



SYMPOSIUM ON GOOD GOVERNANCE

**Rizqun International Hotel, 28 – 29 November 2012
BANDAR SERI BEGAWAN, BRUNEI DARUSSALAM**

GOOD GOVERNANCE PRACTICES IN THE PUBLIC SECTOR – BRUNEI DARUSSALAM'S PERSPECTIVE

Presented By

Pengiran Fauziah Binti Pengiran Haji Muhammad Kifli, FCCA, MIBF, BSc, BScEcon

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UNESCAP (2012) Defines Good Governance

Good Governance has 8 characteristics:

- participatory,
- consensus oriented,
- accountable,
- transparent,
- responsive,
- effective and efficient,
- equitable and inclusive,
- follows the rule of law



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Source: Dr Carl Marx, 2011

(<http://voices.yahoo.com/manage-risk-achieve-compliance-strong-corporate-8493869.html?cat=3>)



Overview of Governance in Brunei Darussalam

- ❖ Brunei Darussalam is a constitutional sultanate under the Constitution of Brunei Darussalam 1959, His Majesty Paduka Seri Baginda Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah is the Head of State.



Overview of Governance in Brunei Darussalam

- ❖ Brunei Darussalam's national philosophy
- Melayu Islam Beraja i.e Malay Islamic Monarchy and literally known as MIB.
- ❖ Brunei Darussalam has a legal system based on English Common law, although Islamic Syariah law would be applicable in some cases.



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Appointment of Auditor General

Constitution of Brunei Darussalam 1959,
Chapter 66(1):

An Auditor General who shall be appointed by
His Majesty the Sultan and Yang Di-Pertuan
Negara Brunei Darussalam.



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Powers, Duties & Reporting of Auditor General

Constitution of Brunei Darussalam 1959:

❖ Chapter 67(1):

“...the Auditor General, who, with his subordinate staff, shall at all times be entitled to have access to all books, records...relating to such accounts.”

❖ Chapter 67(2):

“The Auditor General shall perform such other duties and exercise such powers in relation to the accounts of Brunei Darussalam and to the accounts of other public authorities and bodies administering public funds ...”.

❖ Chapter 68:

“The Auditor General shall submit his reports to His Majesty the Sultan and Yang Di-Pertuan ...laid before the Legislative Council”.



Wawasan (Vision) 2035

- Successful, educated and highly skilled citizens;
- A Sustainable dynamic economy; and
- A high quality of living.



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Wawasan (Vision) Brunei 2035

Successful, educated
and highly skilled
citizens

A sustainable
dynamic economy

A high quality of living

AUDIT VISION: High Quality Government Audit Institution

Excellence in Audit
Staff

Excellence in
Auditing
(Good Governance &
Accountability)

Excellence in
Work Environment

AUDIT MISSION: To Foster



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**Good Governance
To The People and The Country**

**To Uphold
Supreme
Authority of His
Majesty The
Sultan**

**To Uphold the
National
Philosophy Malay
Islamic Monarchy
(MIB)**

**To Ensure
Development Of the
Country, Welfare,
Traditional Role As
Peace Keeper, Law
Enforcer, Regulator
And Service
Providers**

The Role of Civil Servants



Good Governance in Public Sector

Civil service is governed by:

- ❖ The Public Service Commission Act (Chapter 83 of the Brunei Laws);
- ❖ The General Orders which governs rules on appointments, promotions and disciplinary actions;
- ❖ The Prime Minister's Office circulars.
- ❖ Treasury Circulars on financial matters; and
- ❖ Financial Regulations 1983 governing on financial management.



Financial Management of Public Sector Towards Good Governance

Several legislations are enforced such as:

- ❖ Companies Act, Chapter 39;
- ❖ Statutory Acts (e.g. AMBD Order 2010);
- ❖ Audit Act, Chapter 152;
- ❖ Prevention of Corruption Act, Chapter 131;
- ❖ Anti Money-Laundering, Chapter 209



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Role of Controlling Officer

Brunei Government Ministries and Departments:

- ❖ The Controlling Officer is responsible for establishing an effective control environment in their organisation.

Government Entities (Government Linked Companies):

- ❖ The Board of Directors are accountable to the stakeholders and to the law as incorporated in the Companies Act, Chapter 39.



Board of Directors Responsibilities

The Board of Directors Responsibilities:

- Ensure the implementation of policies related to the operations of the entities.
- Ensuring key risks areas are identified and managed appropriately.
- Ensuring the adequacy and integrity of the internal control systems.



Establishment of Committees

❖ National Audit Committee

Established since November 2001.

❖ Tender Board Committee

Financial Regulations 1983 no 327 until 340, circulation letter from the Ministry of Finance (MOF) no 3/2004 dated 26 October 2004 and MOF's letter reference KKW/X/91 dated 28 August 2008.

❖ Board of Examiners

Ministry of Finance Circulars no 1/1993 dated the 27 January 1993.



Establishment of Internal Audit Unit

- ❖ Prime Minister's Office through its circular No. 10/2003 dated 10 September 2003 required establishment of Internal Audit Unit.
- ❖ To assist Ministries and Departments effectively in administering and managing the financial affairs and assets of the government by ensuring adequate internal controls are in place to prevent, detect and mitigate occurrence of breach of trust, embezzlement, wastage and extravagances.



Audit of Public Sector's Account

- ❖ The Audit Act, Chapter 152; Companies Act, Chapter 39; and relevant Statutory Acts (e.g. AMBD Order 2010) requires Public Sector's accounts to be audited.



Accounting Standard Setting

- ❖ Accounting Standards Order, 2010 was enforced on 1st August 2011.
- ❖ The Brunei Darussalam Accounting Standard Council (BDASC) has release a ruling for the full adoption of the International Financial Reporting Standards (IFRS) by companies in Brunei with effect from 1st January 2014.
- ❖ His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam has consented the Ministry of Finance (MoF) to commence the Accountants Order (2010) from 1st November 2012 onwards.



Financial Institutions

- ❖ Authority Monetary Brunei Darussalam (AMBD) was established on 1 January 2011 under the Autoriti Monetari Brunei Darussalam Order, 2010. Acts as the central bank of Brunei Darussalam.
- ❖ AMBD administers and enforces the following:
 - International Banking Order, 2000
 - Pawnbrokers Order, 2002
 - Banking Order, 2006
 - Hire Purchase Order, 2006
 - Islamic Banking Order, 2008
 - Takaful Order, 2008
 - Finance Companies Act, Chapter 89
 - Money-Changing and Remittance Businesses Act, Chapter 174



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Other Initiatives

- ❖ Setting up an Integrity and Good Governance Centre in the Anti-Corruption Bureau.
- ❖ Civil Service Institute - organises on Integrity Management.
- ❖ The Department of Management Services is committed to implement clients charter (TPOR) at all ministries and government departments.
- ❖ Enhancing leadership skills through the Executive Development Programme for Senior Government Officers (EDPSGO) and the Development Programme for Middle Management Government Officers (DPMMGO).



Good Governance

- ❖ Accountability - public service organisations / individuals held responsible for their decisions and actions.
- ❖ To maintain a good internal control, managers and employees are to conserve a level of competence.
- ❖ Leadership plays important role in good governance.



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Terima Kasih

Makasih

Salamat po

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ขอบคุณค่ะ (kop khun kha)

谢谢

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cè-zù tin-ba-deh

ຂອບໃຈ (khàwp jai)

Thank You