

## More than 100 plus Gups yet to get Audit Clearance for LG elections

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The last date to file nominations are on 22nd November 2021, but as of now more than 100 incumbent Gups are yet to get their Audit Clearances to either resign or take part in the local government elections.

It is understood that the majority of these 100 plus Gups from all over the country want to re-contest.

Without the audit clearance from the Royal Audit Authority (RAA) a Gup will not get his retirement benefits and he will also not be eligible to file nominations.

As a result, the RAA office in Thimphu has seen growing numbers of Gups lining up to get their clearances.

A RAA official said that many of these audit memos were issued two to three years ago and the Gups had enough time to get them cleared, but did not do so.

The official said that these Gups were even involved in the audit exit meetings where they were personally informed of these memos, but still they had not followed up.

This is the highest ever number of Gups not getting Audit Clearances before any local government election till date.

This is in line with the growing cases of irregularities that RAA reports have been showing over the years.

A major factor here is that in the 12th plan 50% of the capital budget have sent to the local governments of Dzongkhags and Gewogs.

In the past, there have been warnings, including by RAA, to ensure that there is enough absorptive capacity and controls for the large amounts of funds sent to the local governments.

A RAA official pointed out that the large number of audit memos against the Gups point to the lack of controls.

Apart from the RAA's observations there have been a large number of anecdotal stories from villagers of local government officials misusing the large budgets sent to them or favoring certain people over others.

The Audit Memos range from around five or six cases of fraud and corruption under investigation by the ACC to earlier cases in the judiciary to large numbers not complying with financial rules and regulations.

The memos are divided between direct accountability where the Gup himself is responsible and supervisory accountability where a person working under the Gup is directly accountable, with the supervisory accountability falling on the Gup.

A RAA official said that the direct accountability cases will be very difficult to resolve unless they can get the money back, get certain documents and take disciplinary action.

In the case of supervisory accountability there is room for negotiations with the RAA by bringing in the correct documents.

Among the 100 plus audit memos a large number are to do with the Gups discretion to directly give community contracts up to Nu 1.6 mn without any tender directly to communities. The aim was a noble one to enable communities to carry out works where contractors are not available, however, on the ground there are several issues over this.

There are also cases of excess payments, poor quality of roads built by them, procurement issues, non collection of land taxes, non collection of tax rebates on drinking water pipes etc. The RAA official said that in cases of supervisory accountability like non collection of land taxes it can be passed onto the Gewog ADMs.

A RAA official said that there is not only a lack of proper controls but also a lack of awareness among Gups on the rules and so the RAA may recommend a month long induction course for Gups to make them familiar with these rules and regulations.

The official said that on the other side the practice these days is of the contractor and the engineer colluding for excess payments for work not done, and then agreeing to pay only if the RAA catches them.

The RAA said that the numbers will not remain 100 plus as Gups are expected to process their audit clearances by clearing audit memos if they can.

The Gups can first get in touch with the regional audit committees to get clearance, failing which it is sent to the follow up committee in Thimphu, and then finally the Audit Clearance Advisory Committee. The high level committees can opt to give audit clearances if the case is genuine.

There are also a few cases where the Gups have put up the paper work to the Dzongkhags, but the Dzongkhags have not sent them to the RAA and so the RAA has already given clearances in those cases.

One feedback that the RAA got from some Gups was that they are not getting copies of the government circulars.

Since the RAA is still doing audit for the 2020-2021 budget year the RAA has taken written undertaking from Gups and Mangmis that they will clear any audit issues that come up later.

An Election Commission of Bhutan (ECB) official said that the Dhamngoi Zomdu at the Chiwog level has started from 3rd November where the audit clearance is not required, but it will be compulsory by the last date of filing registration which is on 22nd November 2021.

Under ECB rules, a Gup cannot contest without an audit clearance.

If a large number of the 100 plus Gups cannot get audit clearance, then this will be the largest ever disqualification of Gups from contesting elections due to unresolved audit issues.