



RIKSREVISIONEN



## Memorandum of Understanding

between

The Swedish National Audit Office

and

The Court of Accounts of the Republic of Moldova

### Article 1. Scope and objective of the Memorandum of Understanding

The Swedish National Audit Office (referred to below as the Swedish NAO, or the Party) and the Court of Accounts of the Republic of Moldova (referred to below as CoARM, or the Party), collectively referred to as the Parties, have agreed to cooperate under this Memorandum of Understanding (MoU), valid from its signing until 31 December 2022.

The Parties have agreed to engage in a cooperation that aims at developing the institutional, organizational, and professional capacity and ability of the CoARM to audit and communicate in compliance with INTOSAI principles and standards (hereinafter referred to as “the Project”).

The framework of the cooperation is defined in a *Project Plan* (Annex 1) that specifies several relevant aspects of the cooperation, including the objectives, activities, the mechanism for steering and management of the project, management of external and internal risks, as well as reporting requirements.

### Article 2. Undertakings by the Parties

The Swedish NAO and CoARM jointly undertake to:

- Assume responsibility for the Swedish NAO’s and CoARM’s contributions being used efficiently and for agreed purposes only.
- Implement the Project and to provide resources in accordance with the provisions in the Project Plan.
- Establish a Project Steering Committee, which will conduct oversight, review progress, and agree on priorities during the Project.
- Make all necessary preparations for successful implementation of the Project, including assignment of relevant persons for active participation in the activities and to set aside sufficient time and resources.
- Promote open and transparent communication and sharing of relevant information related to the cooperation project between the Swedish NAO and CoARM, as well as within the respective institutions.

The CoARM undertakes to:

- Coordinate and harmonise the implementation of the Swedish NAO–CoARM project activities with other external support provided to the CoARM, in order to avoid duplications, to achieve synergies, measured in terms of most efficient use of resources, and to ensure sustainable results.

### Article 3. The contribution of the Swedish NAO

The Swedish NAO's in-kind contribution shall cover:

- Salaries, accommodation and international travel costs, daily allowances and other relevant costs generated by the staff of the Swedish NAO engaged in the project activities.
- Costs related to engagement of external consultants, contracted by the Swedish NAO.
- Accommodation costs generated by the CoARM staff members engaged in before-hand agreed project activities in Sweden and in third countries.
- Other costs, if agreed between the Parties.

### Article 4. The contribution of the CoARM

The CoARM shall support the implementation and monitoring of the Project:

- By covering international travel costs, salaries, daily allowances, insurance and other relevant costs generated by its staff members, engaged in before-hand agreed project activities in Sweden and in third countries.
- By providing the Swedish NAO experts with transportation during their official missions to Moldova, including picking-up upon arrival at airport, driving to hotel, driving from hotel to the CoARM or other place, where the missions take place, driving from hotel to airport in conjunction with departure from Moldova.
- Printing and other office services needed for Project purposes.

### Article 5. Procurement

Should there be a need for procurement of goods or services, the Parties shall adhere to their respective national procurement legislation.

### Article 6. Distribution of the MoU

The Parties undertake to distribute copies of this MoU to relevant stakeholders or otherwise those in need of information of its content.

### Article 7. Duration and termination of the MoU

This MoU is valid from its signing to 31 December 2022. It may be extended in accordance with later agreement between the Parties.

The Swedish NAO and the CoARM may withhold their contributions if:

- There are deviations from agreed plans and budgets without approval by the Steering Committee;
- There is inappropriate use of resources;
- The resources are not provided as planned and agreed upon;
- The objectives of the project are at significant risk of not being fulfilled;

- The Steering Committee should always be informed in writing of any of the Parties' possible decision to withhold its contribution.

In case of serious breach of the MoU, each of the Parties may initiate immediate termination of this MoU. In such a case the Parties shall make their best effort to terminate the cooperation activities as smoothly and swiftly as possible.

### Article 8. Force Majeure

If any of the Parties is prevented from implementing its obligations due to civil strife or any unforeseeable natural disaster, the operation of this MoU will be suspended until the said events are resolved.

### Article 9. Settlement of Disputes

Disagreement and disputes regarding the interpretation or application of this MoU will be settled amicably through mutual consultations and negotiations between the Parties, without reference to any third party or tribunal.

### Article 10. Governing law

The Swedish NAO's contribution is governed by Swedish law and CoARM's contribution is governed by Moldavan law.

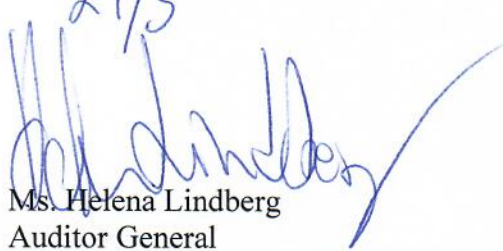
### Article 11. Entry into effect

This MoU will be effective upon the date of which it is duly signed by both parties.

This MoU is drawn up and signed in two (2) originals in English.

**Stockholm, Sweden**

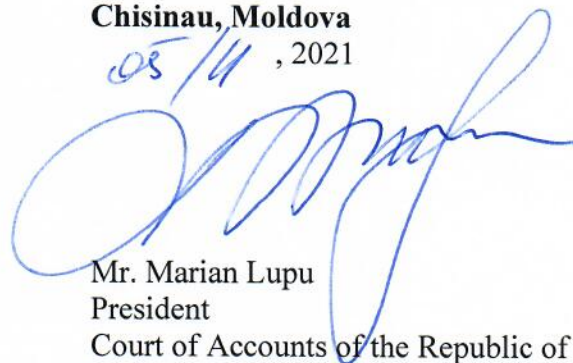
29/3, 2021



Ms. Helena Lindberg  
Auditor General  
Swedish National Audit Office

**Chisinau, Moldova**

05/4, 2021



Mr. Marian Lupu  
President  
Court of Accounts of the Republic of Moldova

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# Project plan

## 1. Basic information

### 1.1. Project title

Strengthening the institutional, organizational, and professional capacities and abilities of the Court of Accounts of the Republic of Moldova (CoARM) to work and communicate in compliance with INTOSAI principles and standards.

### 1.2. Project phase and duration

Fifth phase, 1 January 2021 – 31 December 2022.

### 1.3. Project components

- Certification of financial auditors,
- Human Resource Management (HRM),
- Management and leadership,
- Quality control / Quality assurance system (QC/QA).

### 1.4. Project context

The CoARM and the Swedish NAO regulate their rights and obligations related to this cooperation in a Memorandum of Understanding (MoU). This Project Plan serves as an annex to the MoU in question. The context of the MoU and the Project Plan consists of the following elements:

- The Association Agreement between the European Union and its Member States, of the one part, and the Republic of Moldova, of the other part, signed on 30 Aug. 2014,
- United Nations Sustainable Development Goals,
- Sweden's Reform Cooperation with Moldova,
- Swedish National Audit Office's Strategy for development cooperation 2021-2024,
- National Development Strategy of the Republic of Moldova "Moldova 2030",
- CoARM Development Strategy 2021 – 2025.

## 2. Introduction and background

Since 2007, the Swedish National Audit Office (Swedish NAO), and the CoARM have cooperated in four phases:

- 2007 – 2009,
- 2010 – 2012,
- 2013 – 2015, extended twice until 2017,
- 2018 – 2020.

On 9 of December 2020, and in compliance with the agreement made during the steering committee meeting (SCM) held on 6 of October 2020, the CoARM Board President Marian Lupu presented his proposals concerning continued cooperation with the Swedish NAO. The proposals were linked to CoARM's Development Strategy 2021 – 2025, and covered:

- Certification of financial auditors,
- Management and leadership,
- Human Resource Management (HRM),
- Quality control / quality assurance system (QC/QA).

On 3 February 2021 Auditor General Helena Lindberg decided to approve a fifth phase of the cooperation between the Swedish NAO and CoARM.

## 3. Justification of this project

### 3.1. The Court of Accounts of the Republic of Moldova

#### 3.1.1. Legal framework incl. role and mandate

The CoARM was established in 1994. The legal framework consists of the following acts:

- The Constitution of the Republic of Moldova of 29/07/1994,
- Law No. 312-XII on the CoARM of 8/12/1994,
- Law No. 158-XVI on the State Functions and the Status of Public Servants of 4/07/2008,
- Law No. 260 on the organization and functioning of the CoARM of 7/12/2017.

The CoARM carries out compliance, financial, and performance audit. In carrying out all types of audits, the CoARM shall assess the indicators of fraud and corruption.

#### *Annual financial audit:*

The CoARM has the right to carry out financial audit of all public institutions, including self-governing public institutions and authorities, as well as central public regulatory authorities. The

CoARM performs the audit of the National Bank of Moldova exclusively within the limits and conditions provided by Law no. 548/1995 on the National Bank of Moldova.

#### *Compliance audit*

The compliance audit, conducted by the CoARM, aims to determine whether the activity of the audited entities complies with the applicable legislation and rules. The compliance audit concludes with a conclusion or opinion of the auditor.

#### *Performance audit*

As for performance audit, the CoARM assesses the cost-effectiveness, efficiency, and effectiveness of a particular aspect of the operations carried out by an entity or part thereof or in the framework of a program or activity.

#### *Combined (comprehensive) audits*

In addition to the above-mentioned, the CoARM may carry out combined, also called comprehensive audits. In such cases, the standards for each type of audit must be met.

#### *Audit reports to Parliament and audited entities*

In 2020 the CoARM has established efficient cooperation with the profile committee – the Public Finances Control Committee - that has become functional at the end of 2019.

The CoARM submits to the Parliament its annual audit activity report, as well as its auditor's report on the execution of the state budget by the Government and the state insurance budget as well as the compulsory health care insurance funds, respectively. The CoARM also report annually to the Parliament about the administration and use of public financial resources and property. Also, the CoARM may submit to the Legislature other audit reports.

The CoARM collaborates with the authorities, public institutions, including law enforcement bodies, being guided by the principles of legality and non-admission of interference in their activity.

### 3.1.2. Internal organization

The Board of the CoARM, the highest decision-making body, consists of seven members, including the President and the Vice-President. The CoARM carries out its activity through five General Audit Departments (GAD), one General Department of Methodology, Planning and Reporting (GDMPR), as well as through specialized subdivisions, which support the core activity of the institution.

The President of the CoARM is appointed by the Parliament for a term of 5 years, at the proposal of the Speaker of the Parliament, based on a public competition, with the vote of the majority of the elected deputies.

The other members of the CoARM Board are appointed by the Parliament for a term of 5 years, at the proposal of the President of the CoARM, based on a public competition, with the vote of the majority

of elected deputies. They may be re-appointed only once for a new term of 5 years, based on a public competition.

The Vice President of the CoARM Board shall be appointed by Parliament, on a proposal from the President of the CoARM, from among its members.

The GADs are led by Heads, who are sub-ordinated and monitored by the CoARM Board Members.

Under each GAD, there are 3 Audit Divisions (AD), led by Heads of AD.

### 3.1.3. International cooperation

The CoARM has been involved in the following international cooperation:

- The European Union, 2018 and 2020 – 2021, in the fields of consolidation of the financial audit, improvement of the planning and monitoring process, and cooperation with stakeholders,
- The Netherlands Court of Accounts, 2019-2020, in performance auditing,
- The Turkish Court of Accounts, 2018-2019, in trainings for financial and performance auditors,
- The State Audit Office of Latvia, 2018-2019, in IT-audits.

### 3.1.4. Development strategy 2021 - 2025

This project is linked to CoARM's Development Strategy 2021 – 2025 as follows:

- PILLAR I: Contributing to the good management of public money by increasing the impact of audit work.
  - Objective 1.3. Strengthening the quality of financial reporting of public entities
- PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits.
  - Objective 2.2. Improving the processes of recruiting, developing, and maintaining high quality staff.

## 4 Objectives and expected results

The logical framework (annex 2) summarizes this section.

### 4.1 Overall objectives

To strengthen the institutional, organizational, and professional capacity and ability of the CoA to work and communicate in compliance with INTOSAI principles and standards.

## 4.2 Specific objectives and expected results

### 4.2.1 Certification of financial auditors

#### *Background and baseline*

This project component was part of the fourth phase of the Swedish NAO – CoARM cooperation 2018 - 2020. However, due to some circumstances, including the Covid-19 pandemic, the cooperation partners could not carry out activities in this field.

The certification of the public auditors is a required by the European Commission in compliance with the Association Agreement between the EU and Moldova, as well as by the Law no. 260 of the CoARM. In 2018-2019, the CoARM organized the process of certification of around 100 of auditors of the CoA. A regulation on certification has been developed as well as training modules for general public audit skills, covering accounting, international and national standards, legal framework, internal regulations etc. This first phase of certification of public auditors has been implemented by the CoARM itself, with some advisory support from the EU short-term expert.

When having the general certification process for auditors in place, the second step would be to start a professionalization of the auditors by types of audit. As the CoARM is obliged to carry out mandatory annual financial audits it is very important to provide the necessary trainings and professional development for financial auditors.

#### *Link to the Development Strategy 2021 – 2025 of the CoARM*

PILLAR I: Contributing to the good management of public money by increasing the impact of audit work.

- Objective 1.3. Strengthening the quality of financial reporting of public entities

PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits.

- Objective 2.2 Improving the processes of recruitment, development, and maintenance of high-quality staff.

#### *Definitions*

According to ISSAI 140, SAIs should strive for service excellence and quality. As a part of its quality management “an SAI should establish policies and procedures designed to provide it with reasonable assurance that it has sufficient resources (personnel) with the competence, capabilities and commitment to ethical principles necessary to:

- Carry out its work in accordance with relevant standards and applicable legal and regulatory requirements; and
- Enable the SAI to issue reports that are appropriate in the circumstances”.

INTOSAI-P 12 states that SAIs should promote continuing professional development that contributes to individual, team and organizational excellence.



### *Specific objectives*

Prerequisites for certification of financial auditors of the CoARM established.

### *Expected results*

By the end of the fifth phase of this cooperation, the CoARM should have:

- Developed a concept of the professional development and attestation of knowledge of financial auditors, including specific mandatory training modules for auditors meant to undergo the attestation,
- Trained trainers.

## 4.2.2 Management and leadership

### *Background and baseline*

During the fourth phase of the cooperation 2018 - 2020, the Swedish NAO supported the CoARM in improving of the management and leadership skills of the middle management. The support was expected to enhance the capability and capacity of the middle management to promote changes and development for better audit results. This phase of the cooperation will go on providing the CoARM with tools and knowledge to enhance management and leadership skills of the CoARM target group.

### *Link to the Development Strategy 2021 – 2025 of the CoARM*

PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits

- Objective 2.2 Improving the processes of recruitment, development, and maintenance of high-quality staff.

### *Definitions:*

According to ISSAI 120, an SAI should be operating on the foundations of transparency and accountability. INTOSAI-P 12 equally underlines the principle of SAIs leading by example.

INTOSAI's SAI Performance Measurement Framework 2016 underlines that it is the Head of the SAI and the leadership team who are responsible for setting the tone at the top, to promote integrity, but also to enable effective fulfilment of the mandate of the organization by developing an organizational culture promoting effectiveness, transparency, and accountability. For the SAI to achieve its objectives, sound, robust and modern leadership, and good communication with staff are necessary.

### *Specific objectives*

Improved managerial and leadership skills that have a positive impact on the working environment and internal communication of the CoARM.

### *Expected results*

- Improved managerial and leadership skills of the managers' team,
- Improved working environment,

- Improved internal communication,
- Training modules developed.

### 4.2.3 Human Resource Management

An action plan, that was elaborated during phase four, 2018 – 2020, serves as a baseline of this project component. The HRM action plan is attached to this document in annex 3.

#### *Background and baseline*

During the fourth phase of the cooperation, the Swedish NAO supported the CoA in the development and organizing of a staff satisfaction survey. Beside the survey, the HR department received some coaching sessions regarding HR operations and the HR strategy.

It was the first time CoARM conducted a staff survey to understand the staff perception of some sensible area within the management, cooperation, work environment, communication.

Several areas for improvement were identified, such as working environment related to the psychological aspects and internal communication. As a result, an action plan was elaborated and approved, and it is being implemented. The results of the staff satisfaction survey have also been considered, when developing the Development Strategy for 2021-2025.

The CoARM has planned to focus efforts on developing a new HRM Strategy, including developing the public auditor's professional competencies, as well as defining and consolidating the role of each structural entity of the CoARM to ensure focus on objectives, productivity, results, and good management control.

#### *Link to the Development Strategy 2021 – 2025 of the CoARM*

PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits.

- Objective 2.2 Improving the processes of recruitment, development, and maintenance of high-quality staff.

#### *Definitions*

Human resource management (HRM) is the management and development of employees in an organization, including the processes of employing people, training them, compensating them, developing policies relating to them, and developing strategies to retain them.

The Lima Declaration (INTOSAI-P 1) recognizes that an effective SAI is dependent on its ability to recruit, retain, and effectively deploy highly skilled, hard-working, and motivated staff. It is the responsibility of the SAI's management to ensure that an SAI has the right staff at the right time and that it can deploy them effectively.

ISSAI 140 identifies the contribution of human resource management to helping deliver high quality audit work. SAIs shall establish human resource policies and procedures that provide it with

reasonable assurance that it has sufficient personnel with the required competence, capabilities, and commitment to ethical principles.

ISSAI 100 states, for all audits, the need to recruit personnel with suitable qualifications, offer staff development and training [and that] auditors should maintain their professional competence through ongoing professional development.

### *Specific objectives*

CoARM has developed a new HRM Strategy and addressed the gaps in the action plan on Staff satisfaction survey.

### *Expected results*

By the end of the fifth phase of this cooperation, the CoARM should have:

- Developed professional competencies framework, which address competencies necessary for audit and professional development needed to sustain them,
- Developed HRM strategy,
- Action plan on staff satisfaction survey implemented.

## 4.2.4 Quality control and Quality assurance in compliance with ISSAI 140

An action plan, that was elaborated during phase four, 2018 – 2020, serves as a baseline of this project component. The Quality Control System action plan is attached to this document in annex 4.

### *Background and baseline*

During the fourth phase of the cooperation, the Swedish NAO supported the CoARM in conducting of an internal review of CoARM's quality control and quality assurance (QC/QA) against ISSAI 140. The review resulted in a report that pointed out several areas that the CoARM needs to improve or to establish from the ground. The findings served as a basis for CoARM's action plan that aims at addressing the identified rooms for improvement. Following the above-mentioned request of the CoARM to assist in implementation of the action plan in question, the cooperation partners have agreed on the following.

### *Link to the Development Strategy 2021 – 2025 of the CoARM*

PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits.

### *Definitions*

According to the INTOSAI's SAI Performance Measurement Framework 2016:

Quality control (QC): "The sum of the measures taken to ensure high quality of each audit product. It is carried out as an integrated part of the audit process. For a system of quality control to be effective, it needs to be part of the SAI's strategy, culture, policies, and procedures, as outlined in its guidance. In this way, quality is built into the performance of

*the work of each SAI and the production of the SAI's reports, rather than being an additional process once a report is produced".*

*Quality assurance (QA): "A monitoring process designed to provide the SAI with reasonable assurance that the policies and procedures relating to the system of quality control are relevant and adequate and are operating effectively. The monitoring process should include periodic evaluation of the SAI's system of quality control, including a sample of completed work across the range of work carried out by the SAI. The responsibility for the monitoring process should be assigned to an individual with sufficient and appropriate experience and authority in the SAI and who is independent, i.e. has not taken part in the work or any quality control of the work".*

### *Specific objectives*

The CoARM has addressed the gaps in the action plan on QC/QA.

### *Expected results*

By the end of the fifth phase of this cooperation, the CoARM should have:

- Enhanced knowledge about the difference between quality control and quality assurance among the top management, the middle management, and the auditors,
- Roles and responsibilities for QC and QA respectively are clearly distributed,
- The QC and QA system is in place and functional.

## 5 Project management

The CoARM and the Swedish NAO are equally responsible for the project management, including planning, conducting, documenting and following-up of this project. The project management consists of the following elements:

- The Steering Committee, which is the highest decision-making body, consists of representatives of the top management of the cooperation partners, including their respective Project Manager. The Steering Committee shall follow up the implementation of this project, approve progress reports and make decisions on well-motivated significant deviation from the original plan.
- The Project Managers of the CoARM of Moldova and the Swedish NAO, who link the Steering Committee and the Component Teams.
- Project component teams, comprising experts in the above-mentioned fields.
- The Project Administrators shall facilitate implementation of specific activities, by providing services, such as taking care of travel arrangements, making sure that the Project Managers keep the documentation complete etc.

## 6 Risk management

Risk management includes identification and assessment of possible risks that might hamper achievement of the goals of a project. It also includes measures to be undertaken, either to eliminate the occurrences of the identified risks or to minimize their impacts if the identified risk materializes. In this case, the responsibility for managing and following up of the above-described process lies with both the CoARM and the Swedish NAO. Table 2 below summarizes how the cooperation partners intend to handle the identified risks.

Table 2. Risk management

Risk	Probability	Measure
The national context, in which the CoARM operates, might hamper it to achieve the goal, namely, to work and communicate in compliance with international principles and standards.		The CoARM keeps the Swedish NAO and other development partners informed on how the national context impacts the CoARM. In case of political pressure, the Swedish NAO, the EU Delegation, and other international partners should assess and consider whether and what should be undertaken to protect the independence of the CoARM from administrative and political pressure.
The internal context of the CoARM hampers it to achieve the goal, namely, to work and communicate in compliance with international principles and standards.		The CoARM keeps the Swedish NAO and other development partners informed on how the internal context impacts the CoARM.  The top and middle management as well as the involved experts keep themselves informed about the purpose and expected results of this cooperation.  Enhanced understanding, acceptance, and respect of set long-term goals and specific objectives of this project is expected to ensure minimized negative impact on this project and CoARM's intention to achieve its long-term goals.
Travel to, within and from Moldova and other project activities might be cancelled due to pandemics, deteriorated health and/or security situation, natural disaster etc.		The Swedish NAO keeps itself informed on the guidelines and recommendations on travelling provided by Sweden's Ministry for Foreign Affairs.  As a complement to real Face-to-Face meetings in Moldova, Sweden or in third country, the Swedish NAO and the CoARM should use available IT solutions for follow-up meetings, substitutes for real Face-to-Face meetings etc.




## 7 Exit strategy

The Swedish NAO and the CoARM share common understanding that the bilateral cooperation in this format is expected to create additional prerequisites for the CoARM to achieve higher development level. The ultimate goal is to make the CoARM independent of international support, enabling it to share experience from the transformation journey with other SAIs, which intend to undertake the same journey.

The cooperation partners realize that the post-bilateral-development- cooperation era will be substituted for other format, when the CoARM has reached the following level of progress:

- The prerequisites for certification of CoARM's financial auditors are in place,
- The organizational and professional capacity and ability of CoARM is sufficient to conduct QC/QA,
- The CoARM has developed a training program for continuous development of the managerial skills of all staff members tasked with managerial responsibilities.



Annex I. Positions at the CoARM by organizational unit and gender.

Job type	No. of positions	Female	Male	Vacancies
<b>CoARM Board</b>	<b>7</b>	<b>2</b>	<b>5</b>	
President	1		1	
Vice President	1		1	
CoARM Board Members	5	2	3	
<b>Head of Staff</b>	<b>2</b>	<b>2</b>		
Head of Staff	1	1		
Vice Head of Staff	1	1		
<b>Audit departments</b>	<b>115</b>	<b>44</b>	<b>57</b>	<b>14</b>
Head of General Audit Department GAD	5	3	2	
Head of Audit Division	15	6	6	3
Auditor within GAD	77	24	47	6
Head of GDMPR	1	1		
Head of Division within the GDMPR	3	3		
Auditor within GDMPR	12	6	1	5
Consultant within GDMPR	2	1	1	
<b>Administration, support and service</b>	<b>36</b>	<b>24</b>	<b>5</b>	<b>7</b>
Legal Department	5	2	2	1
Finance, Admin. and Logistics Division	6	2	2	2
HR and Documentation Division	11	10	1	
IT and Internal Security Division	5	4		1
External Relations and Comm. Section	4	3		1
Internal Audit Service	1	1		
Quality Control Service	2	1		1
Drivers	2	1		1
<b>Total number of employees</b>	<b>160</b>	<b>72</b>	<b>67</b>	<b>21</b>




Annex 2. Logical framework, Project component Certification of Financial auditors

CoA DS 2021-2025	Project component	Specific objectives	Expected results	Indicators	Baseline
<p>PILLAR I: Contributing to the good management of public money by increasing the impact of audit work</p> <p>Objective 1.3. Strengthening the quality of financial reporting of public entities</p> <p>PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits</p> <p>Objective 2.2 Improving the processes of recruitment, development, and maintenance of high-quality staff.</p>	<p>Certification of financial auditors;</p>	<p>Prerequisites for certification of financial auditors of the CoARM established</p>	<p>Developed concept of the attestation of knowledge / professional development of financial auditors;</p> <p>Developed specific mandatory training modules for auditors meant to undergo the attestation;</p> <p>Trained trainers</p>	<p>Indicator - SAI-23: Professional Development and Training</p> <p>Dimensions – (i) Plans and Processes for Professional Development and Training (ii) Financial Audit Professional Development and Training</p>	<p>The CoARM has organized the process of general certification of auditors (1<sup>st</sup> stage).</p> <p>There has been developed modules for trainings, a Certification Committee has been established. Also, a Regulation on certification has been approved</p>



Annex 2. Logical framework, Project component HRM

CoA DS 2021-2025	Project component	Specific objectives	Expected results	Indicators	Baseline
<p>PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits.</p> <p>Objective 2.2 Improving the processes of recruitment, development, and maintenance of high-quality staff.</p>	Human Resource Management;	CoARM has developed a new HRM Strategy and addressed the gaps in the action plan on Staff satisfaction survey.	<p>Developed professional competencies framework, which address competences necessary for financial, compliance and performance audit and professional development instruments needed to sustain them;</p> <p>Developed HRM Strategy for 2022-2024;</p> <p>Implemented action plan on Staff satisfaction survey;</p> <p>Reviewed implementation of action plan;</p>	<p>Indicator - SAI-22: Human Resource Management;</p> <p>Dimensions - (i) Human resource function; (ii) Human resources strategy; (iii) Human resources recruitment; (iv) Remuneration, promotion and staff welfare</p>	At the end of 2019, with the SNAO support, the CoARM has organized the first Staff satisfaction survey. As a result of analysis of the survey's result, an action plan has been approved




Annex 2. Logical framework, Project component Management and leadership

CoA DS 2021-2025	Project component	Specific objectives	Expected results	Indicators	Baseline
<p>PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits Objective 2.2 Improving the processes of recruitment, development, and maintenance of high-quality staff.</p>	<p>Management and leadership;</p>	<p>Improved managerial and leadership skills that have a positive impact on the working environment and internal communication of the CoARM;</p>	<p>Improved managerial and leadership skills of the managers' team; Improved working environment and internal communication of the CoA; Trained selected managers that could further share their knowledge on the field and train/support other managers in management and leadership issues; Training modules developed;</p>	<p>Domain - Internal Governance and Ethics Indicator - SAI-6: Leadership and Internal Communication Dimensions - (i) Leadership (ii) Internal Communication</p>	<p>At the end of 2019, a training on leadership and management has been organized by SNAO for the middle management of the CoARM, in Chisinau. The other training has been organized in 2020 in online format.</p>

Annex 2. Logical framework, Project component Quality control

CoA DS 2021-2025	Project component	Specific objectives	Expected results	Indicators	Baseline
<p>PILLAR I: Contributing to the good management of public money by increasing the impact of audit work</p> <p>PILLAR II: Sustainable development of the Court of Accounts to ensure high quality audits</p>	Quality control / quality assurance system (QC/QA)	The CoARM has addressed the gaps in the action plan on QC/QA.	<p>Enhanced knowledge about the difference between quality control and quality assurance among the top management, the middle management and the auditors;</p> <p>Roles and responsibilities for QC and QA respectively are clearly distributed;</p> <p>The QC and QA system is in place and functional;</p>	<p>Indicator - SAI-4: Organizational Control Environment</p> <p>Dimensions - (i) Quality Control System (ii) Quality Assurance System</p>	<p>In 2019, with the SNAO support, the CoARM has organized an analysis of the quality control / quality assurance mechanisms and the deficiencies in the field.</p> <p>A report about the quality control / quality assurance system has been developed with recommendations. Also, an action plan has been approved.</p> <p>A Quality Control Service has been established to ensure the quality of audit activity</p>

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DNR: ANGE DIARIENUMMER  
DATUM: DATUM

**Annex 3. Human Resource Management action plan dated 3 March 2021. Separate document.**

**Annex 4. Quality control and Quality assurance action plan dated 3 March 2021. Separate document.**