

# Synergy of public internal audit with PAR and PFM reforms

## Implementation and coordination of public internal audit, PAR and PFM reform

**Alastair Swarbrick, SIGMA**

Tashkent, 17 October 2023



# Public internal audit and reform

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## Business as usual



The provision of ongoing audit, assurance and consulting activities. Focus on improve risk management, control, and governance processes.

## PAR and PFM Reform



Specific audit, assurance and consulting activities related to PAR and PFM reform activities. Conducting audits to provide assurance to management regarding the achievement of reform objectives, and on the development of the related risk management, control and governance. Consulting activities on the implementation of reforms, the development of related controls etc.

## Internal audit reform



The development of internal audit to ensure that it is an independent assurance and consulting service with sufficient status and capacity. Development in line with international standards. Civil (public) service reform.





# PAR and PFM Reform

## PAR and PFM reform agenda part of internal audit planning

Focused on providing added value and supporting improvement



DEVELOPMENT OF  
RISK MANAGEMENT  
BY INSTITUTIONS



INTERNAL CONTROL  
AND MANAGERIAL  
ACCOUNTABILITY



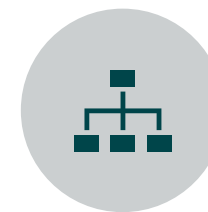
IMPLEMENTATION OF  
BUDGETING REFORMS  
INCLUDING  
MONITORING AND  
REPORTING



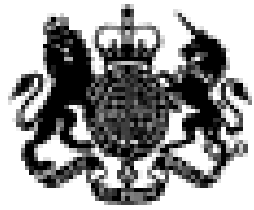
IMPLEMENTATION OF  
ACCOUNTING  
REFORMS



PUBLIC INVESTMENT  
MANAGEMENT  
DEVELOPMENT



REFORMS AROUND  
SERVICE DELIVERY,  
ORGANISATIONAL  
DEVELOPMENT, CIVIL  
SERVICE



HM TREASURY

# Public Bodies Reform:

a guide for Internal Auditors



# Internal Audit Reform

## Principle 27: Internal audit improves the management of public administration bodies.

1. Internal audit is implemented consistently throughout the public administration, on the basis of operational arrangements established by the legislation, in line with the definitions of the Institute of Internal Auditors.
2. The government harmonises and co-ordinates internal audit at the central level, issuing subsidiary regulations and methodological guidance that are applicable throughout the public sector.
3. The structure and organisation of the internal audit function can be adapted to the type, size and complexity of the institution. This includes the possibility of shared internal audit services.
4. Internal audit provides independent and objective assurance, reporting directly to the head<sup>26</sup> of the organisation.
5. Public administration bodies have an up-to-date and formally approved strategic plan for the implementation of internal audit. Annual plans cover the entire organisation and are based on an assessment on the effective operation of the organisation's risk management, governance, internal control and reporting, including a variety of audit types.
6. Internal audit units conduct and report on their audits in accordance with internal audit standards, manuals and codes of ethics, which are consistent with the guidelines of the Institute of Internal Auditors.
7. Senior managers implement internal audit recommendations and internal auditors ensure systematic follow-up and monitoring of acceptance and implementation.
8. Internal auditors hold a national or globally recognised certificate. The co-ordinating body ensures continuous professional development for internal auditors.
9. Internal quality assurance and periodic external quality assessment continuously improve the quality of internal audit.
10. Where financial inspection exists, it is complementary to the role of internal audit.



The  
Principles  
of Public  
Administration



 **Thank you for your attention!**

**Please do not hesitate to contact SIGMA  
should you have any questions or need any support!**

[Alastair.Swarbrick@oecd.org](mailto:Alastair.Swarbrick@oecd.org)



[www.sigmaweb.org](http://www.sigmaweb.org)



[www.par-portal.sigmaweb.org](http://www.par-portal.sigmaweb.org)



[www.linkedin.com/company/sigma-programme](https://www.linkedin.com/company/sigma-programme)



[sigmaweb@oecd.org](mailto:sigmaweb@oecd.org)

