



## **Joint sitting endorses PAC's recommendations**

January 23, 2019

Deliberations of the winter session of Parliament concluded yesterday with a joint sitting endorsing the recommendations of the Public Accounts Committee (PAC) on the annual audit report 2017.

Sixty-six members voted Yes while one abstained from a total of 67 members present at the joint sitting.

As per the recommendations, all ministries and agencies that have pending unresolved irregularities should carry out follow up activities to resolve the irregularities and submit a report to the PAC by September this year.

The PAC recommendations, which made a special reference to irregularities in hydropower projects, assigned the Ministry of Economic Affairs (MoEA) to sort out the unresolved irregularities in the sector. The RAA report found that irregularities in PHP-I, PHP-II and Mangdechhu projects amounting to Nu 3.879 billion (B) remained unresolved.

Economic affairs minister Loknath Sharma said the ministry would try and do its best to resolve all the irregularities. "As the new chairman of the projects, I would be chairing meetings of projects within this month. We will consult with all stakeholders and try my best to resolve the issues," he said.

However, the economic affairs minister added that some inconsistencies and irregularities were expected given the large size of the projects involving huge amount of money. He said the ministry hoped to resolve the issues as soon as possible and that he was confident that he would be able to submit a report to the PAC by September.

The PAC also recommended the Ministry of Finance (MoF) to develop a code of conduct and business ethics for private enterprises involved in procurement and institute appropriate mechanism to promote accountability at all levels to develop a strong accountability culture.

According to the PAC's recommendations, the MoF should initiate providing information of commonly used products and prices through a web portal to facilitate comparisons. A report on the initiatives should also be submitted to the PAC by September this year.

Gasa's National Council Member, Dorji Khandu, stressed on strengthening the internal audit system in agencies. He was of the view that internal auditors should be independent of the agency for them to function effectively.

The annual report recommended the MoF to study the deficiencies in the system and initiate remedial measures to strictly enforce the National Internal Controls Framework, including strengthening of internal audit functions.

Speaker Wangchuk Namgyel expressed satisfaction with the deliberations and the resolutions passed by the first session of the Parliament. He said that about 60 MPs spoke on the PAC report and that the deliberation was fruitful.

Opposition MP from Panbang, Dorji Wangdi, said the issue of unresolved irregularities in ministries and agencies were a matter of concern and that the government needed to implement the court judgments issued on cases of irregularities.

Member of PAC and Nganglam MP, Choida Jamtsho, said the PAC needed a clear directive on solving the unresolved irregularities. “Some of the accused have absconded while some of the cases are in the court. It is beyond our jurisdiction to take action on such cases,” he said.

Opposition leader Pema Gyamtsho (PhD) said that the absconders should be tracked down. He said all responsible agencies should exercise the power within their jurisdiction if the fight against irregularities and corruption are to be strengthened.

He said a greater focus should be given on prevention measures.

**MB Subba**