

Comment Matrix – GUID 5280 Public Exposure

Country or Entity	Date	Section	Suggestions/Comments	Comments to the suggestion
		General comments		
Public Institution	31/05/2022		We are suggesting that: 1. Public Procurement Audits be split into 2 separate subject matter between Public Procurement of Goods and Public Procurement of Services. This is due to creating a better understanding a more convenient audit system.	Not accepted. The idea of splitting the Guidance into two separate parts was rejected during the initial project proposal stage and also during discussion with Subcommittees and FIPP. Besides, splitting the GUID into two separate subject matter at the final stage of discussion would be impossible.
			2. In support of 3E principle and accountability, a concrete conduct of pre-assessment is essential which may be in the form of a cost benefit analysis (CBA) considering not only limited to the output but including the outcome of the procurement which may apply to a certain procurement depending on the amount of expense.	Not accepted. CBA is one of the widely used methods. In case there is a need to mention it in the GUID it would require comparing it to other methods and the main reasons for opting for the use of CBA. The suggestion also does not specify the exact part of the GUID to be amended.
SAI Bahrain	01/06/2022		As part of the “Corruption Prevention in Tender Procurement Process” (Parag. 13 page 35), the Guideline may also include an additional section about a register called “Pre-qualification Register” prepared, under supervision of the concerned authority, by procuring bodies and	Not accepted. The comment refers to the outdated version of the GUID.

		<p>entities in the government. In that register, pre-qualified suppliers and contractors are listed with all the necessary information about them which shall prove their abilities and qualifications that enable them to take part in the procurement procedures and meet requirements of purchased goods or services, and construction works. The information should include details such as: (a) Name and address of the supplier/contractor. (b) Nature and kinds of goods, services and construction works provided/implemented. (c) Financial position (bank statement – most recent audited balance sheet). (d) Management and technical staff working for him on a permanent basis. (e) The available and necessary equipment, machinery, and appliances to implement the work. (f) Period of experience. (g) The highest value of works implemented by the supplier/contractor. (h) Major works successfully implemented...etc. Utilizing this register during the Bid Evaluation process as a control will help ensure that procuring bodies/entities deal with suppliers and contractors who have the qualifications, professional, technical, and financial capabilities and the necessary equipment such as machinery, equipment, appliances and such other items in addition to the management resources, goodwill and the necessary expertise to implement the purchase contract. The concerned government authority shall re-evaluate and re-classify suppliers and contractors and regularly update the pre-qualification register data. Also, the Pre-qualification Register can be stated as a “preventive action” with the related “risk, red flag and example of noncompliance” in table 5 (Parag. 6 Page 31) and table 8 (Parag. 1 Page 42), because it is applicable to both Simplified Procurement Processes as well as the Tender Procurement Process. Consequently, some “Typical questions” should be added regarding this issue.</p>	<p>The existing registers of vendors and suppliers is a widespread issue. However, the use of such registers in different countries is not mandatory (often used as supplementary material). In the countries, where the use of such registers is mandatory, the control is exercised through electronic platforms.</p>
<p>SAI Egypt</p>	<p>12/06/2022</p>	<p>We suggest that the guide should address financial audit as well as performance and compliance audit as it is a basic type of audit</p> <hr/> <p>Although the guide has indicated that it deals with performance audit and compliance audit, most of the directory's supplements and most of its discussions deal with performance audit without compliance audit.</p>	<p>Not accepted. This issue was discussed during the project proposal stage (with LO and FIPP). The final decision supported the Scope of the GUID, which is mentioned in Para 12.</p>

GAO U.S.	13/06/2022	<p>Question 1: Does this GUID provide clear guidance that will be valuable for your SAI in carrying out the audit of public procurement activities?</p> <p>Yes, the GUID provides clear guidance for auditing procurement activities.</p>	
		<p>Question 2: The GUID and some of the accompanying annexes provides indicative lists of audit objectives (chapter 7), audit questions (chapter 7 and annex 4-7) and sources of criteria relevant for public procurement audit (chapter 7). Do you find these lists sufficiently clear and supportive when performing a compliance and performance audit of public procurement? Are the examples of audit questions for each of the 3Es sufficient as a support to designing performance audit question pyramids for economy or efficiency or effectiveness audits?</p> <p>Yes, the lists in the GUID and accompanying annexes are sufficiently clear and supportive when performing a performance audit of public procurement and the examples of audit questions for each of the 3Es are sufficient support for designing performance audit question pyramids for efficiency. However, the discussion of criteria groups and criteria/criterial dimensions in the table in para 72 appears to be measures of conditions, not examples of criteria. We suggested revising the table to clarify examples of criteria. We also suggest adding that the World Trade Organization’s Agreement on Government Procurement (WTO GPA) covers the audited entity; an international agreement is a potential source of criteria (for example, with regard to what constitutes open, fair, and transparent conditions of competition), and transparency is particularly important with regard to tendering and awards.</p>	
		<p>Question 3: Is this GUID comprehensive enough to assist auditors and fill potential gaps, in terms of either experience or knowledge, in such audit engagements?</p> <p>Yes, this GUID is comprehensive enough to assist auditors and fill potential gaps, in terms of experience and knowledge, in such audit engagements. However, we question if the taxonomy of phases presented in the body and Annex 3 is typical and widely used. For example, is evaluation/award usually considered a separate and different phase from Tendering? The post-award section might benefit from a mention of auditors potentially looking at contract close-</p>	

		<p>out activities and an assessment of what steps procurement officials took to ensure all the terms and conditions were met and that payments were proper.</p>	
		<p>Question 4: Does the GUID have the necessary flexibility to address the concerns arising in different contexts, either in the SAI environment or in the public procurement activities?</p> <p>Yes, the GUID has the necessary flexibility to address the concerns arising in different contexts, both in the SAI environment and in the public procurement activities.</p>	
		<p>Question 5: Does this GUID and the accompanying annex 8 support the auditors in managing audit risk during the audit of public procurement?</p> <p>Yes, this GUID and the accompanying annex supports the auditors in managing audit risk during the audit of public procurement.</p>	
SAI Azerbaijan	13/06/2022	<p>On follow-up in audit of public procurement:</p> <p>In most cases, audits of public procurement are post-audits, where the goods and services had already procured. Therefore, follow-up audit can embrace only changes in management activities on public procurement, not 3Es regarding procured goods and services. Assessing of 3Es for the procured items on next procurements could be possible during next audits. From the follow-up point of view, it could be better to mention the importance and usefulness of next audits, in cases of 3Es related problems defined in previous audits.</p>	<p>Not accepted. We believe that the Follow-up stage is detailed enough.</p> <p>The suggestion does not provide any specific correction to be made.</p>
SAI Finland	11/05/2022	<p><i>We underline, that public procurement can be audited by different audit types, also at the same time.</i></p> <p>In last few years we have done "multitype audits", two of them concerning procurements. We recommend that it would be mentioned in the standard the possibility to do procurement audits by different audit types at the same time in a same audit project (multitype audit).</p>	<p>Not accepted. The final opinion on the GUID was to make the text as general as possible for it to be used by all SAIs.</p> <p>In case we include the issue of "multitype" audit we would need to specify the definition (which was not provided in the comment), as well as include it in the GUID text.</p>

Specific Issues

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National Audit Office Bahrain	01/06/2022	Page 36 Parag. 9 & page 38 Parag. 12	There is redundancy in the numbering of the tables (page 36 Parag. 9 & page 38 Parag. 12), as both tables are numbered with "6."	Not accepted. This comment possibly refers to the outdated version of the GUID. The text has only two numbered tables (Figure 1 and 2).
SAI Hungary	02/06/2022	Paragraph77	Annex number 8 does not describe the audit risks, but the potential risks at each stage of public procurement. For this reason, it is necessary to clarify the provisions of paragraph 77 of the Guideline, because it incorrectly refers to Annex number 8.	Accepted. Paragraph 77 changed to: Annex 8 provides some questions that may be helpful for mitigating audit risks.
SAI Egypt	12/06/2022	Ch. 1 Introduction	Para 3. contains the concept of public purchases that differs from the concept in ch.3 definitions	Not accepted. The paragraphs do not include the definitions of public procurement. The paragraphs describe different aspects of public procurement and do not repeat one another.
		Para 10.	We suggest using the definition which is in the introduction in Para 3. as it is more comprehensive	Not accepted. Para 10 was added to leave the Chapter "Definitions" according to the provided sample Guidance and also in order to move the main contents of the Chapter

				into Annexures, as suggested by Subcommittees and FIPP.
		Ch.2 Objectives	With reference to general comments, Para 8 &9 addressed the objectives of the Guide, noting that they dealt with performance audit and compliance audit for the public purchases of state entities, without addressing financial audit, especially since State entities may be economic units to which financial audit is applied, or government units with a financial framework that is carried out in accordance with legal requirements and the financial audit procedures are similar for both. It is suggested that the Guid also cover the financial audit of the public purchases of state economic entities and consider the requirements of the issai 200, financial audit issai 2000-2999. With the modification of paragraph 12 of the scope to clarify this	Not accepted. This issue was discussed during the project proposal stage (with LO and FIPP). The final decision supported the Scope of the GUID, which is mentioned in Para 12. In case there is a need to include financial audit aspects it would require the complete rewriting of the whole text.
		Ch.3 Definitions Annex 2 Para 10 & 11	Annex 2 The definitions were contained in Para 10 & 11, where Para 10 contained only the definition of public purchases, which is included in the introduction in section 3, while Para 11 included the reference to the remaining definitions mentioned in the annex. Suggests: Include the definitions in the annex 2 in this chapter & add the definition of public purchases to them.	Not accepted. The definition was excluded from Annex 2 on the suggestion of subcommittees and FIPP.
		Ch.4 Scope Para 14	Modify Para 14 by deleting the paragraph "This guide is not intended to cover aspects of the implementation of audits that do not contain any additional requirements" as it contradicts Para 12 as it is additional guidance for the audit and there is no need to state that it does not require additional requirements as this is clear from the manual itself.	Not accepted. The colleagues may have used an outdated version of the GUID. Chapter 14 has already been changed. There are no contradictions now within the text.

		Ch.5, The objective of the audit Para 17,18	Wording Para 17,18 is only corresponded to performance audit and does not correspond to compliance audit, as compliance audit deals with the purchases process in all its aspects and its consistency with the framework specified within the provisions issued under a framework set in accordance with legal requirements.	Not accepted. The colleagues may have used an outdated version of the GUID. Chapter 5 has been seriously updated. Therefore it is impossible to clarify which paragraphs should be changed.
		Ch. 6 Some considerations when defining the objective of the audit Para. 22 to 42	Para. 22 to 42 all address considerations of the objectives of the review in performance audit without compliance audit, and it is suggested that the subject matter of the Guid should only take into consideration performance audit or take into consideration compliance audit also.	Not accepted. Para 22-40 address general consideration on public procurement without dividing it to different audit types. Perhaps the colleagues were using an outdated version of the GUID, which was changed later.
		Para 35	ISSAI 400 doesn't relate to risk assessment but to reporting.	Accepted. The reference to ISSAI 400/59 was deleted from Para 35.
		Annex 5: Possible Audit Questions Regarding a Strategic Method to Public Purchases (Purchases	1st step we can add a question: Does the government legislation in line with the best practices? 2nd step we can add a question: Point 10 adding to it, Is the purchases process well organized and documented in line with the purchases manual, rules and regulations and procedures? Point 11, Do the employees have the necessary skills and experience to carry out purchases efficiently and signing code of ethics (code of conduct and integrity)?	Partially accepted. 1. Annex 5 Box 2 (Question 3 is similar to the one proposed). Not accepted. 2. Added to Question 10. Accepted 3. Codes of conduct may not be used. Not accepted.

		Performance Model)		
SAI France	13/06/2022	Ch. 6, §38, p.22	After the first sentence, suggest to add a new one «Consideration needs to be given to risks associated with not valuable for money supplies in terms of lifecycle costs or unsustainable supplies».	Accepted. Sentence added to Para 38.
		Ch. 7, §44, p.25	Suggest deleting §44 (almost the same content as §42)	Accepted. Para 44 deleted.
		Ch. 9, §85, p. 34	Suggest to complete §85 by adding after «failure of procurement to achieve innovation or environmental objectives or lack of due procurement planning», «poor risk allocation between providers and public bodies»	Accepted.
GAO U.S.	13/06/2022	Page 6: paragraph #5	For readability and to help set the context for the discussion, we suggest moving the relevant aspects of Annex 1 here—mainly the chart on page 37, which summarizes the UNICTRAL model law. Suggestion: Strike “(See Annex 1). Common interests and treaties within the framework of the World Trade Organization (WTO)” and include relevant language	Not accepted. Annex 1 was intentionally moved into Annexures from the main text in order to streamline the GUID text and make it as general as possible.
		Page 6: paragraph #6	Capitalize “p”; replace “ensure” with “promote”. Suggestion: See bolded text: Public procurement is also a means to promote technological modernity and digital transition.	Accepted.
		Page 9: paragraph #10	The document does a nice job articulating the types of entities that might be involved in public procurement. It may be worthwhile to note that duly authorized individuals conduct most procurements. These individuals need to be properly trained to do their assigned tasks, be cognizant of ethical considerations, and avoid actions that would benefit individuals to the detriment of the public.	Para 10 is included into the “Definitions” Chapter. Including the job requirements of those involved in public procurement would be redundant. However, this issue is discussed in Para 30 and Box 5 of Annex 6.

		Page 9: paragraph #11	For readability and to help set the context for the discussion, we suggest moving the definitions here. Suggestion: Strike <i>“For the purposes of this GUID the definitions and abbreviations used are listed in the Annex 2”</i> and include relevant language.	The definitions has already been moved to Annexures on suggestion by FIPP.
		Page 11: paragraph #15	Strike <i>“the auditor will also need to select the subject matter and identify the relevant criteria. The auditor measure or evaluate the subject matter against these criteria in order to reach the conclusion that will be reported to the intended users”</i> . Suggestion: Replace with <i>“the auditor will also need to identify clear audit objectives, determine the criteria that will be used to assess performance or compliance; identify relevant sources of information and specific data needed; and identify methodology(ies) to evaluate that data against the stated criteria”</i> .	Accepted. Replaced.
		Page 11: paragraph #16	Add “contracting or procurement officers” as another example of “responsible parties”	Accepted. Added.
		Page 13: paragraph #19	"Best price" may often be misinterpreted to mean "lowest price"; "best value" might be a better way of articulating the concept. Suggestion: Replace “best price” with “best value”	Accepted. Replaced.
		Page 13: paragraph #20	Add that criteria may also be derived from Free Trade Agreements (bilateral or multilateral) or international agreements, e.g., national commitments made as a member of the WTO GPA.	Accepted. Added as a footnote.
		Page 18: paragraph #27	While Annex 3 covers "contract close-out" during the post-award phrase, you may want to add it to this paragraph as well.	Not accepted. Prior it was decided not to duplicate the information from Annexures in the main text.

		Page 20: paragraph #32	Bullet 2: we are not sure that this is a complete thought.	Accepted. Added the volume/quantity.
		Page 21: paragraph #32 (cont.)	Suggest adding <i>“lack of open competition and repeated use of single tendering”</i> as a risk factor.	Accepted. Added.
		Page 26: paragraph #49	Audits of public procurements can be defined in several ways, including (1) compliance audits, which assess whether the procurement process adheres to established policies, procedures and regulations; (2) performance audits, which assess how well the process was carried out; and (3) best practices audits, which assess whether alternative practices the private sector or other entities conduct might serve as models to enhance public procurement. Suggestion: Strike <i>“promote”</i> ; replace with <i>“help ensure”</i> .	Accepted. Replaced.
		Page 28: paragraph #60	Auditors should perform this step regardless. Suggestion: Strike: <i>“In the case a dedicated audit is not decided”</i> .	Accepted.
		Page 32: paragraph #79	We suggest noting that audit teams should collectively possess the requisite knowledge, skills and abilities to perform the audit, similar to GAGAS requirements.	Not accepted. The information is already included into para 77 and 80 and Box 11 of Annex 9.
		Page 37: second paragraph	If the SAI's country is a member (or applicant) of the WTO GPA, the agreement and the nation's commitments may also be relevant.	Accepted. Included.
SAI Azerbaijan	13/06/2022	Annex 4: Possible Audit	Corresponding question on effectiveness:	Not accepted. No specific suggestions made.

		<p>Questions Regarding the Principles of “3 E” in an Audit of the Procurement Process or Procurement Function.</p> <p>BOX 1. ECONOMY, EFFICIENCY, EFFECTIVENESS AND AUDIT APPROACHES.</p>	<p>To what extent are the procurement objectives (procurement strategy/ policy/ plan / processes) met?</p> <p>This question prepared in accordance with GUID 3910/42, where declares that first part of the question of effectiveness is to what extent are the objectives met. However, in accordance with best practices and the practice shows that, in most cases such types of questions, which are not require the answer YES or NOT, creates difficulties on final assessment of effectiveness of an activity. For avoiding misunderstanding, it would be better to clarify this issue in GUID 3910 and in this Exposure Draft.</p>	
SAI Peru	20/07/2022	Paragraph 5	<p>It says:</p> <p><i>“Due to their public nature, those activities are subject to public regulations. Although public procurement systems may differ significantly (...)”</i></p> <p>It might be better if it read:</p> <p><i>“Due to their public nature, the principles, rules and procedures of these activities are subject to public regulations. Although public procurement systems may differ significantly (...)”</i></p>	Not accepted. The suggested variant limits the issue of government regulation.

		<p>Paragraph 10</p>	<p>It says:</p> <p><i>“Public procurement refers to purchase and lease of goods, works (constructions) or services with a view to meet the needs of the state and the public made by a Contracting Authority or a procurement agency authorized in accordance with national or provincial laws or applicable Regulations on public procurement.”</i></p> <p>It might be better if it read:</p> <p><i>“Public procurement refers to purchase and lease of goods, works (constructions) or services with a view to foster the well-being of the population made by a Contracting Authority or a procurement agency authorized in accordance with national or provincial laws or applicable Regulations on public procurement.”</i></p>	<p>Not accepted. The current variant includes more widespread and used definitions.</p>
		<p>Paragraph 27</p>	<p>The three phases and nine stages in which the process of public procurement is divided, although they are adapted to the processes of purchase of goods and contracting of general services; however, in the case of contracting for the execution of works and consulting works, due to its characteristics, the time it takes and its complexity - for the purpose of performing audits - generally stage 8 - Contract Management, is subdivided into sub stages such as: Subscription of the contract, advances and partial payments (work valuations), fulfillment of contractual obligations, quality of materials and executed works, contractual modifications (scope and term), reception and liquidation of the contract.</p>	<p>Not accepted. Para 27 contains the OECD approach, which includes 9 steps of public procurement process. The suggestion is not clear.</p>
		<p>Paragraph 30</p>	<ul style="list-style-type: none"> • In some countries, the size of the supplier market does not necessarily cover the needs of the State (diversity of products and quantities offered), in this context, prior to the contracting processes, the possibilities of the national market to meet a given need are investigated. This procedure makes it possible to define the strategy, the budget requirement and the contracting conditions to ensure the success of the contracting process. In that idea, it would be appropriate to 	<p>Partially accepted.</p> <ol style="list-style-type: none"> 1. The digital audit issues are discussed in para 47 and 80.

			<p>include an additional assertion or statement to be validated by the auditor is that: The inquiries of the possibilities of the national market are adequately carried out, with respect to the requirements that will consider the contracting processes.</p> <ul style="list-style-type: none"> On the other hand, the Guide includes as a statement "<i>Segregation of duties is ensured between those procuring goods or services, requisitioning them, verifying performance and approving payments</i>". However, in some countries, as is the case in Peru, there is no incompatible functions between those who acquire the goods or services and those who request them, and rather the regulations promote it, considering that those who request the goods or services are the ones who know the most about the characteristics of the goods or services to be acquired, and therefore would be the most qualified to evaluate the proposals. <p>Finally, it is suggested to include as an additional statement: "<i>There are procedures and tools to validate the authenticity of the information or documentation in digital support</i>".</p>	<p>2. In Para 30 added a footnote: Предлагаю следующее: "In some countries, as is the case in Peru, there is no such incompatible functions»</p>
		Paragraph 32 and 36	<ul style="list-style-type: none"> In the same context explained in the previous point, in some countries, the potential interested parties offered by the national market is limited for some goods, services or works; a situation that allows the possibility that among these few potential suppliers there may be concerted efforts to distort the conditions and costs of the offers. 	<p>Not accepted. No specific suggestions made.</p>
		Paragraph 32	<p>We suggest adding the following risks to those enumerated in paragraph 32:</p> <ul style="list-style-type: none"> The execution of works by direct administration of the Entity, which implies assuming the design, procurement and execution of the works (widely used in Peru by Regional and Local Governments). The limited dissemination of the requirement and call for bids in the foreseen media. Absence of anti-corruption clauses Lack of predictability in the development of the dispute resolution bodies. Lack of clear, prompt and concise punitive procedures. Lack of ex-post control 	<p>Partially accepted. The bullit «Lack of clear, prompt and concise punitive procedures» is included. The Para describes the key risks, however, the list is not restrictive. Other suggestions are already reflected in the mentioned risks.</p>

		Paragraph 37 to 40	It is important to fully develop public procurement in emergency situations. Although the draft Guide develops them specifically in paragraphs 37 to 40, and in other paragraphs in a generic way, mentioning GUID 5330 "Guidance on the Audit of Disaster Management"; however, as this draft is a Guide for Public Procurement, it is necessary to better define emergency situations and possible audit questions for these special procurements, as well as what would be considered reasonable requirements, in order to help the auditor to have clear ideas.	The issue of public procurement in emergencies is already reflected in para 37-40, 59-61, 81 and Annex 6. Given the number of country-specific differences we believe that the issue is explicitly discussed in the GUID. Besides, no specific suggestions are made.
		Paragraph 46 and 48	<ul style="list-style-type: none"> It is suggested to consider as another source of information, the results of previous audits (compliance, performance, financial or other types of services performed by the SAI according to its legal mandate); official communications from other entities that perform oversight or monitoring functions; and citizen complaints regarding the use of public resources. 	Not accepted. Sources of information used for public procurement audit are not different from the ones used for compliance and performance audits.
		Paragraph 80 and 82	It is suggested to elaborate in more detail on the participation of the "technical experts", as well as on the execution of the "physical inspections".	Not accepted. The issues are discussed in Para 78-80, Box 8 of Annex 7 and Box 11 of Annex 9. Given the GUID format we believe that the information provided is sufficient enough.
		Paragraph 85	<ul style="list-style-type: none"> We suggest adding as one of the most frequent recommendations in the audit reports: <i>"Entity management documents not updated, which makes it difficult to define the degree of participation of public officials and/or servants involved in public contracting."</i> 	Accepted.
		Annex 2	To facilitate the handling of the document, it is suggested that the definitions be arranged in alphabetical order of the key terms.	Accepted.

		Annex 3	<ul style="list-style-type: none"> • Annex 3, as well as Annex 7, develop issues related to the phases of the public procurement process, the first one in general terms develops what the phases consist of: Pre-tendering, Tendering, and Post-tendering (after the award). • In this regard, it is recommended that both annexes be joined together, so that the stages of each phase can be developed in a more concrete way, indicating the possible questions for them, in accordance with paragraphs 27 and 28 of the draft Guide (Figure 1), which can be structured as follows: <p>Pre - tender:</p> <ol style="list-style-type: none"> 1. Needs assessment: Development and possible questions. 2. Planning and budgeting. Development and possible questions. 3. Definition of requirements. Development and possible questions. 4. Choice of procedures. Development and possible questions. <p>Tendering:</p> <ol style="list-style-type: none"> 5. Call for tenders: Development and possible questions. 6. Evaluation: Development and possible questions. 7. Award: Development and possible questions. <p>Post - award (after the award)</p> <ol style="list-style-type: none"> 8. Contract management: Development and possible questions. 9. Order and payment: Development and possible questions. 	Not accepted. Annexures 3 and 7 discuss the contents of different chapters of the GUID. Joining these Annexures would be confusing for the purpose of understanding the GUID.
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		Annex 3	<ul style="list-style-type: none"> In the lower part of this Annex 3, e-procurement is developed. In this regard, it is considered that this point should be located in the main body of the Guide, for example, in section 6. Some considerations when defining the objective of the audit - Process Method to Public Procurement, and it could be established in detail the requirements or characteristics that any e-procurement platform must have and the use of data during the execution of the audit. 	Accepted. Electronic Procurement moved to separate Annex.
SAI Finland	11/05/2022	Performance audit approaches	<p><i>We see that the different approaches of performance audit and their bearing on procurement audit approaches could be expressed more clearly.</i></p> <p>ISSAI 300.26 states that there are three approaches in performance audit that auditors should choose from: result-, problem- or system-oriented approach, or a combination thereof, and these approaches could be used to facilitate the soundness of audit design. ISSAI 300.26 also explains the contents of these approaches.</p> <ul style="list-style-type: none"> In GUID 5280 audit objectives and audit approaches are discussed in page 26, in point 49. The objective(s) of auditing public procurement is for compliance audits to promote, that public resources are spent in accordance with the legal or technical framework and for performance audits – the adherence to economy, efficiency and effectiveness principles. The objective(s) determines the approach and the design of the audit. Furthermore, in Annex 4 there are ex-amples of audit questions where these three approaches are mentioned. <p>Could it be considered that in the chapter “Audit Objective(s) and Audit Approach(es)” one would more clearly explain these three performance audit approaches, as it could facilitate discussion and formulation of the appropriate audit design in performance audit of procurements?</p> <p>In our understanding:</p> <ul style="list-style-type: none"> System-oriented audit would be most suitable for e.g., audits of strategies, organisation, and governance issues – that is, system-oriented audit approach comes close to strategic method to public procurement. Result-oriented approach would merely look at whether the objectives have been achieved: Has the quantity and quality of the goods purchased been desirable? Has the price been close to 	Accepted. The info on approaches is listed as a footnote in Para 48. Also additional question with regards to approaches added to Annex 5.

			<p>estimates or met the objectives? Has the procurement contributed to achieving organisation's objectives? Understood this way, result-oriented approach covers some of the questions that are stated in Annex 4 under the headlines economy, efficiency, or effectiveness.</p> <ul style="list-style-type: none">• Problem-oriented approach analyses the causes of problems or deviations from criteria. In relation to procurement this approach is best suitable for cases of failure. Examples of questions could be: What caused the construction project to exceed its budget manifold? Why is it that the IT project is lagging clearly behind its schedule? What reasons are there for the service provider not been able to meet the standards? This kind of a problem-oriented approach is slightly present in current version.	
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