ANNEX: SAI INDEPENDENCE RAPID ADVOCACY MECHANISM

Draft Terms of Reference

Background and Context

In its 2019-2023 Strategic Plan, IDI launched its Independent SAIs work stream. This work stream highlights IDI's commitment to scale-up its global advocacy for SAI independence and its support to SAIs seeking to strengthen or safeguard their independence.

Traditionally, efforts to support SAI independence were driven by SAIs or key stakeholders such as development partners, accountancy organisations and Civil Society Organisations advocating for greater SAI independence through legislative changes. Over time, though, it has become clear that de-jure independence is one of several factors in determining a SAI's independence. Political and institutional landscapes are in a constant state of flux, and a variety of actions by the executive or legislative can threaten and breach various aspects of both de-jure and de-facto SAI independence. These breaches and threats can manifest in a variety of ways, such as through amendments to a country's constitution or audit legislation, challenges to SAI mandates, inadequate follow up of SAI reports, sharp cuts in SAI budgets, and attempts to remove the Head(s) of the SAI or delay the appointment of a new Head. In a few cases, there have even been proposals to fully abolish the SAI as an independent institution or to downgrade its institutional position in the country. These ongoing risks highlight the need for the INTOSAI community and stakeholders to develop tools and approaches which will help SAIs to quickly and effectively respond to challenges to their independence.

The Independent SAIs work stream seeks to support SAIs not only in obtaining independence, but also in protecting and maintaining it over the long-term, even in the face of new threats and breaches. To this end, the work stream has sought to develop a rapid advocacy support mobilisation function for SAI independence.
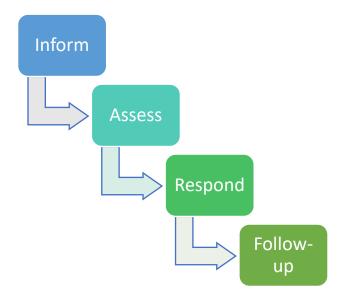
This function includes establishing and maintaining information channels so that IDI can quickly identify threats to and breaches of SAI independence. It also involves developing a support service that is able to rapidly mobilise advocacy support to SAIs. Such advocacy support would seek to bring together key actors to ensure a coordinated and coherent response to threats/breaches to SAI independence, keeping in mind the principle of doing no harm as SAI Independence might be a highly sensitive political issue in the country in question. IDI aims to deliver this support service through a new rapid response function, the **SAI Independence Rapid Advocacy Mechanism (SIRAM)**. Through the creation and expansion of this function, IDI will further develop its capacity to support SAIs to sustain SAI independence and improve and expand coordinated responses from multiple stakeholders to effectively respond to threats to SAI independence.

Process Flow

SIRAM consists of four steps: information gathering, assessment, response and follow-up:

Inform

Assess

Respond

Follow-up

Information gathering: SIRAM is triggered when IDI identifies or receives a report of a threat to or breach of SAI independence. It can be detected by IDI or be reported by any party within or outside INTOSAI. Various channels are made available for reporting, which is discussed later in this section. The first step will depend on the identity of the sender. If the report is submitted by a SAI, the process will immediately move to the assessment stage. It should be noted that in cases of submissions from the SAI, only submissions from the head of SAI would entail a direct move to the assessment stage. An exception can be made if the Head of SAI delegated that power to another individual, or if the office is vacant and no one is acting in the place of the Head of SAI.

If the threat/breach is reported by an organisation/entity other than the SAI, (including INTOSAI members and bodies, or any organisation or individual outside INTOSAI), IDI will conduct preliminary check before proceeding. This will include initiating a dialogue with the sender to gather further details. It will also include initial discussions with the SAI in question, to ascertain if the report is genuine and real and if the SAI is willing to receive support through SIRAM. If the SAI confirms the information and that it is open to receiving support, the process will move to the assessment stage. If the SAI declines support the process will stop, and the reporting organisation/entity will be informed of the outcome. Even in cases where SAIs decline help, IDI will continue to monitor additional developments, and will stand ready to offer support again if the independence situation deteriorates further or if the SAI decides later to request IDI support. The IDI aspires to complete the information gathering phase within 15 days of receiving the report/identifying the threat/breach.

SIRAM will be accessible through different reporting channels and entry points within INTOSAI. It will be possible to report a breach/threat by letter, email and/or through the IDI website. There will be sections on both the IDI website and the SAI Independence Resource Centre subsite where visitors can report a threat/breach. There is also a dedicated e-mail address for SAI independence issues. The initial point of contact can be with IDI directly, or via other INTOSAI organs and regions who can then initiate contact with IDI. The effectiveness of the SIRAM, and the Information gathering stage in particular, will depend on generating strong awareness of the mechanism both within and outside the INTOSAI community. To that end, information about SIRAM will be communicated to all INTOSAI members and INTOSAI organs

(including regions). It will also be promoted to stakeholders, especially Development Partners and country-level civil society organisations. To that end, IDI will work together with INTOSAI and Development Partners, encouraging them to act as change agents and to allow their communication channels to be used to assist in efforts to reach a wider audience on issues of SAI independence.

2. Assessment: Once the information gathering stage is complete and the breach of or threat to SAI independence has been preliminarily established, SIRAM will move to the assessment stage. IDI aims to complete the assessment phase within thirty days of receipt of the threat/breach report. During this period IDI will liaise with the SAI, to further assess the situation and determine potential responses. The assessment stage may frequently include liaising with a range of stakeholders, both within and outside the INTOSAI community. This will be done by leveraging existing platforms, including the INTOSAI-Donor Cooperation. Throughout the process a communication line will be maintained with the SAI, as its buy-in is an essential condition for resolving the threat/breach. The assessment stage includes several steps:

a) IDI will work with the SAI to better understand the situation at a detailed level. The part of the assessment will have a two-pronged approach. First, the Independent SAIs team, potentially in consultation with other stakeholders, will determine the exact nature of the threat/infringement posed to the SAI's independence. This will be done by linking the reported threat to one or more of the eight pillars of SAI independence as outlined in ISSAI-P 10 (the Mexico Declaration). Second, the team will assess and consider the potential reputational risks of non-action on the issue. This will be done primarily through consultation with relevant INTOSAI bodies and the SAI itself.

b) IDI will research and map contextual factors at the country level, including the identification of potential partnerships both inside and outside the INTOSAI community. It will leverage exiting platforms for engagement with Development Partners, with the aim of establishing dialogue with their country-level offices and possible donor coordination groups. IDI will solicit input from these offices on the reported threat/breach, as well as on the standing of the SAI in the domestic PFM landscape, including country partnership frameworks and/or PFM roadmaps. IDI will then use this information to develop a succinct assessment of the accountability system, which will be a prerequisite for identifying potential entry points. One key dimension of the assessment will be to understand the role of non-state actors in the accountability process and identify their potential interactions with the SAI. This part of the assessment will be done through consultations with the SAI, with Development Partners, and potentially with local CSOs. As part of any CSO dialogue, IDI will also assess the possibility of individual CSOs participating in the response stage. IDI will also test the willingness of other stakeholders, such as INTOSAI organs and/or Development Partners, to participate in the subsequent response stage.

c) The assessment stage will close with the identification of the target audiences for our advocacy, the changes to be affected through advocacy efforts, and the organisations to partner with. The finalisation of the assessment phase should also include a tentative timeline for achieving the expected results. "Target audiences" refers to individuals or groups which play a role in PFM and can have an effect on the independence of the SAI. These can range from individual policy makers to large segments of the public. The "changes affected" refers to the results our advocacy efforts will aim to achieve for the different target audiences. The change continuum starts with basic awareness or knowledge, where the goal is to make the target audience aware of the problem. The next step is to generate stakeholder will, where the goal is to raise an audience`s willingness to take action on the issue. This goes beyond

awareness and tries to convince the audience that the issue is important enough to warrant action, and that any action taken will make a difference. The third and final step is to decide on which tangible and concrete actions/responses that will be taken to respond to the threat/breach.

3) Response: The response stage will consist of utilising one or more of the tools in the response toolbox. The tools will be used separately or combined in a sequence, depending on the changes to be affected. Currently, the toolbox includes:

a) *Conducting in-country rapid advocacy support*: Providing an effective and timely response can require a presence on the ground to engage with key segments of the target audience. At a minimum, this should include working alongside the SAI to engage with key policy makers, but ideally also Development Partners and Civil Society Organisations and the media. Where possible this engagement will include joint advocacy actions and/or the use of Development Partner platforms to reach a broader domestic audience. The in-country advocacy should also endeavor to reach out to non-state actors, to ensure that key segments of the accountability spectrum are informed of the situation. Ideally, this could be done through media interaction, press conferences or dedicated activities with local CSOs. The success of using in-country advocacy as a tool will highly depend on the ability to coordinate efforts. A checklist identifying the key elements of the in-country advocacy, including the stakeholders, tools, results and possible action plan, will be developed to ensure the consistency in the use.

b) *Issuing statement(s) of concern*: In some cases, effective advocacy will entail taking a visible stand in support of the SAI and its independence. IDI can do this by issuing public statements of concern which will draw attention to potential or realised developments which threaten or represent breaches of the independence of the SAI. These statements can be made by IDI alone or together with other INTOSAI organs and/or stakeholders. The objective of releasing an official statement of concern is threefold. First, the statement reaffirms the importance and value of having an independent SAI and raises awareness of the existing legal instruments supporting SAI independence. Second, it highlights how current developments are putting SAI independence at risk and provides corrective measures to address those risks. Third, it offers support to the SAI and external stakeholders if and when there is a willingness to address the issue. The success of the statement will be measured by our ability to gain traction and to yield tangible results. Traction on a statement can only be gained if enough stakeholders are involved and if multiplier and trickle-down effects can come out of it. To that extent, IDI adopts an inside-outside strategy when it comes to amplifying the message. A delineation of responsibilities among partners will be essential. As an example, it will be key to determine who will issue to the statement and who can potentially act as amplifier of the message or what channels that will be used to that effect.

c) *Arranging visits of "Influential visitors"*: Another tool to counter specific SAI independence threats and breaches involves arranging for influential visitors to visit the SAI and meet with key policy makers, including parliamentarians, media and Development Partners. Visitors could include a potential future SAI Independence Ambassador (currently under discussion by the INTOSAI-Donor Cooperation), influential Auditors General in the region or outside, or high level INTOSAI representatives with influencing power vis-a-vis policy maker. They will be identified in partnership between the SAI and IDI. IDI would prepare them for the meetings and accommodate them throughout their visit to provide support.

d) *Developing model legislation*: IDI can also provide support to legislative/constitutional reforms. This entails mapping the SAI's legal framework/draft legal framework vis-a-vis the INTOSAI-P 10 principles (for instance using the independence domain in the SAI PMF). As an actionable input, legal options on how to incorporate the different pillars of independence in the legislative/constitutional provisions will be developed in partnership with the SAI. Strategic advice on the issues to be addressed and effective ways to engage with policy makers and other relevant stakeholders will be provided to the SAI. Engaging and coordinating with Development Partners at the country-level will also be essential, as they can act as key advocates for enhancing SAI legislation through policy dialogue. Use of this tool will require extensive engagement with the Executive, Judiciary and the Legislative Branches.

4. Follow-up: While the above measures can address immediate threats to and breaches of SAI independence, additional actions may be needed to ensure that both de-jure and de-facto challenges to SAI independence are mitigated in the longer term. It is therefore crucial to continue support to the SAI even after the initial threat/breach is addressed. As such, the Independent SAIs team will actively follow-up with the SAI and other stakeholders for an extended period once the response stage is complete. The follow-up stage constitutes a mixture of monitoring, advising, and when appropriate the (re)use of specific tools from the threat response toolbox.

Specific follow-up activities can include monitoring the development and eventual passage of legislation developed during the response stage, engaging in long-term dialogue with country-level stakeholders on support for the independence of the SAI, and include the SAI in IDI initiatives where they can enhance their long term capacity for engaging with stakeholders.