

Overview of comments received on the exposure draft “Guidance on audit of the use and development of key national indicators”

SAI/org	Paragraph number	Comment on the paragraph	WG KNI comments
Austria	81	the text passage beginning with “Correspondingly, a whole of government approach...” and ending with “...programmes and initiatives.” is duplicate.	

Canada	Overall comments	<p>The GUID is non-mandatory guidance that is intended to support SAIs that decide to conduct an audit of the development and use of key national indicators (KNIs). It identifies the audit and evaluation engagement as a key element of an SAI's efforts to ensure that relevant and reliable information is available and properly applied throughout the strategic decision-making process.</p> <p>We found that generally the GUID is not clear, contains inconsistencies and there appear to be missing words/phrases as it does not make sense in certain areas. For example, when mentioning the type of audit to which the GUID refers, it uses both the term "Audit of the Development and Use of KNIs" and "Audit of the Use and Development of KNIs".</p> <p>We also note the GUID appears to have been written not as a guide, but rather a reference document to highlight previous decisions related to good governance and accountability. While this is useful and deserves recognition, the detailed information takes away from the actual guidance.</p> <p>The GUID often provides options on how to approach this work and the way that they are presented sometime makes the GUID more confusing, rendering it indecisive rather than directive. In its current form, it lacks robustness.</p> <p>If the GUID were shortened and focused on the criteria (maturity models) to assess the development and use of performance measures, it would be a more useful tool.</p> <p>We suggest the following:</p> <ul style="list-style-type: none"> • Reduce the overall length, especially in the following sections: <ul style="list-style-type: none"> o Introduction o Definition of KNI o Scope o Objective • Use plain language • Remove the duplication of references to the INTOSAI standards, various INTOSAI declarations, and UN resolutions, etc. We would 	
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		suggest that these only be referred to once, to provide background information.	
Canada	31 and 32 5. Central concepts for audit of development and use of KNI	<p>Paragraph 31 states that this section contains supporting non-mandatory guidelines for the requirements set out in ISSAI 300, ISSAI 400, ISSAI 3000 and ISSAI 4000, and further notes that the GUID is intended to help the audit interpret central concepts of these standards while preparing and conducting the audit of the development and use of KNI.</p> <p>Paragraph 32 discusses in much detail, and with duplication, why only certain standards are included. We would suggest removing “the absence of these requirements is in no way intended to undermine their importance...”, as this could be seen that it does. Given what paragraphs 31 notes (see above), we would suggest stating this directly, noting that only those standards where incremental considerations are needed have been included.</p>	
Canada	38	Paragraph 38 identifies two approaches to follow when conducting this work. We would suggest removing the first sentence and simply identify the two approaches.	
Canada	40	In the Introduction to the GUID, paragraph 4 states that “governments have the primary responsibility for follow-up and review at the national, regional and global levels in relation to the progress made in implementing the UN SDGs and targets”. Given this role, it would be difficult to identify intended users, considering how extensive this could be, especially as paragraph 40 states “it is necessary to take into account historical, political, institutional, and cultural factors specific to a country. The roles and responsibilities of each of the stakeholders need to be clear to all participating government departments”. We would suggest that paragraph 40 be limited to the responsible parties of the audit. While ISSAI 300 speaks to identifying stakeholders, when it comes to the GUID, this may increase workload without providing the benefit sought.	

Canada	53	<p>Paragraph 53 identifies three ways to scope the audit, depending on the stage of development of the government activity, process, etc. being audited:</p> <ul style="list-style-type: none"> • Prospective evaluation (development stage); • Ongoing monitoring (implementation stage); and • Follow-up analysis (after full implementation). <p>Given this, there could be three very different audit objectives. We would suggest that this be explained using examples to illustrate the differences and make it easier to understand the scope of work for each. Paragraph 53 also notes that with a follow-up audit, it is "...also to make sure that necessary lessons were learned and that similar drawbacks would not be repeated in future". It is impossible for an audit to ensure that this would not occur again. We would suggest removing the last part of this phrase and limit this to "necessary lessons were learned".</p>	
Canada	55	<p>Paragraph 55 states that an audit of the development and use of KNI may follow any of the 3 approaches outlined in ISSAI 300 and 3000. We would suggest that these be repeated here (i.e., a system-oriented approach, a result-oriented approach, or a problem-oriented approach) to ensure that they are not confused with the above that speaks to the three ways to scope an audit. This section states that the criteria noted later in the GUID "are most suitable to the system-oriented approach". But then goes on to say "on the other hand, the relevant questions may be readily transposed to fit any of the approaches". This gives the impression that the guidance is indecisive. We would suggest simply stating that there are options on how to approach the audit, which is left to the auditor to decide.</p>	

Canada	59	Paragraph 59 states “on the other hand” not once, but twice, which appears indecisive, as noted above, making the guidance less clear. First, it says that “in other audit types, there can be unequivocal audit criteria, this is not typically the case” with this type of audit. But then states “on the other hand, there exists a vast literature on desirable properties of performance measurement systems and indicators”, and continues with “...it is impossible to define a universal set of criteria that should be applied...”, followed by “on the other hand, the analysis of experience in development and application of KNI systems allows identifying a set of core areas to be examined.” It then states that a detailed description of these areas is provided later in the GUID. We would suggest that the GUID get to the point and simply note the first four phrases in this paragraph followed by discussing where the detailed descriptions can be found.	
Canada	60	Paragraph 60 provides a narrative of the relevant publications of international organizations that the auditor can consult to obtain a deeper understanding of the methods to be applied in measuring performance. We would suggest removing the narrative, make a list, and place in an appendix at the end of the GUID to reduce the amount of information in the body of the GUID.	
Canada	65, 66 and 67 6. Criteria structure for the audit of use and development of KNI	The information presented in this section is key to this type of audit and should be the focus of the GUID. In some cases, it is too detailed and loses the reader. We would suggest reducing the following paragraphs to increase understanding and removing “on the other hand” (where noted) which appears indecisive, making the guidance less clear	
Canada	79 and 80	Paragraph 79 and paragraph 80 identify the maturity model for indicators that measure quality. The way the definition is written implies that “all” indicators” satisfy certain properties. We would suggest changing this to “the set of indicators”.	

Canada	86	Paragraph 86 identifies four maturity levels. Level 2 notes that performance measures are “coherent” and that “a formal procedure exists for decision-making”. The expectation for level 3 is “procedures are harmonized with best practices”. We would suggest adding more information to explain more fully the criteria for level 2, as with the description used, it could be inferred as best practice; however, the level 3 expectation is “best practice”.	
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Columbia	14	<p>The said document defines the KNI (Key National Indicators) as "a set of indicators used by the government in order to set objectives, monitor progress and evaluate goals attainment, as well as to measure the performance of the government activities, programmes, policies, operations or undertakings, as well as the direct and indirect impacts of public policies and programmes".</p> <p>However, the set of KNI would have to include not only government activities, but also ways to assess problems with a view to addressing them, regardless of government activities (they could be called Country KNI). For example: poverty measurement, measurements such as Gini index, land concentration, etc.</p> <p>The above proposals would have a number of advantages: (a) the problem would have been a concern of the State, not the government, which to some extent benefits from the assessment of the problems in its certain way; (b) it would create a higher level of transparency, as the problem would be measured using criteria that are independent from the subsequent government; (c) it would provide the process of determining the responsibility of the government members, which is associated with the objectives for the improvement of these indicators and the level of their implementation and attainment.</p> <p>Once the main KNI have been identified, each government should decide, in accordance with its programme, on tax restrictions, on the prioritization of objectives, etc., on which of them will be responsible for taking measures to ease restrictions or promote objectives, what tasks it will be necessary to perform and what methods will be used for this purpose.</p> <p>By defining these points, the government may use the lower levels of indicators (they may coincide with management indicators) to achieve the higher goals, for which the criteria defined in these commentaries to the guidance will be applied.</p> <p>An important prerequisite is that such "Country KNI" are approved by government-independent institutions, which may be public independent institutions, or by non-profit organizations (e.g. universities) through a contract.</p>	
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Columbia	77	In this regard, one of the criteria set out in the guidance should be the independence of the institutions that define the indicators, as well as those that measure progress towards the goals.	
Czech Republic	More explanation	<p>To add para.61</p> <p>61 Apart from above-mentioned publications, there are several tools which are of help to auditors mainly in setting audit criteria and identifying good practice. These tools are implemented for all audit topics and therefore can be used for development and use of KNI as well. The most used tools include:</p> <p>1) EUROSAI database of audits containing audit reports on various topics from EUROSAI Members (https://www.eurosai.org/en/databases/audits/)</p> <p>2) Experience in development of KNI systems can be shared within the Benchmarking International Exchange Project - BIEP (https://biep.nku.cz/). This tool may serve as a platform enabling easy cooperation and communication among auditors worldwide.”</p>	
Denmark	Overall comments	It is a key strength of the draft GUID that the guidance provided is clearly linked to the relevant ISSAIs. It is however rather confusing that the ISSAIs are quoted without indicating the source. We propose that the source is included each time the ISSAIs are quoted.	

Denmark	Overall comments	<p>As far as we have been able to see, the draft GUID quotes from the requirements of ISSAI 3000/4000 as well the equivalent principles of ISSAI 300/400. Sometimes different sources are quoted on the same subject. This unsystematic approach makes the pronouncement less convincing and less easy to use. Within the ISSAIs it is the ISSAIs 100, 300 and 400 that provides the generally accepted principles. These are relevant for all SAIs and are used as a basis for national as well as international standards on performance and compliance auditing. They also provide the basis for wider INTOSAI efforts such as the SAI Performance Measurement Framework (SAI PMF). The requirements of ISSAI 3000 and 4000 are only relevant for those SAIs that have adopted the ISSAIs as their authoritative standards and refer directly to these in their audit reports. This is currently not the case for the SAI of Denmark. We would therefore propose that the GUID should be based on ISSAIs 100, 300 and 400 and that only these ISSAIs are quoted. This will give the GUID a much wider relevance within the INTOSAI community and make it easier for our auditors to use the GUID in practice.</p>	
Denmark	1-17	<p>The document includes an introduction, which appears to be directed towards the delegates at INCOSAI rather than the auditor. We suggest items 1-5 and items 16-17 are deleted. They could be replaced by a very short introduction focusing on how individual auditors may use the GUID in their audit work. We also believe items 6-16 needs editing from this perspective.</p>	
Denmark	2-5, 16-17, 36, 38, 44 and 87	<p>The document mixes various high-level statements and references to past discussions and decisions within INTOSAI into the guidance aimed at individual auditors. This concerns the introductory sections as well as the guidance given in relation to the individual principles/requirements of the ISSAIs and includes a number of references to the XIX INCOSAI and the resulting Mexico Accords from 2007. These might instead be placed in a separate document, which may accompany the new GUID when it is presented within INTOSAI. We therefore propose that all references to past INTOSAI events and resolutions as well as any general claims about INTOSAI's views are removed, including the ones in items 2-5, 16-17, 36, 38, 44 and 87.</p>	

Denmark	7 and 56	<p>The GUID aims among others to support performance audits related to KNIs. The text does however not apply the full definition of performance auditing as stated in ISSAI 100 and 300. We propose that it is added in item 7 and reflected in other relevant places (for example item 56) that ISSAI 100 and 300 define that performance audits are direct reporting engagements. In a performance audit it is therefore always the auditor (the SAI) – and not the government – that measures and evaluates government activities or other relevant subject matters against the relevant criteria of economics, efficiency and effectiveness. It is also the auditor how elaborate the resulting information and presents it in an audit report.</p>	
Denmark	<p>8 and 14</p> <p>4. Scope</p> <p>6. Criteria structure for the audit of use and development of KNI</p>	<p>In continuation of the above, it is not clear whether or not the GUID is aimed at situations where the role of the auditor (SAI) is to verify the information, which has been elaborated by government and reported as a key national indicator. This would be the situation of an attestation engagement as defined by ISSAI 100 and not a performance audit. Item 8 and 14 explain that the information provided by government through key national indicators may include data attempting to measure or evaluate ‘the performance of government activities, programs, policies, operations and undertakings’. Chapter 6 is to a large extent devoted to SAI audit tasks that concern ‘assessments of the sufficiency and relevance’ as well as the ‘quality’ of the indicator set. This seems to suggest a situation where it is the government (responsible party) – and not the auditor - who measures or evaluates the performance and elaborate the information. The distinction between performance audits and attestation of information elaborated by government is important because they imply a very different role and responsibility for the SAI auditor. We therefore propose that:</p> <ul style="list-style-type: none"> • It is added in items 8 and where elsewhere relevant that <i>SAIs may undertake attestation engagements aimed at enhancing the confidence in the information provided through the KNIs. Such attestation engagements should not be confused with performance or compliance audits, but may be carried out in line with the principles of ISSAI 100.</i> 	

		<ul style="list-style-type: none"> • It should be clearly stated in the section on ‘Scope’ whether or not the GUID is aimed at supporting such attestation engagements concerning the information provided in KNIs. If this is the case section 5 will need to include the relevant reference to ISSAI 100 in addition to or instead of references to other ISSAIs. In chapter 6 it will also be relevant to refer to attestation engagements. If the intention is that the GUID should not cover attestation engagements it could be added to the above in item 8 that ‘<i>Such attestation engagements are not covered by this GUID</i>’. Chapter 6 will need to be edited accordingly so it is clear that the intention is that it is SAI/auditor (not government) who evaluates or measures the performance of government activities, programs, policies, operations and undertakings. 	
Denmark	26 and 30	The draft GUID on KNIs seems to treat the ISSAIs and the INTOSAI GOV 9400 <u>as two alternative sets of standards</u> applying to audits and evaluations respectively. Item 26 and 30 suggest that the GUID may not only be used in audits as defined by ISSAI 100 but may also support evaluations in line with INTOSAI GOV 9400. We propose that the references to the INTOSAI GOV 9400 are deleted throughout the GUID and it is clarified in the section on ‘scope’ that the GUID is exclusively aimed at supporting audits by SAI auditors in line with the ISSAIs.	

Denmark	<p>5. Central concepts for audit of development and use of KNI</p> <p>6. Criteria structure for the audit of use and development of KNI</p>	<p>Chapter 5 aims to provide guidance on KNIs by commenting on the principles and requirements defined for performance and compliance audits by the ISSAIs. Within this chapter most of the guidance is given in the sections 5.3 on the subject matter, 5.4 on the audit objectives and 5.6 on Audit criteria, while the other sections only provide very limited auditing guidance. We have observed that chapter 6 also concerns the subject matter, the audit objectives and the audit criteria. It could therefore be relevant to seek to integrate the text of chapter 6 into the relevant sections of chapter 5 or at least explain the relations between the two texts (how/why does chapter 6 repeat/elaborate on these issues already covered in chapter 5?).</p>	
Denmark	<p>62</p> <p>5.1. Independence and ethics</p> <p>5.2 Intended users and responsible parties</p> <p>5.7 Skills</p>	<p>We are not convinced that it is relevant to provide guidance on independence and ethics (section 5.1), intended users and responsible parties (section 5.2) and skills (section 5.7) aimed specifically for audits in relation to KNIs. The current text in these sections will have limited practical value for auditors and is generally less convincing than the rest of the GUID. For example item 62 states that ‘In order to be successful in conduction audit of development and use of KNI SAIs need to significantly expand the knowledge, skills and ability of their staff’. We believe this depends on the current level of competencies and is a matter of the general HR strategy of the SAI rather than a concern in the individual audit. Instead it might be relevant to include a short general warning to auditors/SAIs who are not sufficiently prepared or lack sufficient independence or clarity over the relevant parties and intend users against undertaking and engagement to audits on KNIs. This could be placed in the introduction of the GUID. We propose that the sections 5.1, 5.2 and 5.7 are deleted.</p>	

Denmark	52, 63 and 77	<p>We also find it important that the auditing guidance provided by INTOSAI avoids statements that can be understood as defining requirements to SAIs. For example item 63 uses the expression that ‘SAIs should...’ in a way we would expect to be more relevant for a standard than a guidance document. Item 77 note that ‘auditors and evaluators are free to...’, which could suggest that the overall purpose of the text is regulate the auditors behaviour. Item 52 also make a very strong general statement starting by ‘the main objective of the audit of development and use of KNIs is ...’ Such language suggest that this document impose a specific objective upon the auditor or aims to provide a standard for audits with this specific objective. These and similar examples could give the wrong impression that the documents aims to define a standard for SAI audits of KNIs. We believe the issue can be easily solved by using a softer language and ensuring that the text is more strictly focused on providing guidance on the specific methodological challenges involved in audits of KNIs.</p>	
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Denmark	<p>53-55, 64-66</p> <p>6. Criteria structure for the audit of use and development of KNI</p>	<p>The GUID provides a large number of different alternative ways to draw distinctions between different audits related to KNIs. This complexity is not necessarily helpful. Item 54-55 distinguish in line with the ISSAIs between a result-, problem- and system-oriented approach in a performance audit. Item 53 provides an alternative distinction between prospective evaluation, ongoing monitoring and follow-up analysis. Item 64 presents a third set of distinctions between assessments of different aspects of measurement system providing the KNI. This distinction also provides the structure of chapter 6 and it appears strange that it is not introduced from the outset of the document. Chapter 6 is also very much based on an additional distinction between different maturity levels. As far as we understand the explanation given in item 65-66 the general idea is that relevance of different audit questions will depend on the level of maturity reached by the national system of indicators. These maturity levels therefore provide for a forth general way of distinguishing between different audits. We believe that the auditors reading this document will be mainly interested in those few key distinctions that are important in order to direct them to the guidance that is relevant for the specific audit task they are working on. We propose that the GUID to furthest extent possible use the concepts and distinctions already defined by INTOSAI through ISSAI 100 and other ISSAIs, which already provide for several ways of differentiating between different audits.</p>	
Denmark	<p>6. Criteria structure for the audit of use and development of KNI</p>	<p>Chapter 6 reflects some of the many different audits that may be carried out in relation to KNIs. We believe this part could become even more useful in practice if it is a little further developed. It would be relevant to:</p> <p>Provide a better overview, for example through a graphic representation, of the various aspects discussed</p> <p>Provide a more thorough account of the key challenges in assessing the quality and reliability of statistical data and whether and how a SAI may be able to identify suitable criteria in an audit of the statistical data that underlies KNIs</p>	

		Highlight some of the potential risks involved in KNIs of relevance for the auditor's risk assessment and drawing on the concepts of risk and materiality in relation to the different possible objectives of SAI audits																
		Provide a few generic audit designs driven from practical experiences that illustrates how audit questions and criteria may be linked and suggest what the relevant methods or possible procedures may be																
Ecuador	Content	<p>Comparison of the structure of the guidelines for conducting an audit of the use and development of key national indicators and the methodological guidelines for conducting an audit of activities issued together with Regulation 047-CG-2011 dated December 2, 2011 is as follows:</p> <table border="1"> <thead> <tr> <th>Guidelines for conducting an audit of the use and development of key national indicators</th> <th>Methodological guidelines for conducting an audit of activities</th> </tr> </thead> <tbody> <tr> <td>1. INTRODUCTION</td> <td>INTRODUCTION</td> </tr> <tr> <td>2. SPECIFICATION OF THE KEY NATIONAL INDICATORS</td> <td rowspan="3">Section I. GENERAL PROVISIONS</td> </tr> <tr> <td>3. OBJECTIVE</td> </tr> <tr> <td>4. ACHIEVEMENT</td> </tr> <tr> <td>5. GENERAL TERMS FOR AN AUDIT OF THE USE AND DEVELOPMENT OF INDICATORS</td> <td rowspan="2">Section II. AUDIT PROCESS</td> </tr> <tr> <td>6. A FRAMEWORK OF CRITERIA FOR AUDITING THE USE AND DEVELOPMENT OF INDICATORS</td> </tr> <tr> <td>APPENDIX A (Glossary of terms)</td> <td>Section III. APPENDICES</td> </tr> <tr> <td></td> <td>Section VI. GLOSSARY OF TERMS</td> </tr> </tbody> </table> <p>When comparing the guidelines for conducting an audit of the use and development of key national indicators and the methodological guidelines for conducting an audit of activities of the main control department, general characteristics were identified in the following aspects</p>	Guidelines for conducting an audit of the use and development of key national indicators	Methodological guidelines for conducting an audit of activities	1. INTRODUCTION	INTRODUCTION	2. SPECIFICATION OF THE KEY NATIONAL INDICATORS	Section I. GENERAL PROVISIONS	3. OBJECTIVE	4. ACHIEVEMENT	5. GENERAL TERMS FOR AN AUDIT OF THE USE AND DEVELOPMENT OF INDICATORS	Section II. AUDIT PROCESS	6. A FRAMEWORK OF CRITERIA FOR AUDITING THE USE AND DEVELOPMENT OF INDICATORS	APPENDIX A (Glossary of terms)	Section III. APPENDICES		Section VI. GLOSSARY OF TERMS	
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Ecuador	6. Criteria structure for the audit of use and development of KNI	<p>Part 6 “Criteria structure for the audit of use and development of KNI” establishes the requirement to provide a description of audit points to evaluate the functioning of the performance and impact measurement systems; nevertheless, there are no benchmarks to which such measurements should be oriented, therefore we suggest resorting to creating an indicator based on the methodological models established by the institutions responsible for the statistical data of the country of the controlling body.</p>	
		<p>Part 6 “Criteria structure for the audit of use and development of KNI” establishes a method of conducting an audit that focuses on obtaining results by evaluating the performance and impact measurement systems according to the degree of maturity; However, this methodology does not provide for a holistic assessment of the organization along the performance axes; therefore, we propose the introduction of matrix questionnaires for internal control, including the following components of the COSO framework: control environment, risk assessment, controlled activities, information, communication and monitoring, with the purposes of gathering information to familiarize with the state of the organization and developing the audit method; it will also allow to accumulate data on the existing methods of control and identify issues that require more in-depth study at the research stage.</p>	

Ecuador	Content	<p>The Guidance on audit of the use and development of key national indicators does not specify the submission and structure parameters for the report containing the results obtained, so we suggest introducing the following structure for such a report:</p> <p><u>Section I Audit method</u></p> <ul style="list-style-type: none"> - Shallow audit - Topic summary - Objective - Achievement - Method - Evidence - Methodology - Audited components - Used indicators <p><u>Section II Organization details</u></p> <ul style="list-style-type: none"> - Key details - Financing <p><u>Section III General results</u></p> <ul style="list-style-type: none"> - Results matching the overall audit context - Conclusions and recommendations <p><u>Section VI Specific results</u></p> <ul style="list-style-type: none"> - Results for specific components - Summary and conclusions 	
Finland	9	<p>According to INTOSAI GOV 9400 in case of public policies, key indicators are also essential to measure the impact and utility of public policy and programmes – using appropriate statistical and econometric techniques – and determine whether there is room for improvement.</p>	

Finland	88	<p>If a SAI decides to conduct an evaluation of goals attainment it may rely on the set of indicators used within the existing performance measurement system or on a built for a purpose set of indicators. In the first case all the risks associated with the drawbacks in the functioning of the KNI system described in the previous sections need to be taken into account. In the latter case the suggested set of indicators need to be reviewed using the same questions as an existing KNI system. In any case the set of indicators and their values used to evaluate the goals attainment need, in line with requirements of ISSAI 300, ISSAI 400, ISSAI 3000, ISSAI 4000 and INTOSAI GOV 9400, to be communicated with the audited or evaluated entities and, if necessary, with the intended users of the audit or evaluation reports. In line with INTOSAI GOV 9400, appropriate statistical and econometric methods are also needed in order to account for possible confounding factors, when evaluating the attainment of policy goals.</p>	
Kuwait	30	<p>As for paragraph 30, page 8 of the Guidance “To carry out public policy evaluations at all stages of the process”, which deals with the standards for auditing the performance indicators, we believe that such role should be explicated by the participants, especially given that the responsibility of policy evaluation rests with the parliaments. It is also important to take into account that the role of SAIs is defined in accordance to the applicable laws of each individual country.</p>	
Kuwait	36	<p>Concerning paragraph 36, page 9 of the Guidance “Given their unique roles and responsibilities within national governments in helping to promote transparency and ensure performance and accountability, SAIs can play a critical role in contributing to design, development, adoption, and continuous improvement of KNI”, we believe it is essential to discuss this matter by the workshop’s participants in order to clarify the role of the SAIs under the principle of independence that was asserted by the Working Group members.</p>	

Kuwait	38	We realized, through our review of the Guidance, that some roles were not clearly defined with respect to the responsibility for the development, implementation, and audit of the Key National Indicators (KNIs). Therefore, it is necessary that the Guidance clarify roles and responsibilities between the government agencies and the SAIs in this regard. The State Audit Bureau of Kuwait concurs with paragraph 38 of this proposed Guidance, which provides that SAIs shall maintain their independence during the development and selection of KNIs' process, since such task is primarily the responsibility of the governments.	
Kuwait	Overall comments	The State Audit Bureau deems it necessary to shorten the Guidance, without compromising the principles therein. This would facilitate the use of this Guidance and help to achieve its intended objectives.	
Kuwait	More explanation	The State Audit Bureau believes that it is necessary to define the periodicity of auditing the KNIs, i.e. quarterly, semi-annually, or as agreed by each individual SAI.	
Kuwait	More explanation	The application of KNIs and utilizing their outcomes through ongoing development.	
Kuwait	Use of the exposure draft	Use of the draft of INTOSAI Guidance "Guidance on audit of the use and development of key national indicators": Upon finalizing and approving on the exposure draft of INTOSAI Guidance, the State Audit Bureau of Kuwait will prepare a guidance on audit of key national indicators based on this INTOSAI Guidance.	
Kuwait	More explanation	The State Audit Bureau considers it necessary to include the theme of "compliance audit" in the Guidance, under a specific section that states the audit procedures; this would help SAIs to undertake this type of audit.	
Kuwait	More explanation	The State Audit Bureau believes that the Guidance should clarify how to set a benchmark and demonstrate the role of SAIs in the selection of such benchmarks.	
Kuwait	More explanation	It is important to illustrate how far are SAIs responsible for assessing the availability of information and data in order to carry out a performance assessment and assure its credibility.	

Kuwait	More explanation	The State Audit Bureau of Kuwait would like to discuss the experiences required for auditors, as well as the training programs that would qualify such auditors to carry out KNIs' audits in accordance to the Guidance.	
Lithuania	86	Level 2 in the table states that „Performance measures used are coherent with definitions and quality of KNI“, however, it is more likely to be linked with the quality of the key indicators which is evaluated in the previous parts, for example, 6.3.	
Malta	More explanation	The role of technology in measuring these indicators in a consistent way could be discussed in the Standard.	
Malta	6.4 Coherence of the KNI system with other activities	The Standard could discuss how budgeted KNIs are incorporated into the State budgeting system (reference to this may be made in section 6.4 of the Exposure Draft titled Coherence of the KNI system with other activities). In this way, cost-benefit analysis could more easily be measured by comparing costs against output and outcomes.	
Malta	More explanation	Guidance may also be given regarding whether to assess the whole population of a particular KNI using data analytics or whether to instead use sampling to ensure KNI's accuracy and completeness.	
Malta	More explanation	The role of internal audit in assessing KNI and any possible reliance on their work could also be included in the Standard.	

Malta	Content	<p>The Standard could also tentatively propose a reporting structure based on Section 6 titled Criteria Structure for the Audit of Use and Development of KNI. Such structure could include:</p> <ul style="list-style-type: none"> • Foreword • Executive Summary <ul style="list-style-type: none"> - Main overview of the audit - Main Conclusions of the Audit - Recommendations of the Audit • SAI opinion on the audit • Chapter 1 – Country Background Information, scope, objectives, methodology • Chapter 2 - Results of assessment of SAI indicators in accordance with the six criteria outlined in Section 6 • Chapter 3 – the results of comparisons with budgeted KNIs, KNIs of previous years, and similar KNIs in other countries could be presented. • Chapter 4 – Any proposed remedial action and the way forward. 	
Mexico	5. Central concepts for audit of development and use of KNI	<p>The requirements of the ISSAI 300 and ISSAI 3000 of Confidence and assurance in performance auditing, Audit risk, Supervision, Professional judgment and scepticism, Communication, Quality control, Materiality and Documentation must be mentioned.</p> <p>In case you do not want to mention these requirements, it should be established that an audit with a performance focus to review indicators must comply with all the requirements of the ISSAI.</p>	
Mexico	6. Criteria structure for the audit of use and development of KNI	<p>This document will support the SAIs to review the indicators used to follow up on the Sustainable Development Goals.</p> <p>Therefore, in this chapter it is necessary to include a more detailed description of how this document contributes to the evaluation of the indicators generated to follow up on the SDGs.</p>	

Mexico	6.4. Coherence of the KNI system with other activities	<p>The analysis of the relationship between public policies results in three scenarios: 1. policies can be opposed; 2. policies can duplicate activities; 3. the policies complement each other.</p> <p>The analysis of the indicators in this section must include the concepts of the analysis of the relationship of public policies to strengthen the conceptual and methodological framework.</p>	
Peru	2. Definition of KNI	<p>It is proposed to add a figure or a diagram summarizing the relationships between progress, key national indicators, public audits, and the public value chain. This would give the reader an overall vision of the central subject matter.</p> <p>In Latin America, the paper on performance indicators by Armijo and Bonnefoy is used as a good reference. Click on the following link to find some diagrams that can be used as a reference in this respect: https://repositorio.cepal.org/bitstream/handle/11362/5611/S05900_es.pdf</p>	

		<p>As far as the definition of Key National Indicators is concerned, it reads as follows: “a set of information about the progress and location of a jurisdiction or jurisdictions, such as a city, province or nation, with an emphasis on the national level”. In this regard, it is suggested amending it to read as follows: “a set of information about the progress and location of a jurisdiction or jurisdictions, such as a nation, region or municipality, with an emphasis on the national level”.</p> <p>This proposal to enter amendments is due to the fact that the term “city” is rather limited with regard to space, as is the case of Latin America, given that there is a part of the population who reside not in cities, but in rural areas; the concept of “province” is also rather limited, therefore, we suggest using the concept of “region”.</p> <p>It is proposed to consider giving definitions to the following concepts in Part 2 and the relationship between them.</p> <p style="padding-left: 40px;">I. INDICATOR II. VARIABLE III. DATA</p> <p>The three concepts are of importance, because Peru's SAI believes that it starts with the “data” and the “data” is further associated with an objective resulting in a variable; in this regard, variables can be measured through indicators.</p>	
Peru	4. Scope	<p>With respect to Paragraphs No. 24 and 25, we suggest that each of the aspects should be detailed. It is understood that there are three aspects; therefore, each one should be detailed in a separate paragraph, as follows:</p> <p>i) The audit of the development and use of KNIs based on any of the three principles (efficiency and effectiveness of government undertakings, systems, operations, programmes, activities or organisations) or any combination of the principles.</p> <p>ii) The evaluation of how KNIs are used in measuring the impacts and utility of public policies.</p> <p>iii) The audit of the preparedness and implementation of the United Nations SDGs at the national level.</p>	

Peru	5.7 Skills	We propose to include the concepts of data science and geographic information science, as well as to add knowledge of public administration, public policies and political science.	
Peru	6.7 Evaluation of Goals Attainment	It is suggested to include an additional item (ITEM 7) to describe the post-audit process through which the Supreme Audit Institution establishes RECOMMENDATIONS and requires the audited entity to implement an IMPROVEMENT PLAN in a manner similar to that of performance audits, so that the audit has explicit results.	
Peru	Annex A	It is suggested to detail the concept of PROGRESS, since it is a concept of importance. It should also be given a greater attention throughout the document whereas it will determine the structure of Key National Indicators.	
		In addition, it is suggested to consider a particular definition technique for which we recommend a paper by Augustina Giraudy describing different dimensions of conceptualization: https://scielo.conicyt.cl/pdf/revcipol/v32n3/art05.pdf .	
		It is recommended that the concept should result from multi-study terminological analysis, including the following study: https://www.inegi.org.mx/rde/rde_02/doctors/rde_02-art6/pdf .	
		Additionally, we suggest developing the concept of WELL-BEING and how it in turn relates to the concept of PROGRESS.	
		Finally, it is suggested developing the concept of SUSTAINABLE DEVELOPMENT and how it is interrelated with the concepts of PROGRESS AND WELL-BEING.	
Philippines	45 (last sentence)	The phrase “especially if the audit is conducted in the form of compliance audit” may be deleted in the following sentence: “When an audit of development and use of KNI reveals weaknesses, a SAI is encouraged to present its findings, especially if the audit is conducted in the form of compliance audit, in such a way that creates opportunities to improve the performance or impact evaluation measurement systems.”	

Philippines	52 (3 rd sentence)	Include assessment of performance indicators using the characteristics of quality indicators under Part 6.3 of the GUID.	
Philippines	53 (1 st sentence)	Timing of audit of development and use of KNI may fall under the following instances: a) development of performance measurement system relating to government activities, programs, policies, operations or undertaking; b) during their implementation; and c) after their full implementation.	
Philippines	62 (3 rd sentence)	The suggested sentence will be read as follows: It requires skills and knowledge in a number of technical areas important for work on indicators including statistics, information, technology, economics, accounting, public administration and other relevant areas , as well as subject matter knowledge of key economic, environmental, social, cultural and political issues.	
Philippines	6.4 Coherence of the KNI system with other activities	The importance of designating responsible committee/entity to ensure coherence of the KNIs of different programs contributing to a goal or SDG was not discussed nor included as one of the definitions under a certain maturity level. The mapping of related contributions of different programs and initiatives and the degree to which related efforts are aligned and coordinated can be the responsibility of this committee/entity. Suggestion Include in the discussion the need for a responsible committee/entity to mapping of related contributions of different programs and initiatives and the degree to which related efforts are aligned and coordinated in line with a goal/SDG. The related definition can also be included under a certain maturity level.	

Philippines	6.5 Feasibility and soundness of indicators target values	<p>No discussion about baseline figure which is generally the basis from which the targets can be formulated. The absence of baseline data can also be included in the definition in the appropriate maturity level.</p> <p>Suggestion</p> <p>The importance of setting baseline data for identified indicators need to be discussed preferably in paragraph 85.</p> <p>Under the maturity level – 0, the definition may include the absence/incomplete baseline for indicators.</p>	
Philippines	6.6 Adequacy of monitoring and evaluation procedures	<p>One of the definitions under maturity level 2 (Performance measures used are coherent with definitions and quality of KNI) apparently pertains to Part 6.3 on Quality of the indicators set.</p> <p>Suggestion</p> <p>The definition on coherence with definitions and quality of KNI under Level 2 may be deleted.</p>	
Philippines	89 (1 st sentence)	<p>The role of defining targets and assessing progress towards them is not only for elected officials but will generally be performed by programme managers.</p> <p>Suggestion</p> <p>The sentence may be read as follows:</p> <p>In some cases, defining targets and assessing progress towards them may be considered to be outside SAI’s mandate and to be more properly the role of elected officials and programme managers.</p> <p>The paragraph did not include discussion on evaluation of goals attainment conducted by oversight and other independent bodies and how SAI may use this evaluation in the performance audit.</p> <p>Suggestion</p> <p>The discussion can include how the results of evaluation of attainment of goals conducted by oversight/independent bodies be utilized/relied upon by the auditors conducting performance audit.</p>	

South Africa	6	Consider to reword the first sentence of the paragraph to ensure clear understanding. Sentence unclear as from "...there was applied the same definition of KNI as"	
South Africa	11	No definition is provided (in Annexure A) for "performance and impact indicators". As Annexure A contains definitions for input, output and outcome indicators we do suggest that reference in the GUID itself should not introduce other terminology as this can weaken the clarity of principles explained in the GUID.	
South Africa	26-30	Paragraph 26 states that "the GUID is intended to be used during all the parts of the audit process defined in the ISSAI 100 or evaluation process as defined in INTOSAI GOV 9400". Despite this broad scope the GUID then continues in par 27 – 30 by only referring to the ISSAIs relevant to Performance and compliance auditing. The audit of the use and development of KNIs can also be done in terms of other auditing standards such as ISAE 3000 and own standards developed by SAIs or standard setting bodies. Please consider referring to this in GUID as well.	
South Africa	32	Although we do agree that not all requirements of ISSAI 300 and ISSAI 3000 can be explained in the GUID – we do suggest that as a minimum the requirements relating to Audit risk, materiality and Documentation should also be included as those are potential contentious areas where auditors will need guidance.	
South Africa	5.1 Independence and ethics	We do appreciate and acknowledge the enhancements included in the GUID relating to independence and ethics.	
South Africa	5.3 Subject matter	We do suggest that a clear distinction is made between subject matter and subject matter information as per the audit standards as this will ensure a clear understanding.	
South Africa	62 (2nd sentence)	The last part of the 2nd sentence: " and perhaps most importantly assess performance trends suggested by specific indicators and how government can work with partners from to improve the nation's position and progress" can have a negative impact on the independence (perceived independence) of the auditor and we do suggest that the inclusion thereof should be reconsidered.	

South Africa	6. Criteria structure for the audit of use and development of KNI	We found the use of a maturity model for each of the 6 broad categories very useful and appropriate.	
South Africa	Annexure A	Consider to include definition for “performance and impact indicators” – refer to comment above for par 11.	
Sudan	76 - 77	<p>In the two paragraphs 76 and 77 it seems that the draft makes no distinction between the data used to compute the indicators and the indicators themselves. Paragraph 77 then goes on to detail a number of attributes that should be examined to determine the quality of KNI. However, while some of the attributes mentioned in this part (like validity and credibility) apply to the collected data, other attributes (like accuracy and comparability) only apply to the created indicators. The draft, nevertheless, refers to both sets of attributes as being applicable to both the data and the desired indicators.</p> <p>Recommendation</p> <p>Separate the set of attributes connected to the data from those related to the indicators and make it explicit in the draft that a given set of attributes are examined against either the data set or the indicators.</p>	
		<p>Paragraph 77 defines accuracy and emphasizes the importance of this when using a sample of data to estimate an unknown parameter of the population, but ignores another potential and important type of error in estimation which is ‘Bias’. Bias is defined as an intolerable difference between the estimated value and the true parameter value. Increasing the size of the sample may increase accuracy, but to reduce the potential bias, attention should be paid to other aspects such as the way that the sample is selected (i.e. is the sample representative of the population?).</p> <p>Recommendation</p> <p>Introduce bias as another attribute that needs to be examined, and possibly offer a simple approach to assess it.</p>	

		<p>Paragraph 77 correctly explains validity as the extent to which a measure adequately represents actual performance, but then it states that measuring validity requires answering questions about the indicators values and it gives examples of two questions. I, however, think that validity is not directly linked to the indicator value but it has everything to do with the data used to calculate the indicator. Validity is a pointer towards measurement error and the latter occurs during data collection. e.g. if we are collecting data on ‘family planning’ from women and we mean the use of contraception but we get answers about savings, then a measurement error occurs. If we do not discover this then the collected data are invalid to calculate an indicator such as ‘proportion of women who use contraception’. While the data is said to be invalid, the resulting indicator from this is misleading and is said to be incorrect (not invalid!!).</p> <p>Recommendation</p> <p>One of two things could be done here. Either to make it explicit that validity is about the data (and therefore the two suggested questions should not be about indicator values) or if we still need this attribute to be linked to the indicator value, another term (other than validity) needs to be sought.</p>	
Institute of Internal Auditors	14	<p>The suggested definition of KNIs (paragraph 14) states that they are “used by the government in order to set objectives...” The IIA sees KNIs as a means of managing, measuring, monitoring, and reporting, but not as dictating policy. Policy should be determined by national priorities, with KNIs then following. The definition also could go further to clarify the value of KNIs in communicating results and impacts.</p>	
Institute of Internal Auditors	26	<p>Procedures (paragraph 26) should include a reference to use of the work of internal auditors. ISSAI 1610 and INTOSAI GOV 9140 are both relevant here.</p>	

Institute of Internal Auditors	38 5.1 Independence and ethics	The possibility of risk to independence is real and something the guidance rightly highlights. We understand this risk: Internal auditors, too, are independent and need to ensure that their independence is safeguarded. While SAIs are appointed by government, work for government, and report to government, and so are never purely independent (Section 5.1.), the key to safeguarding independence is in understanding the source of that independence and the realization that independence is always only relative – for SAIs, as well as for internal auditors. Paragraph 38 is important in reminding SAIs not to select indicators, as that could erode independence. However, there may be situations in which government has not established indicators for some of its policies and, therefore, in auditing that area, the SAI will need to determine appropriate criteria, which may include the use of KNIs.	
Institute of Internal Auditors	Overall comments	In terms of looking for skills and resources, SAIs should be encouraged to consider drawing upon the expertise of internal auditors.	
Institute of Internal Auditors	Overall comments	The process described at the national level by which SAIs support governments in the development and use of KNIs is mirrored by similar processes within government entities and regional and local government and the support provided by internal audit.	
Institute of Internal Auditors	Overall comments	The paper describes a goal of INTOSAI and SAIs as promoting good governance and accountability, which is also a key goal of internal auditing. This is worth noting and understanding as it paves the way for useful partnering between these functions.	
Institute of Internal Auditors	Overall comments	The paper (quoting ISSAO 300) describes performance auditing as “an independent, objective and reliable examination of whether government undertakings, systems, operations, programmes, activities or organisations are operating in accordance with the principles of economy, efficiency and effectiveness.” The same definition could be applied to internal auditing. The independence of internal auditing is secured through reporting to an independent audit committee (reference INTOSAI GOV 9140). Its objectivity is secured through this, in addition to the application of rigorous and systematic procedures and an objective mindset.	

International Consortium of Government Financial Managers	66	Under Section 66, the opening paragraph needs additional clarity. We were unsure what “such structuring” was. Perhaps some refinement would allow for greater understanding from the start.	
International Consortium of Government Financial Managers	More explanation	Include some example audit objectives and subobjectives for auditing use and development separately. It may assist auditors establish the appropriate focus for the audits.	
International Consortium of Government Financial Managers	More explanation	Include greater use of examples to provide an anchor for the concepts being discussed.	