

**Keynote Address and Conference Closing Statement by His Excellency
Lyonpo Leki Dorji, Minister for Information & Communications at the
Closing Ceremony of the 8th Annual Audit Conference 2005 (Saturday, 23rd
July 2005)**

*Dasho Kunzang Wangdi, Auditor General of Bhutan, Distinguished Guests, Auditors,
Ladies and Gentlemen:*

It is indeed an honour and a privilege for me to be here at the closing ceremony of the 8th Annual Audit Conference, thematically relevant to my own work sphere of information and communications technology, commonly called ICT these days. I very much appreciate the opportunity to address this august gathering.

ICT affects our everyday lives at both an individual and organizational level. We cannot avoid the use of technologies, and it is important that we know how to live with those technologies appropriately. At the national level, the Royal Government, under the farsighted leadership of His Majesty the King, recognizes the importance of ICT to improve the quality of life of our citizens and to facilitate sustainable economic growth.

I am glad that our auditing community, led by Dasho Kunzang, is keeping well abreast of the very fast developments in information and communication technologies. I congratulate you on the successful conclusions of your annual in-house training programme and the 8th Annual Audit Conference on the theme “**Auditing in an Information Technology Environment**”. I am impressed by the depth of deliberations that have taken place during the Conference on evolving auditing standards and the associated framework for the real ICT world, as is evident from the Annual Audit Conference Report.

A wide adoption and appropriate use of ICT elsewhere in the world is proving to change the way organizational functions and responsibilities are initiated, managed and controlled. The Asian Organization of Supreme Audit Institutions “**IT Audit Guidelines**” and the New South Wales’ “**Performance Audit Report on E-Government**”, which you all are familiar with, respectively provide the best practice guide for “**Auditing in an IT Environment**” and a strategic framework for transitioning to an effective e-government. The urgency is to transition from a predominantly relation-based to rule-based governance and remove unnecessary barriers to adopting ICT for development.

The Ministry of Information & Communications was indeed very happy to present the Bhutan ICT Policy and Strategy (BIPS) and discuss on other aspects of ICT with the “Auditors” as part of your in-house training programme. I am sure you all are now convinced that ICTs are essential to increasing efficiency, transparency and accountability of government agencies, reducing transaction costs in public service delivery, and enhancing participation of citizens, businesses, and civil society in the workings of the Government. ICT is a means to achieving a corruption-free Bhutan, a necessary catalyst to boost the Royal Audit Authority’s motto “**Clean Public Service –**

the Nation's Pride", instrumental to achieving our common goal of Gross National Happiness.

Ladies and Gentlemen:

The importance of "**Auditing in an IT Environment**" lies in the fact that ICT cuts across all sectors of the economy. Of late, the Royal Government has been spending about Nu. 300 Million annually on ICT trainings, and procurement of computers and accessories. Additionally, huge sums are spent annually on developing new application systems and implementing other ICT and related programmes.

Suffice to say, this is just the beginning. Both the scale and scope of ICT programmes in the country will grow in the coming years, and so will our spending on it. It is therefore critical that we have systems in place that will provide the necessary discipline to ensure that monies, limited as they are, are spent wisely. Auditing in an IT Environment will provide one such important system. In addition to rationalizing expenditure, preventing corruption and promoting public accountability, it will lend strong impetus to promote the quality of ICT systems and improve ways ICTs are utilized. Ultimately, it will ensure improved quality of services to citizens in a cost-effective and efficient manner.

But for it to be successful, it has to be comprehensive. There is not a more apt phrase than that used by the Royal Audit Authority "**Auditing beyond Books**". It will have to range from verifying a computer part through assuring integrity, reliability, and compliance with existing standards to evaluating the attainment of the goals for which the ICT systems had been deployed.

You must also be aware that information system resources are vulnerable to various types of technology risks involving financial, productivity and intangible losses to organizations. Thus, appropriate information security measures need to be established to maintain confidentiality, integrity and timely availability of data, application systems and other resources. This morning, I had the opportunity to address the 6th South Asian Network Operators Group Conference, being hosted by Bhutan Telecom, here in Thimphu. The Conference reiterated on the urgent need to strengthen information and network security, at all levels, for building confidence and trust among users of ICTs.

Ladies and Gentlemen:

The Internet is becoming increasingly important as a tool for social, economic and political development. Auditors should be sufficiently familiar with the Internet so that they could use it to facilitate the conduct of audits. We have so far primarily adopted Intranets and Internet-based information system to digitalize manual work, and very rarely in decision-making and contracting processes. A paradigm shift in Bhutan's "ICTization" process is expected to take place with the enactment of the Bhutan Information, Communications and Media Bill later this year.

In the present scenario, decisions are based largely on personal knowledge and intuition rather than on objective criteria, formal strategies, and data analysis. Existing work practices are firmly embedded in traditional organizational systems. In

contrast, globalization and the winds of change are generating new needs and lifestyles, creating gaps between income and lifestyle.

And these breed CORRUPTION, which in effect acts as a tax over the creation of productive activities. The Royal Audit Authority's role, as the lead authority to fight against corruption in our public institutions, must therefore continue to evolve and strengthen, in the spirit of increasing transparency, reducing corruption and decentralizing governance. The Royal Audit Authority must not wait and watch for the events to occur.

I know that it is going to be a daunting challenge. But I am also more than aware of the patronage of His Majesty the King, the high regard that the RGoB reposes on the Royal Audit Authority, the unflinching support of the common Bhutanese, and the bountiful goodwill of our international friends. I have no doubt that the Royal Audit Authority would be able to competently deliver on this challenge.

Finally, I would like to once again congratulate the Royal Audit Authority on embracing IT as a necessary good for the auditing community in Bhutan. I wish the Auditor General and Auditors all the best in your mission ahead to facilitate a clean e-government for Bhutan and to promote a clean public service as the Nation's Pride.

Ladies and Gentlemen: I now declare the 8th Annual Audit Conference closed.

Thank You & Tashi Delek!