

AUDIT BOARD OF THE REPUBLIC OF INDONESIA'S VISIT TO THE STATE AUDIT ORGANIZATION OF LAO PDR VIENTIANE, LAO PDR 18 - 20 AUGUST 2015

During 18 - 20 August 2015, the Audit Board of the Republic of Indonesia lead by Dr. Harry Azhar Azis paid a visit to The State Audit Organization of Lao PDR. This visit is an important step in enhancing the two countries' role on cooperation with each other on the international stage, and also coordination with organizations such as the International of Supreme Audit Institution (INTOSAI), Asian Organization Supreme Audit Institution (ASOSAI) and particularly the Asean Supreme Audit Institution (ASEANSAI).



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The two parties have signed a Minute of Meeting on cooperation to support and assist each other in various fields including technical skills, audit training and inspection of auditing standards.

The two parties also agreed to sign MOU during the next ASEANSAT meeting in Cambodia.

During the visit, the two parties organized a bilateral seminar on "Procurement Auditing" at the State Audit Organization of Lao PDR, which was presented by the Audit Board of the Republic of Indonesia. At the seminar, officials of the respective audit organizations also discussed their experiences and encounters in scrutinizing the procurement expenditure made by ministries, departments and line organizations in Laos and Indonesia.

AUDIT BOARD OF THE REPUBLIC OF INDONESIA'S VISIT TO OFFICE OF THE AUDITOR GENERAL OF THAILAND 21 AUGUST 2015

On 21 August 2015 H.E. Prof. Chaisit Trachotham, Chairman of the State Audit Commission and the



THE UNIQUENESS - MYANMAR BAGAN TEMPLES & STUPAS



Myanmar (formerly Burma), is a Southeast Asian nation of more than 100 ethnic groups, bordering India, Bangladesh, China, Laos and Thailand. Yangon (formerly Rangoon), the country's largest city, is home to bustling markets, numerous parks and lakes, and the towering, gilded Shwedagon Pagoda, which contains Buddhist relics and dates to the 6th century.

Bagan, the capital of Myanmar's first dynasty, was built by King Anawrahta in 1044. It is located about 193 km south of Mandalay. There are over 2000 temples and stupas spreading in 42 square kilometers of desert like plain on the eastern bank of the Ayeyarwaddy River. All those red bricks and stucco religious monuments were built during 11th to 13th century. The magnificent temple architecture, incredibly fine mural or frescos paintings, brilliant stucco carvings, and the most elegant Buddha images, all are telling motifs of the sublime culture of the ancient Bagan dynasties.



executives of the Office of the Auditor General of Thailand extended warm welcome to the delegation of the Audit Board of the Republic of Indonesia (BPK) headed by H.E. Mr. Harry Azhar Azis, Chairman of BPK. Both SAIs had discussed about the future bilateral cooperation, shared and exchanged views and experience in organization structure development and investigative audit.

ASEANSAT VOLUME III / 2015
NEWSLETTER

THE 3RD ASEANSAT FOCUS GROUP DISCUSSION ON PUBLIC PROCUREMENT AUDIT GRANDIS HOTEL, KOTA KINABALU, SABAH, MALAYSIA 7 - 9 SEPTEMBER 2015



The 3rd ASEANSAT Focus Group Discussion (FGD) on Public Procurement Audit was the continuance of the second meeting that was previously held from 15 - 17 June 2015 at National Audit Academy, Malaysia. This 3rd FGD was held at the Grandis Hotel, Kota Kinabalu, Sabah, Malaysia and attended by 14 participants from Supreme Audit Institutions (SAIs) of Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Philippines and Thailand. SAI Myanmar was also part of the project team but they were unable to attend due to scheduling difficulties.

The FGD was facilitated by SAI Malaysia - Mr. Zulkipli Abdullah, Director of Special Audit and Research Sector, Mr. Zaaba Zainuddin, Sabah State Audit Director and Head of Subject Matter Expert team on Procurement, Dr. Masiah Ahmad, Deputy Director (Research) from Special Audit and Research Sector and Dr. Nor Haiza Abdul Aziz @ Juned, Principal Assistant Audit Director (Research) from Special Audit and Research Sector.

The draft ASEANSAT Research Report on Public Procurement Audit was presented and discussed on the first day of FGD. Each chapter of the report was discussed in detail to gather views from the members, amendments were made and additional information included to enhance the contents and presentation of the research report. SAI Cambodia, Indonesia and Philippines have submitted their revised country papers whereas SAIs Brunei, Myanmar, Malaysia, Lao

PDR and Thailand had agreed to review and submit a final version to be included as the annexure of the research report. The 2nd draft of the research report will be refined by SAI Malaysia and the softcopy of the 2nd draft research report will be circulated to all the members of the FGD in October 2015 for comments.

The draft ASEANSAT Public Procurement Auditing Guideline was also presented and discussed in the FGD. Redundant and coinciding information were identified and debated by detailed discussions of presented contents of each chapter. Additional information was added to the draft and the contents were refined. The FGD on the guideline concluded with a set of resolutions where the contents of the guideline were agreed and SAI Malaysia will amend the draft according to the outcome of the discussion which will then be circulated to all members on 26 September 2015 who are required to give a feedback by 5 October 2015.

The ASEANSAT 3rd FGD on Public Procurement Audit proved to be a success. The FGD had successfully provided a platform for all the participants to tap into the wealth of experiences and expertise in developing a common, comprehensive and practical 1st ASEANSAT Research Report and Auditing Guideline on Public Procurement which will be circulated at the ASEANSAT Summit which will be held in November 2015 in Cambodia.

on this issue

THE 3RD ASEANSAT FOCUS GROUP DISCUSSION ON PUBLIC PROCUREMENT AUDIT GRANDIS HOTEL, KOTA KINABALU, SABAH, MALAYSIA, 7 - 9 SEPTEMBER 2015

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THE HEAD OF ADMINISTRATIVE FUNCTION'S NOTE

Dear ASEANSAI Newsletter readers,

I am pleased to present to you the third volume of the ASEANSAI Newsletter for 2015. For this edition, you will find articles that vary from those that touch on ASEANSAI activities as well as activities of some of ASEANSAI members.

During the past quarter, ASEANSAI activities include the 3rd Focus Group Discussion on Public Procurement Audit in Kota Kinabalu, Malaysia; the Effective Public Relations & Communication for Supreme Audit Institutions in ASEAN in Bangkok, Thailand; and the Water Management Auditing Workshop in Yogyakarta, Indonesia.

As for the activities of some of our members, they include the official implementation of the Revised State Audit Law in Vietnam, SAI Thailand's conduct of a 12-day training program for government officers of Lao PDR on "Risk-based Approach and Technical Training Programs for Auditor"; and SAI Indonesia's visit to SAI Lao PDR's office and SAI Thailand's office for bilateral meetings.

Finally, this edition includes an article on Myanmar's majestic Bagan temples and stupas.

Unlike past notes in the previous editions, I have decided to make this one rather personal - more of a letter, less of a note - a personal letter to all the readers of the ASEANSAI newsletter. Seeing that this would be the final newsletter to be prepared from SAI Brunei Darussalam, I would like to take this opportunity to thank you for your kind attention.

Also, I would like to thank all of the contributors to the newsletter. Your contribution is what makes the newsletter what it is - an enriching reading experience.

Thank you.

Warm Regards
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**EFFECTIVE PUBLIC RELATIONS & COMMUNICATION FOR SUPREME AUDIT INSTITUTIONS IN ASEAN
SWISSOTEL, NAI LERD PARK
BANGKOK, THAILAND
11 - 13 AUGUST 2015**

A 3 day workshop, from 11 to 13 August 2015, on Effective Public Relations (PR) and Communication for Supreme Audit Institutions (SAIs) in ASEAN had been organized and conducted by The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) in Bangkok, Thailand.



A total of 13 participants from all ASEAN countries except Singapore, and a member of staff of GIZ attended the workshop. The facilitators for the workshop were Mr Vorathep Songpanya, Deputy Country Director of GIZ Malaysia and Thailand, Director for Thai-German and Malaysian-German Trilateral Cooperation Programmes, and Miss Siriporn Treepornpairat, the Public Information Manager for GIZ Thailand.

The objectives of the workshop was to provide technical staff with better knowledge on public relations and communication issues as well as to provide them with skills to develop good PR-products like leaflets and online-reports. Better communication and documentation of ASEANSAI's good works will help to make all staff of the SAI more aware of the results in the activities. It can also promote a broader public of partners, governments or civil society being more aware of the SAI and ASEANSAI.

During the training, the participants were divided into 4 groups to work on 4 PR-materials namely a Powerpoint presentation introducing ASEANSAI, a brochure for ASEANSAI's Monitoring and Evaluation tool, a poster for ASEANSAI's Long-term ASEANSAI Programme on ISSAI Implementation (LTAPII) and a leaflet for The State Audit Organization of Lao PDR working visit to Germany's Ministry of Finance, State Audit Organization and National Assembly.



**WATER MANAGEMENT AUDIT
ROYAL AMMBARRUKMO HOTEL
YOGYAKARTA, INDONESIA
18 - 20 AUGUST 2015**

A three day knowledge Sharing Workshop on Water Management Audit was held at the Royal Ammbarrukmo Hotel in Yogyakarta, Indonesia on the 18 - 20 August 2015. It was organised by the Badan Pemeriksa Keuangan, Republic of Indonesia and attended by participants from nine Supreme Audit Institutions of ASEAN which included Thailand, Malaysia, Lao People Democratic Republic, Cambodia, the Philippines, Myanmar, Vietnam, Indonesia and Brunei Darussalam. In was officiated by the Guest of Honour Mr. Sapto Amal Damandari, Vice Chairman of Badan Pemeriksa Keuangan, Republic of Indonesia.



The key issues raised during the addressing and opening remarks were:

- Water as an essential part of life – Global Issue
- The importance of the ability to sustain the supply and quality of potable water
- Increasing demand of water
- Reduction in the availability of raw water due to pollution (toxic and waste water) and climatic change
- Natural environmental preservation and conservation
- Flood mitigation
- Treated water wastage – Non Revenue Water (NRW)
- Huge capital expenditure in water infrastructure

The workshop was chaired by Ir. Md. Wahid Bin Mohd Nor, Director of Water Audit Division from SAI Malaysia and Dr. Sutthi Suntharanurak - Research and Development Office, Office of the Auditor General of Thailand as moderator. Three SAIs presented their knowledge sharing papers during the workshop as follows:

Topics	Presenters
Research on topics of auditing water management: Literature review from audit reports.	Dr. Sutthi Suntharanurak - Research and Development Office, Office of the Auditor General of Thailand.

Topics	Presenters
Auditing Water Management In Malaysia.	Ir. Md. Wahid Bin Mohd Nor, Director Water Audit Division from SAI Malaysia.
River Life of Project : Lesson learned from parallel auditing of Mekong River.	Mr. Prasopsuk Sungboonmark, OAG Thailand.
River Life of Project : Lesson learned from parallel auditing of Mekong River.	Mrs. Sochenda Keo, Deputy Director of Audit Department III, NAA Cambodia.
Audit on Flood Mitigation : Sharing Experience from OAG Thailand.	Dr. Sutthi Suntharanurak, Research and Development Office, OAG Thailand.
Audit on Flood Mitigation : Sharing Experience from SAI Malaysia.	Mr. Abdul Manap bin Japaar, Principle Auditor SAI Malaysia.

The workshop covered a broad spectrum of water management but focuses on single main issue which is 'Water Security' and is defined by the United Nation as: "The capacity of a population to safeguard sustainable access to adequate quantities of and acceptable quality water for sustaining livelihoods, human well-being, and socio-economic development, for ensuring protection against water-borne pollution and water-related disasters, and for preserving ecosystems in a climate of peace and political stability."

Key water management issues covered during the workshop which necessitates their regulation through audit includes the availability and preservation of water resources, prevention of natural disaster such as flooding, drought and erosion, sustainable supply of quality and adequate quantity of clean water, water pollution control through industrial and domestic by-product and the preparation of associated infrastructures.

Auditing the efficiency, effectiveness and economics of how water is managed will ensure water security's sustainability crucial to the livelihoods and well-being of the population of a nation and the world as a whole.

**THE REVISED STATE AUDIT LAW
STATE AUDIT OFFICE OF VIETNAM
24 JUNE 2015**

The revised State Audit Law approved on 24 June 2015 at the 9th session of the National Assembly, term XIII marked an important milestone in the improvement process of Vietnam's legal system. This is a great event for the State Audit Office of Vietnam (SAV) after the legal status of SAV and the Auditor General were stipulated in the 2013 Constitution of the Socialist Republic of Vietnam. It promptly specifies State Audit regulations in the Constitution, overcomes the shortcomings and weaknesses of the 2005 State Audit Law, and also creates significant foundation in enhancing the quality, efficiency and effectiveness of the SAV's operation.



Being the first revision of the State Audit Law since its adoption in 2005, the revised Law comprises 9 chapters and 73 articles with new points regarding Audit scope

and objects; Legal validity of audit report; Powers and functions of Auditor General and State Auditors; Audit period; Publication of auditing results and outcomes of realization of auditing conclusions and proposals of the SAV; Responsibilities of related agencies, organizations and individuals towards the SAV's activities.



To ensure that the law soon comes into reality, the Auditor General has greatly boosted the dissemination of the law's contents, particularly new or revised issues to officials, auditors and laborers for their comprehensive understanding and application into their professional activities. Currently, the SAV has promulgated the plans for facilitating implementation of the law, such as: to carry out propaganda through different means of media to popularize the law and develop detailed guidance for the law enforcement. Furthermore, the seminars on State Audit Law dissemination also attracts the active participation of the SAV's staff, especially state auditors who directly perform the auditing activities.

**RISK-BASED APPROACH AND
TECHNICAL TRAINING PROGRAMS
FOR AUDITORS FOR THE
GOVERNMENT OFFICERS OF
LAO PDR
17 - 28 AUGUST 2015**

From 17 - 28 August 2015, The Office of the Auditor General (OAG) of Thailand had conducted the 12-day training program on "Risk – Based Approach and Technical Training Programs for Auditor" for government

officers of LAO PDR. The aims of the training are to give the participants better understanding on the auditor's responsibilities on risk – based audit approach and to provide good practices in audit planning. The training included both in-house training and study visit to the OAG regional office to learn about audit methodologies in construction project. The training has resulted from the technical cooperation between the Government of Thailand (Thailand International Cooperation Agency, Ministry of Foreign Affairs) and the Government of LAO PDR on human resource development and cooperation project for development.

