

**THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY
THAILAND**

ARTICLE 9

Management of Public Finances

THAILAND (FOURTEENTH MEETING)

Strengthening the role of Supreme Audit Institutions

(The following information has been collected from Office of the Auditor General of the Kingdom of Thailand (OAG) and Office of the Office of the National Anti-Corruption Commission (NACC)

4. Measures taken to promote, in accordance with the fundamental principles of the legal systems, the independence of the supreme audit institution

The status of the Office of the Auditor General of the Kingdom of Thailand, as an independent organization, shall be as provided by the Constitution of the Kingdom of Thailand B.E. 2560 (2017) under Chapter 12 on Independent Organs.

5. Measures taken to implement policies for the effective operation of the supreme audit institutions in accordance with the principles and standards formulated by the International Organization of Supreme Audit Institutions

The Office of the Auditor General of the Kingdom of Thailand comprehensively performs major audit in accordance with the principle of INTOSAI, including financial audit, compliance audit and performance audit.

6. Measures taken to promote transparency and accountability in the management of public finances, including through a system of accounting and auditing standards and related oversight

The financial audit shall conform to the standard criteria of financial audit as provided by the State Audit Commission and the governing state fiscal and financial disciplines.

7. Measures taken to promote examining, periodically or as necessary, the applicable financial and accounting frameworks and procedures, in order to determine their effectiveness in the fight against corruption

The State Audit Commission has been continuously improving its auditing standards to be more appropriate and updated.

8. Measures taken to ensure that the audited entities respond to the findings of the audit reports, implement the recommendations of the supreme audit institutions and take appropriate corrective action, including criminal prosecution, to ensure the proper management of public affairs and public property

The Office of the Auditor General of the Kingdom of Thailand has issued the Auditor General Order of 1/2020 on the Notification and the Follow-up of the Audit Outcomes in order to ensure that the notification and monitoring of auditing result would be effectively carried out in the same directions. Details are as follows:

1. In case of Financial Audit, the notification and follow-up result may or may not comprise observations/recommendations which do not result in any damage.

2. In case of monitoring achievement and performance, the Office of the Auditor General shall notify the result to the audited entities in direct or shall notify the supervising agencies of the audited entities, as the case may be.
3. In monitoring all categories of tasks, the outcomes shall comprise termination notification, notification and follow-up in case of fault which cause or does not cause any damage, notification of fault results with damage, and follow-up result in case auditee does not proceed after being notified the result.

9. Measures taken to involve the supreme audit institutions and the internal audit units in the country reviews under the second cycle of the Mechanism for the Review of Implementation of the United Nations Convention against Corruption, in particular in relation to the review of the implementation of chapter II, on preventive measures, including in the country visits, where applicable

The Office of the Auditor General of the Kingdom of Thailand Audit is pleased to be a part of supporting unit in accordance of mechanism under the Convention and as provided by the Organic Act on State Audit B.E. 2561 (2018).

10. Measures taken to promote integrity and honesty through the application of codes of conduct in the supreme audit institutions and in particular measures for aligning these codes of conduct with the Code of Ethics promulgated by the International Organization of Supreme Audit Institutions

The Office of the Auditor General of the Kingdom of Thailand has the State Audit Commission Notification B.E. 2561 (2018) on ethical rules of conduct for the Office's officials and other staff and shall provide ethical standards including (ideal ethics, performance ethics, self-maintaining ethics) and mechanism of ethics implement as well as the enforcement of ethical rules.

The State Audit Commissioners and Auditor General shall comply with ethical standards of Judge of the Constitutional Court and Persons Holding Positions in Independent Organizations, the Auditor General and Head of administrative of the Judge of the Constitutional Court and Independent Organizations B.E.2561 (2018). Those standards comprise ideal ethics, core ethical values, general ethics and procedures in matters of violation and non-compliance of ethical standard.

11. Measures to increase trust in supreme audit institutions, anti-corruption bodies and governmental and public institutions as a whole

The Office of the Auditor General of the Kingdom of Thailand performs its duties in accordance of INTOSAI guideline in order to achieve INTOSAI P12, that aims to make change for people. One of the recent projects is the participation in Facilitating Audit Impact (FAI), which encourages an auditing to positively affect the people not just to create the result or the outcome of the audit.

12. Measures taken to build and strengthen relations between national legislatures and supreme audit institutions, and to encourage national legislatures to be aware of the findings of supreme audit institutions so that they may be taken into account when exercising parliamentary functions

The report of supreme audit institute, legislative assembly or organization with duties on anti-corruption shall be the annual report for submitting to the parliament as provided on the official website of the Office of the Auditor General and the external report on the performance of supreme audit organization, which comprises the report of the auditor working group appointed by the Comptroller General's Department as committee member and secretary of the Supervisory Board of The State Audit Office of the Kingdom of Thailand as provided on the website of the State Audit Office of the Kingdom of Thailand.

13. Measures taken to strengthen the national, regional and international coordination and cooperation among the bodies involved in the prevention of and fight against corruption

The Organic Act on State Audit B.E. 2561 (2018) under Section 6 prescribes that the Office of the Auditor General of the Kingdom of Thailand shall cooperate and support all independent organizations in the course of performance.

In connection of corruption cases, under the Organic Act on Anti-Corruption B.E.2561 (2018), when it appears to the NACC, whether or not there is an allegation, that there is a commission of offence that falls within the purview of the NACC, the NACC shall forthwith proceed with the matter in accordance with its duties and powers. In case the NACC receives the notification from the Auditor General that there is reasonable evidence to believe that the disbursement of state funds is indicative of commission of corruption, or intentional performance of duty or exercise of power contrary to the provisions of the Constitution or law, and is also the case where the Auditor-General does not have the power to carry out any undertaking, the NACC shall proceed with the matter without delay. In this case, any document and evidence inspected or produced by the Auditor General shall be deemed as part of the inquiry report of the NACC.

14. Measures taken to improve the exchange of information between anti-corruption bodies, supreme audit institutions and other governmental bodies operating in the field of combating corruption, including for consultative purposes

Section 6 of the Organic Act on State Audit B.E. 2561 (2018) prescribes that the Office of Auditor General of the Kingdom of Thailand shall cooperate and support all independent organizations in the course of performance.

15. Measures taken to enhance the capacity of supreme audit institutions and develop the skills of their members and staff in preventing and combating corruption, including through training, education and knowledge exchange

The Office of Auditor General of the Kingdom of Thailand shall have the State Audit Development Institute, which in charge of staff development, including training, educating, constant knowledge sharing, and selecting and providing Office of the Civil Service Commission Office of Auditor General (OCSC) scholarship to public officials for studying abroad and training with international audit institutions in ASEAN, Asian or global level.

16. Measures taken to promote transparency including by publishing findings of both the anti-corruption bodies and the supreme audit institutions

The Office of the Auditor General of the Kingdom of Thailand publishes the important audit outcomes on the website provided that the publishing is not in contradiction to laws governing the dissemination of information.

17. Measures taken to enhance transparency, accountability and good governance in the management of supreme audit institutions, including with regard to their organization, functioning and decision-making processes

The Office of the Auditor General of the Kingdom of Thailand issues the State Audit Commission Notification B.E. 2561 (2018) on Ethical Rules of Conduct for the Office's Officials and Other Staff and shall provide ethical standards, including ideal ethics, self-maintaining ethics, and the enforcement of ethical rules.

The State Audit Commissioners and Auditor General shall comply with ethical standards of Judge of the Constitutional Court and Persons Holding Positions in Independent Organizations, the Auditor General and Head of administrative of the Judge of the Constitutional Court and Independent Organizations B.E.2561 (2018). Those standards comprise ideal ethics, core ethical values, general ethics and procedures in matters of violation and non-compliance of ethical standard.

18. Measures taken to enable supreme audit institutions to perform their roles in preventing and combating corruption when responding to or recovering from national crises and emergencies, especially with regard to their functions in upholding policies and procedures for the management of public finances and public procurement

The Office of Auditor General of the Kingdom of Thailand shall have powers and duties in comprehensive auditing in accordance with the Organic Act on State Audit B.E. 2561 (2018).

19. Please provide examples of the implementation of those measures, including related court or other cases and available statistics.

In this regard, the example of the report of supreme audit institute, legislative assembly or organization with duties on anti-corruption shall be the annual report for submitting to the council as provided on the official website of The State Audit Office of the Kingdom of Thailand and the external report on the performance of supreme audit organization, which comprise the report of the auditor team appointed by the Comptroller General's Department as committee member and secretary of the Supervisory Board of The State Audit Office of the Kingdom of Thailand as provided on the website of the State Audit Office of the Kingdom of Thailand.

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Information and communication technologies are also utilized to promote transparency in the management of public finance. There is the follow-up and evaluation process which refers to the monitoring and assessment of the spending of government agencies. The Budget Bureau has been developing its electronic budget management system or e-Budgeting since the year 2005, to be used as a tool to support the operations of the main budgetary mission of the country. The system users consist of the Budget Bureau administrators and officials of not less than 700 budget-receiving agencies. This system has made a great contribution in various dimensions, including budget allocation strategy, National Strategy, Master Plan under the National Strategy and the National Economic and Social Development Plan.

To enhance the efficiency in the public disbursement and to prevent corruption, the CGD and the Budget Bureau have developed the Government Fiscal Management Information System: GFMS to be one of the main tools in the procedures. The CGD and the Budget Bureau has been utilizing the information technology systems that link information together by the featuring of the Budget Bureau Evaluation management Information System (BB EvMIS), the Information System for Budgeting of Local Administrative Organization (BBL), and the Government Fiscal Management Information System (New GFMS Thai).

The operation procedures of the Budget Bureau and the budget receiving agencies for annual budgeting according to the annual budget calendar via the e-Budgeting system are as follows:

1. The budget receiving agencies prepare the initial budget request details in accordance with the rules and procedures to submit an expenditure budget establishing request, prepare the reports or estimates and the form of prescribes by the Budget Bureau. Propose to the Deputy Prime Minister or the Minister who take responsibility for approval before submitting to the Budget Bureau within the specified period.
2. The Budget Bureau considers the annual budget expenditures details and presents to the Cabinet for the budget details improvements.
3. The Budget Bureau considers the budget details improvements and presents to the Cabinet for approval.

The Budget Bureau conducts the hearings on the preparation of an annual budget expenditures, the Cabinet acknowledges the results of the hearings and approves a proposal of a draft bill on annual budget expenditures.

4. The Budget Bureau publishes a draft bill on annual budget expenditures and the budget documents to the Cabinet for approval and presents to the House of Representatives.

The House of Representatives and the Senate consider a draft bill on annual budget expenditures, the Cabinet Secretariat submits a draft bill on annual budget expenditures to His Majesty to announce further enforcement as a law.

5. The Budget Bureau submits the Annual Budget Expenditure Act's information to the Ministry of Finance to be used as the initial data of the New GFMS Thai system, to support budget allocation according to the action plans and the budget expenditure plans that have already been approved by the Budget Bureau.

The Budget Bureau receives budget expenditure data from the New GFMS Thai system on a weekly basis to import into the BB EvMIS system and the BBL system for monitoring and evaluation.