ISSAI 130

Code of Ethics

INTOSAI

INTOSAI

INTOSAI, 2019

1)   Formerly known as ISSAI 30
2)   First version adopted in 1998
3)   Current version endorsed in 2016
4)   With the establishment of the Intosai Framework of Professional
Pronouncements (IFPP), relabeled as ISSAI 130 with editorial changes in 2019

ISSAI 130 is available in all INTOSAI official languages: Arabic, English, French,
German and Spanish
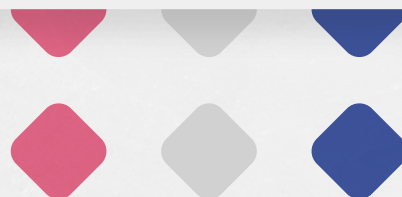
INTRODUCTION

Ethical behaviour is of key importance to the Supreme Audit Institutions in establishing the reputation and trust that they must inspire in their stakeholders. A code of ethics provides SAIs, and the staff working for them, with a set of values and principles on which they can base their behaviour. And since the environment of public sector auditing often differs from that of the private sector, the international community of SAIs needs its own code of ethics, comprising additional guidance on how to embed these values in their daily work and particular situations.

The first Code of Ethics of the International Organisation of Supreme Audit Institutions (INTOSAI) was adopted by the XVI INTOSAI Congress in Montevideo in 1998. In June 2013, at its meeting in Stockholm, the Steering Committee of the INTOSAI Professional Standards Committee decided that an assessment should be made to examine whether the extant Code of Ethics needed a revision to ensure its relevance in the current public sector auditing environment. To that end, input was sought from the whole INTOSAI community through an online survey. As the results showed, the INTOSAI community felt that the Code should be revised so as to make the standard more useful to the Supreme Audit Institutions, and more relevant to current challenges. A large majority of replies indicated that the Code should include provisions for SAIs, more detailed guidance and good practice examples.
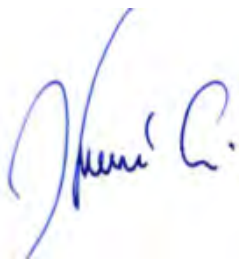
Having gone through the Due Process that sets the principles for the revision of INTOSAI standards, including the exposure period during which all INTOSAI Members, partners and stakeholders had an opportunity to voice their opinions and present suggestions for changes, the Code of Ethics, as it reads in this publication, was unanimously adopted by the XXII INTOSAI Congress in Abu Dhabi in December 2016.

The new INTOSAI Code of Ethics was developed by the Team composed of the representatives of the SAIs of Albania, Chile, Hungary, Indonesia, Kuwait, Mexico,

Namibia, the Netherlands, New Zealand, Poland (Team Leader), Portugal, South Africa, the United Kingdom, the United States and the International Ethics Standards Board for Accountants (IESBA). In my capacity as the leader of the project, I would like to thank them all sincerely. If it were not for their contribution, involvement and dedication, the Code would never be as it is now. It is thanks to their ideas, and respect to the needs of the INTOSAI community, expressed first in the survey and later during the exposure, that we have arrived at the new approach and structure of the Code.

The main difference between the new version of the Code and that of 1998 consists in the perspective of a SAI as an organisation that has been added, next to the perspective of an individual staff member (auditor and non-auditor alike), which is aimed at identifying and emphasising the responsibilities of SAIs with regard to ethics. SAIs have a role to play in establishing an ethical culture for the organisation, so that their staff are not left alone with ethical dilemmas – hence the section Overall responsibilities of Supreme Audit Institutions of the Code. The revised document also clearly differentiates between requirements and application guidance, and defines them for each fundamental ethical value individually. Another novelty is the structure of the document, with ethics related requirements listed separately for SAIs and separately for their staff.

I hope that thanks to the new approach, the INTOSAI Code of Ethics will prove helpful to both SAIs as organisations and their employees, and that the two will be able to better respond to the current challenges of the public auditing environment.

Jacek Jezierski
Chair of ISSAI 30 Revision Team
Najwyższa Izba Kontroli – Supreme Audit Office of Poland

TABLE OF CONTENTS

1)   Supreme Audit Institutions (SAIs) are held to high expectations and must earn the trust of stakeholders (citizens, legislative, and executive bodies, auditees and others). Therefore, they need to act as model organisations and inspire confidence and credibility. As ethical behaviour is a key component in establishing and sustaining the needed trust and reputation, a code of ethics is a prerequisite for the functioning of a SAI.

2)   The *ISSAI 130 - Code of Ethics* (the Code) intends to provide SAIs and the staff working for them with a set of values and principles on which to base behaviour. Furthermore, recognising the specific environment of public sector auditing (often different from that of private sector auditing), it gives additional guidance on how to embed those values in daily work and in the particular situations of a SAI.

3)   The Code is intended for all those who work for, or on behalf of, a SAI. This includes the head of the SAI, its members in the case of collegial models, executive management and all individuals directly employed by, or contracted to conduct business on behalf of, the SAI. The Code also applies to those in the governance structure of a SAI. All these individuals, hereafter referred to as staff, should adhere to the stated values in their professional activity and, as applicable, in their private life.

4)   Ethical behaviour of staff is also influenced by the environment they work in. Accordingly the Code addresses the responsibilities of SAIs in promoting and safeguarding ethics and ethical values in every aspect of the organisation and its activities.

5) The Code comprises an overall approach to ethical behaviour, a description of the SAI's overall responsibilities and the five fundamental values that guide ethical conduct.

The descriptions of the SAI overall responsibilities and of the values include:

a) requirements that SAIs and their staff should comply with;

b) application guidance to help SAIs and their staff meet the requirements – this includes the meaning of the requirements, underlying concepts, suggested procedures for implementing the requirements, and examples of good practices.

6) No code can address all ethical circumstances that will arise in practice. Accordingly, the Code is written at a principle level. SAIs and their staff should apply their professional judgement to the circumstances they encounter and follow the relevant requirements set out in this Code.

7) To satisfy the diversity of culture, and legal and social systems (such as specific rules applying to SAIs of judicial nature), each SAI is encouraged to develop or adopt a code of ethics and an appropriate ethics control system to implement it. This Code constitutes the foundation for each SAI's code, which should be at least as stringent as the INTOSAI Code.

FUNDAMENTAL ETHICAL VALUES

8) For the purpose of this Code:

    a) Ethical values are the concepts of what is important and therefore should drive SAIs and SAIs' staff decisions.

    b) Ethical principles guide how these values should be carried out in practice and, therefore, what should be appropriate behaviour.

9) This Code is based on five fundamental values. These values, and the respective summarised guiding principles, follow:

    a) Integrity – to act honestly, reliably, in good faith and in the public interest;

    b) Independence and objectivity – to be free from circumstances or influences that compromise, or may be seen as compromising, professional judgement, and to act in an impartial and unbiased manner;

    c) Competence – to acquire and maintain knowledge and skills appropriate for the role, and to act in accordance with applicable standards, and with due care;

d)	Professional behaviour – to comply with applicable laws, regulations and conventions, and to avoid any conduct that may discredit the SAI;

e)	Confidentiality and transparency – to appropriately protect information, balancing this with the need for transparency and accountability.

RISKS AND CONTROLS

10)	Risks (often also referred to as "threats" or "vulnerabilities") of non-compliance with the above values can be influenced by a number of risk factors. These include, but are not limited to:

a)	political influence and external pressure from auditees or other parties;

b)	personal interests;

c)	inappropriate bias from previous judgements made by the SAI or SAI staff;

d)	advocating the interests of auditees or other parties;

e)	long or close relationships.

These risks can be either real or perceived.

11)	Where risks are identified that threaten any of the five fundamental values, the significance of such threats is evaluated and appropriate controls (often also referred to as "safeguards") need to be put in place to reduce the risk of unethical behaviour to an acceptable level. These controls can be put in place by legislation, regulation or a SAI.

12. REQUIREMENTS

a) The SAI shall adopt and implement a code of ethics consistent with this standard and shall make it public.

b) The SAI shall emphasise the importance of ethics and promote an ethical culture in the organisation.

c) The SAI's leadership shall set the tone at the top by its actions and example, acting consistently with the ethical values.

d) The SAI shall require all staff to always engage in conduct consistent with the values and principles expressed in the code of ethics, and shall provide guidance and support to facilitate their understanding. The SAI shall require that any party it contracts to carry out work on its behalf commit to the SAI's ethical requirements.

e) The SAI shall implement an ethics control system to identify and analyse ethical risks, to mitigate them, to support ethical behaviour, and to address any breach of ethical values, including protection of those who report suspected wrongdoing.

f) The SAI shall establish procedures to address identified conflicts between its ethical requirements and the standards of professional bodies that the SAI staff may be a member of.

APPLICATION GUIDANCE

13)   To promote and safeguard ethics in every aspect of the organisation and its activities, a SAI implements an ethics control system that includes appropriate specific strategies, policies and procedures to guide, manage and control ethical behaviour. This ethics control system can be designed as a separate set of controls or integrated within the SAI's overall internal control system.

14)   The main components of the ethics control system are: code of ethics, leadership and tone at the top, ethics guidance, and ethics management and monitoring.

CODE OF ETHICS

15)   A code of ethics or a code of conduct sets out ethical values and principles, and the way a SAI expects its staff to behave, therefore guiding individual behaviour. It is critical that a SAI's code supports an environment conducive to behaviour consistent with the values and principles expressed in this standard. This includes fostering an understanding that compliance with the SAI's code means abiding by the spirit and not just the letter of the code.

16)   Each SAI sets its code, and policies and procedures in accordance with its culture, and legal and social systems. The level of detail of the code is determined by context and organisational culture. The SAI's code of ethics may be in a variety of forms or formats. Elements to be considered are: statements about the values that guide conduct, descriptions of the associated expected behaviours, specific examples of ethical dilemmas and sensitive situations, ethical conflict resolution, whistle-blowing procedures, and provisions for dealing with misconduct.

17)   Staff are more likely to follow the code if it has been developed in an inclusive and transparent manner.

LEADERSHIP

18) Building an ethical culture in an organisation starts with its leadership. Leaders demonstrate the tone at the top by:

   a)   setting ethics as an explicit priority;

   b)   reinforcing this priority by clear, consistent and regular messages;

   c)   implementing strategies, policies and procedures to promote ethics;

   d)   leading by example;

   e)   maintaining high standards of professionalism, accountability and transparency in decision making;

   f)   encouraging an open and mutual learning environment, where difficult and sensitive questions can be raised and discussed;

   g)   providing an environment in which staff experience fairness of treatment conducive to good relationships among colleagues;

   h)   recognising good ethical behaviour, while addressing misconduct;

   i)   ensuring that ethics, policies and procedures are applied consistently and fairly.

ETHICS GUIDANCE

19) Clear communication is necessary to increase staff's awareness and understanding of the code of ethics. This can include educating staff on promoting the SAI's values and addressing ethical dilemmas, by offering workshops and training, leadership engagement, and disseminating ethics topics and good practices.

20)   Although ethical behaviour is primarily the responsibility of staff, SAIs can support staff by assigning responsibilities to ethics advisors (in some cases operating as ethics committees, integrity coordinators, ethics officers, or counsellors) to give advice on specific issues. Confidentiality and a defined due process are critical elements for the effective use of this assistance.

ETHICS MANAGEMENT AND MONITORING

21)   Incorporating ethics in daily management is essential to reinforce values. This includes recognising ethics as a criterion in recruitment, performance appraisal and professional development. It also implies recognising good ethical behaviour and applying safeguards to specific risks, such as those arising from conflicts of interests or confidentiality issues.

22)   Monitoring controls help the SAI mitigate ethics risks. The SAI may apply the following monitoring controls:

a)   maintaining registers to track interests, gifts and hospitality;

b)   conducting self-assessment, internal and external reviews that can be used regularly, as monitoring tools, as a way to identify and analyse vulnerabilities and recommend measures for improving ethics management, and/or as a routine to ensure accountability. Evaluations will have to consider that many ethical requirements refer to soft controls, which require the use of specific appropriate assessment methods. Tools available for these assessments include IntoSAINT[1], peer review guidelines, surveys, interviews and feedback questionnaires;

c)   establishing and implementing policies on ethical misconduct and whistle-blowing – these include procedures for reporting cases of misconduct and for timely and adequate response, investigation and sanctioning.

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1   IntoSAINT is a dedicated self-assessment instrument for members of INTOSAI to assess integrity vulnerabilities and controls.

23) Information gathered from the procedures above can be used to regularly evaluate, update and improve ethics policies. A SAI may report to relevant stakeholders on these evaluations (for example in its annual performance report).

4

INTEGRITY

24. Requirements at the level of SAI
a)   The SAI shall emphasise, demonstrate, support and promote integrity.
b)   The SAI shall ensure that the internal environment is conducive for staff to raise ethical breaches.
c)   The SAI shall respond to integrity breaches in a timely and adequate manner.

25. Requirements at the level of SAI staff

a)   The SAI's leadership shall lead by example.

b)   SAI staff shall set a good example by acting honestly, reliably, in good faith and in the public interest. In the course of their work they shall be trustworthy. They shall comply with the policies and standards set by the organisation.

c)   SAI staff shall take care to exercise responsibilities and use the powers, information and resources at their disposal solely for the benefit of the public interest. They shall not use their position to obtain favours or personal benefits for them or for third parties.

d)   SAI staff shall be aware of integrity vulnerabilities and approaches to mitigate them, and shall act accordingly.

APPLICATION GUIDANCE

APPLICATION GUIDANCE AT THE LEVEL OF SAI

26)   To promote integrity, a SAI implements and maintains an ethics control system, consisting of a well-balanced set of measures and controls. The "Overall responsibilities of Supreme Audit Institutions" section of this standard describes the main components that are relevant to the SAI at the organisational level.

APPLICATION GUIDANCE AT THE LEVEL OF SAI STAFF

27)   In order to sustain public trust, SAI staff are expected to act above reproach, not engaging in any improper activity.

» **INTEGRITY VULNERABILITIES**

28)   At the individual level, staff need to be alert to circumstances that might expose them to integrity vulnerabilities related to working for the SAI and in

the public sector environment, and avoid or disclose them as appropriate. These circumstances may relate to:

a)   personal, financial or other interests or relationships that conflict with the SAI's interests;

b)   acceptance of gifts or gratuities;

c)   abusing power for personal gains;

d)   involvement in political activities, participation in pressure groups, lobbying, etc.;

e)   access to sensitive and/or confidential information;

f)   access to, and use of, valuable resources of the SAI.

29)   Circumstances related to the private lives of SAI staff may also threaten their integrity, such as their own financial situation or personal relationships.

Staff responsabilities towards SAI's integrity

30)   Staff need to acquaint themselves with the SAI's policies, regulations and rules related to integrity and are responsible for supporting and complying with them. Complying with the SAI's policies, regulations and rules is not just a formal process, but also takes into account the goal of these policies, regulations and rules.

31)   Staff need to know whom to consult with issues related to integrity, for example for advice or to report concerns or suspicions of integrity violations.

32)   To ensure that integrity controls remain current, it is important that the SAI's leadership and staff participate in regular training, meetings and events to promote a culture of integrity and to learn about new risks and specific cases.

33)   If staff feel that integrity control weaknesses exist within the SAI, they bring these to the attention of ethics advisors or the SAI's management.

INDEPENDENCE AND OBJECTIVITY

34. Requirements at the level of SAI

a)   The SAI shall be independent as regards its status, mandate, reporting, and management autonomy. The SAI shall have full discretion in the discharge of its functions. This independence shall be prescribed by an appropriate and effective constitutional, legal and regulatory framework. The SAI shall adopt policies for its independent and objective functioning.

b)   The SAI shall establish a framework to enable the identification of significant threats to independence and objectivity, and the application of controls to mitigate them, as well as provide guidance and direction for staff in this respect.

c)   The SAI shall adopt policies to ensure that audit staff, particularly at senior level, do not develop relationships to audited entities that may put their independence or objectivity at risk.

d)   The SAI shall not provide advisory or other non-audit services to an auditee, where such services would include assuming management responsibilities.

35. Requirements at the level of SAI staff

a)   SAI staff shall be free of impairments to independence and objectivity, whether real or perceived, that result from political bias, participation in management, self-review, financial or other personal interest, or relationships with, or undue influence from, others. For this purpose SAI staff shall:

I. maintain independence from political influence and be free from political bias;

II. not be involved in the auditee management's decision-making;

III. not audit their own work;

IV. avoid auditing entities in which they have recently been employed, without appropriate safeguards;

V. avoid circumstances where personal interests could impact decision-making;

VI. avoid circumstances where relationships with the management or personnel of the auditee or other entities could impact decision-making;

VII. refuse gifts, gratuities or preferential treatment that could impair independence or objectivity.

b)   SAI staff shall identify possible threats and situations in which their independence or objectivity may be impaired.

c)   SAI staff shall inform the management about any pre-existing relevant relationships and situations that may present a threat to independence or objectivity.

APPLICATION GUIDANCE

36)   Independence comprises independence in fact and independence in appearance. Independence in fact is a situation where individuals are able to perform activities without being affected by relationships that can influence and compromise professional judgement, allowing them to act with integrity

and exercise objectivity and professional scepticism. Independence in appearance is the absence of circumstances that would cause a reasonable and informed third party, having knowledge of relevant information, to reasonably doubt the integrity, objectivity or professional scepticism of the auditor(s), or conclude that they have been compromised.

37) Objectivity is the mental attitude where individuals are able to act in an impartial and unbiased manner, presenting or assessing things on the basis of facts rather than own feelings and interests, without subordinating judgement to others.

APPLICATION GUIDANCE AT THE LEVEL OF SAI

38) The core principles of a SAI's independence are described in INTOSAI-P 10 -Mexico Declaration on SAI Independence.

39) As an important part of the ethics control system mentioned in the "Overall responsibilities of Supreme Audit Institutions" section of this standard, the SAI is responsible for implementing independence and objectivity related controls such as:

   a) declarations of interests and conflicts of interest to help identify and mitigate threats to independence;

   b) measures to help senior staff supervise and review work according to professional criteria designed to exclude outside influences that could impact on the SAI and its staff's independence or objectivity;

   c) provisions on how to act in cases where a SAI has an obligation to provide non-audit services to an auditee or concerning audited areas, such as public procurement;

   d) policies and procedures to address threats, such as removing an individual with a conflict of interest from the audit team, or reviewing any significant judgements made by that individual while on the team;

e)   policies and procedures to identify and address situations where an audit staff member has recently been an employee of the auditee or has audited the same subject matter under a different organisation;

f)   policies for periodic rotation of staff or equivalent measures where rotation is not feasible;

g)   facilitating an environment where objective professional judgement is not affected by previous work done by the SAI.

40)   In accordance with its mandate, a SAI may be unable to refuse to engage in or continue with an audit. If no controls are effective to eliminate or reduce a threat to independence or objectivity to an acceptable level, SAI leadership may consider reporting the threat.

APPLICATION GUIDANCE AT THE LEVEL OF SAI STAFF

41)   Common situations where threats to independence and objectivity may appear are described below.

42)   SAIs and staff need to be aware that the significance of those threats needs to be assessed in each particular case. Decision should be taken according to the SAI's framework, considering the specific circumstances of the case, possible consequences, and ensuring consistency with the values and principles at stake.

» POLITICAL NEUTRALITY

43)   Notwithstanding the organisational safeguards in place to minimise political pressure, a SAI's leadership and staff are responsible for identifying situations where personal political views may impair their independence or objectivity, and where their political views and activities may put the reputation of the SAI and the credibility of its work at risk.

44)   Involvement in political activities may impact the ability of a SAI's leadership or staff to discharge their professional duties impartially. Even where they are

allowed to be affiliated with and to participate in such activities, they need to be aware that these situations may lead to professional conflicts. Independence in appearance is as important as independence in fact: participation in public political activities, public expression of political views or candidacy for election to public office may be perceived by stakeholders as having an impact on a SAI's ability to form unbiased judgements.

» PARTICIPATION IN AUDITEE'S MANAGEMENT

45) Management responsibilities involve leading, directing and controlling an entity, including making decisions regarding the acquisition, deployment and control of human, financial, physical and intangible resources. These responsibilities need to remain firmly with the management of the auditee. The following are examples of circumstances related to an auditee's management that may impair the independence or objectivity of SAI staff:

a) a member of an audit team who is, or recently was, a principal or senior manager at the auditee;

b) a SAI staff member who serves as a voting member of an auditee's management committee or board of directors, making policy decisions that affect the future direction and operation of the entity's programmes, supervising the entity's employees, developing or approving policy, authorising the entity's transactions, or maintaining custody of the entity's assets;

c) a SAI staff member who recommends a single individual for a specific position that is key to the auditee, or otherwise ranking or influencing the management's selection of the candidate;

d) a SAI staff member who prepares an auditee's corrective action plan to address deficiencies identified in the audit.

» AUDITING OWN WORK

46) Circumstances related to staff members' previous work that may impair their independence or objectivity are, among others:

   a) having been personally involved in the specific activity becoming the subject matter of the audit;

   b) having recently been an employee of the auditee;

   c) having recently audited the same subject matter when working for a different audit organisation.

» PERSONAL INTERESTS

47) Examples of circumstances under which personal interests may impair independence or objectivity are staff:

   a) entering into employment negotiations with the auditee or another entity that the SAI has a contractual or other relationship with;

   b) being responsible for audit engagements or opinions, the outcome of which can have an impact on the financial or other interests of that individual;

   c) engaging in outside business or other non-audit activity with respect to an auditee or another entity that the SAI has a contractual or other relationship with, the outcome of which can have an impact on their financial or other interests;

   d) having a direct financial interest in the auditee or in another entity that the SAI has a contractual or other relationship with.

» RELATIONSHIPS WITH MANAGEMENT OR PERSONNEL OF AN AUDITEE OR ANOTHER ENTITY THAT THE SAI HAS A CONTRACTUAL OR OTHER RELATIONSHIP WITH

48) Close private or professional relationships with an auditee or another entity that a SAI has a contractual or other relationship with, or relationships that can result in undue influence on the part of someone outside the SAI, may impair the independence or objectivity of staff. This may occur, for example, when a SAI staff member:

   a) has a close or long personal or professional association with managers or staff who have an influential position in an auditee or another entity that the SAI has a contractual or another relationship with;

   b) has a close family member or friend who is a manager or employee with an influential position in an auditee or another entity that the SAI has a contractual or another relationship with;

   c) accepts gifts, gratuities or preferential treatment from managers or employees of an auditee or another entity that the SAI has a contractual or another relationship.

49) Staff are expected to prevent or avoid threats to independence or objectivity. When any uncertainty exists about an independence or objectivity issue, or the way to resolve it, and before reporting on that, SAI staff are advised to consult with the ethics advisor or other appropriate parties to help them assess the significance of the threat and determine an appropriate means of mitigation.

COMPETENCE

50. Requirements at the level of SAI

a)   The SAI shall adopt policies to ensure that tasks required by its mandate are performed by staff that have the appropriate knowledge and skills to complete them successfully, including:

I. putting in place competence-based recruitment and human resources policies;

II. assigning work teams that collectively possess the needed expertise for each assignment;

III. providing staff with appropriate training, support and supervision;

IV. providing tools to enhance knowledge and information sharing, and encourage staff to use these tools;

V. addressing challenges arising from changes in the public sector environment.

51. Requirements at the level of SAI staff

a)   SAI staff shall perform their job in accordance with applicable standards and with due care.

b)   SAI staff shall act in accordance with the requirements of the assignment, carefully, thoroughly and on a timely basis.

c)   SAI staff shall maintain and develop their knowledge and skills to keep up with the developments in their professional environment in order to perform their job optimally.

APPLICATION GUIDANCE

APPLICATION GUIDANCE AT THE LEVEL OF SAI

52) Stakeholders' trust in a SAI's judgements, and the credibility of those judgements, rely on work being performed competently. Thus, a SAI must assemble the appropriate competences needed as well as provide support to continuing professional development.

» ASSEMBLING THE APPROPRIATE COMPETENCES

53) In order to ensure that tasks are performed by competent staff, that resources are managed in an efficient and effective way, and that staff work on assignments for which they are competent, the SAI:

a) identifies the adequate knowledge and skills needed to perform each type of engagement required by its mandate; this may include setting up multidisciplinary teams that collectively have the required knowledge and team-working skills;

b) assigns staff to specific tasks according to their identified capabilities and according to their capacities.

54) Some tasks, for example performance audits and special investigations, may require specialised techniques, methods or skills from disciplines not available within a SAI. In such cases, external experts may be used to provide knowledge or carry out specific tasks.

» CONTINUING PROFESSIONAL DEVELOPMENT

55) Maintaining and developing professional competence is a key way to keep up with technical, professional and business developments, to respond to a changing environment and increased stakeholders' expectations. Examples of fields where the SAI may need to invest time and resources to remain current

include information technologies, and evolving public sector management and accounting frameworks.

56) A continuous learning environment to support staff in applying and developing their competence is implemented by:

a) initial and continuous training strategies and programmes in key areas for the SAI's performance;

b) development and updating of manuals and written guidance;

c) coaching, supervision and feedback mechanisms;

d) personal development plans;

e) knowledge-sharing tools, such as Intranet and databases.

APPLICATION GUIDANCE AT THE LEVEL OF SAI STAFF

57) In meeting the requirements, SAI staff:

a) understand the role and tasks to be performed;

b) know the applicable technical, professional and ethical standards to be followed;

c) are able to work in a variety of contexts and situations, depending on the requirements of the job or task;

d) acquire new knowledge and abilities, updating and improving skills as needed.

58) In case their expertise is not appropriate or sufficient to perform a specific task, SAI staff raise this with their superiors or the responsible management.

PROFESSIONAL BEHAVIOR

59. Requirements at the level of SAI

a)   The SAI shall be aware of the standard of professional behaviour expected by its stakeholders, as defined by the laws, regulations and conventions of the society in which they operate, and conduct their business accordingly and in line with their mandate.

b)   The SAI shall assist staff in adhering to that standard

60. Requirements at the level of SAI staff

a)   SAI staff shall comply with the laws, regulations and conventions of the society in which they operate, as well as with the guidance for their behaviour established by the SAI.

b)   SAI staff shall not engage in conduct that may discredit the SAI.

c)   SAI staff shall inform their superiors about any arising conflicts between the SAI's and their profession's ethical requirements.

APPLICATION GUIDANCE

61)   Conduct consistent with the values of professional behaviour includes acting in a manner that would cause a reasonable and informed third party, having knowledge of relevant information, to conclude that the work meets applicable standards.

APPLICATION GUIDANCE AT THE LEVEL OF SAI

62) To promote the highest standard of professional behaviour and to identify activities that are inconsistent with that standard, the SAI provides guidance on expected behaviour and implements controls to monitor, identify and resolve inconsistencies. Key policies and controls are included in the ethics control system described in the "Overall responsibilities of Supreme Audit Institutions" section of this Code.

63) The leadership of a SAI promotes professional behaviour by adhering to the policies and procedures in place and setting an example.

APPLICATION GUIDANCE AT THE LEVEL OF SAI STAFF

64) Staff need to be aware of the SAI's policies and procedures relating to professional behaviour, of the applicable professional standards and of the laws, regulations and conventions of the society in which they reside, all of which bind them within and outside the working environment.

65) In that context, staff need to understand the impact of their actions on the SAI's credibility and to consider how their behaviour, both within and outside the working environment, may be perceived by colleagues, family and friends, auditees, the media and others. While expectations of what constitutes acceptable professional behaviour may differ depending on whether one is inside or outside the workplace, staff need to consider stakeholders' expectations along with the SAI's mandate when determining a course of action. A Staff member's position within the SAI is an important part of this consideration.

66) The expectations of stakeholders may vary depending on the regulations and conventions of the society in which SAI staff reside. However, common

expectations include acting according to ethical values, adhering to the legal and regulatory framework in place, not misusing their position, applying diligence and care in performing their work and acting appropriately when dealing with others.

67)   Staff apply appropriate prudence and care in order that their actions or opinions do not compromise or discredit the SAI and its work, for example when using social media.

68)   If a particular course of action is legally permitted but does not meet the standard of professional behaviour, staff avoid that course of action.

69)   Staff need to cooperate by sharing relevant knowledge and information within the organisation.

CONFIDENTIALITY AND TRANSPARENCY

70. Requirements at the level of SAI

a)   The SAI shall balance the confidentiality of audit-related and other information with the need for transparency and accountability.

b)   The SAI shall establish an adequate system for maintaining confidentiality as needed, especially with regard to sensitive data.

c)   The SAI shall provide that any parties contracted to carry out work for the SAI are subject to appropriate confidentiality agreements.

71. Requirements at the level of SAI staff

a)   SAI staff shall be aware of the legal obligations and of the SAI's policies and guidelines concerning both confidentiality and transparency.

b)   SAI staff shall not disclose any information acquired as a result of their work without proper and specific authority, unless there is a legal or professional right or duty to do so.

c)   SAI staff shall not use confidential information for personal gain or for gain of third parties.

d)   SAI staff shall be alert to the possibility of inadvertent disclosure to third parties of confidential information.

e)   SAI staff shall maintain professional confidentiality during and after termination of employment.

APPLICATION GUIDANCE

APPLICATION GUIDANCE AT THE LEVEL OF SAI

72)   The SAI needs to put in place policies to appropriately provide or protect information and apply controls to eliminate or reduce to an acceptable level potential risks to confidentiality infringements.

73)   Examples of controls that the SAI may use:

a)   establishing policies for communication with stakeholders, including the media;

b)   regularly emphasising the importance of confidentiality;

c)   obtaining appropriate declarations of staff's compliance with confidentiality rules;

d) providing guidance on what information, documents and materials need to be treated as confidential, and the stage of work at which they need to be treated as confidential, which might include a system of classification and labelling of confidential information;

e) consulting with regard to applying confidentiality rules and legal requirements concerning conditions of disclosure;

f) providing guidance and advice for cases when professional obligation to maintain confidentiality may be overridden by other legal responsibilities regulated by national laws, and assigning specific procedures for reporting on such cases;

g) safe storage conditions of information in any form (paper, electronic, audio, etc.);

h) appropriate allocation of access rights to archives, IT systems and physical areas;

i) procedures for disposing of data storage devices, either in paper or electronic form.

APPLICATION GUIDANCE AT THE LEVEL OF SAI STAFF

74) Staff need to appropriately protect information and not to disclose it to third parties unless they have proper and specific authority, or there is a legal or professional right or duty to do so.

75) Examples of controls/safeguards that may be applied at the individual level:

a) within the SAI, using professional judgement to respect the confidentiality of information; in particular, keep the confidentiality of information in mind when discussing work-related issues with other employees;

b)   in the case of doubt whether suspected breaches of laws or regulations should be disclosed to appropriate authorities (or parties), consider obtaining legal advice available within the SAI to determine the appropriate course of action in the circumstances;

c)   in private life, maintaining confidentiality within the family, social or other environments, including social media;

d)   securing electronic data carriers, such as laptops and portable data storage devices;

e)   maintaining the confidentiality of passwords.