

Report From COFE To IAMB To Be Presented At The Meetings In
Vienna During July 22-23 09

COFE's activities in 2009 and up to July 9 have been;

1-COFE's MEETINGS

Four meetings were held at the following dates:

Jan. 13-14

Feb. 5-6

April 1-2

July. 2,7,and 9

Many side meetings were also held with the DFI auditor ,executives of the various ministries and works team assigned with the task of following up and clearing the observations raised in previous audit reports.

2- WORKS DONE

2-1 Preparation of the contract documents for the appointment of an independent auditor for the DFI for the year 2009.COFE awaits IAMB's decision in this regard.

2-2 Follow up the work of the DFI auditor for 2008 and facilitate his assignment by contacting the various ministries to ensure that the auditor receives the required co-operation and the information needed and on a timely basis

2-3 Investigate the observations and the reservations raised by the DFI auditor and the responses thereto from the concerned entities and ensure that appropriate remedial actions ,financial and legal are taken.

2-4 Participation in the IAMB meetings and follow up implementation of the Board's recommendations and decisions.

2-5 Provision of financial advice and consulting services to the Iraqi Government on matters related to internal controls, spending procedures and the preparation and implementation of the State budget.Also follow up the finalization of the State final accounts which are behind schedule.

2-6 Ensure complete transparency in reporting the statements related to the DFI and displaying the financial statements and audit reports and other related correspondence on COFE's website

2-7 Taking preparatory measures for assuming the responsibilities of IAMB by end of 2009.

3- Special Focus On Matters Requiring Some Time To Accomplish

3-1 Metering of oil production and distribution is given priority of attention .Implementation of a comprehensive metering system is being followed up closely and at all stages starting from importation of metering equipment and ending with their installation and functioning .There have been delays and deviations from the set time frames due to technical problems encountered in implementation.

3-2 Preparation of revised organization structures and job descriptions for the various ministries .In response to a suggestion from COFE the council of ministers has issued a directive to all ministries to form working committees to review organization structures and write up job descriptions. COFE will follow up the work of these committees.

3-3 Automation of the information systems and the introduction of modern technology to the working systems and procedures in the various Government departments .Again on

the suggestion of COFE the council of ministers has issued a binding instruction in this regard to all ministries .It is relevant to note that the ministry of science and technology has embarked on a project to introduce electronic technology in all Government departments .The first stage of the project has been completed and work has started on the second stage.

3-4 Establishment of contracting units in all ministries and issuance of unified contracting procedures for all stages of contracting .The ministry of planning is working on standard contract formats as guidelines to other ministries.

3-5 Follow up the actions taken by the ministries to enhance internal controls .A survey was carried out by the BSA which identified the weaknesses in internal controls and how to deal with them.A report will be submitted to the council of ministers on the evaluation of controls especially as the stated council has issued instructions to all ministries ordering that appropriate measures be taken to improve internal controls

3-6 Follow up the efforts of the BSA with regard to projects executed by American agencies in Iraq. Many legal and financial irregularities were identified .Responses to these are awaited from the benefiting ministries.

4- Clearance Of Audit Observations

The secretariat of COFE has been strengthened by the addition of professional personnel. Follow ups and clearance of audit observations will be speeded up and reporting to the public on DFI matters will be enhanced

Committee Of Financial Experts

July 5 09