

AFIIA 2017



**KEYNOTE ADDRESS BY
PROFESSOR AARON MICHAEL OQUAYE,
RT. HON. SPEAKER OF PARLIAMENT OF THE REPUBLIC OF GHANA
AT THE OPENING CEREMONY OF AFIIA 2017
THE 4TH AFRICAN FEDERATION OF INSTITUTES OF INTERNAL AUDITORS
INTERNATIONAL CONFERENCE
Wed, May 17, 2017 @ Accra International Conference Centre**

Hon. Ministers of State,

Hon. Deputy Minority Leader & Chairman of the Public Accounts Committee of the Parliament of Ghana

Madam Angela Witzany, Global Chairperson of the Institute of Internal Auditors

The Chairman & Members of the Governing Council of AFIIA

The Auditors-General of Ghana & Liberia

The President & CEO of the Institute of Internal Auditors Global Headquarters

Past Global Chairpersons of the Institute of Internal Auditors

Distinguished Leaders of Internal Audit Institutes from across Africa

The President & Governing Council of IIA Ghana, the host Institute

Heads of Institutions

Internal Auditors and other Delegates

The Media

Distinguished Guests

Ladies and Gentlemen:

It is indeed a pleasure for me to join you at the opening of this conference. I wish to extend a warm welcome to all of you, especially to those participants who have chosen this conference as their “excuse” to pay their first visit to our dear country. I wish you a pleasant stay during the conference and also during your post-conference activities.

I am particularly pleased to have learned that the African Federation of Institutes of Internal Auditors (AFIIA) has identified itself with the promotion and advocacy of good governance in all spheres of institutional life across Africa and set upon itself to work, in conjunction with its constituent member national institutes, as a vehicle of change and support to the efforts of Governments of all the African countries in further accelerating economic and social development. This cause is a good and just cause that all of us should be proud to be associated with.

As various states embark on consolidating the principles of good governance through enforcement and facilitation of the guiding principles of state policy, enactment of appropriate enabling legislation and ensuring that there is full accountability and exercise of responsibility by all stakeholders, the role of internal auditors becomes a pressing necessity that cannot be taken for granted. National priorities change from time to time for a variety of reasons, but the primary objective of ensuring that good governance practices prevail remains a continuing imperative. To this end, I am excited that you have chosen as your theme for this conference “*Insight to Foresight: The New Imperative for Internal Audit & Governance*”. It is clear to me that Internal Auditors on the African continent desire to bring new dimensions to the

assurance and advisory role that they play. As you know, the internal auditor was for many years perceived as a policeman out to catch wrongdoers. Increasingly however, I am advised that internal auditors are supporting management of the institutions they serve to put in place mechanisms that would forestall challenges from occurring in the first place.

Like many African countries, Ghana has been at the crossroads of growth ever since we embarked on our 4th Republican dispensation in 1992. Among the key objectives targeted by our successive governments have been the need to ensure that the principles of good governance and accountable public financial management, the rule of law as well as expansion of local government through decentralisation of public services became a basic mantra acceptable to the people. Governments have also sought to create the enabling environment for the private sector to thrive through improvements in the regulatory environments aimed at facilitating rather than frustrate investments and the rights of investors. In all this, the need to have a strong internal audit support structure has been a key condition and parameter, with the expectation that they will assist institutional leadership by providing sound assurance advice through context-relevant recommendations from effectively planned and executed field audits and administrative reviews.

The Internal audit function has no business being lazy in any institution. It has all the responsibility to be factually accurate in its deliberations and findings, forthright with its recommendations with a fearless sense of duty. It must be the function on which managements and governing boards must place a lot of reliance on stemming institutional problems mid-stream before they rear their heads out of control. The Internal Auditor must be the go-to person on which management can rely on to provide the timely risk-sensitive advice on the institutions decisions and their associated expected impacts. I expect no less.

Through the promulgation of the Internal Audit Agency Act, 2003 (Act 658), Ghana gave a firm boost to the practice of internal audit (at least in the public sector of Ghana). It is my expectation that the Institute of Internal Auditors Ghana would continue to collaborate with the Internal Audit Agency to ensure that public sector internal auditing is further enhanced beyond where it is today. Indeed the recent passage of the Public Financial Management Act, 2016 (Act 921) also has a strong requirement for a strengthened internal audit role through the prescribed audit committees expected to be established under the Act.

Distinguished Ladies & Gentlemen, the Parliament of Ghana, through its Public Accounts Committee, is expected to play a strong oversight role over the executive branch of government. In executing this mandate, it also has a responsibility to protect the ordinary citizen and ensure that all social investments are properly geared towards the growth and development of the people of the country.

In as much as the Auditors-General of our respective countries have a role with the audit and assurance of the good custodianship of the public purse, the quality of the work of internal auditors can greatly enhance the achievement of objectives of the Auditors-General. I therefore expect more effective tripartite collaboration between the Institute of Internal Auditors, the national agencies responsible for internal audit and the Auditors-General in all the African Countries to ensure that we can expand the boundaries of relevance to new limits. It would also be a good opportunity for me to call on national governments to make further commitments to facilitating the capacity development of internal auditors if we are to gain serious benefit from them.

On this note, I am pleased to note that internal audit is not only about financial or fiscal management issues but a multi-disciplinary profession that looks at all spheres of the institution from governance, leadership & strategic management through human resource issues through operations management to financial management. It is therefore refreshing that this principle has served as a great rationale behind the array of topics selected for this 4th AFIIA conference. It is gratifying to note that your conference has chosen to adopt a multi-disciplinary approach. I have studied your conference schedule and I am pleased to note that the subjects expected to be discussed over the next three days hit at the core of contemporary issues of interest to the State. I am hopeful that the sessions would empower delegates to be more responsive to the rapidly changing challenges arising therefrom.

I am sure that you will make the requisite arrangements to furnish key stakeholders such as national Governments, legislators and private sector leaders with the outcome and recommendations arising out of your deliberations with particular reference to your recommendations and proposed follow-up programme and I will urge you to sustain the good efforts you have today initiated.

I expect that internal auditors and institutional leaders gathered here in this conference would work hard to put the lessons learnt and experiences shared to good use when you return to your respective workplaces and countries.

Distinguished Ladies & Gentlemen, The new paradigm for the modern internal auditor is "*never cease upgrading yourself*". Read as widely as possible. Be familiar with changing rules, regulations and laws. Be abreast with best practices. Follow the international standards for the practice of internal audit. You cannot succeed where you have not invested in equipping yourself with knowledge, therefore be prepared to complement what your employer provides you. Your knowledge today can empower you tomorrow.

Scandals abound in situations where internal audit and management fail to spot the tell-tale signs before the problems manifest as scandals. The reputational damage cost that an institution suffers as a result of lack of diligence by an internal auditor, or the neglect of internal audit recommendations by management far outweigh the benefits that could be garnered with timely action.

It therefore behoves on internal auditors to forcefully advocate their relevance to the institution with insightful perspectives on issues that would always attract the attention of management. This means that the core principles of comprehensiveness of findings and their root causes, the accuracy of supporting analysis leading to the conclusions, the relevance of the suggested solution paths, the brevity and clarity of the audit report as well as the preparedness of the internal auditor to assume responsibility and defend the audit report should be taken as the topmost priorities of the internal auditor. The independence of the internal auditor becomes fatally compromised if the internal auditor's ethical behaviour falls below the accepted standards enshrined in the code of ethics of the profession. We can ask for nothing less than sound ethical behaviour from Internal Auditors.

Ladies and Gentlemen, the Global Village has reached Ghana or better still Ghana has gained membership of the Global borderless village encompassing the prevalent use of information & communication technology. The inevitable challenges of cyber-security

constitute yet another hurdle that the internal auditor must take into stride. I cannot over-emphasise this point. In as much as Ghana, like many African countries, has developed and is implementing eGovernance in various forms and shapes, it behoves on the internal auditor to be fully prepared to provide audit assurance to institutional management on the safeguarding of the Information Technology environment in all the sectors of national life where it is applied. I trust therefore that through effective audit programming and oversight, you will all be at the vanguard of the crusade to ensure that the information technology environment remains an enabling arena for people to share ideas and resources for the betterment of mankind and also condemn unequivocally any negative uses of this medium.

Let me at this point also recognise the role of the universities in Africa, such as the University of Professional Studies Accra (UPSA) here in Ghana, for the yeoman's job they have embarked on in training Internal Audit professionals mainly at the graduate level. I am looking forward to hearing that these programmes would be expanded in curriculum content as well as practical field experience and improved learning techniques to enhance quality. It is gratifying to note that the UPSA has recently agreed to participate in the Internal Audit Educational Partnership with the Institute of Internal Auditors. I wish them fruitful endeavours in that regard.

Seventy-Six years ago, the Institute of Internal Auditors was established by a group of about 20 auditors in New York, USA. Today, the Institute is a global professional body with more than 185,000 members worldwide. The national institutes that form the African Federation have a responsibility to ensure that the profession's volunteer leadership and self-help spirit that has allowed for positive self-expression and professional advocacy continues to portend growth and development of the profession in Africa to support the African renaissance we all ascribe to.

I wish to pay a glowing tribute to the leadership of the Institute of Internal Auditors Ghana who have worked tirelessly to bring this conference to reality. I trust that that volunteering & self-help spirit will be with you and you will achieve very positive results in the coming months. You can count on me for support in your endeavours.

Distinguished Ladies & Gentlemen, I believe each participant in this conference has something to learn and something to offer. Some of you may be more conversant with the practice of internal audit than others. I view this conference as an attempt to further democratize learning, knowledge creation and knowledge acquisition. Please make sure you leave this conference fully networked with colleagues from other countries. Through collaboration with other delegates, I would wish you to lay the foundations and offer demonstrations in very practical ways relating to the planning, management and implementation of internal audit professional practices.

Ladies and Gentlemen, as I conclude this address, it is also important that we identify more clearly my expectations of what your conference should achieve in order to set the ground rules for further development. I would therefore ask that you consider the following issues:

- Clearly identify all institutional challenges that require priority attention by various stakeholders – especially on matters of regulatory interest.
- Determine and recommend the required enhancements to the available capacity development infrastructure to deliver effective internal audit training programmes given the peculiar circumstances of our respective countries.

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- Assess the relevance of other national initiatives currently ongoing in Ghana to improve and restructure the practice of internal auditing, and explore ways and means of collaborating mutually between the formal agencies in our various countries and the Institute of Internal Auditors (Global, African Federation, and national affiliate institutes).
- Determine the optimal means of sustaining the efforts of the national institutes to make them more relevant to the respective national agendas of member countries, and
- Review and tackle other unique challenges such as emerging Government policy initiatives, national peculiarities such as corporate culture, regulatory differences, etc.

Once again, let me extend a warm welcome to all the visitors to our great country, Ghana.

Distinguished Ladies & Gentlemen, on this note, I would like to formally declare the 4th African Federation of Institutes of Internal Auditors International Conference (AFIIA 2017) duly opened, and wish you success in your deliberations.

Thank you.