



# The Audit Chamber of the Republic of Armenia

## Strategic Development Program 2026 – 2032

Human centeredness  
Excellence  
Collaboration

## ○ List of abbreviations

|         |  |
|---------|--|
| RA      | The Republic of Armenia                                      |
| NA      | RA National Assembly   |
| AC      | RA Audit Chamber   |
| CC      | RA Control Chamber   |
| GAO     | USA Government Accountability Office                         |
| EU      | European Union   |
| HRIS    | Human Resource Information System                            |
| INTOSAI | The International Organization of Supreme Audit Institutions |
| IFPP    | INTOSAI Framework of Professional Pronouncements             |
| MTEF    | Medium-Term Expenditure Framework                            |
| OECD    | The Organization for Economic Co-operation and Development   |
| SIGMA   | Support for Improvement in Governance and Management         |
| SAI     | Supreme Audit Institution                                    |
| SNAO    | Swedish National Audit Office                                |
| WB      | The World Bank   |
| USAID   | The United States Agency for International Development       |
| UNDP    | United Nations Development Program                           |

# I. Introduction

The Audit Chamber (AC) is the independent public body performing external public audit.

The purpose of the AC activity is to provide timely, professional and impartial information to the National Assembly and the public on the legal, efficient and effective operations of the State and Local Governments.

In the public finances and property areas AC performs audits on the legality, the efficiency and effectiveness of the state budget and community budget funds, loans and credits received, and the use of state and community property.

In May 2024 amendments to the “Law on the Audit Chamber of the Republic of Armenia” (hereinafter 2024 AC Law) have been approved. The amendments have brought the AC law more in line with the INTOSAI Framework of Professional Pronouncements (IFPP) by institutional improvements such as.

*The mandate has been broadened by including the right to audit of legal entities related to public finance and public administration, regardless of contractual arrangements; the administrative expenses of the Central Bank of Armenia, capital investments and to perform follow-up audits*

*The operational independence of the human resource function of the AC has been guaranteed and certification requirements for AC auditors are introduced*

*Full access to information*

*The governance model has been balanced based on internationally recognized modern standards of corporate governance*

The activities of the AC over the next six years (2026-2032) aim to improve the quality and impact of the AC work and deliverables in citizen's interest by enhancing the professional capacity; making use of digital tools in the audit work; development and implementation of a Quality Management System and Monitoring mechanism; and increasing the external visibility of the AC.

This strategy has taken into account the results of the SDP 2024 -2025, AC's mid-term audit priorities and internal evaluations.

The Development Strategy 2024 - 2025 was developed with the support of the SIGMA programme of the OECD. The implementation of which was technically supported by the Government Accountability Office of the United States (GAO), the Swedish National Audit Office (SNAO), and the UNDP.

## II. Mission, Vision, Values and Principles

**Mission**      **To contribute to the improvement of public governance<sup>1</sup> through audits.**

**Vision**        **To be an exemplary and trusted Supreme Audit Institution.**

**Values**

**Human centeredness:** in its work the Armenian citizens interest has a central role.  
**Excellence:** the AC conducts high quality audits that are relevant and have impact.  
**Collaboration:** active partnerships, both within the Chamber and with peer SAs, international organizations, and regional networks are indispensable for strengthening audit quality, institutional capacity, and impact.

### Principles

**Independence:** the AC is independent in its programming and conducting of its activities.

**Legality:** the AC will respect the Armenian Constitution and legislation and international agreements, to which the Republic of Armenia is a party.

**Transparent and accountable:** The AC will be transparent and accountable in conducting its work.

**Integrity:** The AC will conduct itself in a manner that creates confidence and trust in what it does and be a model public organization.

**Professionalism:** the AC maintains high professional standards and be impeccable through knowledge sharing, innovation and experience sharing.

**Confidentiality:** the AC respects the confidentiality of data and documents administered during the audit as confidential.

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<sup>1</sup> Governance - the process by which decisions are made and implemented (or not implemented). Within government, governance is the process by which public institutions conduct public affairs and manage public resources. Good governance refers to the management of government in a manner that is essentially free of abuse and corruption, and with due regard to the rule of law. - Manual On Fiscal Transparency, IMF 2007.

### III. Audit Strategic Priorities

These audit priorities are based on AC's commitment to perform human-centred audits and aim to foster a public governance that adeptly serves human needs. The existence of medium-term priorities enables a consistent pursuit of maximizing the value created from the Audit Chamber's resources in contributing to the improvement of public governance.

Audit priorities are based on public governance priorities deriving from legislation, the Sustainable Development Goals (SDGs), Government programs, and sector-specific conceptual and strategic policy documents.

The Audit Chamber has defined seven core audit priorities, the implementation of which will contribute to enhancing the effectiveness of public governance in proactively addressing citizens' needs through modern public institutions.

Within each audit priority, the planned audit directions are defined to address high-level risks and are aligned with the key issues and public policy priorities identified from the legislation and in the Government Program, the Medium-Term Expenditure Framework (MTEF), and sectoral strategic documents. These priority areas are equally important, each addressing crucial aspects of public well-being and progress;

1. Accessible, affordable, high-quality, and resilient healthcare for the people
2. Accessible and high-quality lifelong education for the people
3. Clean and safe environment for the people
4. Accessible and effective justice for the people
5. Development of an export-oriented, knowledge-based, and competitive economy
6. Development of institutions for public financial and property management
7. Harmoniously developing communities.

## IV. Strategic Capacity Development Priorities

An efficient and effective structure of the AC; audits based on international accepted principles, standards and methodologies; sufficient professional staff; clear and transparent communication of audit results are indispensable terms and conditions for achieving audit results that can impact human needs.

The strategic priorities for 2026 -2032 of the AC therefore focuses on aligning the AC structure with the new governance model as defined in the amended AC law, enhancing the quality of the AC audit results, developing human capital of the AC, and enhancing the communication and strategic partnership.

One of the key values of the AC is maintaining good relations with key stakeholders, which play a crucial role in accomplishing mission. Stakeholders will be engaged in AC's work, whenever and wherever it can within the boundaries of AC's independence.

### Key External Relationships;

- National Assembly of Armenia
- Public authorities
- Citizens
- Civil Society, Media and Professional Associations
- Cooperating higher education institutions and international audit organizations
- Counterpart SAIs and International Auditing Organisations

For each strategic development priority, specific directions are defined, along which the successful implementation of activities will serve as a key factor for the development of the Audit Chamber, as well as for supporting public governance and enhancing accountability in the management of public finances.

Our development priorities are as follows:

- 1. High Quality and impactful Audits**
- 2. Enhanced governance of the Chamber**
- 3. Professional Human Capital and Institutional Capacities**
- 4. Enhanced Communication and Strategic Partnerships.**

## Priority 1.

### High Quality and Impactful Audits

**Why?** We aim to Improve the effectiveness, reliability, and value of audits conducted by the AC, aligning with International Standards of Supreme Audit Institutions (ISSAIs).

To ensure successful human-centered audits, the AC will enhance the quality and impact of its work through several key measures. These will cover all stages of the audit cycle — planning, execution, reporting, and follow-up.

A quality management system will be introduced to monitor audit performance through key indicators and to assess the quality of audit reports across all types of audits. Follow-up audits will help evaluate the impact of audit results.

The digitalization of audit processes and monitoring will further strengthen the AC's management capacity. The newly established Quality Management Committee will play a central role in achieving Priority 1 of this Strategic Plan.

#### What would good look like?

- Annual monitoring reports confirm that AC's audit results and recommendations, which are based on modern AC-approved audit methodologies have visible impact.
- Technology increasingly supports the efficient delivery of audits.
- Annual quality reports confirming effectiveness of audits and the measurable enhancement of the Chamber's credibility and authority.

#### To-dos.

##### **Directions:**

##### **1. Improvement of audit methodologies in line with ISSAIs.**

*The methodologies for financial, compliance, and performance audits will be reviewed to ensure continuous alignment with ISSAI standards, thereby maintaining consistency and high quality.*

##### **2. Digitalization.**

*The AC will apply artificial intelligence, machine learning, and data analytics, to streamline the audit process and support effective, technology-driven audits.*

##### **3. Improvement of Quality Management System in line with ISSAI 140.**

*The implementation of the Audit Chamber's quality control system aims to ensure audits comply with international standards, enhance the reliability and credibility of audit results, and strengthen public trust in and the reputation of the Audit Chamber.*

##### **4. Institutionalise monitoring procedures for the implementation of audit recommendations.**

*A system should be established to monitor and verify the implementation of its recommendations.*

## Priority 2.

### Strengthened governance of the Chamber

#### Why?

We aim to improve organizational matters and align them with the requirements of the governance model introduced by the new Law on the AC. Through the implementation of a new governance model, accountability mechanisms will be created, alongside a modern system ensuring the security and traceability of information usage.

The challenge of Priority 2 is to ensure the new internal structure and HR mandate effectively support the audit process. The Internal Audit function will identify organizational inefficiencies. The newly established Ethics Committee will ensure the internal culture aligns with the Code of Ethics.

#### What would good look like?

- Annual reviews show a continuous decrease in violations of the Code of Ethics.
- Mechanisms and guidelines for monitoring and performance in place and functioning effectively.

#### To-dos.

##### Directions:

##### **1. Establishing regulations for the Ethics and Audit Committees.**

*The formation and operational procedures for the Ethics and Audit Committees and their supporting units will be developed and implemented to ensure comprehensive and effective functioning*

##### **2. Monitoring strategic development and annual plan**

*The strategic and annual plans have risk-based approaches but systems for monitoring progress and results will have to be developed.*



### Professional Human Capital and Institutional Capacities

#### Why?

We aim to establish a professional, ethically sound, and fully supported audit workforce through a targeted human resource policy. The new HR mandate allows for establishing human resource standards and procedures, such as qualification standards, job classifications, remuneration schemes, and a performance evaluation system.

#### What would good look like?

- The AC is successful in recruiting and retaining sufficient highly qualified staff.
- Annually, all AC staff can update their professional knowledge and skills by means of the internal professional development system.

#### To-dos.

##### Directions:

##### 1. Development of the human resource management system

*A comprehensive system for recruitment, promotion, performance appraisal, and incentives will be implemented, leading to the enhancement of staff competencies.*

##### 2. Introduction of a continuous professional development system

*A continuous professional development system will be introduced to enhance staff skills. A framework will be established for assessing auditors' training needs and for organizing the necessary training and learning programs aimed at attracting and developing junior auditors.*

##### 3. Strengthening corporate culture

*AC's corporate culture is defined by its values and principles. Continuous corporate culture development incentives will be introduced, reflected in the ongoing improvement (and maintenance at a high level) of the INTOSAINT self-assessment tool results.*

### Enhanced Communication and Strategic Partnerships

#### Why?

We aim to establish the AC as a transparent and accessible institution through internal and external communication excellence. Enhanced communication and cooperation will foster stronger and more stable relationships with stakeholders. This will ensure a more accurate public perception of the Chamber at national and international levels and strengthen institutional cooperation with the National Assembly and the Government in audit planning and reporting processes.

#### What would good look like?

- Annual surveys and evaluations show increased visibility and cooperation at national and international level and appreciation for the quality of its products and transparency of its communication.
- The AC staff speaks highly of the openness and effectiveness of the internal communication.

#### To-dos.

##### Directions:

##### 1. Increasing Transparency

*AC aims to maintain a high level of public trust by ensuring that audit reports comply with high reporting standards, continuously enhancing media communications, and strengthening its ability to present audit results to a broad audience in an accessible and user-friendly format.*

##### 2. Organising stakeholder engagement and outreach

*The AC will enhance communication with the National Assembly, Government, public and other stakeholders. Public awareness campaigns on audit relevance will be organized. For outreach the AC will make use of media and social platforms.*

##### 3. Extending international cooperation

*The AC will promote closer cooperation within the frameworks of INTOSAI, EUROSAI, and ASOSAI and will participate in peer review and joint audit processes.*

##### 4. Enhancing internal communication

*Based on the Chamber's values and organizational culture, an internal communication system will be introduced. An intranet platform will be launched to support internal communication, the creation of information repositories, access to data, document exchange, and the organization of workflow management.*

- ✓ **Human capacity risk** – The implementation of strategic initiatives is highly dependent on human resources. Due to the transitional status defined by law, the presence of a significant number of vacant positions in the Chamber may have a constraining effect on the institution's development path.
- ✓ **Operational efficiency risk** – A key factor for the Chamber's productivity is the organization of work within a unified physical and electronic environment. However, the institution currently operates across two separate buildings, which limits opportunities for improving internal communication and complicates the implementation of a unified electronic environment and secure IT infrastructure, generating risks related to underutilization of internal communication potential and the stability of digital systems.
- ✓ **Audit quality risk** – The occurrence of the two risks described above may impact the implementation of measures for the introduction of a quality control system and the continuous updating of audit methodologies, potentially hindering improvements in audit quality.

## VI. Critical success factors

The strategic priorities will be monitored regularly.

### Monitoring and Evaluation:

The implementation of the 2026–2032 Strategic Development Program will be subject to ongoing monitoring and, if necessary, revision. The Chamber will assess the strategy's performance based on established indicators.

The Chamber will oversee monitoring and evaluate the progress achieved, which may lead to an annual revision of the Action Plan. Every three years, the strategic priorities, directions, and activities will be reviewed, taking into account internal and external developments, including **SAI-PMF assessment** results. Based on annual and triennial evaluations, the Chamber will make decisions regarding future strategic objectives and directions and communicate them to internal and external stakeholders, including international partners.

*This Strategy 2026–2032 was developed based on previous strategic plans, mid-term audit priorities, and an analysis of the current audit environment, guided by INTOSAI IDI and internal procedures.*

*The program was developed with the participation of OECD/SIGMA experts and international partners.*

*A review of this Strategic Development Program is scheduled for 2028, following the assessment of the Chamber's performance using the SAI-PMF methodology.*

*The 2026–2032 Strategic Development Program was approved by the Audit Chamber on 27 November 2025.*