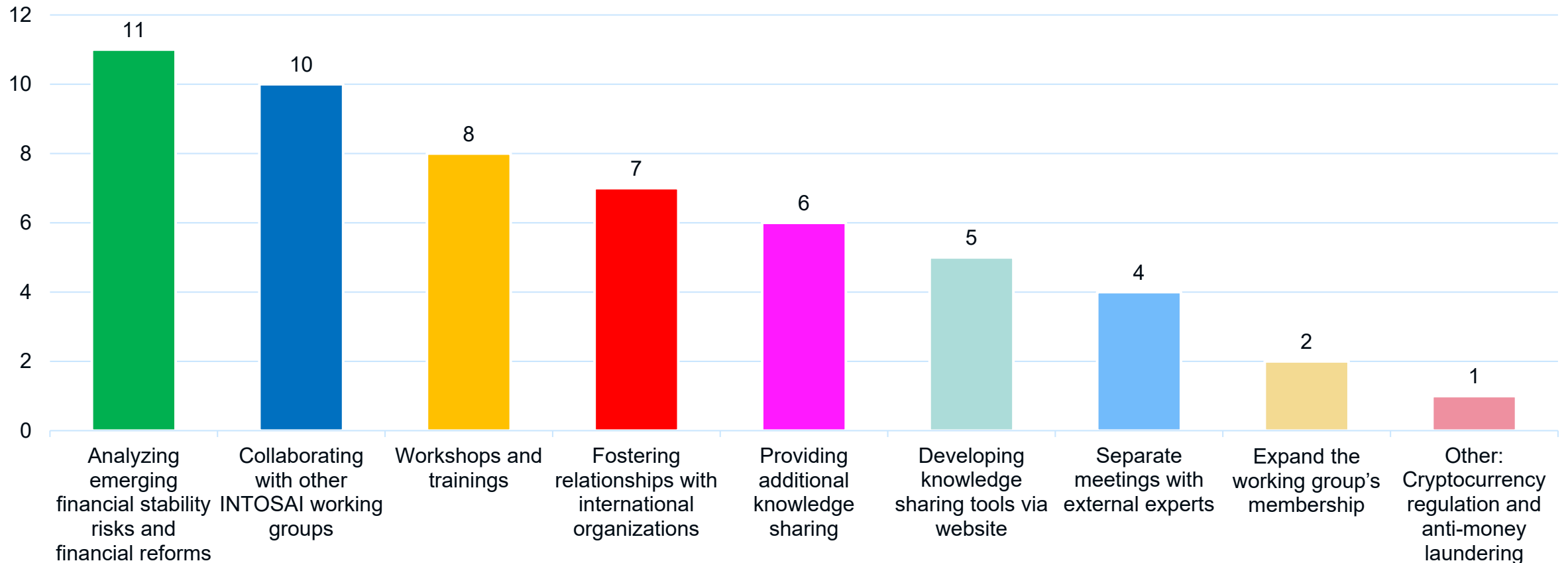
What is your SAI's preference for the structure of future meetings (whether in-person or virtual)?



What topics would your SAI like the working group to focus on at member meetings over the next two years?



What other activities should the working group prioritize over the next two years?



What methodologies would your SAI like to learn more about through internal presentations?

- Performance audits
- Using private sector data
- Sampling and data analysis
- Best practices, challenges, and lessons learned from actual audits
- Regulatory oversight and financial sector reform
- Computer Assisted Audit Techniques (in the context of COVID-19)
- FinTech
- Management of climate-related risks to the financial system
- Internal risk assessment
- Macroeconomic analysis in supervising public finance
- Cryptocurrency in the context of financial system stability and anti-money laundering
- Impact of COVID-19 on financial reforms
- Public financial management

Are there SAIs the working group should consider reaching out to for their interest in joining the working group?

- African SAIs
- Cayman Islands
- Denmark
- Japan
- Norway
- Oman
- Switzerland
- Regional and state-level SAIs

If we consider changing the name of the working group, what alternative name would you suggest?

- Working Group on:
 - Economic and Financial Stability
 - Financial Markets
 - Reforms in Financial Systems and Regulations
 - Development of Financial Regulatory Systems
 - Financial Stability and Regulatory Reform
 - Financial System Development and Modernization
 - Financial Governance
- Keep current name (1)
- No response (10)

Other Suggestions

- Expand the mandate of the working group beyond matters pertaining solely to the financial system into the real economy
- More attention to new financial services and related consumer risks
- Develop information database and newsletter to be shared 2-3 times per year
- Regularly share relevant SAI reports and actions taken
- Conduct shorter stand-alone webinars on key subjects
- Stronger focus on key subjects and emerging risks
- Greater collaboration with international bodies and other INTOSAI working groups
- More meetings / fewer meetings
- Continue sharing methodologies and experiences related to audits of public companies

Final feedback or questions?

