# **COUNTRY PAPER OF SAI PAKISTAN FOR 10TH MEETING OF INTOSAI WORKING GROUP ON KEY NATIONAL INDICATORS**

# **ROLE OF KNI IN ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS IN PAKISTAN**

As we all know that the system of KNI constitute specific set of indicators that measure *economic* and *social progress* and provide support in achieving *national goals* in the respective areas of governance like health, education, infrastructure. Our literature review on the subject indicate that there is a broad consensus among the community that the term KNI has the potential to be interpreted differently in various countries in view of the cultural, social, economic and linguistic varieties specific to each country. Pakistan is no exception and as I stand here, I have no hesitation in acknowledging that although the concept behind the KNI is very much understood while outlining policies affecting the governance of the country at the decision making levels, the full use and application of the concept, in its various facets, as are understood by the working group community, is yet to be fully explored by the governance institutions and also by the SAI.

In Pakistan, the system of KNI is generally considered in terms of sustainable development goals. At times it is also studied in the context of Human Development Index. There is however a general agreement within the policy making circles as well as within SAI that *ensuring quality of life* and *effectiveness in the use of national resources* are two hall marks of any system of KNI which need to be laid down, measured, evaluated and reported to those charged with the governance of the country’s institutions. The country’s existing governmental, planning and developmental framework supports this.

Pakistan’s governance system has a three tier administrative set up: federal, provincial and district. Revenue generation is primarily by or on behalf of the federal government. Federal Government’s Public Sector Development Program along with Annual Development Programs of the Provinces are the major avenues where these KNIs are set, watched during implementation and reported. This is generally in the form of projects and at the macro level, these are aligned to two basic visionary and overarching themes viz. the Sustainable Development Goals and the ‘the Vision 2025’.

The Sustainable Development Goals(SDGs)/Global Goals have replaced the “Millennium Development Goals-MDGs” from January 2016 after adoption of the post-2015 development agenda at the United Nations Summit in September, 2015. The SDGs are universal set of 17 goals, 169 targets and 200 plus indicators that UN member states are expected *to localize in their own development agendas* and socio-economic policies during the period 2015-2030. The SDGs thus make up the broader sustainability agenda which goes beyond the MDGs as these address the root causes of poverty and the universal need for development that works for all people. Pakistan has committed itself to the achievement of SDGs. Side by side, since 2014, the Government of Pakistan has for itself the ‘Vision 2025’which is a long-term development framework which identifies seven pillars as the key drivers for growth. These cover areas like primary education, water, energy, food security and road and rail infrastructure, besides a host of other indicators. In fact, the Government has deemed it necessary to embed the SDGs in its “Pakistan Vision 2025” to ensure consistency and conformity in planning and reporting. For the time being, Pakistan is working on 241 draft indicators list after conducting an extensive exercise of consultation at all levels of government. Together, these cover areas like poverty, food, health, education, women empowerment, water, energy, economy, infrastructure, inequality, habitation, consumption, climate, ecosystems, marine ecosystems, institutions and sustainability. However, there is also an acknowledgement at governmental levels that the challenges to the achievement of SDGs and Vision 2025 are multifold. A change in the legal framework of the country in recent times have devolved the responsibilities of subjects like health, environment, agriculture and education from the federal government to the provincial or the district governments and therefore the implementation of the SDGs may require more effort and energy and in fact effective team work with public awareness to ensure ownership of the activities by the public.

Let me share with you that the SAI of Pakistan, operating out of the mandate given to it by the Constitution of the country, audits many of these areas. In fact, these KNIs, SDGs, MDG, etc are considered by the SAI to broadly provide the audit criteria to the policy makers and audit managers. The SAI Pakistan has a Strategic Plan 2015-19 wherein it has been laid down that while planning broader audit coverage, the SAI will align the audit plans with the government operational plans and activities as they change from year to year given the prevailing situation and the priorities of the governments. For the purpose, the SAI has undertook to regularly assess and analyze the situation to ensure that all important aspects of current and emerging issues are considered.’ This commitment in the Strategic plan has also created a window of opportunity for the governing institutions to benefit themselves from the audit activities of the SAI. On a realistic note, however, let me acknowledge that although these areas where the SDGs are focused are regularly and routinely audited by the SAI, the nature of most of these audits is compliance and regularity in nature which somewhat diminishes the impact of our audit reports in the eyes of the stakeholders as these are the areas where we feel an audit from performance point of view is required to be planned, executed and reported. However, this area has been noted and the strategic plan which I earlier mentioned has adequate measures to shift the focus from regularity to performance in a gradual but assured manner. We are currently working on aligning the performance audit plans towards the achievement of these indicators and are in the process of removing the bottlenecks foreseen in the process which especially relate to the capacity building and taking the stakeholders on board. There is now a general agreement within the SAI that our audit plans need to focus on emerging areas i.e. the KNI indicators, be these derived from SDGs or HDI or the Vision 2025 and also to put considerable effort to specifically address the capacity building and ancillary systemic, methodical issues pertaining to audit approach gradually with the help of auditing community. Apart from audits, the SAI Pakistan has also found it extremely useful to perform in depth special studies of some of these areas which is equivalent to monitoring the implementation of the KNIs by the governmental departments and is all the more useful till the time we are able to plug the gaps in reorienting our audit approach to the KNIs.

Concluding the system of KNI, in its varied forms, has provided numerous opportunities not only to the governing institutions in Pakistan, the timely and superb contributions by this working group in refining the audit approach for audit of these areas have helped create awareness within the SAI Pakistan which has helped us in setting strategic audit priorities to maximize the benefits from the KNI system.

Thank You!