



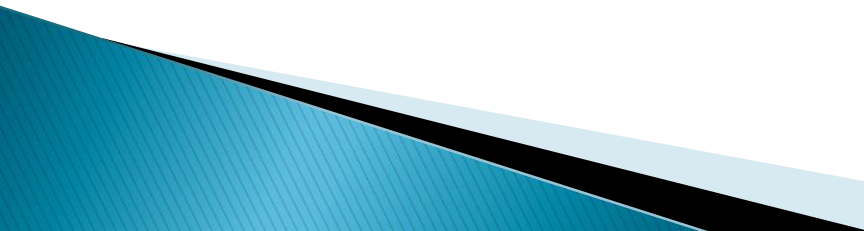
ROLES OF THE STATE AUDIT IN ENHANCING EFFECTIVENESS OF CAPITAL INVESTMENT PROJECTS - FROM PRACTICAL PERSPECTIVE

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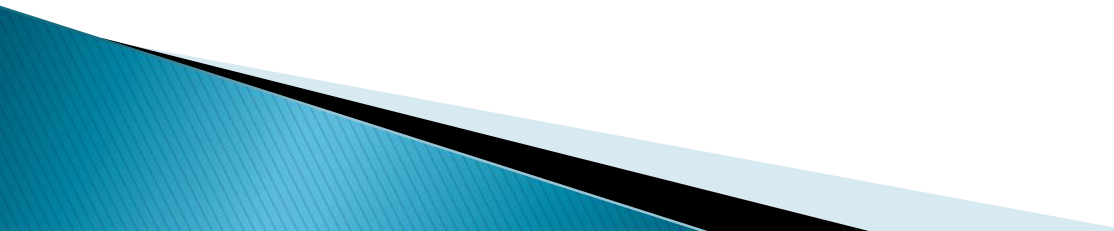
From practical perspective via some audit results

- ▶ 1. Formulation and approval of projects
- ▶ 2. Formulation and approval of design - cost estimation
- ▶ 3. Contractor selection, contract negotiation and conclusion
- ▶ 4. Progress management
- ▶ 5. Quality management
- ▶ 6. Investment expenditure management
- ▶ 7. Capital planning and assigning capital plan of projects

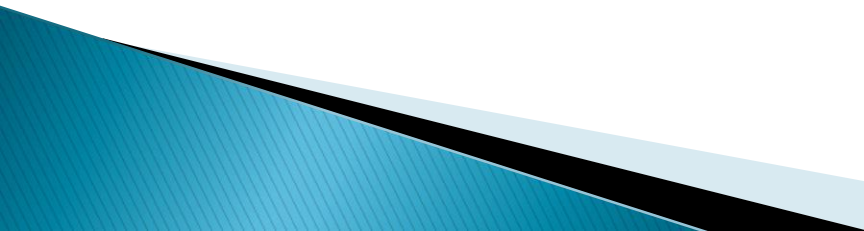
Difficulties and challenges

- ▶ 1. SAV has not been able to access the world data about technology, an materials and equipment prices, while financing agreements often impose these terms and conditions.
 - ▶ 2. Laws on management and investment of construction projects are extensive but incomplete and changeable.
 - ▶ 3. English ability of auditors is limited.
 - ▶ 4. The current audit works are mostly post audit, based on as-built documents provided by contractors.
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Difficulties and challenges

- ▶ 5. Penalties for delayed submission of documents to auditors are not strong enough.
 - ▶ 6. Implementation of audit recommendations, reports on implementation of recommendation are often delayed, affecting the effectiveness of audit recommendations.
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Lessons learnt

- ▶ 1. Improve the laws and regulations on audit activities
 - ▶ 2. Build data on infrastructure investment projects, on audit agencies; data on technology, prices of materials and equipment domestically and globally; build information set to identify violation
 - ▶ 3. Renovate auditing toward risk-based auditing.
 - ▶ 4. Enhance professional capacity for auditors.
 - ▶ 5. Better perform information provision, publication of audit results.
 - ▶ 6. Improve international cooperation on audit and anti-corruption.
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▶ **THANK YOU!**