

## Comment tracking

## Professional pronouncements on auditor competence (ISSAI 150, GUID 1950 and GUID 1951)

## SAI Norway

Number	Comment	Document reference from document	Response	Reference addressing comment in document
1	<p>A general assessment of ISSAI 150 is that it agrees well with how the Office of the Auditor General of Norway actually works with or has plans to work with competence, be it the competence strategy, a number of development measures we have implemented in recent years and how we work with competence in daily life.</p> <p>For the past three years, we have been using elements from the two GUIDs, where, among other things, the draft competence framework for the Office of the Auditor General of Norway is based on GUID 1950, and the two-year training programs are in line with the thinking in GUID 1951.</p>	General reference to all documents	Noted, with thanks	Not applicable
2	<p><b>Question 1: Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?</b>  <b>Response: Yes.</b></p> <p>It is a very ambitious goal to set up a complete competence management system with only a few points in an ISSAI. The ISSAI is built around three main parts / phases: planning (requirement 1: defining what we need), implementing (requirements 2 and 3: using all HR tools, emphasizing the creation of paths to professional development) and evaluating / following up (requirement 4: assess whether we get where we are going and whether our measures work well).</p> <p>There are different perceptions of what lies in competence management and how it should happen, and there are many different models with different content. Whether ISSAI 150 defines a complete set of organizational requirements is ensured primarily by requiring comprehensive HR in requirement no. 2, and that all HR tools must be used to ensure the necessary competence. Requirements no. 1, 3 and 4 are more about practical competence management and set specific requirements for what it shall contain.</p> <p>In addition to what ISSAI 150 addresses, we have, for example, tried to link competence management to annual processes in corporate performance management, and use tools such as competence analyzes and competence plans in that context.</p> <p>The Office of the Auditor General of Norway have some suggestions to the wording in some of the requirements to make them clearer. In requirement number 1 we mean that there must be a link to the SAI mandate to give a reason to why it is important that all auditors have the competence required in a SAI. It is to be sure that the audits are conducted in line with the SAI mandate, and of high quality.</p> <p><u>Concrete proposal to change requirement 1:</u>  15) A SAI shall determine and document relevant competencies required for all auditors in order to fulfil the SAI mandate.</p> <p>In requirements number 2 we mean that the tools to achieve the goals must be mentioned, and propose to add attract, recruit, develop and retain auditors.</p>	ISSAI 150, generally and with specific reference to the 4 principles	<p>Fully agree with general narrative – hence the requirements around HR processes.</p> <p>Principle 1, link to mandate - change made.</p> <p>Principle 2, listing HR processes - no change made, as not all SAIs have control over all these processes. Paragraph 25 was specifically inserted to provide some sense of the processes envisaged, with an appropriate “and/or” statement.</p> <p>Principle 4, tools v means – the task force preferred the broader term means as this envisage tools, processes, relationships, etc.</p> <p>Principle 4, monitor v follow up – change made</p>	See the wording of the different principles

	<p><u>Concrete proposal to change requirement 2:</u></p> <p>24) A SAI shall have appropriate human resource management processes and practices in order to attract, recruit, develop and retain auditors with to ensure that its auditors have the relevant competencies determined by the SAI.</p> <p>In requirement number 4 we think that tools is a better word to use than means when we think of competence development. To motivate the auditors in their competence development, we mean that to follow-up is a better word to use than monitor.</p> <p><u>Concrete proposal to change requirement 4:</u></p> <p>34) A SAI shall develop and implement the tools for assessment of competencies and to follow up on auditor development progression or self-development on a periodic basis.</p>			
3	<p><b>Question 2: Does the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of «global profession, local solution» to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc?</b></p> <p><b>Answer: Yes.</b></p> <p>The design of the ISSAI 150 and the guides give us the flexibility needed to design our way of implementing the standard and the GUIDs. There are no bonds in the material that create problems for the Office of the Auditor General of Norway.</p> <p>In general, the content of ISSAI 150 agrees well with both our own competence strategy and various measures we are working on today.</p> <p>The ISSAI 150 and the guidelines help us to focus further, e.g. on clear descriptions / definitions / documentation of competencies and systematics for individual assessment and follow-up.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
4	<p><b>Question 3: Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?</b></p> <p><b>Answer to question 3. Yes.</b></p> <p>The GUIDs are good tools, especially because they provide a comprehensive explanation of the proposed system and what level of detail we should pay attention to.</p>	Both GUIDS, generally	Noted with thanks	Not applicable
5	<p><b>Question 4: With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?</b></p> <p><b>Answer: Yes.</b></p> <p>Ideally, competence in general and competence management should have been taken care of under ISSAI 140, mainly under management / control and HR.</p> <p>The fact that there are now requirements (in principle the same requirements even though they are designed a little differently) for comprehensive HR, including competence, in both 140 and 150 appears to be a somewhat untidy doubling.</p> <p>A separate ISSAI for competence can give the necessary weight and energy to the work to achieve the goal of professionalizing public auditing, and this measure can well be defended on that basis.</p> <p>The design of the ISSAI 150 is otherwise well adapted for this purpose.</p> <p>In ISSAI 100/36 we would have added <i>in accordance with their mandate</i>. This to make it correspond with ISSAI 150. The paragraph shall than have the following text:</p>	ISSAI 100, paragraph 36	Change made, noting that ISSAI 140 is up for review soon	ISSAI 100, paragraph 37 (after update)

	ISSAI 100/36: Each SAI should establish and maintain procedures for competency management on an organisational level that will provide it with reasonable assurance that the SAI's auditors have the competencies required to fulfil their function in accordance with their mandate.			
6	<p>Question 5: When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date?</p> <p>Answer : Yes.</p> <p>We may have the systems (policies and procedures) in place during 2022, but fully implemented practices will take a longer time, especially related to requirement no. 4.</p>	Not applicable	Noted with thanks	Not applicable
7	<p>ISSAI 150 page 5 and onwards, it is indicated ISSAI 400 - Compliance Audit principles on the top and not ISSAI 150.</p> <p>GUID 1950 page 9 and onwards, it is indicted GUID 3910 - Central Concepts for Performance Auditing on the top.</p> <p>In GUID 1951 page 5, point 5 should be the objective of GUID 1951 and not GUID 7500. In GUID 1951 page 6 and onwards, it is indicted GUID 3910 - Central Concepts for Performance Auditing on the top.</p>	General formatting	<p>The challenges originated in the original formatting of the documents in the appropriate IFPP format. The PSC has since corrected this formatting hiccup.</p> <p>Paragraph 5 of GUID 1951 – change made</p>	Paragraph 5 of GUID 1951

SAI Canada (in addition to the commentary already provided by the SAI Canada member of the TFIAP)

Number	Comment	Reference	Response	Reference addressing comment
8	<p>Question 1: Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?</p> <p>Answer: Yes - ISSAI 150 provides a complete set of practical organizational requirements.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
9	<p>Question 2: Does the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of “global profession, local solution” to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.?</p> <p>Answer: Yes - We see throughout the document and in the choice of words that an effort was made to allow for flexibility in the application of the four organizational requirements.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
10	<p>Question 3: Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?</p> <p>Answer: Yes - while we noted a number of inconsistencies between ISSAI 150 and the Guides, our view is that the concepts can easily be applied. Please see our more detailed comments in the Annex below.</p>	Both guides, generally	Noted with thanks. TFIAP was not sure about the inconsistencies noted, but will attend to the additional commentary provided to the extent relevant	Not applicable
11	<p>Question 4: With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?</p>		<p>No change made.</p> <p>The trigger for the conforming change is work on auditor competence and not HR management. To use work on</p>	Not applicable

	<p><b>Answer: No</b> - in our view ISSAI 100 should focus on the fundamental principle that is to have in place policies and processes for sound human resources management practices. Auditor competence is only one aspect of the overall management of an SAI human resources.</p> <p>Section 5 of ISSAI 100 paragraph 34 states the following:</p> <p>“The principles detailed below are fundamental to the conduct of an audit. Auditing is a cumulative and iterative process. However, for the purposes of presentation the fundamental principles are grouped by principles related to the SAI’s organisational requirements, general principles that the auditor should consider prior to commencement and at more than one point during the audit and principles related to specific steps in the audit process.”</p> <p>ISSAI 100 only includes one organizational requirement which states that SAIs should establish and maintain appropriate procedures for ethics and quality control. It is proposed to add Auditor competence as an additional organizational requirement.</p> <p>When compared to the current ISQC standard we note the absence of the following organisation level requirements/principles.</p> <ul style="list-style-type: none"> <li>• Leadership responsibilities for quality within the firm or SAI</li> <li>• Acceptance and continuance of client relationships</li> <li>• Human resources</li> <li>• Engagement performance</li> <li>• Monitoring</li> </ul> <p>Auditor competence is only partially filling the gap related to the Human resources element. While ISSAI 150 speaks to sound human resource management practices and processes in paragraph 25, its main focus is on competence and professional development.</p> <p>We encourage INTOSAI to consider adding more perspectives on the management of the other human resources elements listed in paragraph 25. The addition of principles and requirement for SAIs to adopt policies and procedures directing important human resources activities such as resource planning, recruitment, retention and performance management in ISSAI 150 or in another ISSAI would in our view increase SAIs ability to fulfil their mandate and conduct high-quality and effective audits.</p> <p>Additionally, ISSAI 100 would benefit from a closer alignment with ISQC or the up-coming ISQM1 standards as it relates to the human resources element and other important considerations.</p>	<p>ISSAI 100, relevant sections from paragraph 34 to 36</p>	<p>competence management to argue a broader change to ISSAI 100 is therefore perhaps not appropriate, in the context of this project.</p> <p>At heart of this comment lies the question whether the key principle relates to the need for competent people or for appropriate human resource practices. Based on the TFIAP’s understanding of the standards (referencing the analysis of these done at the start of the project) and the INTOSAI definition of professionalism, the principle issue at hand is to have competent auditors in place (the primary reason), which then asks of the SAI to have appropriate HR practices in place to ensure this (the secondary reason).</p> <p>The TFIAP is clear that its work focused on auditor competence and therefor believe that any related confirming changes should be limited to just that. Any broader changes to ISSAI 100 falls outside the mandate of the TFIAP and rests with the FIPP.</p>	
<p>12</p>	<p><b>Question 5: When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date?</b></p> <p><b>Answer: Yes</b> - ISSAI 150 requirements are standard practice in Canada. We support its adoption by SAIs.</p>	<p>Not applicable</p>	<p>Noted with thanks</p>	<p>Not applicable</p>
<p>13</p>	<p><b>Comments on ISSAI 150:</b></p> <p>Paragraph 12 (Page 8): The definition of competence on page 8 is not quite right and is somewhat inconsistent in how the term is used throughout the 3 documents. A competence is the observable behaviours that employees demonstrate successfully on the job. Those behaviours are the result of</p>	<p>ISSAI 150, paragraph 12 (Page 8)</p>	<p>In evaluating the input, the problem appears to lie in the fact that the definition already attempts to deal with the documentation and/or measurement part of competence management. In addressing the input, the</p>	<p>ISSAI 150, paragraph 13 (after update). Also triggered conforming changes to the definition in GUIDs 1950 and 1951</p>

	<p>various abilities, skills, knowledge, motivations, and traits an employee may possess. It is the behaviours that are measurable at the competency level – not the skill or knowledge.</p> <p>In relation to the comment above paragraph 23 (Page 10): The determination of competencies in a SAI is also impacted by career progression. Where technical competence skills may be the overriding consideration at the start of an auditor’s career, managerial and leadership competencies skills or behaviours may become increasingly important as the auditor progresses career-wise.</p>		<p>definition was stated more generically, with an addition to paragraph 19 to bring in the dimension of measurable behavior, as also described in GUID 1950.</p>	
14	<p>Paragraph 28 (Page 13): The framework makes a clear distinction on the baseline competence for an auditor to be able to manage and audit with the auditing standards and continuing development which is critical. However, these statements appear to be contradictory to the point made in GUID 1951 where a learning strategy needs to focus on a baseline or preparing for the future. It would be important to ensure overall alignment of the guidance with the ISSA.</p>	ISSAI 150, paragraph 28 (Page 13):	<p>Fully agree – hence the focus on CPD in the (b) section of this paragraph. The element of “future readiness” that was contained in previous versions, has, as a result, been brought back into the text.</p>	ISSAI 150, paragraph 29 (after update)
15	<p>Paragraph 27 (Page 13): Requirement 3: A SAI shall establish dedicated pathways for professional development of auditors, specifically tailored to the SAI’s mandate, regulatory framework, organisation structure and needs. This is more or less the definition of a curriculum not that of a pathway.</p> <p>Pathways successfully blend the needs of the organization with the needs and wants of the employee in order to ensure learning and growth as well as competency development. Pathways empower employees by giving them control, choice and agency over their professional development. We encourage the revision of this requirement to better align with the common Learning and Development industry definitions.</p>	ISSAI 150, paragraph 27	<p>While the authors agree with the ideal notion that a pathway should describe the individual’s control, choice and agency over their professional development (as per the comment) in reality, this may not hold true for the majority of SAIs, even in very developed, mature circumstances (refer to some of the options described in GUID 1951). The TFIAP will consider an appropriate reference in GUID 1951.</p>	<p>ISSAI 150 – no change made (although partly catered for in the change in paragraph 31 (after update)– see input item 16)</p> <p>GUID 1951 – see new paragraph 28</p>
16	<p>Paragraph 30 (Page 14): All pathways for professional development contain appropriate elements of: a. external learning opportunities (such as a degree at a university, SAI academy or similar institution); b. internal learning opportunities (such as specific training courses); and c. practical experience.</p> <p>Pathways should also always include elements of self-reflection and assessment, targeted goal setting and immediate and meaningful feedback. (See above comment on Paragraph 27)</p>	ISSAI 150, paragraph 30 (Page 14):	Change made	ISSAI 150, paragraph 31 (after update)
17	<p><b>Comments on GUID 1950:</b></p> <p>Paragraph 18 (Page 9): The T shaped design is an interesting and easy to understand approach to baseline cross curricular competencies and more in depth specialized competencies and is a good example of what it could look like in the annex. However, in the annex, we don’t see a progression in the competency i.e. for different level of auditors.</p>	GUID 1950, paragraph 18 (Page 9):	<p>The TFIAP intentionally decided to only provide a basic framework that describes an auditor that is proficient to execute an audit (see GUID 1950, paragraph 27), as trying to provide an example of a progression framework may be more confusing that it would add value. The concepts of career progression and possible ways of addressing this are addressed in GUID 1950, paragraphs 40 and 41.</p>	Not applicable
18	<p>Annex Table (Page 23): For each of the competencies we provide an explanation. We wonder it would not be more appropriate to label the column as “Expected Behaviours”. Expected behaviours will be used to evaluate an auditor’s performance. An explanation is not very binding compared to expected behaviors.</p>	GUID 1950, annex Table (Page 23):	Agreed	GUID 1950, annexure headings

19	Paragraph 31 (a) (Page 14): We question the use of the word attribute. An attribute is defined as a quality or feature regarded as a characteristic or inherent part of someone or something. The word “attribute” is commonly used in auditing but less in reference to competence. We suggest replacing the word attribute with the words “behaviour” or “skill” which seem more appropriate in the context. Attributes cannot be learned. We recommend: leadership behaviours at the managerial level. In reviewing paragraphs a) to e) examples they all fall in the skills or behaviours categories and are, in view, more than considerations or attributes.	GUID 1950, paragraph 31 (a) (Page 14):	Change made	GUID 1950: Paragraph 31 (a) (Page 14):
20	Paragraphs 43 and 44 (Page 19): The paragraphs discuss competency correctly as an observable behaviour but this is contradictory to the definition in ISSAI150. Attributes are mentioned here as well, we recommend that these be changes to interpersonal skills or another appropriate term	GUID 1950, paragraphs 43 and 44 (Page 19):	1 - See change to definition 2 – This is a direct quote from the definition, which was arrived at after intense debate in TFIAP – no change	Not applicable
22	<b>Comments on GUID 1951:</b> Paragraph 9 (Page 8) Definitions: Pathways - Please refer to comment 4 above concerning pathways versus curriculums.	GUID 1951, paragraph 9 (Page 8) Definitions	See responses to items 15 and 16 above	GUID 1951, new paragraph 28
23	Step 1, Paragraph 16 (Page 9) mentions that a learning strategy needs to be established and it should focus on either creating a sustainable baseline for the SAI to execute its mandate OR it is aimed at preparing the SAI for the future. We recommend replacing the word “or” by the word “and can also be”. In our view both objectives can be attained.	GUID 1951, step 1, paragraph 16 (Page 9)	The original text already contains the word “and” and not the term quoted. Appropriateness confirmed with language expert that reviewed the document. No change made.	Not applicable
24	Step 7(Page 14): Another important consideration in this step is the visible support of the SAI leadership. From enrolment to attendance and utilisation of the newly acquired skills, leadership support for the development initiative is a critical enabler, confirming the value-add of the skills being developed in addressing current work needs and, in the longer run, achievement of the SAI’s strategy.	GUID 1951, step 7(Page 14):	No change proposed?	Not applicable

## Consolidated feedback from Compliance Audit Sub-Committee (CAS)

### 1. SAI Norway Representative:

Number	Comment	Reference	Response	Reference addressing comment
25	ISSAI 100 related to new ISSAI 150 paragraph 36: add “in accordance with their mandate” to the first sentence to read “Each SAI should establish and maintain procedures for competency management on an organisational level that will provide it with reasonable assurance that the SAI’s auditors have the competencies required to fulfil their function in accordance with their mandate”	ISSAI 100 related to new ISSAI 150 paragraph 36	Already addressed as part of SAI Norway commentary – see items 2 and 5 above	Not applicable
26	ISSAI 150 paragraph 15: Suggested text to make the requirement more focused – “A SAI shall determine and document what is relevant competencies required for all auditors to fulfil the SAI mandate.”	ISSAI 150 paragraph 15		
27	ISSAI 150 paragraph 24: It is advisable to explain what the processes and practices are in the requirement, not only in the application text. The paragraph should then be: “A SAI shall have appropriate human resource management processes and practices in order to attract, recruit, develop and retain auditors with relevant competencies determined by the SAI”	ISSAI 150 paragraph 24:		
28	ISSAI 150 paragraph 34: the use of the word monitor can be perceived as rather strict. It is maybe better to use the word ‘follow-up’. Maybe also use the word ‘tools’ instead of ‘means’ to make it broader. The paragraph should then be: “A SAI shall develop and implement the tools for assessment of competencies and follow up on auditor development progression or self-development on a periodic basis.”	ISSAI 150 paragraph 34:		

## Consolidated feedback from Compliance Audit Subcommittee (CAS)

### 2. Azerbaijan Representative

Number	Comment	Reference	Response	Reference addressing comment
29	The documents were reviewed and we consider these documents acceptable and useful for the future activities of Supreme Audit Institutions	General reference to all documents	Noted with thanks	Not applicable

### National Audit Office of Lithuania

Number	Comment	Reference	Response	Reference addressing comment
30	SAI Lithuania supports all three documents and appreciates effort that was put into drafting those. While seeing documents as being prepared in a very professional manner, we further provide some comments / suggestions on those three documents:	General reference to all documents	Noted with thanks	Not applicable
31	ISSAI 150: Overall, we would find very useful, if more detailed reference to GUID 1950 and 1951 would be provided where they provide guidance to certain requirement of the standard. Would make it easier to look it up. All three documents include explanation of same terms, so we would suggest to have those main terms in ISSAI 150, and only include references to this ISSAI in GUID1950 and 1951 as to avoid repetition of the same information	ISSAI 150, general drafting conventions	Drafting, including references and “scaling down of definitions” was done in line with FIPP guidance. Any decision to revisit will have to be at the level of the FIPP.	Not applicable, FIPP to consider against required drafting conventions
32	Paragraph 36 talks about providing the SAI with reliable information about the success of development interventions undertaken and the impact of these interventions on the work of the SAI. At the moment in our SAI we feel like we need more information as to what is considered reliable information and whether it is always possible to reliably assess impact of each individual development intervention (e.g. training course).	ISSAI 150, paragraph 36	The reference is intentionally generic as the expectation is that a SAI should ideally not embark on an intervention if it is not able to specify upfront what the expected outcome should be. This would differ from SAI to SAI and from intervention to intervention. GUID 1951, new paragraph 42 spells that out in detail.	Not applicable
33	GUID 1950: Paragraph 7(c) refers to paragraph 6(b). Should it be 7(b) instead? Or is it about some other document – which then should be mentioned.	GUID 1950, paragraph 7(c)	Change made	GUID 1950, paragraph 7(c)
34	We think the reader might find it useful if paragraph 16 would contain certain overlook of what will be presented further in the document – maybe by simply listing titles A, B and C?	GUID 1950, paragraph 16	Not convinced of value-add, no change made.	Not applicable
35	Formatting of the title “Alignment to the INTOSAI Framework of Professional Pronouncements” should be changed in order to align it to the following titles (“Ongoing relevance”, “Core consistency”, etc)	GUID 1950, paragraph 22	Change made	GUID 1950, paragraph 22
36	Should paragraph 53 belong in page 20, rather than in ANNEX (page 21)? Reg. 1950th GUID: Numbers of guidelines (7500 or 7600) should be corrected in the 5th paragraph, table on page 18 as well as table on page 27.	GUID 1950, formatting issues	Noted – this relates to a formatting challenge at the time of the PSC reworking the TFIAP documents into a IFPP format. Will be addressed at the time of final formatting	Not applicable, flag for final editing process

### SAI of Hungary

Number	Comment	Reference	Response	Reference addressing comment
37	The Audit Office of Hungary essentially agrees with the content of draft ISSAI 150 and the GUID 1950 and 1951, and is able to fully comply with the guidelines (requirements?) set out in the draft ISSAI 150 standard by the expected date of entry into force (1 January 2023).	General reference to all documents	Noted with thanks	Not applicable
38	We recommend that the development of the competency framework, and in particular the establishment of the related recruitment and performance evaluation methods, and the use of its results in the allocation of resources shall be carried out by the SAI in accordance with the applicable labor law and data protection regulations in their up-to-date version	ISSAI 150 and related guidance, generally	Limitations noted in text	ISSAI 150, new paragraph 12. Done in consultation with FIPP liaison officer, recognizing that FIPP will have final guidance

39	Furthermore, we recommend to draw attention to the legal risks of defining and measuring certain competencies related to psychological or personality traits. In addition to labor law and data protection aspects, we recommend not including personal competencies in the appendix to the GUID 1950 guide, which in our opinion do not fall within the factors determining the professionalism of a public finance auditor (for example the assessment of emotional intelligence may reveal specific psychological and health features of a given person or the assessment of the respect of diversity may relate to specific data on philosophical beliefs)	ISSAI 150 and related guidance, generally	As for item 37	Not applicable
40	It is recommended that the competencies imposed on public financial auditors formulate objective requirements for suitability for work and professionalism	ISSAI 150 and related guidance, generally	Noted, can be addressed as part of SAI specific considerations in SAI policies and/or frameworks	ISSAI 150, drafting conventions
41	With respect to the accelerated digitalisation processes and the introduction of technological innovations concerning the management of human resources, it is proposed to emphasize that IT systems supporting decision making are acceptable, but decision-making automation should be avoided.	ISSAI 150 and related guidance, generally	Noted, can be addressed as part of SAI specific considerations in SAI policies and/or frameworks	Not applicable
42	During the measurement of basic skills, creating related database, and then in the phase of utilisation and application in practice, it is extremely important to bear in mind the full compliance with the labor law and data protection regulations in force in their up-to-date version. It is also recommended that digitization skills and competencies shall be included at the basic level of skills in the draft GUID 1950 guide. With best regards,	ISSAI 150 and related guidance, generally	As for item 37	Not applicable

#### Swedish National Audit Office

Number	Comment	Reference	Response	Reference addressing comment
43	<b>Comments to ISSAI 150 General comment on table of contents - another numbering to make structure of content easier to follow</b> The paragraphs in this present draft, run from 1 to 38 without reference to chapter or which organisational requirement the paragraph relates to. The structure would be easier to understand and follow if the numbering would originate from a chapter and relate to a specific requirement.	ISSAI 150, drafting conventions	Noted – numbering is largely dictated with drafting conventions, but an index will be added once the text has been finalised	Not applicable, but flag adding of an index to all three pronouncements as part of the final editing process.
44	<b>General comment on graphic design – recommendation to use illustrations to highlight key statements</b> Discrete illustrations to single out key statements, would add value to make the content more user-friendly. An example: paragraph (6) states the purpose of the document and a highlight, like a background of a different colour, would make the content stand out and add to the design. A different graphic could also apply to the headlines/organisational requirements 1-4	ISSAI 150, drafting conventions	Noted, but not possible given a) drafting conventions, b) look and feel of IFPP and c) ROI considerations within the TFIAP. No change made to documents, but will be considered as part of implementation support.	Not applicable
45	<b>Illustration as part of an introduction Chapter 5</b> It would add value if a graphic illustration would be added at the beginning of chapter 5. It would add to the understanding of what the chapter contains if a graphic illustration would show the headlines connected to the organisational requirements. A good example of how illustrations help the understanding of the content, are page 8-9 in the CBC Competency Framework for public sector audit professionals at Supreme Audit institutions (updated July 19).	GUID 1950 -illustration as part of an introduction Chapter 5	This has been tried out in earlier versions of the document and, given the confusion created, the idea was abandoned. Also note the comment re TFIAP ROI considerations in 44 above. No change made to document, but will be considered as part of implementation support.	Not applicable
46	<b>Clarification where the GUIDs apply - refer to “further reading and support” in an illustrated “box”</b> An illustration of a box, which includes text that directs reader to a GUID can be helpful to understand the organisational requirement and the application material. An example: next to the text “organisational requirement 1”, have a box that informs the reader that GUID 150 is applicable.	ISSAI 150, drafting conventions	Not advised in terms of current drafting conventions, but am aware that PSC is advocating for this in a more refined future version of the IFPP. No change made to document, but will be considered as part of implementation support.	Not applicable



47	<p><b>Specific comment regarding paragraph (13) – broaden definition of competency framework to include groups/teams</b> A competency framework is described/defined as a model that defines the competencies expected of an individual auditor. This is applicable to how Swedish NAO works with competency development. There is a clear pathway how to develop and ensure that every auditor holds the required competency to perform the audit. As explained in paragraph (21), the competency framework can also be applied to groups or teams. An approach at the Swedish NAO is to define the required competences to perform audit based on a team, not only on individual auditors. This is more frequent within performance audit. A recommendation is to add this application to paragraph (13).</p>	ISSAI 150, paragraph 13	Change made	ISSAI 150, new paragraph 14 (after update). Conforming changes made to definitions in GUID 1950 and 1951
48	<p><b>Specific comment regarding paragraph (25) – a description of what HR contains</b> As previously commented: the GUIDs do not give adequate support and guidance on how to deal with organisational requirement 2 (“A SAI shall have appropriate human resource management processes and practices to ensure that its auditors have the relevant competencies determined by the SAI”). The strategies and processes which paragraph 25 refers to, are extensive and contain most HR strategies/policies which characterizes a well-developed HR function. The two GUIDS do not address these strategies and processes enough to support the application of this requirement. A recommendation is to refer to material which offer further support how to develop and implement that which paragraph 25 refers to (CBC HR Manual or regional HR handbooks?). To make the list of processes complete, add to the list in paragraph 25: Induction, Leadership development, Staff wellness and Exit.</p>	ISSAI 150, paragraph 25	<p>Agreed. This was specifically scoped out of the TFIAP project proposal made to FIPP, purely for practical / resourcing reasons. The current CBC guide on HR practices (a document outside the IFPP) is being revised with a view to adoption at INCOSAI 2022.</p> <p>As to the completeness of the list of HR practices – a more open-ended statement was included to allow for addition of other HR processes.</p>	<p>Not applicable</p> <p>ISSAI 150, new paragraph 26 (after update)</p>
49	<p><b>Comments to GUID 1950 General comment on graphic design – use illustrations</b> A general suggestion to the GUID is to include as many illustrations as possible, to improve and help understanding. The content is quite complex (even for someone well acquainted with HR) and any design that helps to highlight, summarise, or illustrate processes step-by-step - would add value. An idea is to highlight parts which help readers to a categorization like “must have”, “need to have” or “nice to have”. This would help SAIs with less developed HR functions to know what to prioritise to get a competency framework in place.</p>	GUID 1950, additional examples and additional illustrations	This was considered at the TFIAP, but given TFIAP ROI and scope considerations, the idea was abandoned. No change made.	Not applicable
50	<p><b>General comment on disposition of content Chapter 5 and onwards</b> When reading about the T-bar (paragraph 17-20), it would be logical for the reader to get a continuation and an explaining of the methodology of how to, step-by step. A more user-friendly continuation would be to go on reading paragraph 31-43 and continue with paragraph 27-30 and a final chapter about assessment paragraph 44-52. This would create a flow of going from general instruction to more specific information (that may not be applicable to all SAIs). Paragraph 21-26 feels like a side-track in this flow of “step-by-step-guide”.</p>	GUID 1950, chapter 5	Noted – this was the flow of information decided on by the TFIAP (already a departure from the original guide), as its view of the most logical flow. No change made.	Not applicable
51	<p><b>General comment – add introduction about competency framework</b> It would be useful to get an introduction of the competency framework and its purpose in chapter 3, before unpacking it into definitions and methodology. A reference is chapter 2, in the CBC Competency Framework for Public Audit Professionals at Supreme Audit institutions (updated July 2019). That kind of HR-related introduction, showing the benefits of a competency framework, gives the reader a good overview of how the competency framework is a useful platform for a variety of HR-related processes. An introduction about the competency framework would improve the understanding of paragraph 17 and onwards. It would also add to the understanding of how the processes in paragraph (25), ISSAI 150, are connected to one another.</p>	GUID 1950, general comment re introduction	In the July 2019 guide, the need for a competency framework was explained in detail, given that this was a stand-alone document. It’s current positioning as explanatory guidance following the introduction of a set of requirements in ISSAI 150 achieves the same (in other words GUID 1950 should be read in the context of ISSAI 150). Any additional introductory comments may confuse or weaken the linkages with ISSAI 150. No change made.	Not applicable
52	<p><b>Specific comment regarding paragraph (26) – give example work task connected to competency</b> Recommendation to add a work-related task for an auditor, for each competency. This will clarify what the competency is needed for and how the competency will be demonstrated.</p>	GUID 1950, paragraph (26)	By implication, this is achieved in the annexure, through the broad grouping of competencies in 5 clusters that correlate with a) the	Not applicable

			audit process and b) the IFPP. No change made.	
53	<b>Specific comment regarding paragraph (31) to (37) – summarize this section</b> Recommendation to use graphic design/illustrations to summarize paragraphs 31-37 and make the section less extensive. Have illustration to show “Abilities and skills to perform well” and summarize the text.	GUID 1950, paragraph (31) to (37)	This was considered at the TFIAP, but given ROI and scope considerations, the idea was abandoned. No change made to document, but will be considered as part of implementation support.	Not applicable
54	<b>Specific comment regarding chapter 6 – annex</b> Is there a template/form that could be included, with no text, but only headlines to use when getting started and documenting their framework?	GUID 1950, chapter 6	No change made to document, but will be considered as part of implementation support.	Not applicable

### SAI of Brazil / TCU

Number	Comment	Reference	Response	Reference addressing comment
55	Please notice that in some parts of the document there are references to GUID 7500 and 7600 instead of GUID 1950 and 1951.	General formatting	The challenges originated in the original formatting of the documents in the appropriate IFPP format. The PSC has since corrected this formatting hiccup.	Not applicable
56	Paragraph:  In general terms, the SAI Brazil supports all three documents.  We would only like to emphasize that a complete competency framework is not necessarily enough. Even if we have adequate and well-defined competencies, the auditors might not get access to them in practice. Having a framework is different from using and applying it. When a SAI doesn't apply the competencies in human resources management processes, there is more space for "political" arrangements in people management.	All three pronouncements	Support is noted with thanks.  Agree with principle that a competency framework is not enough, hence the broader context of the 4 requirements in ISSAI 150 and the more detailed guidance on developing pathways in GUID 1951. No change made.	Not applicable
57	The SAIs must apply the mapped competencies in practice, which is probably quite simple for SAIs in developed countries. However, in the developing countries it is not the case. <b>It would be good to make clear that the SAIs need to have a framework of competencies for the auditors, and stress that these need to be applied in the work processes.</b>	All three pronouncements	The requirements of ISSAI150 “forces” implementation beyond just “having a framework”. Adherence to principles such as institutionalizing pathways and assessing competence, by their very nature implies implementation. No change made.	Not applicable
58	In the TCU we have the competencies mapped since 2003, however they have not been taken into consideration in most management processes. Only recently the capacity building has addressed the gaps in the identified competencies. The departments carried out diagnosis about the gaps to ask for capacity building activities. This is a good example of the attitude change of the SAI. Nowadays the competencies are basis for decision-making, which is essential for the success of the framework.  Not related to the document as such, we would just like to share with you our experience in creating capacity building paths for auditors: we have not made a distinction between performance and compliance audit. There are 16 competencies that apply to both. Only the differences are addressed in separate courses. For financial audit, we have a specific learning path. As said, this is not related to these documents, rather it is aimed to contribute to the wider discussion in Intosai about the differences or similarities between the three audit types	All three pronouncements	The combination of certain audit types appear to be quite commonplace. GUID 1950 confirms the principles, while the recent Global Stocktaking Report also indicate that this idea of “integration: is gaining traction in the market	Not applicable

## Romanian Court of Accounts

Number	Comment	Reference	Response	Reference addressing comment
59	<b>General comments on ISSAI 150, GUID 1950 and GUID 1951 from the Romanian Court of Accounts:</b> Following the analysis of the materials exposed for comments by the CBC, it can be noticed a coherence of information between the three materials, correct reference introduced in order to avoid duplication of information, clarity of principles and flexibility of guidance provided, as well as fluidity of texts within their contents	All three pronouncements	Noted with thanks	Not applicable
60	The draft ISSAI 150 standard provides a complete and practical set of organizational requirements that the Romanian Court of Accounts has already taken into consideration in developing the job profile of the position, to ensure that auditors have the necessary competencies to perform audits in accordance with ISSAI standards and with the applicable legislation in the context of the audit missions in which they will be designated	ISSAI 150, general	Noted with thanks, would appear to support implementation date by implication	Not applicable
61	The four organizational requirements of the ISSAI 150 standard, together with the application instructions, will allow the auditor to carry out his audit profession in an adjustable way, in accordance to the audit mandate of the Romanian Court of Accounts, the applicable legislation, and the size of the institution's audit capacity.			
62	The two GUIDs 1950 and 1951, come to support of the Romanian Court of Accounts on the framework for the development of competencies and guidance regarding professional development, as provided by the basic standard ISSAI 150.	GUID 1950 and 1951, general	Noted with thanks	Not applicable
63	The intention to create a link between ISSAI 150 and ISSAI 100 and the introduction of the principle of management of auditors' competencies in the ISSAI 100 standard at points 36 and 40 can be considered appropriate.	ISSAI 100 v ISSAI 150	Noted with thanks	Not applicable
64	The Romanian Court of Accounts will ensure that ISSAI 100 and ISSAI 150 are taken over and reflected by its own standards, competency management procedures and audit practice, after the respective principles will be approved by INCOSAI.	ISSAI 100 v ISSAI 150	Noted with thanks, would appear to support implementation date by implication	Not applicable
65	There are no observations from the Romanian Court of Accounts regarding the deadline provided by the standard (January 2023), which is reasonable for the adoption and implementation of the requirements of the ISSAI 150 standard by member SAIs of INTOSAI	All three pronouncements	Noted with thanks	Not applicable
66	<b>Proposals to improve GUID 1950 and GUID 1951</b> Since the draft proposal regarding the professional competencies of the auditor is to elaborate some guides with coding 7500 and 7600, and the material exposed for comments has the coding 1950 and 1951, we propose to correct the references from paragraph 5, question no. 1/description, question no. 2/standards, question no. 3/standards and question no. 4/description, all from GUID 1951. We propose that the last paragraph of point 29, of GUID 1950, should be considered as letter (b). We propose that the text in point 35 of the GUID 1950 should contain only the competencies for performance auditing and that for compliance auditing should be taken as text in a new point 36.	All three pronouncements	The challenges in coding originated in the original formatting of the documents in the appropriate IFPP format. The PSC has since corrected this formatting hiccup.	Not applicable
		ISSAI 1950, paragraph 29	Change made	ISSAI 150, paragraph 29
		ISSAI 150, paragraph 35	Noted, not considered necessary, as it is clearly dealing with two distinct examples	Not applicable

## SAI of Slovenia

Number	Comment	Reference	Response	Reference addressing comment
67	<p><b>Question 1:</b> Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?</p> <p><b>SAI Slovenia:</b> Yes, in our view the proposed ISSAI 150 provides a complete and adequately flexible set of requirements.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
68	<p><b>Question 2:</b> Does the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of “global profession, local solution” to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.?</p> <p><b>SAI Slovenia:</b> In our case the organisational requirements in ISSAI 150 allow for the necessary flexibility to take into account the specifics of our size, mandate and legislation.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
69	<p><b>Question 3:</b> Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?</p> <p><b>SAI Slovenia:</b> With reference to our established and recently updated schemes and system for professional development, the two GUIDs would be adequate assistance in setting up such schemes.</p>	GUID 1950 and 1951, generally	Noted with thanks	Not applicable
70	<p><b>Question 4:</b> With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?</p> <p><b>SAI Slovenia:</b> Yes, we agree with procedures of competency management be considered a fundamental principle. We have included such approach in our procedures and regulations already.</p>	ISSAI 100 v ISSAI 150	Noted with thanks	Not applicable
71	<p><b>Question 5:</b> When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date?</p>	ISSAI 150, generally	Noted with thanks	Not applicable

	<b>SAI Slovenia:</b> Our requirements, procedures and regulations are already in compliance with the proposed ISSAI 150			
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## SAI UAE

Number	Comment	Reference	Response	Reference addressing comment
72	We would like to begin by thanking the INTOSAI Capacity Building Committee (CBC) and specifically the Task-force on INTOSAI Auditor Professionalization (TFIAP) for developing the proposed pronouncements that aim to help ensure the operational effectiveness of a Supreme Audit Institution (SAI) through the continuous development of the capacities of its work force. As Chair of the Financial Audit and Accounting Subcommittee of INTOSAI (FAAS), we certainly believe in the benefits of the application of the financial auditing standards and guidance that FAAS develops and maintains but we also understand that these benefits can only be fully realized when these standards and guidance are effectively operationalized through the development and implementation of appropriate audit methodologies that are applied by competent audit professionals. The inclusion of a new fundamental principle and of a new standard and related guidance dealing specifically with auditor competence in the INTOSAI Framework for Professional Pronouncements (IFPP) is therefore a very important and appropriate IFPP development that will help ensure that all SAIs prioritize the development of their work force in a manner that is feasible, sustainable, and most appropriate in their circumstances.	All three pronouncements	Insightful comment. Noted with thanks.	Not applicable
73	Question 1 Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?  Yes	ISSAI 150, generally	Noted with thanks	Not applicable
74	Question 2 Does the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of “global profession, local solution” to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.?  Yes	ISSAI 150, generally	Noted with thanks	Not applicable
75	Question 3 Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?  Yes	GUID 1950 and 1951, generally	Noted with thanks	Not applicable
76	Question 4 With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?  Yes	ISSAI 100 v ISSAI 150	Noted with thanks	Not applicable
77	Question 5 When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date?  Yes	ISSAI 150, generally	Noted with thanks	Not applicable

Number	Comment	Reference	Response	Reference addressing comment
78	<p>Question 1: Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?</p> <p>Yes, ISSAI 150 appears to provide a complete, yet practical set of organization requirements, and we did not identify any additional requirements that SAIs would need to consider</p>	ISSAI 150, generally	Noted with thanks	Not applicable
79	<p>Question 2: Do the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of “global profession, local solution” to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.?</p> <p>It is our view that, in general, the four organizational requirements in ISSAI 150 provide flexibility for applying such requirements in a SAI’s organization, with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.</p> <p>We provide Page 2 suggestions to enhance proposed Organisational requirement 2 as follows (additions in italics): Organisational requirement 2 A SAI shall have appropriate human resource management processes and practices to ensure that its auditors have possess the relevant competencies determined by the SAI. The audit organization shall assign auditors to conduct the engagement, who before beginning work on the engagement, collectively possess the competence needed to address the engagement objectives and perform their work in accordance with professional standards</p>	ISSAI 150, generally	Comments on organizational requirement 2 were noted and are entirely appropriate in the bigger IFPP context. The authors are of the opinion that the addition may not be appropriate here, as it deals with specific engagement requirements, which is already contained in pronouncements that deal with engagement considerations.	Not applicable
80	<p>Question 3: Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?</p> <p>Yes, GUID 1950 and GUID 1951 appear to adequately assist SAIs with determining competencies and developing pathways for professional development</p>	GUID 1950 and 1951, generally	Noted with thanks	Not applicable
81	<p>Question 4: With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?</p> <p>Yes, we agree that auditor competency is a fundamental principle of public-sector auditing and that a SAI should establish procedures of competency management as proposed. To that end, it is our view as related to auditor competence, that the audit organization should have a process for recruitment, hiring, continuous development, assignment, and evaluation of personnel so that the workforce has the essential knowledge, skills, and abilities necessary to conduct the engagement. The nature, extent, and formality of the process will depend on various factors, such as the size of the audit organization, its structure, and its work. ISSAI 150 paragraph 25 application material includes many of the items that we believe are requirements necessary for auditor competency management. However, given the wide range of SAI mandates, enabling legislation, size and capabilities, we understand the underlying rationale as to why this information is included as application material in ISSAI 150 rather than as requirements. As it relates to auditor competence, it may also be beneficial for INTOSAI to consider the International Accounting and Auditing Standards Board’s</p>	ISSAI 100 v ISSAI 150	<p>Noted with thanks. The comments about opting for reflections on size of organization, structure, etc as application material is appreciated, as it confirms one of the difficult decisions for the TFIAP.</p> <p>ISQM was considered as part of the original comparative study that underpinned the project proposal to FIPP, and the TFIAP trusts that it managed to deal with those requirements, as it pertains to competence management, appropriately. It will be interesting to see how FIPP deals with ISQM in its work in reworking ISSAI 140 and whether any conforming changes to other organizational requirements will become necessary</p>	Not applicable

	International Standard on Quality Management (ISQM) 1: Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which was revised in December 2020. ISQM 1 contains steps to help firms design, implement and operate a system of quality management for audits, some of which could be used to promote competence within audit organizations.			
82	<p>Question 5: When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date?</p> <p>Yes. Our current requirements in Government Auditing Standards, as developed by the Comptroller General of the United States, together with the GAO policies that we apply in conducting our audits, are consistent with those contained in the exposure drafts for ISSAI 150.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
83	Finally, on a personal note, I would like to congratulate you on your leadership of the Task Force on INTOSAI Auditor Professionalization. I would also like to express my gratitude to your highly capable and professional staff for effectively guiding this effort. It was a pleasure serving on the task force and believe this is an excellent contribution to the INTOSAI community	Not applicable	Noted with thanks. The TFIAP has huge appreciation for the support and involvements of the GAO on this project	Not applicable

### SAI Argentina

Number	Comment	Reference	Response	Reference addressing comment
84	<p><u>International Standard for Supreme Audit Institutions (ISSAI) 150: Auditor Competence.</u></p> <p>In this regard, it should be noted that the email refers to ISSAI 150 "Auditor Competence" and the Guid, which provide additional guidelines in relation to the theoretical organizational requirements of the aforementioned ISSAI and do not contain any other requirements for SAIs.</p> <p>ISSAI 150 establishes and describes the organizational requirements that an SAI must follow to establish the competencies of an auditor, as well as the requirements for their hiring, development, maintenance and evaluation of their competencies.</p> <p>Considerations on competencies should be appropriately reflected in an SAI's strategies, policies and procedures. It must be ensured that the auditors are competent and can fulfil the mandate of the SAI.</p> <p>The framework defines several aspects to be taken into account: The SAI shall: a) determine and document the competencies required for all auditors, b) have adequate human resource management processes and practices to ensure that its auditors have the competencies established by the SAI and c) establish specific pathways for the professional development of auditors, specifically designed for the mandate, regulatory framework, organizational structure and needs of the SAI.</p> <p>In this sense, all pathways for professional development include, among others: internal and external learning opportunities (inside and outside the organization), and Internship.</p> <p>Lastly, the framework will periodically develop and implement the means for assessing competencies and monitoring the progress of the auditor's development or self-development. The SAI must ensure that its auditors obtain and maintain the required competencies.</p>	ISSAI 150, generally	Very appropriate summary of the document, which – read together with item 87 – appear to indicate agreement to the appropriateness of the requirements	Not applicable

	<p>As a premise, it can be stated that the ability of an SAI to fulfil its mandate and carry out a high-quality and effective audit depends to a large extent on the quality, integrity and capacity of its employees.</p>			
85	<p><u>Guidance (GUID) 1950: Guidance on developing competency frameworks for auditors.</u></p> <p>Regarding GUID 1950, it offers additional guidelines in relation to the theoretical organizational requirements of ISSAI 150, and its objective is to present a basic process to help a SAI define competencies that reflect the uniqueness of the public sector audit, and describe all the needs of a specific SAI, reflected in a SAI-specific competency framework.</p> <p>Fundamentally, the GUID assists SAIs in the implementation and application of the requirements of ISSAI 150.</p> <p>The framework or competency profile should be aligned with the ISSAIs or public sector specific auditing standards adopted by the SAI, as provided for in ISSAI 100 (i.e. a SAI may choose to adopt the ISSAIs as authorised standards that will determine performance of their work, or use them as a basis for developing their own standards or adopting national standards).</p> <p>The SAI with the proposed profile could consider aspects such as: Permanent relevance (review the competency framework regularly); Basic coherence (defines individual basic competencies); Full competence (they are described at the level of full competence for that position) and Observable behaviour (it is good practice that each competency, at a minimum, be described in terms of observable and measurable behaviour).</p> <p>For example: if the behavioural framework is observable, will be used to recruit professional staff or to specifically develop the professional career in the SAI, components such as: a) Knowledge (it will indicate the necessary qualification for the specific job and/or the specific learning elements); b) Capabilities (it will provide information on the practical experience necessary to be developed for the specific task and c) Personal attributes (which will provide information on the personal attributes of the person hired for a position that need to be developed). Also, the SAI may consider how to assess these 3 components, as this will guide the design of the corresponding development plan.</p> <p>Evaluation plays an important role, constituting a process of gathering evidence that an individual has demonstrated the necessary professional skills for a position within a SAI or to carry out a specific task.</p> <p>It is highlighted as an important aspect that the evaluation activities should not necessarily be carried out by the staff of the SAIs. They can also be carried out by third parties, for example: universities, other entities, etc.</p> <p>A graph is drawn according to the qualification of the audit with its competencies and foundations of what was described above.</p>	<p>GUI 1950, generally</p>	<p>Very appropriate summary of the document, which – read together with item 87 – appear to indicate agreement to the appropriateness of the guidance</p>	<p>Not applicable</p>
86	<p><u>Guidance (GUID) 1951: Guidance on the development of pathways for professional development of auditors.</u></p>	<p>GUID 1951, generally</p>	<p>Very appropriate summary of the document, which – read together with item 87 – appear to indicate agreement to the appropriateness of the guidance</p>	<p>Not applicable</p>



	<p>The objective of the Guid 1951 in its fullest meaning, guarantees that the personnel possess a credible professional qualification in the audit of the public sector.</p> <p>The draft Guid is built around the organizational requirement by offering a clear and simple process that an SAI can incorporate in developing a pathway(s) for the professional development of its auditors.</p> <p>The importance of implementing or providing pathways for professional development is highlighted in order to assess the competencies that were developed.</p> <p>It is determined in the Guid that the follow-up of what has been learned or the result of an evaluation could consider corrective measures and improvements to the pathway or, in extreme cases, the suspension of the ongoing process.</p>			
87	<p><u>Conclusion</u></p> <p>It is relevant to highlight that the principles, the INTOSAI standards, inspire and support SAIs in the production of high-quality audits and that providing the auditor for their management and leadership functions in the organization is <u>critical and appropriate</u>.</p> <p>SAIs must have the appropriate competencies and provide support for continuous professional development, understanding that the draft standards under analysis provide guidance on the auditor's competencies, and <u>will be very useful if approved, as a complement to the continuous improvement tasks carried out, without any observation regarding their content.</u></p>	All three pronouncements	Noted with thanks	Not applicable

## SAI NZ

Note - the reference materials that we referred to includes the Audit Leadership Framework (for Audit New Zealand financial auditors' competency), knowledge from the CA ANZ CA Program, the IFAC's International Accountants Education Standards Board's International Education Standards (IES) series and general knowledge through our connections (e.g. through Victoria University's School of Accounting and Commercial Law, and Centre for Accounting, Governance, Taxation Research).

Number	Comment	Reference	Response	Reference addressing comment
88	<p>The Office of the Auditor-General (OAG) is currently developing a refreshed competency framework for staff of the OAG and the corporate services team. As staff within this cohort have very diverse technical backgrounds the focus of this framework is 'behaviour-based'. The exposure draft puts the technical auditing competencies at the forefront, and then considers any leadership attributes, "soft skills", and values. Ours is the other way around.</p> <p>Our 'What we stand for statements' are the foundation of the framework and all staff are expected to uphold them, followed by competencies with behavioural indicators. Following those two parts, there is then room to 'plug in' any technical requirements for the role. In the OAG and corporate services team (CST) context these will be technically very diverse and for Audit New Zealand it will connect with their auditor technical competency framework. The design principles of the OAG framework are aligned to the principles set out on page 10, point 21.</p>	General comment re competency framework	The comments confirm the appropriateness of competency management as a key driver in the organization, and also highlights the key concept in GUID 1950 – that it must be workable for the needs of the specific SAI. It is also comforting to know that it can still be done within the envisaged requirements and application guidance provided.	Not applicable

89	<p><b>Overall response</b></p> <p>We recommend that “auditor competency management” be added as a fundamental principle to ISSAI 100.</p> <p>We support the content of ISSAI 150, GUID 1950 and GUID 1951 noting the documents are comprehensive. We are not proposing any substantive changes to the documents.</p>	<p>ISSAI 100 v ISSAI 150</p> <p>All three pronouncements</p>	Noted with thanks	Not applicable
90	<p><i>Question 1: Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?</i></p> <p><i>Response:</i> In principle, we agree that it is complete yet practical.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
91	<p><i>Question 2: Does the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of “global profession, local solution” to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.?</i></p> <p><i>Response:</i> Yes, we can work with ISSAI 150’s four organisational requirements.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
92	<p><i>Question 3: Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?</i></p> <p><i>Response:</i> Yes, it does. See our detailed comments for consideration.</p>	GUIDs 1950 and 1951	Noted with thanks – see responses to further inputs below	Not applicable
93	<p><i>Question 4: With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?</i></p> <p><i>Response:</i> We support the inclusion of “auditor competency management” in ISSAI 100 (a new Paragraph 36). The inclusion of organisational level type management (including risk management) is consistent with the requirements of the International Auditing and Assurance Standards Board’s International Standard on Quality Management (ISQM) 1, <i>Quality Management for Firms that Perform Audits or</i></p>	ISSAI 100 v ISSAI 150	Noted with thanks	Not applicable

	<i>Reviews of Financial Statements, or Other Assurance or Related Services Engagements.</i>			
94	<p>Question 5: When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date.</p> <p>Response: Yes</p>	ISSAI 150, generally	Noted with thanks	Not applicable
95	<p><b>ISSAI 150 Auditor Competence</b></p> <p>We agree with the four organisational requirements that underpin the professional development responsibilities of SAIs – they are reasonable, and we have no suggestions to improve them.</p> <p>We have no specific feedback to improve ISSAI 150.</p>	ISSAI 150, generally	Noted with thanks	Not applicable
96	<p><b>GUID 1950 Guidance on the development of competency frameworks for auditors</b></p> <p>In the New Zealand context, we have the Auditor-General’s auditing standards that incorporate International Standards on Auditing (ISAs). The Auditor-General’s auditing standards have an emphasis on integrity and ethics (requiring his auditors to be vigilant on these matters and require his auditors to be so when carrying out work on his behalf). The emphasis on this has been highlighted in the 2020 edition of the standards.</p> <p>In our view paragraph 30 of the exposure draft could benefit from the explicit inclusion of <i>integrity and ethics</i> in the competency framework at SAI consideration level (sub-paragraph (l) – <i>SAI values</i>) and individual consideration level (sub-paragraph (r) <i>specific personal abilities, attributes, and aptitudes</i>).</p> <p>While <i>integrity and ethics</i> (as well as <i>professional scepticism</i>) is not a competency, it is certainly an attribute which a SAI and an individual should have. Integrity and ethics should also be included in paragraph 31 (a) personal attributes at a management and leadership levels to complement ISSAI 130 <i>Code of Ethics</i>. There are also references to responding to ethical dilemmas or ethical principles in International Education Standards 8 <i>Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)</i>.</p> <p>We note that ethical behaviour is highlighted in the annex (page 23) as part of the “leads by example” cross cutting competency. However, in our view this could be given more prominence.</p> <p>Section on assessment of competencies – we have a range of tools to perform assessments of competencies but by and large we fall back on an auditor’s documentation of their work, work review/supervision and observable behaviour.</p> <p>As noted above the Office of the Auditor-General is currently developing a refreshed competency framework for staff of the OAG and the corporate services team.</p>	<p>GUID 1950, paragraph 30 and 31</p> <p>GUID 1950, generally</p>	<p>Change made</p> <p>Noted with thanks. The different take on the framework, while still adhering to the essence of what is required, provides comfort about the universal applicability of what is set out,</p>	<p>GUI 1950, paragraph 30 and 31</p>

	<p>Although this framework has a behaviour-based focus, we agree with the considerations set out on pages 17-20 (paragraphs 40 to 52) and have applied these to the development of our framework. For example, we will be developing career pathways using the competencies and proficiency levels designated to each role. We have grouped our competencies into four “buckets”: Be, Do, Connect, Lead. Assessment tools are to be developed as part of a toolkit of resources to accompany the competency framework.</p> <p>Annex to the GUID – we have reviewed the core competency framework (excluding the jurisdictional Courts of Audit competencies). In our view the cross-cutting, compliance auditing, financial auditing, and performance auditing competencies – the ED’s core competencies and explanations are comprehensive. At Audit New Zealand, our Audit Leadership Framework is at a detailed level that is consistent with the GUID’s annex.</p> <p>In respect to the OAG competency framework which is in the process of development there is some overlap with the behavioural based indicators which we have tied to our “What we stand for” statements and with our communication-based competencies. However, overall, our behavioural competencies are broader as this is the focus of our framework. The exposure draft’s behavioural components have a strongly technical orientation. This is suited to the nature of the focus of the framework.</p> <p>Overall, the GUID is helpful.</p>			
97	<p><b>GUID 1951 <i>Guidance on the development of pathways for professional development of auditors</i></b></p> <p>General comment about the 10-step approach – it appears reasonable.</p> <p>Specific comments from our experience for the 10-step approach to work:</p> <ul style="list-style-type: none"> <li>• Leadership and Investment in professional development and ongoing Continuing Professional Development (CPD) is fundamental for audit quality</li> <li>• Clarity about which professional qualifications the SAI is prepared to recognise as relevant/of a sufficiently high professional standard for its workforce is critical e.g. recognised accounting qualifications in your location (New Zealand/Australia, UK CA qualification on par with market recognition and the local regulatory framework (e.g. our licensed auditor and qualified auditor equivalent)</li> <li>• Organisational Infrastructure to support PD and CPD (beyond human resource practices and enablers to more specifically including use of support tools and technology like Learning Management Systems)</li> <li>• Flexibility in delivering relevant PD content</li> <li>• Stakeholder management to be able to influence PD across Professional Accounting Organisations/Member Bodies</li> </ul>	GUID 1951, generally	Feedback noted with thanks. Bullet points were used as an understatement test to the existing text, keeping in mind the need to keep the GUID fairly generic. The same test was applied to the annexures. Where appropriate changes were factored in	GUID 1951, stepped approach

	<ul style="list-style-type: none"> <li>Recognised Pathway for career progression and career development in a SAI</li> <li>Robust performance reviews</li> <li>Mitigating the rising Audit Quality bar expectations – support for appointed auditors</li> <li>Most difficult to achieve – cost benefit analysis for management interventions and downstream evaluation of specific PD initiatives other than learning outcomes at an individual level (as opposed to organisational level which takes time)</li> <li>In respect to our experience working with developing SAIs in peer support or partnership roles we consider the 10-step approach to be sound. One of the most significant issues we observe is the lack of structured approach to professional development. This makes small SAIs vulnerable to taking up new training opportunities without sufficient reference to an overall strategy for professional development and without considering the prerequisite knowledge to obtain the greatest benefit from training offered or the contextual conditions that will enable the training offered to be put into practice. This exposure draft supports a logical and structured approach (at the organisational and individual levels) so if followed should be helpful.</li> </ul>			
98	<p>Specific comments about the FAQ guide:</p> <p><b>Q1</b> – We support the information provided and note that from our experience specialists require specific continuing profession development (CPD) investments relevant to their profession. With the increasing use of Audit Experts or Subject Matter Experts (SME) – membership of relevant professional bodies is key and keeping up to date with relevant developments. The difficulty is being able to mitigate the market portability considerations for the professional SME within the SAI’s programme of work or having critical mass of the required skill in the SAI’s annual audit portfolio.</p>	GUID 1951, Q1	Noted. The additional context provided may be useful to consider in the CBC’s efforts to a) prepare the INTOSAI community for the adoption of ISSAI 150 and the related GUIDS, and b) the implementation support.	Not applicable
99	<p><b>Q2</b> – We do not generally support this pathway of sourcing people from a central government human resource. However, we understand that due to limitations on SAI independence many SAIs are required to source staff in this way. It is important that this FAQ more clearly explains this. Where sourcing staff this way is required, our view is that the key considerations that should be included in the guide would be how to inculcate an auditor mindset, ability to exercise professional scepticism and other attributes that assist to ensure an auditor maintains objectivity so independence is protected. The SAI must have strong processes for managing Conflicts of Interests.</p>	GUID 1951, Q2	<p>Noted. The additional context provided may be useful to consider in the CBC’s efforts to a) prepare the INTOSAI community for the adoption of ISSAI 150 and the related GUIDS, and b) the implementation support.</p> <p>Note the concern about this option, but in reality that remains an only option to many SAIs in developing environments</p>	Not applicable

100	<p><b>Q3</b> – In the New Zealand context we have found partnering with doesn't work. The investment has to be public sector specific content (e.g. public sector auditing, climate change) to be attractive – matched with funding in today's environment. The work-around approach we have used to increase SAI profile in the tertiary education environment is via guest lecturing.</p> <p>Note that we have found the most critical relationship is with the Professional Accountancy Organisations (PAOs) as they establish the professional qualifications and accreditation ability). PAOs dictate the curriculum or partner with universities. As a result we have found it more effective to pursue professionalisation policy with PAOs and through that to influence the university curriculum framework. We have found that any partnering with universities is better off with being a “whole of government or public sector” type initiative on a subject matter like public sector accountability for a post graduate qualification.</p>	GUID 1951, Q3	<p>Noted. The additional context provided may be useful to consider in the CBC's efforts to a) prepare the INTOSAI community for the adoption of ISSAI 150 and the related GUIDS, and b) the implementation support.</p> <p>The ideal, in the view of authors, is a combination of Q3 and 4, although it is clear from feedback in the community that the Q3 model does have some applicability in the market.</p>	Not applicable
101	<p><b>Q4</b> – As noted above we agree this is certainly a preferred option as it also influences demand/supply of professionals to the labour market to strengthen public accountability and public sector professionalisation (beyond SAI professionalisation). This could also leverage off the public sector as an employer rather than the SAI itself.</p>	GUID 1951, Q4	<p>Noted. The additional context provided may be useful to consider in the CBC's efforts to a) prepare the INTOSAI community for the adoption of ISSAI 150 and the related GUIDS, and b) the implementation support.</p> <p>Concur that this option probably provides the most solid option, should a SAI be mandated to do this.</p>	Not applicable
102	<p><b>Q5</b> – We have not commented on this as it is not our operating model.</p>	GUID 1951, Q5	<p>Noted – hence the positioning of these as options, either individually or in combination.</p>	Not applicable
103	<p><b>Q6</b> – In our view this is only viable in a large country where the volume of staff makes maintaining the full professional development programme for all aspects of SAI needs viable. We are aware that SAI India does this quite successfully for example. In New Zealand we use a mixed model made up of in-house PD with CA Program offerings and professional body CPD.</p>	GUID 1951, Q6	<p>Noted – hence the positioning of these as options, either individually or in combination.</p>	Not applicable
104	<p><b>Q7</b> – This approach is used in New Zealand with some audits allocated to private sector providers and Audit New Zealand also has arrangements where other audit firms offer staff supplementation at peak times. Much of the competency expectations/considerations are managed via common professional qualifications (through PAOs) but the key consideration to be included is the expectation to work to the AG auditing standards which includes the international standards on auditing.</p>	GUID 1951, Q6	<p>Noted, Also correlates well with the relevant requirements of the SAI PMF in this regard</p>	Not applicable
105	<p><b>Q8</b> – SAI NZ plays a role through PASAI and partnering with Pacific Islands Audit Offices. We agree that INTOSAI and INTOSAI regional bodies play an important role in supporting smaller and developing SAIs to deliver professional development. However, as noted above it is critical that the SAI is clear on a logical framework of development and their professional development strategy and needs. This is vital to assist them to filter professional development offers received and to focus on providing their staff a pathway that contains a logical progression of competency based professional development.</p>	GUID 1951, Q8	<p>Noted. It also explains the value of the INTOSAI – Regions Coordination Forum (see INTOSAI strategic plan) and the INTOSAI CBC's framework for regional professionalism.</p>	Not applicable

106	Q9 – We have no additional comment.	GUID 1951, Q9	Noted	Not applicable
107	Q10 – It is not easy as a transition to professionalisation of the SAI to recognise prior learning/experience. If the SAI uses a roadmap/pathway that is via recognising PAO qualifications, such recognition is not within its control (our experience). Increasingly, PAOs make choices about their own brand recognition (quality versus mass membership balance) therefore it has an impact on how SAI could recognise prior experience. SAI needs to make some choices within its own pathways and to align to its own needs.	GUID 1951, Q10	Noted. A difficult and often controversial option, but nonetheless an option that can create momentum towards professionalisation, if managed appropriately	Not applicable

## NCA

Number	Comment	Reference	Response	Reference addressing comment
108	The Netherlands Court of Audit considers auditor competency management as a fundamental organisational requirement in public-sector auditing. We therefore agree to including this requirement in ISSAI 100 (paragraph 36). The organizational requirements mentioned in ISSAI 150 in our view are complete. As for GUID 1951 (development of pathways) we think that this GUID is a good and useful tool with practical steps when setting up or improving the professional development system within your SAI. As for GUID 1950 (development of competency framework) we observe that the annex with the proposed ISSAI-based core competency framework contains a list of detailed explanations. Without further explanation this annex might give the impression that such a level of detail is the most recommendable level. Below we suggest to give some more explanation in GUID 1950 on how to use this annex and choose the right framework. We would like to bring to your attention that the practical implementation of the ISSAI and its GUIDs will be a choice in which feasibility, context, advantages and disadvantages are weighed.	All three pronouncements.	Noted with thanks. The comments re GUID 1950 has been considered and, where relevant, changes have been made. The authors believe that the non-compulsory nature of the GUID is adequately covered in both ISSAI 150 and GUID 1950 and that further “softening” will detract from the value of the document	See select changes to ISSAI 150 and GUID 1950
109	<b>Feasibility of a timely compliance</b> The question about the feasibility of achieving compliance with the proposed requirements by the proposed effective date of the ISSAI is one we do not completely understand. As not every SAI will follow the ISSAIs and complying to the ISSAIs cannot be enforced, a date for compliance is not relevant. Furthermore reaching compliance might also be very difficult for SAIs who do not have the budget, capacity or expertise to set up or improve such a competency management system.	All three pronouncements	Noted. It will be futile in a framework of ISSAIs to assume selective adoption, and, according to drafting conventions (and international practice) an effective date is required. Feedback has been noted for FIPP consideration.	Not applicable

110	<p><b>Level of detail</b></p> <p>The presented level of detail in the annex of GUID 1950 can be useful when setting up a competency framework. But it also poses some risks. An example of such a risk is judging/assessing each auditor by – what the annex of GUID 1950 calls – the explanation and losing sight of how the auditors achieve on the overall competency. We would like to stress that nowadays there are many organisations, including SAIs, that prefer a more general level of competencies that only uses the competencies as presented in GUID 1950 (or another list of more general competencies, depending on the specific choices of the SAI) and not the explanation.</p> <p>We realise that GUID 1950 is clearly stating that its contents are not mandatory but guidance. We agree that it is important to formulate GUIDS with respect for the resources of an SAI and thus for what can be achieved by SAIs in more challenging situations. We feel that the usability of this GUID could be improved by adding an explicit explanation of how to properly choose a framework and a level of detail that fits an SAI. We suggest to add to GUID 1950 what the advantages and disadvantages are of choosing a more general and a more detailed approach.</p>	GUID 1950, generally	<p>The level of detail has been decided upon, in line with feedback from smaller SAIs and SAIs in developing environments. The options to not go as detailed as shown in GUID 1950 is described in ISSAI 150, paragraph 22 (after update).</p> <p>Adding the advantages and disadvantages were debated, but were decided against given that it carries similar risks of “forcing SAI thinking in a specific direction”. The option in ISSAI 150, paragraph 22 appears to be the most suitable, generic reference.</p>	Not applicable
111	<p><b>Framework supported by entire staff</b></p> <p>A risk with a competency framework is that the SAI leadership imposes a framework on their personnel without this being recognised and supported by the personnel. As a result, it is possible that there is no support among the staff for the chosen framework. We suggest explicitly adding in ISSAI 150 and/or GUIDs 1950 and 1951 that it is good practice to develop the framework in close consultation with the whole staff.</p>	ISSAI 150, generally	This is already contained, albeit in more generic terms, in ISSAI 150, paragraph 19 (after update)	ISSAI 150, paragraph 19 (after update)
112	<p><b>Tone of voice</b></p> <p>Sometimes we find the wording in GUID 1950 too strong as if it is something an SAI would be obliged to do. We strongly suggest to use words/verbs that imply having a choice. In the current GUID 1950 there are some elements that seem to suggest that the presented competencies and explanations are the best way to proceed. The use of the term ‘core competencies’ in GUID 1950 for example suggests that these competencies should all be used by the SAIs, while in practice SAIs may differ on their definition of what core competencies are to them.</p>	GUID 1950, generally	<p>Where possible changes to reflect the essence of this comment have been made. The TFIAP did its best to show the positioning of this document as a GUID in text in both ISSAI 150 and the GUID itself, and also used the appropriate drafting conventions to reflect that these are not requirements.</p> <p>Two observations – firstly, seeing that the GUID is part of the IFPP, the references to ISSAI based considerations (the underlying though to why the word core competency is used) has remained strong. It would be self-defeating to not promote a foundation of ISSAI in the IFPP. Secondly, the position of the competency framework as an example in annexure to a GUID, rather than the original idea of reflecting this as party of ISSAI 150, also underlines the non-compulsory nature of the guidance.</p>	<p>GUID 1950, generally</p> <p>This consideration will also be highlighted in the final language review before final submission to the FIPP.</p>
113	<p>Other examples of a wording that is in our view too strict (not limitative):</p> <ul style="list-style-type: none"> <li>In GUID 1950 in the title of chapter 6 the word ‘proposed’ is being used: ‘ANNEX PROPOSED ISSAI-BASED...’. We suggest ‘ANNEX AN EXAMPLE OF AN ISSAI-BASED...’. We would not prefer to use the words ‘proposed’ (or words like ‘intended’) because it seems to suggest that this is the preferred way forward.</li> </ul>	GUID 1950, Chapter 6	Change made	GUID 1950, Chapter 6 heading



114	GUID 1950 point 7 a. introduces a number of concepts 'to be considered' in the development of a competency framework. For the same reason we prefer 'may be considered'.	GUID 1950, paragraph 7(a)	Change made	GUID 1950, paragraph 7(a)
115	<b>Context</b> We would like to stress that national labour agreements can lead to restrictions in freedom of choice. Therefore we strongly suggest also emphasizing the possible role, influence and consequences of national collective labour agreements in ISSAI 150 and/or the GUIDs. This could be mentioned in ISSAI 150 point 25, at page 11 and/or in GUID 1950 at the introduction point 4 at page 2.	ISSAI 150, paragraph 25	Change already made based on earlier comments – see new paragraph 12. This positioning was selected as the applicability stretches across all four requirements	ISSAI 150, new paragraph 12

## AFROSAI-E

Number	Comment	Reference	Response	Reference addressing comment
116	It is indeed appropriate to include a principle that relates to auditor competence in ISSAI 100, to match the technical audit requirements related to the conducting of public sector audits. Overall the standard and the related guidance are largely appropriate for the intended purpose of enhanced auditor competence.	ISSAI100 v ISSAI 150	Noted with thanks	Not applicable
117	The effective date for the standard, stated as 01 January 2023, is noted, especially in the context of the GUIDs being based on existence guidance. However, the committee should consider requiring or mandating the implementation of the standards in a staggered approach. For example, requiring that the requirements for Paragraph 10 (a) (Determining relevant competencies), to be implemented first, and those relating to actual application being given more time, before they are mandated.	ISSAI 150	Preference for a staggered approach is noted with thanks	Not applicable
118	The assessment and monitoring of competencies are key aspects that what will provide evidence of whether the intended outcomes of enhancing auditor competence are being achieved. The GUIDs could perhaps provide further guidance on this aspect, coupled with a planned post-implementation review of the standard, at an appropriate point, to see if the standard as a whole is achieving its intended purpose- for example, after 5 years post- implementation	General	TFIAP is supportive of a post-implementation review, but also understand that this would be initiated by the FIPP. The CBC will of course be happy to support such a review.	Not applicable
119	ISSAI 150 : ISSAI 400- Compliance audit principles	General formatting	The challenges originated in the original formatting of the documents in the appropriate IFPP format. The PSC has since corrected this formatting hick-up.	Not applicable
120	GUID 1950-1: GUID 3910- Central concepts for performance auditing			
121	GUID 1950-2 : GUID 3910- Central concepts for performance auditing			

## Chair Ad-hoc Committee on International Auditing Standards, ICGFM

Number	Comment	Reference	Response	Reference addressing comment
122	Overall, the exposure drafts provides a good overview and pathway for SAIs to develop frameworks and plans for addressing the competence and continued competency of their staff. We believe that the discussions on defining the competency at the various levels is important because it helps focus the types of educational experiences are necessary for the SAI staff. We believe that the four organizational principles are foundational and that the ISSAI 150 and the two guides provide for the varying sizes and funding of the SAIs. Additional discussion around the integration of level programming and individual staff needs maybe helpful as part of the questions in the Annex.	All three pronouncements	Noted with thanks. The additional discussion items is not seen as critical for the narrative in the documents, but will receive attention as part of implementation support	Not applicable
123	GUID 1950 paragraph 7 mentions a 6b but there is none in this document.	GUID 1950 paragraph 7	The reference should read 7(b) and has been fixed based on earlier commentary	Not applicable
124	GUID 1951 Step1 paragraph 16 – Makes it seems as if the SAI needs to pick one or the other (current baseline or future focuses). In the current environment the SAI needs both goals for the minimum competency and plans for the future	GUID 1951 Step1 paragraph 16	Language adjusted	GUID 1951 Step1 paragraph 16

	development for specific types of audit or use of specific types of specialist who will need. This may require staged implementation.			
125	GUID 1951 paragraph 32 – Makes it seem that the training programme is finite rather than a process of continuous learning. It makes sense to have individual programmes for a specific competency (ie. Cybersecurity)but the overall organizational objective should be one of continuous learning and staff development	GUID 1951 paragraph 32	Language adjusted	GUID 1951 paragraph 32
126	Personal attributes seems an odd phrase for the characteristics of a good auditor.	All three pronouncements	TFIAP had considered a number of terms, but settled on this as the most appropriate descriptor	Not applicable
127	The GUID 1951 should factor in meeting the external certification requirements to a greater extent.	GUID 1951, generally	Research by the TFIAP indicates that certification is not a commonplace practice in INTOSAI and hence the “downplayed” positioning	Not applicable
128	Please review GUID for references to incorrect GUID numbers	All three documents	The challenges originated in the original formatting of the documents in the appropriate IFPP format. The PSC has since corrected this formatting hick-up.	Not applicable

### SAI Philippines

Number	Comment	Reference	Response	Reference addressing comment
129	Auditing standards give structure to the execution of a SAI’s mandate and work, but these can only be implemented by staff with the appropriate competencies. Standards on auditor competence at organizational level, emphasize that the employment of competent auditors is an integral part of a SAI’s identity, professionalism, credibility and relevance.  Commendably, this paragraph is an emphasis on the importance of competent auditors to execute SAI’s mandate, as it is through them that auditing standards can be executed with impartiality. However, adding the adverb “effectively” before the word “implemented” can better highlight the desired result when appropriate competency is applied.	ISSAI 150, page 4, paragraph 2	The authors were not convinced that this adds to the essence of the point being made.  Additionally, in the context of a professional pronouncement the term “effectively” can also open more questions than what it would add value (typically – “what does effectively implementation mean?”)	No change made
130	A SAI shall determine and document relevant competencies required for all auditors.  Since all the competency requirements under ISSAI Standards of the IFPP pertain to the assessment of the “collective competencies” of the audit team rather than the auditor as an individual, we suggest that this be highlighted as well in the paragraph.	ISSAI 150, page 9, paragraph 15	ISSAI 150 intentionally allow for this to play out at either individual and team level, and is addressed in detail in paragraph 22 of ISSAI 150	No change made, as the concept is already addressed in the document.
131	It may be important for a SAI to describe the competencies of an auditor who is fully able to manage an audit in line with the auditing standards that the SAI has adopted, thereby creating a baseline for all other audit positions in the SAI.  Clarification may be provided in the application guidance that the determination of the minimum competencies of an auditor will only depend on the overall requirement of the competencies for a particular audit discipline. Based on the overall requirements, SAI may set overarching minimum competencies (core competencies as termed in GUID 1950) and another set of functional competencies relevant to the specific audit. Another set of conditional competencies is needed to fit with the industry or requirement of the nature of the audited entity.	ISSAI 150 , page 10, paragraph 20	The application material provided in ISSAI 150 represents the key issues that a SAI should consider in giving effect to the stated requirement and in the view of the authors, this falls outside that definition. The key considerations here (discipline that drives the description) is already contained in paragraph 17 and 18 of ISSAI 150.  Anything beyond that belongs at the level of GUIDs, and the tailoring of framework has therefor been left for GUID 1950.	No change made, as the concept is already addressed in the document.

132	<p>To attract, develop and maintain the competence of individual auditors, it may be necessary to invest in the following appropriate and sound human resource management practices and processes</p> <p>The phrase attract, develop and maintain the competence of individual auditors may be re-phrased to reflect the right intention, i.e., attract a talent and not competence of individual auditors. It must be emphasized, too, that learning and development and, reward and recognition all form part of the bigger area of performance management.</p>	ISSAI 150, page 11, paragraph 25	<p>The intention with the paragraph is to ensure that a SAI have the necessary HR processes and to provide SAIs with a sense of what these processes can be. To prescribe how these practices should be executed or what the focus should be, would be inappropriate in a professional pronouncement and certainly not in line with the intention of this section.</p> <p>The authors note the comments about the structuring of HR processes, but prefer to go with the more generic and separate references, as not all SAIs structure it in that way.</p>	No change made.
133	<p>The expectation of SAI leadership to have access to competent resources to give effect to the SAI's mandate also implies an investment in individual capacity development and creating a culture of life-long learning in the organisation.</p> <p>The term "capacity development" may not necessarily mean "professional development." Clarification on the meaning of the term or to instead use the latter throughout for consistency, is suggested.</p>	ISSAI 150, page 12, paragraph 26	Requirement 2 does not deal with professional development and the terms competence development is used intentionally to deal with a wider context. That specific nuance is only introduced and dealt with in requirement 3.	No change made.
134	<p>c. providing access, internally or externally, to relevant training interventions e. providing access to regularly updated audit manuals</p> <p>The use of learning and development interventions is more apt instead of training interventions. Inclusion of the phrase including other written policies and procedures pertaining to audit methodologies such as guidelines may be necessary to make the statement more inclusive</p>	ISSAI 150, page 12 paragraph 26	Accepted.	See paragraph 27 (previously 26).
135	<p>b. Workplace observation by a supervisor</p> <p>Emphasis may be made on the reliable means of assessment and monitoring on this area</p>	ISSAI 150, page 15, paragraph 35.b	Agreed - this is already emphasized in the introductory sentence.	No change made.
136	<p>To apply the concept of assessment to the SAI as an organization, its practices for competence development may also be independently assessed at regular intervals.</p> <p>The use of the term "competence development" may be confused with the notion of professional development, unless both terms refer to the same concept. Distinguishing between the two terms or providing for a definition for professional development, in addition to the definition of the "pathway for professional development".</p>	ISSAI 150, Page 15, paragraph 38	<p>The use of the term "competence development" in requirement 4 is intentional as it refers to the SAIs commitment to generally develop competence and not just its commitment to professional development.</p> <p>Professional development is a specific term introduced in requirement 3, almost as a specific focus within the broader HR considerations in a SAI. Instead of including very detailed definition of professional development, the application material attempts to steer the SAI on a journey of considerations that achieves the same as a definition, but allowing some flexibility in execution.</p>	No change made.
137	<p>ISSAI 400 - COMPLIANCE AUDIT PRINCIPLES</p> <p>Please update the header to avoid confusion</p>	ISSAI 150, page 10 to 15 , Header	The challenges originated in the original formatting of the documents in the appropriate IFPP format. The PSC has since corrected this formatting hick-up.	Appropriate changes was made to all three pronouncements

138	<p>Annex-Proposed ISSAI-based core competency framework)</p> <p>Some SAIs have existing Competency Frameworks that define behaviours and competencies quite differently from the one shown in this Annex. It is suggested that a global survey be conducted to ensure that the existing frameworks are taken into context as well as in the development of the baseline information. This is to offer the future users of the Guidance with better and complete perspective.</p>	GUID 1950, page 21 to 44	<p>The annexure is shown as an example and not as a requirement. SAIs are free to document in whatever way they see fit.</p> <p>As to finding a universally acceptable generic framework – the work done in the original TGIAC between 2013 and 2016 aimed to do exactly that, and resulted in the example included in GUID 1950. Incidentally, this is the same framework that also informs the global PESA project. More detail is available from the CBC secretariat.</p>	No change made.
139	<p>To ensure continued alignment with the INTOSAI Framework of Professional Pronouncements (IFPP), it is good practice to revisit the competency framework on a regular basis. This enable the SAI to also appropriately reflect any expectations or challenges posed by emerging issues within the SAI or within the environment in which audits are conducted. It may also be relevant to assess the impact that these competencies have on the work of the SAI (fit-for-purpose).</p> <p>While updating the Competency Framework is a good practice, having a definite and definitive time frame for the update would add more value to the guidance. SAI Philippines updates its Framework every after three years.</p>	GUID 1950, page 20, paragraph 23	<p>The authors believe that it will be inappropriate to be more specific that asking for regular revisiting, given different circumstances and change drivers.</p> <p>Every SAI is encouraged to confirm a specific timeframe, with due cognizance of its circumstances</p>	No change made.
140	<p>B – Developing a SAI-Specific Competency Framework</p> <p>it is vital for first time adopters of Competency Framework to be guided on several baseline processes and it is for this reason that a set of guidance has to be also put in place in the following activities, in support of the build-up of the Framework: a. Competency Modelling and Profiling b. Development of Competency-based Qualification Standards and Job Description c. Competency Assessments d. Career Development and Succession Management, and, e. Integration of Competencies in the Human Resource Management System</p>	GUID 1950, page 12	<p>Agreed.</p> <p>The project proposal to develop ISSAI 150, GUID 1950 and 1951 specifically excluded this, given what could be achieved (at the level of a professional pronouncement) in a specific time framework.</p> <p>However, the concepts are being addressed in the current updating of the CBC Human Resource management guide (a document outside the IFPP).</p>	No change made.
141	<p>In describing the development of a competency framework, the competencies were defined in terms of observable behaviour. If this framework were to be used to recruit professional staff, or to develop a specific professionalization pathway in the SAI, it would be necessary to formally unpack the competency framework into the following components: a) Knowledge – which will give an indication of the qualification necessary for the specific job and/or the specific knowledge-based elements of learning that need to take place; b) Skills – which will provide insights into the practical experience that is necessary or needs to be developed for the specific job, through specifically agreed-on (and monitored) on-the-job exposure; and, c) Personal attributes – which will give insights into the personal attributes of the person recruited for a position or that need to be developed.</p> <p>It is also important that Professional Experience is taken into the equation involved in either the Knowledge or Skills criteria since professional experience is also part of the Learning and Development pathway.</p>	GUID 1950, page 18, paragraph 43	<p>Agreed. The authors believe that this is appropriately covered in the three elements listed (believing that professional experience is covered in skills), but SAIs are encouraged to add to this, as they feel appropriate. Keep in mind the fact that a GUID is not listing compulsory actions, but rather provides examples of how certain requirements can be met.</p> <p>The whole process described in GUID 1950 is intended to prompt SAI specific tailoring.</p>	No change made.

142	<p>c) Personal attributes – which will give insights into the personal attributes of the person recruited for a position or that need to be developed. Definition of Personal Attributes may be further elaborated to include certain characteristics, for better clarity</p>	GUID 1950, page 18, paragraph 43.c	<p>The authors have gone with the definition in ISSAI – a standard human resource definition, without examples. This was shortened in GUID 1950 and 1951, as these documents need to be read together with ISSAI 150.</p> <p>No examples were given, as these (at this level of broad definitions) can have unintended consequences in limiting thinking of the users (what examples do you use at the exclusion of others?).</p>	No change made.
143	<p>The aim for credible assessment activities is to produce an outcome that is consistent with the learner’s true competence in the context of the needs of the SAI. To ensure credibility of these processes, the following can be considered: a) Reliability – considering whether the assessment activities produce substantively the same result given the same set of circumstances; b) Verifiability – considering whether the assessment activities generate documented evidence of achievement of the assessment outcome; and, c) Comprehensiveness – considering whether the assessment activities cover all relevant competencies and their component parts.</p> <p>Assessing competencies must also be undertaken in the area of Relevance, hence this criterion needs to be a part of the consideration.</p>	GUID 1950, page 19, paragraph 48	<p>The concept of relevance is already contained in the introductory sentence (“needs of the SAI”).</p>	No change made.
144	<p>Types of assessment activities include oral examinations, online testing, findings from quality assurance reviews, on-the-job assessment, a review of a portfolio of evidence of workplace activities and/or written examinations. Assessment activities can also include such actions as direct observation, peer review and self-assessment.</p>	GUID 1950, page 19, paragraph 49	<p>Agreed. These are provided as examples and not as a comprehensive list.</p>	No change made.
145	<p>Assessment activities need not necessarily be conducted by SAI staff. They may also be performed by universities, private education providers, professional organizations, government training centers or other institutions.</p> <p>Assessment activities must be classified into main and sub-categories. The main categories can either be internal or external assessments, independent or self-assessment, etc.</p>	GUID 1950, page 20, paragraph 51	<p>Agreed. This concept is already contained in the document in the section dealing with assessments and does not need to be restated.</p>	No change made.
146	<p>A competency framework is a conceptual model that details and defines the ideal competencies expected of an individual auditor for a specific task, and for a specific position within an organisation. While competency frameworks need to be largely stable, predictable and certain in the short term, they need to be dynamic in nature in the long term, reflecting the expectations of an ever-changing world. They seek to define the elements needed to drive success and high performance, and will change depending on the circumstances.</p> <p>This definition of a competency framework should match with Paragraph No. 13, Page No. 8 in ISSAI 150 for better coherence</p>	GUID 1951, page 6 , paragraph 8	<p>Noted with thanks</p>	ISSAI 150 definition inserted in GUID 1950.
147	<p><b>Question 1: Does ISSAI 150 provide a complete, yet practical set of organizational requirements that SAIs need to consider in ensuring that their auditors have the necessary competencies to conduct audits in line with the ISSAIs and the enabling legislation of the SAI?</b></p> <p>ISSAI 150 basically contains the guidance in the management and development of auditors’ competence. The Standard supports the competency framework currently adopted by the Philippine Civil Service.</p>	ISSAI 150, generally	<p>Noted with thanks</p>	N/a

148	<p><b>Question 2: Does the four organizational requirements in ISSAI 150, supported by a number of considerations at the level of application material, adequately allow for the concept of “global profession, local solution” to play out? In other words, does this allow for appropriate flexibility for a SAI to apply the four organizational requirements in ISSAI 150 with due cognizance of its unique mandate, enabling legislation, SAIs size and capability etc.?</b></p> <p>Yes, the four organizational requirements leave more elbow room for our SAI to customize its related policies.</p>	ISSAI 150, generally	Noted with thanks	N/a
149	<p><b>Question 3: Do the two GUIDs adequately assist SAIs to deal with the concept of determining competencies and developing pathways for professional development, as required in ISSAI 150?</b></p> <p>The two GUIDS (1950 and 1951) support SAI Philippines in making its competency framework responsive to the current challenges and operating reality.</p>	Both guides, generally	Notes with thanks	N/a
150	<p><b>Question 4: With the introduction of a principle on auditor competency management in ISSAI 100, all SAIs must ensure that the new fundamental principle is reflected in their standards and practice. Do you agree that it is considered a fundamental principle of public-sector auditing that a SAI should establish procedures of competency management as proposed and thereby be included in ISSAI 100?</b></p> <p>Without the fundamental principle of competency management, audit quality may never be ensured so the proposed ISSAI is timely and relevant. The implementation of ISSAI 150 in our SAI is actually buoyed by a similar Philippine Civil Service program on Learning and Development.</p>	ISSAI 100, relevant sections from par 34 to 36	Noted with thanks	N/a
151	<p><b>Question 5: When ISSAI 150 takes effect, SAIs that have adopted the ISSAIs as their authoritative standards should be required to implement and adopt ISSAI 150 in order to be compliant with the ISSAIs. Will it be possible for your SAI to achieve compliance with the proposed requirements by the proposed effective date??</b></p> <p>Yes, this is possible. In fact, SAI Philippines has already embarked on adopting the “competency” operating philosophy commencing with the adoption of a Competency-Based Human Resource Framework and Strategy that served as the anchor in the preparation of its Learning and Development Framework and Strategy that details the Learning Pathways of all of its staff.</p>	All three pronouncements	Noted with thanks	N/a