

1. The 9<sup>th</sup> Training Committee Meeting (TCM) of ECOSAI was held on October 27, 2009 at Almaty, Kazakhstan. The meeting was attended by delegates from all Governing Board member SAIs (list of participants at Annex 'A'). The Committee deliberated on the following agenda:

- (i) Follow-up on the 8<sup>th</sup> Training Committee Meeting decisions
- (ii) Report on ECOSAI Training Course on Essential Financial Skills
- (iii) IDB Technical Cooperation Program Sponsorship
- (iv) Discussion on Future training Events

2. The Committee reviewed the latest status of implementation of the decisions taken in the 8<sup>th</sup> TCM and generally expressed satisfaction over the pace of activities carried out in compliance of the decisions.

**Agenda Item 1: FOLLOW-UP ON THE DECISIONS OF 13<sup>TH</sup> GOVERNING BOARD AND THE 8<sup>TH</sup> TRAINING COMMITTEE MEETING**

**Training Events**

3. The Secretariat briefed the Committee that in accordance with Paragraph 5 of the Minutes of 13<sup>th</sup> ECOSAI Board Meeting, the SAI Iran had organized a Training Course on *Essential Skills in Financial Auditing* from 18 to 23 October 2008.
4. The Committee was further informed that two SAIs were required to take up the two training events i.e. (i) Examination of Financial Corruption and the role of the SAI (ii) Auditing in Information Technology Environment, recommended by the 8<sup>th</sup> TCM and approved by the 13<sup>th</sup> Governing Board Meeting.
5. The SAI Turkey indicated to organize a Training Course on Environmental Auditing, approved by the 7<sup>th</sup> TCM, in Antalya Turkey from 5-16 April 2010.
6. The SAI Kyrgyz Republic indicated the possibility of hosting a Training Course in 2011, either on one of the two topics mentioned on paragraph 4 above or on another topic to be communicated to the Secretariat later. It was agreed that in case SAI Kyrgyz

Republic decided to organize the training event on a new topic, the approval of the Governing Board would be solicited through circulation of a note by the Secretariat.

7. The SAI Kazakhstan agreed to host a Training Event in 2011 on one of the two topics mentioned at paragraph 4. It was agreed that the SAI Kazakhstan would choose the topic of the training event after SAI Kyrgyz Republic had made the decision about the topic of training event (ref: para 6). The proposals at paragraph 5, 6, and 7 are summarized as under:

- Training Course on Environmental Auditing, to be organized by SAI Turkey in April 2010
- Training Course (topic to be decided) to be organized by SAI Kyrgyz Republic in 2011
- Training Course (topic to be decided after SAI Kyrgyz Republic chooses a topic for the training event) to be organized by SAI Kazakhstan in 2011

8. The meeting recommended requesting member SAIs for expediting response on recommendations of the 7<sup>th</sup> TCM that 'The ECOSAI member SAIs more experienced in any branch of auditing could depute advisors / consultants to other SAIs for specific knowledge sharing assignment'. The Secretariat clarified that a SAI was the best judge of its professional strengths. It was recommended that a standard format for resume of experts be provided to all member SAIs for provision of information on their experts. The meeting agreed that the Secretariat would collect and compile the information so that the activity could be started in 2010.

9. The TCM also recommended for expediting response from member SAIs on the issue of considering the possibility of launching a regional auditing fellowship program as decided by the 13<sup>th</sup> Governing Board meeting. The meeting recommended that the Secretariat would request member SAIs for indicating their areas of interest by early December 2009 so that the proposed activity could be started in 2010.

10. The TCM recommended, in line with the decision of the 13<sup>th</sup> Governing Board Meeting, that a database of IDI-ASOSAI certified Trainers, with bi-lingual skills, in ECOSAI member countries be prepared on priority so that the language barriers in training activities are effectively addressed. The meeting recommended that the member SAIs, who had not conveyed the names of their certified trainers to the Secretariat, may be requested to provide this information on priority. It was agreed that the Secretariat would compile and circulate the information so that the services of Bi-

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lingual ASOSAI-IDI qualified trainers may be utilized for ECOSAI Training events as and when required.

11. The TCM appreciated that the SAI Iran had used the services of interpreters and employed the technology of simultaneous translation in organizing the training course on 'Essential Financial Skills' in 2008. The TCM recommended that this practice should continue in all future training events to be organized by the ECOSAI

**Agenda Item ii: Report on the IDB Assisted Training Course on "Essential Skills in Financial Auditing" held in Iran**

12. The Secretariat briefed the TCM on issue of blockade of funds, for Training Course on *Essential Skills in Financial Auditing* held in Iran from 18 to 23 October 2008, amounting to US \$ 18, 000 by OFAC, Department of Treasury USA owing to sanctions against Iran. The TCM was informed about the efforts of ECOSAI Secretariat for the release of the funds. The TCM was further informed that the Government of Pakistan would like to consider other options if the efforts of the Secretariat for seeking release of funds did not succeed. The TCM appreciated the role of Secretariat in this regard.

**Agenda Item iii: Technical Cooperation Program (TCP) Sponsorship (Among IDB Member Countries)**

13. In order to familiarize the members of TCM about the funds available under the Technical Cooperation Program (TCP) of the Islamic Development Bank (IDB), for ECOSAI training events, the Secretariat briefed the participants on the items for which IDB funds are available. It was pointed out to participants that IDB only covers the international travel cost, boarding/lodging of one participant from each ECO/IDB member SAI and part of administrative expenses. The SAI Kazakhstan maintained that the funding (travel, boarding, lodging) of one delegate from each member SAI by the IDB was not sufficient and the Bank may be pursued to provide funding for at least two participants.

14. On the proposal of the SAI Kazakhstan, the TCM recommended that the budget estimates for future ECOSAI training events be prepared in a fairly detailed manner so that each and every item of expenditure was accurately identified and reasonably estimated. Further, there should be clarity on what items of expenditure the IDB would

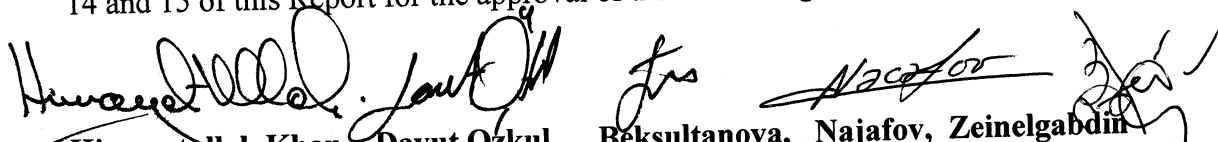
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fund and what the host SAI would fund. The SAI Turkey volunteered to provide a template for preparation of budget estimates for training events

#### Agenda Item iv: Future Training Event

15. The members of TCM agreed that until and unless the training courses already identified are organized there is no need for exploring new topics.

#### Recommendations of TCM

16. The 9<sup>th</sup> TCM recommended the proposals appearing at paragraphs 5, 6, 7, 8, 9, 10, 11, 14 and 15 of this Report for the approval of the Governing Board of the ECOSAI.

  
**Himayatullah Khan,** **Davut Ozkul,** **Beksultanova,** **Najafov, Zeinelgabdin**  
SAI Pakistan, SAI Turkey, SAI Kyrgyz Republic, SAI Azerbaijan, SAI Kazakhstan

**LIST OF THE TRAINING COMMITTEE PARTICIPANTS**

14 Economic Cooperation Organization of the Supreme Audit Institutions (ECOSAI)

**Accounts Chamber of Azerbaijan**

1. Mr. Nadzhafov – Head of the Department

**Accounts Court of Turkey**

1. Mr. Daut Ozkul – Chief Auditor

**Accounts Chamber of Kyrgyzstan**

1. Ms. Beksultanova – Specialist on International Relations

**Office of Auditor General of Pakistan**

1. Mr. Himaytullah Khan – General Director on International and Coordination
2. Mr. Sheraz Haider – Director of International Relations and Coordination

**Accounts Committee for Control of Execution of the Republican Budget**

1. Mr. Zeinelgabdin – Member of the Accounts Committee
2. Mr. Doszhanov – Chairman of the Methodology and Foreign Relations

## Agenda Item VI

SAI Pakistan has published the 9<sup>th</sup> issue of the ECOSAI circular and the Secretariat has distributed it among the member SAIs.

The Circular contains information about different happenings and events in different member SAIs. Some have been provided by the SAIs specifically for the Circular, while the others have been collected from different e-mails and news sources. These were later developed by our editors. The Circular also contains three research articles. One has been contributed by SAI – Afghanistan and deals with “Control & Audit Office”. The two articles from SAI – Pakistan “Sustainability in A Modern Audit Office” and “Exploring A Framework for Outsourcing Audit Assignments”. I hope these will be found useful and informative by the readers.

The last section of the ECOSAI Circular is about Training Activity Reports. These were contributed by SAI - Kyrgyz Republic and Turkey. These highlight the capacity building activities being undertaken by the SAIs. They are both of national and international nature.

I would urge the entire member SAIs to regularly contribute to the circular which will help the Secretariat to improve its professional quality.

**REPORT ON THE ISLAMIC DEVELOPMENT FUNDED ECOSAI TRAINING SEMINAR ON ‘THE ESSENTIAL SKILLS IN FINANCIAL AUDITING’**

1. The ECOSAI sponsored a Training Course on *Essential Skills in Financial Auditing* held in Iran from 18 to 23 October 2008. The Islamic Development Bank (IDB) provided US\$ 18,000 for financing the event. The subject funds were meant for financing the travel and boarding/lodging expenses and the per diem cost to the participants of training course. The IDB transferred funds to the Bank Account of the ECOSAI Secretariat on October 15, 2008. On October 22, 2008, the ECOSAI Secretariat advised the National Bank of Pakistan for transferring the amount of US \$ 18,000 to the Bank Account # 2170438001004, maintained at Bank Meli, Hessabhaye Dowlati BR. Ferdowsi Street Tehran, Iran, of the Supreme Audit Court of Iran.

2. In November 2008, this office learnt from the National Bank of Pakistan, that the subject funds had been blocked ‘based on the fact that a blocked entity Bank Meli, Tehran was involved in the transaction’. Accordingly, this office requested the Office of Foreign Assets Control (OFAC), Department of Treasury USA for release of funds to the origin. This office also copied the Economic Minister, Embassy of Pakistan, Economic Division Washington D.C. USA, on correspondence with the OFAC, Department of Treasury, USA on the issue. The OFAC processed our request and regretted to release the funds as this would be inconsistent with OFAC policy. An appeal made by this office for refund of the said funds to our account was also denied subsequently. The Secretariat took up the matter with the Government of Pakistan for intervention. The Government has advised the Secretariat to take up the matter afresh with the OFAC with support from the IDB.

I assure you that the ECOSAI Secretariat is making its best efforts for the release of the funds.