



SMART INTERACTIVE TALK

AUDIT IN PRACTICE WORKING GROUP

**INTRODUCTION TO PERFORMANCE
AUDIT FOR INTERNAL AUDITORS
IN THE PUBLIC SECTOR**

March 18, 2024

SMART INTERACTIVE TALK (SIT)
AUDIT IN PRACTICE WORKING GROUP

INTRODUCTION TO PERFORMANCE AUDIT FOR INTERNAL AUDITORS IN THE PUBLIC SECTOR

March 18, 2024, at 13:00 (CET, Vienna time)

CONTEXT

Performance audits conducted by internal auditors are pivotal in evaluating and improving the overall performance of public organizations. By focusing on efficiency, effectiveness, and economy, internal auditors play a crucial role in contributing to the organization's success, risk management, and the attainment of strategic objectives. Unlike traditional financial information or compliance audits, performance audits focus on performance and on how to make public services, programs, and internal processes more efficient and effective. Consequently, conducting performance audits demands flexibility, imagination, and analytical skills to provide organizations with innovative solutions and new ideas.

Introducing performance audit practices poses a significant challenge for the internal audit community in any country. Internal auditors must acquire new skills and knowledge pertaining not only to financial and budget processes and internal controls, but also to operational performance within the organization. In parallel, it is well recognized that Supreme Audit Institutions (SAIs) are extensively involved in performance audit, which may raise questions about the role of internal audit in conducting performance audit. When embarking on a performance audit, it is critical for internal auditors to adhere to a systematic and structured approach that relies on international internal audit standards and best practices.

The central harmonization unit can play a crucial role in supporting this process, from the development and communication of policies that emphasize the importance of performance auditing within the public sector, to providing internal auditors with benchmarking data and sharing good practices related to performance auditing.

The March 18 Smart Interactive Talk (SIT) is an introduction to the field of performance auditing. During the SIT, global experts will outline the fundamentals of performance audit and why internal auditors should conduct performance audit, providing insights from standards and good global practices. Participants will share their thoughts and current practices, and express their views on potential challenges with conducting performance audit. The SIT will also explore how the PEMPAL IACOP (Public Expenditure Management Peer-Assisted Learning network, Internal Audit Community of Practice) can contribute to this process in a well-organized and structured manner.

ADMINISTRATIVE ARRANGEMENTS

- **Joining the SIT.** The SIT will be hosted on the Webex platform, which enables simultaneous interpretation into PEMPAL languages. Please click on the link in the invitation email and select the preferred language (English, BSC, or Russian). If the quality of your connection is poor, the video may be turned off and only audio used.
- **Connect at 12:45 pm to test your connection.**

AGENDA | MARCH 18, 2024 | 13:00-15:00 (VIENNA TIME)

Welcome remarks and introduction

13:00

Presentation on the objectives of the SIT and the agenda.

Mr. Adrian Fozzard | Practice Manager, Governance, The World Bank, PEMPAL Steering Committee Chair

Mr. Arman Vatyan | PEMPAL Program Leader, The World Bank

Ms. Tatjana Trajkovska | IACOP Executive Committee Chair; Head of Department and Chief Inspector, Ministry of Finance, North Macedonia

Fundamentals of performance audit and why internal auditors should conduct performance audit

13:10

2 presentations (about 40 minutes each)

Implementing performance audit by internal audit - adding value, facing challenges

Mr. Tony Angleryd | Performance Audit Global Expert; former Performance Audit Manager and Assistant Auditor General, the Swedish National Audit Office

Practical aspects and methodology at the European Court of Auditors

Mr. Giuseppe Grossi | Professor in Accounting at Kristianstad University (Sweden) and Nord University (Norway); Chair of CIGAR (Comparative International Governmental Accounting Research) Network

Session for discussion

14:30

Q&A

Closing remarks and next steps

14:50

Mr. Arman Vatyan | PEMPAL Program Leader, The World Bank

Mr. Grigor Aramyan | IACOP Executive Committee Member and Audit in Practice Working Group Leader; Chairman of Association of Internal Auditors, Accountants and Supervisors, Armenia

15:00

End of SIT

BIOS OF THE SPEAKERS AND MODERATORS

(in order of appearance)



ADRIAN FOZZARD

Practice Manager, Governance, The World Bank, PEMPAL Steering Committee Chair

Adrian Fozzard is Practice Manager for the Governance Practice in Europe and Central Asia. He joined the Bank in 2001 as a Senior Public Sector Specialist in the East Asia and Pacific Region and has held various managerial and operational positions, including World Bank Representative in Honduras, Coordinator of the Stolen Asset Recovery Initiative (StAR), Head of the Public Finance Practice, and Practice Manager for Governance in Europe and Central Asia, and subsequently in the South Asia Region. He has a Ph.D. from Durham University and a B.A from Oxford University.



ARMAN VATYAN

PEMPAL Program Leader, The World Bank

Arman Vatyán, a UK and Canadian chartered accountant, is PEMPAL Program Leader and a World Bank Governance Global Practice Focal Point overseeing the implementation of the World Bank's Governance activities in Central Asia including the financial management work program. He has more than 20 years of experience in leading critical financial management initiatives and reforms, including in public sector and corporate accounting and financial reporting, public internal and external audit, financial management information system (FMIS) and public internal control in 25 countries in the Europe and Central Asia, Latin America, and Middle East and North Africa regions. He also leads the PULSAR program of 13 countries and other regional PFM programs. Prior joining the World Bank he worked at Big Four providing information risk audit, corporate governance, strategic planning, MIS, restructuring, acquisition, and privatization advice to governments and large public interest entities. He has around 20 years teaching experience at ACCA courses and as visiting lecturer at universities, regional and MBA programs.



TATJANA TRAJKOVSKA

IACOP Executive Committee Chair; Head of Department for Public Sector Financial Inspection and Coordination for Combating Fraud against EU Funds - Chief Inspector, Ministry of Finance, North Macedonia

Tatjana Trajkovska is the IACOP Executive Committee Chair and a lawyer with a master's degree from the Institute of Sociological, Political, and Legal Research. She has 21 years of experience in the public financial area and 3 years in the field of personal data protection. She actively worked on establishing the internal audit system and the first law on internal audit in Macedonia. Within the Ministry of Finance, she also worked in treasury and debt collection as an assistant to the department heads. She holds various certificates, including management skills from the Management Education Center – Skopje, a Certificate from the International Fixed Interest & Bond Markets from the Securities Institute, London, a Certificate for public procurement from IDLO (International Development Law Organization), EIPA, and ICON Institute, EU, and the Ministry of Finance of North Macedonia, a Certificate for High administrative training from L'École Nationale d'Administration (ENA) Française Paris, and a Certificate for trainer of trainers. Since 2017, she has been working as a legal advisor to the Minister of Finance in the Cabinet and is currently the Head of Department - Chief Inspector in the Ministry of Finance, with active engagement in financial inspection in the public sector. She has also contributed to the development of the "Public Internal Financial Control Policy Paper with Action Plan 2019-2021" (PIFC Policy Paper) and coordinated action plan activities on Financial Control. She is the Ministry of Finance Representative in public administration reform and coordinated the process of establishing an Academy of Public Finance within the Ministry of Finance. Additionally, she coordinates the process for the country's accession to the EU as the deputy coordinator of Chapter 23 Financial Control and is the deputy president of the AFCOS network.



TONY ANGLERYD

Performance Audit Global Expert; former Performance Audit Manager and Assistant Auditor General, the Swedish National Audit Office

Tony Angleryd is a recognized performance auditor and evaluator with over 25 years of experience at the Swedish National Audit Office, where he has practiced his expertise in performance auditing and evaluation. His extensive career includes managing and advising on numerous performance audits globally, developing auditing capacities, and contributing to public administration reforms. An author of several books and guidelines on evaluation, public administration, and financial management, he has also been instrumental in developing international standards for INTOSAI, including the ISSAI 100-400 and 3000 series. His work has influenced performance auditing principles internationally, and he has served as a consultant for various international organizations. A former representative to the European Commission Working Group for Evaluation and Budgeting, he has also been a member of the European Union Evaluation Advisory Group. His experience extends to public administration reform, performance management, and training in performance auditing, where he has introduced methodologies and supported organizational development. His publications include influential works on auditing standards and guidelines, reflecting his significant contributions to the field.



GIUSEPPE GROSSI

Professor in Accounting at Kristianstad University (Sweden) and Nord University (Norway); Chair of CIGAR (Comparative International Governmental Accounting Research) Network

Giuseppe Grossi is Research Professor in Accounting at Nord University (Norway), Kristianstad University (Sweden), and Kozminski University (Poland). His research focuses on governmental accounting and auditing, hybrid organizations, and smart cities. He is member of the editorial board and guest editor of several public management and accounting journals (including Accounting, Auditing, and Accountability Journal, Accounting Forum, British Accounting Review, Critical Perspectives on Accounting, and Public Management Review), editor in chief of the Journal of Public Budgeting, Accounting, and Financial Management, and associate editor of Qualitative Research in Accounting & Management. He is also the Chair of the CIGAR Network. He collaborates as an expert with national governments, supreme audit institutions, and the European Court of Auditors. He was technical advisor to the IPSASB.



GRIGOR ARAMYAN

PEMPAL IACOP Executive Committee Member and Audit in Practice Working Group Leader; Chairman of Association of Internal Auditors, Accountants and Supervisors, Armenia

Grigor Aramyan has over 25 years of experience in public finance within the Republic of Armenia. His roles have included serving as the Head of the Risk Management Division of the State Revenue Committee, Division/Deputy Head of the State Internal Financial Control and Procurement Methodology Department at the Ministry of Finance, and Head of the Internal Audit Methodology Division of the CHU in the Ministry of Finance. Currently, he chairs the Association of Internal Auditors, Accountants, and Supervisors of Armenia.

