



59th Governing Board Meeting of ASOSAI
Busan, Republic of Korea, 21-22 September 2023

Agenda Item No. 4.

*Report of the Secretary General on the Secretariat activities
since the previous meeting*



Meeting	59 th Governing Board Meeting of ASOSAI
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Presented by	Mr. Hou Kai, Secretary General of ASOSAI and Auditor General of China

Your Excellency General Chanathap Indamra, Chairman of ASOSAI,

Your Excellency Choe Jaehae, Host of the meeting,

Distinguished members of Governing Board and Audit Committee,

Dear colleagues,

It gives me great pleasure to meet you all in-person for the first time after the constitution of this Governing Board at the 15th Assembly in 2021. I am pleased to see all our friends of the ASOSAI community are in good health and spirit.

Taking this opportunity, I would like to thank Mr. CHOE Jaehae, Chairman of the Board of Audit and Inspection of Korea, for kindly hosting this meeting and offering us an opportunity to meet in the beautiful city of Busan. I would also like to thank the staff of the Board of Audit and Inspection of Korea for their meticulous preparation and gracious hospitality.

Now, please allow me to report on the Secretariat activities since the last Governing Board Meeting held online in May 2022.

1. Finance

The ASOSAI revenues consist of admission fee, annual contributions, voluntary contributions and interest income. The revenues for FY2022 totaled 235,852.93 USD, among which 131,524 USD was received as annual contributions, representing 56% of the total revenue. The voluntary contributions received for FY2022 was 101,053 USD, representing 43% in total revenues.

The ASOSAI expenses include the cost of capacity development activities, ASOSAI Journal and other financial costs. In FY2022, the ASOSAI expensed registered 5,528.98 USD.

The financial statements were audited and received unqualified opinions from the interal auditors. In general, the ASOSAI has been maintain a good financial position dispite the impact of pandemic.

The details of the ASOSAI finance will be expounded on Agenda item No. 5.

2. Capacity Development Activities

The second Pilot Capacity Development Program was implemented from 2020 to 2022 on “Audit on Implementation of Sustainable Development Goals (SDGs)”. The Audit Review Meetings were held virtually in October, 2022, as the last activities of the two-year program.

ASOSAI Seminar for 2022 on “Challenges in IT Audit and How to Deal with them” was held online in February 2023. The timing of the Seminar was postponed for several months after consulting with the two Subject Matter Experts, in order to make the Seminar more comprehensive.

In October 2023, a workshop will be conducted in Hanoi, Vietnam. The topic will be on “Audit of Infectious Disease Prevention Programs in post COVID-19 situation”. The Instructors’ Design Meeting for the workshop was organized in Tokyo, Japan in June 2023.

ASOSAI Seminar for 2023 will be organized with the topic of “How to Meet the Public Expectation on SAI”. The Seminar will be held in Bali, Indonesia in December, 2023.

The CDA will give you more details on the ASOSAI capacity development activities under Agenda Item No. 6.

3. The Strategic Plan of ASOSAI

In 2021, the 15th ASOSAI Assembly endorsed the Strategic Plan of ASOSAI (2022-2027). After the 58th Governing Board meeting, ASOSAI has been committed to aligning its activities to the strategic plan focusing on the three strategic goals.

Under Goal 1, the capacity development activities of ASOSAI have been designed to actively respond to the interest of member SAIs, the SDG related audit and audit of infectious disease prevention programs were chosen as the topics.

Under Goal 2, high-quality knowledge services have been conducted through the following activities. The Chair organized a series of webinars to offer insights into the evolving landscape of public sector auditing and the principles detailed in the Bangkok Declaration. The Chair also publishes series of Chairman's View on a weekly basis to communicate Chairman's perspectives on current audit practices. All working groups have organize virtual or in-person meetings or seminars to share knowledge and experience in respective fields. Besides, the special committees on establishing ASOSAI Working Group on State-owned Enterprises (WGSOE) and ASOSAI Working Group on IT Audit and Data Analytics have been working on their respective feasibility studies.

Under Goal 3, activities and cooperation were carried out to promote ASOSAI as a professional and relevant organization. The meeting of the Task Force for research on ASOSAI Regulations (TFAR) was held in Beijing in June 2023 in a hybrid mode. The meeting discussed the first draft of the Procedural Rules of ASOSAI Working Groups, revisited the Accounting Policies for ASOSAI, and shared opinions on the current Terms of Reference of the ASOSAI Capacity Development Committee. The Secretariat and the CDA have been maintaining close communication and cooperation with the IDI to facilitate its projects' implementation in ASOSAI.

Before the Governing Board meeting, on September 20th, the Strategic Plan Task Force (SPTF) held its 8th meeting. Outcomes of the meeting will be explained in detail in Agenda Item No. 7.

4. Cooperation with other Regional Organizations of INTOSAI

ASOSAI attaches great importance to the cooperation with other regional orgznations of INTOSAI. In the past year, the Secretariat has maintained regular communication with the ARABOSAI, AFROSAI and EUROSAI, to coordinate joint activities, including the first ARABOSA-ASOSAI Joint Scientific Seminar, and the 4th ASOSAI-EUROSAI Joint Conference.

To implement the MOUs signed with ARABOSAI and AFROSAI, the Secretariat and CDA have invited auditors from the two organizations to participate in the ASOSAI Seminar on “Challenges in IT Audit and How to Deal with them”.

I will explain in more detail on ASOSAI’s cooperation with other regional organizations under Agenda Item No. 9.

5. ASOSAI cooperation with INTOSAI

In November 2022, on behalf of ASOSAI, the Secretariat reported to the XXIV INCOSAI the work of ASOSAI over the past three years. In the report, the Secretariat gave an overview of ASOSAI’s activities of implementing the INTOSAI Strategic Goals and INTOSAI crosscutting priorities, pointed out the challenges that facing ASOSAI, and put forward possible solutions to develop the organization in the new normal.

The Secretariat also worked closely with relevant organs of the INTOSAI. We participated in the INTOSAI Task Force on Strategic Planning over past several year to make sure that ASOSAI members’ needs reflected in the INTOSAI Strategic Plan. We cooperated with IDI’s four work streams and facilitated their projects in ASOSAI region. We took part in the INTOSAI-Donor Cooperation on behalf of ASOSAI, trying to mobilize more resources for ASOSAI members.

6. ASOSAI’s Grant to Members SAIs Affected by COVID-19

In 2021, the Governing Board approved the “ASOSAI Grant to Member SAIs Affected by COVID-19”, and allocated 200,000 USD from the ASOSAI fund to 14 member SAIs affected by COVID-19. And a Grant Committee, consists of the SAIs of China, Korea, Malaysia, Thailand, and Vietnam was formed to administer the initiative.

As of 31st August 2023, 13 recipients have submitted their reports on the use of grant to the Grant Committee. The only SAI who have not submitted its report explained that due to the extreme situation and restrictions imposed the purchase stage has been prolonged, and it will take longer time to complete the whole process before submitting the reports. After analyzing the 13 reports submitted, the Grant Committee noticed that there are 3 recipients who record unencumbered balances in their reports ranging from some 10 to 1,000 USD.

According to the Terms of Reference of the Grant Committee, the committee will continue following up with the implementation of grant, and report to the Governing Board after the SAI mentioned submitted its grant report and unencumbered balances returned.

7. Task Force for Research on ASOSAI Regulations

After the 58th Governing Board meeting, the Task Force for research on ASOSAI Regulations (TFAR) held three meetings. One virtual meeting in September 2022, one hybrid meeting in June 2023, and one in-person meeting just before this Governing Board Meeting. The task force reviewed three existing regulations and drafted one new regulation. They are: the Financial Rules for ASOSAI, the Accounting Policies for ASOSAI, the Terms of Reference of the ASOSAI Capacity Development Committee, and the Procedural Rules of ASOSAI Working Groups. I will explain in more details on the Task Force for research on ASOSAI Regulations under Agenda Item No. 16.

Before I conclude my report of the Secretary General on the Secretariat activities since the 58th Governing Board Meeting, I would like to thank all of you again for your support to the work of ASOSAI Secretariat. Thank you very much!