

KSC work plan 2017-19

Reporting dashboard - Report of the INTOSAI Working Group on The Fight Against Corruption and Money Laundering (WGFACML)

Strategic objectives review report (16 October 2018)

Key to progress indicator colours

	Initiatives / projects on schedule
	Initiatives / projects behind schedule
	Serious difficulties being experienced – Internal factors
	Serious difficulties being experienced – External factors (beyond the control of the WG)
	Not yet scheduled to start
	Initiatives / projects completed

Strategic objective (as per SP 2017-22)	Strategies & initiatives (as per SP 2017-22)	Performance indicator ¹	Action items ² and other comment
<p>Work Plan Goal 1</p> <p>Cooperation between SAIs to develop and finalize guidelines that support their efforts in detecting and fighting corruption and money laundering and develop working papers.</p>	<p>Develop a guideline on "Promoting Controls on Public Funds"</p>	<p>To develop a guideline on Promoting Controls on Public Funds to be led by the SAI of Ecuador.</p> <p>Scope of the guideline:</p> <ul style="list-style-type: none"> Promoting controls on government funds allocated for acquisition of goods and services for current use to directly satisfy individual or collective needs of the members of the community. Not including Benefits based on contributions that are based on earnings; National Insurance, retirement pension, ... 	<p>Progress to date:</p> <ul style="list-style-type: none"> In Windhoek, 2013: WGFACML Work Plan included a guideline on Promoting Controls on Public Funds to be led by the SAI of Ecuador (Goal 1, Obj. 1, 1st guideline) Until now, no progress has been achieved in this guideline as in Arusha, 2017: SAI of Ecuador decided to develop a framework of a guidance on how to involve citizens effectively in the control of public resources. It was agreed that this work will be within the Working papers of Goal 1, Obj. 3, "Roles and Responsibilities of SAIs in Social Accountability"

¹ In the case of single large projects / initiatives, the progress indicator could also be one of the following three progress statements: ⁽ⁱ⁾ the project has been initiated/come into existence (has been defined, planned, and resourced), ⁽ⁱⁱ⁾ the project is being implemented (and is on track, or behind schedule, in trouble – green or amber or red/Purple), and ⁽ⁱⁱⁱ⁾ the project has delivered the main outcome (is either completed – black – or its outcome is functioning as intended / producing the results, e.g. a technical support function; maintain, monitor and enhance). Appropriate colour may be chosen as the background of the cell. ² SP 2017-22, page 36, refers to the strategic objectives review to include "determining what actions and next steps are most needed to ensure continued progress towards each objective". The progress achieved till date and the key items/next steps needed to ensure continued progress towards each objective and to manage risks may be indicated here.

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<p>Work Plan Goal 1 Cont...</p> <p>Cooperation between SAIs to develop and finalize guidelines that support their efforts in detecting and fighting corruption and money laundering and develop working papers.</p>	<p>Develop a guideline on "Stolen Assets Recovery" (Goal 1, Obj. 1, 2nd Guideline)</p> <ul style="list-style-type: none"> • Useful toolkit for SAI auditors <ul style="list-style-type: none"> • Best practices, strategies and actions • Actionable guidance • Brevity and clarity • Well supported, high quality and consistent with documents produced by our international partners • Appendix Toolkit – Questions for SAI Auditors to supplement existing procedures 	<ul style="list-style-type: none"> - WGFACML's Work Plan approved Asset Recovery Guideline initiation, as well as several other new guidelines - Current subgroup members: USA (Chair) Egypt Poland Tanzania <p>Included:</p> <ul style="list-style-type: none"> - Importance of asset recovery and SAI role - Asset recovery steps - Agencies within the SAI's country that have responsibilities related to asset recovery efforts - How do these agencies collaborate (within the country) to implement asset recovery - Do the agencies involved have sufficient resources and expertise - To what extent are there clear policies and procedures for seizing assets (i.e., initiating asset seizure, gathering and tracing assets, securing assets, and setting and enforcing court orders - To what extent has the SAI's country been involved in repatriation, e.g. are there any available cases for review 	<ul style="list-style-type: none"> - Subgroup members (USA and Tanzania) meet regularly (in-person and via VTC) - Since creating the outline for the guideline, we drafted proposed questions for SAI auditors (samples in following slides) - Our goal will be to have a full draft of the guideline for the next WGFACML annual meeting (fall 2019)

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		<ul style="list-style-type: none"> - What legislative measures are in place to enable the return of confiscated/forfeited property 	
<p>Work Plan Goal 1 Cont...</p> <p>Cooperation between SAIs to develop and finalize guidelines that support their efforts in detecting and fighting corruption and money laundering and develop working papers.</p>	<p>Develop a guideline on "Audit of Corruption Prevention in Public Procurement" (Goal 1, Obj. 1, 3rd Guideline)</p> <ul style="list-style-type: none"> • In addition to ISSAI 5700 (Audit of Corruption Prevention), Preparation of a Guideline for the audit of corruption prevention measures in public procurement • Taking into account: <ul style="list-style-type: none"> • Avoidance of duplication • Specialities of the public procurement process • Already existing international documents 	<p>Subgroup members: Germany (chair) and Austria (co/chair since April 2018) Poland Chile Czech Republic Iraq Malaysia Namibia Oman Turkey Yemen</p> <p>Structure:</p> <ol style="list-style-type: none"> 1. Introduction (SAI of Austria) <ul style="list-style-type: none"> • Scope of the Guideline • Reference to "The Fundament" – ISSAI 5700 • Explanation of "The Amendment" – actual guideline 2. Corruption in Public Procurement (SAI of Poland/Austria) <ul style="list-style-type: none"> • Definition • Types of corruption • Typical Risks • Impact of corruption 3. Public Procurement (SAI of Czech Republic) <ul style="list-style-type: none"> • Principles of Public Procurement • Types of award procedures 	<ul style="list-style-type: none"> - Kick off meeting in Prague/Czech Republic May 2017 Schedule Detailed structure Content of chapters Allocation of duties - 2nd meeting in Bonn/Germany October 2017 Discussion on first draft Discussion on best practice examples - Project Proposal, February 2018 - 3rd meeting in Vienna/Austria April 2018 Addition of more auditing questions <p>Next Steps:</p> <ul style="list-style-type: none"> • October 2018, 4th meeting in Prague/Czech Republic (Finalization of draft) • Request for approval of the project proposal and the exposure draft from FIPP • Publication of exposure draft • Evaluation of comments and remarks

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		<ul style="list-style-type: none"> • Stages of procurement process • 4. Corruptions Prevention on organizational level (SAI of Austria, Malaysia) <ul style="list-style-type: none"> • Requirement of professional management • Supporting instruments and tools (e.g. e-procurement) 5. Corruptions Prevention In the different stages of the Procurement Process (SAI of Germany, Oman, Iraq, Namibia) 	
<p>Work Plan Goal 1 Cont...</p> <p>Cooperation between SAIs to develop and finalize guidelines that support their efforts in detecting and fighting corruption and money laundering and develop working papers.</p>	<p>Develop a guideline on "Fighting Against Money Laundering" (Goal 1, Obj. 1, 4th Guideline)</p> <p>Objectives:</p> <ul style="list-style-type: none"> - To state the role of SAI in fighting against money laundering. - To develop practical guidance on auditing and evaluating the public institutions engaged in fighting against money laundering. - To provide the practical tool for SAI auditors on how to deal with money laundering cases (gathering, securing, evaluating audit evidence and/or being expert witness in court) 	<ul style="list-style-type: none"> - Members: - Poland (Subgroup Leader) - Germany - Iraq - Tanzania - Zambia - - As a result of the review of existing ISSAIs and INTOSAI GOVs, to develop and maintain expertise in the various fields of public-sector auditing (auditing of anti-money laundering system). Money laundering is linked with corruption, fraud and shadow economy. Efficient fighting of money laundering helps to 	<p>Time frame:</p> <ul style="list-style-type: none"> - Task assigned during the 10th WGFACML Meeting, Bonn - Project Proposal is prepared - Tasks are shared among SAIs - Exposure Draft was supposed to finish: 1 February 2018 – 30 May 2018 - Endorsement Version: 1 February 2019 – 30 March 2019 - A meeting of the subgroup is scheduled to be held this month in Prague, Czech Republic.

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	<ul style="list-style-type: none"> - The guideline will support the auditor in understanding a specific subject matter and the application of the relevant ISSAIs <p>Purpose: To provide user-friendly guideline that explains the key steps of international fight against money laundering, identifies potential audit areas for SAIs, and provides a usable guidance for SAI auditors in their audits of anti-money laundering activities.</p> <p>The work performed will help address priorities 2.1 and 2.2 in the 2017-2019 Strategic Development Plan. This project can be classified among priority 2 projects.</p>	<p>enhance accountability and transparency, as well as reducing fraud.</p> <ul style="list-style-type: none"> - - The guideline will contain: - Real examples - Real audit plan - Real SAI support 	
<p>Work Plan Goal 1Cont...</p> <p>Cooperation between SAIs to develop and finalize guidelines that support their efforts in detecting and fighting corruption and money laundering and develop working papers.</p>	<p>Develop a working paper on "Roles and Responsibilities of SAIs in Social Accountability" (Goal 1, Obj. 3, Working Papers)</p> <p>The working paper is intended to be developed in accordance with ISSAI 12 (Value and Benefits of SAIs), and INTOSAI Principle 6.</p> <p>Purpose: To be a further step in the engagement of citizens with the control of public resources, without compromising the SAI's independence.</p>	<p>Structure:</p> <ul style="list-style-type: none"> - Definitions on social control, citizenship and prevention of corruption through social control - Principles to exercise social control - Methodology of social control - Best practices/mechanisms: Complaints/Participative Annual Control Plan/Citizen Monitoring - Minimum requirements to exercise social control: Requirements for Citizens Requirements for SAIs 	<ul style="list-style-type: none"> - Arusha, Tanzania, 2017: SAI of Ecuador delivered a presentation based on their experience on creating mechanisms of citizen participation in corruption prevention. - They proposed to prepare a guideline "Social Control of Public Funds", about how to involve citizens effectively in the control of public resources. - The Technical Commission of Citizen Participation of OLACEFS has developed two documents regarding good practices on citizen participation that can provide information of the experience of SAIs in Latin American implementing social control mechanisms - It was supposed to have the final final draft by December 2017 and by March 2018, to send a global survey to

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	<p>To raise social control as a complement to state control and as a way of preventing corruption.</p> <p>To recognise both the legal limitations and the opportunities to exercise social control within the SAIs.</p> <p>To identify standardise practices and mechanisms to exercise social control that area already being promoted by the SAIs.</p>		<p>INTOSAI members to recognise possible legal limitations and opportunities to apply the paper</p> <ul style="list-style-type: none"> - During the 12th WGFACML Meeting, it was agreed to contact SAI of Ecuador to furnish the working group with the progress achieved so far within this paper.
<p>Work Plan Goal 2: Promote Building Capacities to SAIs professionals in the field of fighting Corruption as well as fighting money laundering.</p>	<p>Objective 1: Activate international cooperation between WGFACML and International Agencies that the WG has already identified in the field of fighting corruption and money laundering, and identify other partnerships.</p>	<ul style="list-style-type: none"> ▪ Identify and post on WGFACML website a list of international organizations. ▪ Identify Key international partners ▪ Develop the communication and cooperation channels with the key international partners. 	<ul style="list-style-type: none"> - A list of international organizations is available on the WGFACML website. - Key international partners have been identified: The World Bank Financial Market Integrity Group and the Egmont Group. - The World Bank Financial Market Integrity Group has accepted invitations to present on previous WGFACML Meetings. Many international partners have been invited to attend the working group's meetings as observers. - WGFACML will need further communication to explore best available opportunity with the Egmont Group, through relationships of individual members of WGFACML already have with Financial Intelligence Units in their respective countries. - There is a need to identify other potential partners to explore further collaboration with other entities including, (OLAF, and the European Commission).

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<p>Work Plan Goal 2 Cont:</p> <p>Promote Building Capacities to SAIs professionals in the field of fighting Corruption as well as fighting money laundering.</p>	<p>Objective 2:</p> <p>Conduct training programs and workshops in cooperation with the (IDI) and in cooperation with other SAIs using the material of the adopted Guidelines issued by the WGFACML.</p> <p>The 2014 Global Survey indicates that many SAIS face considerable challenges in fulfilling their mandates of preventing, detecting and reporting on corruption. 98 SAIS and seven INTOSAI regions have prioritized this area for support, and after several discussion with the different stakeholders IDI has launched the programme on 'SAI Fighting Corruption'.</p> <p>The main objective of the programme is greater effectiveness of SAIS in fighting corruption.</p>	<p>A program on Fighting Corruption has been developed by IDI. This program is supposed to be based upon WGFACML's ISSAI 5700 which includes four programme elements for preventing corruption which</p> <ul style="list-style-type: none"> ▪ appropriate framework of standards and regulations, ▪ code of ethics, ▪ appropriate human resources management, and ▪ appropriate internal control system. <p>The PA involves a two-tier focus in terms of the audits being conducted to address two levels. These two levels are:</p> <ul style="list-style-type: none"> ▪ Overall Government level ▪ One or more specific sectors 	<ul style="list-style-type: none"> - IDI developed a training program on Fighting Corruption. <p>During the 10th WGFACML Meeting in Bonn, Germany, 2016, there was a comment that IDI did not use the WG documents upon developing the training program. It was agreed that the IDI should coordinate with our WG in the future, as the currently used program shall be used for about 3 years as previously planned.</p> <p>SAI of Poland organizes specialized training courses in that field of Fighting Corruption and Money Laundering and the WG members are welcomed to get benefit from these programs.</p>
<p>Work Plan Goal 2 Cont:</p> <p>Promote Building Capacities to SAIs professionals in the field of fighting Corruption as well as fighting money laundering.</p>	<p>Objective 3:</p> <p>Identification of training needs among SAIs regarding issues related to fight against corruption and money laundering, with the purpose prioritizing requests of capacities development.</p>	<p>Disseminate a survey of the training needs among SAIS regarding issues related to fight against corruption and money laundering aiming at determining priorities of capacity development.</p>	<ul style="list-style-type: none"> - The survey was sent to all the WG members but only 6 SAIs responded to the survey. - There is a need to redraft the survey once more and resend it to all the WG members as well as all INTOSAI members.
<p>Work Plan Goal 4:</p>	<ul style="list-style-type: none"> ▪ Cooperate with INTOSAI SAIS and International Agencies in the field of Corruption and Money Laundering 	<p>Develop a newsletter for the WGFACML to disseminate the WG experiences and to acknowledge its activities</p>	<ul style="list-style-type: none"> - The layout of the newsletter was finalised and discussed during the WG meetings. - Comments were taken into consideration. - SAI of Pakistan submitted an article entitled "Scope of SAI Pakistan in Matters Involving Fight Against

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	<ul style="list-style-type: none"> ▪ Sharing best practices and experiences in the field of fighting corruption and money laundering 		<p>Corruption and Money Laundering” to be published on the Newsletter, which represents the first contribution from member SAIs.</p> <ul style="list-style-type: none"> - SAIs of USA, Brazil, and Mexico proposed to send contributions to the newsletter.