



Session 4: IAAD Code of Ethics and promoting ethics through new initiatives

Workshop on Ethics and Values in Governance



Session Overview

INTOSAI Code of Ethics- ISSAI 30

**Core values and principles in
IAAD Code of ethics**

New initiatives in IAAD



Learning Objective

- By the end of the Session participants will be able to understand the core values and principles of the IAAD Code of Ethics and share experience on new initiatives which promoted ethics in the IAAD.



INTOSAI Code of Ethics and IAAD Code of Ethics



What is Code of Ethics?



The ISSAI Framework

- Level 1 -Founding Principles
- **Level 2 – Prerequisites for the Functioning of SAIs**
- Level 3 – Fundamental Auditing Principles
- Level 4 – Auditing Guidelines



Level 2 – Prerequisites for the Functioning of SAIs

- ISSAI 10 – Mexico Declaration on SAI independence
- ISSAI 11 – Guidelines and Good Practices related to SAI Independence
- **ISSAI 20 – Principles of transparency and accountability**
- ISSAI 21 – Principles of transparency and accountability – Principles and Good Practices
- **ISSAI 30 – Code of Ethics**
- **ISSAI 40 – Quality Control for SAIs**



ISSAI 20 – Principles of Transparency and Accountability

One of the nine Principles of ISSAI 20:

- *SAls apply a high standard of integrity and ethics for staff at all levels*



ISSAI 40 – Quality Control for SAIs

One of the six elements of SAI Quality Control Framework as per ISSAI 40:

- ***Relevant ethical requirements***



ISSAI 30: Code of Ethics

Comprehensive statement of values and principles which would guide the daily work of auditors.



ISSAI 30: INTOSAI Code of Ethics

- The Lima Declaration of Guidelines on Auditing Precepts is the foundation of the Code of Ethics
- Code not to be interpreted as having any impact on the organisational structure of the SAI.
- Responsibility of each SAI to develop its own Code of Ethics which best fits its environment using the INTOSAI Code of Ethics as the foundation.



ISSAI 30: SAI Image

- TRUST
- CONFIDENCE
- CREDIBILITY



ISSAI 30: Ethical requirements

- Integrity
- Independence,
- Objectivity and Impartiality including political neutrality
- Avoid Conflict of interest
- Professional Secrecy
- Competence including professional development



Code of Ethics in the IAAD



Code of Ethics for IAAD -2012

Values and principles contained in the CCS Conduct Rules

Broad principles contained in ISSAI 30

General ethical requirements prescribed for civil servants in India

Particular requirements of auditors including professional obligations



Code of Ethics for IAAD -2012

Directed at individual auditor, head of SAI, Executive officers and all individuals working for or on behalf of the SAI in auditing and accounting work

Adoption and application of Code of ethics in public sector promotes trust, confidence and credibility in the auditors and their work

TRUST-SAI's conduct and approach to be above suspicion and reproach and worthy of respect and trust

CONFIDENCE- Stakeholders to be fully assured of the fairness and impartiality of the SAI in the discharge of its constitutional mandate

Reports and opinions of the SAI to be considered thoroughly accurate and reliable for CREDIBILITY



IAAD code of ethics-Core Values

Integrity

Independence,

Objectivity and Impartiality

Professional Secrecy

Competence



Code of Ethics in the IAAD

Activity 4A

- Refer to ISSAI 30 Checklist in Handout 4.
- Discuss the checklist in groups (with respect to IAAD) and bring out the strong and weak areas of IAAD in terms of the checklist.
- Share in plenary
- Time: 10 + 20 = 30 minutes



ISSAI 30: Checklist

- Has the SAI adopted a Code of Ethics.
- Is the SAI confident that all staff are acquainted with the adopted Code of Ethics and are held accountable for acting accordingly.
- Does the SAI have systems in place to act on breaches of the Code of Ethics.
- Has training on the behaviours and cultures required by the Code of Ethics been provided to all staff within the past year.
- Do SAI staff understand the importance of independence and impartiality, not only in fact, but also in appearance.



ISSAI 30: Checklist

- Are all staff of the SAI maintaining both actual and perceived political neutrality.
- Does the SAI have a system to monitor the receipt of gifts and gratuities.
- Does the SAI have a system to manage any relationships between staff and audited entities.
- Have staff been trained on the importance of protecting the confidentiality of information obtained in the auditing process.
- Do SAI staff have a good understanding of the legal, constitutional, legal and institutional principles and standards governing the operations of all audited entities.
- Are all SAI staff meeting the continuous obligation to update and improve the skills required to discharge their professional responsibilities.



Promoting ethics through new initiatives

- Presentation on new initiatives in GPF and Pension
- Experience sharing by participants



Summary

- INTOSAI Code of Ethics
 - ISSAI 30
- Code of Ethics in IAAD
- New initiatives promoting ethics in the IAAD



Thank you