

SUMMARY OF DISCUSSION
THE 4th STRATEGIC PLANNING COMMITTEE MEETING AND THE 2nd SENIOR
OFFICIALS' MEETING
AUGUST 27-30, 2013, MANILA, PHILIPPINES

Time and Venue

1. The meetings took place in Eastwood Richmond Hotel, 17 Orchard Road, Eastwood City, Bagumbayan Quezon City 1110 Philippines.
2. The 4th Strategic Planning Meeting was held from August 27-28, 2013 in Charlston Room, Third Level
3. The 2nd Senior Officials' Meeting (SOM) on August 28, 2013, the Donor Relation Meeting on August 28, 2013, and the Plenary Session on August 30, 2013 were held in Ballroom III, Third Level.

Participants

4. There were altogether 32 delegates from 10 members of ASEANSAI which were:
 - Jabatan Audit Brunei Darussalam;
 - National Audit Authority of Kingdom of Cambodia;
 - The Audit Board of the Republic of Indonesia;
 - The State Audit Organization of Lao P.D.R;
 - Jabatan Audit Negara Malaysia;
 - Office of the Auditor General of the Union, the Republic of the Union of Myanmar;
 - The Commission on Audit of the Republic of Philippines;
 - Auditor General's Office of Singapore;
 - Office of the Auditor General of Thailand; and
 - State Audit of Vietnam.
5. There were also 6 representatives from 3 international organizations which were:
 - Asian Development Bank;
 - World Bank; and
 - *Gesellschaft fuer Internationale Zusammenarbeit GmbH (GIZ).*
6. The list of delegates can be seen in [Annex 1.](#)

Day 1: August 27, 2013

On the first day, the main agendas were the Opening Ceremony and the Report of the Strategic Plan by the Chair of the Strategic Planning Committee. An account of each event is described below.

Opening Ceremony

Welcome Message by the Host SAI

7. Commissioner Heidi L. Mendoza from the Commission on Audit (COA) of the Republic of Philippines gave an inspiring welcome message representing the Chairperson of COA as the host of the meeting. She mentioned that the meeting was held at the month of August which was the same month when important past as well as recent events took place in the Philippines related to the enforcement of good governance. She also mentioned that the SAIs of ASEANSAI must come together as a stronger community of SAIs and fight hard in order to preserve public funds.

Speech by the Chairman of the Strategic Planning Committee

8. Prof. Dr. Doan Xuan Tien, Deputy Auditor General of the State Audit office of Vietnam, on behalf of the Chairman of the Strategic Planning Committee emphasized ASEANSAI member SAIs' contributions, especially members of Strategic Planning Committee. He also underlined the role and contribution of SAI Indonesia throughout the development of Strategic Plan. He continued by mentioning the challenges of this meeting but he believed that the meeting will be fruitful because of the hardworking and close collaboration of ASEANSAI SAI members.

The speech can be seen in [Annex 2](#)

Opening Speech

9. The meeting was officially opened by the Head of the Secretariat of ASEANSAI, Mr. Hendar Ristriawan representing the Chairman of ASEANSAI, Mr. Hadi Poernomo. Mr. Ristriawan pointed out that the meeting was very important and strategic because the participants would finalize the ASEANSAI Strategic Plan for 2014-2017, discuss important issues which would affect the Rules and Procedures and the ASEANSAI Agreement and discuss with donor organizations about the support for ASEANSAI activities. The Strategic Plan 2014-2017 and the Rules and Procedures would be endorsed in the upcoming ASEANSAI General Assembly Meeting in Brunei Darussalam, November 6-7, 2013.

Mr. Ristriawan also explained about the important issues that would be discussed in the SOM which were the donor relations, permanent secretariat, and issues related to the Rules and Procedures.

The opening speech can be seen in [Annex 3](#).

Report on the Strategic Plan by the Chair of the SPC

10. Mr. Doan Xuan Tien reported to all the delegates about the progress of the Strategic Plan 2014-2017, the work plan of the SPC and the expected results of the SPC meeting.

Please refer to 1st Session on 27th August 2013 in The Summary of Discussion of the 4th ASEANSAI Strategic Planning Committee meeting in [Annex 4](#).

Day 2: August 28, 2013

In the morning of the second day, there were two meetings held parallel with each other, the 4th Strategic Planning Committee Meeting and the 2nd Senior Officials' Meeting.

The 4th Strategic Planning Committee Meeting

11. The SPC Meeting was attended by 10 participants from members of the SPC (SAIs of Indonesia, Malaysia, Philippines, and Vietnam) and other SAIs (Brunei, Cambodia, and Thailand). There were 5 other participants from invited donor organizations (ADB, GIZ, and World Bank) joining the meeting as observers. The meeting was chaired by the SAI of Vietnam.

Please refer to the 2nd Session on 28th August 2013 in The Summary of Discussion of the 4th ASEANSAT Strategic Planning Committee meeting in [Annex 4](#).

The 2nd Senior Officials' Meeting

12. The SOM was attended by 22 participants from all 10 members of ASEANSAT. The meeting was chaired by the SAI of Indonesia.

In the afternoon, all the participants reassembled for the Donor Relations Meeting with invited representatives of donor organizations. The summary discussion for each meeting is described below.

Opening remarks

13. The ASEANSAT Head of Secretariat, Mr. Hendar Ristriawan delivered an opening remark, stating the strategic issues to be discussed and resolved during the meeting as well as the steps to be taken towards the upcoming General Assembly Meeting in Brunei Darussalam.

The issues were about the ASEANSAT-donor cooperation, permanent secretariat and ASEANSAT donors committee, Rules and Procedures issues related to the ASEANSAT financial statements such as the accounting and auditing standards, the financial report period and the audit period, logos alternative, approval of the ASEANSAT song, chairmanship and membership of the committees, and the tentative program of the upcoming General Assembly Meeting in Brunei Darussalam.

Mr. Hendar Ristriawan also highlighted that the result of SOM may have affect on the ASEANSAT Agreement and there will be a revision of the ASEANSAT Agreement if necessary and the Assembly will have to endorse the revised Agreement during the General Assembly Meeting in Brunei Darussalam.

The opening remarks can be seen in [Annex 5](#).

Agenda 1: ASEANSAI-Donors cooperation

14. The discussion was led by Mr. Bahtiar Arif, Head of Public and International Bureau the Audit Board of the Republic of Indonesia.

Mr. Bahtiar Arif explained the background of the ASEANSAI-Donors cooperation. ASEANSAI has many programs but limited resources. Based on its function, the Secretariat built communication with major donors in Indonesia such as the World Bank, the ADB, the GIZ, the AusAid, the USAID, and the CCAF.

15. The senior officials of ASEANSAI attending the meeting agreed on the following things:
- There were three approaches that ASEANSAI-donor cooperation should take which are regional, demand-driven, and coordinated approach.
 - For effective implementation, a follow-up action needed to be taken in the form of a memorandum of understanding (MOU) between the donors and ASEANSAI.
 - The Secretariat of ASEANSAI would develop the draft MOU, seek member SAIs' comments, and ask approval from the Assembly.
 - Subject to approval from the Assembly and the donor organizations, the MOU will be signed at the General Assembly Meeting in Brunei Darussalam.

(Afternote: Based on the Donors Relation Meeting in Manila, GIZ has stated their readiness to support ASEANSAI since January 2013 and has sent a draft MOU to the Secretariat. Therefore, the Secretariat is providing two MOUs to the ASEANSAI Members: MOU between ASEANSAI and donor agencies (ADB, GIZ and World Bank) and MOU between ASEANSAI and GIZ (Annex 6a and 6b)).

Agenda 2: Proposed Support Structure

16. To support sustainable coordination and continuous communication with the donors, two alternatives were proposed:

Alternative 1: to establish a Permanent Secretariat and an Administration Office;

Alternative 2: to establish an ASEANSAI-Donor Committee.

17. The senior officials agreed on the following things:
- The ASEANSAI Secretariat will be divided into Permanent Secretariat and Administration Office.
 - The Permanent Secretariat will be responsible for maintaining communication with the donors, keeping records and managing finance.
 - The Administrative Office will be responsible for providing administrative function for the Executive Committee. The Chairman and the Head of Administration Office shall come from the same SAI.
 - The SAI taking responsibility as Permanent Secretariat and its tenure must be approved by the Assembly.
 - The SAI of Permanent Secretariat must be re-nominated by the Assembly after a few years.

- The ASEANSAI Agreement would be revised to incorporate the function of the Permanent Secretariat and the Administration Office, namely on Article number 8 and 11, and add a new article number 12.

(Afternote: The secretariat has drafted the amendment of the ASEANSAI Agreement which can be seen in [Annex 7](#).)

Agenda 3: Finalization of the Rules and Procedures

18. The SAI of Singapore as the Chair of the Rules and Procedures Committee facilitated discussion to finalize the Rules and Procedures based on the comments of the members.

The senior officials agreed on the following items that would affect changes to the interim Rules and Procedures:

- “Consensus” requires 2/3 of the majority.
- When there is a new member of ASEAN, the Chairman will send an invitation letter to the new country's SAI to join ASEANSAI.
- For the Summit, the outgoing chairman will, handover a summary list of documents and files to the incoming chairman.
- For the Summit, the Notice of Summit will be given by the current Chairman while the Invitation for the Summit will be given by the host and to be appointed Chairman.
- For the Summit, the first tentative agenda will be drawn up by the current secretariat in coordination with the host. The agenda will be circulated to all members for comments. The final decision will be made by the Executive Committee.
- Minutes of the Summit and Assembly meetings after the taking over by the new Chairman will be prepared by the new Administration Office reporting to the new Executive Committee.
- The accounting standard to be used is the IPSAS. The audit standard to be used is the ISSAI.
- The financial statement (unaudited) will be prepared every year by the Current Chairman.
- For the 2nd year of term, the outgoing Chairman will prepare an interim financial statement for the period of January until before his term ends. The incoming Chairman will prepare the annual financial statement of the year it took over.
- The submission of unaudited financial statements to the Auditor and the audit report will be as follows:
 - The submission of unaudited financial statements to the Auditor will be done within three months after the end of the year;
 - The audit of financial statements will be done biennially or every two years;
 - The audit report of the two-year financial statements must be submitted to the Assembly within three months after receiving the financial statement during the 2nd year of term;

- The Assembly will provide approval within one month after the submission of the audit report.
19. The Rules and Procedures Committee will circulate the revised Rules and Procedures for comments before the endorsement by the Assembly.

Agenda 4: ASEANSAI Logo and ASEANSAI Song

20. Based on the selection result, the two logo alternatives that would be forwarded to the Assembly to be selected as the ASEANSAI logo were Logo no.1 and 3, with a proposal to change the color of logo No. 1 to be brighter. Logos alternative can be seen in [Annex 8](#).
21. In addition to the logo, The ASEANSAI Senior Officials Meeting has agreed on the latest version of the ASEANSAI song to be approved by the Assembly. The song text can be seen in [Annex 9](#).

Agenda 5: Chairmanship and Membership ASEANSAI Committees

22. On the chairmanship and membership of all committees for the next period of ASEANSAI Chairmanship, the senior officials agreed on the following items:
- The SAIs holding chairmanship in all committees would remain the same;
 - The members of all committees would remain the same with the current membership;
 - The SAI of Myanmar expressed its interest to join the Training Committee. According to the Interim Rules and Procedures, Part 4, point 4.7 on the Changes to Composition of the Committee, “*Members of ASEANSAI may express its intent to join or withdraw from a particular Committee, in writing, to the relevant Committee Chairman. The Chairman of the Committee concerned would then submit his recommendations on members’ applications to join or withdraw to the Assembly for approval.*”

In this regard, the SAI of Myanmar should send a letter to the SAI of Philippines as the Chair of the Training Committee about its intent to join the Committee and the SAI of the Philippines will seek the Assembly’s approval.

Agenda 6: Tentative Agenda of the General Assembly Meeting in Brunei Darussalam

23. The tentative agenda of the General Assembly Meeting in Brunei Darussalam was discussed and the senior officials agreed on the following issues:
- The Press Conference would be omitted from the tentative agenda;
 - The final agenda would be decided by the Executive Committee.

The tentative agenda is in [Annex 10](#).

Closing of SOM

24. At the end of the meeting, Mr. Hendar Ristriawan presented the conclusion of the discussion of strategic issues.

Donor Relations Meeting between ASEANSAI and Donor Organizations

25. The Donor Relations Meeting was attended by all participants and 6 representatives from donor organizations such as the Asian Development Bank, the GIZ and the World Bank.

26. The Head of the ASEANSAI Secretariat, Mr. Hendar Ristriawan opened the meeting and informed the Donors Agencies about the result of Senior Officials' Meeting.

27. He invited the donor representatives to share their views and perspectives about donors support for ASEANSAI. A summary of their views is as follows:

- ADB's views:

- ADB is putting increasing emphasis on financial management, giving attention to improvements in audit to improve the country. Therefore, ADB works more closely with SAIs through organizations such as INTOSAI, ASOSAI, and recently through PASAI.
- ADB Office of Anticorruption and Integrity (OAI) performs comprehensive reviews of ADB projects every year. Through ADB's Regional Technical Assistance (RETA) program, OAI organizes trainings for individual SAIs to learn about how to conduct forensic audit. OAI will explore future opportunities to involve ASEANSAI in the trainings.
- The main product of ADB is loan and grant and the portfolio for ASEANSAI are 95% loan and 5% grant.
- The ADB will explore opportunities based on what ASEANSAI needs (demand-driven), referencing on the strategic plan and will coordinate with donors on how they can complement each other.

- GIZ's view:

- ASEAN is an important trade partner for Germany and good governance is important in doing trade and business. Since ASEANSAI promotes good governance, Germany wants to invest in ASEANSAI.
- GIZ has been involved with ASEANSAI from the beginning. GIZ is looking at a long perspective of ten years and already has the budget ready for ASEANSAI since January 2013.
- GIZ wants to base the cooperation on goals in the Strategic Plan 2014-2017, especially the strategic goals 2, 3 and 4.

- World Bank's views:

- The preconditions given by the donors to ASEANSAI have all been met: 1) To have a strategic plan in place, 2) To have a legal status and be affiliated with

ASEAN, 3) To have a secretariat in one place for adequate channeling of the funds.

- There are possible modalities of channeling the funds: 1) pooled funds from the donors (multi donor trust fund) and the secretariat will manage the funds, 2) coordinated support in which the donors can work together in coordinated manner.
- The next step is for the strategic planning to become more detailed activities and crystallization of activities that need to be financed.
- The World Bank is keen to support regional activities because 1) the best way to develop capacity sustainably is to have a body like ASEANSAI with contributions from the members; 2) it creates opportunity for cooperation with other regional bodies, 3) there are opportunities to develop cooperation over the long term which will benefit ASEANSAI as a whole; 4) SAIs can cooperate in helping less developed SAIs in their capacity development.
- The World Bank looks forward to the next steps.

28. Mr. Hendar Ristriawan also invited the member SAIs to give comments or issues regarding the donor relations.

- The SAO Lao PDR proposed on capacity building on quality assurance and professional development while the OAG Thailand was of the view that technical assistance could best be given on training of investigative audit.
- BPK, SAV and COA Philippines opined that ASEANSAI must firstly prioritize the projects as the implementation of the strategic plan and submit it to donors. This would best be done before the next Assembly meeting.

29. Based on the result of the SOM and the donor relation meeting, the Secretariat would circulate the draft summary of discussion to all members for comments.

Day 3: August 29, 2013

Social Program

30. The delegates were taken for social program at the Clark Expo, Clarkfield, Pampanga to visit a newly opened Orchidarium which was named the ASEAN Orchidarium in honor of the ASEANSAI delegates. The delegates planted orchids and learned about traditional lives and culture by visiting traditional houses and enjoying traditional dances and cuisines.

Day 4: August 30, 2013

Plenary Session

The Plenary Session was attended by delegates and representatives of donor organizations.

Agenda 1: Report on Final Draft of Strategic Plan by State Audit Office of Vietnam

31. The Deputy Auditor General of Vietnam as chair of the Strategic Planning Committee presented a report on the final draft of the ASEANSAI Strategic Plan 2014-2017.
The Report on Final Draft of Strategic Plan can be seen in [Annex 11](#)

Agenda 2: Report on the Result of SOM by the Head of Secretariat

32. The Head of Secretariat of ASEANSAI, Mr. Hendar Ristriawan presented the result of the SOM and gave a closing remark.

The closing remark can be seen in [Annex 12](#).

There being no other matters, the meeting ended at 11.00 a.m.