

Report of the 7TH Training Committee Meeting
October 24, 2007, Antalya, Turkey

1. The 7th ECOSAI Training Committee Meeting (TCM) was held in Antalya, Turkey on 24th October, 2007. The meeting was attended by delegates from SAIs of the Republic of Azerbaijan, Iran, Pakistan and Turkey. The Head of the SAI Afghanistan and the representative of the SAI TRNC participated as observers. The Committee deliberated on the following agenda:

- Follow up on the 6th Training Committee Meeting report.
- IDB training course on “Essential skills in Financial Auditing”
- Identification of topics for training courses in 2008, 2009 and 2010.
- Secretariat proposal for capacity building of member SAIs.

2. The Committee reviewed the latest status of implementation of the decisions taken in the 6th ECOSAI Training Committee Meeting and expressed satisfaction over the pace of activities carried out in compliance of the decisions. The minutes of the 11th Governing Board meeting of the ECOSAI recorded in paragraph iv) state:

“In view of the findings of the ECOSAI TNA questionnaire prepared by the SAI Iran, and pending the finalization of the ASOSAI TNA Study, the 6th TCM recommended that the ECOSAI calendar of courses be finalized after the formal release of the ASOSAI TNA Study which will be circulated by the Secretariat among the TCM members. The TCM recommended that the TNA Specialists nominated by the SAIs of Iran, Turkey, and Pakistan and circulated by the Secretariat, will formulate their findings.”

3. The Committee was apprised that in pursuance of the 11 BOG decision, the Secretariat approached the member SAIs to nominate their training specialists and the following specialists were nominated:

- Mr. Faig Najafov, Head of Department on Law and State Service, Chamber of Accounts of the Republic of Azerbaijan
- Mr. Mohammad Saberi, Deputy Public Producer in Auditing Affairs, Supreme Audit Court, Iran.
- Mr. Muhammad Jamil Bhatti, Director General Audit (Works), Lahore (Pakistan)
- Mr. Davut Özkul, Principal Auditor, Turkish Court of Accounts.

4. In 2006, the Secretariat circulated the findings of the ASOSAI TNA among the training specialists. The Specialist from Turkey made the following observations on the

ASOSAI TNA findings which were also circulated among the training specialists of the ECOSAI:

- i) The document related to the ASOSAI TNA study provides only the major findings for the East and central Asian regions. Any TNA needs to take into account the existing functions, systems, processes and outputs of organizations.
- ii) The document is more like an action plan rather than a TNA as it only states four major findings and sets out a strategy for capacity building of SAIs in East and Central Asia without providing enough insight to the findings of the TNA.
- iii) The strategies and action steps for items 1.1, 1.2, 1.3, and 1.4 would necessitate usage of external expertise and collaboration with other institutions and as such would be difficult to be linked with specific training. However, the ECOSAI can facilitate in this area by assisting the member SAIs in planning and organizing their resources to reach specific goals and to evaluate the results. In order to achieve the objective, the SAIs be trained on project preparation and management skills and the projects carried out by them be monitored.
- iv) Specific intervention areas (article 3) and some action steps for item 1.4 require development and delivery of the localized training program. The ECOSAI can support SAIs in the process by training their staff as 'training specialists' according to the IDI training guidelines.
- v) The training topics specified in article 3 overlook financial audit training and focus on highly specialized audit fields. The ECOSAI should carefully evaluate these intervention areas for its members before taking any action.

5. The comments of the Training specialist from the SAI Iran, circulated by the Secretariat, are given below:

- i. The Training Specialist from the SAI Iran endorsed the view of the TNA specialist from the SAI Turkey regarding the fact that the specific intervention areas advised in article 3 needs further development.
- ii. A comprehensive survey should be conducted in order to be able to obtain a list of effective and commonly beneficent training courses.
- iii. All the three members of the TCM should draw separate draft TNA questionnaires including the different phases like identification of the auditing system followed by the SAI, definition of the local training courses needed to be held for each of the audit systems and definition of the percentage of training courses held at local level.

6. The comments from the Training specialist from the SAI Pakistan and recently circulated by the Secretariat include the following:

- I agree with Mr. Davut Ozkul that we have to compile detail information about SAI's functions, systems, processes and results of outputs to have solid base for TNA.
 - The common challenges 1.3 and 1.4 identified require ECOSAI members to develop a core of "Training Specialists" as per IDI practice. This core can bring change in relevant SAI's training methodology and capacity building. Similarly, this core of specialists can be used by all SAI's for sharing their experiences and can act as consultants to SAI's mutually.
 - The suggestion of SAC, Iran for drawing separate draft TNA questionnaires on three different phases mentioned in suggestion can help to develop a proposed calendar of courses. SAI's can later prioritize the training issues as per their indigenous needs.
 - The advice that International Training Programs be based on actual and immediate needs of the SAI will be time and cost effective. IDI, INTOSAI, ASOSAI have developed many courses which can be adopted and replicated with local changes.
7. The Training specialist from the SAI Pakistan suggested the following topics for the ECOSAI Calendar of courses.

- I. *Audit of Good Governance (IT & E – governance)*
- II. *Audit of Government Policy Implementation*
- III. *Audit of Regulatory Body's Performance*
- IV. *Audit of Government Rules and Procedures*
- V. *Audit of Public Debt*
- VI. *Environment Audit*
- VII. *Audit of Privatization*
- VIII. *EDP / I.T auditing*
- IX. *Audit of out sourcing and Consultancy*
- X. *Audit of Energy Sector*
- XI. *Audit of Public Sector Program.*

8. The Committee dilated on the ASOSAI TNA study in the light of the comments and suggestions of the TNA specialists from SAI Iran, Turkey and Pakistan and decided to identify the topics for the future ECOSAI training on the basis of the agreed requirements of the member SAIs.

9. In order to update the Committee about the different training courses held under the auspices of the ECOSAI, the Secretariat informed the participants that till date the following training programs have been organized by the ECOSAI in collaboration with the IDB.

- ✓ Training Course on “Performance Audit” was held from 4th March 2002 to 16th March 2002 at AATI Lahore, Pakistan.
- ✓ Training Course on “Internal Control” was held from in January 18-31, 2003 in Tehran, Iran.
- ✓ Training Course on “Financial System Audit Workshop” was held in Ankara, Turkey from 6-17 October 2003.
- ✓ Training Course on “Audit of Privatizations” was held from 13-24 March 2006 at AATI Lahore, Pakistan.

10. The training course on ‘Essential skills in Financial Auditing’ was planned to be held from 28th October, 2007 to 1st November, 2007 in Tehran, Iran. The SAI Iran took the Committee on board about the details of the said training course. It was informed that response from the member SAIs was very low as only three SAIs nominated their auditors for the said training. The Secretariat informed the meeting that the IDB shall approve funds for the training course by mid-November and it was proposed that the training be rescheduled to be held in the last week of December at the same venue. The Secretariat also informed the TCM members that the ECO Secretariat has also been requested for providing funds to meet the cost of air travel of the ECOSAI trainees. Their reply was awaited. The Committee agreed to the proposal of the SAI Iran and requested all the member SAIs to regularly send their auditors to the training courses organized by the ECOSAI. **The TCM also recommended that where the number of participants for a specific course is less than the desired number, in such cases more participants from other willing member countries may be accepted for the course.**

11. The committee took stock of all the topics for training courses suggested by different members of the Committee and underscored the need for identification and development of such training courses which help equip the personnel of the member SAIs with all the requisite skills and enable them to carry out audits in line with the best international auditing practices. After an in-depth discussion on all the suggested topics for training courses in 2008, 2009 and 2010, the Committee recommended the following training courses for the years mentioned against them:

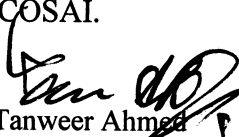
| <u>Training Course</u> | <u>Year of training</u> |
|--|-------------------------|
| ✓ Auditing in information technology environment | 2008 |
| ✓ Essential skills in performance auditing/ Essential skills in compliance auditing | 2009 |

12. The Committee noted that presently the SAIs of Iran, Pakistan and Turkey are playing a lead role in sustaining various training activities of the ECOSAI. The TCM underlined the need for participation of the nominated Training Specialists in the TCM meeting so that the benefits of continuity are realized.

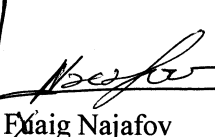
13. The Secretariat proposed that the ECOSAI member SAIs more experienced in any branch of auditing could depute advisors/consultants to other SAIs for specific knowledge sharing assignments. The nature of such assignments may be determined by the SAI needing support. Funding for the salary and international travel of the advisors/consultants may be arranged by the SAI providing their services, whereas office space boarding, lodging, subsistence allowance and transport may be provided by the beneficiary SAI.


14. The Secretariat also proposed that the developed SAIs of the region could consider the possibility of launching a regional Auditing Fellowship Program to be funded for air travel and daily allowance by the participating countries, while program costs may be borne by the host country.

15. The 7th Training Committee Meeting of the ECOSAI recommended the proposals given in paragraphs 10 to 14 above for the approval of the Governing Board of the ECOSAI.


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