

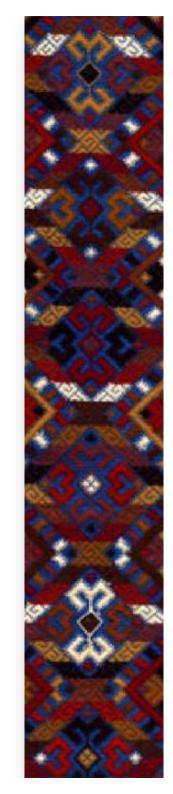


Audits of urgent financing towards COVID-19: SAACB experience in auditing the support program to workers affected by the state of emergency

25th UN/INTOSAI Symposium

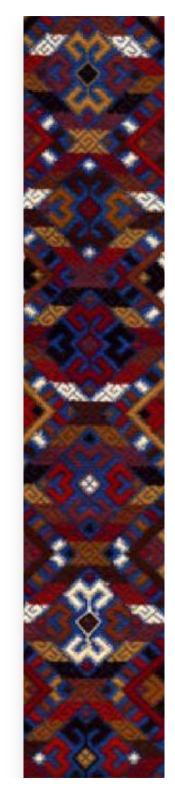
State Audit & Administrative Control Bureau (SAACB)
State of Palestine

SAACB@29/06/2021



التجربة المتبادلة تفيد الجميع

Experientia Mutua Omnibus Prodest



The Bureau worked in complex & challenging contexts

Supreme audit institution of Palestine is one of the SAIs that works in complex and challenging contexts

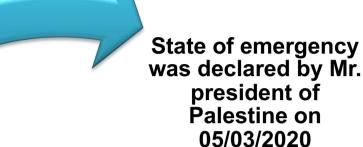
Parliament ... inactive

Divided noncontiguous areas



How work during COVID-19 pandemic started

Decision was made to audit the use of urgent financing towards COVID-19





Senior management met with audit managers to exchange ideas about work sustainability



The government took a number of decisions & measures



How work during COVID-19 pandemic started

Compliance audit

- The support program to workers affected by the state of emergency
- Compensations to hotels used as quarantine centers

Performance audit

Audit
 effectiveness of
 emergency
 committees
 formed to
 reduce
 Coronavirus
 outbreak

Advising friend

Observer
 member at
 direct
 procurement
 committees,
 Ministry of
 Health



Attestation Engagements ISSAI 100, 29

The support program to workers affected by the state of emergency, Ministry of Labour

Ministry of Labor started a fund to assist workers affected by the state of emergency

Sources of the fund finance were the 'Waqfat Ezz' Fund (main contributor), the Palestinian General Federation of Trade Unions and Palestine for Credit and development -FATEN

A cooperation agreement framework was signed with the Palestinian General Federation of Trade Unions

The two parties agreed to prioritize workers who totally lost their daily payment in local market

The goal: provide and pay financial assistance to workers affected



Main standards approved for assistance payment

Beneficiaries should not receive salary or salary-like payments. They should not also be pensioners or receivers of martyrs/detainees salaries

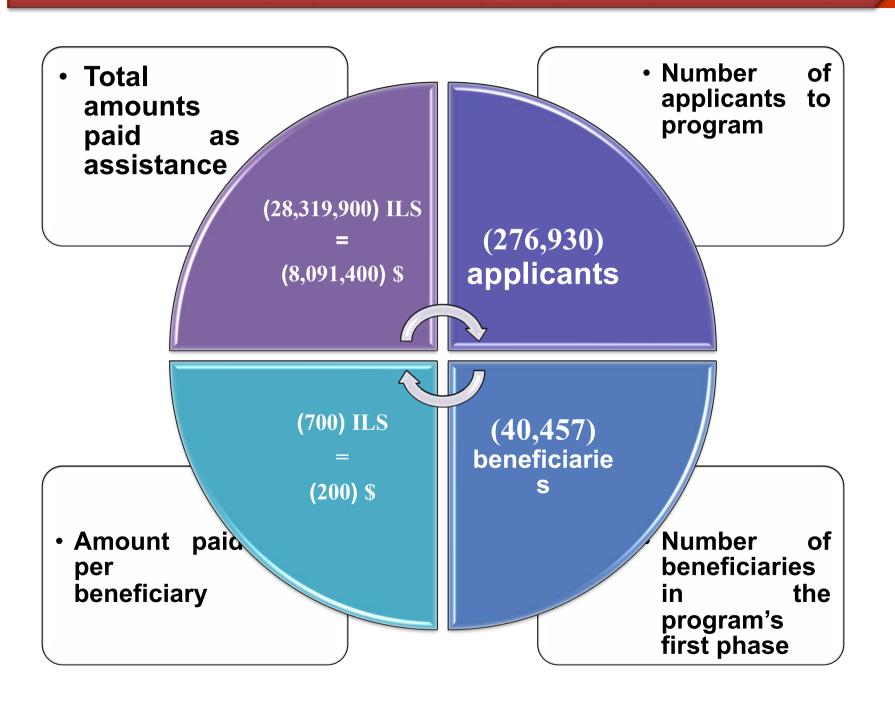
Beneficiaries should not be part of social development programs Ensure that beneficiaries are workers in local market or job seekers

Beneficiaries should not have tax files or companies registered to their names

Beneficiaries should not have valid permissions



Report in numbers



The support program to workers affected by the state of emergency, Ministry of Labour

Name of report

The support program to workers affected by the state of emergency, Ministry of Labour

• 1

Palestinian Ministry of Labor reviewed beneficiary lists of the support program to workers affected by the state of emergency, in order to check compliance with standards approved by stakeholders, disclose financial/administrative deviations and shortcomings, if any, and suggest means to address and avoid them

Audit goal

• 2



Audit themes

Final beneficiary lists

Lists of applicants to the program

Ministry of Labor compliance with approved standards to benefit from the program

Bank statements



Audit risks

Not all data of professional unions was included, and some unions refrained from cooperation with Bureau

The Bureau does not have technology environment to do remote audits

Income tax and value added tax departments do not have files for many companies, despite they are registered in companies list and register of commerce

Some institutions, companies and local entities delayed declaring tax deducted from their staff payments to income tax department, Ministry of Finance



Challenges the Bureau faced when auditing the program





Main findings

Shortcomings in the data check for applicants to benefit from the program, due to challenges during state of emergency, lockdown and failure to update data of government entities, which led to payments to ineligible receipts

The committee approved that beneficiaries should be workers in local market or job seekers, taking into account that the committee did not check this condition was fulfilled

There is not data link between government entities (income tax and VAT not tied with companies register and commerce register)



Main recommendations

Legal actions were taken against beneficiaries who presented wrong statements, and amounts unduly paid were retrieved

Ministry of Labor coordinated with Ministry of Local Government to check beneficiaries and compare them against data of all local entities staff, as not all of the latter disclosed staff salaries to income tax department, Ministry of Finance

There should be coordination with all professional unions to obtain data of members to check data of beneficiaries



Positive findings & lessons learned

Ministry of Labor retrieved amounts paid unduly to some beneficiaries



Observations of the Bureau were taken seriously by Ministry of Labor so they would be avoided in future programs



Recommendations of senior management to include some topics in its future working plans



Audit reports will recommend electronic linking among different government entities



Report findings act as a roadmap that could be used in future programs



An opportunity to build capacity in big data field



الخلاصة

INTOSAI standards reiterate the openness to and cooperation enhancement with stakeholders, according to the 'Partners, not observers' principle. cooperation Joint should help increase transparency and accountability of the public sector.

تؤكد المعايير الدولية الصادرة عن منظمة الانتوساي بالانفتاح علي الأطراف ذات العلاقة وتعزيز التعاون معها وفق مبدأ شركاء لا رقباء بحيث يسهم التعاون المشترك في تعزيز الشفافية والمساءلة في القطاع العام.



Finally,

audit institutions around the world that try to do their job in these difficult times.

في النهاية،،،

Our Hearts are with all supreme قلوبنا مع جميع الأجهزة العليا للرقابة حول العالم التي تحاول أن تقوم بعملها في هذا الوقت الصعب.

