

Transition to International Standards of Supreme Audit Institutions (ISSAI) based Auditing in SAI Myanmar

The Office of the Auditor General of the Union, Myanmar (SAI Myanmar) is the highest audit institution in the Republic of the Union of Myanmar and a member of the International Organization of Supreme Audit Institutions (INTOSAI), Asian Organization of Supreme Audit Institutions (ASOSAI), and ASEAN Supreme Audit Institutions (ASEANSAI). SAI Myanmar has initiated the implementation of ISSAI-based Financial Audit, a significant shift from its previous adherence to Generally Accepted Auditing Standards (GAASs). This transformation, with the technical assistance of the Asian Development Bank (ADB), aims to align SAI Myanmar's auditing practices with ISSAI standards.

The Office of the Auditor General of Norway has supported the implementation of ISSAI-based Performance, Compliance, and IT Audits. The European Union has also supported the publication of ISSAI-based Financial Audit Manuals in Myanmar. SAI Myanmar aims to execute quality audits in accordance with ISSAI standards. To achieve this, the organization formulates an annual Action Plan, provides a roadmap for trainer training, pilot audits with selected change champions, and issues the Myanmar version of ISSAI-based Audit Manuals and Guidelines. SAI Myanmar also participates in cooperative audits organized by INTOSAI, ASOSAI, and ASEANSAI.

As a consequential outcome, SAI Myanmar has released Myanmar versions of ISSAI-based Audit Manuals, Guidelines, Training Notes, and related materials specifically tailored for Financial Audit, Performance Audit, and Compliance Audit. Up to now, SAI Myanmar has successfully conducted

ISSAI-based Financial Audits across all audit divisions at the Head Quarter, achieving a comprehensive 100% coverage. This approach is consistently extended to regional audit offices, aligning with the Annual Audit Plans. Moreover, the implementation of ISSAI-based Performance Audit and Compliance Audit has witnessed a progressive increase, with ongoing initiatives at both the Head Quarter and regional audit offices. This sustained commitment reflects SAI Myanmar's dedication to continuous improvement, enhancing the quality of its audit processes in alignment with international standards for Financial, Performance, and Compliance Audits.

SAI Myanmar persists in its commitment to not only adhere to International Standards in its auditing works but also actively engage in IT audits to address the dynamic changes in the modern world. The ongoing effort to enhance the quality of its audit processes is fortified by the collaborative support of both the Head Quarter and regional audit offices, collectively formulating Action Plans. This collective approach highlights SAI Myanmar's dedication to keeping up with changing audit practices and technological advancements for the continual improvement of its audit quality.



Exploring the Wonders of Gunung Mulu National Park

Nestled within the lush and biodiverse heart of Malaysian Borneo lies the breathtaking Gunung Mulu National Park. Recognized as a UNESCO World Heritage Site since 2000, this natural marvel is a sanctuary of unparalleled beauty, encompassing a diverse range of ecosystems, ancient caves, pristine rainforests, and towering limestone formations.

One of the park's most captivating features is its intricate network of limestone caves and karst formations. The Sarawak Chamber, the world's largest cave chamber by area, and Deer Cave, adorned with millions of bats, are just a couple of the spectacular caves waiting to be explored. Visitors can marvel at the mesmerizing sight of millions of bats swirling out of Deer Cave at dusk, an awe-inspiring natural spectacle known as the "Bat Exodus."

The iconic limestone pinnacles of Gunung Mulu are a testament to the park's geological wonder. These towering formations, some reaching heights of 45 meters, create a surreal landscape, offering a paradise for adventure seekers and nature enthusiasts alike.

Gunung Mulu National Park provides an array of activities catering to different preferences and levels of adventure. Guided tours through the caves, jungle trekking, and exploring the canopy walkway are just a few of the exciting experiences on offer. The Pinnacles Trail, a challenging trek that leads to awe-inspiring viewpoints overlooking the unique limestone formations, presents a rewarding and unforgettable adventure for those seeking a

physical challenge.

Furthermore, the park's commitment to sustainable tourism and conservation efforts is evident. Eco-lodges and facilities are designed to minimize the impact on the environment, and visitors are encouraged to respect the delicate ecosystems while enjoying the natural wonders.



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The 7th ASEANSAI Summit: Handover of the ASEANSAI Chairmanship from SAI Myanmar to SAI Philippines

Commission on Audit of Philippines hosted the 7th ASEANSAI Summit on 2 November 2023 in Manila, Philippines. The main agenda of the meeting is the handover of ASEANSAI Chairmanship from State Office of the Auditor General of the Union of Myanmar to Commission on Audit of Philippines.

Representatives and Heads of Supreme SAIs from the ASEAN region convened for the summit, which commenced with an official opening by Prof. Dr. Khin Naing Oo, Union Auditor General. Furthermore, Mr. Gamaliel A. Cordoba, Chairperson of the Commission on Audit, delivered a warm welcome address, while pre-recorded messages from Gen. Chanathap Indamra, Chairman of ASOSAI and President of the State Audit Commission of the Kingdom of Thailand, and Mr. Satvinder Singh, Deputy Secretary-General of ASEAN for ASEAN Economic Community, were also presented.

Additionally, Mr. Antonio A. Morales, Undersecretary of the Department of Foreign Affairs of the Republic of the Philippines, delivered the keynote speech on behalf of Department of Foreign Affairs Secretary Enrique A. Manalo.

The summit included crucial appointments where the heads of SAIs from ASEAN member states gathered to deliberate and approve strategic matters. These discussions encompassed the transition of ASEANSAI chairmanship, amendments to rules and procedures, appointments of committee chairs, members, ASEANSAI auditors, and the appointment of the ASEANSAI secretariat.



on this issue

The 7th ASEANSAI Summit

Transition to International Standards of Supreme Audit Institutions (ISSAI) based Auditing in SAI Myanmar

Embracing Design Thinking for Strategic SDG Audit Topic Selection

Promoting Economic Resilience and Development – Bottlenecks and the Role of the State Audit Office of Viet Nam

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Note from the Head of SECRETARIAT

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Promoting Economic Resilience and Development – Bottlenecks and the Role of the State Audit Office of Viet Nam

by SAI Viet Nam

With three thematic workshops and one plenary session, the Forum “Promoting economic resilience - bottlenecks and the role of the State Audit Office of Viet Nam (SAV)” was a resounding success, thereby affirming SAV’s crucial role and position, showcased its close cooperation with the National Assembly, the Government, ministries, branches and localities, and highlighted its commitment to resolving bottlenecks and promoting economic resilience and development.

After the three thematic workshops, SAV organized the plenary session of the forum in the afternoon of the same day, in Ha Noi.

To contribute more solutions to remove “bottlenecks” to promote economic resilience and development

Speaking at the opening ceremony, Mr. Hoang Phu Tho, Director General of Legal Affairs Department stated that with its constitutional mandate, SAV has a critical role in inspecting and evaluating the implementation of policies and laws on management and use of public finance and public assets and overall economic management.

In recent years, all activities undertaken by SAV have rigorously aligned with the direction and policies of the Party and the State. Audit findings, particularly those from thematic audits, have illuminated the bottlenecks in mechanisms, policies and laws that are adversely impacting economic dynamism.

“To generate further insights and solutions to help remove bottlenecks, difficulties and obstacles to promote economic resilience and development as well as clarify the role and responsibilities of SAV in developing legal regulations, supervising and supporting law enforcement, today, SAV organizes the forum “Promoting economic resilience and development – bottlenecks and the role of SAV”, emphasized Tho.

Preceding the Plenary Session, three thematic workshops were held concurrently on the morning of October 18. There were nearly 700 delegates including leaders of the Committees of the National Assembly, Ministries, Provinces, Cities, experts, scientists, and representatives of

embassies in six countries including Cambodia, Canada, Indonesia, Laos, Malaysia, Sweden and WB, universities, research institutes and organizations, international audit companies, associations, state-owned enterprises, private enterprises, project management boards,...

To develop a new, comprehensive and more effective policy framework for land management

With reference to the results of thematic discussion No.1 on “Land management and land price determination - Inadequacies from practice and through state audit activities”, Chief Auditor Nguyen Anh Tuan said that the presentations and discussions focused on clarifying and deeply analyzing the nature and causes of the inadequacies, problems, and shortcomings - the main “bottlenecks” in the management and use of land and land valuation.

The delegates identified six main bottlenecks including the followings: (i) policy mechanism; (ii) construction and land use planning; (iii) land recovery, compensation and site clearance; (iv) land allocation, lease and price determination; (v) land use management after allocation, lease and (vi) land prices and land price determination.

Offering both general and specific solutions to address limitations and inadequacies in land management, use and price determination, the workshop prompted delegates to propose a focused approach. They suggested prioritizing the completion of amendments to the 2013 Land Law and others relevant legislation, which aim at building a new, comprehensive, and more effective policy framework for land management; developing guiding documents under the Law while ensuring the quality and progress and effectively addressing the identified challenges.

During the forum, delegates focused on discussing various topics such as bottlenecks of public investment and disbursement of public investment capital; tasks assigned to SAV to expedite the progress the progress of disbursement of public investment capital; audit findings on problems and violations on land management; inadequacies in determining land prices according the surplus method, changing the purpose

of land use to carry out commercial housing projects at enterprises during the equitization process; identifying issues that need to be resolved to develop truly sustainable and responsible economic zones and industrial parks of SAV. Most of the delegates also emphasized that SAV’s role and responsibilities should be promoted to organize and implement the inspection, examination and auditing of land resource management and use in a scientific and effective manner. Accordingly, SAV shall develop tasks and focus on auditing to detect problems and inadequacies in policy mechanisms, management organization and contribute more voices to the localities, the National Assembly, the Government and ministries for prompt adjustment and completion. Additionally, SAV needs to propose measures to address violations of land management and use.

Solutions to improve the efficiency of using public investment resources

During Workshop No.2, titled “Public investment: Bottlenecks and solution from the auditor’s perspectives”, Mr. Vu Ngoc Tuan, Director General of the General Affairs Department, highlighted the key findings. Delegates identified 07 groups of issues related to difficulties and obstacles in public investment activities, including: Policy mechanisms; capital sources; planning works; site clearance works; raw material sources; the performance of duties and responsibilities of individual units/organizations; organization and implementation of investment projects.

Based on the discussions, delegates put forward several solutions to enhance the efficiency of using public investment resources. These solutions encompassed the followings: To continue to review to thoroughly handle inadequacies, limitations and gaps in Law on public investment and other relevant ones; to improve the efficiency of public investment capital mobilization; to improve the quality of forecasting, coordination, construction, allocation and assignment of medium-term and annual public investment capital plans to ensure focus and emphasis on important issues in line with project implementation progress;

and to timely and flexibly adjust capital plans. Along with that, the coordination among levels, sectors and localities should be improved to speed up the site clearance, conversion of forest land use purpose and provision of adequate materials to serve the construction of important national and inter-regional projects. The role and responsibilities of heads of agencies/ units and organizations should also be enhanced to lead, direct, inspect and urge the implementation of projects and disbursement of public investment capital. Moreover, the inspection, examination, auditing and supervision should simultaneously be strengthened to promptly detect, handle and remove difficulties and obstacles in disbursement works and prevention of negative behaviours and violations of law in order to ensure open, transparent and effective public investment.

Notably, the workshop proceedings highlighted SAV’s critical role in optimizing the effectiveness and efficiency of public investment. Accordingly, it is said that in order to perform this role well, SAV needs to enhance its quality when providing comments on investment policies for important national projects and target programs; develops a medium-term and annual audit plan in line with the National Assembly’s Resolutions on public investment plans with a focus on key projects; promotes performance audits and new thematic audits for the public investment sector.





Dear Colleagues,
It is my great pleasure to provide you the last edition of ASEANSAI Newsletter in 2023.
In this fourth edition, we bring you the latest activities of October to December 2023, include the 7th ASEANSAI Summit: Handover of the ASEANSAI Chairmanship from SAI Myanmar to SAI Philippines.

We also present the contribution from SAI Myanmar with article on "Transition to International Standards of Supreme Audit Institutions (ISSAI) based Auditing in SAI Myanmar", SAI Viet Nam with article on "Promoting Economic Resilience and Development – Bottlenecks and the Role of the State Audit Office of Viet Nam" and SAI Thailand with the article on "Embracing Design Thinking for Strategic SDG Audit Topic Selection".

While for the uniqueness column, we post "Exploring the Wonders of Gunung Mulu National Park" in Malaysia.

Lastly, the Secretariat always welcomes your submission of articles, special reports, news and other materials related to the ASEANSAI and member's activities. Please share and submit the materials to the Secretariat at aseansai@bpk.go.id.

Stay safe and enjoy reading!
Warm Regards,
Bahtiar Arif

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Embracing Design Thinking for Strategic SDG Audit Topic Selection

by Dr. Sutthi Suntharanurak¹

In the complex landscape of Sustainable Development Goals (SDGs) auditing, the selection of audit topics is a critical task that demands a nuanced and effective approach. This article attempts to propose the Design Thinking, known for its unique and human-centric methodology, emerges as a compelling alternative for this purpose. The author explores why Design Thinking might be suited for selecting SDG audit topics, considering its adaptability, innovative nature, and collaborative framework.

The Case for Design Thinking in SDG Audits

1. Human-Centric Focus

Design Thinking begins with a deep understanding of the people at the heart of the issue – the stakeholders affected by SDG-related challenges. This empathetic approach ensures that audit topics are not only relevant but also resonate deeply with the community's needs and challenges, leading to more meaningful and impactful outcomes.

2. Encourages Innovation

The iterative nature of Design Thinking nurtures creativity and encourages thinking beyond conventional boundaries. In the context of SDG audits, where dynamic and complex issues are the norm, such innovative thinking is crucial for developing effective methods to measure progress and impact.

3. Collaborative Problem-Solving

This approach thrives on diverse perspectives, bringing together various stakeholders to understand the multifaceted nature of SDGs. Collaborative brainstorming under

Design Thinking leads to more comprehensive and inclusive audit topics that cover different facets of a challenge.

4. Flexible and Iterative

Design Thinking is inherently adaptable, allowing for the continuous evolution of ideas based on ongoing feedback. This flexibility is vital in the context of global SDG auditing, where priorities and challenges are constantly shifting.

5. Emphasis on Prototyping and Testing

The methodology advocates for developing prototypes (such as draft audit plans) and testing them. This approach enables experimentation and learning from failures in a controlled, low-risk environment, leading to more robust and effective audit topics and methodologies.

6. Holistic Understanding of Problems

Design Thinking compels auditors to view problems in their entirety, considering socio-economic and environmental contexts. Such a holistic perspective is indispensable for effective SDG audits, which often involve complex and interrelated issues.

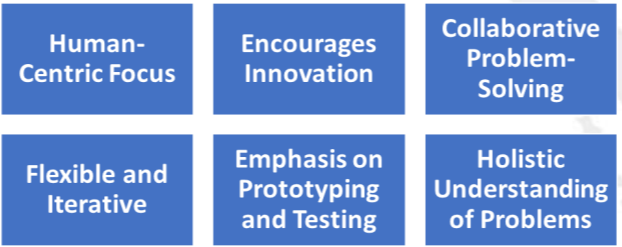


Figure 1: Six Key Reasons Supporting the Suitability of Design Thinking for Choosing SDG Audit Topics

The Five Stages of Design Thinking in SDG Audits

1. Empathize

The initial stage, Empathize, is centered on acquiring a profound comprehension of the needs and challenges faced by stakeholders. Within the framework of SDGs, this involves exploring into the problems encountered by various communities and ecosystems. For auditors, this stage is crucial for pinpointing the SDG areas that are most pertinent or critical for their stakeholders, encompassing a spectrum from global to local environmental issues, as well as the impact of audits on the citizens. Adopting this empathetic perspective guarantees that the selected audit topics are firmly rooted in the actual needs and challenges of the real world.

2. Define

After empathizing, the Define stage is about clearly articulating the problem. For SDG audits, this means problem-solving specific areas where the Supreme Audit Institution can have the most significant impact or where the challenges are most pressing. This stage transforms the broad objectives of the SDGs into specific, actionable audit goals. It sets a clear direction for the audit process, ensuring that it stays focused and impactful.

3. Ideate

The Ideate stage is where creativity comes into play. Auditors brainstorm a wide array of ideas for potential audit topics, thinking unconventionally and exploring various possibilities. This phase is crucial for uncovering innovative ways to address the defined SDG challenges, whether

it's through novel methods of measuring progress or identifying impactful areas for improvement.

4. Prototype

In the Prototype stage, ideas are transformed into more concrete plans or frameworks. For SDG audits, this might involve developing draft plans for potential audit topics. This stage allows auditors to test their concepts in a low-risk environment, refining them into practical, actionable audit strategies.

5. Test

Finally, the Test stage involves evaluating the selected audit topics in real-world scenarios. This might include conducting preliminary research, seeking stakeholder feedback, or assessing the feasibility and potential impact of the audit topics. This phase is critical for fine-tuning the audit topic, ensuring it effectively addresses the identified SDG challenges.

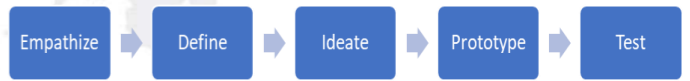


Figure 2: Five Stages of Design Thinking

In conclusion, Design Thinking provides a structured, flexible, and human-centric approach to SDG audits, ensuring relevance, impact, and adaptability to global scenarios. It fosters effective, inclusive, and sustainable auditing practices, contributing to the successful achievement of Sustainable Development Goals and promoting inclusiveness in auditing practices.

¹Dr. Sutthi Suntharanurak holds the esteemed position of Director of International Affairs at the State Audit Office of the Kingdom of Thailand. His expertise extends beyond auditing, encompassing roles as an economist and a researcher specializing in Development Economics. Dr. Sutthi has a keen interest in the accountability systems and the Sustainable Development Goals. He can be reached for further inquiries or collaborations at sutthisun@gmail.com.