

**MINUTES OF THE 16<sup>th</sup> MEETING OF THE INTOSAI  
STANDING COMMITTEE ON IT AUDIT  
Muscat, Oman (5-7 March, 2007)**

The 16<sup>th</sup> meeting of the INTOSAI Standing Committee on IT Audit was held in Muscat, Oman from 5 to 7 March, 2007. The meeting was presided over by Mr. Vijayendra N. Kaul, Comptroller & Auditor General of India and Chairman of the Committee. The following delegates attended the meeting:

<i>SAIs</i>	<i>DELEGATES</i>
<b>Bhutan</b>	<b>Dasho Ugen Chewang</b>
<b>Bhutan</b>	<b>Kesang Wangdi</b>
<b>Brazil</b>	<b>Walton Rodrigues</b>
<b>Brazil</b>	<b>Claudia Dias</b>
<b>Canada</b>	<b>Richard Brisebois</b>
<b>Canada</b>	<b>Gregory W. Boyd</b>
<b>China</b>	<b>Wang Zhiyu</b>
<b>China</b>	<b>Yang Li</b>
<b>China</b>	<b>Chang Shutao</b>
<b>Colombia</b>	<b>Julio Cesar Turbay Quintero</b>
<b>Colombia</b>	<b>Paola Jimenez</b>
<b>Colombia</b>	<b>Oliverio Orjuela Aguilar</b>
<b>India</b>	<b>Vijayendra N. Kaul</b>
<b>India</b>	<b>K.P.Lakshmana Rao</b>
<b>India</b>	<b>Jayant Sinha</b>
<b>India</b>	<b>Ashutosh Sharma</b>
<b>Japan</b>	<b>Ryoichi Doi</b>
<b>Japan</b>	<b>Takashi Aoyagi</b>
<b>Japan</b>	<b>Shinichiro Asakawa</b>
<b>Japan</b>	<b>Hiroko Araki</b>
<b>Kuwait</b>	<b>Osama Alfaris</b>
<b>Kuwait</b>	<b>Nouda Al-Otaibi</b>
<b>Lithuania</b>	<b>Irmantas</b>
<b>Netherlands</b>	<b>Thomas Wijsman</b>
<b>Netherlands</b>	<b>Fon Linders</b>
<b>Norway</b>	<b>Thor Kristian Svendsen</b>
<b>Norway</b>	<b>Erna Jorgensen Lea</b>
<b>Oman</b>	<b>Nasser Al Rawahy</b>
<b>Oman</b>	<b>Mohammed Al Shihi</b>
<b>Oman</b>	<b>Abdul Rahman Al Harthy</b>

<b>Oman</b>	<b>Saeed Al Mawaly</b>
<b>Oman</b>	<b>Fakhriya AL Zidjali</b>
<b>Oman</b>	<b>Talal Al Harassi</b>
<b>Pakistan</b>	<b>Talat Imtiaz</b>
<b>Poland</b>	<b>Stanishlaw Jarosz</b>
<b>Poland</b>	<b>Slawomir Grzelak</b>
<b>Qatar</b>	<b>Mohammad Al Qayed</b>
<b>Qatar</b>	<b>Badriya Al Kahnji</b>
<b>Russian Federation</b>	<b>Piskunov Alexander</b>
<b>Russian Federation</b>	<b>Petrenko Alla</b>
<b>Russian Federation</b>	<b>Irina V. Yakusheva</b>
<b>Sweden</b>	<b>Bjorn Undal</b>
<b>United Kingdom</b>	<b>Steve Doughty</b>
<b>USA</b>	<b>Madhav Panwar</b>
<b>Zimbabwe</b>	<b>P. Moyo</b>
<b>Zimbabwe</b>	<b>Josephone Mukomba</b>

*Else Karin Kristensen, Mohammed Mossa, Abdel Hakim Ben Lazreg and. Pritom Phookun of INTOSAI Development Initiative attended the meeting as observers.*

At the outset Mr. Abdullah bin Hamad bin Saif Al-Busaidy, the President of the Supreme Audit Institution of Oman welcomed all delegates to Oman. Mr. V. N. Kaul, C&AG of India and Chairman of the committee expressed his gratitude to Mr. Bussaidy for hosting the meeting.

The committee started its deliberations by taking inputs from the 5<sup>th</sup> Working seminar on Performance audit hosted at Muscat Oman from 3<sup>rd</sup> to 4<sup>th</sup> March 2007.

**1. INPUTS FROM THE 5<sup>th</sup> WORKING SEMINAR ON PERFORMANCE AUDIT:**

SAI USA, the lead coordinator for the seminar summarized the deliberations of the 5<sup>th</sup> Performance Audit Seminar which was conducted from 3<sup>rd</sup> to 4<sup>th</sup> March 2007 on the topic ‘E Governance’ and thanked the other members of the editorial board comprising SAIs of Brazil, Canada, India and Netherlands. It informed the committee that the seminar was attended by 75 delegates from 28 countries and the key issues raised during the seminar covered causes of failure of IT Projects, use of external consultants & lack of IT security leading to loss of citizen’s personal and financial data. SAI USA also informed the committee that it would bring out a separate publication on the seminar to be hosted on the website of the committee.

2. **Into IT**

SAI UK apprised the members about the growing popularity of the journal. It also informed the committee that for the 26<sup>th</sup> edition on “IT Governance” the work will start in September and would include the seminar product as an input into the journal. SAI-UK also appealed to members to contribute a yearly brief on the IT Audit related activities, to the journal, in their respective SAIs

3. **REPORT ON COMMITTEE WEBSITE:**

SAI UK informed the members that in view of the increasing popularity of the website it is aimed to update it every two weeks. It also invited members to make suggestions for further improvements and requested for addition of new material to the website to make it more useful.

4. **REFERENCE LIST OF MATERIAL ON PERFORMANCE AUDIT**

SAI UK informed the members that though it was agreed that each SAI would send periodical updates on performance audit reference material, it has received very little by way of contribution or updates from committee members. It urged all committee members to review existing material and send updates and new items for inclusion. The chair also requested the members to contribute more material on this subject to SAI UK.

5. **INTOSAI IT AUDIT COURSEWARE**

SAI India informed the committee that the courseware has been updated by SAI India and presented a detailed report on this item. It also informed the members that the courseware would be sent to SAI UK for hosting on the committee website for wider dissemination amongst members and other interested entities. The chair suggested to the members the possibility of translating it into major UN Languages. The committee was informed that SAIs of China and Kuwait have already done work on translating the earlier version into Chinese and Arabic respectively. SAI Brazil also informed the members that it has translated the material into Portuguese and would review the updates for further translation. The committee also requested SAI Russia to consider translating the courseware module by module. The committee members thanked SAI India for the resource intensive work of updating the courseware.

**6. COOPERATION WITH IDI**

- 6.1** IDI made a presentation on the alpha version of the e-course on auditing IT Controls. It informed the committee that the final version of the module in both forms, Web based and Computer Based would be available from end march /early April 2007 which would be User-id controlled to track the progress of the learner. IDI thanked SAIs of USA and India for their active participation in the development of the course.
- 6.2** The chair and committee members congratulated IDI for successful completion of the project and expressed a hope that this e-learning course would go a long way in training IT Auditors.
- 6.3** IDI also apprised the members about its IDI-ARABOSAI programme on IT auditing whereby IT Audit champions are being created in participating countries and pilot audit have already been undertaken. The Chair thanked IDI for sharing this information with the committee.

**7. PROJECT ON AUDITING E GOVERNMENT:**

SAI India, the project leader, informed the committee that the project has been completed and presented the final report. For future course of action SAI India suggested taking up a project on creating a framework for performance auditing of e governance initiative. SAIs of USA, Canada, Brazil, UK, Norway and Oman agreed to join in on the project with India. The participating members proposed that this project may be taken up in integration with the ongoing project on 'Elaborate on E Government risks' being led by SAI USA.

**8. MEASURES TAKEN TO COUNTER FRAUD IN IT ENVIRONMENT**

SAI-Netherlands, the project leader, informed that SAIs of Pakistan and China are collaborating on the project. SAIs of Oman, Poland, and Zimbabwe agreed to join SAI Netherlands in scoping and preparation of guidelines for the project. SAI Netherlands informed that the guidelines would be submitted at the next ISCITA meeting in Tokyo, Japan.

**9. AUDIT OF CROSS ORGANIZATIONAL COUNTRY SYSTEMS**

SAI Netherlands, the project leader, proposed to drop the project which was accepted by the committee.

**10. IT GOVERNANCE**

SAI Canada, the project leader, presented the scoping report by the task force on 'IT Governance' and informed the committee about the future course of action as per the following tasks:

- Integrate and present the material collected from various SAIs at the 5<sup>th</sup> performance auditing seminar: to be led by USA, assisted by Brazil and UK (to be completed by 2008).
- Collection of reference material on IT Governance: to be led by Netherlands - assisted by Lithuania, Japan and India (to be completed by 2008).
- Collection of various SAIs work on IT Governance: to be led by Norway - assisted by USA, Russia and Bhutan (to be completed by 2008).
- Produce interim progress report for task force: to be led by Canada, due date- 2008 ISCITA meeting.
- The final report of the Task force would be completed by 2009.
- For future activities the task force decided on developing training material on IT Governance and adapting private sector IT Governance material for public sector use. The project leader is to be decided later and all these tasks are scheduled for completion by 2009.

**11. IT TOOLS FOR ELECTRONIC WORK PAPER:**

SAI Poland, the project leader, informed the members about the progress made on this project and requested members to join in to give inputs for the English language version. SAI of Pakistan expressed its willingness to join the project while SAI of China decided to withdraw from the project. SAI Columbia expressed interest in the project but informed the committee that it would take a decision later on about joining the project.

**12. ELABORATE ON E GOVERNANCE RISK:**

SAI USA, the project leader, informed the committee that this project, which as members has SAIs of Brazil, Canada, Norway, India, Oman, Poland and Sweden could not be started yet but assured the members that the work on it will start soon and that it would be done in integration with the project on 'Creating a framework for performance auditing of e-governance projects'.

**13. SAP IN PUBLIC ADMINISTRATION**

SAI Netherlands, the project leader, made a presentation on the project and expressed the intention to share information and experience on the topics with other members which would be helpful in better scoping of the project; the scoping paper would be presented at the next meeting in Tokyo. SAI Netherlands informed that the project, which as members has SAIs of Austria, Qatar and Russia, is scheduled to finish by 2009.

**14. AUDITING APPLICATION/SOFTWARE DEVELOPMENT**

SAI China the project leader informed that the members of the project, SAIs of Bhutan, Kuwait and Pakistan, are meeting in Beijing in September 2007 to discuss the framework and divide the tasks among team members. SAI China would present an interim report in May 2008 and the draft guidelines to the chair in August 2008 for uploading on to the committee website.

**15. REPORT FOR INCOSAI 2007**

The chair apprised the members about the points to be included in the report to the INCOSAI 2007. The committee agreed to the points to be included in the report. The chair informed the committee that the final report would be circulated to all the members before INCOSAI 2007.

**16. PROGRAMME FOR THE 17<sup>TH</sup> MEETING OF THE COMMITTEE:**

SAI Japan informed the members about the preparation of the 17<sup>th</sup> meeting of the committee to be held in May 2008 in Tokyo. It also informed that full details about the venue, dates and other arrangement would be communicated later to all the members.

**17. COUNTRY PAPER PRESENTATIONS:**

**17.1 SAI, Brazil: E-Gov. audit**

SAI, Brazil made a detailed presentation on audit of E-Government in Brazil and apprised the members about its experience in the field especially in the system development phases of such projects.

**17.2 SAI, Colombia: Incorporation of IT in the process of Governmental Auditing**

SAI, Colombia made a detailed presentation on the topic and apprised the members about SAI, Colombia's experience about the use of automation & Information Technology in the process of Government auditing & its enabling effect & challenges.

**17.3 SAI, China: Measures taken to counter fraud in IT Environment**

SAI, China made a detailed presentation on the topic and apprised the members about the role of auditors & elaborated on the issues influencing the methodology to counter fraud in an IT enabled environment.

The committee placed on record its appreciation for the presentations made by Brazil, Columbia and China and expressed thanks for sharing their experience with committee members.

**18. INVITING SAIs FOR ISCITA MEMBERSHIP;**

SAI Sweden mooted a proposal for inviting more SAIs to join the committee as members. The chair informed the committee that other SAIs are welcome to join the committee and willing members SAIs can get in touch with other SAIs to approach the chair in this regard.

**19. VENUE FOR THE 17<sup>TH</sup> MEETING OF ISCITA**

Proposals were invited from members for hosting the 18<sup>th</sup> meeting of the committee in 2009. SAI Qatar proposed hosting of the 18<sup>th</sup> meeting of the committee in 2009. The committee agreed to the proposal of SAI Qatar and thanked it.

**20. ANY OTHER ITEM WITH PERMISSION OF THE CHAIR**

**20.1** The chair of the committee Mr. V. N. Kaul informed the members that he would be demitting the office of head of SAI India in January 2008 and expressed thanks to all the members of the committee for the exemplary spirit of cooperation and conveyed his good wishes to the committee members to carry on the good work.

**20.2** SAI UK, on behalf of the committee, thanked the chair Mr. V. N. Kaul for successfully guiding and steering the committee for the last 6 years and making it one of the most dynamic , participative and active committees in INTOSAI.

**22. CLOSING REMARKS**

The Chairman summarized the major decisions taken in the meeting and thanked all members of the Committee for their active participation & contribution to the meeting. He also thanked Mr. Abdullah bin Hamad bin Saif Al-Busaidy, Chairman, State Audit Institution and his officials for their efforts in organizing and hosting this meeting and declared the meeting closed.