

OECD Central Harmonisation Function Meeting - Agenda

Internal Control and Internal Audit

27 MARCH 2024

OECD Conference Centre, Room CC7

Background

A Central Harmonisation Function on internal control and internal audit (CHF) plays a key role for the development and enhancement of the internal control and internal audit systems throughout the public sector; standardising and coordinating definitions, standards, and methodologies between all relevant actors. While the CHF is often established as part of the Ministry of Finance, there is variation in where the CHF is housed across countries. The CHF with government-wide responsibilities, plays a critical role in helping public sector organisations to institutionalise internal control, risk management and internal audit by providing unified standards, policies, and guidance. They also help raise awareness about the value of internal control and risk management for decision making and achieving organisational goals.

The OECD CHF Meeting aims to be the first step to building an interactive community of experts that breaks down silos of units responsible for such functions within countries and provides a common ground to stimulate the policy dialogue, setting clear standards on the subject matter across countries.

** This in-person only event is by invitation only. All session times, placements and speakers are subject to change. All sessions will take place in English only.*

8:30 Badge pick-up and networking

9:00 – 9:15 OPENING REMARKS

9:15 – 10:00 SESSION 1

The OECD Public Integrity Indicators P10 " Effectiveness of Internal Control and Risk Management " - analysis results

The OECD Public Integrity Indicators establish a new benchmark for government resilience to corruption risks and for strengthening public integrity. Based on primary data sources and validated by countries, the Indicators help bolster global efforts against corruption by providing actionable data. The section will explore the latest analysis on effectiveness of internal control and risk management mechanisms for safeguarding public integrity.

Link to Indicators and Portal: <https://www.oecd.org/gov/ethics/public-integrity-indicators.htm>

10:00 – 11:00 SESSION 2

Sharing Practices: Internal control and internal audit frameworks (complementing Session 1)

The models of internal control and internal audit can vary, and the suitability of a particular model depends on the functions, the culture, and administrative environment of the organisation or the country. The OECD member countries provide detailed information on their internal control and internal audit framework during cooperation with the Public Integrity Indicators, and there could be some insight beyond the measurement whether the criteria are fulfilled or not. This session will explore various frameworks of internal control and internal audit collected through the Public Integrity Indicators survey, and it will be an opportunity to discuss the strengths and risks of each type.

OECD Central Harmonisation Function Meeting - Agenda

Internal Control and Internal Audit

27 MARCH 2024

OECD Conference Centre, Room CC7

11:00-11:30 Networking and coffee

11:30 – 13:00 SESSION 3

Performance Audit: Opportunities for steady improvement

Performance auditing goes beyond identifying irregularities or weaknesses in internal controls and provides recommendations for improvement by identifying the root causes of the issues. To conduct performance auditing, a strategic audit plan that supports the achieve of organizational goals is necessary, as well as insights to view problems from a broader perspective. The capability of an internal audit unit to conduct performance audits is also a good indicator of the maturity of internal auditing. This section explores the benefits that internal auditing can bring to an organisation through performance auditing.

13:00-14:30 Lunch break and networking

14:30 – 15:45 SESSION 4

Central Harmonisation Function's role in staffing and training internal auditors

The competence of internal auditors is a crucial factor that influences the quality and effectiveness of audits. However, internal audit departments in the public sector often face difficulties in recruiting and training auditors. Challenges include competition with the private sector (in terms of compensation), a lack of auditors who possess both audit expertise and a sufficient understanding of public business, and limited on-the-job training opportunities due to relatively small-scale audit units. This session will explore how to overcome these challenges and ensure the availability of high-quality auditors.

15:45-16:15 Networking and coffee

16:15 – 17:30 SESSION 5

Increasing Internal Control and Internal Audit roles for supporting accountability in spending response and recovery funds

Response and recovery funds are accompanied by loosened control due to the urgency of their execution. Auditors play a crucial role in addressing corruption risks and responses in the post-crisis recovery phase of the global COVID-19 pandemic. This section will explore good practices of internal control and risk management in response and recovery funds, both in the short term in the aftermath of a crisis and in the medium to long term, including tackling fraud and corruption, and evaluating the performance of funding programmes.

17:30 – 17:45 CLOSING REMARKS