



## Covid-19 pandemic – resources to live and work well during the crisis

### AFROSAI-E Research Paper on SAI resilience in addressing the auditor expectation gap during disaster periods: The case of sub-Saharan SAIs during the Covid-19 pandemic

Over the course of the last two months, we conducted a research project to determine the resilience of SAIs in sub-Saharan Africa to meet stakeholder expectations in the wake of the Covid-19 pandemic.

We collected the data through questionnaires and interviews with respondents from sub-Saharan SAIs as well as SAIs from other regions to gain further insights. We also did unstructured interview with Mr Kimi Makwetu, the Auditor General of South Africa and included the results in the research ([click here to watch the full interview](#)). Based on our analysis of the data, these are the main conclusions and recommendations:

**Main Research Conclusion:** There is a growing audit expectation gap for SAIs to give assurance on public finances and activities during this Covid-19 pandemic from various stakeholders. Due to various reasons, both internal and external, sub-Saharan SAIs have struggled to meet their statutory mandates and meet reasonable stakeholder expectations during this period.

#### Conclusions on audits performed

**Conclusion:** Although sub-Saharan Africa is prone to natural and other disasters, most SAIs have not done any disaster preparedness audits on their governments in the last seven years. Disasters can happen at any time with little or no warning. Right now, in addition to Covid-19, the east African region is experiencing floods around Lake Victoria and the worst outbreak of locusts in 70 years. While the evidence shows that SAIs understand the concept of disaster related audits, the concept of “disaster preparedness audits” is clearly still an unfamiliar subject matter for SAIs to audit.

From an external perspective, many SAIs were and still are affected by nation-wide lockdowns during the Covid-19 crisis. As a result, they have not been able to conduct audits during this period as most governments did not name the SAI as an essential service. From an internal perspective, due to their low levels of resilience to disaster situations, some SAIs are finding it difficult to be flexible and adapt their annual audit plans and strategies to accommodate disaster period events.

**Recommendation:** Even though we are currently in a disaster situation, SAIs should perform and continue to perform disaster preparedness audits on their governments. There is also an opportunity for SAIs to perform “real time” audits during the pandemic to meet the widening audit expectation gap on Covid-19.

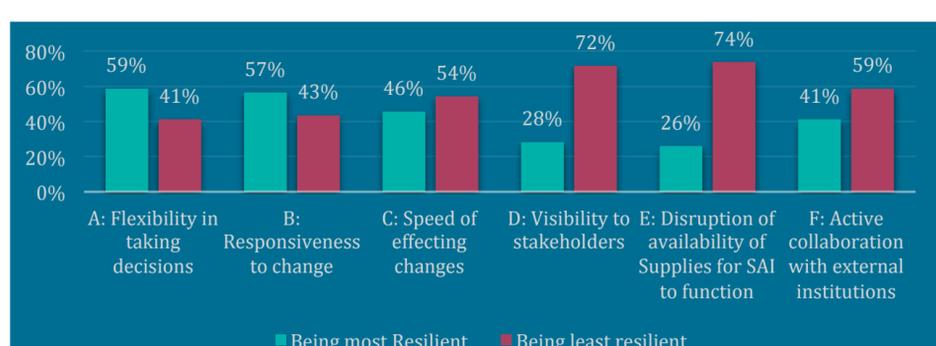
**Conclusion:** Most SAIs plans to perform several post-COVID-19 related audits. There is however little planned in relation to information systems audits after the pandemic. The audit expectation gap on the nature and timing of these “post-pandemic” audits with several external stakeholders is seemingly negligible. The main concern is that it is not yet possible to know when the pandemic will end.

**Recommendation:** SAIs should perform disaster related audits throughout the three cycles of this Covid-19 pandemic (current, post and pre-the next unknown disaster). During the current period, SAIs should perform more real-time audits as compared to year-end audits. In the consideration of both post and current COVID-19 related audits, we encourage SAIs to plan to perform more information systems audits, over and above financial, compliance and performance audits.

*AFROSAI-E together with GiZ, plans to develop available a pocket guide on audit strategies to approach disaster related audits at SAI and at engagement level.*

#### Conclusions on SAI resilience

**Conclusion:** To date, using six factors of resilience in the review, SAIs have shown that they have generally not been resilient during the COVID-19 disaster situation. While most SAIs have taken swift and flexible actions in response to Covid-19, few have managed to carry out their audit mandate during the disaster period. The biggest area of concern related to SAI resilience during the pandemic, is their visibility to stakeholders.



**Recommendation:** SAIs need to invest more in their disaster preparedness and awareness to increase their level of resilience to disaster situations. This includes subjecting SAIs to disaster preparedness audits as institutions. Stakeholder expectations on SAIs are especially high during disaster periods and it is therefore critical that SAIs have plans in place to be visible to their stakeholders, making a positive contribution during the disaster.

**Conclusion:** During the Covid-19 pandemic, SAIs quickly put measures in to help their staff work from home. The analysis showed that SAI staff had the necessary equipment and human resource support to work from home. However, most SAI employees had no remote access to government information systems, to allow them to perform audits on their public financial management system.

**Recommendation:** SAIs should close information access vulnerability gaps by developing and implementation information systems policies and technical solutions. SAIs should have policies which guide remote working such as Bring Your Own Device (BYOD), security and access to office networks.

**Recommendation:** Governments need to ensure they have resilient systems that can ensure service delivery continues uninterrupted during a disaster. Auditors should ensure they are able to access these information systems remotely within the established SAIs secure means. SAIs should have adequate means, like virtual private networks (VPNs), to have remote secure connectivity to systems. Auditors need to have audit or view-only access to the key government information systems to carry out their audits and do continuous monitoring.