



INTOSAI

WG SDG KSDI

Newsletter

Third issue



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Content



Foreword



Dmitry Zaitsev

Head of the WG SDG KSDI Secretariat

Dear colleagues,

I am glad to present you the Third Issue of the WG SDG KSDI Newsletter. As usual, in this issue we tried to address the most important activities of the Working Group and draw attention towards the priorities of our future work.

First of all, I am very happy to announce that the group continues to expand. This year SAI Canada, Malaysia, the Philippines and Estonia have joined the group. Our Colleagues have comprehensive experience and knowledge in the area of the SDGs auditing information of which you can find in our Newsletter.

The Third issue of the Newsletter mainly deals with the outcomes of the WG's Second Annual Meeting which took place virtually via Zoom App on March 30, 2021. The meeting agenda was highly topical and I would like to thank all WG members and meeting's participants for their active involvement, presentations and valuable contributions. In the Newsletter, we tried to reflect key ideas of the speeches, as well as to inform the INTOSAI community about the WG plans for 2021-2022.

In this issue, we also dwell on the progress of our joint project with WGEA on the GUID 5202 update. We have been actively working on this project for the past year and are going to continue our work. In April, FIPP held its first meeting during which its members considered the Project Proposal and Justification statement of the future GUID

5202, prepared by the WGSDG KSDI and WGEA. Following the meeting, it was decided to present a clearer vision of the future document at the next FIPP meeting in September. The Project Proposal will be updated accordingly taking into account the comments of the FIPP representatives and proposals of the WGSDG KSDI and WGEA subgroup members.

You can also find out the preliminary results of the development of the Guidelines on audit of the reliability of macroeconomic forecasts and the outcomes of the questionnaire on the assessment of macroeconomic forecasts which was conducted earlier.

In this issue, we highlighted the main outcomes of the First INTOSAI International Scientific and Practical Conference, held on April 21-22, 2021. During the second WG annual meeting, the group members participated in an electronic voting to select the most interesting SDGs-related audit topics to be discussed at the Conference. The preferences of the group members were taken into account by the Conference Organizing Committee. The topics which gained most votes were chosen to be considered by the INTOSAI community at the Open Discussions within small groups where the WG members actively participated and shared their experiences and knowledge on a range of SDGs related issues. As a result, the Conference allowed to provide practical benefits not only for SAIs but for the whole INTOSAI community.

Given the importance of the SDGs implementation audit for the whole INTOSAI community, we have included the items, related to the organization of cooperation and exchange of experience with other INTOSAI working groups and regional organizations, into the WG Action Plan for 2021-2022. In the future we will try to establish this cooperation and provide a comprehensive contribution to the development of approaches towards the SDGs implementation audit.

In this release, I also want to present a version of the WG SDG KSDI logo

designed by the Secretariat for further discussion with group members.

Only joint efforts are the key to the successful implementation of the SDGs.

The Secretariat Team is always open for your suggestions on the WG activities and we welcome any ideas or projects you might come up with.

WG SDG KSDI Second meeting

The Second Videoconference meeting of the Working group on SDGs and KSDI was held on March 30, 2021. The Videoconference gathered 101 participants from 26 SAIs as well as representatives from INTOSAI Secretariat, IDI, GIZ, AFROSAI-E and World Bank.

Videoconference started with the welcoming addresses of Dmitry Zaitsev, Head of the WG SDG KSDI Secretariat, and Srinivas Gurazada, Head of PEFA Secretariat at the World Bank, as well as presentations from the WG new members, SAI Philippines and SAI Estonia.

During the meeting, the speakers shared their knowledge and experience on the audit of SDG 4 "Quality education" and SDG 8 "Decent work and economic growth".

The WG Secretariat presented the information on the GUID 5202 update and on the development of the Guidelines on audit of the reliability of macroeconomic forecasts.

The WG members discussed the WGSDG KSDI Action Plan and proposed to include in it some changes.

The participants also voted for the topics to be considered at the Open Discussions on the Audit of SDGs during the First online INTOSAI International Scientific and Practical Conference, under the auspices of the INTOSAI Chair.

Full video of the session is available at the [link](#).

Welcome address



Dmitry Zaitsev

Head of the WG SDG KSDI Secretariat

The COVID-19 crisis has brought even more attention to the topic of sustainable development. The role of SAIs, their focus on existing risks, transparency and efficiency in decision-making could become a decisive factor in promoting the 2030 Agenda.

The goals and objectives of our group are becoming increasingly important in the current situation. Supreme Audit Institutions are the ones that can guarantee the transparency of government activities and we are committed to help our SAIs in this challenging task.

Over the past year, the group has done significant work: we have grown up in terms of membership, we finalized our main documents, carried out a number of important researches and initiated new interesting projects. Equally importantly, we have identified the most important areas of work and can more clearly articulate our plans for the near future.



Srinivas Gurazada
Head of PEFA Secretariat

As the World looks forward to a Green, Resilient and Inclusive recovery from the COVID19 pandemic, the role of Supreme Audit Institutions in SDGs gains unprecedented importance. We already witnessed low focus on progress towards SDGs in several countries. To make up the lost ground, countries will have to adopt a 'whole of government' approach towards SDGs. Ensuring adequate finances, political support, expenditure efficiency and close monitoring are essential for acceleration towards SDGs. SAIs can contribute significantly through their audit reports in ensuring that the ambitions towards SDGs are built upon well-functioning public institutions. INTOSAI Development Initiative (IDI)'s pathbreaking efforts through Transparency, Accountability and Inclusiveness (TAI) Audits open newer opportunities to scale up the impact.

Public Expenditure and Financial Accountability (PEFA) framework is a gold standard for Public Financial Management Reforms. SAIs could draw from PEFA framework and assessments reports in their regular audit work as well as work relating to SDGs. The recently released Global Report on Public Financial Management presents a mixed picture of progress on PFM reforms across 154 countries and presents enormous opportunities for improvements. PEFA pillars on Budget Reliability, Policy based fiscal strategy and budgeting and External scrutiny & Audit closely relates to abilities of countries to make progress towards SDGs from a Public Finance perspective. Further, the World Bank's Atlas of Sustainable Development Goals, draws heavily on PEFA reports' budget reliability data for monitoring progress relating to effective, inclusive and transparent institutions. The PEFA initiative (a partnership program of the European Commission, International Monetary Fund,

World Bank, and the governments of France, Luxembourg, Norway, Slovak Republic, Switzerland, and United Kingdom), looks forward to collaborating with SAIs on SDG agenda.

Presentations of new members



Michael Aguinaldo

Chairman of the Commission on Audit of Philippines

APPROACHES TO SDGS

The Commission on Audit (COA), as the SAI of the Republic of the Philippines, has committed to perform audits on SDGs which would provide independent oversight and substantial inputs to the follow-up and review of the government's sustainable development efforts. In 2018, the COA conducted an audit on preparedness for implementation of SDGs under the programme of the INTOSAI Knowledge Sharing Committee (KSC) – INTOSAI Development Initiative (IDI), the Asian Organization of Supreme Audit Institutions (ASOSAI) and the United Nations (UN). In fact, such audit of preparedness has positively indicated government's progress particularly on the adoption of SDGs into national context, identification and securing resources and capacities needed for implementation, and establishment of mechanism for monitoring, follow-up, review, and reporting.

Forging ahead in this endeavor, the COA currently participates in the Cooperative Audit of SDG Implementation: Strong and Resilient National Public Health System (SDG 3D) using the IDI's SDGs Audit Model (ISAM) framework. In recent years, the COA has also completed four performance audits of government programs linked to SDGs.



Picture 1. Performance audits of government programs linked to SDGs

It is also worth sharing that an ongoing performance audit on the National Solid Waste Management Program (SDG 13) is under the COA's Citizen Participatory Audit approach wherein the internal audit team is reinforced by a citizen partner. Reports on these audits can be found in <https://www.coa.gov.ph/index.php/reports/sustainable-development-goals-sdgs> and <https://www.coa.gov.ph/index.php/cy-2019>

PARTICIPATION IN VARIOUS FORA, KNOWLEDGE SHARING, WORKSHOP AND PROJECTS

The COA officials and employees have been participating in various local and international programs, training opportunities, consultations, conferences and research projects relating to SDGs. To name a few,

COA has vigorously engaged in the following activities: a) SAI Leadership and Stakeholders Meeting; b) ASOSAI Seminar on Audit Implementation of SDGs; c) 7th Asia-Pacific Forum on SDGs; d) Training Review for ASOSAI-ASEANSAI Cooperative Audit on Water Resources Management in Mekong River Basin in line with SDGs; and e) SDG Focal Point Meeting. The COA is a member of the ongoing 12th ASOSAI Research Project entitled: Audit on Implementation of SDGs (leveraging digital or big data to achieve SDGs). These engagements significantly led COA to contribute two reports that are already uploaded on the INTOSAI Atlas on SDGs.

LESSONS LEARNED AND CHALLENGES IN THE AUDIT OF SDGS

One of the lessons learned by COA in the audits of SDGs is the benefit of using the Whole of Government (WoG) Approach. It is a challenge in progress since the audit needs to conclude on the extent of coherence and integration in the implementation of policies.

Moreover, to the extent possible, the audit could include objectives and questions that allow the SAI auditor to conclude on leave no one behind (LNOB) principle and multi-stakeholder engagement.

Correspondingly, the need to having multi-disciplinary teams for conducting audits of SDGs cannot be overemphasized as majority of COA auditors are Certified Public Accountants.

ACTION/PLAN TO STRENGTHEN SAI'S CONTRIBUTION TO SDGS

As there is a need to enhance its current capabilities, the COA has expanded its Performance Audit Office through increased personnel complement aimed to recruit more auditors and other technical staff from different fields and disciplines. Currently, capacity building initiatives and trainings on performance audits are in progress in partnership with the Center for Audit Excellence of the United States Government Accountability Office and United States Agency for International Development. This is in addition to the continuous participation of COA officials and auditors to the programmes of

INTOSAI and its regional bodies. To further enhance awareness among internal and external stakeholders on SDG audits, the COA has established and is maintaining a dedicated [webpage](#) for all its commitments regarding SDGs.



Airi Andresson

Audit Manager, Environment and Sustainable Development Audit Group of the National Audit Office of Estonia

NAO ESTONIA IS PLANNING AUDITS WITH A SUSTAINABILITY LENS

Within the EUROSAC Working Group on Environmental Auditing which the NAO Estonia chaired 2014-2020, the audit of sustainable development and the SDGs have been a frequently discussed theme. It has been highlighted that cross-sectoral approach is inasmuch important for the audit offices as it is to national governments committed to ensuring the achievement of sustainable development related goals. Aside from environmental teams, auditors of other sectors would need to get engaged as well, and the leadership of the SAIs' top-management is essential to include the consideration of the SDGs into the planning process of all audits.

NAO Estonia has followed this path by stipulating in its strategy for 2020-2024 that the assessment of the governance of sustainable development is among the important objectives of the office. This took place after the screening of NAOE's past performance audits, showcasing that most of these had related to the SDG goals and targets in some way. Initial assessment on whether a planned assignment would relate to any of the SDGs is now being done across all NAOE's performance audits. In such a manner, the SDGs can be used as a more general reference, helping the audit teams to conceptually assess their audit subject through the sustainable development "lens", or the SDG goals and targets can be used directly as audit criteria. The NAOE has not yet performed a specific audit on the implementation of the SDGs, but monitors the work of the Estonian government as well as the [Tree of Truth](#), an interactive application maintained by Statistics Estonia which tracks the status of SDG indicators being reported on to the United Nations.

Presentation of the WGSDG KSDI Annual Report 2020 – 2021



Dmitry Zaitsev
Head of the WG SDG KSDI Secretariat

Over the past year, the members of the Working Group have participated in several online events related to the SDGs.

I moderated a panel discussion organized by The Accounts Chamber of the Russian Federation at the Strategic Planning Leaders Forum 2020–2021 last October. Its topic was “Implementing the SDGs in Russia: Challenges and Opportunities”.

The Panel Discussion welcomed representatives of the UN, World Bank, Council of the Baltic Sea, Central Bank of the Russian Federation, Russian Union of Industrialists and Entrepreneurs, Federal State Statistics Service, Ministry of Economic Development of the Russian Federation and Analytical Center for the Government of the Russian Federation.

Ms. Tytti Yli-Viikari, Auditor General of National Audit Office of Finland, and Ms. Archana Shirsat, IDI Deputy Director General, also participated and delivered presentations.

The participants discussed the issues concerning the contribution of various institutions to the implementation of the 2030 Agenda for Sustainable Development, impact of COVID-19 crisis on the achievement of SDGs, UN goals and objectives for the 2020–2050

period and issues related to the implementation of SDGs in Russia.

We also focused a lot on the role of SAIs in implementing the Agenda.

We have hosted another event in October on the initiative of AFROSAI-E and GIZ, which was a joint webinar for the WG Members on the PFM Reporting framework and Guidelines on audit of the reliability of macroeconomic forecasts.

AFROSAI-E and GIZ developed a new tool for auditors, the PFM Reporting Framework assessment tool, which is currently used by Supreme Audit Institutions in over 15 countries in Africa, Europe and Latin America.

The secretariat of the working group provided an update on the preparation of Guidelines on audit of the reliability of macroeconomic forecasts.

Russian is not an official INTOSAI language, but a number of SAIs of the CIS member states need analytical and methodological materials from INTOSAI and its organs translated and adapted into Russian. We believe that this kind of training activities would greatly contribute to the promotion of the 2030 Agenda in the Russian-speaking area and add value to the global implementation of SDGs in general.

We plan to hold a training seminar for SAIs of the CIS member countries in the second half of November with training videos on two major topics.

The first one focuses on methodological issues, including general information about ISAM, SDG audit approaches, stages of auditing, tools used.

The second topic will cover the key aspects of conducting preparedness audits based on the experience of the SAI of Russia.

We also plan to share and promote ISAM among the CIS SAIs. We have

translated the document into Russian and will distribute it among the Russian-speaking regional accounts chambers.

We appreciate the efforts of INTOSAI bodies in promoting the Agenda.

Notably, we joined the Communities of Practice (CoP) on the SDGs that was launched by the KSC on the INTOSAI community portal. CoP keep the members updated with recent developments, initiatives and events related to the SDGs. It is very useful from a practical point of view that documents related to the SDGs are collected in one place.

I would like to report on the results of the research carried out by the secretariat last year. As you might remember, we conducted audit surveys for SDG 4 "Quality education" and SDG 8 "Decent work and economic growth".

The surveys were aimed at analyzing the WG Members' experience on the SDGs audit and examining possibilities for cooperative audits.

8 SAIs provided answers for the questionnaire, these are Austria, Azerbaijan, Belarus, Bulgaria, China, Slovakia, Kuwait, Peru.

The survey shows that a range of SAIs have already been conducting or plan to conduct an audit of SDG 4 and SDG 8 implementation.

7 SAIs conducted or plan to conduct audit of SDG 4 in 2021, and 4 SAIs are ready to participate in joint parallel audits.

Most of the respondents had already conducted audits of SDG 8, including audits of institutions responsible for innovative development, and plan to continue their audit activities in 2021.

4 SAIs are ready to participate in the cooperative audits.

The key principles for the group's activities are Openness and inclusiveness. We try to involve other working groups and regional organizations in cooperation. In line with the Action plan, the Secretariat sent suggestions for cooperation to the Working Group on

Big Data and EUROSACI.

I think everyone will agree that the value of big data analytics in SDGs audits cannot be overestimated. SAI audits have to deal with huge amounts of data from a variety of sources. Analyzing and processing information requires appropriate approaches and tools. I believe that together with the WG on Big Data we could implement a joint pilot project in the future and make a product that would be really useful for SAIs.

We also place premium on cooperation with EUROSACI and take note of the great interest of the organization in the SDGs audit. The EUROSACI Strategic Plan 2017-2023 defines objective 1.2. "To support the development of innovative audit approaches and methods making use of new technologies" which specifies activities for auditing the achievement of the SDGs.

The audit of SDG implementation is widely discussed by EUROSACI members at multiple venues. Our cooperation could be based on the exchange of experience and the development of new approaches.

Speeches and presentations



Archana Shirsat

Deputy Director General & Head of Capacity Development at IDI

Siri Hellevik

Manager at IDI

BUILDING BACK BETTER: SAI CONTRIBUTION TO IMPLEMENTATION OF THE SDGs IN COVID TIMES

"The recovery phase from the pandemic represents an opportunity for all levels of government to build back more inclusive, equal, resilient and sustainable societies." ECOSOC President, HLPF July 2020.

Starting its presentation with this quote, IDI focused on a) how IDI has innovated to provide support to SAIs and b) how SAIs are currently working to build back better by undertaking audits of SDG implementation.

IDI's approach to support SAIs is based on the IDI SDGs Audit Model which is currently being piloted, with inputs and lessons learned being noted to further refine the model. In delivering the support to SAIs involved in undertaking SDG implementation audits and in light of the COVID-19 pandemic, IDI has innovated support for these audits in the following way:

- Move from blended to entirely online support

- Integrated education & audit support platform – online platform that interweaves education support through online webinars, social learning, other subject matter material with audit support in dedicated space for documenting the audit phases.
- Innovative subject matter - e.g. audits on sustainable public procurement, audits on health systems resilience
- Innovative tools
- Focus on build back better – enhancing capacities for health systems resilience and on more sustainable public procurement

Moreover, IDI presented how SAIs are currently contributing to build back better by undertaking performance audits of SDG implementation with the support of IDI and partners – in three areas that are all vital to focus on for societies to build back better – creating more sustainable, inclusive societies that are better capable of meeting future challenges:

- 14 SAIs in OLACEFS region on sustainable public procurement using data analytics – linked to SDG 12.7
- 40 SAIs in ARABOSAI/ASOSAI/CAROSAI/OLACEFS (Peru)/PASAI regions on Audits of strong & resilient national public health systems - linked to SDG 3.d
- 1 SAI (Uganda) on Audit of Elimination of Intimate Partner Violence Against Women – linked to SDG 5.2

IDI team shared some lessons learned from the work so far, such as the challenges in linking national target to SDGs target and the level of complexity the auditors need to handle in such an audit. At the end, IDI's presentation focused on the way forward, which for IDI includes experimenting with strategic foresight to pick global high-risk issues and the need to build audit frameworks for such global high risk issues.



Silke Steiner
Director of the General Secretariat of INTOSAI



Elisabeth Dearing
Expert on Public Governance of the Austrian Court of Audit

SDG “preparedness audit”: report published in July 2018

- Follow-up audit ongoing
- Audit on the implementation of SDG target 12.3: report to be published soon
- Principles:
 - “Whole of government”–approach
 - Inclusiveness
 - Outcome-oriented
- Integration of the SDGs in all performance audits

ACA Audit on „early childhood linguistic advancement“- an example

- assessed the impact of financial funding on German language skills of children before entering primary school
- had a close connection to SDG 4.2 (...to ensure that all girls and boys have access to quality early childhood development.... so that they are ready for primary education) The indicator for SDG 4.2.1 addresses among others Learning: expressive language, literacy
- SDG 4.2 was helpful
 - as a framework for orientation during the audit and
 - to focus on the most relevant audit questions



Jana Juriová

Head of strategy and analysis department of the Supreme Audit Office of the Slovak Republic

For auditing SDG4 (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all) in Slovakia the starting point was to define Education as one of the strategic priorities for 2018 – 2020. SAO SR defined Education also as one of three highest priorities of audit activities for individual years, because SR gives about 4.6 % of GDP per year for this public policy area.

Due to the lagging in PISA indicators, SAO SR focused mostly on analyzing and auditing target 4.1: Ensure quality primary and secondary education. Analytical activities included two commentaries: "Are the teachers motived to provide quality performance? (remuneration of pedagogical staff in primary schools)" and "Count on a poor quality textbook (Textbooks for elementary schools – findings and recommendations)". The SAO SR prepared a questionnaire for schools and one the key findings from the survey was that more than 3/4 of the addressed schools considered the textbooks for mathematics as unsatisfactory and often unsystematically written.

Audit activities in 2018 – 2020 were focusing on budgetary organizations in the education, electronization of education and higher territorial units - creators and implementers of selected public policies. In connection with target 4.2: Ensure access to quality early childhood development, care and pre-primary education, in 2020 SAO SR conducted audit on expanding the capacities of preschool facilities. In 2018 Slovakia had the 3rd lowest share of children in kindergartens from 4 years until compulsory entry into schools from all EU countries: EU28 – 95.3, SR - 82.2%. SAO SR audited projects of expanding capacities of preschool facilities in the region Košice that was the region with only 70% of 5-year old children in these facilities. This audit

topic continues also in 2021 with auditing availability of pre-primary education for children from socially disadvantaged background (especially marginalized Roma communities) at the municipal level.



Aldo Adamo

Supervisor – Subdirectorate of Cooperation and International Relations of the Office of the Comptroller General of the Republic of Peru

During the WGSDG KSDI Second Annual Meeting, the Office of the Comptroller General of the Republic of Peru shared one of its experiences related to the control of the implementation of the SDGs in the country. The SAI of Peru has conducted audits related to the preparation for implementation and implementation of the SDGs of the United Nations 2030 Agenda, and among the most outstanding are the audits on SDG 2, SDG 6, SDG 8 and SDG 16, among others. At the regional level in OLACEFS, the SAI of Peru will lead an upcoming coordinated audit of SDG 3: Health and Wellbeing¹.

The particular experience that the SAI of Peru shared during the Meeting was related to SDG 8, in particular with Indicator 8.8.1. One of the simultaneous control modalities used by the SAI of Peru is called "ex officio orientation", which consists of the review and documentary analysis of the information linked to one or several activities of an ongoing process to verify that the activities are carried out in accordance with the applicable regulations, internal provisions or contractual or other stipulations. This makes it possible to identify any adverse situation that affects or may affect the continuity, the result or the achievement of the objectives of the process.

The SAI of Peru carried out an ex-officio orientations between July and September of 2019 to the Peruvian Ministry of Labour and Promotion of Employment, to check the way Occupational Health and Safety Indicator was constructed and reported. During the review an adverse

¹ For more information please look here: <http://bit.ly/TDRODS3>

situation was identified: "The definition of the indicator related to occupational safety and health does not contemplate the disaggregation of SDG indicator 8.8.1² with regard to the migrant population, a situation that could lead to the failure to identify accidents and occupational hazards of foreign workers according to their nationality."

The report was sent to the appropriate authorities with the aim of adopting the corresponding preventive actions, within the framework of their functions and obligations in institutional management, with the objective of ensuring the result with respect to the improvements that could be implemented in the Information System of Workplace Accidents, Dangerous Incidents and Occupational Illnesses.

² Fatal and non-fatal occupational injuries per 100,000 workers, disaggregated by sex and migration status



Xia Shiyuan

Principal Consultant of Audit Research Institute of the National Audit Office of the People's Republic of China

Section 1 Employment policies in China under COVID-19

First, China formulated and implemented macro policies to meet the urgent needs of market entities and kept the fundamentals of the economy stable³.

Second, we gave top priority to stabilizing employment and ensuring people's basic living needs and effectively safeguarded people's livelihood. Employment is pivotal to people's wellbeing.

Third, China strived to ensure employment for key groups including college graduates. Fourth, we improved the vocational skills of workers and increased the support for people facing difficulties.

Section 2 Audit findings

Although much has been done in China in promoting employment, there are still problems identified through auditing, such as improper fund management and use, ineffective policy implementation, and delays in construction and fund allocation concerning employment related education.

Section 3 Areas to be strengthened in future audits

In the future, we will pay attention to relevant supporting funds and implementation of employment related policies, strengthen audits relating to flexible employment and new forms of employment, focus

³ The six fronts refer to employment, the financial sector, foreign trade, foreign investment, domestic investment and expectations. The six areas refer to job security, basic living needs, operations of market entities, food and energy security, stable industrial and supply chains, and the normal functioning of primary-level governments.

on the issue of "jobless recovery" and promote synergy among employment policies and other livelihood policies.



Büşra Lüleci Torun

Principal Auditor of the Turkish Court of Accounts

WHAT'S NEXT: SDG IMPLEMENTATION AUDIT

Auditing SDGs is one of the most outstanding areas where SAIs can touch citizens' lives and can add remarkable values for the humanity. Including the pandemic process, we are going through, recent developments have revealed that it is impossible to ignore or not to take into account the SDGs particularly for the SAIs because the SDGs start to become an inevitable aspect of audit work day by day and even seem to locate in the heart of our work in the near future.

Therefore, the TCA (Turkish Court of Accounts) is attributing great importance to stay relevant to the SDGs and tries to find proper ways to transfer the SDGs to the audit work as much as possible. As the point we have reached; the TCA conducted and completed the SDGs preparedness audit and the audit report named as "Evaluation of Preparation Processes for the implementation of the Sustainable Development Goals" has just been published. Now the TCA focuses on the audit of the implementation of the SDGs within the scope of its current audit program.

The Ongoing Experience of the TCA on the SDG Implementation Audit

Actually, just before the ISAM was published by the IDI, the TCA already launched the preparations of selecting the audit topic bearing in mind the selection criteria in line with the international auditing standards: mandate, significance, auditability, audit capacity, audit impact. Our team suggested three possible audit topics to the Presidency of the TCA. And the TCA considered the national realities and priorities as well and finally decided on conducting an SDGs implementation audit on

the renewable energy policies and practices of Turkish Government.

Audit Objective

Since the audit objective should include the core aspects of an audit, it is crucial to design the audit objective meticulously. In this context, our audit objective is "To evaluate the efficiency of Turkey's policy and practices regarding the selected national targets aimed at increasing the share of renewable energy sources in the total electricity generation of Turkey, within the framework of SDGs principles." We tried to cover all aspects of an SDG implementation audit while designing the audit objective.

Audit Scope

Determining the limits of the subject matter in other words identifying the audit scope is another important issue that we should elaborate during the planning process. As ISSAI 5130 (GUID 5202) said, we should keep the scope of SDGs implementation audit as narrow as possible in order to enable to an elaborative study.

Audit Approach

Our audit approach is both program-based and output-based, exactly as the ISAM says. This mixed approach allows us to assess both the extent to which the SDGs considerations have been achieved by the government and the extent to which the government has achieved the national selected target and/or the likelihood of accomplishing the target as well.

Audit Methodology

The SDG implementation audit is a kind of performance audit which has also multidimensional and layered nature. The auditors should track and evaluate to what extent the government success the SDGs considerations besides the achievement of the selected national target during an SDG implementation audit process.

In this context, the ISSAI 300/3000 auditing principles and standards for performance auditing and the essentials and procedures specified in the ISAM model should be followed.

Conclusion

In a nut shell, auditing the implementation of the SDGs, the methodology of which is still being developed by the IDI, seems to be one of the most important and functional tools to meet the evolving roles and responsibilities of SAIs in measuring and monitoring progress of the SDGs.

Just because SDG implementation audit is an audit of a national target linked with the relevant SDG, each country's SAIs should give particular importance to its' national priorities in selecting the national target to be audited and even at every stage of the audit. In addition, we should always keep in mind that the SDG implementation audit is a type of performance audit that includes key aspects of the 2030 Agenda and the core principles of the SDGs.



Alexey Loshkin

Chairman of the Control and Accounts Chamber of
the Chelyabinsk Region

Analysis of how the UN General Assembly Sustainable Development Goals are pursued in the Chelyabinsk Region is unique, as this is the first time a Russian region control and accounts chamber has analyzed integration of global indicators at the regional level.

The results show that the Chelyabinsk Region is rapidly boosting its efforts in this direction.

14 SDGs are directly or indirectly integrated into the Chelyabinsk Region's strategic documents, such as the 2035 Socio-Economic Development Strategy, regional projects and government programmes. Even the Chelyabinsk Region Charter includes mandates corresponding to 11 SDGs for government and municipal authorities.

So, SDGs are quite highly integrated into the major documents of the Chelyabinsk Region, taking into account its economic and geographical features.

In the Chelyabinsk Region, SDGs, targets and indicators were less integrated than in Russia as a whole: 59%, 21% and 24%, respectively. This is mainly because there are SDGs that simply cannot be implemented on the territory of the Chelyabinsk Region, such as the SDG Life Below Water, while the Region is land-locked.

Out of the 59 regional indicators, 34 are direct ones, corresponding fully to the global indicators, with a 14% degree of integration. The remaining indicators are indirect, being related directly or indirectly to the global indicators.

At this stage, we came to the conclusion that in order to make a real

assessment of the integration of SDG indicators, all indirect indicators are needed to be reworked into direct indicators that meet the UN standards.

In general, we see that the implementation of the Sustainable Development Goals in the Chelyabinsk Region is underway.

To improve it, we consider it necessary to:

- 1) supplement the strategic planning documents of the Chelyabinsk region with indicators corresponding to the SDG indicators, and assign responsibility for their achievement to the regional executive authorities;
- 2) create a Regional Project Office to coordinate work within the framework of the implementation of the 2030 Agenda;
- 3) enhance inter-institutional cooperation, including among the territorial statistical bodies and the executive authorities in order to ensure the correlation of reporting data on the SDGs indicators;
- 4) inform the public about the UN Sustainable Development Goals and the measures taken by the executive authorities to achieve them.

Information on GUID-5202 update – a joint project of WGEA and WGSDG KSDI



Anton Kosyanenko

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

The GUID 5202 "Sustainable Development: The Role of Supreme Audit Institutions" was developed in 2004, already 17 years ago. In 2014-2016 WGEA was in a process of updating the GUID 5202 but the initiative was however put on hold due to the adoption of Agenda 2030 and Sustainable Development Goals in 2015. In late 2020 WGSDG KSDI and WGEA decided to unite efforts in order to update the guidance.

We believe that GUID-5202 is a very concise and well-written document, but it is clearly outdated. It does not include recent developments both in terms of the subject matter and new approaches to audit. As a result, it's unable to provide the relevant advice and address the practical needs of SAIs.

Before starting the work WGSDG KSDI Secretariat have conducted a short survey among the WG members concerning the possible project. The feedback was positive as the WG members felt the need to update the document.

WGSDG KSDI with WGEA have established cross-functional project team which consists of 13 SAIs (SAIs of Austria, Belarus, Bulgaria,

Canada, China, Czech Republic, Finland (WGEA Secretariat), Indonesia, Morocco, Peru, Russia (WG SDG KSDI Secretariat), Slovakia and Turkey).

Being a part of The INTOSAI Framework of Professional Pronouncements GUID 5202 is to be updated in accordance with the Due process for development/revision of INTOSAI Professional Pronouncements. The project team have compiled a project proposal and is currently communicating with the FIPP in order to include the project into INTOSAI Strategic Development Plan.

We realize that we face a difficult task. On the one hand that we seek to provide a high-level document that would be discussing what role can SAIs play in achievement of SDGs. On the other hand, we need to provide a subject matter specific, practical guidance and relevant guidance to the SAIs that undertake to audit the attainment of SDGs.

We feel that the updated GUID 5202 must be a very slim document, in simple terms emphasizing the most important aspects we would like to do. The use of visualization and infographics, where appropriate, might facilitate understanding of the information. We plan to provide a kind of generalization space for examples that present larger typologies of various approaches to sustainable development and the SDGs. We will do it in line with the core principles of INTOSAI and IFPP.

The project team aspires to provide an update of the document in 2022, commemorating the 30th anniversary of the Rio Conference of Sustainable Development. It would be a timely and solid sign of INTOSAI being on the top of the global concerns.

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



Anton Kosyanenko

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

The idea to develop Guidelines on audit of the reliability of macroeconomic forecasts appeared back in 2017. We started to directly implement this idea after the XXIII Congress and the approval of the GUID - 5290 - Guidance on Audit of the Development and Use of Key National Indicators.

From the very beginning we knew that SAIs play a crucial role in the development and evaluation of macroeconomic forecasts. But at the same time, the process of development, evaluation and use of macroeconomic forecasts for each country is unique in its own way, and the role of SAIs depends on institutional characteristics.

The Guidelines is being developed outside IFPP due process, but with the highest possible level of quality assurance procedures. We do not seek to create a standard but rather seek to define common approaches to the development and evaluation of macroeconomic

forecasts in different countries, as well as to exchange experience while searching best practices.

The Guidelines will consist of three main chapters:

- The role of SAIs in development and use of macroeconomic forecasts.
- General principles for performing assessments of the reliability of macroeconomic forecasts.
- Subject matter of the reliability of macroeconomic forecasts auditing.

The first chapter is intended to describe the role of SAIs in development and use of macroeconomic forecasts in various countries. It will highlight some common features and describe some peculiarities of the process in different countries. Also, this section will present the tasks of the development of macroeconomic forecasts and their impact on the public policy making processes.

The second chapter will describe the mechanisms for auditing macroeconomic forecasts in various countries. We plan to formulate general principles and approaches to assessing their reliability.

The third chapter will cover two topics:

- Assessment of the forecasting process.
- Assessment of the organizational framework.

This chapter will present general methods for evaluating forecasting and will outline the principles of forecasting used in different countries.

We have quite a busy schedule for the development of the Guidelines, and we look forward to your further assistance in this process.

Already with this issue of the Newsletter, we publish the results of the survey, conducted among the WG members. This knowledge base

reflects the institutional frameworks, principles and approaches to the development and assessment of macroeconomic forecasts in the WG member countries. We will be glad to receive any information that can supplement the knowledge base. We plan to improve it during the entire period of Guidelines' development.

In early September 2021, we are going to present a detailed outline of the Guidelines and ask WG members to participate in its discussion.

Next, we will move on to the development of the text of the Guidelines and plan to present its draft at the WG meeting in the spring of 2022.

We hope to obtain the endorsement version of the Guidelines approved before the XXIV INCOSAI.

WG SDG KSDI survey

A principle of basing the budget projections on macroeconomic forecasts is widely followed nowadays. At the same time the institutional frameworks for development and especially assessment of reliability of such forecasts varies greatly across countries.

At the preliminary stage of preparing Guidelines on audit of the reliability of macroeconomic forecasts, it was decided to try to map this highly heterogeneous field. The secretariat developed a questionnaire which included items on the legal and regulatory framework of forecasting, types of forecasts and their content, timing and frequency of publication, as well as their assessment and ways of disseminating information.

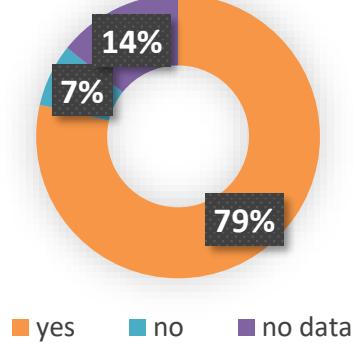
The questionnaire was disseminated among the Working Group members in December 2020. 13 SAIs provided their feedback - Azerbaijan, Belarus, Brazil, Bulgaria, China, Finland, India, Indonesia, Italy, Kuwait, Lithuania, Peru, Slovakia. Despite the difficulties in data comparability, this information showed us to what extent the approaches used to develop and evaluate forecasts in member-countries differ one from another.

We have consolidated SAI's responses into a single document - a knowledge base. The knowledge base allows to analyze which approaches to the development and evaluation of macroeconomic forecasts are of a general character and which are unique for a given country, as well as to determine the role of SAIs in the process of forecasting and evaluating a macroeconomic forecast.

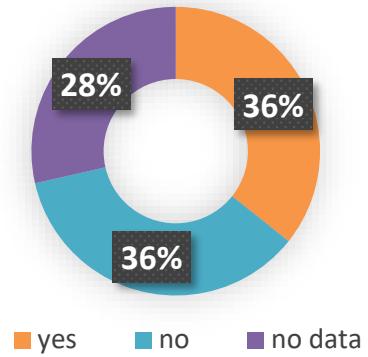
Thus, most of the responded SAIs stated that in their countries the macroeconomic forecast is used as the basis for budgeting, but not in all countries SAIs are involved in its assessment, and only a few SAIs

develops their own forecasts. The approach to assessing macroeconomic forecasts by SAIs differs quite noticeably, although, definitely, general patterns can be traced.

SAIs **assess** the reliability of macroeconomic forecasts



SAIs **provide** alternative forecasts



Picture 2. Results of the survey

In the future, we plan to expand and improve the knowledge base in order to obtain the most representative samples. This will help us not only to provide general guidelines, but also collect unique examples of SAIs' working experience to identify best practices that we can cite in the Guidelines.

First INTOSAI International Scientific and Practical Conference

The First INTOSAI International Scientific and Practical Conference was held on 21–22 April 2021 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 with representatives of the scientific community. Over the two days, about 500 representatives of 101 SAIs took part in the event. At the opening of the conference, Chair of the Accounts Chamber of the Russian Federation and of INTOSAI Aleksei Kudrin, INTOSAI Secretary General Margit Kraker, and OECD Secretary General Angel Gurria addressed the guests.

The Plenary Session "*Public Sector Auditing and Evolution of Governance Practices During and Post Emergency*" was held on the first day of the Conference. The main discussion covered how government institutions, policies and practices should be adapted; long-term development of public sector monitoring and SDG implementation during the crisis. The Day 1 plenary discussions involved representatives of the World Bank, UNDP and the International Budget Partnership.

Similar to the first day of the Conference, the second day's Plenary Session "*Online Education: new normal or temporary solution?*" marked the beginning of the meeting. Within the Session speakers discussed new normal demands for education, online educational platforms and possible synergy of online and offline formats.

The Conference was an important event for assessing the valuable mid-

term results of the Russian Federation Accounts Chamber's chairmanship of INTOSAI, obtaining "live" responses, understanding the true situation regarding implementation of the Moscow Declaration and the search for promising ideas and a road map for the organization's strategic development. It gave a new boost to professional discussion within the international auditing community and demonstrated applications of innovative approaches to auditing.

The Conference was distinguished by a series of open discussions within the INTOSAI expert community: 31 small groups considered aspects of auditing healthcare, social support, government procurement, data analysis problems, inclusivity, openness, a strategic approach to state auditing and auditing attainment of sustainable development goals. The discussions were moderated by representatives of 20 SAIs (Austria, Bosnia and Herzegovina, Brazil, Hungary, Greece, India, Indonesia, Mexico, Moldavia, the UAE, Pakistan, Peru, Portugal, Russia, Slovakia, the USA, Finland, Chile, the RSA, the European Court of Auditors), as well as the INTOSAI Development Initiatives, the Moscow Chamber of Control and Accounts and the Higher School of Economics.

The key observations within the "Auditing SDGs" small group included the following:

- Monitoring of SDGs fulfilment is based on the list of SDGs indicators and that of national indicators. Many countries face a shortage of state statistical observations and indicators not taken into account at the national level.
- Global SDGs indicators do not fully meet the goals and tasks of sustainable development, and not all country indicators are up to date. So, SAIs and INTOSAI are making extra efforts to improve the SDGs indicator system and develop a new basis for monitoring them after 2030.
- Many SDGs indicators are not monitored by national statistics agencies or this is done without due care owing to unreliable data, lack of liability for

monitoring results, and poor coordination of efforts in implementing Agenda 2030.

- SAIs should focus more on SDGs auditing, preparing recommendations and monitoring their fulfilment. SAIs should encourage governments and national statistics agencies to include any missing indicators in the national action plan.
- SAIs are called on to collaborate effectively with society and keep people better informed about the importance of achieving SDGs, improve the system of indicators and develop a new system for auditing after 2030.
- It is advisable to work up existing INTOSAI documents concerning sustainable development and SDGs, and to draw up subject-based and practical guidelines for auditing SDGs outside the system of INTOSAI professional documents.
- The system of global and national indicators should be further developed and synchronized, and effective exchange of experience between SAIs boosted.
- If sustainable development indicators present a reliable picture of SDGs fulfilment, Agenda 2030 receives due coverage at the national level and more SAIs monitor sustainable development, the result will be better global SDGs attainment indicators.

Materials of the conference are available at the [link](#).

Full videos of the Conference are available [here](#).

The summary of the Conference with key observations of discussions held in each small group will be shared soon at the INTOSAI Chair website.

Case studies

Canada



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

Auditing the Sustainable Development Goals

Office of the Auditor General of Canada's perspectives and practices

Canada is one of the 193 countries that has adopted the United Nations' 2030 Agenda for Sustainable Development. In accordance with the INTOSAI's 2019 strategic plan, Canada's Office of the Auditor General (OAG) committed to align its audit work with the 2030 Agenda by supporting the four approaches established by INTOSAI as described in its [Sustainable Development Strategy](#). To date, SAI Canada has issued two government-wide audits on the federal government's preparedness to implement the SDGs, and on progress toward the implementation of the SDGs. In addition, the SAI is integrating SDGs in all of its performance audit work and contributing to SDG 16 in all the work that it does.

In 2018, SAI Canada tabled a report titled, [Canada's Preparedness to Implement the United Nations' Sustainable Development Goals](#). The SAI concluded that the Government of Canada had not developed a formal approach to implement the 2030 Agenda and the SDGs and recommended that the federal government (1) develop and communicate a governance structure to manage the implementation of the 2030 Agenda; (2) establish an inclusive communication plan and engagement strategy for the federal government to raise public

awareness and consult and engage other levels of government and Canadians; and (3) establish and communicate an implementation plan to achieve the national targets and SDGs in Canada. Budget 2018 identified some funds and a leader to implement the SDGs within the federal government.

In April 2021, the SAI followed-up on the 2018 report and audited the [Implementation of the SDGs](#), as well as three SDG global targets. The SAI concluded that the federal government laid some foundational blocks for implementing the 2030 Agenda though much work remained to be done to enable national collaboration. Regarding the three SDG targets (1.2, 5.5, and 8.5), the audit concluded that elements such as leadership, coordinated action and data are important to achieve the SDG targets. SAI Canada recommended improvements to: the governance structure for more defined leadership, the current measuring system and access to disaggregated data, and collaboration across stakeholders that would also improve policy coherence for sustainable development. The audit also highlighted areas where COVID-19 would impact progress on implementing the SDGs and how the SDGs are an opportunity for a sustainable recovery.

SAI Canada has also committed to ensure that all direct engagements (performance audits and special examinations of Crown corporations) contribute to progress toward the SDGs. The OAG currently has posted five performance audits that do so on the [INTOSAI Atlas](#):

- 2020 - Follow-up Audit on the Transportation of Dangerous Goods | Audit de suivi sur le transport des marchandises dangereuses

[Canada Fall 2020 Report 1 Full Report English](#) 747 KB

[Canada Fall 2020 Report 1 Full Report Français](#) 777 KB

- 2019 - Non-Tax Subsidies for Fossil Fuel – Environment and Climate Change Canada | Les subventions non fiscales aux

combustibles fossiles – Environnement et Changement Climatique Canada

[Canada Spring 2019 Report 4 Full Report English](#) 455 KB

[Canada Spring 2019 Report 4 Full Report Français](#) 447 KB

- 2019 - Tax Subsidies for Fossil Fuel – Department of Finance Canada | Les subventions fiscales aux combustibles fossiles – Ministère des Finances Canada

[Canada Spring 2019 Report 3 Full Report English](#) 444 KB

[Canada Spring 2019 Report 3 Full Report Français](#) 438 KB

- 2019 - Aquatic Invasive Species | Les espèces aquatiques envahissantes

[Canada Spring 2019 Report 1 Full Report Français](#) 1 MB

[Canada Spring 2019 Report 1 Full Report English](#) 1 MB

- 2018 - Canada's Preparedness to Implement the United Nations' Sustainable Development Goals | L'état de préparation du Canada pour la mise en œuvre des objectifs de développement durable des Nations Unies

[Canada Spring 2018 Report 2 Full Report English](#) 2 MB

[Canada Spring 2018 Report 2 Full Report Français](#) 2 MB

Looking forward

WG SDG KSDI Action Plan for 2021-2022

Activity	Time	Coordinator/ Participants
1. INTOSAI Chair Conference	April 21-22, 2021	WG Secretariat, WG Members
Open discussion on SDGs	April 22, 2021	WG Secretariat, WG Members
2. Pilot project on GUID-5202 update activity	2020-2022	WG Secretariat, WG Members, WGEA
3. Guidelines on audit of the reliability of macroeconomic forecasts	2020-2022	WG Secretariat
Presentation of interim results	April 2022	WG Secretariat
4. Adaptation of the SDG audit methodology in different regions	the whole period	WG Secretariat, WG Members
4a Pilot Project on support of SDG auditing for CIS SAIs	2020-2022	WG Secretariat, IDI
Preparation of training videos for CIS SAIs	February 2021 – October 2021	WG Secretariat
Seminar for the members of the Council of the Heads of Supreme Audit Institutions of the CIS Member States on the “Audit of the SDGs implementation”	November 2021	WG Secretariat, IDI

Promotion of ISAM among the CIS SAIs	February 2022	WG Secretariat, IDI
5. Cooperation with the INTOSAI General Secretariat	the whole period	WG Secretariat, WG Members
Consultations on the group's activities	as necessary	WG Secretariat, WG Members
Sharing of SDG-related best practices	the whole period	WG Secretariat, WG Members
Raising awareness of SAI staff members for the importance of SDGs and leading by example	the whole period	WG Secretariat, WG Members
6. Cooperation with INTOSAI working groups	the whole period	WG Secretariat, WG Members
Cooperation with WG on Environmental Auditing (WGEA)	the whole period	WG Secretariat, WG Members
Cooperation with WG on Big Data (WGBD)	the whole period	WG Secretariat, WG Members
7. Cooperation with INTOSAI regional organizations	the whole period	WG Secretariat, WG Members
Cooperation with EUROSACI	the whole period	WG Secretariat, WG Members
8. WG SDG KSDI Newsletter	the whole period	WG Secretariat, WG Members
Third Issue	June, 2021	WG Secretariat,
Forth Issue	December, 2021	WG Members
9. Social Media	the whole period	WG Secretariat
WG SDG KSDI websites update	the whole period	WG Secretariat
News about the WG SDG KSDI activities in XXIII INCOSACI twitter	the whole period	WG Secretariat
10. WG SDG KSDI Third meeting	April 2022	WG Secretariat, WG Members

Call for ideas

Two years have passed since the creation of the group, and we believe that it's time to develop the group's logo.

The Secretariat has now completed its version of the logo, which you may see below, and would appreciate your involvement in this work.



We are looking forward to hearing your opinion on the designed logo and we would appreciate you sending any other possible versions to the Secretariat.

As soon as several versions of the logo are available, the Secretariat will distribute them among the group members, who will vote to choose the final version.

We will appreciate to receive your ideas concerning the WG SDG KSDI logo at wgsdg_ksdi@ach.gov.ru by August 30.

Accounts Chamber portal

<http://audit.gov.ru/en/page/the-intosai-working-group-on-sdgs-and-key-sustainable-development-indicators>

INTOSAI Community Portal page

<https://www.intosaicommunity.net/KeyNationalIndicators/>

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