

PEER REVIEWS or “Who audits the auditor?”

What is a peer review?

A peer review can be described as a review of one SAI by one or several partner SAIs to ensure that the reviewed SAI complies with applicable professional standards and national regulations and rules governing audit work.

SAIs volunteer to conduct or undergo such a review exercise; no SAI is obliged to do so. The SAIs are free to decide on contents and procedure. The framework conditions are usually agreed in a Memorandum of Understanding (MoU). Peer reviews may cover the audit work and/or organisational functions of the SAI in general, or be limited to one activity of the SAI. For example, a peer review exercise may be limited to one audit area or to individual functions. SAIs decide themselves on the conduct of the peer review as well as on the use of the findings generated. The reviewing SAI should pay due regard to the respective national context when making recommendations.

Why do SAIs carry out peer reviews?

There are various reasons to take part in a peer review: Some SAIs wish to improve their procedures and their results, others may wish to give ample proof of the high standards governing their work, others may volunteer to have a peer

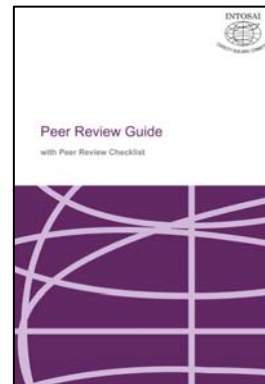
review performed by an external party in response to some criticism stated. Last but not least, auditors and SAIs benefit from conducting audits in different environments and organisations, enhancing their capacities and know-how and providing an answer to the question of “Who audits the auditor?”.

Which support is available?

INTOSAI Peer Review Guide and Checklist

In order to support SAIs, INTOSAI Sub-Committee 3 prepared a Peer Review Guide and Checklist. In 2010, the XX INCOSAI adopted these instruments as ISSAI 5600.

The Guide's purpose is to provide help SAIs to successfully complete all stages of the peer review process. It is designed to highlight the principles and differing options that present themselves when SAIs conduct a peer review and places emphasis on the contents of the MoU. Good practice examples are included from former SAI peer reviews. The Guide is supplemented by



a Checklist with suggestions on the potential contents and subject matters of peer reviews. Depending on the scope of the review, the team of reviewers may rely on the checklist as guidance. The Peer Review Guide is a living document that reflects the latest developments and progress made in the field of peer reviews. Therefore the Guide includes a concise survey with an invitation to all INTOSAI members to share ideas and suggestions. The Sub-Committee will use the feedback to revise the Guide and the Checklist accordingly.

The Guide is available in Arabic, English, French, German and Spanish on the website of the INTOSAI Capacity Building Committee (<http://cbc.courdescomptes.ma/index.php?id=20>).

Peer Review Documentation on the website of the INTOSAI Capacity Building Committee

In addition to that, a documentation of peer review papers is available on the website of the INTOSAI Capacity Building Committee (<http://cbc.courdescomptes.ma/index.php?id=20>). It might serve as good practice examples and help SAIs that wish to conduct a peer review. The documentation comprises both peer review reports and the relevant MoU.