



**Transregional Capacity Building
Programme for Audit of Public Debt
Management
2008-11**

Programme Agreement

LIST OF ABBREVIATIONS

AFROSAI - F - African Organisation of French speaking Supreme Audit Institutions

AFROSAI-E - African Organisation of English speaking Supreme Audit Institutions

ASOSAI - Asian Organisation of Supreme Audit Institutions

CAROSAI - Caribbean Organisation of Supreme Audit Institutions

DMFAS - Debt Management and Financial Analysis System

EUROSAI - European Organisation of Supreme Audit Institutions

IDI - INTOSAI Development Initiative

INCOSAI - International Conference of Supreme Audit Institutions

INTOSAI - International Organisation of Supreme Audit Institutions

OLACEFS - Latin American Organisation of Supreme Audit Institutions

PASAI - Pacific Organisation of Supreme Audit Institutions

PDM - Public Debt Management

PDMA - Public Debt Management Audit

PDWG - Public Debt Working Group

SAI - Supreme Audit Institution

UNCTAD - United Nations Conference on Trade and Development

UNITAR - United Nations Institute for Training and Research

BACKGROUND

Public Debt Audit is a specialized audit area that has been prioritized by the INTOSAI. The INTOSAI Development Initiative (IDI) has conducted capacity development programmes in this area in different INTOSAI regions like OLACEFS, ASOSAI and EUROSAI. Public Debt Audit was also one of the themes at the INCOSAI in 2007. There is increasing demand from SAIs, especially African SAIs, for capacity development in public debt audit. Considering the relevance of the topic and the needs expressed by our target SAIs, the IDI decided to undertake a transregional capacity building programme in public debt management audit. The programme is envisaged as a blended solution with a mix of e-learning and face to face meetings. It will be conducted in cooperation with the DMFAS programme of UNCTAD, UNITAR and INTOSAI working group on public debt (PDWG) .

PROGRAMME OBJECTIVES

The following are the intended objectives, outputs and the outcomes of the programme:

Objective: To enhance professional and institutional capacity of target SAIs in public debt management audit.

Outputs

- Web based training course on public debt management audit
- Audit teams from target SAIs trained in public debt management audit.
- Pilot audits planned, conducted and reported on in each participating SAI.
- INTOSAI PDWG guidance adapted and adopted in each participating SAI

Outcomes

- Institutionalization of a system for carrying out PDM audits in the SAI at regular intervals
- Acceptance of audit recommendations for enhancement of PDM systems by the executive
- Enhancement of the public debt management systems in the target countries
- Similar programmes are taken up by regional bodies to cover SAIs not covered in this programme.
- Other SAIs in the INTOSAI community request for and use material developed in this programme.

Target Group

About 30 SAIs in seven INTOSAI regions will participate in this programme. The programme will be delivered in English and French.

PROGRAMME DESCRIPTION

Activities till date

In July 2008 the IDI sent out letters of interest to selected SAIs from seven INTOSAI regions. The letter presented the proposed programme and sought to ascertain whether the SAIs were interested in participating in the programme. All SAIs that confirmed interest in writing and responded to the needs assessment survey have been included as target SAIs in this programme.

Since then the following programme activities have been undertaken

1. **Planning Meeting** – Stakeholders from the IDI, INTOSAI PDWG, UNITAR and DMFAS met to discuss and agree on the details of the programme.
2. **Needs Assessment in target SAIs** – A detailed needs assessment survey questionnaire was sent out to 32 target SAIs to ascertain their specific development needs in the area of public debt audit. Twenty eight SAIs responded to the survey. The SAI responses were sent to DMFAS for analysis. DMFAS formulated a needs assessment report based on the survey responses
3. **Design Meeting for e-course on Public Debt Management Audit** – Experts from INTOSAI PDWG, DMFAS and the World Bank met along with IDI representatives to design and develop e-course material for public debt management audit e-course. The material has since been reviewed and edited professionally. It will be adapted for the e-learning platform by UNITAR. The e-course will be deployed on UNITAR platform.

DESCRIPTION OF FUTURE PROJECTS

1. **E-course on Public Debt Management Audit in English and French – 5 October to 27 November 2009**

An eight week e-course on public debt management audit will be conducted by the IDI from 5 October to 27 November 2009. Public Debt Audit teams from participating SAIs will be expected to take this course and complete all the modules in the course. The course will be delivered on the UNITAR's e-learning platform and it will be mentored by experts from INTOSAI PDWG and DMFAS.

Outputs : (i) SAI teams trained in in public debt management concepts and processes, audit processes and issues related to public debt management audit. (ii) Topic for SAI PDMA audit identified by each SAI team

Resources : E-learning platform of UNITAR, mentors for English and French e-courses.

2. Audit Planning Meetings for PDMA – March 2010

After the completion of the e-learning course, the SAI teams would be required to work on draft audit plans for the public debt management audits that are planned to be conducted by their SAIs. The SAI team would be invited for an audit planning meeting where they will receive review comments and feedback on their audit plan from their peers and experts. The SAI team would also be required to review and give feedback on the plans of their peers. The SAI team would also be given a copy of draft audit procedures for the public debt management audit. The draft procedures would be tested during the audit carried out by the SAI team.

Outputs : (i) Reviewed SAI audit plans for public debt management audit (ii) draft audit procedures for conducting public debt management audit

Resources : (i) A team of experts and facilitators from INTOSAI PDWG and DMFAS, (ii) host SAIs for the planning meetings (iii) draft audit plans developed by the SAI teams before the meeting

3. PDM Audits in SAIs – April 2010 to February 2011

The SAI teams are expected to carry out PDM audits as per their audit plans between April 2010 and February 2011. They will be supported during these audits by expert teams set up during the planning stage. Expert teams will provide support through the internet. Support visits can also be provided on need basis. The teams would also be encouraged to share their experiences and difficulties with other SAI teams in their groups. By the end of this phase the teams are expected to have draft audit findings. They are also expected to have tested the draft audit procedures for the SAI through their pilot audits.

Outputs : (i) PDMA audit carried out by all SAI audit teams (ii) draft audit findings (iii) Draft audit procedures tested. (iv) support provided as and when required

Resources : SAI resources to carry out planned audits, an e-platform for communication and support set up by the IDI, experts to carry out support visits to SAIs.

4. Audit Review Meetings for PDMA – March 2011

All SAI teams that successfully complete their audits within the given timeframe will be invited to an audit review meeting in March 2011. At the review meeting the SAI teams are expected to discuss their findings with peers and experts and receive feedback from them. They are also expected to give feedback on the use of draft audit procedures used during the audit and suggest changes to suit their SAI conditions.

Outputs : (i) Reviewed audit findings (ii) Modifications suggested to draft audit procedures

Resources : (i) A team of experts and facilitators from INTOSAI PDWG and DMFAS, (ii) host SAIs for the review meetings (iii) draft audit findings from each SAI audit.

5. Post Review Meeting Actions - 2011

Each of the participating SAIs are expected to adapt and formally adopt the draft audit procedures. The SAIs are also expected to consider and approve the audit reports and table them before the relevant body in the country.

Programme Evaluation

The IDI will set up a mechanism for conducting suitable evaluation to ascertain the extent to which this comprehensive programme has achieved its intended outputs and outcomes. The results of such evaluation will be communicated to all stakeholders of the programme.

Roles and Responsibilities

In order to carry out all programme activities successfully and to achieve planned programme results, the stakeholder representatives have agreed to assume their respective roles and responsibilities as described in Annexe 1.

As stakeholders of the Transregional Capacity Building Programme for Audit of Public Debt Management we agree to fulfill our roles and responsibilities to the best of our ability, ensure that programme activities are successfully carried out and programme results are achieved.

Date : 21. 08. 2009

SAI of

**Director General
INTOSAI Development Initiative**