



ASSOCIATION OF CHIEF AUDIT EXECUTIVES OF BANKS IN NIGERIA [ACAEBIN]

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...Objectivity & Integrity

COMMUNIQUE ISSUED AT THE END OF THE 2023 ANNUAL GENERAL MEETING AND RETREAT OF THE ASSOCIATION OF CHIEF AUDIT EXECUTIVES OF BANKS IN NIGERIA (ACAEBIN).

The Association of Chief Audit Executives of Banks in Nigeria (ACAEBIN) held her 2023 Annual General Meeting/Retreat at Abuja between 4th and 7th March 2024 with the theme "The Role of the Internal Auditor in Promoting Stability in the Financial Services Sector and National Economic Growth."

Various topical issues were discussed including Foreign Exchange Liquidity Crisis, Leveraging Technology Tools to Enhance Audit Efficiency and Effective Banking Supervision Collaboration, amongst others.

At the end of the Conference, far-reaching recommendations were proposed, which included the following.

1. Internal Auditors should continue to provide assurance to the Board and Executive Management that recent regulatory policy directives are being complied with while Management and the Board should be held accountable and prioritize regulatory compliance by conducting thorough risk assessments, credit analysis, and monitoring of FX sources and utilization.
2. Maintaining proper KYC, EDD and AML/CFT/CPF compliance in relation to all customers, particularly FX customers, is crucial. Distinguishing between cash and transfer transactions can prevent money laundering. Effective communication and guidance on circulars by Banks can help customers comply with regulations and avoid legal, reputational or financial consequences.
3. Central Bank of Nigeria should enhance the independence of Chief Audit Executives by strengthening the governance process around their appointment, appraisal, discipline, redeployment, and career progression.
4. The Association commends the efforts of Law Enforcement Agencies in the fight against fraud and requests that more resources should be channeled towards speedy conclusion of investigation and purposeful prosecution of fraud cases.
5. Interdepartmental training between the Information System Team in Internal Audit and the Information Technology Governance Team is crucial for continuous knowledge exchange and improvement. The Information System Audit Team should be involved in planning the various compliance assessments of the standards recommended by the International Organization for Standardization (ISO).
6. Banks should establish an assurance community of Information Security, Internal Audit, Internal Control/Systems Control, Compliance, and Risk Management departments. This community should collaborate regularly to share insights and monitor cybersecurity-related initiatives and projects.
7. To stay relevant, Internal Auditors must be agile, develop new skills, embrace technology, and collaborate with stakeholders leveraging people-driven insights to address emerging technology and cybersecurity threats.
8. Internal Auditors should be proficient in data analytics and to achieve this, Internal Auditors should upskill themselves to enhance their competence in business data analytics, interpret insights properly leading to better decision-making.
9. Internal Audit Function should establish a strong data governance framework to guide sourcing and use of data. The data development journey should focus on people, analytics strategy, process outline, technology adoption, and data quality to enhance data capabilities and drive better outcomes.
10. Internal Auditors are encouraged to improve on their soft skills in addition to technical expertise because communication and relationship management with auditees are crucial areas for improvement. Developing cultural intelligence by recognizing, understanding, and respecting diverse cultural differences is essential. This skill must be reflected in interactions with the auditees, even when delivering unfavorable messages.
11. Internal Audit Function should have a clear and comprehensive strategy that exceeds regulatory requirements including being prepared for any new requirements and take swift action to initiate remediations.

Signed: Association of Chief Audit Executives of Banks in Nigeria (ACAEBIN)