



**INTERNATIONAL CIVIL AVIATION ORGANIZATION**

*A United Nations Specialized Agency*

# **Audit Principles and Auditor Attributes**

Mexico City, June 2013

# Objective



At the end of this session, the participants should be fully familiar with the ICAO USOAP-CMA principles and with the international auditing principles

The participants should also have a good understanding and awareness of the personal qualities and characteristics of an auditor, and recognize other factors which may have an influence on the audit process.

# Outline



- ❑ USOAP-CMA principles
- ❑ International auditing principles  
(ISO 19011)
- ❑ Auditor personal attributes

# Audit principles



## What is a principle?

A basic generalization that is acceptable as true and that can be used as a basis for reasoning and conduct; a basic truth or law or assumption;

A rule or standard, especially of good behaviour or rule of personal conduct;

An idea that some things are higher and more important and represent an ideal towards which individuals and groups should strive.

# Audit principles

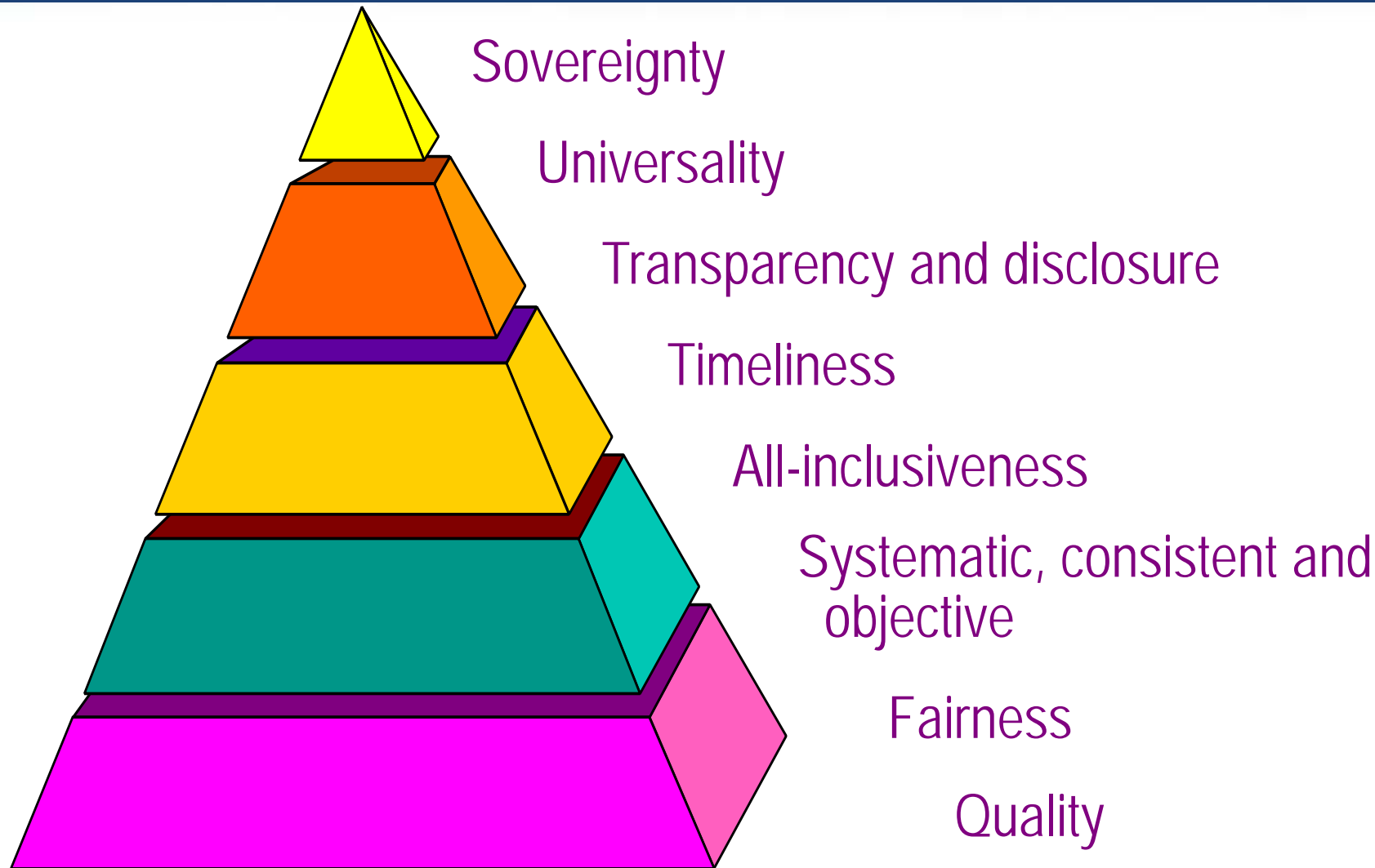


## Questions for discussion:

Taking into consideration the definitions given to “**Principle**”, is there a need to establish “Programme Principles” for USOAP?

If “Yes,” what should they be?

# USOAP-CMA principles





# USOAP-CMA principles

## Sovereignty

Every State has complete and exclusive sovereignty over the airspace of its territory.

Accordingly, ICAO fully respects a sovereign State's responsibility and authority for safety oversight, including its decision-making powers with respect to implementing corrective actions related to audit findings.

# USOAP-CMA principles



## Universality

All Contracting States shall be subject to a safety oversight audit by ICAO, in accordance with the principles, processes and procedures established for conducting such audits, and on the basis of the Memorandum of Understanding signed by ICAO and each Contracting State.





# USOAP-CMA principles

## Transparency and disclosure

Audits shall be conducted under an auditing process which is fully transparent and open for examination by all concerned parties.

There shall be full disclosure of audit final reports and the reports shall provide sufficient information for Contracting States to make informed determinations as to the safety oversight capability of other States.

TRANSPARENCY DOES NOT NECESSARILY MEAN  
NON-CONFIDENTIALITY

# USOAP-CMA principles



## Timeliness

Results of the audits will be produced and submitted on a timely basis, in accordance with a predetermined schedule for the preparation and submission of audit reports.

Contracting States are equally required to submit their comments, action plan and all documentation required for the audit process within the prescribed time.

# USOAP-CMA principles



## All-inclusiveness

The scope of the ICAO USOAP-CMA includes the safety-related provisions contained in all safety-related Annexes, Procedures for Air Navigation Services (PANS), guidance material and related procedures and practices.

# USOAP-CMA principles



## **Systematic, consistent and objective**

Safety oversight audits will be conducted in a consistent and objective manner.

Standardization and uniformity in the scope, depth and quality of audits will be assured through initial and refresher training of all auditors, the provision of guidance material, and the implementation of an audit quality control system.

# USOAP-CMA principles



## Fairness

Audits are to be conducted in such a manner that Contracting States are given every opportunity to monitor, comment on, and respond to, the audit process, but to do so within the established time frame.

# USOAP-CMA principles



## Quality

Safety oversight audits will be conducted by appropriately trained and qualified auditors and in accordance with widely recognized auditing principles and practices.

# Auditing principles



## Ethical conduct?

What is “Ethics”?

### **Ethics, a definition:**

- ✓ the philosophical study of moral values and rules;
- ✓ motivation based on the ideas of wrong and right.

Based on these definitions, do we need guiding “ethical principles” for the conduct of audits, and why?

## Manifestations of “Ethical conduct”

Trust,  
Integrity,  
Confidentiality, and  
Discretion

The above listed manifestations of  
“ethical conduct” are generally considered  
as the “*Foundations of Professionalism*”



# Auditing principles



The **ISO 19011** International Standard provides guidance on the management of audit programmes, the conduct of internal or external audits of quality and/or environmental management systems, as well as on the competence and evaluation of auditors.

Four of the most important principles for auditing purposes:

# ISO 19011 auditing principles



## Fair presentation

The obligation to report truthfully and accurately

## Due professional care

The application of diligence and judgement in auditing

## Independence

The basis to audit with impartiality and objectivity

## Evidence-based approach

Systematic audit process to reach reliable conclusions

# ISO 19011 auditing principles



## **Fair presentation:**

*the obligation to report truthfully and accurately*

Audit findings, audit conclusions and audit reports reflect truthfully and accurately the audit activities.

Significant obstacles encountered during the audit and unresolved diverging opinions between the audit team and the auditee are reported.

# Auditing principles

## **Due professional care:**

*the application of diligence and judgement in auditing*

Auditors exercise care in accordance with the importance of the task they perform and the confidence placed in them by audit clients and other interested parties.

**Having the necessary competence is an important factor.**

# Auditing principles



## **Independence:**

*the basis for the impartiality of the audit and objectivity*

Auditors are independent of the activity being audited and are free from bias and conflict of interest.

Auditors maintain an objective state of mind throughout the audit process to ensure that the audit findings and conclusions will be based only on the audit evidence.

## **Evidence-based approach:**

*the rational method for reaching reliable and reproducible audit conclusions in a systematic audit process*

Audit evidence is verifiable. It is based on samples of the information available, since an audit is conducted during a finite period of time and with finite resources.

The appropriate use of sampling is closely related to the confidence that can be placed in the audit conclusions.

# Principles and personal attributes



**Is there any relationship between “principles” and “personal qualities and attributes?”**

**or**

**Is there a need to define personal qualities and attributes for auditors?**

# Principles and personal attributes

The maxim goes:

**“The personal qualities and attributes of an auditor are as important as knowledge and experience of his or her subject matter expertise.”**

**If this is true, what should these qualities/attributes be?**



# Personal attributes of auditors

- ✓ Ethical in conduct
- ✓ Objective, fair and impartial
- ✓ Self confident
- ✓ Honest and firm
- ✓ Focused
- ✓ Observant
- ✓ Team player
- ✓ Open to alternative ideas
- ✓ Tactful
- ✓ Discreet
- ✓ Analytical and logical
- ✓ Well groomed

# Personal attributes of auditors



## Essential auditor attributes and/or qualities:

- ✓ An enthusiastic, constructive, objective, inquisitive and analytical state of mind
- ✓ A patient, good listener who can communicate at all levels without arguing
- ✓ A strong but diplomatic personality; able to make unpopular decisions, and yet maintain respect, based on sound judgements

# Review



- USOAP-CMA principles
- International auditing principles  
(ISO 19011)
- Auditor personal attributes

