

MINUTES OF MEETING
ASEANSAI COORDINATION MEETING ON LTAPII
Keraton Hotel at the Plaza Jakarta, Indonesia

I. DATE AND VENUE

- 1.1 The ASEANSAI Coordination Meeting on LTAPII was held from 20 to 22 April 2016.
- 1.2 The event took place in Executive Meeting Room, Lobby Level, Keraton Hotel at the Plaza, Jakarta, Indonesia.

II. PARTICIPANTS

2.1 The ASEANSAI Coordination Meeting was attended by 15 participants from:

- i) The Audit Board of the Republic of Indonesia (**SAI Indonesia**);
- ii) Jabatan Audit Negara Malaysia (**SAI Malaysia**);
- iii) The Commission on Audit of the Republic of Philippines (**SAI Philippines**);
- iv) Die Deutsche Gesellschaft für Internationale Zusammenarbeit (**GIZ**) GmbH

The list of attendees is as attached in **ANNEX 1**.

III. MEETING AGENDA

Time	Agenda	Facilitation
Wednesday, 20 April 2016		
09.00-9.30	Welcome + Agreement on Agenda of Coordination Meeting	Project Leader and Facilitator
09.30-12.00	Mapping of success and challenges from the current LTAPII process (e.g. What can be done to support the pilot audits?)	Project Leader and Facilitator
12.00-13.30	Lunch	
13.30-15.30	Clarification on the process of quality assurance of the pilot audit	Project leader
15.30-17.00	Discussion on the Agreement between ASEANSAI and World Bank	SAI Indonesia (Secretariat of ASEANSAI)
Thursday, 21 April 2016		
09.00-12.30	Clarification on the process of certification of the	SAI Malaysia (sub-project

Time	Agenda	Facilitation
	new ISSAI Facilitators	leader for phase II)
12.30-13.30	Lunch	
13.30-17.00	Discussion and Agreement on MoU with IDI	SAI Malaysia (sub-project leader for phase II) and SAI Indonesia (Secretariat of ASEANSAI)
Friday, 22 April 2016		
09.00-12.00	Reflection on project management	GIZ and Facilitator
12.00-13.30	Lunch	
13.30-14.30	Reflection on project management	GIZ and Facilitator
14.30-17.00	The way forward after the finalization of phase I and II of LTAPII	Project Leader and Facilitator

IV. Discussion

Day 1: Wednesday, 20 April 2016

Session I: Mapping of success and challenges from the current LTAPII process

4.1 Ms. Luz L. Tolentino from SAI Philippines presented the success and challenges for the LTAPII process. The presentation is as attached in **ANNEX 2**.

4.2 Mapping of success and challenges from the LTAPII:

- i) Mentees found that the template of e-learning program is too complex. It made the learning target difficult to accomplish
- ii) Lack of interaction between mentors and mentees, among mentees, among mentors
- iii) Less interaction between Project Leader (PL) and Sub PL
- iv) Inadequate/ lack of delineation of roles between PL and Sub PL
- v) Clarify the expectation from SME and Mentees

When mentees faced difficulties during the learning process, they should ask the mentor. However, it did not work as there is an issue on confidentiality

- vi) Compliance with project deliverables :
 - 1) Participant selection criteria
 - 2) Project timelines inconsistent with SAI audit time lines

Session II: Discussion using World Café Method

- 4.3 The participants were divided into three groups, blended from SAI Malaysia, SAI Philippines and SAI Indonesia.
- 4.4 The group identified the challenges and opportunity of the programme to be reviewed by other groups. The result should be brought for session process management in Day 3.

Session III: Presentation by SAI Indonesia

- 4.5 Mr. Yudi Ramdan from SAI Indonesia presented the progress on cooperation between ASEANSAI and World Bank and the result from meeting with Ms. Archana P. Shirsat, Deputy Director General IDI. The presentation is as attached in **ANNEX 3**.
- 4.6 SAI Malaysia commented on the certification process:
- i) How is the ownership of the certification belong to? IDI or ASEANSAI ISSAI certification?
 - a. Scenario A: certification by the IDI
It will need a comprehensive review toward the programme to ensure that the certification is adequate for the international level. Another question raised was who will review the program. .
IDI required particular frame work for the certification. This would be a problem for some SAIs for example related to language barrier
 - b. Scenario B: certification by the ASEANSAI which is easier to be implemented
Problem: If the certification issued by the ASEANSAI, it shall its value. ASEANSAI shall prepare rationale to explain to the donors.
 - ii) The relationship between ASEANSAI and IDI shall be settled
- 4.7 SAI Philippines highlighted two issues on the certification process:
- i) There is a need to consider the value of ACCA as the prerequisite
 - ii) Auditors from some SAIs are not accountant
Another problem is language barrier which will limit some SAIs meet the requirement
- 4.8 SAI Indonesia gave comments on the cooperation with World Bank:
- i) The activities under the phase 2 should be clear first

ii) Quality of the program shall be under the capacity building frame work

4.9 SAI Indonesia explained the meeting result with Ms. Archana Shirsat – IDI:

- i) Blended programme (between the existing ASEANSAL activities and IDI activities)
- ii) The programme should have (1) qualification for the participants (2) impact to the national level and (3) control of QA after passed through the phase 1
- iii) IDI also required a community of practices as a role model programme to international level
- iv) What the ASEANSAL expectation might be delivered to IDI and we can negotiate
- v) How to modify the programme to make it fit/implementable with the CLMV level

4.10 SAI Indonesia also further explained about IDI expectation:

- i) Clear clarification of the baseline or initiative of the ASEANSAL programme;
- ii) Explanation about the status of the programme;
- iii) The programme supports the 3i Management Programme by IDI, they need clarification of the programme funding, since they have limited budget for the ASEANSAL Programme.

4.11 The meeting also agreed upon the alternatives for the certification. Below are the alternatives based on its priority:

- i) Endorsement by the IDI for the certification.
ASEANSAL submit proposal to IDI and obtain the approval for IDI certification. Then ASEANSAL will follow the IDI stages for the certification.
- ii) Certification by the IDI with some adjustment
The participants will be selected by using additional criteria, those whose selected will be certified by the IDI and meet their requirement. ASEANSAL will add the selection criteria so participants which will meet the IDI criteria.
- iii) ASEANSAL produced its own certification.
In this case, we shall ensure the value of the certification for the international level. The strategy will be discussed later.

4.12 The Action Plan for obtaining approval from the IDI for the certification are as below:

- i) Explain to IDI transparently about the status of phase 1, selection process, materiality, mentor and mentee and QA for obtaining understanding from IDI regarding what have

been done the ASEANSAI. This condition should be explained to the World Bank as well.

- ii) Explain the expectation and context of ASEANSAI to obtain certification from the IDI
- iii) Explain to IDI that the programme is a capacity building frame work, not only to find the advance auditor but also to create a conducive atmosphere for improving the capacity. We can modify the ASEANSAI activities under the phase I with the activities for IDI certification.
- iv) When proposing to the IDI, we shall consider the budget constraints from the World Bank

Day 2: Thursday, 21 April 2016

Session III: Clarification on the LTAPII process for phase 1 and the status of implementation.

4.13 Mr. Ungku M. Alhady from SAI Malaysia presented the Certification Process, which include the following activities, the presentation is as attached in **ANNEX 4**.

- i) Facilitation Skills Workshop
- ii) Build the repository
- iii) Obtain certification by 2017
- iv) Wrap Up Meeting of LTAPII on March 2017

4.14 The scenario for the IDI certification. Below are the items to be prepared by ASEANSAI

- i) **What:** Materials used, participant's selection criteria, mentors qualification, certification methodology (activities detail), highlight added value (e.g. pilot audit, engagement of SME for Facilitation Skills from SNAO, accomplishment of the outcome, e-learning tools), similarities/ differences to IDI, obtain skills and competencies; define who should negotiate (skill, standing etc), documents as part of the MoU.

SAI Philippines will provide the proposal which elaborate the objective, highlight the value added of the programme and the argument that ASEANSAI supported the 3i management programme.

- ii) **How:** write supporting document for the MoU using "what" criteria to negotiate with IDI
- iii) **When:**
 - a) Finalization of the proposal by end of April 2016

- b) Submission proposal to IDI at the beginning of May 2016 (letter, teleconference, meeting)
 - c) Meeting with IDI on early of June 2016
 - d) Finalization of the document by Mid of June 2016
 - e) Audit Review Meeting in Bangkok July 2016
- iv) **Who:**
Meeting with IDI: representative from Chair of TC, KSC and Secretariat
Secretariat ASEANSAI will keep communicating with IDI, draft the MoU and draft a pitch letter to IDI (end of April 2016)

Day 3: Friday, 22 April 2016

Session IV: Identifying Challenges for Phase I

4.15 Lead by the Facilitator, the meeting participants identify the challenges for phase 1 and come into conclusion for the solutions

- i) Guidance for materiality for the mentor, depend on its participants mandate on practices
- ii) Confidentiality

Since October 2016 until the Coordination Meeting, the issues on confidentiality cannot be resolved. For example, SAI Brunei Darussalam face the confidentiality issues, the management of the audit entity did not allowed disclosing the audit report to the external parties.

Proposed Solutions SAI Indonesia:

- a) The audit team shall focus on the audit method.
- b) As a simulation, the audit team can touch the number and budget, then make it fictitious.
- c) Another solution: modification or simulation, it can be part in the forum in the mentor forum or forum in the audit review meeting.
Because one of the objective of pilot audit is giving assurance and sharing experience also for transmitting to other colleagues on how to conduct audit in compliance with ISSAI.
- d) As the audit execution is still on progress, mentor can discuss the solution on confidentiality issue with the mentee. .

- iii) Communication gap between Mentor and mentee, on how the mentor of one mentee be able to access the other mentees, this is for the purpose for obtaining consistency in the same issues
- iv) Assistance Commissioner Luz. L. Tolentino asked to have the access to the LTAPII portal to put her concern on the mentor on how to responds to mentees' issues.

4.16 The meeting participants agreed on the alternatives for Quality Assurance process:

- i) The quality assurance will be checked by using resources from other SAI. For confidential issue, it can be used by blackout the sensitive information.
- ii) It is proposed that the quality assurance will be checked by another office of respective SAI who are not involved with the pilot audit and ensure that they review based on the ISSAI. The review will also supported by assistance from different mentor.

4.17 SAI Indonesia emphasized the need for immediate intervention before July to accelerate the programme and convey its agreement with suggestion from Jana to visit some SAIs to provide assistance and understanding their problems.

Alternatives:

- a) Face to face visit, not only by the mentor but also by the Chair of TC to talk with the high level in the respective SAIs
- b) SAI Indonesia can talk to the high level management of SAI Lao and SAV on the importance of LTAPII since they are engaged in bilateral cooperation.
- c) The need to convince IDI that the LTAPII has used e-learning during the running of the project.

4.18 To accelerate the process of LTAPII and ensure the smooth transition from phase 1 to 2, there are some actions needed to be taken as below:

- i) draft a letter to inform all Head of SAI to update the progress LTAPII,. The letter will include its challenges, proposed solution. The main point of the letter will include:
 - a) Recognition of achievement
 - b) The status of LTAPII process as of April 2016 and Rest of the programme 1 and 2
 - c) Challenges to be resolved (communication, confidentiality and evaluation)The letter will be shared with SAI Malaysia and SAI Philippines for their input

- ii) Do Immediate intervention, develop quality assurance and communicate between mentor, mentee, PL and Sub Project Leader
- iii) Led by SAI of Philippines, provide a proposal for cooperation with IDI for discussion on mid of May 2016
- iv) SAI Indonesia as Sub PL on RBA will
 - a) ensure purpose of the e-learning and make sure notification to all mentor and mentee to access the e-learning
 - b) evaluate for the initiative no. 1
 - c) prepare for the Audit Review Meeting
- v) Discussion with World Bank to inform the progress of the process
The Agreement between ASEANSAU and World Bank consist of general matters, indicator and target.

4.19 For the arrangement MoU between ASEANSAI and IDI, the meeting participants agreed on:

- i) Create pitch letter (1-2 pages) by Secretariat in 31 April 2016 which explains
 - a) value added and objective of the LTAPII
 - b) What do we need from IDI
- ii) SAI Philippines will also provide the proposal with detailed activities by 31 April 2016

4.20 For the preparation of the Phase II LTAPII, SAI Malaysia has drawn the general plan of the ISSAI Facilitator certification process

- i) Prelude to Phase 2
Audit Review Meeting in Thailand from 25 to 29 Jul 2016.
- ii) Design Meeting (scheduled in October 2016)
 - a) TOR, identification the trainer, finding the host, develop a budget, decide the venue and time
 - b) Define the option on how to measure outcomes of Facilitation Skills Workshop and check them,
 - c) The participants shall apply the facilitation skills through deliver training on site at their respective SAI.
- iii) Facilitation Skills Workshop
Participants will be requested to provide action plan signed by their Auditor General.
Preparation:

- a) Design Meeting
 - b) Materials
 - c) Duration of the Design Meeting and the Workshop
 - d) Decide time and venue
 - e) Participants
 - f) Mentors
 - g) Harmonization of the SME by SNAO
 - h) roadmap
- iv) Combined Review/ Coordination Meeting
- In this occasion will be divided into two main agenda
- The first part: for the mentor to obtain feedback for their action plan (2 days)
- The second part: To review all over the LTAPII the learn to asses is everything running smoothly (3 days)
- v) SME
- The SME has to know how to facilitate a workshop and be equipped with knowledge on ISSAI,
- The proposed internal SME: Melanie Anonuevo, Roslan Abu Bakar, Joyce Eruma and Dedy Eryanto.
- The proposed external SME: Karin Holmerin from SNAO
- a) When certification process will be organized (after or before the submission of the Action Plan)
 - b) How to measure the application of the Action Plan
 - c) Implementation of the action plan after the facilitation skills workshop
- vi) Evaluation Phase
- vii) Review/ Coordination Meeting

4.21 The Meeting participants also agreed on how to support other SAIs

- i) Used the scaled certification for SAI which experienced difficult
 - The participants who do not pass the certification, can participate in the next loops.
- ii) There are 2 scale of the certification:
 - a) Obtain “certified”; or
 - b) “Partial Certification”
- iii) There will be a LTAPII loops, the programme will be repeated to produce another ISSAI Facilitators.

4.22 The meeting participants also considered the possibility if there will be some participants who are not able to pass the Phase 1 to participate in Phase 2. According to World Bank requirements, 75% of participants shall pass the certification process. Solutions if some participants unable to pass phase 1:

- i) The participants considered failed if the Audit Report quality is insufficient
There will be an assessment of the Audit Report through cold and hot review using a check list. If the quality do not meet the standards they will give the chance to revise and pass the Phase 1 in the specific time line.
- ii) According to the LTAPII time line, in July 2016, all of the participants will submit their audit report for discussion on the Audit Review Meeting. The Audit Report will contain feedback from their mentors and SME during the hot review on the execution phase.
- iii) In September 2016, the quality assurance will be assessed by Subject Matter Expert using the check list as a cold review.
- iv) During September until December 2016, each participants will be given an opportunity to revise their audit report accordingly, based on input from the SME.

4.23 Discussion on the evaluation process for the LTAPII resulted on the below matter:

1. Phase 1 : Audit Report (quality assurance process)

Hot review done by a checklist which consists of feedback for mentees through mentors. While the cold review done by checklist (provided by SAI Sweden and SAI Philippines) which will be used by the SME as last checkup (supporting by the mentors) to check whether the criteria is completed. It shall be communicated to the mentees through email by the SAI Philippines as Project Leader soon before the execution phase ended since on 4 July 2016 result of the QA review shall be conveyed to the participants.

Then it will be submitted to the SME for the cold review. If the SME request the documents, and face the language barrier, then they will be assisted by the Mentor of the SAI.

This process will be focused on the content.

2. Phase 2:

To do evaluation by:

- a. Test facilitation of each mentee;;

- b. Ask the participants to do an action plan for themselves, do a facilitation test on their SAIs, monitor by the LTAPII Group and observe them through the LTAPII group (delivery of a course on ISSAI within their SAI and observes from LTAPII)

This process will focus of the facilitation

4.24 It will be a group of Jury to evaluate the process which consist of: (this could be added value for the LTAPII)

- a. Subject Matter Expert (will focus on the content)

- b. Training Specialist, certified by the IDI (will focus on the facilitation

Assessment of participants to pass the certification process shall consist of 2/3 facilitation and 1/3 on content)

If participants cannot pass the Phase 1:

The participants will be given the opportunity to revise the Audit Report, if the participants cannot meet the QA standards with certain time to be submitted to the Sub Project Leader

4.25 The event evaluation sheet for this meeting is as attached in **ANNEX 5**

4.26 The meeting was ended on 22 April 2016 at 18.30.