

Officials held accountable for irregularities at large

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All irregularities in PHPA – I and II resolved: PAC

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The government's inability to trace the whereabouts of officials held accountable for unsettled irregularities has been the biggest challenge in resolving cases.

Officials accountable for about 20 cases of irregularities reflected in the annual audit reports from 2010 to 2017 were at large, according to the Public Accounts Committee (PAC).

Under such circumstances, the committee reported that the government could not enforce court judgments.

After a prolonged discussion, the joint sitting of Parliament yesterday recommended the PAC to find a way to resolve cases that are pending for nine years and more in consultation with relevant agencies, including police and the Royal Audit Authority (RAA).

The recommendation was made after some members said that cases that have remained unresolved for around 10 years should be written off.

The recommendation was adopted based on Section 105 of the Evidence Act 2005, which states, "Where a person was proved to have been not heard of for nine years or more by those, who would naturally have heard, if the person had been alive, the Court may presume that the person is dead."

"It has been a challenge to trace the whereabouts of people accountable in irregularities despite court orders," PAC chair Phuntsho Rapten said.

The joint sitting also decided that the government should present a report to a joint sitting of Parliament on its efforts to locate the people at large.

A majority of the cases pertains to non-recovery of advances and liquidated damages and penalties from contractors.

The supplier also accused of non-payment of liquidated damages against incomplete medical supplies worth Nu 500,000.

Another major case pertains to misuse of Nu 5.602M in the JDWNRH Hospital in the audit report of 2015. The case remains unsettled, as the authorities could not trace the whereabouts of the accused, Kinzang Choden.

The PAC also reported that some of the cases are still under review of either the Anti-Corruption Commission (ACC) or the Office of Attorney General (OAG).

There were also instances where the court refused to register cases due to lack of proper address of the accused or lack of his or her whereabouts.

Given the nature of the cases, PAC informed that it discussed the way forward with the judiciary, police and OAG, ACC and RAA in December 2019. The committee has proposed two amendments in the Criminal and Civil Procedure Code of Bhutan.

The proposed amendments provide for registering cases before the court in absence of accused persons and permitting judicial sale of judgment debtor's property in absence of the person who evaded the enforcement of the judgment.

The PAC also reported that there were about 37 cases of unresolved irregularities amounting to Nu 511.737M under litigation as of the end of November last year.

The cases pertain to fraudulent practice in payment of postal charges, non-deposit of collections, waiver of fines and embezzlement of funds by officials of various ministries and agencies.

During the deliberations, members urged the concerned ministries to resolve the unresolved irregularities. Suggestions were also made to strengthen the accountability culture, internal control systems on expenditure and procurement.

According to the PAC report, about 4,730M (82.1 percent) of the total irregularities reflected in the audit reports from 2010 to 2017 got resolved as of the end of November last year.

The total unresolved irregularities reported in the first session of this parliament in October 2018 was Nu 5,761M. Irregularities amounting to Nu 1,031M remained unresolved as of November last year.

Out of unresolved amounts, Nu 198.118M pertains to the Mangdechhu hydropower project on account of non-levy of liquidated damages for non-completion of construction works reflected in audit report of 2015. The case is under litigation.

The PAC reported that Punatsangchhu projects I and II had resolved all the issues as of November 30.