PEMPAL

PEMPAL IACOP Plenary Meeting

October 4-5, 2022
 Brussels, Belgium
Tatjana Trajkovska, IACOP ExCom Chair, Head of Department, Ministry of Finance, North Macedonia

Overview of IACOP activities since the last F2F meeting

IACOP Smart Interactive Talks (SIT) and webinars delivered during C-19 (since April 2020)

#	Virtual events	Date
1	Internal Audit during Covid-19 Pandemic	April 20, 2020
2	KPIs for Internal Audit Activity: Collecting and Analyzing Qualitative and Quantitative Data	June 2, 2020
3	Public Sector Internal Audit and Internal Control Frameworks: Swiss Experience	July 1, 2020
4	CHU Challenges Working Group - Monitoring the Internal Audit Activity: Sharing experience among PEMPAL Countries	October 20, 2020
5	Joint Workshop with the Ministry of Finance of Moldova: Internal Audit (IA) during the COVID-19 Pandemic	October 27-29, 2020
6	CHU Monitoring the Internal Audit Activity: Part II	November 2, 2020

IACOP SITs and webinars delivered during C-19 (since April 2020)

#	Virtual events	Date
7	Joint Workshop with the Ministry of Finance of Kazakhstan: Improvement of Public Sector Internal Audit in Kazakhstan and exchange of experience with PEMPAL IACOP	November 13, 2020
8	IT Audit: From Theory to Practice	November 23, 2020
9	Internal Control WG: Update on the Progress Achieved and Way Forward in the Context of the Pandemic	February 25, 2021
10	Audit in Practice WG: Internal Audit: Update on the Progress, Challenges and Plans	March 22, 2021
11	Joint Workshop with the Ministry of Finance, Uzbekistan: Internal Audit in Uzbekistan and Learning from PEMPAL Experience	March 30, 2021
12	Virtual Training on IT Audit	April 19-20, 2021

Overview of IACOP activities since last F2F meeting (cont'd)

IACOP Smart Interactive Talks (SIT) and webinars delivered during C-19 (since April 2020)

#	Virtual events	Date
13	IACOP Plenary Meeting - Internal Audit in the Post Pandemic Recovery with focus on Advisory Services, Agile Auditing, and Audit Committees	27 May - 02 June 2021
14	Joint Event of PEMPAL IACOP and Ministry of Finance, Republic of North Macedonia - Sharing experience and presentation of knowledge products on implementation of public sector internal audit and internal control	October 12, 2021
15	Audit in Practice (AIP) Working Group meeting with focus on Internal Audit advisory services	October 28, 2021
16	Internal Control (IC) Working Group meeting on Impact of Program and Performance budgeting reforms on the public internal control	December 7, 2021
17	Smart Interactive Talk (SIT), Central Harmonization Unit Challenges - Working Group focused thematic meeting on improving the effectiveness of internal audit units	July 1, 2022

PEMPAL GUIDANCE ON INTERNAL AUDIT: DEMONSTRATING AND MEASURING ADDED VALUE

THE IMPACT OF COVID-19 ON THE ROLE AND ACTIVITIES OF INTERNAL AUDIT

KEY PERFORMANCE INDICATORS FOR INTERNAL AUDIT FUNCTION

Assessing the Effectiveness of Internal Control: PEMPAL Guidance for Public Sector Internal Auditors

PEMPAL GLOSSARY OF TERMS: INTERNAL CONTROL

GUIDANCE ON MONITORING OF THE INTERNAL AUDIT FUNCTION BY THE CENTRAL HARMONIZATION UNIT

IT AUDIT PRACTICAL GUIDANCE FOR INTERNAL AUDITORS IN THE PUBLIC SECTOR

New IT Tool "Digital Platform"

- **New IT Tool "Digital Platform"** developed for the PEMPAL community

- **Purpose:** to digitalize the processes of monitoring, collection, consolidation, analysis of internal control and internal audit data on the state of its functionality in the public sector organizations

- **Potential Platform users:** public sector organisations on different levels, local authorities, internal auditors, CHU

- **Modules of the Platform:**

  Module 1 " IC reporting"

  Module 2 "IA reporting"

  Module 3 "CHU Reporting on the status of IC and IA"

It will be presented during this meeting

Central Harmonization Unit (CHU) Challenges Working Group (WG)

Ms. Irma Gelantia-Akhvlediani, ExCom member, Co-leader of CHU challenges WG, Deputy Head of Public internal control department, MOF, Georgia

Ms. Armanai Bekturova, IACOP ExCom Vicechair, Co-leader of CHU challenges WG, former director of accounting, audit and internal control methodology department, MOF, Kazakhstan

What CHU challenges WG did

- **Smart Interactive Talks during Pandemic**

  - ➤ Monitoring The Internal Audit Activity, October-November, 2020
  - ➤ Focused Thematic Meeting On Improving The Effectiveness Of Internal Audit Units, July, 2022

- **IACOP PEMPAL Survey On IA Monitoring**
- **New Knowledge Products**

PEMPAL **IACOP** Internal Audit Community of Practice

GUIDANCE ON
MONITORING OF THE INTERNAL
AUDIT FUNCTION BY THE
CENTRAL HARMONIZATION UNIT

CHU WG priorities – to be updated

☐ The CHU role should be revisited more generally, where the CHU works more as a coach and a center of excellence in support of frontline IA units

☐ There is a need for IT support tools

☐ Digitization of CHU and IA

Internal Control (IC) Working Group (WG)

Giuli Chkuaseli, IACOP Internal Control Working Group Leader, IACOP ExCom member
Head of CHU, Ministry of Finance, Georgia
Petru Babuci, IA COP ExCom deputy chair, Internal control working group co-leader, deputy head of PIFC policy division

What Internal Control Working Group did

❑ **Three F2F meetings of the Internal Control Working Group**

➤ Tbilisi, Georgia, October 2018

➤ Skopje, North Macedonia, April 2019

➤ Sochi, Russian Federation, October 2019

❑ **Smart Interactive Talks during Pandemic**

✓ Update on the Progress Achieved and Way Forward in the Context of the Pandemic, February 2021

✓ Impact Of Program And Performance Budgeting Reforms On The Public Internal Control, December, 2021
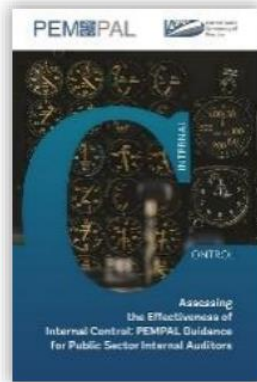
ASSESSING THE EFFECTIVENESS OF INTERNAL CONTROL: PEMPAL GUIDANCE FOR PUBLIC SECTOR INTERNAL AUDITORS

PEMPAL IACOP GLOSSARY OF TERMS: INTERNAL CONTROL

ICWG priorities - to be updated:

- Program budgeting and link with internal control: what is the main challenge and obstacle in coordination

- The link between internal control and achievement of strategic/political objectives

- Implementation of internal control in small organizations

- Risk management and anti-corruption policy

- How to integrate internal control in E-governance?

- Risk management as an obligatory requirement for governmental organizations

Audit in Practice (AiP) Working Group (WG)

Grigor Aramyan, Audit in Practice Working Group Leader, Chairman of Association of Internal Auditors, Accountants and Supervisors, Head of IA unit, Armenia

What we did

☐ **Two F2F meetings of the Audit in Practice Working Group**

✓ Skopje, North Macedonia, *April 2019*

✓ Sochi, Russian Federation, *October 2019*

☐ **Virtual events of the Audit in Practice Working Group**

  ✓ IT Audit: From Theory to Practice, *November 2020*

  ✓ Internal Audit: Update on the Progress, Challenges, and Plans, *March 2021*

  ✓ Virtual Training on IT Audit, *April 2021*

  ✓ Internal Audit Advisory Services, *October 2021*

IACOP PLENARY MEETING - Internal Audit In The Post Pandemic Recovery With Focus On Advisory Services, Agile Auditing, And Audit Committees, *May-June 2021*

AIP WG related knowledge products
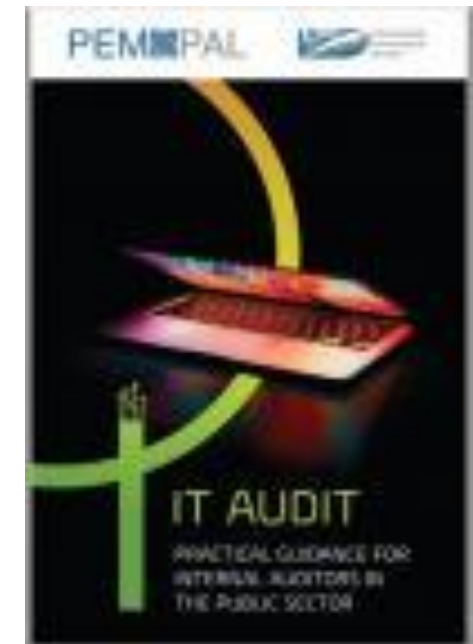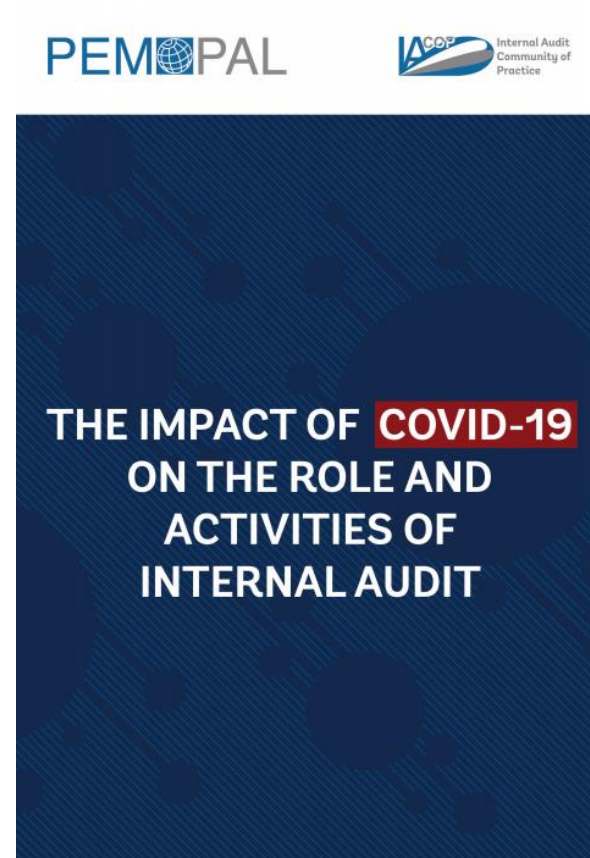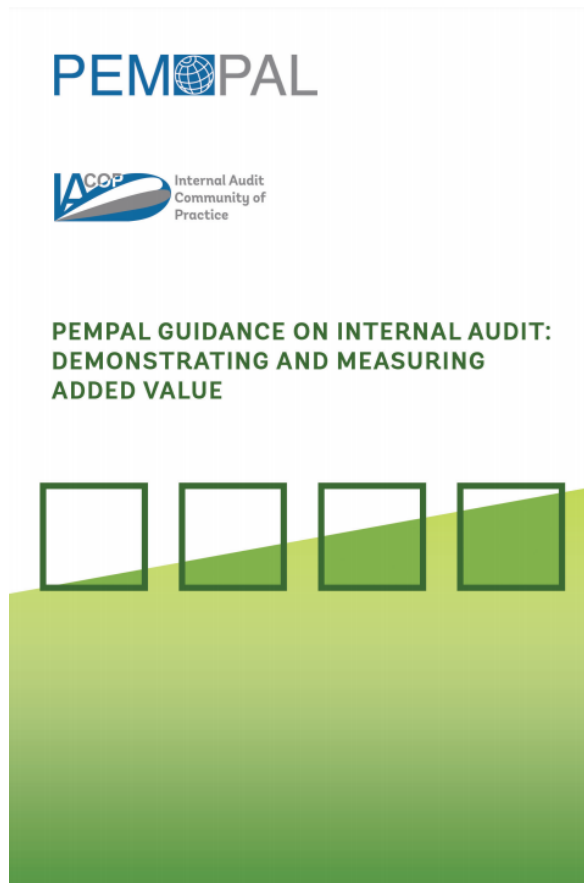
!!! Guidance for internal audit engagement planning - edited and ready for publishing

Our priorities to be updated

- ☐ Practical implementation of audit cycle

- ☐ Improved value and impact of internal audit (including during and after COVID-19 pandemic)

- ☐ Guidance on advisory services vs assurance

- ☐ Others (e.g. updated PEMPAL Good Practice Internal Audit Manual)

- ☐ Learning and experience exchange between PEMPAL countries

THANK YOU!