

Strengthening the System of Public Internal Financial Control in the Republic of Armenia

General Information

Sector: Public Finance Management
Duration: 24 months
Implementation period: September 2014 - August 2016
Budget: EUR 1mln

Beneficiary Administration: [Ministry of Finance of the Republic of Armenia](#) 

EU MS Partners: Lead partner [Swedish Financial Management Authority \(ESV\), Sweden](#) 

Project Description

Objective: The overall objective of this Twinning Project was to strengthen the implementation of a Public Finance Management/ Public Internal Financial Control system in RA in accordance with international recognised standards and EU good practices.

Components: **Component I:** Reviewing of current legislation and other documents
Component II: Raising methodological capacity for Public Internal Financial Control system implementation
Component III: Supporting Central Harmonization Unit in risk management
Component IV: Supporting Central Harmonization Unit in establishing internal audit services

Achieved results: The main results achieved during the implementation of the project were as follows:

- a) All legal framework and other necessary texts and written materials were prepared, including proposals affecting the Treasury, budgeting, civil service public organisation and local government legislation to promote a modern Public Internal Financial Control system that is targeted to the needs of the Armenian public sector and that meet international standards, taking into account the necessity to improve the efficiency and effectiveness with which public services are delivered in Armenia;
- b) The Central Harmonization Unit was well structured and possessed all the required methodological capacity to effectively meet its mandate in the implementation and further development of the Public Internal Financial Control system as well as piloting the system and supervising its further developments by coordinating the activities in the areas of FMC and Internal Audit. Central Harmonization Unit was adequately staffed with staff experienced in management, accounting and knowledgeable about Public Internal Financial Control;
- c) Necessary structures and training were completed to make public managers eventually accountable and so capable of elaborating as soon as possible a management and control system and implement a regime of risk management. The legal grounds became available to implement managerial accountability;
- d) Necessary structures and training were completed for IA Units to ensure that all public internal audit personnel operate to a professional level compliant with EU and international best good practices.

More Information: