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Royal Audit Authority

STRATEGIC PLAN 2025-2030

(Under the leadership of the Fourth Auditor General)

Volume II: Strategic Direction and Results Framework

Royal Audit Authority's Strategic Plan 2025-30

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1. Strategic Context and Direction

The Strategic Plan 2025–2030 sets the direction for the Royal Audit Authority (RAA) over the next five years, aligned with the vision of the Fourth Auditor General appointed under the Constitution of the Kingdom of Bhutan on 28 October 2025. The plan guides the Authority in fulfilling its constitutional mandate while contributing to Bhutan's evolving governance and development priorities.

Bhutan is undergoing a period of transformation, requiring stronger public sector performance, enhanced accountability, and more responsive institutions. In this context, the role of the RAA extends beyond traditional compliance auditing to supporting improvements in governance, efficiency, and results across the public sector.

The Strategic Plan was informed by extensive internal and external consultations conducted prior to the assumption of office by the Auditor General. These included engagements with RAA management and staff, the Public Accounts Committee, audited agencies, and a review of key national policy documents, including His Majesty The King's National Day Address of 17 December 2024 and the Royal Civil Service Commission's Strategic Roadmap 2025–2035.

These consultations highlighted critical strategic issues related to governance, audit relevance, institutional capacity, and stakeholder expectations. Following the assumption of office, the Strategic Plan was further aligned with the Diamond Strategy associated with the Gelephu Mindfulness City initiative.

His Majesty's vision emphasizes that while Gelephu Mindfulness City operates under a transitional arrangement, the long-term goal is convergence toward a unified system supported by strong institutions, modern governance frameworks, and empowered citizens. Central to this vision is the creation of an Enlightened Entrepreneurial Bureaucracy.

In response, the RAA has positioned itself as a key enabler of this transformation. The Strategic Plan identifies three overarching strategic issues that shape the Authority's priorities and guide its interventions over the five-year period.

Anchored on these strategic issues, the Results Framework defines a clear pathway linking institutional outputs to broader national outcomes, ensuring that the work of the RAA contributes meaningfully to Bhutan's long-term development.

2. Vision, Mission and Outcome

Vision

A trusted guardian of public resources that strengthens integrity, accountability and performance across the nation, enabling the success of the Diamond Strategy.

The vision reflects the RAA's long-term aspiration to be a credible and trusted institution at the centre of Bhutan's accountability ecosystem. It positions the Authority not only as an audit body, but as a key contributor to national performance and public confidence. By linking its role to the Diamond Strategy, the vision underscores that audit work is intended to support transformation, strengthen institutions, and enable sustainable development.

Mission

To provide independent, high-quality audits and constructive oversight, conducted without fear, favour or prejudice, that enhance transparency, ethical governance and performance in the public sector.

The mission defines how the RAA delivers on its mandate. It emphasises independence, professionalism, and fairness as the foundation of all audit work. It also highlights a shift toward constructive oversight, where audits are designed not only to identify issues but to support improvements in systems, performance, and decision-making across public institutions.

Outcome

Accelerated progress toward His Majesty's vision of an Enlightened Entrepreneurial Bureaucracy, supported by stronger accountability, improved public sector performance, and more transparent, agile and resilient institutions.

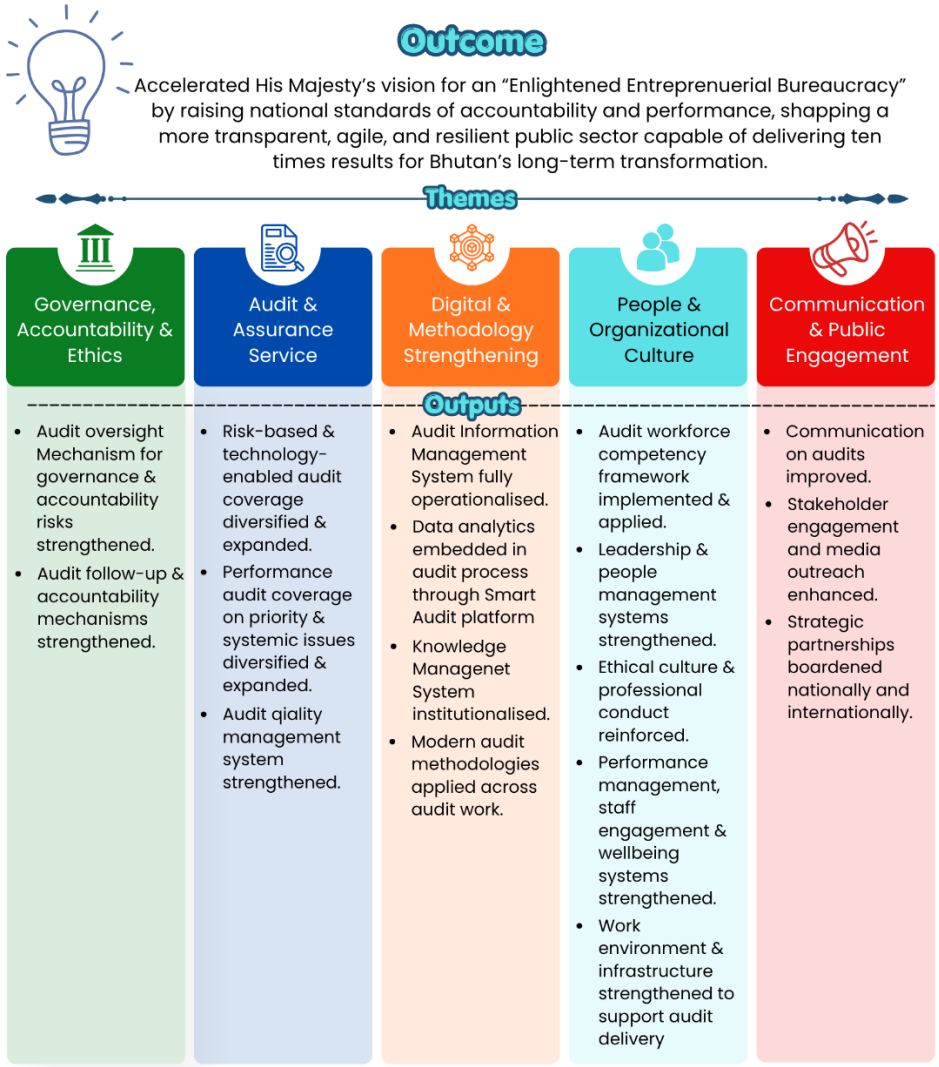
The outcome represents the broader change to which the RAA contributes over the five-year period. It reflects a shift from compliance-focused oversight toward

enabling performance, innovation, and institutional responsiveness. Through its work, the RAA aims to influence behaviours, systems, and governance practices across the public sector, supporting a results-oriented and future-ready bureaucracy.

3. The result Framework

The Results Framework given in **Figure 1** translates the Strategic Plan into a structured set of thematic areas and outputs that guide the work of the RAA over the five-year period. It establishes a clear results chain, linking the Authority's direct outputs to broader national outcomes.

Figure 1. The result framework of RAA



Each thematic area addresses a critical dimension of institutional performance, while the outputs represent the specific results to be achieved by the RAA. Together, they define how the Authority will strengthen governance, enhance audit effectiveness, modernise its systems, invest in its people, and improve engagement with stakeholders.

Thematic Areas and Outputs

Theme 1: Governance, Accountability and Ethics

Over the plan period, the RAA will strengthen accountability systems and ethical governance across the public sector through independent audit oversight, systematic follow-up of audit findings, and transparent reporting.

Output 1.1: Audit oversight mechanisms for governance and accountability risks strengthened

Audit work will increasingly focus on governance systems, internal controls, and risk management practices. Systemic weaknesses will be identified and reported, supporting improvements in institutional governance and decision-making.

Output 1.2: Institutional follow-up mechanism strengthened

A structured and centralised follow-up system will ensure that audit recommendations are implemented. This will lead to higher compliance, reduced recurrence of audit issues, and stronger accountability within public institutions.

Theme 2: Audit and Assurance Services

The RAA will enhance the relevance and credibility of audit services by expanding risk-based coverage, strengthening performance audits, and ensuring consistent audit quality.

Output 2.1: Risk-based and technology-enabled audit coverage diversified and expanded

Audit coverage will increasingly focus on high-risk and high-impact areas aligned with national priorities, including emerging economic activities and complex programmes.

Output 2.2: Performance audit coverage on priority and systemic issues diversified and expanded
Performance audits will assess efficiency, effectiveness, and value for money, addressing systemic issues and supporting better use of public resources.

Output 2.3: Audit quality management system institutionalized
A robust quality management framework will ensure consistency, reliability, and alignment with international auditing standards.

Theme 3: Digital and Methodology Strengthening
The RAA will modernise audit practices by integrating digital systems, data analytics, and updated methodologies.

Output 3.1: Audit Information Management System fully operationalised
A digital system will support the entire audit cycle, improving efficiency, consistency, and transparency.

Output 3.2: Data analytics integrated into audits
Data-driven approaches will strengthen audit evidence, risk identification, and preventive assurance.

Output 3.3: Knowledge management and applied research system functioning
Institutional knowledge and research will inform audit planning and support more strategic oversight.

Output 3.4: Modern audit methodologies applied across audit work
Updated standards and approaches will ensure consistency and alignment with international good practices.

Theme 4: People and Organisational Culture
The RAA will invest in its workforce to build a professional, ethical, and future-ready organisation.

Output 4.1: Audit workforce competency framework implemented and applied
A competency-based system will guide workforce development and improve technical capability.

Output 4.2: Leadership and people management systems institutionalized
Leadership development and succession planning will support continuity and effective management.

Output 4.3: Ethical conduct and organizational integrity reinforced
Strong ethical systems will uphold independence and public trust.

Output 4.4: Performance management, staff engagement and wellbeing systems strengthened
Improved systems will enhance motivation, productivity, and retention.

Output 4.5: Physical infrastructure improved to support effective service delivery
Modern infrastructure and IT systems will support efficient and secure audit operations.

Theme 5: Communication and Public Engagement
The RAA will strengthen the impact of its work through clearer communication, active engagement, and strategic partnerships.

Output 5.1: Communication on audits improved
Audit outputs will be more accessible, timely, and user-focused.

Output 5.2: Stakeholder engagement and media outreach enhanced
Structured engagement will improve understanding and use of audit findings.

Output 5.3: Strategic partnerships broadened nationally and internationally
Partnerships will support capacity building, knowledge exchange, and adoption of good practices.

Together, these thematic areas and outputs define a coherent and results-oriented framework for the Royal Audit Authority. By strengthening governance, modernising audit practices, investing in people, and enhancing engagement, the RAA aims to deliver meaningful impact and contribute to a more accountable, high-performing, and future-ready public sector in Bhutan.

4. Implementation Approach

The Strategic Plan is implemented through annual Operational Plans that translate the defined outputs into specific activities, timelines, and resource requirements. These plans are aligned with the national budgeting process and integrate key institutional strategies, including audit planning, human resource development, ICT, and stakeholder engagement.

The Operational Plans are reviewed annually to ensure responsiveness to emerging priorities and risks, while maintaining alignment with the overall results framework.

5. Monitoring and Reporting Framework

The Results Framework is supported by a Monitoring Framework that links each output and the overall outcome to specific, measurable indicators. These indicators track progress through defined baselines, annual milestones, and end targets over the five-year period.

Outcome-level indicators reflect broader improvements in accountability, transparency, and public sector performance. Output-level indicators measure the direct results achieved by the RAA, including improvements in audit coverage, quality, timeliness, institutional capacity, and stakeholder engagement.

Progress will be monitored regularly and reported through quarterly, semi-annual, and annual performance reports. These reports provide updates on implementation progress, achievement of targets, resource utilisation, and emerging risks.

The detailed Monitoring Matrix, including indicators, baselines, milestones, targets, data sources, and responsibilities, is provided in ***Annexure I***.

Annexure I: Monitoring Matrix

Indicators	Baseline (2024-2025)	Milestones					Target	Frequency	Source of Data	Responsibility
		2025-26	2026-27	2027-28	2028-29	2029-30	2025-20			
Outcome	**To accelerate His Majesty's vision for an "Enlightened Entrepreneurial Bureaucracy" by raising national standards of accountability and performance, shaping a more transparent, agile, and resilient public sector capable of delivering ten times results for Bhutan's long-term transformation.**									
% of unqualified audit reports	56.57%	57%	60%	65%	70%	75%	**75%**	Annually	Annual Performance Report	Departments and PPD
Percentage of PA/FA/CA audit recommendations implemented within the provisional timeframe (3 months for FA/CA and 12 months for PA)	57%	60%	65%	70%	75%	80%	**80%**	Annually	AIMs data	FLSD
Transparency Index Score	72	72	72	72	73	73	**73**	Annually	Corruption Perception Index/ACC	PPD
% of expenditure in compliance with laws/rules	94.86%	95.00%	95.00%	96.00%	96.00%	97.00%	**97.00%**	Annually	AAR/Annual Financial Statement of RGoB	PPD and GCD
Score of PEFA19 PI-31: Legislative Scrutiny of Audit Reports	B+ (June 2023)	As per PEFA assessment				A	**A**	Every 4-5 years	PEFA report database/ MoF	PPD
Stakeholder satisfaction with the usefulness of audit and oversight reports	NA	≥85%	≥85%	≥85%	≥85%	≥85%	**≥85%**	Annually	Client Satisfaction and Feedback Survey Report	Departments and PPD
Theme 1: Governance, Accountability & Ethics										
Output 1.1: Audit oversight mechanisms for governance and accountability risks strengthened.										
Annual Audit Report published by second quarter of the FY	2nd quarter of the FY	Yes	Yes	Yes	Yes	Yes	**Yes**	Annually	Annual Performance Report	PPD
Output 1.2: Audit follow-up and accountability mechanisms strengthened.										

% of ATR submitted within the prescribed timeframe (FA/CA/PA)	NA	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	Annually	AIMs Data	FLSD
Theme 2: Audit and Assurance Service										
Output 2.1: Risk-based and technology-enabled audit coverage diversified and expanded.										
% of audit entities audited annually (FA and CA)	94.40%	95.00%	97.00%	100.00%	100.00%	100.00%	**100.00%**	Annually	Annual Audit Schedules/Annual Performance Report	PPD
% reduction in audit cycle time due to risk-based and technology enabled audits.	NA	0.00%	10.00%	15.00%	≥20%	≥20%	**≥20%**	Annually	Annual Audit Schedule	PPD
Output 2.2: Performance audit coverage on priority and systemic issues diversified and expanded.										
Number of performance audits conducted.	2 (2023-24)	2	2	2	2	2	**10**	Annually	AIMs Data	PPD and PAD
Output 2.3: Audit quality management system strengthened.										
% of remediations undertaken after SoAQM	NA	NA	NA	25%	50%	100%	**100%**	Annually	Annual Performance Report	PPD
Theme 3: Digital & Methodology Strengthening										
Output 3.1: Audit Information Management System fully operationalized										
% of audit engagement managed end-to-end through AIMS (AAS, Planning, Execution, Reporting and Follow-up)	NA	0%	0%	50%	100%	100%	**100%**	Bi-Annually	AIMs data	PPD/AIMS Team
% reduction in paper consumption due to AIMS	NA	0%	0%	50%	≥ 60%	≥ 85%	**≥ 85%**	Annually	Annual Procurement Data	SSIRD
Output 3.2: Data analytics embedded in audit processes through Smart Audit Platform										

% of audits using data analytics through SAP	NA	0%	10%	25%	50%	≥ 80%	**≥ 80%**	Bi-annually	Progress report submitted to SAP Steering Committee	SAP Project Team
% of audits using full-population data analysis instead of sampling	NA	0%	10%	20%	30%	≥ 50%	**≥ 50%**	Annually	Progress report submitted to SAP Steering Committee	SAP Project Team
Output 3.3: Knowledge Management System institutionalized.										
% of employees using the KMS	NA	0%	40%	≥ 60%	≥ 70%	≥ 80%	**≥ 80%**	Annually	KMS System logs	SAP project Team
Output 3.4: Modern audit methodologies applied across audit work.										
All the audit manuals, standards, or guidelines are reviewed and updated.	NA	Yes	Yes	Yes	Yes	Yes	**Yes**	Annually	Annual Performance Report	PPD
Theme 4: People & Organisational Culture										
Output 4.1: Audit workforce competency framework implemented and applied.										
% of training plans aligned with competency gaps	NA	90%	100%	100%	100%	100%	**100%**	Annually	Annual HR Report	SSIRD/PDRC
Time required for new audit officials to become operational on audit assignments	9 weeks	9 weeks	9 weeks	8 weeks	7 weeks	5 weeks	**5 weeks**	Annually	HR records on IPNR, Mentoring form, Division Records	SSIRD
Output 4.2: Leadership and people management systems strengthened.										
Staff Perception Score on leadership effectiveness	NA	80.00%	80.00%	85.00%	85.00%	90.00%	**90.00%**	Annually	Annual Leadership Survey	SSIRD/PDRC
% of active workforce retained annually			90%	90%	90%	90%	**90%**	Annually	Annual HR Report	SSIRD
Output 4.3: Ethical culture and professional conduct reinforced.										
% of staff completing sensitisation on code of ethics	NA	100%	100%	100%	100%	100%	**100%**	Annually	Annual HR Report	SSIRD

Output 4.4: Performance management, staff engagement, and wellbeing systems strengthened										
Staff engagement and wellbeing index score	NA	70%	73%	76%	79%	82%	**82%**	Annually	Annual HR Report	SSIRD
% of Annual Work Plan completed	NA	100%	100%	100%	100%	100%	**100%**	Annually	Annual HR Report	SSIRD
Number of wellbeing initiatives implemented and utilised by staff	NA	2	3	3	3	3	**14**	Annually	Annual HR Report	SSIRD
Output 4.5: Work environment and infrastructure strengthened to support audit delivery.										
Staff satisfaction score regarding the physical work environment, safety and accessibility	NA	80.00%	85.00%	90.00%	95.00%	100.00%	**100.00%**	Annually	Annual HR Report	SSIRD
Theme 5: Communication and Public Engagement										
Output 5.1: Communication on audits improved.										
% of audit reports published within agreed timelines (FA &CA)	83%	100%	100%	100%	100%	100%	**100%**	Annually	AIMs data	PPD
% of audit reports published within agreed timelines (PA)	NA	100%	100%	100%	100%	100%	**100%**	Annually	AIMs data	PPD
Output 5.2: Stakeholder engagement and media outreach enhanced.										
% of planned engagements delivered as scheduled	100%	100%	100%	100%	100%	100%	**100%**	Annually	Annual Performance Report	PPD/Media Focal
Output 5.3: Strategic partnerships broadened nationally and internationally.										
Number of active cooperation with peer SAIs, international and regional professional bodies.	NA	Need basis	Need basis	Need basis	Need basis	Need basis	**Need basis**	Need basis	Annual HR Report	SSIRD

Reporting on Economy, Efficiency and Effectiveness in the use of Public Resources