

ASEANSAI KSC Workshop on the Citizen Participatory Audit

by SAI Philippines

In cooperation with the ASEANSAI Knowledge Sharing Committee chaired by SAI Malaysia, the Philippine Commission on Audit (COA) conducted the ASEANSAI Workshop on the Citizen Participatory Audit (CPA) Strategy/Technique on 12-14 September 2022. Paving the way in the pursuit of enhanced good governance, the workshop became an avenue for the COA to share its experiences with the ASEANSAI members alongside reinforcing their knowledge on citizen participation in the public audit process and enabling member SAIs to initiate the process of planning for their pilot testing of the CPA technique, as much as practicable. The three-day activity was participated by a total of 35 auditors from the SAIs of Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, and Thailand.

Being involved in various experience-sharing activities on the CPA, the former Director of the Project Management Office of the COA, Ms. Aida Maria A. Talavera, facilitated the said workshop as the Subject Matter Expert. She emphasized the basic concepts of CPA, its processes, as well as the road map to its strategy. One of the highlights of the workshop was the Panel Question and Answer where Ms. Talavera and the participants were joined by three panelists from various Civil Society Organizations – Ms. Maria Olivia C. Lucas of Unang Hakbang

Foundation, Inc., Ms. Vivien Suerte- Cortez of Open Government Partnership, and Ms. Gladys Honey Selosa of Association for Progressive Communications.

Towards the achievement of the workshop's goals, the participants from Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, and Thailand committed to sharing the key takeaways and experiences from the workshop with their colleagues in their respective SAIs and propose to their SAI management the implementation of CPA – being an effective technique to pursue quality audits.



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Kampong Ayer: The World's Largest Floating Village

Kampong Ayer is one of the largest water settlements in Southeast Asia, this expanse of settlements on stilts is a must-visit for any traveler wishing to complete their tour of Brunei. The Brunei River is home to a lively community. Start off with a scenic boat ride of the Brunei River before taking a walk along wooden paths and bridges rich with culture and history.



Unlike other floating villages in Southeast Asia, the one in Bandar Seri Begawan resembles more of a mini-city than anything else. A whopping 38 kilometres (23.6 miles) of wooden and concrete boardwalks connect the 42 or so villages. Timber houses with sun-faded exteriors sit next to mosques, schools and restaurants. Some residents spend most of their lives above the land while others commute by boat to work.

The houses in Kampong Ayer stood over the river, wooden boats ferried residents and merchants from one floating village to the next. Just like in Venice. Today, the term refers to more than 40 destinations in places as diverse as China and Thailand to Iraq.

Almost everywhere surrounded by water, rivers or canals earns this clichéd title. But Brunei's was the original and still holds a much deeper significance.

Kampong Ayer is one of the oldest villages in the world, dating back more than 1,000 years. Built on the banks of the Brunei River, it was a floating village until the arrival of the British in the 19th century. In the early 1900s, more than half of the population still lived in this part of Brunei.

The wealthier residents live in two-storied concentric houses while the shanty towns have been replaced by shantytowns. Those who resisted the pressure to move onto land keep the ancient Bruneian customs and traditions alive.



References: <https://theculturetrip.com/>

The Uniqueness

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ASEANSAI Annual Monitoring and Evaluation Meeting 2022

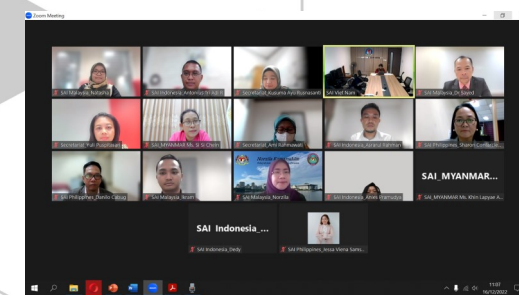
SAI Vietnam as Chair of ASEANSAI Strategic Planning Committee (SPC) conducted ASEANSAI Annual Monitoring and Evaluation Meeting 2022 virtually on 16 December 2022.

The main objective of the meeting is to review the ASEANSAI activities of the 2022, discuss good practices and challenges and adjust or plan activities for 2023. The discussions are based on the annual result report for 2022 which was synthesized from the Committees' Progress Reports on the implementation of ASEANSAI Strategic Plan 2022 – 2025.

Representative from ASEANSAI SPC, Ms. Lang Trinh Mai Huong, Deputy Director General of ICD, officially opened the meeting.

The issues discussed at the meeting included the achievements and emerging issues in the implementation of SPC, KSC, TC, RPC Work Plan 2022, the highlights and

limitations of the draft Annual Results Report for 2022, and ASEANSAI Work Plan 2023.



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Dear Colleagues,

It is my great pleasure to provide you the last edition of ASEANSAI Newsletter in 2022.

In this fourth edition, we bring you the latest activities of October to December 2022 which covers ASEANSAI Annual Monitoring and Evaluation Meeting 2022. We also present the contribution from SAI Myanmar with article on “Initiating the Real-Time Audit in SAI Myanmar”, SAI Thailand with article on “Four Preferable Pictures of SAI in the BANI World”, and SAI Philippines with the article on “ASEANSAI KSC Workshop on the Citizen Participatory Audit”.

While for the uniqueness column, we post Kampong Ayer: The World's Largest Floating Village in Brunei Darussalam.

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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 The ASEANSAI Secretariat

 www.aseansai.org

Initiating the Real-Time Audit in SAI Myanmar

by SAI Myanmar

In today's world, concurrent control, monitoring, and real-time audit are currently the most modern and effective ways of public financial management. A Real-Time Audit is the best and highest type of performance audit since it is a concurrent audit of the progress and changes throughout the planning, execution, and completion processes of the projects. Moreover, a Real-Time Audit is an audit that intends to provide reasonable assurance for the matters of whether the entities implemented their projects as per the approved design; whether the projects under the approved budget are conducted economically, effectively, and efficiently; and whether the existing laws, rules, regulations, notifications, and procedures are followed.

The government is now implementing the development of the State, socio-economic development, human resource development and extended investments and projects for education and health using public funds. SAIs are responsible for steering the efficient and effective use of public funds. Effective utilization of public funds is essential for the country and the people as a whole. As a result, SAI Myanmar initiated real-time auditing beginning with the financial year 2022–2023 and concentrated on the implementation of a significant number of capital spending projects to achieve the following objectives: (1) to monitor and control whether the projects are completed within the specific time frame; (2) to be able to effective Public Financial Management; (3) to reduce the delay of the Projects implementation; (4) to assist in the implementation of the projects economically, efficiently and effectively; (5) to steer the use of the public fund in accordance with the applicable laws, rules, the regulations on financial management instructions, etc.

SAI Myanmar has organized a meeting with senior management and responsible finance officers from departments and organizations, as well

as directors and responsible officials from the Region/State Auditor General Offices, to better understand the Real-Time Audit for huge projects implemented by the departments and organizations. A Real-Time Audit article was also published in the official newspaper to ensure that the general public is aware of the Real-Time Audit.

Additionally, SAI Myanmar has sent notifications to the audited entities stating that the Real Time Audit will begin with the 2022-2023 financial year. Likewise, SAI Myanmar has also issued instructions specifying the laws, rules, regulations, orders, guidelines, etc. to be used as audit criteria, the practical implementation of the procedures for the phases of Pre-Project Procedure, Planning, Execution, and Completion, and the form of the Engagement Letter to all Audit Offices. By preparing a Real-Time Audit Plan and closely monitoring by audit management, SAI Myanmar has been undertaking Real-Time audits each quarter to ensure that the real-time audit is implemented effectively. SAI can gain the benefits such as timely identifying the main issues with project implementation and policy-making, and providing recommendations on potential future weaknesses to be reduced and rooms for improvement. It can also assist in preventing intentional losses, and anti-corruption, and improving the efficiency of public funds management and general management of projects.



Four Preferable Pictures of SAI in the BANI World

by Dr. Sutthi Suntharanurak¹

Since 2020 the Covid-19 pandemic has shaped our world rapidly. The pandemic still reveals the chaos under the hard uncontrollable. It represented the VUCA world as volatile, uncertain, complex, and ambiguous. The VUCA concept was initiated in the mid-80s by Professor Warren Bennis, who created the VUCA term in his book "Leaders: The strategies for taking charges." The cold war shaped this idea.

For more than forty years, global changes continuously, from the collapse of the Berlin wall to the rise of globalization, led to the digital revolution until the 21st pandemic as Covid-19. The disruption of digital and Covid-19 represents the twin disruption, which showed the speed of changes. It is not a normal change. Hence, we familiarize ourselves with the new buzzwords like the new normal and the next normal.

In 2018, futurist Jamais Cascio proposed a new concept to replace the VUCA. He called the BANI. The BANI is the acronym for brittle, anxious, non-linear, and incomprehensible. Nevertheless, the BANI still explains the chaotic world, which is difficult to foresee and unpredictable. Therefore, we must understand the new framework to prepare for the incomprehensible world.

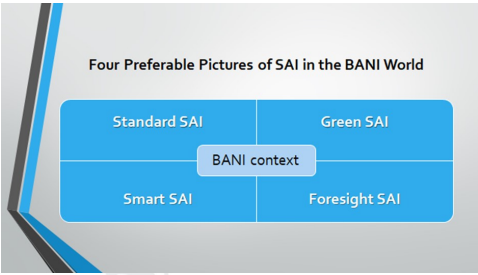
Brittle explains that we are vulnerable to calamity at any time and built on fragile foundations that can collapse overnight. Anxious means the feeling of being helpless and unable to make a decision. However, the Non-linearity reveals that we live in a world whose events seem disconnected and disproportionate. Lastly, the incomprehensible showed that the available excess information creates its consequences.

Even though we cannot avoid the BANI world, we can prepare ourselves to deal with the BANI context. For example, in our audit community, we could improve our knowledge by sharing experiences and concrete ideas based on the academic framework. Therefore, in 2022 the ASEANSAI Knowledge Sharing Committee (KSC) initiated Cooperative research under the topic of SAI Independence in ASEAN countries: Implementing Foresight Tools for preferable future. This research project has been achieved through wonderful collaboration among six SAIs in ASEANSAI: SAI Cambodia, Indonesia, Myanmar, and Malaysia as the Chair of ASEANSAI KSC, Vietnam, also Thailand as the project leader.

This study set the simple research question of implementing the foresight approach to improving SAI Independence in ASEAN. The research team implemented the foresight tools to analyze and foresee the preparation of SAI independence in the VUCA world. The study designed four scenarios,

which reflected the relationship between SAI independence and responding SAI in the VUCA context.

The challenging question is how to prepare SAI for the BANI world. The research found that SAI should accept the speed of change. Likewise, SAI should prepare the organization to respond to the BANI context.



However, the result could suggest four preferable futures, which SAI should consider to exist in the BANI context.

The first picture shows SAI should focus on the standard SAI. The reason is that SAI should follow the INTOSAI Principles like the Lima Declaration 1977 or INTOSAI-P 1, Mexico Declaration 2007 or INTOSAI-P-10, also INTOSAI P-12 about the value and benefit of SAI for citizens. In the meantime, SAI should follow the ISSAI and implement the Guidances introduced by INTOSAI. The outcome of standard SAI is to create public trust.

The second one represents SAI should play the Green SAI. The SDG concept, green economy, and recovery will be the mainstream approach in the future. SAI should reskill and upskill the auditors to recognize these ideas. SAI should be responsive SAI to alert the global issues, not only the environmental problems but also the pandemic and all disasters relevant to their lives.

The third image is the Smart SAI. Again, after the pandemic, the research found that digital transformation is the key word to transform the traditional SAI into digital SAI. Most SAIs invest in digital infrastructures and implement remote audits to replace the conventional method. The concept of 5ABCDI or 5G, AI, Blockchain, Cyber Security, Data Analytics, and the Internet of Things will become the real tools of auditors.

The last picture, SAI should be the foresight SAI. But, unfortunately, foresight is not the forecast. Foresight means to design the future of everything, which SAI could give future pictures for their stakeholders about the future of public resources. SAI should explain how to deal with the scarcity of public resources and utilize them as sustainability for the next generation.

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