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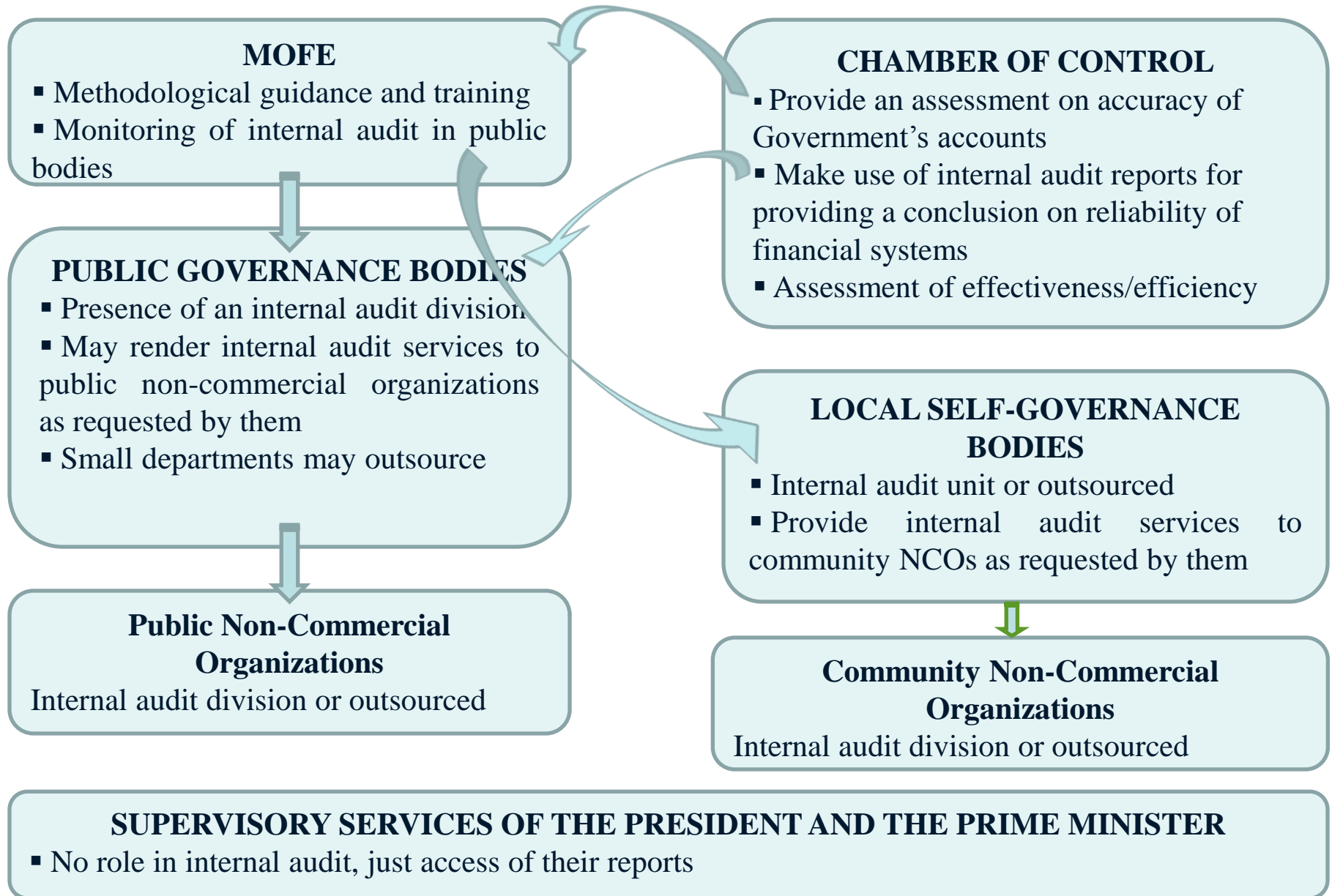
# **Internal Audit Strategy and Law in Armenia**

**Karen Brutyan, Ph.D.**

# Main Problems

- **Perception.** Internal Audit is perceived as another control body and not as the “*Third eye*” of the manager.
- **Staffing.** Not all public governance and local self-governance bodies have appointed internal auditors.
- **Relations.** Relations between internal audit and various inspection functions are not clearly defined.
- **Independence.** Lack of independence of the internal auditors.
- **Standards.** Internal audit standards not introduced.
- **Training and certification.** Training, certification, and CPD of internal auditors not introduced. No underlying system in place.
- **Scope.** Currently only some financial and compliance audits are conducted.

# THE STRATEGY FOR INTERNAL AUDIT IMPROVEMENT



# PILOTING AND DRAFTING THE LAW

- Piloting of the new system in:
  - Central government unit,
  - Local self-government, and
  - Public non-commercial organization.
- Drafting the IA law and establishing the following key principles
  - Independence from the entity/unit being audited
  - Integrity of internal audit
  - Uniform methodology
  - Transparency and accountability.
- Strong support by the WB and EC, technically and politically

## Topics for discussion

- The limit of the IA beyond the financial audit.
- The extent of CHU in evaluation of the internal audit performance.
- The further role of the supervision services/inspection
- Which body should certify Auditors: CHU or the professional body?



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THANK YOU!