

ACCOUNTS CHAMBER AND VAP: COLLABORATION EXISTS!

Collaboration of the Development Policy Institute (DPI) with the Accounts Chamber (AC) of the Kyrgyz Republic began in 2013-2014, when per local self-governments' request, series of workshops for representatives of LSG bodies of Issyk-Kul and Jalal-Abad oblasts on "Interaction between Local Self-Governments and State Agencies" and "Prevention of Typical Violations of Local Self-Government Legislation" were held and, where the AC representatives co-facilitated the workshops as trainers. As a result of those workshops, an urgency to improve practices of conducting audits at the local level has become evident.

In December 2013 and February 2014 the DPI organized two round tables to discuss the role of the budget audit in enhancing effectiveness of local self-government. Those events aimed at discussing issues of the audit practices at the local level and the role of the AC in this process, as well as elaboration of possible areas for improving the audit methodology. The discussion participants concluded that the audit procedures advancement was an effective way to improve efficiency of the local budget formation and execution. In result, the issues of conducting the audit during the local budget formation stage were endorsed, the need to include a risk assessment of the budget process at the local level into the methodology was discussed and the AC was suggested to create a working group to develop the methodological instructions for auditing the budget process at the LSG level.

The working group consisting of the Accounts Chamber's central

apparatus and territorial units and the DPI's representatives carried out a great work on developing and discussing the guideline on conducting the audit of the local budgets. The general guideline on audit of the local budgets was approved by the Accounts Chamber of the Kyrgyz Republic and its territorial subdivisions by the Council Resolution of the AC on December 11, 2015.

Then, within 4 months of 2016, the AC territorial subdivisions conducted pilot audits according to the Guideline and, based on their audit findings, proposals were suggested to improve the Guideline. Per request of the AC chairperson, the Guideline was brought into compliance with international standards in relation to developing the audit plan and program, and preparing the audit report.

The final Guideline on the local budget audit by the Accounts Chamber (AC) of the Kyrgyz Republic and its territorial subdivisions was approved by the Council Resolution of the AC on December 20, 2016.

After that, trainings were conducted for all territorial

subdivisions (TS) of the Accounts Chamber (December 20-23, 2016 for TSs located in Bishkek and Balykchy; January 20, 2017 – in Osh city) in order to present and explain the new Guideline. Arstanbekov D., the head of the working group of the AC, during the training for the territorial subdivisions noted that the territorial subdivisions were the first to operate according to international standards as a result of the Guideline's adoption. Head of the Accounts Chamber apparatus, Elebesov B. expressed his confidence that the Accounts Chamber would improve the audits at the local level starting from 2017.

The Accounts Chamber also received assistance to translate a part of the Guideline into Kyrgyz and publish it. In 2017, it is planned to organize a presentation and discussion of the Guideline for representatives of LSG bodies of the DPI's five pilot oblasts. During the training for the LSG representatives of Chui oblast in February 2017, it was noted that one of the achievements of the new Guideline was that the new audit system at the local level included the audit of the budget process stages, and issues of accountability and transparency of LSG bodies.

