

Report on Study visit to Budapest, Hungary

25-27th of June, 2014

PEM PAL Internal Audit Community of Practice

Host country: Hungary

Hosting institutions:

- ❖ CHU of Ministry for National Economy
- ❖ Internal Audit Unit of Treasury Department
- ❖ Internal Audit Unit of Ministry of National Economy
- ❖ Internal Audit Unit of Ministry of Human Resources
- ❖ Internal Audit Unit of Ministry of National Development
- ❖ Training centre

Country participants:

- ❖ Montenegro – coordinator
- ❖ Bosnia and Herzegovina
- ❖ Serbia

Objectives:

- To share PIFC reform implementation experience of Hungary and participant countries;
- To get knowledge on Hungarian IA methodology;
- To share practical experience and good practices applied by internal auditors in Hungary and participants countries;

Topics covered:

Day1:

* **CHU in Hungary** – Presenting PIFC and CHU function in Hungary: Legislation, strategy implementation, independence of internal auditors, sharing experience of Hungary and participant countries – discussion between participants

***Presentation of Montenegro, Presentation of Serbia, Presentation of Bosnia and Herzegovina**

- General review of each country participant separately, on internal audit in public sector and PIFC system development, discussion between participants

*** Internal audit capacities in the Hungarian public sector** - Present the T&C system in Hungary - Sharing experience of Hungary and participant countries – discussion between participants

*** Annual Reporting on PIFC in Hungary** – content and meaning, experience development in reporting – discussion between participants

***Relationship between external audit, financial inspection and internal audit in Hungary** - Sharing experience of Hungary and participant countries – discussion between participants – sharing experience on given topics among them

Day2:

*** PIFC methodology and Training centre** - Sharing experience of operating PIFC MTC, experience development in continuous training - sharing experience with other participants

*** Experience of Internal Audit Unit of Hungarian Treasury Department** - Practice of Internal audit at Hungarian Treasury Department - sharing experience with other participants

*** Experience of Internal Audit Unit of Ministry for National Economy** – Practice of Internal audit at Ministry for National Economy - sharing experience with other participants

Day3

*** Experience of Internal Audit Unit of Ministry for Human Resources** – Practice of Internal Audit at Ministry for Human Resources- sharing experience with other participants

*** Experience of Internal Audit Unit of Ministry for National Development** – Practice of Internal Audit at Ministry for National Development- sharing experience with other participants

Each day, during all presentations, the main method of learning and getting experience was **strong interactive communication** between all participants and lecturers too.

Outputs:

- Participants understand PIFC – public internal financial control reform implementation process in Hungary;
- Participants are able to use IA – internal audit practical experience and good practices of Hungary;
- Participants established peers professional contacts;
- Participants will carry on best IA – internal audit practices applied in participants and host countries