



REALITY CHECK

In an exclusive interview, Tan Sri Ambrin Buang describes how his main concern as auditor general is ensuring accountability in those entrusted with taxpayers' money

Malaysia's auditor general, Tan Sri Ambrin Buang, is probably one of the more celebrated figures in Malaysia's civil service. The annual *Auditor General Report* has become, after all, one of the most anticipated government publications. The increasing public interest, has not, Ambrin says, changed the way the National Audit Department operates but it has certainly impressed on him and his team the importance and seriousness of the task at hand.

He has rather a tough and challenging job that requires a high degree of professionalism, independence and transparency. The 65-year-old leads a 2,000-strong team responsible for auditing all public sector accounts and finances, encompassing the federal and state governments, state and federal statutory bodies, local authorities and even government-linked companies.

Ambrin's main concern is ensuring accountability in the people who have been entrusted with taxpayers' money. 'We have a very heavy responsibility to help the public service improve themselves, especially in terms of managing public money,' he explains. 'We see our role as helping the public service raise their level of delivery and efficiency.'

'When we do value-for-money auditing on government activities and projects there is the principle of the three Es – economy, efficiency and effectiveness. These are the cornerstones of auditing, so by revealing the weaknesses that compromise these, we are helping the auditees to improve and add value to public sector competitiveness,' he says.

Ambrin, who was appointed auditor general in 2006 following his retirement from the civil service in 2005, describes the nature of audit as 'doing a reality check'. And it is the results of undertaking this reality check that have caught the public's interest.

In the 2010 *Auditor General Report*, for instance, one of the revelations that vexed taxpayers was the Marine Parks Department's purchase of binoculars that were some 2,800% higher than the market price and LCD TVs and DVD players that were 638% higher than the market price. More recently, the 2012 report, which was tabled in Parliament last October, not only highlighted delays and cost overruns of government projects but also gaps in asset management and budget monitoring. It was revealed, for example, that Royal Malaysian Police assets worth RM1.33m were reported missing between 2010 and 2012.



CV

Tan Sri Ambrin Buang began his career in the Malaysian civil service in 1971 after graduating from the University of Malaya. He holds a Bachelor in economics (public administration) and a Master's in International Business from the University of South Carolina in the US, which he obtained in 1981.

Ambrin was first posted to the Ministry of Trade and Industry, and has over the years worked in various government agencies and ministries, including the Malaysian Timber Industry Board, the National Institute of Public Administration, the Selangor state government, Kuala Lumpur International Airport and the Ministry of Education. He also spent time with the foreign service, serving as the Minister for Economic Affairs, and subsequently deputy head of mission, at the Malaysian High Commission in Tokyo from 1992 to 1995.

He retired from the civil service in 2005. In February 2006, Ambrin was appointed Auditor-General of Malaysia.

'The public wants to know how it is that public money is not spent wisely or prudently, since laws are there to ensure accountability,' says Ambrin. 'Revelations also appear to be the same, year in, year out. Our auditees and samples change from year to year, but the outcome of the audit – for example, the wastages – are the same.' He adds that the government's apparent defensive stance in explaining the recurrence of wastages of public funds compounds matters.

'Take action'

Ambrin does not mince his words when he says that it is the job of controllers within the ministries and government agencies act. 'You have to rectify the situation by taking corrective measures,' he says. 'In cases where there is gross negligence that leads to losses it's not sufficient to merely give a verbal warning. It is incumbent on the controllers to take action.'



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That action can, explains Ambrin, take a number of forms, from delaying promotion to involving the Malaysian Anti-Corruption Commission (MACC) and, potentially, the courts. This is, says Ambrin, what the public wants. 'If the government doesn't take action, it's difficult to assure the public that it is serious and means business,' he says.

He recognises that, in the public sector, officers often do not stay in a ministry or department for long, and this may explain partly why wastage and cost overruns occur.

'Ministers come and go, controlling officers come and then retire. But we as an institution are there to remind the public sector that unless you learn from the lessons that are in the report, you'll be repeating the same mistakes; and, this time, maybe you'll face harsher punishment,' he says.

According to Ambrin, the National Audit Department is taking four approaches to step up action. The first relates to a more continuous approach in the audit reporting

process. From now on, the *Auditor General Report* will be tabled at each sitting of Parliament or three times a year. This, Ambrin explains, is in line with the Government Transformation Programme 2.0 in fighting corruption under the National Key Result Areas.

Secondly, Ambrin chairs the action committee which looks at what type of action needs to be taken: corrective or punitive. 'We discuss this together with the enforcement authorities such as the MACC, attorney general's office, Treasury, police and the Public Services Department,' he explains. 'We sit together, look at cases and call up those in charge to glean what actions are being taken.'

The third approach is the use of a 'dashboard' system, which enables members of the public to monitor what actions are being taken. 'We use the traffic-light system; if the issue has been resolved, it's green, if the issue is under action then it's yellow and if action has not been taken it's red,' he explains, adding that this will induce the department heads to take swift action.

The fourth approach is what is termed the 'Putrajaya Inquisition'. 'This will involve longstanding cases,' Ambrin says, adding that the department is in the process of identifying relevant cases.



BASICS

The National Audit Department's mission is to carry out audit in a professional and independent manner and to produce balanced reports to the Parliament and state legislatures towards enhancing good governance in the public sector.

The department is external auditor of 25 ministries, 120 statutory bodies and 110 departments and agencies, conducting attestation audits on financial statements, compliance audits on financial management and performance audits on government programmes, projects and activities. It also covers the accounts of the Federal Government, 13 states and federal and state statutory bodies such as the Employees Provident Fund, Bank Negara Malaysia, Felda, Bank Simpanan Nasional, Lembaga Tabung Angkatan Tentera and Bank Kerjasama Rakyat.



TIPS

* **'There is no substitute for being an expert. You must have mastery in terms of knowledge and skills.'**

* **'You need to keep abreast and have mastery of the changes in accounting standards; seek help from professional bodies like ACCA or the Malaysian Institute of Accountants to access and improve knowledge. Read a lot; there is a lot of current and technical information to be obtained from accounting magazines, for example.'**

* **'In today's world you need a mastery of IT. Soft skills are also important, especially when you are engaging with stakeholders; these will give you the cutting edge over your colleagues.'**

'Continuous process of engagement'

Although there is heightened public interest in the *Auditor General Report*, Ambrin believes that this has not changed the way that the department operates. 'We keep reminding ourselves that we have to do the job seriously because it's a serious task, and the public is watching us. We must ensure that the report is of a high quality, that all opinions are based on facts and nothing else. We have to be very meticulous in our auditing, and we do that by ensuring that there is a continuous process of engagement with our auditees and stakeholders,' he says.

Ensuring audit quality, he adds, does not just mean adherence to standards. 'I make sure myself and my deputies are heavily involved in checking the work of our auditors,' Ambrin explains. 'We meet auditing teams, select a topic and we discuss the issues as a group. The auditing process is not a one- or two-day affair.'

In addition, capacity building is key, he adds, and this involves not just increasing the number of staff but also ensuring that the team are continuously trained and keep abreast of challenges – for example, the implementation of accrual accounting and the Goods and Services Tax.

'There is an urgent need to retrain auditors to meet these challenges and changes,' says Ambrin. 'Only through this can we raise the bar and be in line with world standards.'

In this vein, Ambrin believes that professional bodies such as ACCA have a role to play. 'We have a number of ACCA-qualified auditors and we want to increase their number,' he says, adding that incentive schemes encourage staff to gain professional qualifications.

Ambrin has enjoyed a varied career. He joined the Ministry of Trade and Industry in 1971 where his posts

included assistant director to the International Trade Division, private secretary to the Minister, deputy director of the Industrial Division and deputy director of the Small Scale Industries Division.

Subsequent posts included deputy director-general of the Malaysian Timber Industry Board, head of the Economic Administration and Public Policy Centre, deputy director (management) at the National Institute of Public Administration, state secretary to the Selangor State Government and secretary general to the Ministry of Education.

To illustrate his long service in the public sector, Ambrin notes that he has the unusual distinction of serving both the late former Prime Minister Tun Hussein Onn (at the Ministry of Trade and Industry) and then his son, Datuk Seri Hishammudin Tun Hussein (at the Ministry of Education). 'I thought that was quite unique that I served both father and son,' he says.

Although Ambrin says that every one of his assignments have been rewarding, his current role is proving to be one of the most challenging and meaningful. 'This to me is national service – to be able to help my country improve the efficiency of public service is my way of giving back to the government.' And that, he says, offers him immense satisfaction.

His current contract runs until February 2015. After that, he says, it will be time for him to really retire. 'My family misses me, and I already have two grandchildren, so it will be time to relax,' he says. Given the decades he has put into public service, and the high-profile nature of his present role, it will be a retirement well deserved. ■

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