INTERNAL AUDIT COMMUNITY OF PRACTICE (IACOP)

Edit Nemeth, Acting Vice Chair
Cross-COP meeting
Moscow, May 2013

OUR DIRECTION

MISSION:
IA COP offers support to its member countries in establishing modern and effective Internal Audit system that meets international and EU standards and good practices and is a key for good governance and accountability in the public sector.

Internal Processes:
To maintain and develop a volunteer network of internal audit professionals through ‘peer’ learning, knowledge management with range of activities

Customers:
To serve our Governments

Financial:
accomplish donors needs and make best value for money of PEM-PAL with help of Secretariat
MEMBER COUNTRIES

We have membership from 22 different countries

ACTIVITIES from the beginning

**Plenary**
- 7 plenary meetings were attended by about 336 participants

**Working group**
- 20 working group meetings were attended by about 524 participants

**Video conferences**
- 10 video conferences were attended by about 58 participants, *hundreds* of skype calls

**Study visits**
- 4 study visits were attended by about 49 participants

**Other**
- *Hundreds* of presentations and evaluation surveys, *thousands* of e-mails, wiki-posts and answered questions...
BEING WELL ORGANIZED ... LEADS TO SUCCESS

- Distribution of tasks to well structured leadership teams
- Open discussion and collective decision making in ExCom
- Great leadership in working groups and collaboration with experts
- Community facilitating (supporting) groups

IACOP STRUCTURE

- Steering Committee
  - Chair: Marius Koën
  - TL: Elena Nikulina

- Executive Committee
  - Chair: Makar
  - Members: Maxim, Zabir, Lider, Stanislav, Svetlana

- RI-FIX
- Assessment
- Quality Assurance

- World Bank
  - Coordinator: Arman
  - Consultant: Diana

Logistical Support

Secretariat

Center of Excellence
The ExCom

Diana Grosu–Axenti
WB, consultant

Arman Vatyan
WB, Coordinator

Makar Ghambaryan
Chair
Armenia

Nini Eliashvili
Vice Chair
Georgia

Edit Nemeth
Acting Vice Chair
Hungary

Ljerka Crnković
Ukraine

Svilena Simeonova
Bulgaria

Stanislav Bychkov
Russia

Zamira Omorova
Kyrgyzstan

THE WORKING GROUPS AND LEADERS

1. Internal Audit Manual (completed):
   Ljerka, Cristina, Jasenka, Albana

2. Training & Certification (completed):
   Cristina, Maria, Tomislav

3. Quality Assurance:
   Ljerka, Amela, Maksim, Nini, Svilena

4. Risk Assessment:
   Grigor, Stas, Edit, Zamira, Doroteya

5. RIFIX:
   Sergii, Makar, Svilena, Aurelia, Giuli
THE WORKING GROUPS HELP TO:

✓ Understand and apply the International Standards and best practices
✓ Develop a solid understanding of the IA function
✓ Discover tested tools and techniques
✓ Learn from country experience and identify the best approach for our country
✓ Improve the quality of internal audit in all the IACOP countries

THE WORKING GROUPS KNOWLEDGE PRODUCTS

<table>
<thead>
<tr>
<th>IA MANUAL TEMPLATE</th>
<th>CPD MANUAL TEMPLATE</th>
<th>IA BODY OF KNOWLEDGE</th>
<th>Coming soon</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>2012</td>
<td>2013</td>
<td></td>
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Coming soon:
- RISK ASSESSMENT in Audit Planning Guide
  - QUALITY ASSURANCE Manual
Community facilitating groups

✓ **External messengers:** prepare communique or resolution to make us visible
  Yalta resolution, Ohrid communique...

✓ **Quality’s friends:** identify strong&weak points improving for futures

✓ **Value detectives:** explore created values shown outputs and impact

✓ **Community keepers:** find solutions for sustainability

✓ **Agenda activists:** identify new topics

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**FAMILY SPIRIT IN OUR TEAM**

**PEMPAL - my team, my dream, my love!**

You give me everything that drives!

**PEMPAL my family forever,**

you are the guiding star in all my life.

Our Motto: *Unity in Diversity*

Our Hymn: *About our strong team*

http://www.youtube.com/watch?v=RfS0ZuHlCE&feature=youtu.be
FAMILY IN ACTION

Our Logo:

IMPACT OF IACOP by Theme

before and after

[Bar chart showing data before and after 2007, 2011, and 2014]
IMPACT OF IACOP by Country before and after

IACOP IMPACTs our REFORMS

Significant 53%

Moderate 26%

High 16%

LOW 5%
IACOP midterm plan

- Establish a peer review mechanism to share information among governments and to act as peer reviewer of the internal audit system.
- Include in the scope internal control.
- Establish Expert Groups in specific areas of Financial Management and Control (FMC) to include also members from other COPs, for example on FMC, accounting, GFIS, budget controls, etc.
- Elevate the mandate and visibility of the IACOP to advance reforms in all the 22 IACOP countries.

IACOP Contribution to Transparency and Accountability

- IACOP plays a key role in member government’s accountability to the public (results were above).
- Effective IA helps to establish integrity in the management of public expenditure and achieving service delivery to public. Once integrity is achieved fiscal transparency leads to accountability.
- IA promotes the overall effectiveness and efficiency of government operations and the transparency of decision making.
- Internal audit provides managers with assurance and consulting as to the design and operation of the governance, risk management, and control processes in their organizations.
- Those activities are an important part of government’s efforts to provide value and accountability to citizens for the use of taxpayer funds.
SUMMARY

More Transparent ...

SUMMARY

Better accountability ...
SUMMARY

Clarity for management and stakeholders...

Community with no limits of impact on Transparency and Accountability
Хвала
Спасибо
Thank you
Köszönöm
დიდი მადლობა
Շնորհակալություն