

Performance Auditing during COVID-19 crisis – A SAI Perspective

Why does this matter? The COVID-19 outbreak has changed the world quickly and brought several challenges to all. In challenging times, SAI’s role as an independent external oversight in ensuring accountability, transparency, inclusiveness and effectiveness is more critical than ever. It is crucial that governments apply their resources in economic, efficient and effective ways, either when dealing with the crisis or when keeping the country’s sectors well-functioning. As SAIs also face challenges caused due to complete or partial lockdowns, the question for each SAI to answer is: how to conduct high quality and high impact performance audits during COVID-19 crisis?

WHAT TO AUDIT?	WHEN TO AUDIT?	HOW TO AUDIT?
Strong and constant communication and consultation with audited entities and multi stakeholder engagement		
<p>Considerations:</p> <ul style="list-style-type: none"> Review the pre COVID-19 selection of performance audit topics to check for relevance considering the current crisis. Revise selection based on significance, audit capacity, auditability, SAI mandate and impact. Consider local context and environment while selecting PA topics. Decide on audit focus – future orientation for better recovery and/or government performance in dealing with current crisis. <p>Potential audit areas:</p> <ul style="list-style-type: none"> Effectiveness of government response to COVID-19. Strong and resilient national public health systems (linked to SDG 3D). Impact of COVID-19 on women and girls. Measures for enhancing disaster preparedness in the future. Management of medical waste during COVID-19. Emergency public procurement during COVID-19. Effectiveness of socio-economic programmes and schemes to protect businesses and individuals during COVID-19. Impact of COVID-19 crisis on debt sustainability. 	<p>Considerations:</p> <ul style="list-style-type: none"> Can the SAI manage risks to staff safety and security in conducting agile PAs? What are key stakeholder expectations in terms of SAI response to COVID-19? Will an agile PA adversely affect COVID-19 response actions? Does the SAI have capacity to conduct agile PAs? Can the SAI use remote auditing mechanisms? Will it be possible to gather sufficient and appropriate audit evidence in an agile PA? Does the SAI have mandate to report in an agile fashion? <p>Probable timelines for audit:</p> <ul style="list-style-type: none"> Conduct agile performance audits in real-time and issue audit reports. Start the audit process, build capacity and partnerships, collect information and start field work immediately after the crisis. Build in audits focused on better recovery and preparedness in the longer-term performance audit portfolio of the SAI. 	<p>Considerations:</p> <ul style="list-style-type: none"> How can the SAI ensure safety and security of its staff throughout the audit process? Does the SAI have capacity and technology to use remote audit mechanisms for engagement with key stakeholders, planning the audit and gathering sufficient and appropriate evidence? How can the audit team get timely responses from audited entities? How can the SAI write comprehensive, convincing, timely, reader friendly and balanced reports? <p>Potential solutions:</p> <ul style="list-style-type: none"> Create stakeholder coalitions at the very beginning of the audit and engage with them throughout. Keep the audit scope manageable. Provide safety training and equipment to staff to manage risk of exposure. Explore and experiment with online tools to strengthen communication and collaboration. Leverage on data from reliable sources. Design alternative procedures to gather audit evidence. Write future oriented recommendations, based on balanced conclusions. Explain limitations faced during the audit, if any.
<p>BESIDES PERFORMANCE AUDITS?</p> <ul style="list-style-type: none"> Compile information about the significant topics related to COVID-19. Provide information on government actions related to COVID-19. Train performance auditors, develop or update performance audit methodology, review past audit reports. Communicate the continued importance of effectiveness of government response in COVID-19 times. 		

Useful links:

The INTOSAI Framework of Professional Pronouncements

INTOSAI Standards

<https://www.issai.org/professional-pronouncements/>

World Health Organization

<https://www.who.int/emergencies/diseases/novel-coronavirus-2019>

National Audit Office, UK

COVID-19: What it means for the NAO

<https://www.nao.org.uk/naoblog/covid-19-what-it-means-for-the-nao/>

European Court of Auditors

Opinion No 3/2020 on amending EU regulation for the European Structural and Investments Funds' use in response to the COVID-19 outbreak

<https://www.eca.europa.eu/en/Pages/DocItem.aspx?did={C9CCF110-9513-45EF-9C5F-2A8B58604440}>

Controller and Auditor General, New Zealand

Auditing in the context of COVID-19

<https://oag.parliament.nz/media/2020/covid-and-auditing>

Advice to the Epidemic Response Committee inquiry into the Government's response to COVID-19

<https://oag.parliament.nz/media/2020/erc>

Australian National Audit Office (ANAO)

Rapid implementation of Australian Government initiatives

<https://www.anao.gov.au/work/audit-insights/rapid-implementation-australian-government-initiatives>

United Nations

COVID-19 response

<https://www.un.org/en/coronavirus>

United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)

Rapid guide: Gender, COVID-19 and audit

<https://www.unwomen.org/en/digital-library/publications/2020/04/brochure-rapid-guide-gender-covid-19-and-audit>

The World Bank

Getting government financial management systems COVID-19 ready

<https://blogs.worldbank.org/governance/getting-government-financial-management-systems-covid-19-ready>

Open Contracting Partnership

Emergency procurement for COVID-19: Buying fast, open and smart

<https://www.open-contracting.org/2020/03/25/emergency-procurement-for-covid-19-buying-fast-open-and-smart/>