



Independence of Supreme Audit Institutions (SAIs)

Supreme Audit Institutions

Supreme Audit Institutions help their respective governments to improve performance, enhance transparency, ensure accountability, maintain credibility, fight corruption, promote public trust, and foster the efficient and effective receipt and use of public resources for the value and benefits of their citizens. Supreme Audit Institutions also make an essential contribution to the success of the 2030 Agenda and the SDGs.



Independent SAIs are essential and valuable

For the international community and the community of donors

as they promote

- good governance, better public management and a transparent, accountable and responsible use of public funds
- the rule of law, integrity, economic growth, social justice and equity
- enhanced performance of the public sector
- fight against corruption, waste and inefficiency
- successful implementation of the United Nations 2030 Agenda through reviewing and following-up on the implementation of the Sustainable Development Goals

For the citizens

as they contribute to

- strengthening parliamentary scrutiny and democracy through holding governments to account
- strengthening the trustworthiness and effectiveness of the public sector
- the country's stability and economic growth
- improving public service delivery
- deterring fraud in public administration

For the United Nations

as to raise awareness

- that SAIs can accomplish their tasks objectively and effectively only if they are independent of the audited entity and protected against outside influence governments to account
- the important role of SAIs in promoting the efficiency, accountability, effectiveness and transparency of public administration – factors that are also conducive to the achievement of the United Nations Sustainable Development Goals (SDGs)

Challenges to SAI independence

The Global Stocktaking Report is a triannual stocktaking of the performance and capacities of SAIs



Legal status

- **52%** of SAIs report that they have a **legal framework** in place that **fully protects their independence**

Operational independence / publication of reports

- **50%** of SAIs publish **at least 80% of their audit reports** (70% in 2014)
- As many as **27%** of SAIs do **not publish any audit reports** at all (15% in 2014)
- **10%** of SAIs have **no freedom** to publish reports and **31%** of SAIs face **restrictions** in publishing
- **30%** of SAIs are not in a position to obtain **timely, unconstrained and free access to information**
- **48%** of countries do not hold **any public hearings** to review their SAIs' audit reports

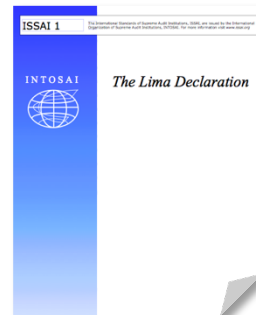
Financial independence

- In the case of **54%** of SAIs the budget process is **overseen by the SAI's auditees** and not by legislature
- **64%** of SAIs reported an **interference by the executive** in the budget process (41% in 2014)

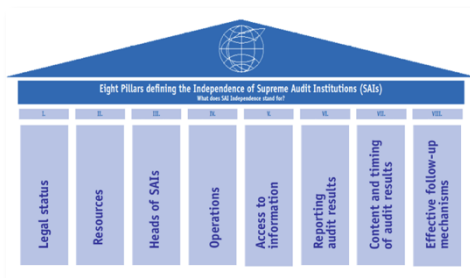
INTOSAI Initiatives to foster SAI independence

INTOSAI has been an ardent advocate of SAI independence. The following lists the numerous measures taken by the organization to promote and raise awareness for this issue:

- Adoption of the **Lima Declaration of Guidelines on Auditing Precepts** (1977)



- Adoption of the **Mexico Declaration on the Independence of Supreme Audit Institutions** (2007) laying out **eight basic pillars of SAI independence**



- **Independence Program** of the INTOSAI Development Initiative to support SAIs in achieving greater independence while taking into account *that independence is an evolving construct and a continuous work stream for a SAI*

- The **Strategic Plan of INTOSAI 2017-2022** defines SAI independence as one of its strategic priorities: “advocating for and supporting the independence of SAIs”



- Organization of the **17th UN/INTOSAI Seminar on “The Independence of Supreme Audit Institutions”** (2007)
- Groundbreaking Achievement of the **repeated support by** the United Nations, in particular via the **General Assembly Resolutions A/66/209 (2011) and A/69/228 (2014)**
- Preparation and dissemination of the **folder on SAI independence** among the INTOSAI member states containing the 8 pillars of independence as laid down in the Mexico Declaration and the UN General Assembly Resolution A/66/209

- In April 2018, the General Secretariat of INTOSAI informed **UN Under-Secretary-General Liu Zhenmin** about the findings of the IDI Global SAI Stocktaking Report; the UN promised **follow-up actions** on this matter