



Organisation for Economic Co-operation and Development

GOV/SIGMA(2024)2

Unclassified

English - Or. English

19 April 2024

PUBLIC GOVERNANCE DIRECTORATE

SIGMA - Support for Improvement in Governance and Management

Increasing the impact of supreme audit institutions through external engagement

SIGMA Paper No.69

Supreme audit institutions (SAIs) are a critical part of public accountability systems. They 'watch' over governments' use of public money and report about it publicly, helping to increase transparency. SAIs have an interest in strongly engaging with external stakeholders – including citizens – to make sure that their work is relevant, understood and used to hold governments to account.

This paper provides a compilation of European SAIs' practices on communication, co-operation and collaboration with external partners and is intended to provide inspiration to SAIs of EU candidate countries and potential candidates to further strengthen their engagement with their non-governmental stakeholders.

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JT03542002



SIGMA
Creating Change Together



A joint initiative of the OECD and the EU,
principally financed by the EU

Increasing the impact of supreme audit institutions through external engagement

Compendium of European experiences with developing effective relationships between SAIs and non-governmental stakeholders

SIGMA Paper No. 69

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Table of contents

List of abbreviations and acronyms	5
Executive summary	6
Introduction	8
Background	8
Requirements of international standards related to communication and engagement	9
Existing guidance	10
Data collection	11
1 Stakeholders	12
List of SAI external stakeholders outside the parliament and audited entities	12
Citizens / General public as a specific stakeholder	14
Civil society organisations as a specific stakeholder	15
Media as a specific stakeholder	15
1.4 Conclusion	16
2 Stakeholder expectations and perceptions	18
Documenting stakeholder expectations	18
Formulating stakeholder expectations	18
Approaches to identification of stakeholder expectations	20
Conclusion	23
3 Strategic approach	25
Strategising engagement with stakeholders	25
SAIs' goals for engagement with stakeholders	27
Measuring achievement of goals	28
Distinct approaches to stakeholder groups	29
Conclusion	30
4 Organisational arrangements for implementation	32
SAI arrangements to implement stakeholder engagement strategies	32
Assessing the costs of engaging with stakeholders	33
Conclusion	35
5 Levels of engagement with stakeholders	36
Informing stakeholders	38
Consulting stakeholders	40

Collaborating with stakeholders	42
5.3.1 Delegating or outsourcing audit work	42
5.3.2 Engaging with stakeholders as experts	44
5.3.3 Engaging stakeholders in participatory audits or audit teams	46
Engaging with non-institutional stakeholders during the audit process	48
Civil society as a potential 'institutional' partner for SAIs	52
Conclusion	52
6 Communication and reporting	54
Planning communication with differing target audiences	54
Communication plans for individual audit reports	56
User-friendliness of audit reports	58
Digital solutions and online channels	59
Conclusion	61
Annex A. List of references to the requirements in ISSAIs related to co-operation with stakeholders that are mandatory for 'ISSAI compliant' SAIs.	63
Annex B: Strategising engagement with stakeholders	68
FIGURES	
Figure 1. Types of stakeholders	13
Figure 2. Mechanisms for identifying stakeholders' expectations	21
Figure 3. SAIs' strategies for engagement with stakeholders	25
Figure 4. Internal arrangements	32
Figure 5. Assessment of engagement costs	34
Figure 6. Levels of engagement with stakeholders 1	37
Figure 7. The majority of SAIs that collaborate with stakeholders engage them as experts in audits	38
Figure 8. Over three quarters of the SAIs engage with non-institutional stakeholders	48
Figure 9. Engagement with non-institutional stakeholders throughout audit phases	49
Figure 10. Planning communication with different target audiences	54
Figure 11. Communication plans for individual audit reports	57
Figure 12. Social media use	60

List of abbreviations and acronyms

BiH	Bosnia and Herzegovina
CAF	Common Assessment Framework
CAAF	Canadian Audit and Accountability Foundation
COARM	Court of Accounts of the Republic of Moldova
CSO	civil society organisation
ECA	European Court of Auditors
EU	European Union
EUROSAI	European Organisation of Supreme Audit Institutions
GRECO	Group of States against Corruption
IDI	INTOSAI Development Initiative
IFPP	INTOSAI Framework of Professional Pronouncements
INTOSAI	International Organization of Supreme Audit Institutions
INTOSAI CBC	INTOSAI Capacity Building Committee
INTOSAI-GUIDs	International Organization of Supreme Audit Institutions Guidance
INTOSAI-Ps	International Organization of Supreme Audit Institutions Principles
ISSAI	International Standards of Supreme Audit Institutions
KPI	key performance indicator
NGO	non-governmental organisation
OECD	Organisation for Economic Co-operation and Development
SAI	supreme audit institution
SOE	state-owned enterprise

Executive summary

Increasingly, supreme audit institutions (SAIs) engage with external stakeholders that are not part of the government to increase the impact of their work. SAIs are a critical part of public accountability systems. They help hold governments to account and enable parliamentary oversight over orderly and purposeful spending of public funds. By ‘watching’ over governments’ use of public money and reporting about it publicly, they increase transparency for the general public and interested non-governmental organisations, media, academics, business organisations and others. SAIs therefore have an interest in strongly engaging with these external stakeholders – including citizens – to make sure that their work is understood and used to hold governments to account. On the other hand, external stakeholders can also contribute to improving the quality of SAIs’ work.

Following a request of the Network of Supreme Audit Institutions of Candidate and Potential Candidate Countries and the European Court of Auditors, SIGMA conducted a survey of European SAIs to understand how they engage with external non-governmental stakeholders in practice. Based on the 27 replies received from the 47 SAIs in the EUROSAI region, this paper provides a compilation of the SAIs’ practices on communication, co-operation and collaboration with these external partners.

The main findings about engagement with non-governmental stakeholders are:

- The non-governmental stakeholders that SAIs indicate they engage with most frequently are the general public/citizens, NGOs/CSOs and media, closely followed by professional bodies, academia and international organisations.
- Most SAIs take a strategic approach to engaging with stakeholders.
- Their engagement goals are mainly about building trust, increasing impact and accessibility and establishing the SAI as a “brand”.
- European SAIs invest in identifying the expectations of their stakeholders and can clearly formulate them at both policy and operational levels.
- Only a few SAIs identify specific engagement costs but most extend responsibility for implementation throughout their organisation.

With regard to the level of engagement with external non-governmental stakeholders, the overriding picture is that the vast majority of European SAIs engage with their stakeholders through two-way communication (co-operation and collaboration in addition to communication), with very few limiting their engagement to just one way communication. Other findings include:

- All SAIs inform their stakeholders regularly and routinely on individual audits and on their role and mandate, using traditional and innovative communication channels.
- The majority of SAIs consult their stakeholders on institutional as well as operational matters, using various mechanisms.
- Fewer SAIs collaborate with non-governmental stakeholders. This mostly takes place through delegating or outsourcing audit work or using stakeholders as experts, with fewer carrying out participatory audits or including them in audit teams.

- SAI collaboration with non-governmental stakeholders during the audit process takes place mainly in the planning and execution phase of audits, and less during the selection of audit topics, reporting and follow-up.

This paper also provides an overview of the requirements of international standards related to communication and engagement as well as existing guidance in international publications.

In conclusion, it is clear that non-governmental stakeholders have become more and more important partners for European SAIs, not only as receivers of easy to access and easy to understand information about audit work, the use of public finances by the government and the role that SAIs can play in holding them to account. SAIs see increasingly the value of consulting with non-governmental stakeholders and collaborating with them in various ways, including by involving them in the various phases of their audit work.

The paper highlights numerous good practice examples from SAIs for developing a strategic approach to stakeholder engagement, including examining the expectations of stakeholders, consultation with stakeholders, delegating audit work, engaging with stakeholders as experts and using them in various phases of the audit work for communication on audits, digital solutions, and online channels.

This “Compendium of European practices” is intended to provide inspiration to SAIs of the Network of Candidate And Potential Candidate Countries to further strengthen their investments in communication, consultation and collaboration with their non-governmental stakeholders. Additionally, the practices and experiences illustrated may enrich stakeholder engagement strategies and practices in SAIs from other regions.

Introduction

Background

Since the adoption of the International Organization of Supreme Audit Institutions (INTOSAI) pronouncement on “the value and benefits of SAIs – making a difference for the lives of citizens”¹, endorsed in 2013, the INTOSAI community recognises the need to include external stakeholders such as citizens and parliaments in their efforts to increase the impact of their audit work.

In 2017, SIGMA published a guidance paper for “Developing Effective Working Relationships Between Supreme Audit Institutions and Parliaments”², following a request from the Network of Supreme Audit Institutions of Candidate and Potential Candidate Countries and the European Court of Auditors (hereafter, “the Network”)³. Following the presentation, discussion and use of this guidance for engagement specifically with parliaments, the Network requested new research, focusing on the engagement of SAIs with the other external stakeholders, especially citizens, civil society organisations and media.

This publication responds to this request. As, in the meantime, several framework and guidance papers were published by the INTOSAI community and other institutions, specifically for the engagement of SAIs with non-institutional stakeholders such as civil society organisations (CSOs), the research focuses on providing examples of what European SAI engagement with external stakeholders outside of parliament looks like in practice. While there have already been other international surveys on the topic in the past⁴, only a few European SAIs have revealed their practices and experiences so far.

This paper therefore focuses on European practices, in particular to inform and inspire the SAIs of the Network. It is mainly based on the responses of 27 SAIs to the survey carried out by SIGMA for the purposes of this paper with the EUROSAI network in summer 2022 and input received from the members and observers of the Network at a conference on the topic in June 2023.

¹ IFPP (2013), INTOSAI Professional Pronouncement 12, “The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens”, [IFPP, Luxembourg](https://www.issai.org/pronouncements/intosai-p-12-the-value-and-benefits-of-supreme-audit-institutions-making-a-difference-to-the-lives-of-citizens/), <https://www.issai.org/pronouncements/intosai-p-12-the-value-and-benefits-of-supreme-audit-institutions-making-a-difference-to-the-lives-of-citizens/>

² Brétéché, B. and A. Swarbrick (2017), “Developing Effective Working Relationships Between Supreme Audit Institutions and Parliaments”, *SIGMA Papers*, No. 54, OECD Publishing, Paris, <https://doi.org/10.1787/d56ab899-en>.

³ Long term Members of the Network are the SAIs of Albania, Bosnia and Herzegovina, Montenegro, the Republic of North Macedonia, Serbia and Türkiye, with Kosovo* as observer; in 2023, the SAIs of the Republic of Moldova (hereafter, ‘Moldova’) and Ukraine joined the Network.

* This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo’s declaration of independence.

⁴ For example Canadian Audit and Accountability Foundation (2021) *How Audit Offices Collaborate with Civil Society: Highlights from our international survey*, CAAF, Ottawa. <https://www.caaf-fcar.ca/images/pdfs/research-publications/CSO-SurveyResults-EN.pdf>

Requirements of international standards related to communication and engagement

Mandatory requirements for SAIs related to co-operation with stakeholders mainly address independence and communication issues, as well as increasing the relevance of audits for stakeholders and ensuring their quality. These include:

- SAI staff need to consider stakeholder expectations along with the SAI's mandate when considering the impact of their behaviour, both within and outside the working environment, on the credibility of the SAI⁵
- SAIs may regularly interact with relevant stakeholders to obtain understanding of the audited entity(ies) and audited area.⁶
- If mandated by the national law, the auditor should communicate audit-related matters to the stakeholders other than the audited entity.⁷
- Stakeholder concerns may be taken into consideration when defining materiality in audits.⁸
- Communication of audit results to stakeholders is an integral part of the audit process⁹
- The SAI needs to put in place policies to appropriately provide or protect information and apply controls to eliminate or reduce to an acceptable level potential risks to confidentiality infringements. This includes an option to establish policies for communication with stakeholders, including the media.¹⁰
- SAIs may consider other means of monitoring the quality of their work, which may include, but not be limited to: stakeholder surveys.¹¹

The above requirements should be followed when carrying out public sector audits, irrespective of the type of audit (financial, compliance or performance). Additional requirements for co-operation with stakeholders to be followed when performing particular types of audit (financial, compliance or performance) are further addressed in ISSAIs 200, 300, 400, 2000, 2200-2810, 3000 and 4000.

Annex A of this paper includes a detailed list of references to the requirements in ISSAIs¹² related to co-operation with stakeholders that are mandatory for '*ISSAI compliant*' SAIs.

In addition to ISSAIs, the IFPP includes general principles (INTOSAI-Ps¹³) and guidance (GUIDs) that SAIs as organisations are advised to follow. Although the INTOSAI-Ps do not formally serve as the criteria for assessing '*ISSAI-compliance*' of SAIs, SAIs are strongly advised to follow them as they 'set the framework' and illustrate the reasoning behind specific requirements included in standards.

The general principles directly addressing the relationship between SAIs and stakeholders outside of government and parliaments are the following:

⁵ Article 65, ISSAI 130 Code of Ethics.

⁶ Article 45, ISSAI 100 - Fundamental principles of public-sector auditing.

⁷ Article 44, ISSAI 100 - Fundamental principles of public-sector auditing.

⁸ Article 42, ISSAI 100 - Fundamental principles of public-sector auditing.

⁹ Article 52, ISSAI 100 - Fundamental principles of public-sector auditing.

¹⁰ Article 72-73, ISSAI 130 code of ethics.

¹¹ International Standard of Supreme Audit Institutions (ISSAI) 149 – Quality Control (QC) for SIAs.

¹² ISSAI 100, 130, 140, 200, 300, 400, 2200-2810, 3000 and 4000.

¹³ INTOSAI_P1; INTOSAI_P10; INTOSAI_P12; INTOSAI_P20.

- SAIs should report objective information in a simple and clear manner, using language that is understood by all their stakeholders.
- SAIs should make their reports publicly available in a timely manner.
- SAIs should facilitate access to their reports by all their stakeholders, using appropriate communication tools¹⁴
- SAIs should be aware of the expectations of stakeholders and respond to these, as appropriate, in a timely manner and without compromising their independence.
- SAIs should ensure that stakeholders' expectations and emerging risks are factored into strategic, business and audit plans, as appropriate
- SAIs should establish mechanisms for information gathering, decision making and performance measurement to enhance relevance to stakeholders.¹⁵
- SAIs should communicate in a manner that increases stakeholders' knowledge and understanding of the role and responsibilities of the SAI as an independent auditor of the public sector.
- SAI communication should contribute to stakeholder awareness of the need for transparency and accountability in the public sector.
- SAIs should communicate with stakeholders to ensure their understanding of the SAI's audit work and results.
- SAIs should interact appropriately with the media in order to facilitate communication with citizens.
- SAIs should engage with stakeholders, recognising their different roles, and consider their views without compromising independence.
- SAIs should periodically assess whether stakeholders believe the SAI is communicating effectively.¹⁶

The list above shows that in recent years there is a growing understanding that communication alone might not be enough and that a broader manner of engaging with stakeholders can help increase the impact of the audit work of the SAIs and ensure the quality of the audit.

Existing guidance

Over time, several international conferences and symposia have produced guidance and good practice papers to help both SAIs and their stakeholders to improve their co-operation for the benefit of stronger public accountability.

The Department of Economic and Social Affairs of the United Nations Secretariat, for example, published a *Compendium of Innovative Practices of Citizen Engagement by Supreme Audit Institutions for Public Accountability*¹⁷ providing an overview of successful examples and innovations in the engagement of citizens by SAIs around the world.

The INTOSAI Development Initiative (IDI) developed guidance on *SAIs engagement with stakeholders*¹⁸, intended to help SAIs formulate and implement strategies aimed at enhancing audit impact through stakeholder engagement. The guidance describes a comprehensive set of mechanisms by which SAIs can

¹⁴ Principle 4, INTOSAI-P12, 'The Value and Benefits of Supreme Audit Institutions – making a difference to the lives of citizens'; endorsed in 2013, last modifications made in 2019.

¹⁵ Principle 5 INTOSAI-P 12

¹⁶ Principle 6, INTOSAI-P12

¹⁷ [Compendium of Innovative Practices of Citizen Engagement 2013.pdf \(un.org\)](#), published in 2013

¹⁸ [IDI SAIs Engaging With Stakeholders Guide](#), published on 11 December 2017

engage with stakeholders, and the different stakeholders the SAI may consider engaging with to achieve greater audit impact. The guidance addresses ways for SAIs to develop strategies that can help enhance stakeholder engagement. Further, it brings out various models and tools that the SAI can use to select and prioritise its stakeholders for greater audit impact.

Following a global webinar of INTOSAI's Capacity Building Committee in June 2020, INTOSAI CBC published a framework for *Engagement with Civil Society*¹⁹, explaining the rationale for and benefits of such engagement, and providing a set of principles based on global good practices for SAIs to use for their engagements. The framework presents the main benefits of SAI engagement with civil society, outlines steps in the implementation of an engagement strategy, and highlights principles that SAIs can apply when engaging with civil society.

In addition, the OECD Guidelines for Citizen Participation Processes, published in 2022, provide a policy framework to support governments and civil society for designing, planning, and implementing a citizen participation process.²⁰ The EC has also developed the Recommendation on promoting the engagement and effective participation of citizens and civil society organisations in public policy-making processes, published in December 2023²¹. While these two publications do not specifically address SAIs but rather citizen participation in public policymaking, they can nevertheless also provide valuable guidance for SAIs.

Data collection

Based on these guidance and framework publications, SIGMA developed a questionnaire to find out what effective engagement with external stakeholders looks like in practice among the SAIs in the EU and other countries in Europe. Initially it was shared with 27 European Member State and 9 Network SAIs. Subsequently it was shared with the other SAIs of the EUROSAI community, following engagement with the EUROSAI working group on engagement with non-governmental organisations (NGOs), which was planning a similar survey. Altogether, 47 SAIs received the questionnaire in June/July 2022 and 27 SAIs sent responses with a wealth of concrete examples, links to documents, and comments about concrete experiences.

A first draft of this publication was presented and discussed at a regional event of the Network in Sarajevo, Bosnia and Herzegovina, in June 2023. At this Network Roundtable, which brought together the Network and some CSOs/NGOs of the region, SAIs provided further input with regard to their experiences and discussed them with local CSOs. An area of particular attention was finding approaches adapted to the level of maturity of the democratic system of the countries in which the Network SAI and CSOs/NGOs operate. In this regard, they identified a need for further clarification of risks and risk management related to engagement with non-governmental stakeholders and welcomed the initiative of the EUROSAI working group on engagement with NGOs to develop guidance particularly for this area.

SIGMA would like to thank all contributing SAIs as well as the EUROSAI Working Group and particularly its secretariat, the SAI of Latvia, for their support and help in developing this paper.

¹⁹ https://www.intosaicbc.org/wp-content/uploads/2021/06/20210629-Engagement-with-Civil-Society_A-Framework-for-SAIs_CBC_28-June-2021_fnl.pdf published in 2021

²⁰ OECD (2022), *OECD Guidelines for Citizen Participation Processes*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/f765caf6-en>.

²¹ [EUR-Lex - C\(2023\)8627 - EN - EUR-Lex \(europa.eu\)](https://eur-lex.europa.eu/eli/reg/2023/18627/oj)

1 Stakeholders

List of SAI external stakeholders outside the parliament and audited entities

Examples of stakeholders with useful definitions and characteristics are provided in the IDI guidance paper²². In the *OECD Recommendation on Open Government*, stakeholders are defined as “any interested and/or affected party, including: individuals, regardless of their age, gender, sexual orientation, religious and political affiliations; and institutions and organisations, whether governmental or non-governmental, from civil society, academia, the media or the private sector”. INTOSAI P-12²³ defines “stakeholder” as “a person, group or organisation that has interest or concern in an SAI and who can be affected by the SAI action or can affect its operations”. It is up to each SAI which definition it applies, depending on its needs and [references].

One might distinguish between two types of SAI stakeholders: *institutionalised stakeholders* (for which basic principles of the relationship between the SAI and the stakeholder are set by the legal framework) and *non-institutionalised stakeholders* (relationship is not governed by the legal framework). Parliament, government²⁴, regional authorities, judiciary and audited entities can usually be considered as institutionalised stakeholders, while citizens, media, academia, professional associations and NGOs/CSOs can be classified as non-institutionalised stakeholders.

To understand which physical and legal entities European SAIs consider as being their stakeholders in addition to parliaments and audited entities, SAIs were invited to list the stakeholders they engage with. For the purposes of this summary, the term ‘engagement with’ includes all possible types of interaction between SAIs and stakeholders: co-operation, collaboration, communication and any other professional relationship.

Respondent SAIs have identified the following external stakeholders they engage with: general public (citizens), professional bodies (business associations, associations of private sector auditors/internal auditors/accountants, trade unions), non-governmental organisations (NGOs), media, academia, donors, international organisations (OECD, GRECO, INTOSAI, EUROSAI, others), other SAIs. Only very few SAIs also list SAI staff (current and future) as stakeholders.²⁵

The groups of stakeholders that responding SAIs list mostly are the general public/citizens, NGOs/CSOs and media (18 SAIs). These are followed by academia (14 SAIs), professional bodies (13 SAIs), international organisations (8 SAIs). Other SAIs (4), and donor organisations (3) are mentioned explicitly as stakeholders by only a few SAIs.

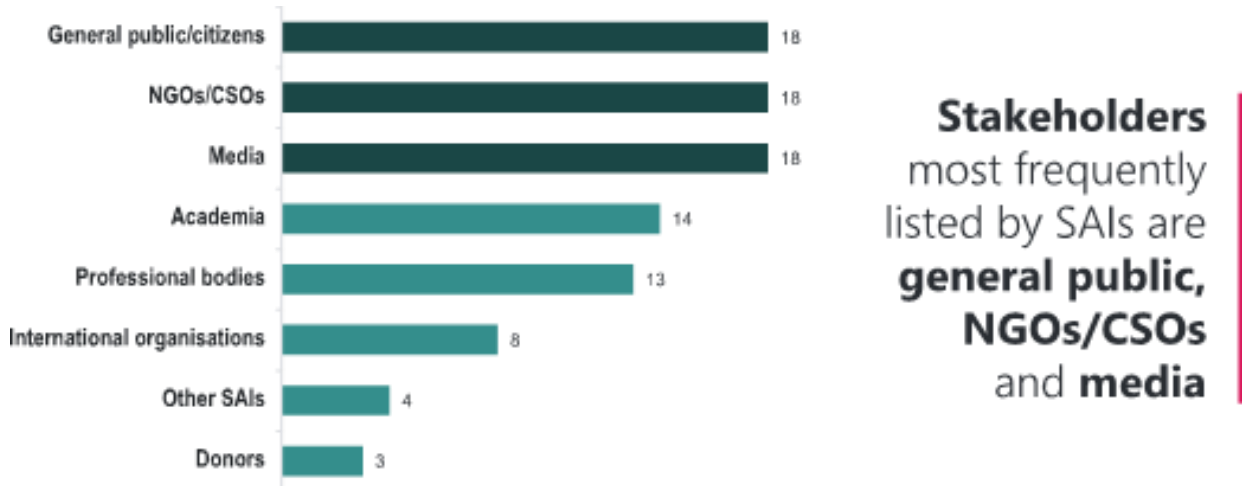
²² [IDI SAIs Engaging With Stakeholders Guide](#), page 14

²³ Preamble, footnote 3, INTOSAI-P-12

²⁴ Including MoF and specific units, such as central harmonization units for internal control and internal audit

²⁵E.g. Ukraine, Sweden

Figure 1. Types of stakeholders



Source: SIGMA 2023.

Lists of stakeholders differ from SAI to SAI. The reason for this appears to be differing perceptions and interpretations of the stakeholder concept deriving from the comparatively broad definition mentioned above, that is offered by INTOSAI-P-12 rather than country differences and/or differences in audited areas. Furthermore, SAIs can also follow frameworks other than the INTOSAI framework as one of the respondent SAIs explains²⁶, such as the Common Assessment Framework²⁷ (CAF) suggesting a differing definition²⁸ and principles for engagement with stakeholders.

The approaches to identifying stakeholders also differ. There are only a few SAIs that perform a stakeholder mapping exercise at organisational level (three out of 27²⁹). These are mostly the SAIs that have developed special strategies for engaging with external stakeholders. Other SAIs mention mapping of stakeholders for the needs of individual audits.³⁰

²⁶ SAI Cyprus.

Note by the Republic of Türkiye

The information in this document with reference to “Cyprus” relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Türkiye shall preserve its position concerning the “Cyprus issue”.

Note by all the European Union Member States of the OECD and the European Union

The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

²⁷ The European model for improving public organisations through self-assessment; <https://www.eupan.eu/wp-content/uploads/2019/11/20191118-CAF-2020-FINAL.pdf>. The CAF is a tool to assist public-sector organisations across Europe in using quality management techniques to improve their performance. It is a Total Quality Management (TQM) tool which is inspired by the major Total Quality models in general, and by the Excellence Model of the European Foundation for Quality Management (EFQM) in particular. It is especially designed for public-sector organisations, taking into account their characteristics.

²⁸ “The stakeholders are all those who have an interest, whether financial or not, in the activities of the organisation”; CAF.

²⁹ SAI Moldova, SAI Denmark, SAI Netherlands.

³⁰ SAI Estonia, SAI Netherlands, SAI Poland.

Some SAIs have structured and prioritised their stakeholders. For example, by splitting them into ‘primary’ and ‘secondary’ target groups³¹ where the primary target group comprises the parliament and government (including audited entities), while the secondary target group covers other key stakeholders named as “informed society”.³²

Another interesting approach³³ is to distinguish between stakeholders at a strategic level with which the SAI has structural engagements³⁴ and ‘temporary’ stakeholders with which the SAI engages depending on the specific topics the SAI audits. The list of the latter is almost infinite, because it ranges from individual citizens or private enterprises that are affected by government policies to professional organisations (e.g. teachers’ organisations), advocacy groups (e.g. patients’ organisations) and other CSOs.

Given the fact that the benefits of SAI engagement with stakeholders have been widely explored already³⁵ and are listed in several of the guidance papers³⁶, the questionnaire has not explicitly asked about the reasons why SAIs engage with their external non-governmental stakeholders. However, some SAIs mentioned that they consider their stakeholder engagement to be relevant to SAIs’ work, and some even see it as crucial in delivering high quality audits.

As mentioned above, the external non-institutional stakeholders that the majority of SAIs list explicitly are the general public/citizens, NGOs/CSOs as well as the media. The general public and citizens are natural stakeholders for SAIs considering that as taxpayers and users of public services they have a considerable interest in the efficient provision of public services and goods. However, few citizens will themselves engage directly with an SAI. Citizens and the general public rather use organisations that act in their interests (NGOs/CSOs) or seek information about SAIs’ work through the media. NGOs/CSOs and the media can therefore be considered as specific stakeholders that deserve further explanation.

Citizens / General public as a specific stakeholder

The majority of SAIs list citizens/general public as one of their stakeholders. The OECD defines citizens as: individuals, regardless of their age, gender, sexual orientation, religious, and political affiliations. The term is meant in the larger sense of ‘an inhabitant of a particular place’, which can be in reference to a village, town, city, region, state, or country depending on the context. It is not meant in the more restrictive sense of ‘a legally recognised national of a state’. In this sense, it is equivalent of ‘people’. OECD research has shown that involving citizens and the broader public has intrinsic and instrumental benefits. It leads to a better and more democratic policymaking process, which becomes more transparent, inclusive, legitimate, and accountable. It enhances public trust in democratic institutions by giving citizens a role in shaping and overseeing public decision making³⁷. By taking into account and using citizens’ experience and knowledge, it helps public institutions tackle complex policy problems and leads to better policy results. In the specific context of SAIs, involving citizens and the broader public can:

- help SAIs in their daily activities to take better decisions that respond to citizens’ needs;

³¹ SAI Montenegro.

³² Includes media, academics, professionals and active citizens in CSOs and/or NGOs.

³³ SAI Netherlands.

³⁴ Parliament, Ombudsman, Central Bureau of Statistics, scientific advisory councils to government, Association of chartered accountants and audit offices auditing provinces and municipalities.

³⁵ [How Audit Offices Collaborate with Civil Society: Highlights from our international survey \(caaf-fcar.ca\)](https://www.caaf-fcar.ca)

³⁶ E.g. [20210629-Engagement-with-Civil-Society A-Framework-for-SAIs CBC 28-June-2021 fnl.pdf \(intosaicbc.org\)](https://www.intosaicbc.org)

³⁷ OECD *Guidelines for Citizen Participation Processes*, 2022.

- be an opportunity to tap into collective intelligence to inform decisions by gathering information, data, opinions and ideas from the public;
- increase the legitimacy of SAIs' decisions by allowing citizens to experience and understand how decisions are taken.

SAIs can choose to involve citizens and the broader public at different moments of the audit cycle, and through several different mechanisms. The OECD Guidelines for Citizen Participation Processes suggest a ten-step methodology to design and implement a participatory process and detail eight different methods including consultations, citizen science and deliberative processes that can be used by any public authority. For example, the French *Cour des Comptes* involves the general public through a digital platform that allows anyone to suggest topics for audits and investigations by the financial jurisdictions and has committed to act upon the most popular topics selected by citizens. In October 2023, 20 000 participants suggested and voted on 622 proposals and in January 2024, the President of the *Cour des Comptes* announced the 10 topics selected by the institution to be included in the forthcoming investigations and audits³⁸.

Civil society organisations as a specific stakeholder

The majority of SAIs prioritised NGOs and/or CSOs as their stakeholders (see Figure 1). Some SAIs listed both NGOs and CSOs³⁹, other SAIs listed only CSOs⁴⁰, while some SAIs listed only NGOs⁴¹.

This variety of the terminology used might derive from ambiguity with regard to the correct definition of the terms “NGO” and “CSO”. There is a lot of literature and research about the differences between NGOs and CSOs, but often nowadays, the terms are used interchangeably⁴². More thorough information would be needed to analyse how each and every respondent SAI classifies its partners and defines NGOs and CSOs. However, in this paper the term “NGOs/CSOs” is used to describe this important stakeholder group without further distinction or definition.

While the relationship between SAIs and parliaments and/or “those charged with governance” has quite a long history and relevant descriptions form an integral part of INTOSAI pronouncements, the relationship between SAIs and citizens and/or organisations representing different groups of citizens can be considered as a ‘new terrain’. While „citizens“ or „the general public“ are difficult to gauge? for SAIs, NGOs/CSOs as groups representing specific interests of „the general public“ can be considered as a specific stakeholder, as concrete engagement with the most interested and interesting NGOs/CSOs in a given country can be interesting for SAIs to increase the impact of their work. Therefore, in this paper, they are seen as specific stakeholders that SAIs should consider as potential engagement partners.

Media as a specific stakeholder

All SAIs identify the media as requiring particular attention. For some SAIs, the media is a specific stakeholder while others see the media rather as a communication channel to reach other stakeholders.

³⁸ <https://participationcitoyenne.ccomptes.fr/processes/consultation-cdc/f/8/>

³⁹ SAI Azerbaijan, SAI Latvia, SAI Montenegro, SAI Poland, SAI Sweden.

⁴⁰ SAI Bulgaria, SAI Georgia, SAI Kosovo*, SAI Netherlands.

⁴¹ SAI France, SAI Malta, SAI Türkiye.

⁴² E.g. [The UN and Civil Society | United Nations](#): “A civil society organization (CSO) or non-governmental organization (NGO) is any non-profit, voluntary citizens' group which is organized on a local, national or international level.”

The SAIs emphasising the role of the media, not only as a communication channel, but also as a powerful stakeholder⁴³ use the following arguments:

- The media are proactive ‘players’ in shaping the public opinion and analysing current issues to be taken into account when preparing SAI annual audit plans and programmes.
- The media support SAIs in the dissemination of audit findings, which, in turn, puts pressure on policy decision makers to implement SAI’s recommendations and take corrective actions.
- The media thus promote effective and accountable governance, and help strengthen the credibility of SAIs’ work, their status as a highly valued constitutional body and their reputation.

The SAIs perceiving media just as a communication channel⁴⁴ use the following arguments:

- The media do not need information for themselves but for transmission to others; the media help to enlarge the SAIs’ audience.
- The media enable the SAI to deliver on its mandate to inform citizens and, as such, they are mainly seen as a communication channel.

One of the respondents⁴⁵ highlights the fact that the media are not owned by SAIs, therefore they cannot be relied upon as the SAIs can rely upon their own communication channels.

Another SAI⁴⁶ differentiates between media as a communication channel and media as a stakeholder, depending on the type of medium.

Notwithstanding different approaches and perceptions of SAIs, almost all respondent SAIs believe that they should reach out to media through joint activities, workshops, exchange of views and even targeted training to multiply the impact of SAIs’ work. Some also highlight the need of investing in awareness-raising and training activities with media representatives and journalists to improve the sometimes-poor interest in and understanding of SAI audit findings. In this regard, summaries of audit reports, infographics and press conferences are used. There are SAIs that sign MoUs with media outlets to train journalists on how to read audit reports and report on them.

1.4 Conclusion

It is not difficult for SAIs to list their stakeholders and the list of stakeholder groups is short and relatively homogenous in European SAIs.

For identification and prioritisation of key stakeholders according to the role they play in the accountability process, stakeholder mapping can be useful either as a general exercise in the context of the development of a stakeholder engagement strategy or for the need of specific audits. So far, only a minority of European SAIs uses “stakeholder mapping” to identify their main stakeholders outside of parliament and government at an organisational level and only a few SAIs use stakeholder mappings for individual audits. The IDI guidance on SAI engagement with external stakeholders provides a five-step approach to conducting a stakeholder mapping (including an analysis of stakeholder expectations), that can help an SAI to go

⁴³ SAI Austria, SAI Bulgaria, SAI Azerbaijan, SAI BiH, SAI Cyprus, SAI Czechia, SAI Estonia, SAI Finland, SAI Georgia, SAI Ireland, SAI Latvia, SAI Lithuania, SAI Montenegro, SAI Malta.

⁴⁴ SAI Spain, SAI France, SAI Greece, SAI Sweden, SAI Kosovo* (*accepts that media might be a stakeholder as well*), ECA (*accepts that media might be a stakeholder as well*).

⁴⁵ SAI Sweden.

⁴⁶ SAI Netherlands.

through the process⁴⁷. This approach can be useful not only for listing SAI stakeholders, but also classifying them, determining their role and prioritising among them.

When it comes to defining and classifying stakeholders, we see that the differentiation is currently mainly made between governmental/institutional and non-governmental/non-institutional stakeholders, but other approaches exist, where the distinction is made between primary and secondary target groups or structural and temporary stakeholders.

Among the non-institutional stakeholders, SAIs give priority to the general public/citizens as well as CSOs/NGOs and media. The general public/citizens, especially through CSOs/NGOs can be key allies for SAIs to raise public awareness of their work, enforcing credibility and, most importantly effectiveness and impact.

Media are considered as an important stakeholder group that need specific attention. Interestingly, media can be seen and engaged with from different perspectives, depending on whether SAIs consider media only as a communication channel or as stakeholders in their own right. There are very good arguments for both perspectives, and the ways that SAIs see and use media for communication and increasing the impact of their work might be determined by the media landscape in each country.

⁴⁷ [IDI SAIs Engaging With Stakeholders Guide](#), page 53-63

2 Stakeholder expectations and perceptions

Documenting stakeholder expectations

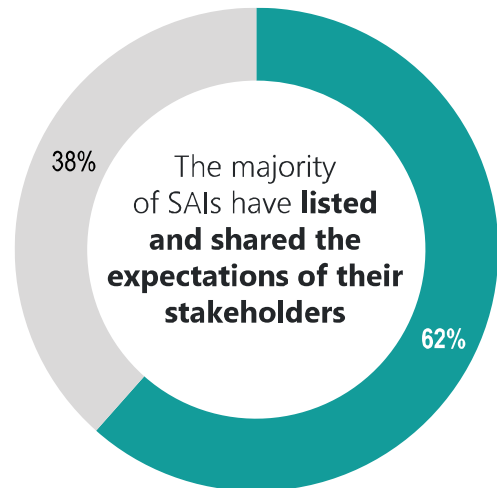
As mentioned in part 1, a distinction can be made between *institutionalised stakeholders* and *non-institutionalised stakeholders* depending on whether the relationship of SAIs with these stakeholders is part of their legal framework or not.

The expectations of institutional stakeholders will generally be known to the SAI, although the details of potential engagement require further elaboration and related formal or verbal agreements. On the other hand, the expectations of non-institutional stakeholders need deeper research and analysis. One should also bear in mind that there are expectations that are *common* to all the stakeholders and expectations that are *specific* depending on the stakeholder.

To understand whether SAIs have analysed the expectations of their stakeholders, the SAIs were invited to share a brief description of the expectations of their stakeholders and describe the manner by which they had obtained this information.

The majority of SAIs have listed and shared the expectations of their stakeholders while other SAIs generally described the process of mapping stakeholders.

However, drawing conclusions from the above information is difficult. The SAIs that have not explicitly listed the expectations of their stakeholders might be the ones applying de-centralised stakeholder management, namely those mapping and engaging stakeholders at engagement level. The lists may therefore be too extensive and differ from engagement to engagement.



Formulating stakeholder expectations

SAIs use diverse approaches to formulate stakeholder expectations. Some SAIs formulate them at policy level, for example '*fight against fraud*', while other SAIs remain at operational level, for example '*issuing clear and topical reports*'. The approach very much depends on which stakeholder groups SAIs had contacted or surveyed. If an SAI had focused on institutional stakeholders, the expectations lie more at policy level; while if an SAI had approached non-institutional stakeholders, the expectations are more of operational character.

Although the expectations are formulated differently, the areas stakeholders expect SAIs to address, or the tasks stakeholders expect SAIs to fulfil are generally as follows:

- Fighting against fraud and corruption.⁴⁸
- Preventing and avoiding irregular, ineffective, inefficient and uneconomical use of public funds.⁴⁹
- Facilitating the integrity of public sector.⁵⁰
- Influencing key reform processes⁵¹ and achieving Sustainable Development Goals.⁵²
- Guaranteeing insight in government operations and providing reliable and timely information.⁵³
- Selecting audit topics relevant for citizens and increasing impact.⁵⁴
- Increasing the scope and depth of audits.⁵⁵
- Issuing clear and topical reports⁵⁶, etc.
- International activities and integration into the global system of audits.⁵⁷

Some SAIs conclude that citizens are much more aware of SAI reports on regularity and efficiency of using public funds than of reports on evaluation of public policies. Some SAIs report that stakeholders believe that SAIs positively contribute to traditional aspects of governmental operations such as compliance with laws and regulations and better financial management while insufficiently address more challenging aspects such as delivery of services to citizens, enhanced use of IT, innovations in public service and increased focus on outcomes.

Some SAIs report that the majority of stakeholders would like to be more involved in selecting audit topics and designing and scoping audits⁵⁸. Some stakeholders also expect SAIs to focus on being their consultant⁵⁹. These are expectations requiring thorough analysis and careful decision making by the SAI in order not to compromise its independence.

One SAI reports that citizens would be in favour of the SAI being mandated with more power to investigate and prosecute financial misconduct⁶⁰. This probably reflects the perception that financial misconduct is not sufficiently sanctioned in some countries and is an expression of trust in the professionalism and independence of SAIs meaning they are well suited to remedy this situation, regardless of whether this task is in the SAI's legal mandate.

SAIs also indicate that there is a logical 'built-in antagonism' with regard to stakeholder expectations and the SAI's mandate, capacity and resources. Stakeholders would prefer more audits, more budget coverage, more analysis in auditing and unrestricted access to data⁶¹. There is also some disparity in expectation with regard to the quality of recommendations. Stakeholders believe that audit

⁴⁸ SAI Spain.

⁴⁹ SAI Spain, SAI Malta, SAI Sweden, SAI Türkiye.

⁵⁰ SAI Malta, SAI Sweden.

⁵¹ SAI Malta, SAI Montenegro.

⁵² SAI Azerbaijan.

⁵³ SAI Bulgaria, SAI Denmark, SAI Sweden.

⁵⁴ SAI BiH, SAI Cyprus, SAI Kosovo*.

⁵⁵ SAI Cyprus.

⁵⁶ SAI BiH, SAI France, SAI Spain.

⁵⁷ SAI Ukraine

⁵⁸ SAI BiH, SAI Cyprus.

⁵⁹ SAI Cyprus.

⁶⁰ SAI France.

⁶¹ SAI Azerbaijan.

recommendations sometimes fail to lead to practical improvements in operational practices and, where the recommendations are appropriate, they think that impact is limited due to insufficient follow-up.⁶²

Some SAIs have shared information on how the expectations of stakeholders differ depending on which stakeholder group they belong to. For example:

- Audited entities expect an independent view of and new perspectives for their organisations or the public policies they are in charge of, as well as identification of effectiveness and efficiency gains and detailed analysis of their financial situation.
- Parliamentarians expect independent and reliable reporting on the use of public funds (preferably linked to the legislative cycle).
- Regional and local officials expect analysis of their financial situation, but also recommendations on innovative practices while taking greater account of their operational constraints.⁶³

Approaches to identification of stakeholder expectations

SAIs use diverse mechanisms to identify the expectations of their stakeholders. Some SAIs undertake an internal analysis and rely only on their own vision of how to increase impact through engagement, without involving stakeholders in the process⁶⁴. Others undertake an internal analysis and then discuss their findings and get feedback from stakeholders in meetings held for this purpose.⁶⁵

Many SAIs use surveys⁶⁶, either conducted by SAIs themselves or by independent research centres/companies. However, those surveys are not always specifically designed to identify stakeholder expectations. Surveys usually relate to so called “brand” research activities and are multi-purpose i.e. they are designed to learn about stakeholders’ awareness of SAI’s mandate, trust in the SAI, relevance of audit topics, use of SAI reports, with questions about stakeholder expectations included as one of the components of the survey.

Some SAIs use peer reviews to further clarify stakeholder expectations.⁶⁷

⁶² SAI BiH.

⁶³ SAI France.

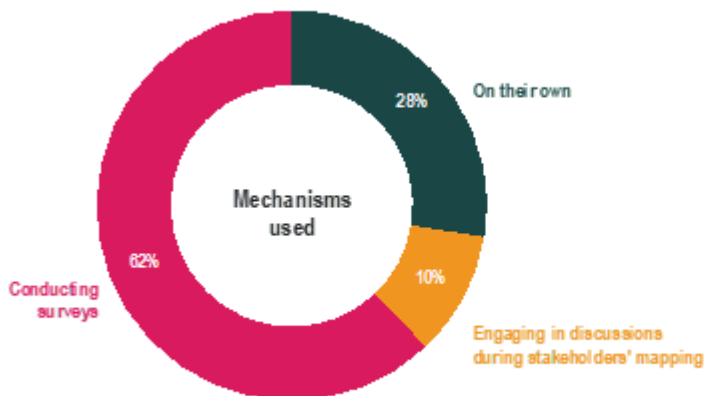
⁶⁴ SAI Czechia, SAI Greece, SAI Malta, SAI Moldova, SAI Spain, SAI Sweden, SAI Türkiye.

⁶⁵ SAI Azerbaijan, SAI Estonia, SAI Georgia.

⁶⁶ SAI Austria (parliament), SAI BiH (overall), SAI Bulgaria (citizens and audited entities), SAI Cyprus, SAI Denmark (audited entities), ECA, SAI Estonia, SAI Finland, SAI France (overall), SAI Ireland (parliament & audited entities), SAI Kosovo* (overall), SAI Latvia, SAI Lithuania (parliament and audited entities), SAI Malta (citizens), SAI Netherlands (citizens), SAI Poland.

⁶⁷ SAI Estonia.

Figure 2. Mechanisms for identifying stakeholders' expectations



Most SAIs identify
expectations
through surveys

Source: SIGMA 2023.

Some SAIs have in addition established so-called advisory boards⁶⁸ or public councils⁶⁹ so that they can be constantly updated on stakeholder expectations.

NAO Finland – Advisory Board

Reasons

In 2001, the National Audit Office of Finland (NAOF) was transferred from under the Ministry of Finance and placed in affiliation with the Parliament. An Advisory Board was established to ensure the continuation of communication between the NAOF, the key actors steering central government finances, and the public administration.

Objectives/Mandate

The NAOF is an independent auditor of central government finances. According to legislation, the Advisory Board has no decision-making power in matters concerning the NAOF or its audit activities or administration. The task of the Advisory Board is “to maintain and develop the National Audit Office’s connections with co-operation partners, to present initiatives to develop auditing, and to monitor the targeting of audits, their effectiveness, and the ability to serve different cooperation partners”. In practice, the Advisory Board has been appointed for a term of two years. The length of the term has also been linked to changes of parliamentary terms.

Way of Working

The Advisory Board meets on average six times a year. Its members are representatives of the key stakeholders, Members of Parliament, representatives of ministries and government agencies, and experts in audit and oversight activities. In addition, members of the NAOF’s staff elect an employee representative on the Advisory Board for a three-year term. The

⁶⁸ SAI Finland, SAI Latvia.

⁶⁹ SAI Latvia

Advisory Board is usually chaired by a Member of Parliament. The Deputy Chair has often been the Auditor General. The secretary of the Advisory Board is an official of the NAOF.

The meetings deal with audits conducted by the NAOF and any significant and topical events at the NAOF, such as changes of strategy. In addition, fiscal policy monitoring reports and the annual summary of financial audits are presented at the meetings.

A new post-election Advisory Board is currently being prepared. The idea is to develop the activities further before the new Advisory Board term starts. An area of development is to consider how the NAOF could better utilize the competence of the members of the Advisory Board.

Financing

The activities are financed from the NAOF's operating expenses. The expenses consist of possible premises rents, hospitality, and the members' meeting attendance fees. The members of the Advisory Board have received a meeting attendance fee of EUR 95 per meeting. The NAOF's representatives on the Advisory Board do not receive meeting attendance fees.

SAIs also invest in more regular surveying of audited entities. In addition to surveying audited entities as one of the stakeholder groups and learning about their general expectations, SAIs⁷⁰ also send questionnaires to their audited entities to learn about their opinion on individual audits. This way SAIs 'learn lessons' with regard to the relevance, timeliness and scoping of their audits as well as performance and attitude of their audit teams.

There are also examples of using the SAI's webpage to provide stakeholders with the possibility to upload their expectations and concerns⁷¹ in a continual way.

However, expectation scoping in relation to institutional stakeholders (parliament and audited entities) seems to be practiced more than expectation scoping in relation to business associations, NGOs/CSOs and citizens. Below are individual examples of SAIs' approaches to identify stakeholder expectations:

- As a part of the stakeholder engagement strategy development, surveys and focus groups with the media, NGOs/CSOs, audited entities and SAI staff⁷²
- Through meetings, conversations, public opinion polls and various other forms of co-operation and interaction.⁷³
- Through an online stakeholder survey, sent to a sample of 153 individual stakeholders from some of the stakeholder groups (that include "media" and "others"). However, the analysis of responses is not done by stakeholder group, meaning that for example, expectations from media or other stakeholders are not available separately.⁷⁴
- By conducting surveys every two to three years, including a survey of citizen perceptions.⁷⁵

⁷⁰ SAI BiH, SAI Bulgaria, SAI Finland, SAI Latvia, SAI Lithuania, SAI Netherlands, SAI Sweden.

⁷¹ SAI Austria, #tell_us initiative.

⁷² SAI BiH.

⁷³ SAI Bulgaria.

⁷⁴ SAI Cyprus.

⁷⁵ SAI Finland.

- By conducting surveys continuously as a tool for researching the opinion and impact of SAI work among stakeholders.⁷⁶
- As a part of strategy development and by conducting a public opinion survey (on a representative sample) with three main questions (Do citizens know about the audit institutions? How do they view these institutions? Do citizens want to be more involved in the SAI's work?).⁷⁷
- By conducting a survey of "opinion leaders" on the image and assessment of the SAI's work. Opinion leaders, among others, include representatives of media, NGOs and academia⁷⁸
- By sending a questionnaire⁷⁹ to media.
- By commissioning a cross-sectional survey among the population to identify the perception and opinion of citizens on the SAI's work⁸⁰
- Through meetings with, among others, representatives of the media and civil society held in the course of preparing the SAI's communication strategy⁸¹
- Mechanisms through which citizens file submissions, complaints or proposals to the SAI are used to deduce their expectations of the SAI's work in general and to form strategic thinking on the SAI's development.⁸²

Conclusion

Most European SAIs analyse the expectations of both their institutional and their non-institutional stakeholders, Stakeholder expectations range from policy level, meaning the influence that SAIs can exercise on good public financial management, as well as operational level, meaning the choice, realisation and reporting of audit work.

The lists of expectations provided show overall that the majority of stakeholder expectations seem to be in line with the mandate of SAIs and the requirements of international audit standards and communication guidelines. Only very few of the expectations expressed go beyond what is normally required from SAIs. The expectations listed by SAIs therefore also show a good understanding of stakeholders about the role of SAIs.

On the other hand, the expectations listed clearly show that stakeholders expect SAIs to do more and better. There seems to be a general wish that SAIs turn their work towards topics of societal importance and communicate their results in an easily accessible and understandable way. In this regard, the way that stakeholder expectations have been formulated in the survey responses confirm ISSAI-P 12.

SAIs' practices demonstrate diverse approaches to identifying stakeholder expectations. A commonly used mechanism is the organisation of surveys, either conducted by the SAIs themselves or outsourced to professional survey providers. Surveys are mostly carried out to find out the views of the institutional stakeholder group of auditees and are used for enquiring about general expectations as well as opinions

⁷⁶ SAI the Republic of North Macedonia (hereafter, 'North Macedonia').

⁷⁷ SAI France.

⁷⁸ SAI Latvia.

⁷⁹ SAI Georgia.

⁸⁰ SAI Malta.

⁸¹ SAI Montenegro.

⁸² SAI Austria, SAI Poland.

on individual audits. This is particularly helpful to learn about relevance and usefulness of audit work as well as professionalism and performance of audit teams.

Another mechanism is to hold meetings with stakeholders, organised in various ways and with various stakeholder groups. While surveys do not necessarily require interaction with stakeholders, meetings, in whatever form they are organised, are a form of co-operation and interaction, allowing for exchange and discussion and can thus go deeper into understanding stakeholder expectations.

Advisory boards or public councils that are established in some countries allow SAs receiving ongoing feedback and updates on evolving stakeholder expectations from those stakeholders that are represented in these bodies.

3 Strategic approach

Strategising engagement with stakeholders

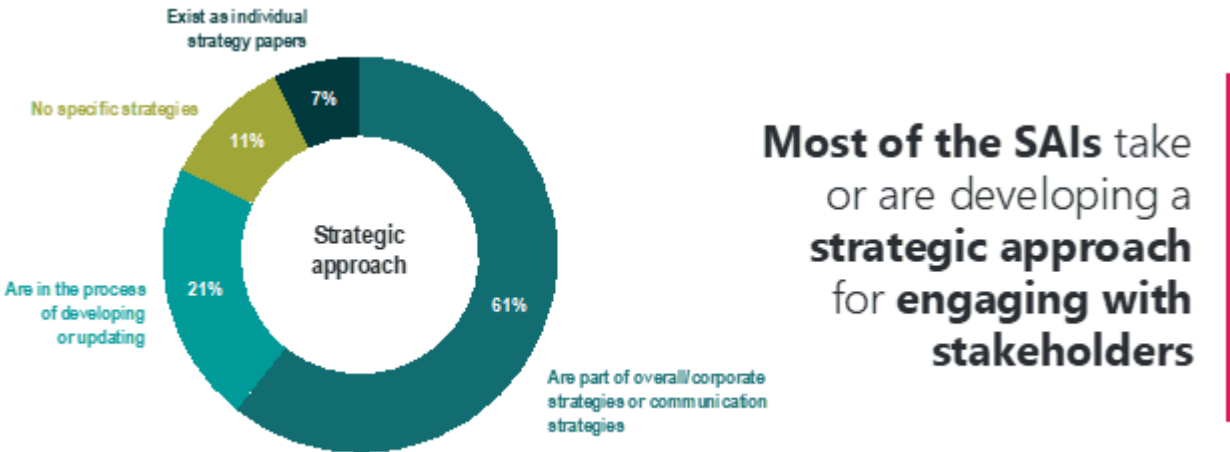
The guidance papers available encourage SAIs to take a strategic approach for engaging with stakeholders⁸³ and explain the steps to take. This helps to measure the value of investing in engagement, focus on where stakeholder engagement can have the biggest impact and address the challenges and risks of engagement.

To see whether stakeholder strategies are used as a strategic tool by SAIs, European SAIs were invited to indicate whether they develop stakeholder engagement strategies either as a separate strategy or as part of another strategic document. SAIs were also invited to share the goals for engagement with stakeholders, performance indicators, if any, and describe individual approaches to engaging with each individual stakeholder group.

In case of absence of strategies, SAIs were invited to briefly describe the manner they engage with external stakeholders on a case-by-case basis.

SAIs' responses reveal the following picture.

Figure 3. SAIs' strategies for engagement with stakeholders



Source: SIGMA 2023.

⁸³ For example www.idi.no/elibrary/well-governed-sais/sais-engaging-with-stakeholders/697-idi-sais-engaging-with-stakeholders-guide/file, chapter 7.

Only **7%** of SAIs have opted for the development of strategies for engagement with stakeholders as individual strategies. Strategies include SAIs' goals for engagement with stakeholders, lists of stakeholders and reasons for engagement with each particular stakeholder group. They distinguish between:

- informing stakeholders — providing information
- consulting stakeholders — providing information and seeking views, and
- collaborating — providing information, seeking views and actively working together.⁸⁴

These engagement strategies look at engagement with all external stakeholders, including parliament and audited bodies.

The majority of SAIs, **61%**, have opted to define engagement with stakeholders as one of their strategic priorities in their overall/corporate strategies or included it in their communication strategies⁸⁵. See the links to strategies in SAIs' responses in Annex B.

In those SAIs where engagement with stakeholders is mostly decentralised, the goals and choice of stakeholders are delegated to the audit teams. In these instances, the audit team has to explain the choice of stakeholders and engagement activities in the audit plan.

There is a diverse approach among SAIs to scoping the engagement with stakeholders. Some SAIs engage with stakeholders throughout the whole audit cycle – starting with strategic audit planning and ending with implementation of audit recommendations, while other SAIs limit the engagement to consulting stakeholders during selection of audit topics or disseminating audit results.

Strategies for engagement with stakeholders, whether they are separate or included as strategic priorities in overall or communication strategies, are mostly based on prior self-assessment, stakeholders' analysis and consulting stakeholders.

SAI Ireland – Engagement strategy

SAI Ireland's engagement strategy identifies the SAI's key stakeholders, the reasons why SAI Ireland engages with them and the methods or channels used to engage with them.

Some of the benefits of developing the strategy include:

- Identification of key stakeholder engagement provides an opportunity to set actionable and specific activities for each stakeholder group.
- In addition, this provides an opportunity to measure progress, improve and maintain effective engagement.
- Provides valuable information to report annually in corporate performance reports.
- The process also informed some strategic actions included in the SAI's current Statement of Strategy 2021-2025. One important strategic action introduced is the annual audited bodies feedback process. This process gave greater insight into those areas where the SAI is doing well and those areas where there can be improvement. It also gave the SAI greater perspective on the impact of their work and helped to inform future audit insight initiatives.

⁸⁴ SAI Ireland (<https://www.audit.gov.ie/en/about-us/corporate-information/policies%20and%20other%20publications/engagement-strategy.pdf>); SAI Spain (no link provided).

⁸⁵ SAI Austria, SAI Azerbaijan, SAI Bulgaria, SAI BiH, ECA, SAI Estonia, SAI Finland, SAI France, SAI Georgia, SAI Kosovo*, SAI Latvia, SAI Moldova, SAI Montenegro, SAI Netherlands, SAI Sweden.

21% of SAIs are in the process of either developing⁸⁶ or updating⁸⁷ their strategies for engagement with stakeholders. The reason for updating is mostly twofold: new experiences brought by COVID-19 and innovations brought by digitalisation.

11% of SAIs do not plan to strategise engagement with stakeholders⁸⁸ but refer to investing a lot in disseminating audit results to different stakeholder groups.

While the majority of SAIs engage with relevant stakeholders immediately after or even before publishing audit results, there is one example where an SAI does not reach out to the media until 14 days after the audit report is made public, in order to give time to its main stakeholder – parliament - to prepare its own view on the SAI's report for further debate.⁸⁹

SAIs' goals for engagement with stakeholders

The SAIs having developed their stakeholder engagement strategies and/or strategic directions for engagement with stakeholders, or included them as an integral part of their overall/corporate or communication strategies, have set the goals they expect to achieve.

The goals are formulated differently and vary from generic to more elaborate. However, generally they touch upon four basic concepts – trust, impact, accessibility and the SAI as a 'brand'.

The SAIs' goals are generally formulated as follows:

- Building trust in the SAI as a source of independent and unbiased information;⁹⁰
- Increasing impact of the SAI's work⁹¹ and creating synergies of positive impacts;⁹²
- Facilitating transparency, visibility and accessibility of the SAI's work;⁹³
- Increasing awareness of the role and mandate of the SAI and/or develop SAI's 'brand';⁹⁴
- Ensuring that the SAI's products better correspond to the needs of stakeholders;⁹⁵
- Communicating audit results to the widest audience possible;⁹⁶ and similar.



⁸⁶ SAI Cyprus, SAI Denmark.

⁸⁷ SAI Lithuania, SAI Malta, SAI Poland, SAI Türkiye.

⁸⁸ SAI Czechia, SAI Greece.

⁸⁹ SAI Denmark.

⁹⁰ SAI Bulgaria, SAI Georgia, SAI Montenegro.

⁹¹ SAI Bulgaria, SAI BiH, SAI Georgia, SAI Latvia, SAI Türkiye, SAI Moldova, ECA.

⁹² SAI Lithuania.

⁹³ SAI Bulgaria.

⁹⁴ SAI BiH, SAI Georgia, SAI Lithuania, SAI Montenegro, SAI Sweden.

⁹⁵ SAI Lithuania, SAI Poland.

⁹⁶ Majority of SAIs.

SAIs, however, also clearly see the risks attached to stakeholder engagement, especially with CSOs/NGOs, and highlight the fact that for example the following challenges need to be avoided or well managed:

- Getting pressure from NGOs/CSOs to look at specific audit topics.
- Engaging with NGOs/CSOs that lack objectivity and pursue political rather than public interest;
- Misleading communication of audit results by NGOs/CSOs.
- Being perceived as biased when engaging with NGOs/CSOs that are or are perceived as being close to government or individual political parties.
- Unrealistic expectations about what SAIs can do in line with their mandate.
- Misinterpretation or misuse of audit findings.

Strategic approaches for external stakeholder engagement therefore are an opportunity for adequate risk assessment allowing for effective risk management. Some of the ways in which an SAI can go about managing these engagement risks are listed in the INTOSAI guidance “Framework for engaging with civil society – a framework for SAIs”.⁹⁷ OECD standards and practical guidance, such as those provided in the OECD Public Integrity handbook⁹⁸, can also provide useful guidance for effective risk management practices within public organisations, especially with regard to integrity risk management.

When considering engaging with CSOs/NGOs, one SAI⁹⁹ highlights the importance of taking the overall societal context in a given country into account. This relates for example to the level of (perceived) corruption on the one hand and the level of trust in public institutions on the other. It also relates to the overall relationship between the public sector and CSOs/NGOs and the role that CSOs/NGOs play in the country. Engagement of SAIs with CSOs/NGOs has to do with trust, both on the national but also on the institutional level. For an effective engagement with CSOs/NGOs for the benefit of SAIs, the CSO/NGO sector in a country needs to be respected as well as protected. The more CSOs/NGOs are respected and protected in a country, the more an SAI will be able to benefit from engaging with them.

Measuring achievement of goals

Setting key performance indicators (KPI) to measure engagement with stakeholders is more an exception than usual practice of SAIs. KPIs are often set up to measure media presence and SAIs’ visibility. Some indicators focus on SAI websites and social media analysis. Apart from media monitoring and detailed website visitor statistics, SAIs also use social media statistics for measuring their visibility and outreach.

Those SAIs that use KPIs distinguish between KPIs that are directly monitored by themselves and those resulting from surveys.

Examples of KPIs used for direct monitoring:

- Number of SAI’s appearances at formal and informal meetings with institutional stakeholder groups.¹⁰⁰
- Number of engagement activities carried out annually.¹⁰¹

⁹⁷ [20210629-Engagement-with-Civil-Society A-Framework-for-SAIs CBC 28-June-2021 fnl.pdf \(intosaicbc.org\)](https://www.intosai.org/~/media/Intosai/CBC/2021/06/20210629-Engagement-with-Civil-Society-A-Framework-for-SAIs-CBC-28-June-2021-fnl.pdf)

⁹⁸ OECD (2020), OECD Public Integrity Handbook, OECD Publishing, Paris, <https://doi.org/10.1787/ac8ed8e8-en>

⁹⁹ SAO Sweden

¹⁰⁰ ECA.

¹⁰¹ SAI Türkiye.

- Percentage of performance, compliance and combined audits involving socially active organisations and citizens.¹⁰²
- Presence of SAI in media for both immediate (i.e. action-based) and long-term (i.e. reputation-based) interventions and media coverage – by country, by publication and by individual journalist (for both - traditional press and in social media).¹⁰³
- Number of media reports and entries on a given topic.¹⁰⁴
- SAI's website analysis.¹⁰⁵

Examples of KPIs used for monitoring through surveys:

- Increase (%) in awareness of stakeholders about SAI's work and/or audit results, and/or role and mandate of the SAI¹⁰⁶
- Increase (%) in perception of stakeholders of the SAI as a source of independent and reliable information and/or as an active and visible player in the public domain.¹⁰⁷

Distinct approaches to stakeholder groups

Most strategies seem to take a general approach to stakeholders, without identifying individual approaches for engaging with each individual stakeholder group. When distinct approaches for stakeholder groups are identified these mainly relate to public sector stakeholders.

The strategies that do distinguish between approaches to specific stakeholders generally define objectives on the engagement (to be informed, to be consulted, to be otherwise involved, etc.).

There are SAIs with a common strategy for all stakeholders that develop communication plans for each individual stakeholder¹⁰⁸. There are SAIs that develop action plans for the implementation of their strategies where priority measures and individual activities for each target group, deadlines, responsible staff members, KPIs and allocated financial resources are defined.¹⁰⁹

There are SAIs where decisions on individual approaches are delegated to audit teams by specific audit topic¹¹⁰. Sometimes, SAIs have opted for incorporating stakeholder engagement procedures into their audit methodologies¹¹¹. Other SAIs encourage their auditors to take a citizens' perspective as a central perspective in the process of risk assessment, selecting audit topics, designing and conducting audits, and communicating audit results. This requires additional resources; therefore the SAI opts for fewer audits while allocating more time for implementing the citizens' perspective and increasing audit impact.¹¹²

¹⁰² SAI Latvia.

¹⁰³ ECA.

¹⁰⁴ SAI Poland, SAI Türkiye.

¹⁰⁵ SAI Türkiye.

¹⁰⁶ SAI Latvia.

¹⁰⁷ SAI Montenegro.

¹⁰⁸ SAI BiH, SAI Türkiye.

¹⁰⁹ SAI Georgia, SAI Ireland, SAI Montenegro.

¹¹⁰ SAI Estonia, SAI Netherlands, SAI Sweden.

¹¹¹ SAI Sweden.

¹¹² SAI Netherlands.

SAI Estonia – audit team responsibilities

Once SAI Estonia's management has approved an audit topic, the audit team proceeds with developing the audit plan. In the audit plan template, there is a section on the viewpoints of auditees and stakeholders.

When planning the audit, the audit team is required to identify the main interest groups/stakeholders in the subject to be audited, outside the circle of the immediate auditees. The audit team then considers whether it is necessary to inquire about their opinion. The organisation or individuals engaged should have a viewpoint on the audit topic (e.g. helpful for identifying problems in the field, provide suggestions on possible solutions of problems raised). External stakeholder engagement is not mandatory; however, if opting not to engage any stakeholders, the audit team is expected to explain why they have decided not to explore the opinions of interest groups in the preliminary study. It is obligatory to reflect the opinions of auditees.

As part of the audit quality assurance process, all audit plans undergo internal review. The reviewer's form contains a checklist that the reviewer is expected to address in their opinion, and the reflection on the views of external stakeholders is on that list. Reviewers are also asked to check whether the audit team has explained why stakeholders were not consulted. It is important that the audit team has reasoned and substantiated the engagement or non-engagement.

Audit teams at SAI Estonia are organised thematically and each auditor is assigned topics to survey in between audits. The monitoring principles of the audit department include a recommendation to reflect the views of external stakeholders and interest groups on the main problems in the field in the monitoring working paper.

External stakeholder engagement is not compulsory as the audit topics lend themselves differently to discussion and consultation.

Conclusion

The fact that stakeholder engagement is a strategic issue for the vast majority of SAIs in one way or another shows the importance that SAIs place on this aspect of their work. So far, the processes of engagement with public sector or institutional stakeholders is still more elaborate compared to those related to NGOs/CSOs and citizens (non-institutional stakeholders) also on a strategic level. This is understandable as engagement with public sector stakeholders is usually prescribed by the national legal and regulatory framework and thus practiced and improved over many years.

Developing specific strategies for engagement with stakeholders is a relatively new approach and is not yet practiced by many SAIs. Those SAIs that already have experience with this approach also look at governmental and non-governmental stakeholders in the same strategy. It will be interesting to learn from these SAIs if this approach helps to better measure the value of investing in particular engagement, focus on where stakeholder engagement can have the biggest impact and also assess the risks of engagement.

In their strategies, SAIs define the objectives for their engagement with stakeholders which are usually formulated around trust building, branding, accessibility and increasing impact. The strategic approach is also a way to assess the engagement risks and identify mitigation measures. Opportunities and risks of stakeholder engagement will depend on the overall environment of each individual SAI. This relates especially to engagement with media and CSOs/NGOs, which, in young democracies, might not yet have

a sufficient level of protection and respect on the one hand or sufficient understanding of the role and mandate of the SAI on the other.

Measurement of the achievements of stakeholder engagement is not yet widely undertaken by SAIs, but some promising examples exist where SAIs use quantitative performance indicators in particular to measure if their strategic goals are met. Most of the indicators used can be monitored directly by SAIs but some also use surveys to measure developments related to the awareness of stakeholders of the SAI's mandate and role or their perception of the SAI's independence and as a source of reliable information.

Individual approaches for engaging with individual stakeholder groups seem to be the more elaborate in the few SAIs that have taken the strategic decision to make engagement the task of their audit teams in the context of individual audits. However, this is also a strategic decision, especially in cases where SAIs take a citizens' perspective as the central approach to any audit work.

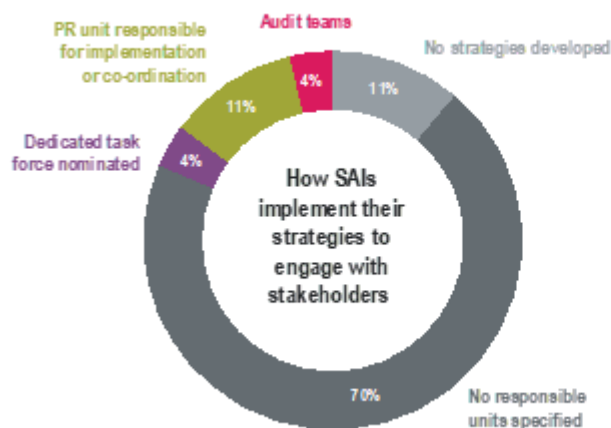
4 Organisational arrangements for implementation

SAI arrangements to implement stakeholder engagement strategies

Once the strategy for engagement of stakeholders has been prepared and adopted, the timeline should be defined and resources identified, an action plan drafted and approved by the SAI's leadership. The head of the SAI may delegate the responsibility for engagement with stakeholders, monitoring of the engagement process and measuring the results of the engagement process to SAI staff members while keeping the overall responsibility and accountability. Quantitative and qualitative methods could be used in assessing the impact of stakeholder engagement.¹¹³

To see how SAIs have implemented their strategies for engagement with stakeholders, the respondent SAIs were invited to briefly describe the arrangements in place to implement their stakeholder engagement strategies and share their methodologies for assessing the costs involved in engagement with stakeholders, if any.

Figure 4. Internal arrangements



Implementation responsibility is mainly spread over a number of structural units

Source: SIGMA 2023.

¹¹³ See 3.3 above

The majority of SAIs (70%), have not referred to a particular structural unit in the SAI as being responsible for the implementation or co-ordination of implementation of the stakeholder engagement strategy. The SAIs' responses lead to the conclusion that the responsibility is spread over a number of structural units.

Of the SAIs reporting on strategies while not decentralising engagement of stakeholders at audit team level, **one SAI**¹¹⁴ established **a dedicated task force** for co-ordinating implementation of stakeholder engagement strategy. The task force submits proposals to the Head of the SAI who, after consulting with senior management and auditors, decides upon implementation modalities mandating SAI's structural units, as appropriate, with implementation tasks.

11% of SAIs have referred to their public relations (PR) units as SAI structural units being responsible for implementing or co-ordinating implementation of stakeholder engagement strategies.¹¹⁵

In their responses, some SAIs focused on 'external' arrangements to ensure that their engagement strategies are put into practice, such as memoranda of understanding and/or agreements with institutional and non-institutional stakeholders, approaches to simplification and dissemination of audit reports and other relevant activities included in their action plans.

It is clear that SAIs without strategies or in the process of developing strategies (see Part 2) cannot report on implementation.

It is also clear that in those SAIs where the engagement of stakeholders is decentralised¹¹⁶ (see Part 2) with their audit teams mandated to engage with stakeholders, it is these audit teams and quality reviewers at the engagement level that are the core players within the SAI. In these cases, the audit plan template includes the requirement to provide a list of stakeholders that the audit team deems relevant to engage in the specific audit and how they will do so. In these cases, quality review checklists reflect these requirements, which highlights that engagement with stakeholders in audits is considered as a quality criterium for the audit.

Assessing the costs of engaging with stakeholders

As has been elaborated in existing publications on stakeholder engagement¹¹⁷, SAIs enjoy many benefits from engaging with stakeholders. According to the current research these include but are not limited to:

- access to additional and first-hand information,
- audits being more responsive to the experience of citizens,
- support to the SAI during public debates after publishing audit reports and follow-up,
- enhanced pressure to implement audit recommendations,
- support to the SAI and defence against undue attacks,
- stronger governance and financial accountability.

All this results in a stronger overall accountability eco-system. However, there are also many risks arising from engaging with stakeholders:

- potential impact on SAIs' independence, objectivity and credibility,

¹¹⁴ SAI France.

¹¹⁵ SAI Austria, SAI Moldova, SAI Türkiye.

¹¹⁶ SAI Estonia, for example.

¹¹⁷ See [IDI SAIs Engaging With Stakeholders Guide](#), published on 11 December 2017, Chapter 4. The benefits of engagement with civil society.

- engagement with stakeholders having other than legitimate interest in work of the SAI,
- increased costs including higher workload for audit staff.

High engagement costs could potentially be seen as one of the major obstacles for intense engagement with non-institutional stakeholders as other risks are more manageable.

The SAIs' responses reveal that SAIs do not focus on assessing engagement costs, which could be partly explained by overall public sector practices where management accounting and management by objectives are not yet approaches that would be widely used by public sector bodies, including SAIs.

Figure 5. Assessment of engagement costs



Source: SIGMA 2023.

Only **one** SAI¹¹⁸ of those with a stakeholder strategy shared the costs related to engagement of stakeholders, explaining that four full time staff members and one trainee are required for implementation of the stakeholder strategy. Travel costs for two staff members for attending meetings and networking with key stakeholders are also taken into consideration. However, even in this case, only institutional stakeholders were counted for.

20% of SAIs can be considered as performing partial assessment of engagement costs. This includes the SAIs having established a time recording system enabling the calculation of costs of individual audit engagements and other SAI's tasks¹¹⁹ while not necessarily identifying engagement with stakeholders as a specific task in the system. This enables the SAIs to get an idea of engagement costs. This also includes SAIs having developed action plans for implementation of engagement strategies or communication plans¹²⁰ and having defined the required financial resources for implementing said plans. Some SAIs belonging to this group only calculate 'extra costs'¹²¹, for example, conducting surveys, launching web platforms, media campaigns, contracting external experts, etc.

¹¹⁸ ECA.

¹¹⁹ For example - SAI Latvia.

¹²⁰ For example - SAI Finland, SAI Montenegro.

¹²¹ For example - SAI France, SAI Türkiye.

75% of respondents do not specifically assess engagement costs. Instead, engagement with stakeholders is considered to be a regular function or 'daily routine' of relevant structural units and covered by remuneration of relevant staff members. Some SAIs therefore explain that engagement with stakeholders does not require additional costs. Two SAIs in this group indicated that the stakeholder engagement costs are either fully¹²² or partly¹²³ financed by donors.

Conclusion

SAIs usually implement their stakeholder engagement strategies within the existing structures of the SAI and do not specifically assess the costs that this engagement creates. This leads to the conclusion that SAIs find it feasible to include this task into their existing work and cost structure

Existing structures can either be a number of structural units, or specific ones, such as the public relations unit. In SAIs with a decentralised approach to stakeholder engagement the implementation responsibility is with the audit teams. Establishing a dedicated structure, for example in form of a task force, is an exception among EU SAIs so far.

As external engagements do not only depend on the willingness of the SAIs but also on that of their stakeholders, formal cooperation agreements with stakeholders can help institutionalising engagement practices. Assessing costs for engagement with stakeholders requires a certain effort and investment by SAIs and such assessments do not currently seem to be among SAIs' priorities. However, if the SAI is serious about proactive engagement with stakeholders and plans to adapt the existing strategy or develop new strategies for engagement with stakeholders, such an assessment could be a crucial precondition to remain efficient when it comes to achieving set objectives with less investment of human and financial resources. Assessment of costs in combination with measuring the results of engagement with stakeholders would enable SAIs to either re-design strategies and action plans in terms of re-considering which stakeholders to engage with or to consider less costly activities that still add value.

¹²² SAI Georgia.

¹²³ SAI Montenegro.

5 Levels of engagement with stakeholders

The level of SAI stakeholder engagement depends on national legal, administrative and cultural framework and capacities, as well as the maturity of the SAI. It is possible to distinguish the following levels of engagement:

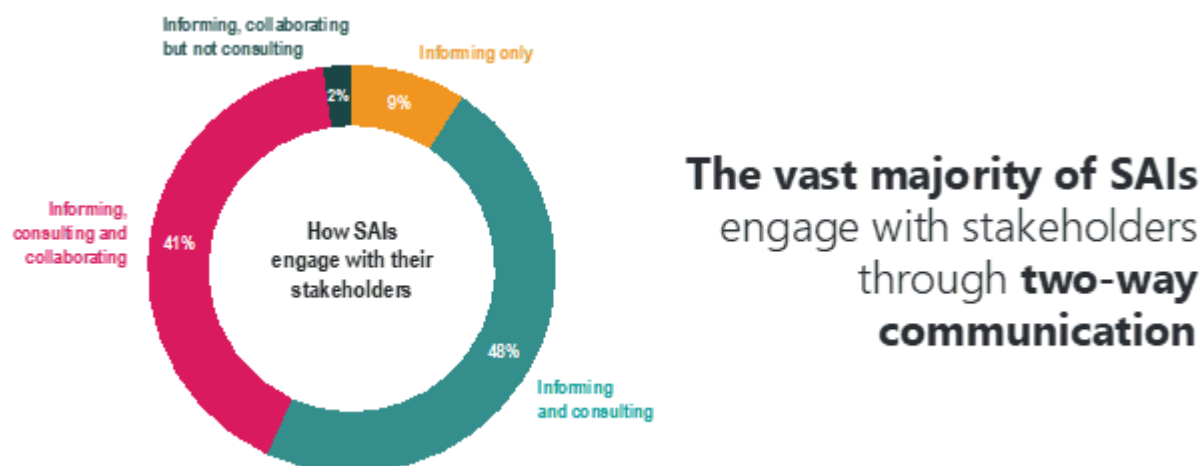
- SAs may use one-way communication or **informing** stakeholders to reach both institutional and non-institutional stakeholders or a wider audience. In this context, SAs invest in simplifying outputs, making them user-friendly and striving to use diverse communication channels. This includes shortening and simplifying reports, drafting concise summaries, visualising reports, producing supplementary information material for specific target audiences (presentations, leaflets, videos, etc.), and regular communication in social media. These activities show that the SAI has 'opened' itself to wider co-operation with stakeholders.
- SAs may use two-way communication for:
 - **Consulting** with stakeholders, meaning considering stakeholder views in daily work and seeking feedback and inputs. The most characteristic activities in this context are for example: organising focus groups, when selecting audit topics, planning audits and/or drafting audit reports; developing citizen complaint mechanisms, entering in debate with NGOs/CSOs and businesses.
 - **Collaborating** with their stakeholders by involving them in actual auditing: planning, conducting, reporting and follow-up.

To find out about their levels of engagement with stakeholders, the respondent SAs were invited to describe their mechanisms for informing and/or consulting, and/or collaborating with stakeholders.

Form of engagement	What	How	Effect
One-way communication	Information	Publication of audit reports, press release, etc	Receiver cannot provide any feedback
Two-way communication	Consultation	SAI asking stakeholders for input, e.g. on audit topics	Both sides give and receive information
Two-way communication	Collaboration	SAI working together with stakeholders, e.g. on specific audits	Joint work

While one-way communication through information will increase the capacity of external non institutional stakeholders to hold governments to account, two-way communication through consultation or collaboration will increase the capacity of the SAI to carry audit meaningful audits.

Figure 6. Levels of engagement with stakeholders 1



Source: SIGMA 2023.

There do not appear to be any SAIs that limit their engagement with stakeholders to their minimum mandatory obligations as per the national legal framework. All SAIs in one way or another strive to reach out to both institutional and non-institutional stakeholders at different levels.

The vast majority of SAIs, **91%**, have decided to expand their engagement with stakeholders by not only informing them, but also consulting or consulting / collaborating.

SAIs' responses reveal that strategic planning, such as setting audit portfolio / selecting audit topics is the phase where consulting is applied extensively, while many SAIs also consult stakeholders during other phases of the audit cycle.

41% of SAIs report that they collaborate with stakeholders (see Figure 6), namely by involving stakeholders in actual auditing. This includes:

- delegating (on behalf of the SAI) the conduct of audits of financial statements or other engagements to statutory or other auditors, or service providers;
- engaging with individual experts and organisations in regular auditing in compliance with ISSAIs¹²⁴, in particular ISSAI 100¹²⁵, and envisaging opportunities for the SAI to rely on other auditor's work after certain assurances on the capacity and quality of the latter is obtained;
- engaging stakeholders in participatory audits.¹²⁶

However, the majority of SAIs that have opted for collaboration report exclusively on engaging stakeholders as experts in regular auditing in compliance with ISSAIs. This means that those using other collaboration mechanisms are very few. Out of 40% collaborating, almost 71% collaborate by relying on

¹²⁴ International Standards for Supreme Audit Institutions.

¹²⁵ ISSAI 100:39 which is further detailed in ISSAIs 300, 3000 (for performance auditing), 400, 4000 (for compliance auditing) and 2600, ISSAI 2610 and ISSAI 2620 (for financial auditing).

¹²⁶ A technique to conducting audit with citizens as members of SAI's audit teams.

stakeholders as experts, while only around 29% use other mechanisms. Regarding other mechanisms, only one respondent SAI has conducted a participatory audit.¹²⁷

Figure 7. The majority of SAIs that collaborate with stakeholders engage them as experts in audits



Source: SIGMA 2023.

Informing stakeholders

Only **9%** of respondent SAIs limit their engagement to a one-way communication mechanism (see Figure 6)¹²⁸, while the rest of the SAIs combine 'informing' with 'consulting' and/or 'collaborating', thus applying two-way communication mechanisms.

Acknowledging that informing external stakeholders leads to a better reach and impact of audit results, SAIs invest in providing easily accessible and easy to understand information, also using digital possibilities. SAIs usually provide *ad hoc* information on individual audits and continuous information on their overall work and role. Notwithstanding the mechanism applied, SAIs use traditional methods for informing their stakeholders along with more innovative techniques.

Information related to individual audits

Presenting audit results and elucidating the implications of the audit findings helps to disseminate the audit results and to empower civil society to participate more effectively in the applicable accountability and governance processes. This enables civil society to play a more active role in the accountability ecosystem, gain ownership of audit reports, and possibly demand concrete responses from government to act upon audit recommendations. SAIs today use the following information mechanisms:

- Publishing audit reports on websites
- Producing executive summaries of audit reports¹²⁹ and 'translating' executive summaries into infographics¹³⁰
- Sending audit reports to (mostly institutional) stakeholders by e-mail or as hard copies
- Publishing references to issued reports in official gazettes, other newspapers, social media (Twitter, Facebook, LinkedIn), proactively answering stakeholder questions through social media¹³¹
- Issuing press releases on the date of publication of audit reports
- Using mailing lists for informing more than one thousand stakeholders (including various media) of final audit reports¹³²

¹²⁷ SAI Netherlands.

¹²⁸ SAI Spain, SAI Czechia, SAI Sweden, SAI Türkiye.

¹²⁹ Almost all SAIs.

¹³⁰ E.g. SAI Denmark.

¹³¹ E.g. SAI Netherlands.

¹³² SAI North Macedonia

- Reaching out to relevant media via e-mail or phone after every concluded audit and being available for an interview to further explain audit results¹³³
- Organising press briefings and press conferences
- Developing executive summaries of audit reports for the needs of different stakeholder groups
- Publishing performance audit blogs¹³⁴
- Producing short videos¹³⁵ and podcasts

Continuous information to maintain interest in audit activity

Providing regular information on the role and work of the SAI will result in greater knowledge and understanding by civil society of the essential role of the SAI within the accountability ecosystem. This enhances not only the SAI's reputation among a wider group of civil society stakeholders but can also translate into enhanced public support for the SAI. Such support from civil society can be especially valuable when a SAI's independence comes under threat and civil society can come to its defence, or where civil society pro-actively lobbies for greater SAI independence.¹³⁶

SAIs use the following mechanisms for providing continuous information:

- Issuing weekly newsletters
- Circulating quarterly indicative timetables of forthcoming publications¹³⁷
- Holding annual conferences with stakeholders¹³⁸
- Maintaining transparency portals¹³⁹
- Maintaining analytical web-platforms, for example, a *Budget Monitor* system¹⁴⁰ to provide detailed and understandable information on budget revenues, spending, public debt etc.
- Maintaining a *Stakeholder Management System* (SMS) - a database which allows sending publication notices and other communications via email directly to all relevant institutional stakeholders¹⁴¹
- Maintaining hotlines¹⁴²
- Publishing 'opinion articles' in regular and professional magazines, etc.

SAIs also emphasise that for different stakeholders, they use different information mechanisms. Parliaments usually appreciate hard copies of reports and their summaries, media require key message in a simple language, NGOs/CSOs usually use audit reports for further analysis, therefore covering letters or e-mails for reports should indicate what kind of data is available and how it might be of interest for those organisations.¹⁴³

¹³³ E.g. SAI Denmark.

¹³⁴ E.g. SAI Georgia

¹³⁵ E.g. SAI Denmark.

¹³⁶ Engagement with Civil Society-a framework for SAIs, p. 11

¹³⁷ ECA.

¹³⁸ E.g. SAI Kosovo*.

¹³⁹ E.g. SAI Spain.

¹⁴⁰ SAI Georgia.

¹⁴¹ ECA.

¹⁴² E.g. SAI Netherlands.

¹⁴³ SAI Bulgaria.

Consulting stakeholders

When it comes to listening, rather than sending information, SAIs are comparatively active in consulting ‘institutional’ stakeholders while making cautious steps towards consulting ‘non-institutional’ stakeholders. Consultation of stakeholders has the potential to provide SAIs with hands-on insight and information about their concerns, collect their views about audit planning, and solicit feedback on audit work.

Consulting institutional stakeholders

Seeking stakeholder feedback and input to different phases of the audit cycle appears to be a widespread approach by respondent SAIs.

Almost **30%** of the SAIs that have highlighted their consultation efforts exclusively prioritise their parliaments as the main counterparts during strategic planning and selection of audit topics.¹⁴⁴

Consulting non-institutional stakeholders

Fewer SAIs have established diverse mechanisms to learn about the views of non-institutional stakeholders¹⁴⁵. SAIs’ webpages are the most common channels to obtain this information and mostly these are ‘initiative’ and/or ‘complaint’ platforms where different organisations and citizens upload their initiatives / suggestions / complaints¹⁴⁶. These platforms provide an opportunity for SAIs to establish direct links with citizens, gain an insight into priorities and concerns of the public, as well as to pay attention to problems that are important to citizens, but from less obvious or exposed areas.

Some SAIs carry out such consultations using formal letters or e-mails¹⁴⁷. Others report on signed memoranda of understanding¹⁴⁸ and/or conventions¹⁴⁹ with NGOs/CSOs envisaging, for example, joint participation in public events (press conferences, round tables, discussion forums), exchange of expertise and data, co-operation in legal initiatives, etc.¹⁵⁰

Some SAIs organise annual or semi-annual seminars with academia and respected experts representing different sectors of the national economy¹⁵¹, while others hold annual consultation meetings with representatives of NGOs/CSOs¹⁵². These meetings serve to discuss selected audit topics with NGOs/CSOs and/or invite NGOs/CSOs to contribute to analysis by providing relevant inputs from their own research work.

Some SAIs have established so called “advisory boards”, consisting of experienced professionals representing various sectors of the national economy and academia¹⁵³. This allows them to benefit from

¹⁴⁴ SAI Estonia, SAI France, SAI Cyprus, ECA (referring also to the European Council and member states), SAI Greece, SAI Montenegro, SAI Netherlands.

¹⁴⁵ SAI France, SAI Austria, SAI Georgia, SAI Finland, SAI Greece, SAI Moldova.

¹⁴⁶ E.g. SAI Netherlands, SAI Moldova.

¹⁴⁷ E.g. SAI Moldova.

¹⁴⁸ SAI Bulgaria.

¹⁴⁹ SAI France.

¹⁵⁰ SAI Bulgaria.

¹⁵¹ SAI France.

¹⁵² SAI BiH, SAI Kosovo*, SAI Moldova.

¹⁵³ E.g. SAI Latvia.

continuous input from institutional and non-institutional stakeholders that have permanent relationships with the SAI, thus being able to give more tailored advice.

There are also SAIs that consult stakeholders regarding audit methodologies rather than audit topics, for example, by reaching out to academia or research institutes on the use of methods, ways of analysis or gathering of data. Some have also established mechanisms for receiving annual feedback from representatives of academia, who act as external quality reviewers evaluating the SAI's methods and general professional quality of audit reports.¹⁵⁴

SAI Denmark – external evaluation of SAI work

An essential element in *Rigsrevisionen's* quality assurance system is the external evaluation of the technical, communicative and graphic quality in its published reports.

Since 2000, a panel of well-reputed professors and scientists from various Danish universities have evaluated the technical quality of *Rigsrevisionen's* major studies every year. The quality of communication of the audit findings is also scrutinised at regular intervals, although less frequently, the last time was in 2018. Evaluations are planned for reports published in 2022 and 2023.

Evaluation of reports on major studies

The members of the external evaluation panel assess the quality of the reports based on the following criteria:

- Is the subject and purpose of the report clear, motivated and delimited?
- Is it clear why the audit criteria selected are suited to shed light on the issue?
- Is it clear why the method chosen is well suited to shed light on the topic of the report?
- Are the conclusions drawn in balance with the audit evidence highlighted in the report?
- What is the overall evaluation of the report?

Evaluation of language and use of infographics

The panel of external experts in communication determine whether *Rigsrevisionen's* communication is simple and precise, whether the conclusions and argumentation are clear, understandable and convincing, and whether the language is varied and concrete.

Presentation of the evaluations

The outcome of the evaluations is presented to interested members of the staff and members of the Public Accounts Committee at a meeting, where the members of the evaluation panel explain the background for their rating of the quality of the reports, which ranges from very satisfactory, satisfactory to less satisfactory. All evaluations are published on *Rigsrevisionen's* website.

During auditing, SAIs generally use stakeholders as a source of information, including involving citizens through panels, interviews and surveys. They also consult sectoral professionals when sectoral/technical knowledge is required, for instance to determine the audit criteria.¹⁵⁵

There are SAIs that do not practice engagement with stakeholders during the audit process, except where they are specifically conducting the evaluation of public policies¹⁵⁶. The stakeholders affected by a given

¹⁵⁴ E.g. SAI Denmark.

¹⁵⁵ E.G. SAI Netherlands.

¹⁵⁶ SAI France; reference to EPP framework and INTOSAI GOV 9400.

policy (especially NGOs/CSOs and academia), are in those cases consulted through participation in advisory committees and/or surveys.

Collaborating with stakeholders

Almost half of SAIs that have reported on collaboration with stakeholders (see Figure 6) identify different mechanisms for collaboration. SAIs generally collaborate with stakeholders to achieve a common purpose or increase their capacity for carrying out specific audits.

There is one example where the management of an SAI is elected by the National Assembly as a collective body under the "open government" formula, with two of the members being representatives of professional organisations - the Institute of Chartered Expert Accountants and the Institute of Internal Auditors^{144F}¹⁵⁷. They participate in the SAI meetings, where the audit reports are adopted with decisions, they also participate in the adoption of the audit programme, strategies, policies and internal regulations. This is considered as a kind of public surveillance, built in by the law on the SAI. It is different from advisory boards referred to before as consulting tools. In this case, representatives of other organisations are directly involved in decision-making.

The rest of respondent SAIs having quoted collaboration mechanisms refer to three distinct mechanisms:

- outsourcing to audit companies and/or other service providers to delegate the audit work lying within the SAI's mandate
- engaging with stakeholders as experts in accordance with ISSAI 100:39 and relying on their work
- including stakeholders in audit teams or participatory audits.

These mechanisms will be further described in the following sections.

5.3.1 Delegating or outsourcing audit work

Depending on their legal framework, SAIs can outsource parts of their audit work to private companies, such as audit firms, or delegate it to other public bodies.

Some SAIs report that they routinely assign financial and/or other audits of central bodies and local authorities to private audit companies and/or other external professional service providers, following a tender procedure.¹⁵⁸

¹⁵⁷ SAI Bulgaria.

¹⁵⁸ E.g. SAI Cyprus.

SAO Cyprus - outsourcing audits of financial statements

The Law on the Provision of Evidence and Information to the Auditor General (Law no. 113(I)/2002), as amended in 2014, provides that the Auditor General may outsource the audit of the financial statements of any of its auditees to registered private audit firms. Based on this provision, the SAO has been outsourcing, since 2014, the audit of financial statements of statutory bodies, state enterprises and local Authorities. These financial audits are outsourced following a public procurement procedure to audit firms meeting the established criteria, who then perform their audits based on the provisions of The Auditors' Law (Law no 53(I)/2017), taking on the responsibility for the issue of the auditor's report. The SAO approves the auditors' remuneration and authorises the audited entity to proceed to the payment of audit fees, after ensuring that the audit firms have fulfilled their contractual obligations and have submitted the required deliverables (usually the audited financial statements, auditor's report and management letter to the auditee). The quality of the work remains the responsibility of the audit firm who signs the auditor's report, however the SAO examines the deliverables in more detail for a sample of completed deliverables of each firm. Any quality issues identified in this process inform future procurement decisions and are also notified to the Cyprus Public Audit Oversight Board.

Central government entities are excluded from the outsourcing process and the SAO conducts all financial, compliance and performance audits in these entities. For statutory bodies and state enterprises, the SAO performs additional compliance and performance audits to those entities for which financial audit has been outsourced. In the case of local Authorities, standardised compliance audits are outsourced to the private audit firms auditing the financial statements of Community Boards, however the SAO still performs additional compliance and performance audits in Municipalities and Community Boards as necessary.

Two SAIs refer exclusively to SAI laws providing for their rights to involve audit, control, inspection entities and other public bodies in SAI's audits¹⁵⁹ or public financial control measures¹⁶⁰, or by requesting them to conduct separate audits on behalf of the SAI.¹⁶¹

SAIs mention specific reasons for outsourcing audit services, such as the need to get assurance of financial statements of large and complex state-owned enterprises (SOEs), heavily subsidised by the government¹⁶² and/or the need to include companies where the state owns less than 50% of shares, in the audit coverage¹⁶³. In those cases, SAIs ensure quality review of methodologies and the work of the companies to which they outsourced the work, to make sure they follow auditing standards.

One SAI reports on outsourcing to service providers other than audit companies for so-called 'specialised' audits on IT systems or audits involving artificial intelligence¹⁶⁴. The outsourced companies offer IT experts, actuaries and econometricians, macroeconomic and financial analysts among others. Some SAIs have started to pilot outsourcing, however, they also report on extra costs and legal obstacles that are

¹⁵⁹ SAI Poland.

¹⁶⁰ SAI Azerbaijan.

¹⁶¹ SAI Poland.

¹⁶² SAI Denmark.

¹⁶³ SAI Türkiye.

¹⁶⁴ SAI Greece.

important risk factors to take into consideration for further developing this type of engagement¹⁶⁵. SAIs with outsourcing experience highlight the need for meticulous preparation and management of the outsourcing process, including the implementation of robust quality management arrangements, to protect their professionalism and independence.

However, generally SAIs report on engaging stakeholders, including citizens, in audits just as a source of information through focus groups, panels, interviews and surveys which is in fact consulting rather than collaboration.

5.3.2 Engaging with stakeholders as experts

Engaging with stakeholders as experts in accordance with ISSAI 100 is different from outsourcing to companies and delegating conduct of the audit engagement as a whole.

There are certain types of stakeholders (for example, academia, business associations, NGOs /CSOs) that might fulfil an additional role to that of a 'regular' stakeholder. This is the role of 'expert' as stakeholders can offer expertise that SAIs need for their audit work. SAIs may engage representatives of these stakeholders as individual experts or organisations in auditing, where relevant or necessary, and rely on their opinion while still leading the particular audit.

However, according to ISSAI 100, before engaging with experts, SAIs should obtain evidence of their competence, independence and the quality of the work performed, as the SAI has sole responsibility for any audit opinion or report; that responsibility is not reduced by the use of work by other parties.¹⁶⁶

The mechanism of reliance on experts' work is widely used by SAIs. One should distinguish between relying on work already done by others (usually, this is the case of relying on internal audit reports or external studies) and involving experts during the audit. One does not exclude the other and the majority of SAIs' audit teams use already existing reports/studies and look for opportunities to rely on them.

The majority of respondent SAIs¹⁶⁷ also use the option to involve stakeholders as experts during audit work. Mostly these are cases where the audit subject is specific and/or complex, and/or include analysis of different technologies (quality of fuel, construction works, medical equipment, etc.).

This collaboration is mostly based on formal contracts between the SAI and experts, and expert inputs may vary from analysing and reporting on stand-alone audit related issues to audit related research, conducting surveys, and being a part of focus groups. There are SAIs that acknowledge involvement of employees of public administration as experts in their audits.¹⁶⁸

SAIs distinguish between engaging stakeholders as individual experts and stakeholders as organisations, and consequently, contracts are signed either with physical or legal entities.

Although the majority of SAIs engage stakeholders as individual experts, they also acknowledge high risks related to experts' independence, in particular in small countries.¹⁶⁹

¹⁶⁵ SAI Netherlands.

¹⁶⁶ Article 40, ISSAI 100.

¹⁶⁷ SAI Azerbaijan, SAI Cyprus, SAI Netherlands, SAI Estonia, SAI Spain, SAI Bulgaria, SAI Finland, SAI Georgia, SAI Greece, SAI Kosovo*, SAI Latvia, SAI Lithuania, SAI Malta, SAI MNE, SAI Poland.

¹⁶⁸ SAI Kosovo*.

¹⁶⁹ For example SAI Malta.

The following example of contracting organisations comes from an SAI that conducted a performance audit on efficiency of construction, reconstruction and maintenance of urban transport infrastructure.¹⁷⁰

SAI Latvia – co-operation with “City for People”

The NGO "City for People" was contracted to provide additional insight into the problems of transport infrastructure from a citizen perspective and support the SAI during professional dissemination of audit results. Similarly, an NGO representing disabled people was contracted to support the SAI in auditing the effectiveness of the Assistant Service for disabled persons. Another example relates to involving a CSO for the protection of birds in auditing implementation of public policies to protect meadow birds.¹⁷¹

Experience and lessons learned from co-operation with the association "City for People"

In 2019, the State Audit Office of Latvia conducted a regulatory and performance audit “Whether the Construction, Reconstruction, and Maintenance of Riga Urban Transport Infrastructure, Including Parking Lots, Complies with Statutory Requirements, Is Planned, Efficiently, and Economically?”. In order to identify and better understand the problems of the transport infrastructure of the city of Riga directly and from the point of view of the users of the infrastructure, i.e. the citizens, the auditors co-operated with the association "City for People".

As part of the co-operation, the association "City for People" responded to SAI Latvia's invitation and provided their opinion on their satisfaction with the development of Riga's transport infrastructure and solutions:

- The association "City for People" presented its vision of the current problems related to the construction and repair of street infrastructure, including the construction of engineering networks and communications, as well as the ill-considered construction of cycling infrastructure and the possibility of its use within the territory of Riga.
- During the evidence and final stages, SAI Latvia discussed the audit findings with "City for People", including the problems highlighted by the association and their solutions in specific street sections, both in relation to the quality of repair works and in relation to the construction and repair of utilities and communications in several streets in Riga. The issues highlighted by the association regarding the preservation of the green areas and greenery of Riga were also addressed and analysed.
- During the final stage of the audit, representatives of the association "City for People" actively communicated the information materials prepared for the publication of the audit results on social networks, while also supplementing them with their own infographics, for example by creating a map of "written-off" projects. The representative of the association also took part in the presentation of the audit results at the meeting of the Public Expenditure and Audit Commission of the *Saeima* (Parliament), expressing support to SAI Latvia's audit conclusions.

However, there are also SAIs that are entitled by law to engage or contract only individual experts, while organisations are engaged just for consulting purposes and on a voluntary basis.¹⁷²

¹⁷⁰ SAI Latvia.

¹⁷¹ SAI Netherlands.

¹⁷² SAI Poland.

SAIs also recognise universities as good contractors for fulfilling the role of experts in complex audits. Contracting university researchers in auditing price negotiations between a public body and potential suppliers on costly pharmaceuticals serves as a good example of involving universities.¹⁷³

There are SAIs that do not engage stakeholders as experts in audit processes, primarily due to the need to safeguard SAIs' independence, challenges in getting assurance on the competence of experts¹⁷⁴ and/or to avoid possible conflicts of interest.¹⁷⁵

5.3.3 Engaging stakeholders in participatory audits or audit teams

Only three SAIs have reported conducting some kind of participatory audits involving NGOs/CSOs in audit work. Participatory audit is a mechanism for active participation of citizens in public oversight. It directly involves citizens and civil society groups in the audit process. Participatory audits are based on a collaborative framework between civil society and SAIs, in which CSOs provide useful, qualified, and well-supported information, usually about the quality of services provided by state agencies. CSOs tend to focus on service provision, are close to direct users, and can monitor specific aspects in the field, which can enrich the auditors' understanding of the situation¹⁷⁶.

One SAI relates involving stakeholder representatives in obtaining evidence within the framework of compliance and performance audits in the areas of health and welfare¹⁷⁷. Another SAI involves stakeholder representatives in external public financial control measures conducted by the SAI.¹⁷⁸

The third SAI referring to participatory audits acknowledges that those audits were performed as experiments.¹⁷⁹

¹⁷³ SAI Netherlands.

¹⁷⁴ E.g. ECA.

¹⁷⁵ E.g. SAI BiH.

¹⁷⁶ Citizens engagement Practices by Supreme Audit Institutions: Tools and Methods www.e-participatoryaudit.org

¹⁷⁷ SAI Moldova.

¹⁷⁸ SAI Azerbaijan.

¹⁷⁹ SAI Netherlands.

Netherlands Court of Audit - Involving students in audit on higher education

SAI Netherlands did an experiment, involving members from student councils in higher education as auditors in an audit of additional investments in quality of education in their schools¹⁸⁰

In 2015 the grant system for students in higher education was replaced with a system in which students could take out loans on soft terms. The funds released would be used to make additional investments in the quality of education. As students have been affected by the abolition of grants since 2015 but the funds released by the loan system will not become available until 2018, the institutions of higher education collectively gave the Minister of Education a promise to invest an additional EUR 600 million from their reserves, boosting the quality of education in the period 2015-2017. To give students a say in the use of the additional funds, university student councils were given a right to vote on the main points of the universities' budgets. The aim was to encourage a meaningful dialogue with the university board and managers at an early stage in the decision-making.

The NCA audit looked at whether the pre-investment promise was kept and how the right to vote on the budget was exercised with regard to the investments made in the period 2015-2017, in anticipation of the student loan system.

In this audit, the NCA wanted to build on this new right for student councils, by involving them as members of the audit team, auditing the investments in their own institution. The NCA would request the required information from the institutions and would train the council members in the audit work, though the NCA would ultimately remain responsible for the quality of the audit. This experience would teach the council members to ask the right questions about the budget and ultimately help the council members to be better at their new task.

However, the institutions for higher education did not agree with this approach. The audit law of the Netherlands requires that the university boards (auditees) grant permission in order to give others than the NCA auditors access to the data and do the work. The NCA made memoranda of understanding for this, but almost all entities refused to sign.

The NCA had not counted on the audit capacity needed for an audit of the 39 institutions that stated their investments. But giving up was not an option. In the end, in a collective effort, the NCA checked the investment statements of 39 institutions. Only one third of the stated investments satisfied the criteria, so it was very unlikely that the promise had been kept. In addition, the student councils did not yet have a say in decision-making at an early stage.

Already during the audit heated discussions appeared in the national and university press between the Student Unions, Student Councils and the University leadership. This served as a strong wake-up call for all parties. The Minister of Education used the momentum to press for stronger accountability of the additional funds from the institutions, including external oversight. The student councils are, until this day, advocating strongly for their right of consent and the independent university press and student unions keep following the quality of investments in their institution.

The rest of the SAIs limit themselves to engaging with experts (see the chapter V.3.2.) where auditors may choose to what extent the expert's work is used (and referred to)¹⁸¹. In some cases, experts have asked to remain anonymous in the public report.

¹⁸⁰ <https://english.rekenkamer.nl/publications/reports/2018/01/25/introtekst-investments-in-higher-education>

¹⁸¹ E.g. SAI Estonia.

Engaging with non-institutional stakeholders during the audit process

Notwithstanding the level of engagement (consulting or collaborating), it is interesting to see the intensity of engagement throughout all the audit phases with ‘non-institutional’ stakeholders, essentially meaning NGOs/CSOs.

77% of respondent SAIs have provided an affirmative response when asked about the co-operation with NGOs/CSOs, business associations and other non-institutional stakeholders during at least one of the audit phases.

Figure 8. Over three quarters of the SAIs engage with non-institutional stakeholders



Source: SIGMA 2023.

Of the SAIs engaging with stakeholders, 32% engage stakeholders in the selection of audit topics and 63% of SAIs engage stakeholders in audit planning. One SAI has established a separate tab on its audit website, called “audit request” where proposals for audits can be submitted¹⁸². SAIs note that engagement with stakeholders during the audit planning phase enables the audit team to set a realistic and value-adding scope for the audit in question.

63% of SAIs engage stakeholders in conducting audits. SAIs report that engagement with stakeholders during the audit conducting phase helps with collecting information and formulating findings based on the evidence obtained, as well as drafting conclusions and recommendations.¹⁸³

Only 32% of SAIs ask stakeholders to help during the reporting phase. SAIs emphasise that engagement during this audit phase ensures that the report is free from bias or inaccurate conclusions¹⁸⁴ and helps better dissemination of audit results.¹⁸⁵

Only 26% of SAIs engage with stakeholders during monitoring of implementation of recommendations. Engagement with stakeholders during the follow-up phase helps to analyse the level of implementation of recommendations.¹⁸⁶

¹⁸² SAI North Macedonia : http://dzr.mk/mk/contact/barane_za_revizija

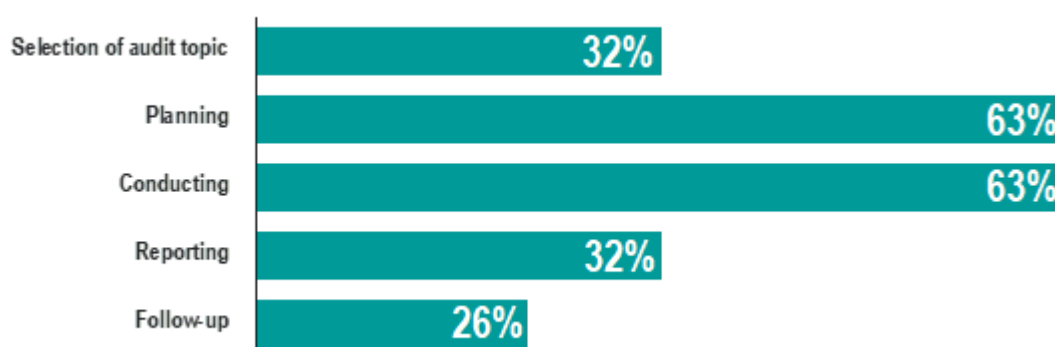
¹⁸³ E.g. SAI Cyprus.

¹⁸⁴ E.g. SAI Cyprus.

¹⁸⁵ E.g. SAI Latvia.

¹⁸⁶ E.g. SAI Moldova.

Figure 9. Engagement with non-institutional stakeholders throughout audit phases



Source: SIGMA 2023. Stakeholder engagement at the follow-up phase is practiced only by two of the respondent SAIs.

There is an SAI that has established a monitoring system based on self-reporting by audited entities.¹⁸⁷

The SAI works closely with the internal audit units and sometimes arrangements are made to involve internal audit units in monitoring of implementation of recommendations. However, this concerns only 'institutional' stakeholders.

Only one SAI has reported on involvement of NGOs/CSOs in monitoring of implementation of audit recommendations.¹⁸⁸

SAI Moldova – monitoring implementation of audit recommendations

NGOs/CSOs are considered one of the most important stakeholders of the Court of Accounts of the Republic of Moldova (CoARM) and a powerful partner in enhancing the implementation of audit recommendations. Until recently the collaboration was oriented towards the analysis of the CoARM reports, but this is changing. Civil society focused its attention on the analysis of the implementation of the recommendations of the audits and on the accountability of public entities to comply with the recommendations of the Courts of Accounts. (Analysis in Romanian: <https://www.ccrm.md/ro/studii-si-analize-83.html>)

CoARM's representatives are invited as experts to round tables, debates and conferences on sensitive topics for society organised by NGOs/CSOs, in order to increase the level of implementation of audit recommendations. The Court of Accounts is proactive in this regard, a good practice being organising events to provide information or discuss systemic problems or audit recommendations with civil society and establish partnerships in order to promote and monitor the implementation of recommendations.

A recent example was the organisation of joint events with civil society for local public authorities

¹⁸⁷ SAI Netherlands.

¹⁸⁸ SAI Moldova.

(municipalities) and local NGOs/CSOs to discuss sensitive problems for municipalities, systemic problems, audit recommendations and their implementation. A series of such events has been organised in partnership with the NGO Transparency International Moldova.

Being proactive in this way helps to educate, inform and meet the expectations of stakeholders, including audited entities, in order to reach a high level of implementation of the audit recommendations. In this regard, a good example is the survey of auditees about co-operation and communication with the CoARM during the audits. The survey was organised in partnership with civil society and this experience was important and will be used at the end of the audits on a permanent basis.

(Survey results available in Romanian: https://www.ccrm.md/ro/de-asemenea-in-scopul-evitarii-situatiilor-neplacute-din-experientele-anterioare-83_92467.html)

A new monitoring tool informing civil society of the implementation level of recommendations, by year, by entity etc. is available on the CoARM website, generated by the informational system for monitoring the implementation of recommendations SAI Audit CCRM, developed by the SAI Moldova. (https://www.ccrm.md/ro/decisions_stats)

However, 'non-institutional' stakeholders of 48% of respondent SAIs act by themselves in following up on SAI's reports. There are countries where NGOs/CSOs are particularly active, for example, by using SAI reports for analysing performance of central government for almost 25 years (1998-2020).¹⁸⁹

¹⁸⁹ Bulgaria.

Bulgarian National Audit Office - stakeholders using audit reports to analyse the work of central administration.

On a yearly basis, for a period of seven years, the Institute for Market Economy prepared a study "Successes and failures of the Bulgarian governments 1998 - 2020", analysing the work of the central administration through the audit reports of the Bulgarian National Audit Office. Based on the findings and conclusions of the reports, all aspects of the administration's activities are considered: from salaries and other types of expenses to the management of property and public procurement in state institutions, the implementation of various programmes and the administration of activities for which the state is responsible.

To evaluate the work of the central administration, the Institute for Market Economy uses the following classification categories:

- "failure": defined as failure to achieve the desired outcome of a given programme or activity, as well as accumulation of failure criteria (failure to fulfil the objectives set, unjustified spending of funds, violations in the awarding of public procurements, lack of control activities, etc.);
- "success": defined as a programme, activity or initiative in the management of which there are no indicators of failure, and the objectives set are achieved to a large extent;
- "non - classification": in cases where there are partial indications of both failure and success.

For the period 1998 – 2020, the Institute for Market Economy reviewed a total of 1035 audit reports for 23 years of work of the central administration, which include expenditures for nearly BGN 156 billion of public funds. The activity of the administration, examined in the individual audit reports, is categorised as follows:

- 438 cases of "failure", amounting to BGN 83 billion;
- 257 cases of "success", amounting to BGN 35 billion;
- 340 "non - classified" cases amounting to BGN 38 billion.

Link to the original text of the IME study:

http://www.ime.bg/var/images/Government_Failure_2021.pdf

The SAIs of the Network highlight the risks and challenges involved when involving CSOs/NGOs in audits. These relate for example to the risk of getting pressure from CSOs/NGOS to audit specific topics, lack of objectivity of CSOs/NGOs, lack of capacity of the SAI to manage the engagement with stakeholders or to undertake the audits that they suggest. Additionally, SAIs sometimes have very limited numbers of CSOs/NGOs in their countries that would be interested in or capable of engaging with them; and those that do exist are sometimes very polarised and seen to be too close to specific political parties.

They also mention the challenge that even when co-operating or collaborating, both sides, SAIs and NGOs need to remain within their respective role and mandate. The agendas of CSOs/NGOS might be rather different from those of SAIs and both need to stay impartial in relation to each other and keep a healthy distance, allowing for the possibility of mutual criticism. At the same time, SAIs acknowledge that the mutual trust building needs time and investment on both sides in order to build understanding of each others role, mandate and capacities. Good communication is the key for successful co-operation.

Civil society as a potential ‘institutional’ partner for SAIs

Respondent SAIs were invited to share relevant provisions of their national legal framework to see whether legal frameworks recognise civil society as one of the SAI’s stakeholders in public oversight, thus enabling civil society to act as an ‘institutionalised’ partner of the SAI.

All SAIs indicate that although there are no specific references in the legal framework and engagement with NGOs/CSOs is not institutionalised, their mandate provides the possibility to engage with any stakeholder, and they do not face any challenges with said engagements. The exception could be the confidentiality of some phases of the audit process, which could hinder some advanced stakeholder collaboration. One SAI reports that a new draft SAI law is in a parliamentary procedure that includes a provision that explicitly mentions professional organisations, non-profit organisations and institutions from education and science as co-operation partners of the SAI, while at the same time emphasising that this does not compromise the independence and autonomy of the SAI.¹⁹⁰

SAIs also refer to ‘horizontal’ laws on free access to information enabling NGOs/CSOs to receive relevant information/data relevant for their activities and research.

Conclusion

All SAIs take communication about their audit results and their role and mandate very seriously and it has become part of their day-to-day work. The overwhelming majority of SAIs go beyond providing information to stakeholders by using various forms of consultation and collaboration, which means that one-way communication as the only communication mechanism is not common anymore.

All SAIs put a lot of effort into providing information in a timely manner, using various communication forms, including digital tools, to inform the public about concrete audit work and the general role and mandate of the SAI. The communication tools used are also adapted to the needs and preferences of institutional and non-institutional stakeholders.

Various forms of consultation mechanisms are used by SAIs in the preparation and the course of audits but also for strategic decision making. For consultations, SAIs still put institutional stakeholders such as Parliaments and auditees in their focus but many SAIs also regularly consult CSOs/NGOs or do so on *ad hoc* basis.

The very diverse forms of collaboration with stakeholders that SAIs report leads to the conclusion that the term “collaboration” is understood and interpreted in different ways by SAIs. Examples include professional audit organisations being part of the management of the SAI, outsourcing audits to private audit firms or delegating them to other public bodies, engaging NGOs/CSOs as experts in audits and some, rare, cases of conducting participatory audits together with them. Overall, the examples provided under the heading of “collaboration” show that SAIs see the added value of involving external stakeholders in one way or another, mainly for their expertise and the different perspectives that they bring to the audit work.

Participatory audits are clearly an exception in Europe and are rather in a pilot phase in those SAIs that have some experience in this approach.

Regardless of the question of consulting or collaborating with NGOs/CSOs, SAIs engage with this group of stakeholders extensively during the various phases of the audit work, from the selection phase, planning, execution and reporting up to the follow-up phase of audits. This shows for those SAIs a high level of trust in the capacity, skills, and expertise of selected non-institutional stakeholders. This trust takes time to build and requires longer term investment in relationship building. For the protection of the SAIs’ independence,

¹⁹⁰ SAI North Macedonia.

it is important to assess and manage the risks of involving CSOs/NGOs in specific audits and to carefully select only organisations that are and are seen as politically neutral and acting in the common interest and not in a political interest.

The fact that in a relatively high percentage of countries NGOs/CSOs follow-up, on their own initiative, on audits of SAIs also demonstrates that NGOs/CSOs find audit reports in many countries useful to pursue their own objectives.

6 Communication and reporting

ISSAIs recognise the need to distinguish between the approaches for reaching different stakeholders since they represent differing target audiences. Those approaches are usually disclosed in SAIs’ communication strategies. Communication strategies follow the goals defined in SAIs’ overall strategies and stakeholders’ engagement strategies if the latter exist.

In order to see the existing practices in planning and implementing communication with differing stakeholders, the respondent SAIs were asked to share whether they

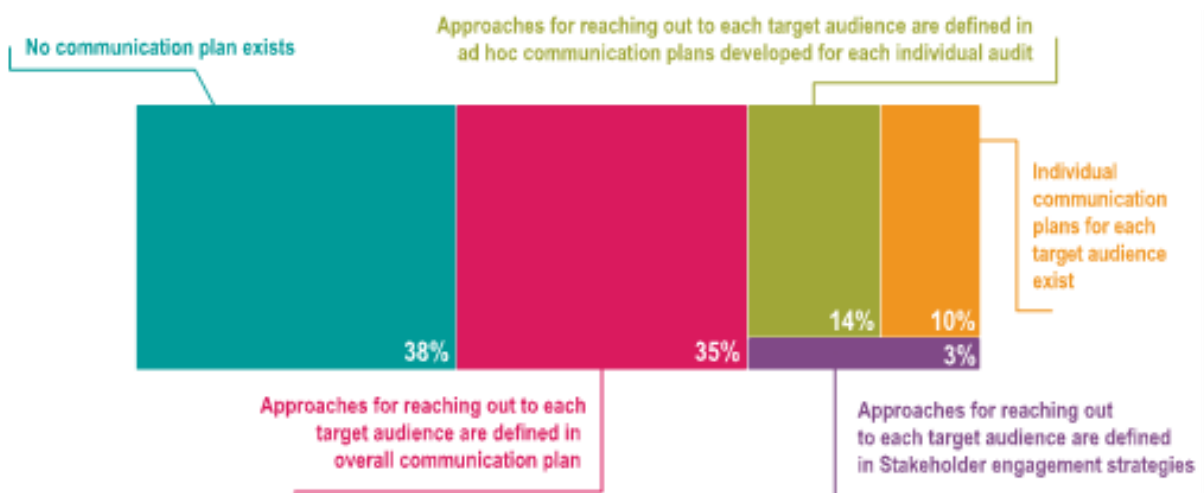
- develop a separate communication plan for each target audience
- develop a separate communication plan for each audit report.

SAIs were also requested to inform on their efforts to ensure that audit reports and other communication products **are user-friendly** and briefly describe the **digital solutions and online channels** that they use to engage and communicate with stakeholders. This included **policies on using social media accounts**, if any and the existing practices for monitoring the number of visitors of their website and the use of social media.

Planning communication with differing target audiences

SAIs’ communication strategies, policies or plans often include the main target audiences that usually coincide with the prioritised stakeholder groups. SAIs then try to define the communication sub-goals for each target audience.

Figure 10. Planning communication with different target audiences



Source: SIGMA 2023.

Only one SAI had 'strategised' approaches for reaching out to each target audience by defining them in the stakeholder engagement strategy¹⁹¹ while one SAI reports on existence of individual communication plans for each target audience.¹⁹²

SAI Türkiye – individual communication plans

In the Communication Strategy of the TCA, seven main stakeholders were identified based on results from information gathered during preparations in workshops, surveys conducted with different stakeholders, and a SWOT analysis. After main stakeholder groups were identified, individual communication plans were developed for each group through the following steps:

1. Stakeholder prioritisation based on their interests in and influences on the TCA activities and those with key roles were determined.
2. Stakeholder expectations presented (these expectations were identified during the preparation of the 2019-2023 Strategic Plan).
3. Development of communication objectives and strategies to be implemented to achieve these objectives for each stakeholder based on their expectations and on results of interviews and workshops conducted with TCA employees at different levels.
4. Identification of three communication strategies for each stakeholder group, as shown below:
 - a. **Approaching:** aims to increase the interest of stakeholders in the activities of the institution and focuses on creating communication channels to this end.
 - b. **Engaging:** focuses on developing more participatory and stronger communication channels and methods for the stakeholders the current interest levels of which are considered sufficient.
 - c. **Positioning:** focuses on strengthening the bond created with stakeholders through participatory communication, making sense for society and establishing mutual trust with the stakeholders.
5. Preparation of communication plans according to the adopted communication strategies. The communication plans (example found below) include objectives, methods/tools/channels, necessary resources, and a time schedule.

Example (Please note that this plan is the first version, some updates might have been made):

STAKEHOLDER	INTERNATIONAL ORGANISATIONS AND OTHER SAIs		
AIMS	To increase TCA's recognition in the international arena		
	To play an active role in international organisations and their audits and to contribute to the realisation of their aims and objectives		
	To form sharing platforms between SAIs and to increase the exchange of expertise and experience		
STRATEGIES: Engaging	COMMUNICATION CHANNELS/ TOOLS/METHODS	NECESSARY RESOURCES	TIME PLANNING
To prepare the basis for differentiating communication by classifying international organisations as SAIs and non-SAIs	Lists and communication points that classify international organisations	No additional cost	2020

¹⁹¹ SAI Ireland.

¹⁹² SAI Türkiye.

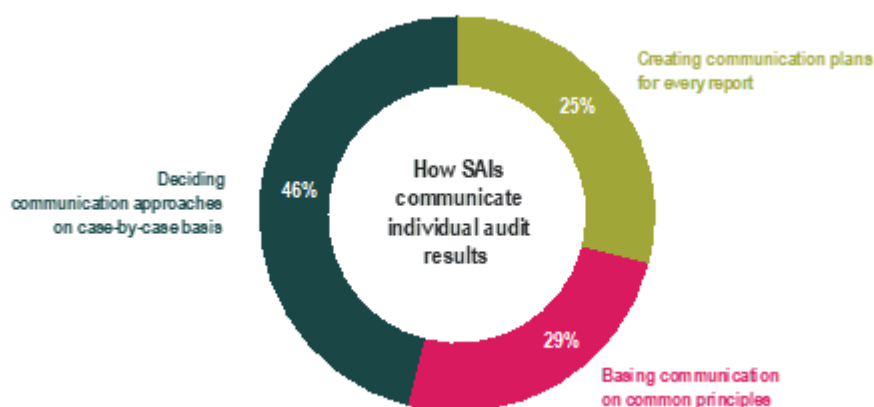
To establish new communication tools to increase the TCA's international recognition and to ensure their effective use (digital channels, social media tools etc.)	To open websites and social media accounts in foreign languages for use in international arena. To translate the selected audit reports into foreign languages	No additional cost	2019
To effectively use the existing communication tools to ensure that international training programs are announced effectively and new training requests are received	Website, social media accounts, mail lists, digital and written tools and platforms formed by international organisations (activity schedule, journal, newsletter etc. to be added to the website)	No additional cost	2020
To promote the inclusion of the scientific studies of the TCA personnel in international publications	International publications	Translation support	2021: Forming the International Training Planning Committee
To create co-operation areas such as joint audit, parallel audit with the participation of other SAIs and international organisations of SAIs	Co-operation works in the audit field	Costs related to audit organisation	2020-2023
To conduct joint works such as study visits and capacity building programmes to closely see the other country practices in defined areas and ensure the sharing of experiences	Lists of countries and areas for study visits, determining the countries whose capacity building programmes can be developed	Travel costs, programme costs	2020-2023
To make more collaborations related to judicial function, which is a strength of the TCA	To form a team that will ensure co-operation areas and continuous communication with the countries with judicial function	Team members that will do the relevant works and travel costs	Team formation: 2021

Around 35% of respondent SAIs explain that the approaches for reaching out to each target audience are defined in their overall communication plan, while 38% of respondent SAIs do not have overall communication plans.

Communication plans for individual audit reports

While having overall stakeholder and/or communication strategies and/or communication plans for each target audience, some SAIs find it useful and beneficial to develop a separate communication plan for each audit report. This approach takes into account that audits differ and therefore communication activities and tools can usefully be tailored to the particular audit in order to better reach particular stakeholders.

Figure 11. Communication plans for individual audit reports



Source: SIGMA 2023.

In terms of communicating individual audit results one can distinguish between:

- SAIs developing separate communication plans for each audit as a rule.
- SAIs having no separate plans, but still following the same, pre-defined principles for all audit reports.
- SAIs deciding on communication approaches on a case-by-case basis.

The SAIs developing and implementing separate communication plans for every audit report indicate that those plans include:

1. Objectives of the particular communication.
2. Planned media activities described in detail, based on potential media interest and the audiences to be reached.
3. Communication tools and channels.

The main communication tools include, but are not limited to: media briefings, press releases, web news articles, blog posts or series of blog posts, infographics and other visuals, presentations at press conferences, podcasts, opinion articles in newspapers, tweets/social media posts (LinkedIn/Facebook), short videos on YouTube, SMS to relevant authorities/officials.¹⁹³

SAIs indicate that selection of communication tools differ from audit to audit. Some audit reports receive more attention, for example, when it comes to organising press conferences or developing videos, or opinion articles, or other tools requiring more investment and effort and this has been decided on a case-by-case basis.

One of the SAIs having separate communication plans for every audit report has emphasised that implementation of the communication plan is an ongoing process, starting with the audit design and ending with communication of audit results.¹⁹⁴

There are SAIs that have opted not to develop communication plans for every audit report, while applying similar principles for communication of audit results. For example, before the publication date, the main

¹⁹³ SAI Denmark, SAI France, ECA, SAI Finland, SAI Latvia.

¹⁹⁴ SAI Netherlands.

findings, conclusions and the issues of interest to the public are once again discussed among the SAI's communication unit, auditors and the audited entity. This information is then used when preparing the press releases, infographics and social media posts. In addition, a decision is made on which SAI officials and/or managers, and/or auditors will be mandated to comment on audit results and talk to media. Furthermore, the SAI identifies and analyses publication related risks. This includes identification of potentially sensitive questions by media and the preparation of possible answers.¹⁹⁵

User-friendliness of audit reports

Almost all respondent SAIs undertake measures to make their reports more user-friendly¹⁹⁶. Some SAIs have indicated that ensuring 'user-friendliness' of audit reports **is one of the most important objectives** of their development strategies or strategic plans¹⁹⁷. Respondent SAIs have further detailed how the concept of 'user-friendliness' is understood and implemented in their SAIs.

Executive summaries of audit reports

All SAIs applying the 'user-friendliness' concept produce executive summaries of audit reports. Some SAIs draw attention to the importance of defining 'key messages'¹⁹⁸ and narratives to be used in every communication activity. Others explain that they limit the summaries to one page.¹⁹⁹

Using plain language in audit reports

SAIs use different approaches to enhance the readability of their audit reports. Some SAIs emphasise the importance of high quality editing of their audit reports and press materials²⁰⁰. Some SAIs refer to quality standards comprising requirements for audit reports. This includes the requirement for the reports to be as short and concise as possible, clearly structured, generally understandable, and reader-friendly, as well as made available barrier-free. In this context, the auditors are sometimes also trained accordingly on how to put this goal into practice.²⁰¹

SAIs emphasise the need for the audit reports and related communication products to be understandable to non-experts²⁰². SAIs also mention the need to 'balance' the report in terms of listing all the relevant details, at the same time preserving a flow²⁰³ or telling a story.

¹⁹⁵ SAI Lithuania.

¹⁹⁶ Except of SAI Türkiye.

¹⁹⁷ E.g. SAI Moldova, SAI France.

¹⁹⁸ E.g. SAI Spain, SAI Moldova, SAI Cyprus, SAI BiH: <https://twitter.com/UredzaReviziju/status/1481605790377074689>

¹⁹⁹ SAI Ukraine

²⁰⁰ E.g. SAI Estonia.

²⁰¹ E.g. SAI Austria.

²⁰² ECA.

²⁰³ SAI Malta.

Presentation and visualisation of information

Some SAIs develop special user guides for complex reports, for example reports on annual budget accounts or budget execution.²⁰⁴ These are brochures with infographics and other visual elements.

Some SAIs go beyond presenting individual audit reports by 'equipping' their websites with up-to-date statistics from audit reports²⁰⁵. This offers the possibility to search and generate data by year, by audited entity, etc. Interactive graphs²⁰⁶ are generally used for this purpose. Interactive graphs often 'go beyond' individual audits and conceptualise findings from several reports.

Generally, SAIs use static visualisation (basic charts generated by Excel, Adobe Illustrator, Power BI, maps, infographics and photos) or cartoons.²⁰⁷ and increasingly dynamic visualisation and audio - videos, podcasts and interactive graphs. Static visualisation usually forms an integral part of audit reports or are developed as separate communication products. Some SAIs develop infographics and other means of presentation **based on reader perspectives**²⁰⁸ and use them as much as possible in order to reduce the amount of text.²⁰⁹

SAIs explain that professional tools for graphic design are used to create clear, eye-catching and recognisable visuals and infographics. They emphasise that illustrating audit reports with visuals contributes significantly to making key messages easier to understand for the readers which is improving their chances to be used in the general media or to be shared on social media.²¹⁰ SAIs also often deliver infographics to the media along with the announcement of the publication of the audit report.²¹¹

Videos and interactive graphs are usually developed as separate communication products. Several SAIs prefer videos and podcasts over the 'written word'. Several SAIs publish short videos to explain audit reports.²¹², in particular for topics where public interest is high.

Many SAIs provide accessibility software on their websites to assist users who may have visual impairments or learning difficulties, or who may wish to access the reports in a language other than the official language of the country.²¹³

Digital solutions and online channels

While the mechanisms for sharing information should be adapted to guarantee inclusiveness, especially for those on the other side of the digital divide, these tools also need to be adapted to reach younger

²⁰⁴ E.g. SAI Georgia.

²⁰⁵ E.g. SAI Moldova, SAI Estonia, SAI Austria. https://www.ccrm.md/ro/decisions_stats;

<https://www.riigikontroll.ee/Auditeeritavaile/Interaktiivsedtabelidjajoonised/tabid/313/Itemid/1310/amid/930/language/et-EE/Default.aspx>

²⁰⁶ E.g. SAI Austria.

²⁰⁷ Ukraine

²⁰⁸ SAI Finland.

²⁰⁹ SAI Ireland.

²¹⁰ ECA.

²¹¹ E.g. SAI Montenegro.

²¹² E.g. SAI Czechia, SAI Denmark, SAI Ireland, SAI Bulgaria, SAI Latvia, SAI France, SAI Cyprus, SAI Malta, SAI Netherlands, SAI Poland. <https://youtu.be/-8YGOEU5eM>; <https://youtu.be/EyU-5waRtWY>; <https://rigsrevisionen.dk/revisionsager-arkiv/2021/okt/beretning-om-politiets-patrujering-og-overvaagningskameraer-https://www.nku.cz/scripts/detail.php?id=11735>

²¹³ E.g. SAI Ireland.

generations. This is particularly relevant to create awareness about the importance of government audit and audit findings among the population. It can also help to provide a more modern image of SAIs and make them more attractive for young talented professionals. Many SAIs are already using and communicating through social media.

All SAIs have official websites where audit reports and main findings are presented. Some SAIs have developed **special websites**, like blogs, online broadcasting of audit hearings. Some of the examples are presented below.

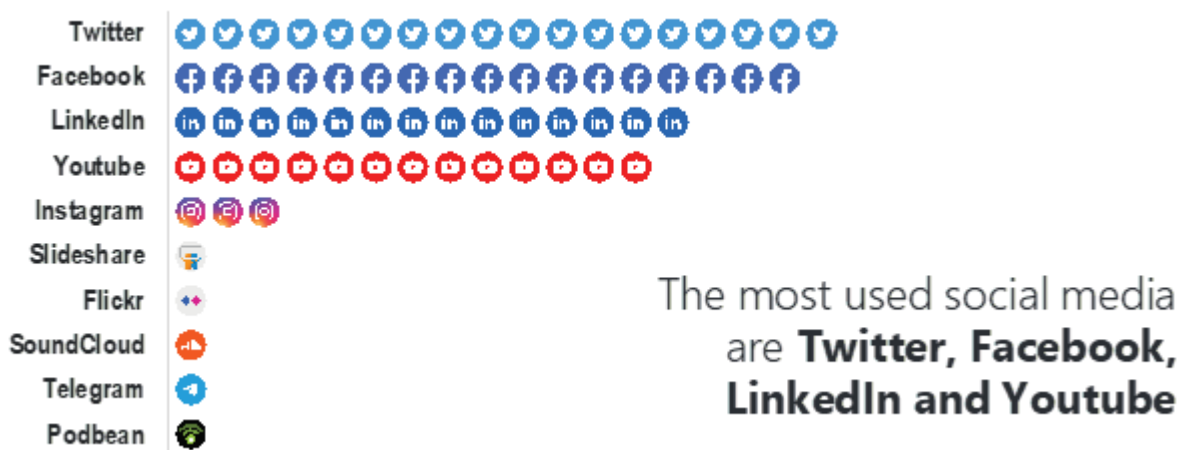
- SAI blog²¹⁴
- Public Administration Hackathon²¹⁵ where about 20 ministries and state institutions provide users with open data
- Tailored website for annual report²¹⁶
- Online broadcasting of SAI's hearings and archived videos.²¹⁷

Around 30% of respondent SAIs have developed a separate social media strategy or internal guidelines on using social media. Social media strategies include objectives, main audiences, main channels, and main messages, while guidelines comprise the best practices regarding planning social media posts, scheduling, and sharing them, answering audiences' questions, etc.²¹⁸

Some SAIs are in the process of developing a dedicated social media strategy, complementing the overall communication strategy. They follow the general guidelines of the Inter-institutional Online Communication Committee (IOCC) in terms of managing comments and responding to messages on social media platforms.²¹⁹

When it comes to practices, almost all SAIs are active in using social media platforms.

Figure 12. Social media use



Source: SIGMA 2023.

²¹⁴ <https://www.riigikontroll.ee/Suhtedavalikkusega/Riigikontrolliblogi/tabid/310/language/et-EE/Default.aspx>

²¹⁵ <https://www.hackujstat.cz>, www.hackathon.eurosai2021.cz

²¹⁶ <https://vuosikertomus2021.vtv.fi/en/frontpage/>

²¹⁷ <https://www.privesc.eu/arhiva/cauta/curtea%20de%20conturi/>

²¹⁸ SAI Finland.

²¹⁹ For example ECA.

The most used platform of responding SAIs was Twitter (now X), used by 18 SAIs, followed by Facebook (17 SAIs), LinkedIn (14 SAIs) and YouTube (13 SAIs). Many SAIs are active on several different platforms in parallel.

When it comes to monitoring the number of visitors, SAIs usually use Google Analytics, Piwik or Hootsuite.

COVID-19 pandemic restrictions served as an incentive for SAIs to look for alternative approaches for staying in contact with citizens. Many innovative and inspiring approaches were therefore developed and tested.

SAI Austria: Trust – the SAI Podcast

COVID-19 pandemic restrictions served as an incentive for SAIs to look for alternative approaches for staying in contact with the citizens. The SAI Austria for example, launched the podcast series “Trust: The SAI’s Podcast”. Already after the second episode, it ranked first in its category in the Apple podcast charts for the country. Moreover, “Trust” is also listened to across national borders. Downloads have been registered from several European countries and the United States. The fact that the podcast is also relevant for journalists is illustrated by the media coverage in which references are made to the podcast. Since the very first episode, the podcast has been an in-house production and the SAI takes care of the recording, editing, post-production and publication itself. All episodes are also available as transcripts.

- Information on podcast is available under: https://www.rechnungshof.gv.at/rh/home/fragen-medien/Podcast_Trust_/Der_Podcast_aus_dem_Rechnungshof.html
- Transcripts of the podcasts are available under: https://www.rechnungshof.gv.at/rh/home/fragen-medien/Podcast_Trust_/Podcast_Trust_/Podcast_Trust_Die_Transkripte.html
- "Visualisation": https://www.rechnungshof.gv.at/GenticsImageStore/720/auto/prop/rh/home/news/Podcast_Profilfoto_2020.png

Conclusion

While this is not a general practice yet, throughout the European SAI community, some SAIs put considerable efforts into planning their overall communication and especially the communication of their audit reports. Recognising that only publishing a full audit report on a website is not enough to make sure that it gets attention and will be understood, a considerable number of SAIs uses various tools to make these reports accessible and understandable to the general public. Summaries of reports, plain language, and short and concise reports are not the only tools used anymore.

Visual elements of presentation are getting more and more professional and are moving from static to dynamic visualisations. They have become a tool that SAIs are using widely. Many SAIs produce videos or podcasts, going beyond the written word. In addition, they use social media to reach their stakeholders and make sure that their audit results get noticed.

Digital tools and channels are also used increasingly and not only for communicating audit results, but also to produce a more general understanding on public finances.

Overall, it is clear that with their communication plans and practices, SAIs in Europe are proactively turning towards citizens and the general public. However, for most SAIs, the citizen comes in at the end of the communication process, as a receiver of information. Thinking about the audit work from the beginning

with a citizen's perspective is practiced by only a few SAIs. Citizen-centric provision of public services however, is a general trend. It remains to be seen if SAIs will increasingly embrace this perspective and consider that in order to “make a difference in the life of citizens”, these citizens need to be at the centre of SAIs’ attention, not only once an audit report is finished, but before the decision to carry out an audit is even taken.

Annex A. List of references to the requirements in ISSAIs²²⁰ related to co-operation with stakeholders that are mandatory for ‘ISSAI compliant’ SAIs.

ISSAI	Area	Requirement and explanation
ISSAI 100 - FUNDAMENTAL PRINCIPLES OF PUBLIC-SECTOR AUDITING ²²¹		
Art.42	Auditors should consider materiality throughout the audit process.	Materiality considerations affect decisions concerning the nature, timing and extent of audit procedures and the evaluation of audit results. Considerations may include stakeholder concerns, public interest, regulatory requirements and consequences for society.
Art.44	Auditors should establish effective communication throughout the audit process.	If mandated by the national law, the auditor should communicate audit-related matters to the stakeholders other than the audited entity, such as legislative and oversight bodies.
Art.45	Auditors should obtain an understanding of the nature of the entity/ programme to be audited.	Knowledge can be obtained from regular interaction with management, those charged with governance and other relevant stakeholders .
Art.52	Auditors should prepare a report based on the conclusions reached	The audit process involves preparing a report to communicate the results of the audit to stakeholders , others responsible for governance and the general public. The purpose is also to facilitate follow-up and corrective action.
ISSAI 130 CODE OF ETHICS ²²²		
Art.1	Introduction.	Supreme Audit Institutions (SAIs) are held to high expectations and must earn the trust of stakeholders (citizens, legislative, and executive bodies, auditees and others). Therefore, they need to act as model organisations and inspire confidence and credibility.
Art.23	Ethics management and monitoring.	Information gathered from monitoring and control of ethics risks can be used to regularly evaluate, update and improve ethics policies. The SAI may report to relevant stakeholders on these evaluations (for example in its annual performance report).
Art.44	Political neutrality.	Involvement in political activities may impact the ability of the SAI’s leadership or staff to discharge their professional duties impartially. Even where they are

²²⁰ ISSAI 100, 130, 140, 200, 300, 400, 2200-2810, 3000 and 4000.

²²¹ Endorsed in 2001, last modifications made in 2009.

²²² Adopted in 1998; current version endorsed in 2016; last modifications made in 2019.

		allowed to be affiliated with and to participate in such activities, they need to be aware that these situations may lead to professional conflicts. Independence in appearance is as important as independence in fact: participation in public political activities, public expression of political views or candidacy for election to public office may be perceived by stakeholders as having an impact on the SAI's ability to form unbiased judgements.
Art.52	Competence.	Stakeholders' trust in a SAI's judgements, and the credibility of those judgements, rely on work being performed competently. Thus, the SAI must assemble the appropriate competences needed as well as provide support to continuing professional development.
Art.55	Continuing professional development.	Maintaining and developing professional competence is a key way to keep up with technical, professional and business developments, to respond to a changing environment and increased stakeholders' expectations. Examples of fields where the SAI may need to invest time and resources to remain current include information technologies, and evolving public sector management and accounting frameworks.
Art.59	Professional behaviour.	The SAI shall be aware of the standard of professional behaviour expected by its stakeholders , as defined by the laws, regulations and conventions of the society in which they operate, and conduct their business accordingly and in line with their mandate.
Art.65		SAI's staff need to understand the impact of their actions on the SAI's credibility and to consider how their behaviour, both within and outside the working environment, may be perceived by colleagues, family and friends, auditees, the media and others. While expectations of what constitutes acceptable professional behaviour may differ depending on whether one is inside or outside the workplace, staff need to consider stakeholders' expectations along with the SAI's mandate when determining a course of action.
Art.66		The expectations of stakeholders may vary depending on the regulations and conventions of the society in which SAI staff reside. However, common expectations include acting according to ethical values, adhering to the legal and regulatory framework in place, not misusing their position, applying diligence and care in performing their work and acting appropriately when dealing with others.
Art.72-73		The SAI needs to put in place policies to appropriately provide or protect information and apply controls to eliminate or reduce to an acceptable level potential risks to confidentiality infringements. For example, the SAI may establish policies for communication with stakeholders , including the media.

ISSAI 140 – QUALITY CONTROL (QC) FOR SAIs²²³

	QC ELEMENT 6: MONITORING	Where appropriate, SAIs may consider other means of monitoring the quality of their work, which may include, but not be limited to: <...>, stakeholder surveys.
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ISSAI 200 - FINANCIAL AUDIT PRINCIPLES²²⁴

Art.16	Assessing the financial reporting framework.	Financial reporting standards established by organisations that are authorised or recognised to promulgate standards (e.g., IPSAS, IFRS) are presumed to be acceptable for general purpose financial statements prepared by entities, provided the organisations follow an established and transparent process involving deliberation and consideration of the views of a wide range of stakeholders .
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²²³ Endorsed in 2010; last modifications made in 2019.

²²⁴ For financial auditing standards developed by IASSB, see <https://www.iaasb.org/> (ISSAIs 2200-2810).

Art.75	The auditor's responsibilities in relation to other information in documents containing audited financial statements.	'Other information' usually represents a document, or combination of documents, prepared typically on an annual basis by management or those charged with governance in accordance with law, regulation or custom, the purpose of which is to provide stakeholders with information on the entity's operations and the entity's financial results and financial position as set out in the financial statements.
ISSAI 2000 - APPLICATION OF THE FINANCIAL AUDIT STANDARDS²²⁵: includes only institutional stakeholder engagement related requirements.		
ISSAI 300 - PERFORMANCE AUDIT PRINCIPLES		
Art.10	Definition of performance auditing.	Performance auditing seeks to provide new information, analysis or insights and, where appropriate, recommendations for improvement. Performance audits deliver new information, knowledge or value <among others> by making existing information more accessible to various stakeholders .
Art.19	Subject matter and criteria in performance auditing.	The subject matter of a performance audit need not be limited to specific programmes, entities or funds but can include activities (with their outputs, outcomes and impacts) or existing situations (including causes and consequences). Examples might be service delivery by the responsible parties or the effects of government policy and regulations on administration, stakeholders , businesses, citizens and society. The subject matter is determined by the objective and formulated in the audit questions.
Art.29	Communication.	<p>Auditors should maintain effective and proper communication with the audited entities and relevant stakeholders throughout the audit process and define the content, process and recipients of communication for each audit. There are several reasons why planning communication with the audited entities and stakeholders is of particular importance in performance audit.</p> <ul style="list-style-type: none"> • As performance audits are not normally conducted on a regular (e.g. annual) basis on the same audited entities, channels of communication may not already exist. While there may be contacts with the legislature and government bodies, other groups (such as academic and business communities or civil society organisations) may not have been engaged with previously. • Often there are no predefined criteria (such as a financial reporting framework), and thus an intensive exchange of views with the audited entity is necessary. • The need for balanced reports requires an active effort to obtain insight into the points of view of the various stakeholders. <p>Auditors should identify the responsible parties and other key stakeholders and take the initiative in establishing effective two-way communication. With good communication, auditors can improve access to information sources and to data and opinions from the audited entity. Using communication channels to explain the purpose of the performance audit to stakeholders also increases the likelihood that audit recommendations will be implemented. Auditors should therefore seek to maintain good professional relations with all relevant stakeholders, promote a free and frank flow of information in so far as confidentiality requirements permit, and conduct discussions in an atmosphere of mutual respect and understanding for the role and responsibilities of each stakeholder. However, care should be taken to ensure that communication with stakeholders does not compromise the independence and impartiality of the SAI.</p>
Art.37	Designing the audit.	The auditors should seek contact with stakeholders , including scientists or other experts in the field, in order to build up proper knowledge regarding, for instance, good or best practices. The overall aim at the planning stage is to

²²⁵ Approved in 2020.

		decide, by building up knowledge and considering a variety of strategies, how best to conduct the audit
Art.41	Distribution of the report.	Auditors should seek to make their reports widely accessible, in accordance with the mandate of the SAI. Auditors should bear in mind that distributing audit reports widely can promote the credibility of the audit function. Reports should therefore be distributed to the audited entities, the executive and/or the legislature and, where relevant, be made accessible to the general public directly and through the media and to other interested stakeholders .
ISSAI 3000 – PERFORMANCE AUDIT STANDARD ²²⁶		
Art.21-22	Independence and ethics.	The auditor shall comply with the SAI's procedures for independence and ethics. Independence in appearance is the absence of circumstances that would cause a reasonable and informed stakeholder , having knowledge of relevant information, to reasonably doubt the integrity, objectivity or professional scepticism of the auditor, or conclude that they have been compromised.
Art.24		The auditor shall take care to remain independent so that the audit findings and conclusions are impartial and will be seen as such by the intended users. It is also important to consider the positions of relevant stakeholders , and their interests, and to establish open and good communication with them, nevertheless it is essential to guard one's independence.
Art.55-56	Communication.	The auditor shall plan for and maintain effective and proper communication of key aspects of the audit with the audited entity and relevant stakeholders throughout the audit process. Effective communication is important, because establishing good two-way communication with the audited entity and stakeholders can help improve the auditor's access to information and data, and may help the auditor gain better insights into the perspectives of the audited entity and the stakeholders .
Art.59		The auditor shall take care to ensure that communication with stakeholders does not compromise the independence and impartiality of the SAI. It is important for the auditor to maintain good professional relationships with all stakeholders involved in the audit, promote a free and frank flow of information as far as confidentiality requirements permit, and conduct discussions in an atmosphere of mutual respect and understanding of the respective role and responsibilities of each stakeholder . However, these communications must not affect the independence and impartiality of the SAI.
Art.135	Reporting.	The primary audience for performance audit reports is the legislature, executive, government agencies and the citizen. A good performance audit enables the legislature to effectively scrutinise government and agency performance, and influence decision-makers in government and the public service to make changes that lead to better performance outcomes. However, there are also the general public and other stakeholders , such as the private sector and the media who can have an interest, but possibly a different focus, in the outcome of a performance audit.
Art.136, 138	Follow-up.	The SAI shall report to the legislature, if possible, on the conclusions and impacts of all relevant corrective actions. The SAI needs to report on the results of its follow-up actions appropriately in order to provide feedback to the legislature, executive, stakeholders and the public. Reliable information on the implementation status of recommendations, the impact of audits and the relevant corrective actions taken, can help demonstrate the value and benefit of the SAI.

²²⁶ Endorsed in 2001, last modifications made in 2019.

ISSAI 400 – COMPLIANCE AUDIT PRINCIPLES²²⁷: includes no stakeholder engagement related requirements.

ISSAI 4000 – COMPLIANCE AUDIT STANDARD²²⁸

	Introduction.	Professional standards have a dual purpose: to provide a benchmark for public sector auditing and to enhance the stakeholders' confidence in the conclusion(s) in reports.
Art.49	Objectivity and ethics.	The auditor demonstrates objectivity in selecting their audit objectives and identifying the criteria. The auditor needs to ensure that communication with stakeholders does not compromise the objectivity of the SAI.
Art.51		The auditor needs to avoid undue influence from any stakeholders in formulating a balanced report, and maintains their objectivity so that their work and report will be seen as impartial by reasonable and informed third parties.

²²⁷ Endorsed in 2001, last modifications made in 2019.

²²⁸ Endorsed in 2016, last modifications made in 2019.

Annex B: Strategising engagement with stakeholders

List of European SAI's strategic documents dealing with stakeholder engagement (as separate documents or part of overall/corporate strategies)

	Name of SAI	Document	Link
Azerbaijan	Chamber of Accounts	Communication Strategy of the Chamber of Accounts for 2021-2023	No link
Bosnia and Herzegovina	Audit office of the Institutions of Bosnia and Herzegovina	Communication Strategy 2022-2025	http://www.revizija.gov.ba/data/Datoteke/Migrirane%20datoteke/Komunikacijska%20strategija/Communication_Strategy_2022-2025_ENG.pdf
Bulgaria	National Audit Office	Media Policy	https://www.bulnao.government.bg/media/documents/mediina-politika-sp-2020-f.pdf
		Communication policy	https://www.bulnao.government.bg/media/documents/komunikacionna-politika.docx
Estonia	National Audit Office	Strategy of the National Audit Office 2020–2024	https://www.riigikontroll.ee/LinkClick.aspx?fileticket=FwZsGEgkA54=&tabid=140&mid=729&language=en-US&forcedownload=true
Finland	National Audit Office of Finland	Strategy of the National Audit Office of Finland for 2019–2023	https://www.vtv.fi/app/uploads/2018/05/NAOF-Strategy-for-2019-2023.pdf
France	<i>Cour des comptes</i>	JF2025, le projet stratégique des juridictions financières	https://www.ccomptes.fr/fr/actualites/jf2025-le-projet-strategique-des-juridictions-financieres
Georgia	State Audit Office of Georgia	Strategic Development Plan 2018 - 2022	https://www.sao.ge/Uploads/2021/7/SAO-Development-Strategy-2018-2022.pdf -

		Communication strategy 2020 - 2022	(Communication strategy not published)
Ireland	Office of the Comptroller and Auditor General	Engagement strategy	https://www.audit.gov.ie/en/about-us/corporate-information/strategic and related publications/engagement-strategy-2022.pdf
Kosovo*	Kosovo* National Audit Office	Communication strategy 2020 - 2022	https://zka-rks.org/wp-content/uploads/2020/07/2.-Strategjia-per-komunikim-2020-2022-eng.pdf
Latvia	State Audit Office of the Republic of Latvia	State Audit Office's Strategy for 2022–2025	https://www.lrvk.gov.lv/en/about-us/sao-of-latvia/strategy
Moldova	Court of Accounts	Communication strategy 2022-2024	https://www.ccrm.md/ro/strategia-de-comunicare-a-curtii-de-conturi-pentru-perioada-2022-2024-3571_92564.html
Montenegro	State Audit Institution	Communication strategy 2020-2024	http://www.dri.co.me/doc/DRI - Komunikaciona Strategija 2020-2024.pdf
North Macedonia	State Audit Office	Communication Strategy 2020-2023	https://dzt.mk/sites/default/files/2020-09/Komunikaciska_strategija_2020_2023.pdf
Netherlands	Court of Audit	Trust in Accountability Strategy 2021–2025	https://english.rekenkamer.nl/about-the-netherlands-court-of-audit/publications/publications/2021/01/25/trust-in-accountability---strategy-2021-2025
Türkiye	Court of Accounts	Communication Strategy 2019-2023	https://www.sayistay.gov.tr/pages/154-strategic-management?lang=en
ECA	European Court of Auditors	The 2021-25 strategy of the European Court of Auditors	https://www.eca.europa.eu/Lists/ECADocuments/STRATEGY2021-2025/STRATEGY2021-2025_EN.pdf
		Communication strategy	No link, internal policy
Ukraine	Accounting Chamber	Development Strategy of the Accounting Chamber for 2019-2024	rp.gov.ua/upload-files/About/Strategy/Strat2019-2024.pdf