

Revision of Public Internal Control Standards and Public Internal Control Guide

BACKGROUND

Turkey has taken notable steps to reinforce transparency and accountability of its public spending enhanced with an effective internal control framework in the last two decades. The most important step in this area is the adoption of Public Financial Management and Control (PFMC) Law no. 5018 in 2003. With the adoption of this law, the operation of internal control and the roles and responsibilities of the actors in the internal control process were identified and the responsibility of identifying standards and guiding public administrations by ensuring coordination on this area was given to Ministry of Finance. General Directorate of Budget and Fiscal Control took charge of this responsibility as the Central Harmonization Unit.

With the authorization delegated by the PFMC law, Ministry of Finance issued and put into force Communiqué on Public Internal Control Standards on December 26th 2007. In line with the requirements of this Communiqué, public administrations included in the scope of this Communiqué are preparing internal control action plans involving a gap analyses and necessary steps to meet the standards. Action plans are one of the most important monitoring tools for Ministry of Finance. Both the improvements and changes to the international regulations on the internal control standards and experiences gained from the implementation of the current framework have indicated a need to revise the internal control standards.

In 2014 the public internal control guide was prepared and issued by the Ministry of Finance to guide the public administrations in implementing the internal control framework and its five main components. The Guide will need to be updated in line with the revised internal control standards.

The consultancy will be financed from the Public Finance Management Reform Implementation Support Project financed by the World Bank. The Project aims to contribute to an effective, feasible internal control system that is in line with the public financial management framework in Turkey.

OBJECTIVE OF THE ASSIGNMENT

The objective of this consultancy is to provide overall technical guidance and support to the Ministry of Finance in revising the current Internal Controls framework in line with the changes in the international guidelines like COSO and EU regulations. The consultant will also evaluate the experience gained from implementation of the current framework and address the issues identified in the preparation of the new framework and guide.

SCOPE OF WORK

- Review of the international regulations on internal control standards which are considered as main resources in this area. These would include at the minimum the COSO framework, EU Public Internal Financial Control framework and INTOSAI documents for the Public Sector.
- Review of the best practices on internal control standards and their implementation in other countries and organizations.
- Evaluation of current implementation practices and issues identified by the public administrations
- Review of the current internal control standards with respect to the international regulations, best practices and implementation findings and providing an analysis of gaps and areas for improvement
- Revision of the Public Internal Control Standards
- Revision of the Public Internal Control Guide in line with the revised standards.

DELIVERABLES

- A background paper analyzing international regulations.
- A gap analysis of the current Internal Control Standards with international regulations and best practices
- An analysis of issues identified from the evaluation of current implementation of the public internal control framework.
- Draft revised internal control standards.
- Draft revised internal control guide consistent with revised internal control standards, including application examples

QUALIFICATIONS AND EXPERIENCE

- At least 5 years of experience working in the area of internal control either as a practitioner or as a consultant preferably both in Turkey and abroad.
- Preferably experienced in revising/writing standards, manuals and guidelines.
- Preferably experienced in the internal control implementations in public sector.
- Demonstrated report writing skills.

CONTRACT ARRANGEMENTS

01.12.2016– 01.03.2017