

Good Governance In Myanmar

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Introduction

- History tells us that we were strong and even powerful to the level of winning the respect and admiration of neighbors every time we were united under the stable administration and we were weak and even vulnerable to outside interferences and armed invasions during the periods we were disunited under instable administration.
- We were under British colonialism before 1948, after that Myanmar Government has practiced Multi-Party Democracy from 1948 to 1962 and Socialism from 1962 to 1988. The Socialism was collapsed in 1988. From 1988 to 29 March 2011, the State Law and Order Restoration Council and the State Peace and Development Council ruled the country.
- On 30 March 2011, People's representatives have elected the New Government according to the 2008 constitution.

Good Governance and Clean Government

- Good Governance should be defined as the exercise of political, economic and administrative authority to manage a nation's affairs efficiently and legitimately.
- Also we have learned that there are six indicators of Good Governance identified by World Bank as follows:
 - Voice and Accountability
 - Political Stability
 - Government Effectiveness
 - Regulatory Quality
 - Rule of Law
 - Control of Corruption.

- Today, the civilian government in office is taking strides to reform the nation into modern, peaceful, democratic one.
- The President has articulated "good governance and clean government" as the doctrine of the incumbent government.
- So there needs to make a change in governmental systems and institutions.
- The most important task of the new administration is to work together to create good governance and clean government.
- ❖ The work programme of the Union Government and State and Region Governments must be transparent, accountable and consistent with the constitution and the existing laws, it is necessary to respect the people's wishes and to ensure all inclusiveness.
- ❖ The tasks of government must be expeditious and effective.

- ❖ The President said " Good Governance calls for sound management and administrative skills. Benevolent attitude must be shown towards the people.
- ❖ The public interest must be protected and served.
- ❖ To ensure a clean government, it must abstain from corruption and bribery that tarnish the image of the nation and the people.
- ❖ Therefore, an individual person or the organization he takes charge of needs to stay away from such corruption and bribery".

Reform Strategies being implemented in Myanmar

There are the strategies, which have been adopted by some countries, for emergence of Good Governance in their countries as follows:

- Improving more the state legitimacy by reducing corruption, improving quality of life, and strengthening social safety nets
- Sustaining economic growth for supporting social welfare effectively
- Responding effectively to the newly raised tasks.

- ❖ Our new government, with the doctrine "good governance and clean government", has embarked on a series of reforms, and it has now speeded up its reforms process with the adoption of reform strategy
- ❖ Since taking office, the government has been endeavoring to fulfill the two main wishes of the entire people, of course, the people want to live in peace and stability, and that is their first wish.
- ❖ After peace and stability, what else? It is the prosperity people also want.
- ❖ So, to gain or emerge "good governance and clean government", and also to fulfill the people's wishes, our government is introducing the following two reform strategies,
 - ❖ Political Reform
 - ❖ Economic Reform

- ❖ The government has been giving priority to political process for National reconsolidation and eternal peace. Accordingly, it has adopted the "all inclusive political process" in the interest of the Union and the people
- ❖ We can now see all the domestic political forces, including political parties and civil societies, trying with enthusiasm to become people's representatives practicing democracy within the framework of the constitution
- ❖ Moreover, the government's sincere peace initiatives are showing sound results as many of the armed national races groups are now at different levels of peace process.

- ❖ On the grounds of humanitarian and out of the consideration for the families of the inmates, the President granted an amnesty in accordance with the Constitution for those who are serving prison terms for the crimes they committed before 17 May 2011, as follows;
 - ❖ Death sentences are commuted to life sentences
 - ❖ Other prison terms are commuted by one year exclusive of remission days.

To fulfill the second wish of the people, that is the prosperity, the government is introducing economic reforms.

The reforms cover the emergence of a market economic system suitable to the nation's objective conditions.

Development of governance in the public sector

In the public sectors, under the respective ministries, the followings are the developments of new governance;

- ❖ While encouraging the promotion of the private sector in economy, the Union government is conducting institutional reforms for capacity- building of state- owned businesses;
- ❖ Taking measures with care and consideration to ensure that privatization is not in the hands of only a handful of people and that there are no equality and no barrier to capacity-building;
- ❖ To eliminate the corruption and bribery, the Union government is taking educative measures and persuasion, giving warnings and take action with all possible approaches to morality, conviction, ethics, worksite welfare, monitoring, law, principle and procedures

Monopolization of public services are to be reduced and citizens are sure to have the right to enjoy those services;

- ❖ Public services like education, health and security are to be improved;
- ❖ Agricultural sector is to be modernized to establish agricultural production syndicates with the shares through manual production;
- ❖ Education sector is to be promoted for development of human resources in striving sustainable development of the nation;
- ❖ For State-owned universities and schools, reform measures are being taken not only for curriculums and syllabuses but for management sector in accord with the new system;
- ❖ Ministry of Environmental Conservation and Forestry and relevant ministries are responsible for conservation of forests in watershed areas, forest serves, special teak plantations and biodiversity;

- ❖ Hydropower projects are being implemented one after another the length and breadth of the nation with the effective application of water resources in abundance;
- ❖ Supporting committee and work committee have been formed to implement the purpose of rural development and poverty alleviation
- ❖ A sound economic environment has been created by inviting technical know-how, capital investment, expertise and management internally and internationally to improve per capita income of the grassroots, create more job opportunities and develop the whole national economic structure in various sectors.

Effectiveness of the reforms on the Good Governance

- More than a year after Myanmar's reformist government took office, the country has witnessed many unprecedented changes
- Policymakers from on high have shown their passionate commitment to change and initiated reforms.
- In old saying goes, "Old habits die hard". Many people still cannot change the behaviors and attitudes they have been displaying for decades
- There are still bribery and corruption issues with most of them buried unknown
- Despite significant progress, some government's service providers' the weaknesses on reformation still endure.
- However, the reforms to good governance in our country are in progress and changes taking place in multiple sectors encouraging every citizen observes the discipline as it serves as

the guardian of law and order in a society enjoying equality justice and freedom together with peace , prosperity , stability and the rule of law.

- All the internal political forces are trying with eagerness to become people's representatives practicing democracy within the framework of the Constitution;
- Stable and correct transition is gaining more and more international recognitions;
- Recent changes in Myanmar can draw the attention of foreign investors. Based on the foreign investments, domestic companies' productivity would increase, thereby spurring the country's economic growth.
- Myanmar expatriates living abroad for various reasons are now eagerly participating and assisting the government's new administration;

- Bribery and corruption are being tried to eliminate by enacting law;
- Short-and long-term projects have been adopted for flourishing of macro-economy.

Good Governance practices for effective financial management

- ❖ Constitution of the Republic of the Union of Myanmar has been ratified and promulgated by the National Referendum and that was announced on 29 May 2008.
- ❖ The Budget year of the country is every 1st April to the next March 31.
- ❖ The new financial management system started on 1st October 2011, that was of 2011-2012 budget year.
- ❖ Since 1st October 2011, financial management of the country has been changed. Government Consolidated Fund was separated into Union and Region or State Fund.
- ❖ So, there are the Union Budget and Region or State Budget.
- ❖ The budgets of the Union ministries and Union level organizations are to be vetted by a Vice- President, and the estimated budgets of the Union level organizations including the Union Ministries are to be submitted to the financial commission.

- ❖ The budgets of the Region or State are to be vetted by the other Vice- Presidents, and the estimated budgets of the Region or State are to be submitted to the Financial Commission.
- ❖ The Union Government shall draft the Union Budget Bill based on the annual Union Budget, after coordinating with the Financial Commission, and submit it for approval to the Pyidaungsu Hluttaw (Union Parliament) in accord with the provisions of the Constitution.
- ❖ The Union Government shall, if the Pyidaungsu Hluttaw is unable to promulgate the Union Budget Bill before the end of the Budget Year, expend with the framework of the general expenditure included in the last - enacted Budget Law of the Pyidaungsu Hluttaw .

- ❖ The Region or State Government shall, in accord with the provisions of the Constitution, submit the Region or State Budget Bill, after coordinating with the Financial Commission and getting approval of the Parliament, to the Region or State Hluttaw (Region or State Parliament) concerned, to promulgate the Budget Law for the year.
- ❖ The Region or State Government shall, if the Region or State Parliament is unable to promulgate Region or State Budget Bill before the end of the Budget Year, expend with the framework of the general expenditure included in the last - enacted Budget Law of the Parliament.
- ❖ Procedures for taxes and revenues to be paid to the Union Fund are as follows;
 - ❖ The Union shall, with the exception of the taxes and revenues to be collected by Regions or States, collect all other taxes and revenues in accord with the law and deposit them in the Union Fund;

- If it is necessary to collect designated receipts or incomes and taxes and revenues to be collected by the Regions or States for the Union territories, the Union shall collect them in accord with the law and deposit them in the Union Fund;
- The Union has the right to expend the Union Fund in accord with the Union Budget Law.
- Procedures for charges and taxes to be collected by the Regions or States are as follows;
 - The Region or State shall collect the taxes and revenues listed in the schedule which is described in the Constitution in accord with the law and deposit them in the Region or State Fund;
 - The Region or State has the right to expend the Region or State Fund in accord with the Region or State Budget Law.

Accounting for Good Governance

Trustees

The governance of accounting rests with the Trustees, who are the Financial Commission and the Ministry of the Finance and Revenue of the Union, in Myanmar.

The Trustees are responsible for broad strategic issues, budget, and operating procedures.

The Financial Commission shall be formed with the following persons:

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| (1) The President | Chairperson |
| (2) Vice – Presidents | Vice - Chairpersons |
| (3) The Attorney - General of the Union | Member |
| (4) The Auditor - General of the Union | Member |
| (5) Chief Ministers of the Regions and States | Members |
| (6) The Naypyitaw Council Chairperson | Member |
| (7) The Minister of Finance of the Union | Secretary |

Myanmar Accountancy Council

- The Auditor General of the Union is assigned as the member of the Financial Commission and also acts as the Chairman of Myanmar Accountancy Council (MAC).
- Office of the Auditor General of the Union acts as MAC secretariat. MAC, as the national accountancy body, is responsible for governing the accounting profession in Myanmar.
- Duties and powers of the Auditor General of the Union, concerning the accounting profession, are as follows;
 - Supervising the MAC and Myanmar Institute of Certified Public Accountants and tendering necessary guidance;
 - Determining and supervising, in accord with law, relating to the duties and right of the person who has served as Certified Public Accountant and Practicing Accountant;

- Training and certification for qualified accountants.

MAC has issued Myanmar Accounting Standards and Myanmar Financial Reporting Standards for private sector. It is now preparing Financial Reporting Standards for public sector.

Accounting

- Government departments at all levels, that is Union and Region or State level, must prepare their accounts and their financial statements in cash basis within the respective Budget Law in compliance with financial regulations
- Government enterprises at all levels must prepare their accounts and their financial statements in accrual basis within the respective Budget Law in compliance with generally accepted accounting principles.

Accountability

- ❖ In accord with the Constitution of the Republic of the Union of Myanmar, Union level executive, legislative and judiciary organizations have been formed at the Pyidaungsu Hluttaw, the Pyithu Hluttaw and the Amyotha Hluttaw (These are the Parliaments).

According to the new democratic system (that is the political reform), there has been accountability of Governance in the public sectors as follows;

- ❖ Duties and responsibilities have been assigned to respective ministries and states and regions;
- ❖ The centralization has been reduced and governments from states and regions have been entrusted with rights and powers;

- ❖ Respective governments and ministers must be held accountable for their actions for any good or bad results in their own ministry or region or state;
- ❖ All ministries will have to share the tasks and responsibilities among themselves to successfully implement them.

Governance and Performance Measures

In commemoration of the first anniversary of the government's inauguration, the President said the changes, the achievements, ongoing tasks and future programmes to the people who have entrusted the State executive power to the government, as follows;

- ❖ Constitutional democratic transition has now systematically reached a peaceful path;
- ❖ The government has been carrying out bounden duty of national reconsolidation to ensure eternal peace;
- ❖ Union government offers olive branch to national race armed groups;
- ❖ Reform measures are being taken for macro-economy by laying down short and long-term projects;

- ❖ Union government is planning to make sure that local and foreign investments flow rapidly to the country and to firmly protect those investments.
- ❖ Industrial zones are being established across the nation to create more job opportunities;
- ❖ Government implementing plans on Dawei Special Economic Zone, Thilawa Special Economic Zone and Kyaukpyu Special Economic Zone in addition to establishment of many industrial zones to create long - term economic opportunities for merchants and entrepreneurs;
- ❖ Today, transport is getting smooth throughout the Union as a result of a growing number of river - spanning bridges, railroads and highways;

- ❖ Nantkhwin Creek Bridge gives a fillip to the development of Kachin State in the economic, social, health and education sectors;
- ❖ With the help of Cooperatives Ministry, farmers can form cooperative syndicates and export them to overseas market;
- ❖ Export- related taxes are relaxed to enable the citizens to do business easily and conveniently and the new exchange rate of foreign currencies has been set temporarily according to the outside market situation;
- ❖ Private banks are being encouraged to be economically strong, and light and medium industries to acquire capital and technologies;
- ❖ Recent political reforms have put the country on the radar screen, which is expected to bring a large number of tourists into the country.

Striving for clean and effective audit

- ❖ Our government, the relevant Hluttaws (Parliaments), the entire people and the fourth estate, that is media, are trying to join hands firmly in unity for emergence of good governance and clean government in our country.
- ❖ The Audit Officers of the various levels of Audit Office shall carry out the following duties in accord with the stipulations to fulfill the vision of good governance and clean government:
 - (a) under the provisions contained in the Union Budget Law and Budget law of the relevant Region or State:
 - (1) auditing the accounts of the receipt and payment of its relevant Government Departments and Enterprises;

- (2) auditing whether or not measures have been taken to obtain fully the receipts of its relevant Government Departments and Enterprises;
- (3) auditing whether or not the sanctioned money are utilized effectively of its relevant Government Departments and Enterprises.
- (b) inspecting the implementation of the work of the relevant service personnel organizations:
- (c) performing other duties assigned by the Auditor General of the Union or Auditor General of the Region or State in accord with law:
- (d) submitting reports on their performances to the relevant Auditor Generals.

To be clean and effective audit in every audit assignments done by the Audit Offices, the following activities are being performed among audit personnel not only at the Union level but also at the Region or State level:

- a. seminars and workshops at the respective audit offices;
- b. half-yearly seminars among the Auditor General of the Union and the Auditor Generals of the Region or State;
- c. distribution of technical papers and case studies;
- d. internal and international trainings;
- e. quality control and assurance ;
- f. actions on letters of complaints, etc.

Impact of Audit

The Auditor Generals of the Union and of the Regions or States have to;

- a. submit the unusual situation, from time to time, relating to the auditing the accounts of the receipt and payment of the government departments and enterprises at the relevant Hluttaw(Parliament) session;
- b. inspect the implementation of the works of the government departments and enterprises;
- c. submit reports on their performances to the relevant Hluttaws through the President at the Union Level and the Chief Ministers of the Regions or States at the Region or State Level;
- d. perform other duties stipulated under any existing law.

The duties at all levels, as mentioned above, can support the government to achieve goals of sustainable development by auditing the accounts and inspecting the activities of the organizations and reporting thereon to the government and the Parliament.

Conclusion

- ❖ We have learned that Governance means the process of decision-making and the process by which decisions are implemented.
- ❖ Governance does not imply strengthening the process and institutions of the government only, but also looking at the governed, strengthening and empowering them.
- ❖ Government institutions must enable the civil society organizations participate in the governance process, bringing about empowerment, accountability and transparency
- ❖ Establishing partnerships with civil society needs to develop, strengthen and sustain collaborative and participative process, fostering institutional development that facilitates resource mobilization, co-ordination and networking.

- The government is in pursuit of the goal of building a modern and developed nation in order to be equality of other countries .
- Economic growth lies at the centre of the drive.
- In order to improve the whole economic infrastructure of the nation, it is being reviewed to amend the laws, rules and procedures regarding the monetary policy , fiscal policy , trade policy and investment policy.
- Currently, the international community already has started exploring the investment opportunities in Myanmar a country in the eyes of most global nations is a new frontier with much more to offer.

- ❖ In this regard, series of forums, seminars and business meetings are taking place between Myanmar officials, citizen entrepreneurs and foreign businesspersons and diplomats eager for a business partnership or a business initiative through financial capital they will bring into our country.
- ❖ In fact, local and foreign investments are a very important issue of Myanmar that is ever accelerating and promoting its reform process till it grows powerful enough to cover every corner and every sector, as the country needs significant progress in multiple aspects.
- ❖ In order to get larger amount of investments from local and abroad for a robust growth in gross domestic production the source of bigger income for the country , wider cooperation , greater transparency, better services and warmer relation from the government institutions are needed.

- ❖ Other vital sources are the laws, rules and regulations that are applicable and strongly in force as in the foreign countries enjoying progress for a long time; plans and actions that really serve the interest of the entire people and also transparency, flexibility and sustainability all of which are foundations of the market - economy friendly to both the domestic entrepreneurs and the international business partners.
- ❖ Getting support for the national development is required. In order to get the important support from the developed countries- especially getting support for the roles of the political, economic and social are being strived.

- Millennium Development Goals (MDGs) and ASEAN Visions are aimed at developing the whole social sector.
- In developing the entire social sector, it is found that the developing countries cannot do the job well on own funds or alone.
- Hence, the assistance of donor countries, international organizations, UN agencies, international non - government organization (INGOs) has become important.
- A modern, developed democratic nation has come into shape, and it is important to practise a discipline - flourishing democratic system.

- The nation itself must work hard for its democratic system to be mature.
- Likewise, it is needed to promote democratic practices in the government, in the departmental organizations and among the people.
- The role of government organizations responsible for administrative affairs is very crucial. As administrative affairs strongly influence the day - to - day life of the people, the public wishes must be respected.
- So, to be a modernized and developed country, Good Governance is important and there must be establishing and practising to achieve sustainable development continuously.

THANK YOU

FOR YOUR ATTENTION