

2 March 2021

Organisation for Economic Co-operation and Development
Regulatory Policy Division
Public Governance Directorate

Sent via email to: regirc@oecd.org

Dear OECD:

The Institute of Internal Auditors (IIA) appreciates the opportunity to comment on the draft OECD Best Practice Principles on International Regulatory Co-operation (Principles).

The IIA is the global internal audit profession's most widely recognized advocate, educator, and provider of standards, guidance, and certifications. Established in 1941, The IIA today serves 200,000 members from more than 170 countries and territories. Our members work in internal auditing, risk management, governance, internal control, information technology audit, education, and security. With an independent board of directors representing a diverse global membership, The IIA is an international organization that supports the Principles.

As a strong advocate for effective governance, The IIA promotes internal audit globally as necessary for transparency and trust in all public interest entities. We see the Principles as a valuable contribution to global governance, as they successfully explain the value of international regulatory cooperation (IRC), especially important during this time of growing global interconnectedness, environmental impacts, and the continued effects of the pandemic. It clearly identifies the relevant forms of IRC, and provides the practical guidance needed to support economic prosperity and the public interest.

As stated in the consultation, the Principles complement the 2012 OECD Recommendation of the Council on Regulatory and Policy Governance, which encourages countries, when developing regulatory measures, to

“give consideration to all relevant international standards and frameworks for co-operation in the same field and, where appropriate, their likely effects on parties outside the jurisdiction” (Principle 12).

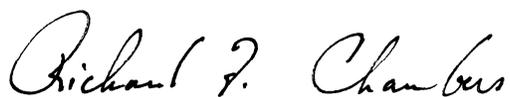
The IIA cares deeply about these efforts and shares this globalization mission with you. The IIA’s *International Standards for the Professional Practice of Internal Auditing (Standards)* are recognized as the only international standards for the internal audit profession, and it is our goal to see them formally recognized and promoted by other global standard-setters, regulatory and public interest bodies, and national lawmakers.

As stated in Principle 12, *“international regulatory co-operation must become integral to systemic risk management and long-term policy planning.”* Systematic risk management as a key component of organizational governance can only be successful when it includes independent assurance. The IIA advocates for strong governance based on cooperation and alignment of key responsibilities as outlined in *“The Three Lines Model”* (July 2020). The practical application of the *Standards* allows internal audit to fulfill its role to protect and enhance organizational value, which ultimately serves a public good.

We also offer our support for The Partnership of International Organisations for Effective International Rulemaking (IO Partnership). Bringing together this diverse group of international entities builds confidence in and promotes the quality of IRC instruments.

Our hope is to be acknowledged as an example of an International Organisation with an authoritative and robust set of standards relevant to all organizations, and we stand ready to not only endorse your efforts but also to join the IO Partnership. Please contact Mr. Francis Nicholson, The IIA’s Vice President of Global Relations, at francis.nicholson@theiia.org, if there are any questions.

Sincerely,

A handwritten signature in black ink that reads "Richard F. Chambers". The signature is written in a cursive, flowing style.

Richard F. Chambers, CIA, QIAL, CGAP, CCSA, CRMA
President and Chief Executive Officer
The Institute of Internal Auditors

Cc: Anthony Pugliese, Incoming President & CEO, The Institute of Internal Auditors