

Foreword

The Royal Audit Authority, in its continued efforts to facilitate transparency and accountability, is pleased to bring out a Policy on Disclosure of Information, featuring comprehensive information held or generated by the RAA. Except those information set out in Policy on Disclosure of Information as confidential, it is intended to make available to public all information concerning program and operations of RAA. While much of information is already available through website, this policy consolidates the existing practices and procedures.

RAA hopes that this policy, used wisely by the general public, would have far reaching significance on the causes and concerns of the Royal Government of Bhutan

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CHAPTER 1

1. INTRODUCTION

1.1 Background

The Royal Audit Authority, the Supreme Audit Institution of Bhutan is one of the constitutional bodies under the Constitution of the Kingdom of Bhutan with the mandate to audit and report on the economy, efficiency and effectiveness in the use of public resources. Accordingly, it has to carry out its responsibilities by conducting proper and timely audits of public funds utilized by the ministries, departments, corporations and other organizations of the Government; report on whether the concerned agencies complies with the will of the Parliament, as expressed through budgetary appropriations; and promote economy, efficiency and effectiveness in the use of public resources through its reports and recommendations.

1.2 Mandate

Section 100 “Rule making power” of the Audit Act of Bhutan 2006, stipulates that “The Authority may make rules necessary to carry out its functions economically, efficiently and effectively in accordance with law”.

This Policy on “Disclosure of information” is framed within the broad confinements of the Authority spelt out in the above referred law and with due considerations of other national laws, rules and regulations.

1.3 Purpose and Objective of the Policy Document

This document is aimed at setting out the policy on the disclosure of information regarding the availability to the general public of any information held or obtained by the Royal Audit Authority during the course of auditing and to provide as much information as possible on how it operates and what it does with the exception of those information enlisted in the Policy as classifieds or otherwise deemed confidential. However, this Policy does not explicitly or implicitly create any contractual or other rights enforceable in the courts of law. This Policy codifies existing principles, strategies, practices and procedures, of the Royal Audit Authority.

1.4 **Policy Principles**

The Royal Audit Authority reaffirms its commitment to transparency and accountability in all of its activities. The RAA's Policy on Disclosure of Information is based on the following principles:

- Information will be made available only on bona fide written requests of a person concerned on a need to know basis. Bona fide requests are defined as those which are required for specific purpose and do not adversely affect RAA's activities and national interest;
- Information about the RAA and its activities will not be made available to the public in the absence of a compelling reason for confidentiality, in accordance with this Policy;
- Information provided to the public shall be made available in a form and contents that enhances the transparency and accountability thereby promoting good governance;
- The final authority for information released to the public shall rest with the RAA;
- The availability to the public of information pursuant to this policy shall not be construed as an express or implied waiver of the privileges and immunities available to the RAA pursuant to the provisions of the laws of the country.
- Information in Public domain and Annual Audit Report shall be available once it is declared as in public domain.

CHAPTER 2

2. INFORMATION AVAILABLE FROM THE RAA

2.1 Public Accessibility

At any given point of time the following package of information, among others, in English will be available from RAA's website- www.bhutanaudit.gov.bt Audit Act of Bhutan,

- RAA Auditing Standards,
- Auditing manuals,
- Annual Audit Reports;
- Organogram;
- Annual Audit Schedules;
- AG's Advisory Series;
- Strategic Plan; and
- Code of Conduct, Ethics and Secrecy.

The Policy and Planning Division of the RAA may be contacted for any additional information and clarification on the above subject.

2.2 Audit report

2.2.1 Audit Report incorporating the issues that were not resolved during the exit conference shall not be divulged or released prior to its authorized release, or revealed to other parties not concerned, However, if the information disclosure is for the interest of the nation, than the dealing official/ concerned Division shall submit written recommendation to release the information with prior clearance and approval of the Auditor General or his duly designated representative (*Section 66 of the Audit Act of Bhutan 2006 and clause 25.10 of the RAA's Auditing Standards*).

2.2.2 "The Authority shall submit copies of the Audit Report to the Druk Gyalpo, the Prime Minister and the Chairperson of the Royal Civil Service Commission or the Chairperson of the Anti-Corruption Commission, where offences are serious and require urgent attention" (*Section 67 of the Audit Act of Bhutan 2006 and clause 25.11 of the RAA's Auditing Standards*).

2.2.3 The Audit Report containing routine information shall follow the normal course information shall be shared on the need-to-know basis.

2.3 Annual Audit Report

2.3.1 The unresolved significant observations and cases of fraud and corruption of the Audit Report at the year end are compiled in the form of Draft Annual Audit Report. The Draft Annual Audit Report related to the Agency concerned are circulated to the respective agencies for their comments within a given deadline of one month as per the Section 75(c) of the Audit Act of Bhutan 2006. Once comments and feedbacks are received from the audited agencies the AAR gets consolidated and as per the Section 72 of the Audit Act of Bhutan 2006 are submitted to:

- the Druk Gyalpo;
- the Prime Minister; and
- to the Parliament.

2.3.2 “The Auditor General shall also endorse copies of the Annual Audit Report to the Lhengye Zhungtshog, concerned Head of the audited entity, the Chairperson of the Anti-Corruption Commission and the Chairperson of the Public Accounts Committee” (*Section 73 of the Audit Act of Bhutan 2006*).

The electronic copies of Annual Audit Report are available on the RAA’s website.

2.3.3 Printing of Annual Audit Report

In the absence of printing facilities within the organization the printing works are awarded on tender to the local printing press. The “Policy on Disclosure of information” needs to be properly briefed to management of press and a bond of trust needs to be executed between RAA and printing press.

2.3.4 Translation work of Annual Audit Report

The Annual Audit Report texts may so translated from English to Dzongkha by the local private Firm, in event of translation by Local Private Firm, a bond of trust needs to be executed between RAA and the Firm involved in translation work.

CHAPTER 3

3. INFORMATION RESTRICTED UNDER THE AUDIT ACT

While RAA is committed to have an open and transparent disclosure system in place, there are legal, operational and practical considerations that are necessary to preserve the organization's interest, as well as those of its staff and its auditees. There is a need to preserve the integrity of the deliberative process. Accordingly, the records of the deliberations of the committees (other than those specifically mentioned in this Policy) and documents prepared by them will not be made available to the public, unless there is specific approval from the Auditor General.

Therefore, information under the following categories as spelt out in "Section 87-90 of the Audit Act of Bhutan 2006" is deemed confidential and will not be made available to the public:

- 3.1 Any information received about potential offences, in good faith and trust, under the laws of the Kingdom; (*Section 88 of the Audit Act of Bhutan 2006*)
- 3.2 The Authority shall not provide information to any member of the public or any person or authority, if in its opinion, the information has to be held confidential under national laws and accepted legal practice; (*Section 89(a) of the Audit Act of Bhutan 2006*)
- 3.3 Commercial and industrial confidentiality of national significance and National Security and larger public interest implications under laws of the Kingdom; (*Section 89(b) of the Audit Act of Bhutan 2006*)
- 3.4 The Authority shall give the same level of confidentiality and protection as is required by laws of the Kingdom for any secret or sensitive material or evidence, written or otherwise, obtained by or made available to the Authority from an entity pursuant to the Audit Act; (*Section 90 of the Audit Act of Bhutan 2006*)
- 3.5 Information/document sent or received from third parties either under an expectation of confidentiality or identified as being confidential or otherwise of such a nature that it is subject to the RAA's duty of confidentiality toward third parties;
- 3.6 Information/document whose disclosure is likely to endanger the safety or security of any individual, and the Nation; (*Section 91(b) of the Audit Act of Bhutan 2006*)
- 3.7 Information/document covered by legal privilege;
- 3.8 Commercial information where disclosure would harm the financial interest of agencies audited;
- 3.9 Document received by RAA which relates to a matter where the decision is yet to be taken by it and where disclosure of the document would undermine the RAA's decision making process; and
- 3.10 Abusive, excessive or vexatious requests may be denied.

CHAPTER 4

4. INFORMATION DISCLOSURE PROCEDURES

4.1 Clearance for information contained in Country paper

4.1.1 Information contained in the Country Paper to be presented by officials of this Authority nominated for trainings and seminars abroad will have to be vetted by the Human Resources & International Relations Division. This Division is responsible wherever necessary to obtain the clearance and clarification from the concerned authorities;

4.2 Disclosure of information to media

4.2.1 In view of the restriction clause in the Audit Act, a spokesperson designated by the Authority shall represent RAA in the panel discussion and provide with information on RAA as and when approached by the media.

4.2.2 The Auditor General as the Head of the Institution at times is being interviewed by the media on audit issues, and he exercise his own discretion to provide with information; and

4.2.3 The RAA officials other than the spokesperson and Auditor General are required by the media to speak to or provide with information, the consensus of the spokesperson/ Auditor General needs to be obtained.

4.3 Disclosure of information to Public Accounts Committee

4.3.1 The Annual Audit Report (AAR) is submitted to the Parliament in the last quarter of the financial year. The Chairman of the Public Accounts Committee (PAC) submits the contents of the AAR in the National Assembly sitting for detailed discussions. The RAA also endorses a copy of other reports such as Performance and other Theme based audit reports.

4.3.2 The effective actions by the Parliamentarians on the Annual Audit Report are very important. The RAA should work closely with the Public Accounts Committee and provide technical backstop wherever necessary. The Chief of Policy, Planning and Annual Audit Report Division and Follow-up and Clearance Division Chief shall provide additional information to PAC members if need be. They can also arrange joint information sharing and orientation programme between RAA and PAC. (*Clause 2.1.6 of the RAA's Auditing Standards*)

4.4 Disclosure of information to Anti-Corruption Commission

4.4.1 In line with the Audit Act of Bhutan 2006 and Section 67(b) of the Anti-Corruption Act of Bhutan 2006, the RAA maintains a strong and coherent relationship with the Anti-Corruption Commission. As part of this relationship the RAA shares copy of audit report containing significant and corrupt findings for its detailed verification and investigation purposes. (*Section 73 of the Audit Act of Bhutan 2006*)

4.4.2 The RAA shall inform the ACC or relevant authority on any activity or person identified in the course of an audit that may constitute as offences under the Audit Act or other laws. (*Section 48(b) of the Audit Act of Bhutan 2006*)

CHAPTER 5

5. DISCLOSURE OF MANAGEMENT INFORMATION

5.1 Audit Awareness for local leaders

- 5.1.1 During the 9th Five Year Plan the RAA conducted a round of audit awareness campaign covering all members of Dzongkhag Yargye Tshogde (DYT) and Geog Yargye Tshogchung (GYT) in all twenty (20) Dzongkhangs. Students in high schools and tertiary institutes were also provided with policy briefings.
- 5.1.2 The RAA assumes the responsibility to create awareness on auditing procedures, policies and strategies whenever there is new batch of local leaders being elected. The audit awareness programme provides an exchange programme amongst the grass root leaders, high school student and RAA. It is important that they know the RAA's mandate and responsibilities and at the same time they also know their responsibilities and accountabilities as a leader and as a responsible citizen.
- 5.1.3 The audit awareness campaign team led by Auditor General or his representative with two members will programme it conveniently and at appropriate time.
- 5.1.4 As may be necessary, the Auditor General of Bhutan may also hold open forum seminar with government officials to facilitate information sharing.

5.2 Peer Review

- 5.2.1 The RAA is always committed to keeping itself abreast of new auditing developments in the international arena. Being the Supreme Audit Institution it is only appropriate to have its operational aspects peer reviewed by another SAI. During the 9th FY plan the Comptroller and Auditor General of India conducted the peer review of the RAA. It is now the Policy of the RAA to have a peer review done once every plan period. *(Section 86 of the Audit Act of Bhutan 2006)*
- 5.2.2 The disclosure of management information shall be processed by the respective Chief of Division .The management function are implemented and controlled by the Divisions as such the information may be disclosed by the Chief of Division for the purpose of Peer review;
- 5.2.3 Management information required other than by the peer review team, the concerned management team of RAA may consider it after due assessment of sensitivity and gravity of information;

5.3 Disclosure of information on Audit Information Management system

- 5.3.1 The officials dealing with the follow-up are provided with right to access and input information in the Audit Management Information System. They have the right to update AIMS on daily basis. They are personally responsible for keeping the access right to oneself only. Any untoward happening in the information will be traced from the access right and the concerned person will be held accountable;
- 5.3.2 Owing to nature of information the right to update or make changes in the information is not given to anyone other than the dealing officials in the follow-up. Other senior officials of RAA had the right to information access only;
- 5.3.3 The Audit Information Management System will be strictly controlled and monitored by IT section and they will be responsible for updating the system as per RAA's requirement and keeping pace with the technological changes. The efficient functioning of the system and the information disclosure from the system will be analyzed and process by the IT section; and
- 5.3.4 The disclosure of Information on Annual Audit Report and on Follow-up and Clearance will be analyzed and process jointly by the Chief PPAARD and Chief FU&CD.
- 5.3.5 The RAA may provide AIMS observation status of each individual generated through AIMS either on request or on its own to the individuals concerned, and such information shall not be available to general public.

CHAPTER 6

6. SANCTIONS

- 6.1 Any official or staff of the RAA not complying or causing non compliance with the policy may be subjected to disciplinary actions as the existing Disciplinary Committee may deem fit and proper. While the severity of the action shall depend on the nature of non compliance, no action shall be taken without following the due process.

Acronym

RAA	Royal Audit Authority
ACC	Anti Corruption Commission
AAR	Annual Audit Report
PAC	Public Accounts Committee
PPAARD	Policy Planning and Annual Report Division
FU&CD	Follow up and Clearance Division
AIMS	Audit Information Management System
SAI	Supreme Audit Institution
DYT	Dzongkhag Yargye Tshogde
GYT	Geog Yargye Tshogchungs