Current status of public sector internal audit system in Uzbekistan

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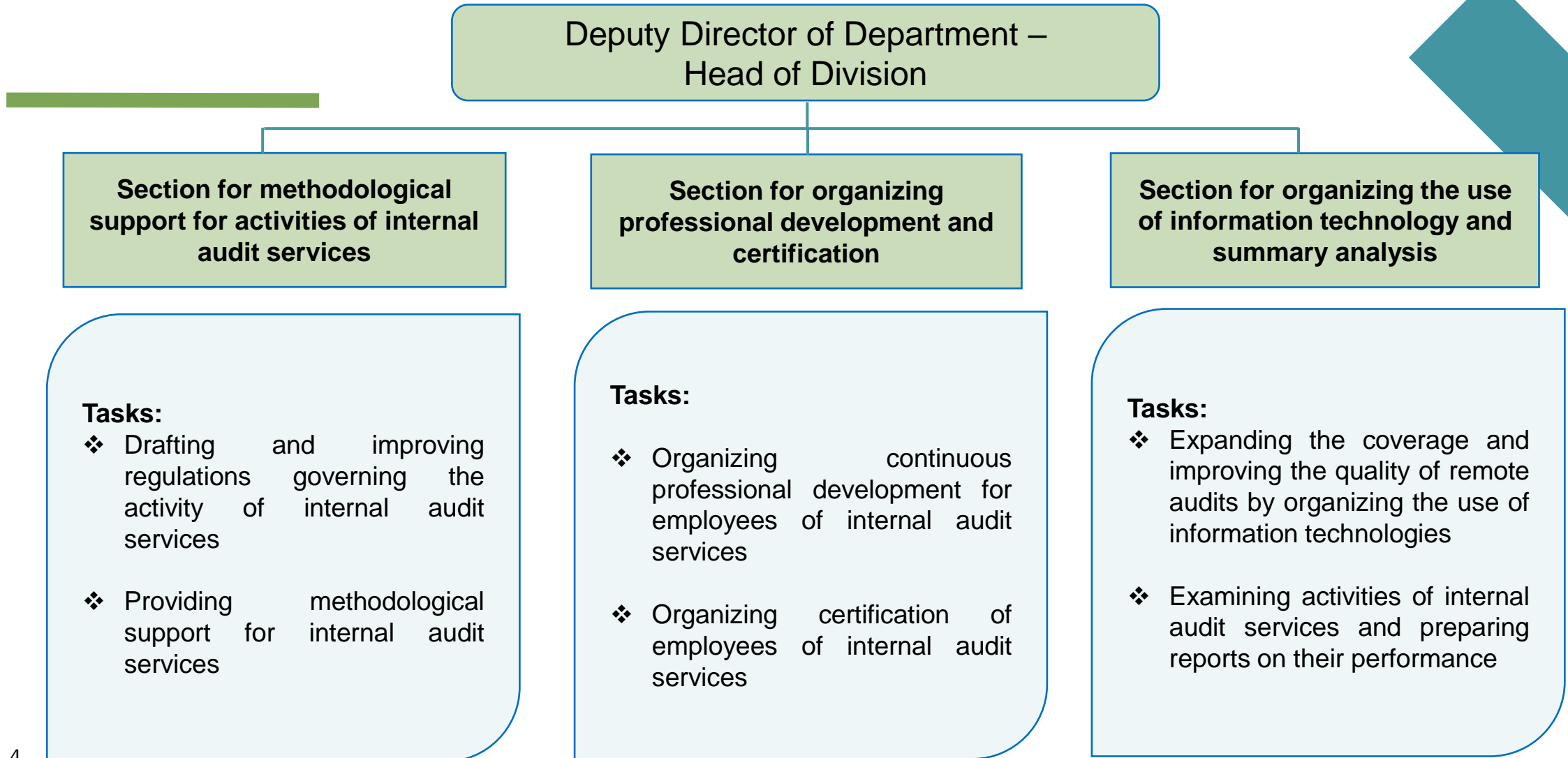
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Practice

Current institutional framework of public financial control and audit in the Republic of Uzbekistan

External Audit → Accounts Chamber

Financial Inspection → State Financial Control Inspectorate under MoF

Internal Audit → Internal audit services in Ministries and Agencies

Entities subject to public financial control and audit

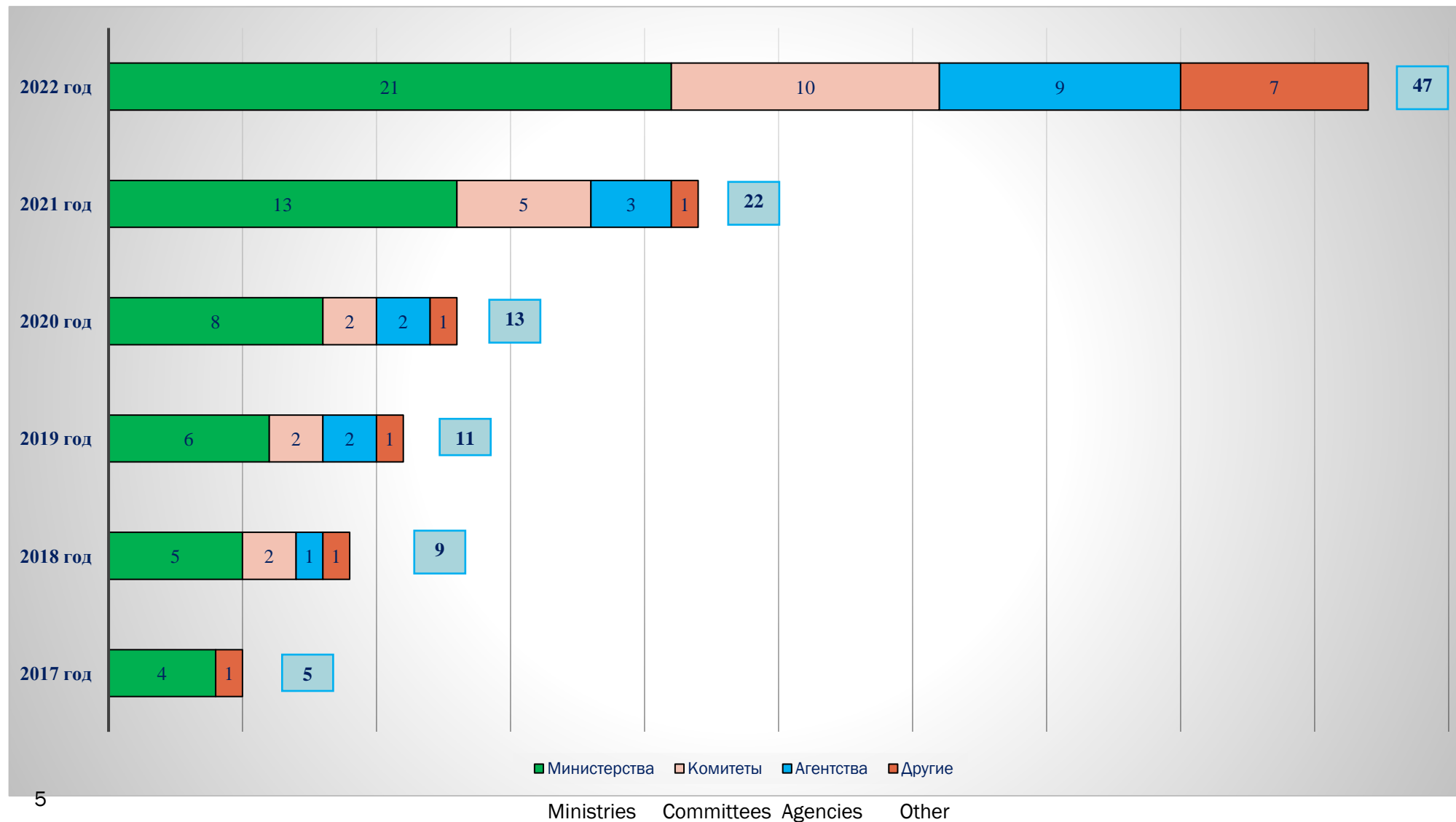| Budget-financed organizations | Spending units | Organizations partially owned by the State |

Main legal and regulatory documents governing the existing system of public sector internal audit in Uzbekistan

No.	Title of document	Date of adoption/ draft
1.	Decree of the Republic of Uzbekistan President No. PP-128, *Further Raising the Effectiveness of Public Spending in the Republic of Uzbekistan and Improving the Performance of State Financial Control Authorities*	February 14, 2022
2.	Resolution of the Republic of Uzbekistan Cabinet of Ministers No. PKM-416, *On Approval of Model Regulations of Internal Audit Services in Ministries and Agencies*	August 1, 2022
3.	Order of the Republic of Uzbekistan Minister of Finance *On Approval of National Internal Auditing Standards* (registration number 3394)	October 24, 2022
4.	Draft law of the Republic of Uzbekistan on making amendments to the Budget Code (the draft envisages the incorporation of provisions concerning activity of internal audit services into the Budget Code)	Draft
5.	Draft Resolution of the Republic of Uzbekistan Cabinet of Ministers on implementing a certification system for employees of internal audit services	Draft
6.	Draft Order of the Republic of Uzbekistan Minister of Finance *On Approval of Guidelines for Internal Auditing*	Draft

Structure of the Division for Working with Internal Audit Services, Ministry of Finance of the Republic of Uzbekistan

Deputy Director of Department – Head of Division

Section for methodological support for activities of internal audit services	Section for organizing professional development and certification	Section for organizing the use of information technology and summary analysis
Tasks: ❖ Drafting and improving regulations governing the activity of internal audit services ❖ Providing methodological support for internal audit services	**Tasks:** ❖ Organizing continuous professional development for employees of internal audit services ❖ Organizing certification of employees of internal audit services	**Tasks:** ❖ Expanding the coverage and improving the quality of remote audits by organizing the use of information technologies ❖ Examining activities of internal audit services and preparing reports on their performance

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Increase in the number of internal audit services in Ministries and Agencies

	Министерства (Ministries)	Комитеты (Committees)	Агентства (Agencies)	Другие (Other)	Total
2022 год	21	10	9	7	47
2021 год	13	5	3	1	22
2020 год	8	2	2	1	13
2019 год	6	2	2	1	11
2018 год	5	2	1	1	9
2017 год	4			1	5

■ Министерства ■ Комитеты ■ Агентства ■ Другие

Ministries   Committees Agencies   Other

Development of internal audit in Uzbekistan: plans for the future

Regulatory and methodological frameworks	Professional development of internal auditors	Use of information technology

Regulatory and methodological frameworks

1.Drafting regulations:
- incorporation of provisions concerning internal auditing into the Budget Code;
- approval of procedures for certification of employees of internal audit services;
- development of quality assurance procedures for activities of internal audit services.

2. Developing methodological documents on the basis of knowledge products of the PEMPAL Internal Audit Community of Practice.

Professional development of internal auditors

- Implementing a certification system for employees of internal audit services.
- Developing a continuous learning and professional development program for public sector internal auditors.
- Designing KPIs to evaluate the work of internal auditors in the public sector.
- Creating a digital platform for distance learning of public sector internal auditors.

Use of information technology

- Developing software for carrying out internal audits.
- Developing smart modules to identify and minimize risks.
- Developing an electronic register (classifier) of violations, risks and suggestions in internal auditing.
- Developing guidelines for IT audits on the basis of knowledge products created by the PEMPAL Internal Audit Community of Practice.

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Thank you