

ديوان المحاسبة
State Audit Bureau
تأسس عام 1984



**The Annual Book
of the State Audit Bureau
11th Issue-2019**

In the Name of Allah



His Highness Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah

The Amir of the State of Kuwait



His Highness Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah

The Crown Prince of the State of Kuwait

Table of content	page
Introduction	1
Section one: About the State Audit Bureau	4
About the State Audit Bureau	5
SAB .. Facts and figures	9
The official meetings of the senior management	13
Section Two: Institutional Organization that Supports SDGs achievement	25
Institutional Organization that Supports SDGs achievement	26
Section Three: The Efforts of SAB in Supporting the Implementation of Sustainable Development Goals	30
SDG 1: No poverty	31
SDG 2: Zero Hunger	33
SDG3: Good Health and Well-being	35
SDG 4: Quality Education	36
SDG 5: Gender Equality	57
SDG 6: Clean Water and Sanitation	62
SDG 7: Affordable and Clean Energy	63
SDG 8: Decent Work and Economic Growth	68
SDG 9: Industry, Innovation, and Infrastructures	77
SDG 10: Reduced Inequalities	80
SDG 11: Sustainable Cities and Communities	81
SDG 12: Responsible Consumption and Production	95
SDG 14: Life Below Water	97
SDG 15: Life on Land	98
SDG 16: Peace, Justice, and Strong Institutions	100
SDG 17: Partnerships for the goals:	115

Introduction



***The State Audit Bureau President, Mr.
Faisal Fahad***

Al-Shaya, Opening Remarks

The State Audit Bureau and its personnel strive every year to prove their commitment and truthfulness in performing their duties under the provisions of Law No. 30 of 1964 and its stipulations along with other relevant laws concerning the review, audit, and examination processes. SAB proceeds all its activities based on its mission of “effective control over public funds.”

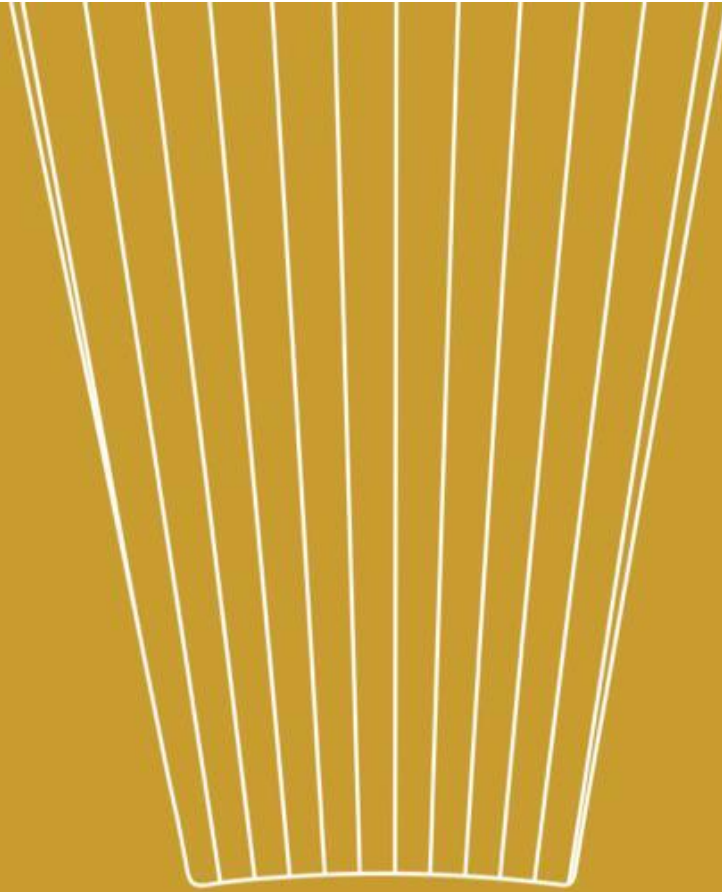
To set off this mission, many aspects on various levels are outlined, starting from SAB’s strategic plan and the plans of the audit sectors, supporting sectors, and its different administrative units. These plans are developed to support SAB in performing its role. They are designed by individuals we acknowledge and honor, with professional audit competencies and diversified expertise in all fields.

This significant momentum of work is achieved due to the symmetry between various plans and the parties responsible for their implementation, and the regular monitoring and evaluation of SAB’s different proceedings. The most important of which is the promotion of audit work and the attention to the human resource in SAB represented in the experienced, moderately experienced, and newly appointed staff members. They are considered the main capital and the driving

force for the SAB's audit achievements and other related work. SAB is keen to provide its staff members with job stability, incentives, professional training based on specializations, moral support, and encouragement.

The outcomes of that work are presented in the eleventh issue of SAB's annual book. The pages are rich with examples of achievements that speak for themselves at different levels, with a particular focus on SAB's efforts to support the plans of the sustainable development goals. These accomplishments were possible due to the dedication of SAB's personnel, the legislative and executive authorities' support, and the trust and great confidence placed by His Highness the Emir of Kuwait, Sheikh Sabah Al-Ahmad Al- Jaber Al-Sabah and the His Highness the Crown Prince, Sheikh Nawaf Al-Ahmad Al- Jaber Al-Sabah in SAB's role.

We pray for Allah Almighty to bless our endeavors towards serving our beloved nation and providing future accomplishments with a leap of faith, professionally and objectively, parallel to the visions we have set. Until we meet again on another issue and on behalf of all SAB's personnel, please accept our warmest regards.



Section One:
About the State Audit Bureau

Section One: About the State Audit Bureau

The Establishment of SAB

Kuwait was keen to establish a high supervisory body to handle public funds' protection and assure the actions undertook to guarantee optimum utilization of the said funds according to the applied systems, laws, and regulations. Article no. [151] of the State of Kuwait Constitution states, "There shall be established by law a commission for the financial audit, and its independence shall be safeguarded by law, and it shall be attached to the National Assembly. It shall assist both the government and the National Assembly in collecting the State revenues and expenditures of funds within the limits of the budget allocation. The State Audit Bureau [SAB] shall submit, to both the government and the National Assembly, an annual report on its work and remarks." Accordingly, the law no. [30] of 1964 was issued on the 7th of July 1964 to establish the State Audit Bureau of Kuwait.

Objectives & Functions of SAB

SAB fundamentally aims to achieve effective control over the public funds to ensure their protection and proper use and that the developed plans and programs are to achieve the desired goals. The said is to be accomplished through exercising the authority vested in SAB per its Establishment Law no. [30] of 1964 and its amendments. In general, SAB is to exercise control over collecting the State's expenditures based on the budget allocations' limits and shall examine the adequacy of the regulations and methods adopted to safeguard the public funds and prevent their temperament.

SAB is eager to establish strong relations with the entities subject to its control by adopting the motto “Auditors & Partners.” SAB helps the entities regulate their financial and accounting work and find the right actions to address difficulties when carrying out their duties through effective cooperation with various responsible bodies in the State.

Entities Subject to SAB Control (based on its Establishment Law)

The following entities are subject to SAB financial control:

1. The ministries, departments, and public entities that constitute the State’s administrative body.
2. The municipalities, all the other local entities, and establishments of public legal entities .
3. Companies or establishments in which the State or any other public legal entity holds a share of no less than 50% of their capital or guarantees them a minimum profit.
4. Companies licensed to utilize or manage a public state’s utility or granted a franchise to use one source of its natural sources.

Types of Audit Reports

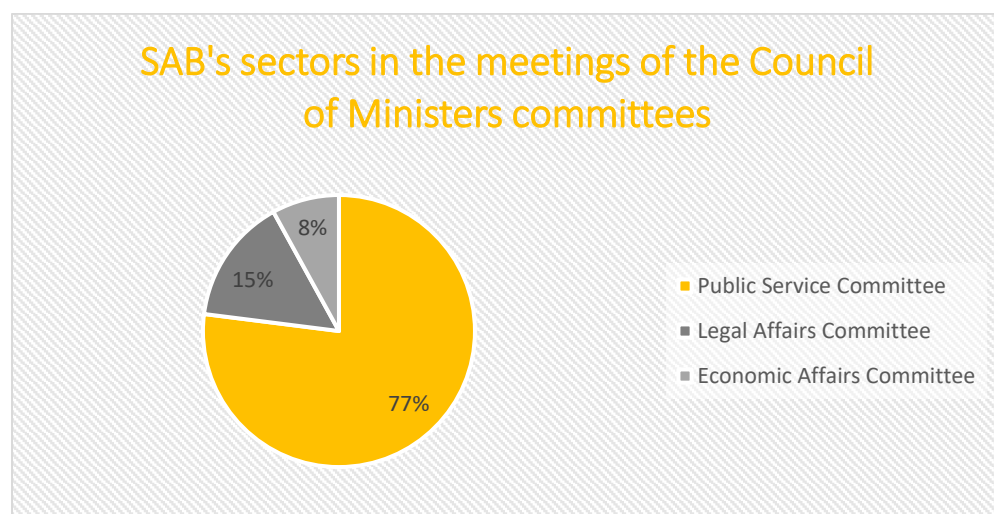
Among the periodic reports on the results of the examination and review of the business, financial, and administrative transactions of the entities subject to SAB control:

1. The annual report on the audit findings and examination results of implementing budgets and closing accounts in the ministries, government departments, entities, and public establishments. This report is to be presented to the His Highness the Emir, the National Assembly Speaker,

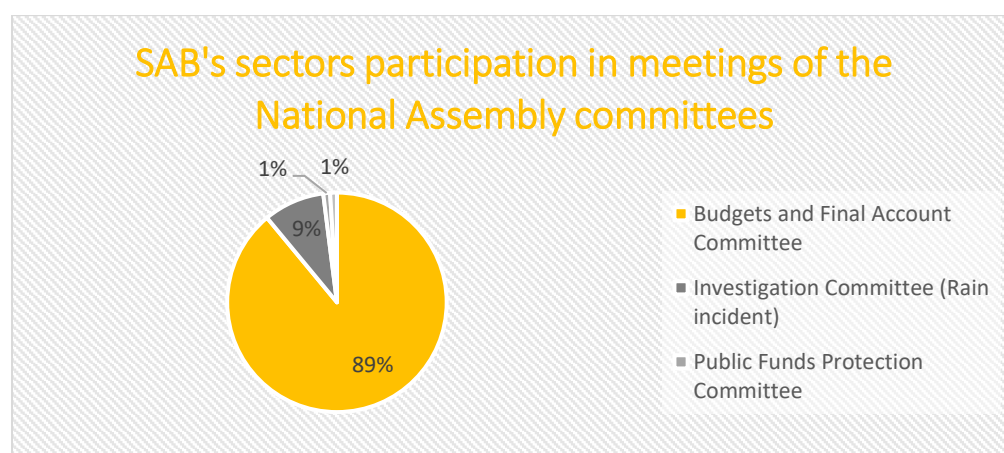
the Prime Minister, the Minister of Finance in a period no later than the end of October of every year .

2. The periodical reports on the results of examination, audit, and practices conducted during the fiscal year are sent to the entities subject to SAB control. Each entity then delivers its response regarding the examination results within a month from the date of notification.
3. Mandates' reports (officially assigned by the National Assembly or the Council of Ministers) according to Article no. [25] of SAB Establishment Law. The reports encompass the following:
 - An annual report on the state's financial situation.
 - Reports related to the National Assembly assignments regarding contracts that are addressed by the provisions of Law 25 of 1996 on the disclosure of commissions in contracts concluded by the state (and included in the annual report).
 - A periodical report on government bonds issuance (issued every 6 months).
4. A semi-annual report on the invested funds according to Law no. [1] of 1993 concerning the protection of public funds.
5. Audit reports on the levels of effectiveness, economy, and efficiency of some government entities and companies in managing the resources and achieving the assigned tasks and the desired objectives .
6. Reports of various audit studies on specific topics, including the examination of all aspects of the topic, the study of the laws, in addition to the regulations and regulatory decisions of said topic. The reports shall include the concerning results and recommendations.
7. Citizen report.
8. Reports on high-risk topics.
9. Report on the most important financial indicators, regulatory phenomena, and updates.

The participation of SAB in the meetings at the state level



	Committees	No. of participants
1	Public Services Committee	10
2	Legal Affairs Committee	2
3	Economic Affairs Committee	1



	Committees	No. of participants
1	Budget and Final Account Committee	83
2	Investigation Committee (Rain incident)	8
3	Public Funds Protection Committee	1
4	Petitions and Complaints Committee	1

SAB strategy 2016-2020

Mission	Achieve an effective control on public funds in the entities subject to SAB control according to the best professional practices		
Vision	Sustainable professional excellence	Values	Independence – Enhance Accountability - Professionalism – Continuous professional improvement
Goals	<ul style="list-style-type: none">- The first strategic goal is to activate the strategic management in SAB.- The second strategic goal is to develop and improve SAB institutional capacity and staff professionalism.- The third strategic goal is to develop communication means and encourage exchange and increase knowledge and experience.		

SAB .. Facts and figures

- Article (151) states, “there shall be established by law a commission for the financial audit, and its independence shall be safeguarded by law and it shall be attached to the National Assembly. It shall assist both the government and the National Assembly in collecting the State revenues and expenditures of funds within the limits of the budget allocation. The State Audit Bureau [SAB] shall submit, to both the government and the National Assembly, an annual report on its work and remarks.”
- Law No. 30 of 1964, the State Audit Bureau’s law of establishment, states that “There shall be established an independent commission for financial control which shall be called ‘The State Audit Bureau’ and shall be attached to the National Assembly.”
- On the 7th of July, 1964, the law of SAB establishment was issued.
- In 1968, SAB became a member of INTOSAI.

- In 1976, SAB participated in establishing ARABOSAI and became a member of its Executive Council ever since.
- In 1984, SAB participated in the membership of ASOSAI.
- Decision No. 73 of the year 2005 states that all SAB sectors are required to follow the General Audit Manual when carrying out audit functions per its terms of reference.
- In 1995, a strategy to reform the audit course of SAB through the strategic plan 1995-2005 was implemented.
- In 2006, a strategy to improve performance efficiency through the strategic plan 2006-2011 was implemented.
- In March 2006, the Middle East Excellence Award Institute nominated the late former President of SAB, Mr. Barak Khalid Al-Marzouq as a winner of the 2006 Executive Personality Award for the government sector, jointly with the President of the Audit Bureau in the United Arab Emirates.
- In May 2006, the New Accounting Thought Association in the Arab Republic of Egypt granted the late former SAB President, Mr. Barak Khaled Al-Marzouq, an honorary fellowship in appreciation for the efforts he extended during his term.
- On the 29th of May 2006, the Constitutional Court issued its verdict regarding case No. 14 of 2005. It set forth the principle of SAB independence according to the Article (151) of the Constitution of Kuwait. It defines the scope of independence to the extent that covers SAB performance of its audit specialty and the SAB management of its affairs and its staff affairs.
- In September 2006, SAB won the elections for the membership of the Governing Board of ASOSAI for the years 2006-2009 during the participation in the 10th meeting of the ASOSAI General Assembly.
- In 2007, SAB won the Jörg Kandutsch Award, which is awarded by the Governing Board of INTOSAI for the best SAI for its extended efforts, contributions, missions, and actions in the field of public financial audit.

- In October 2009, SAB won the elections for membership of the ASOSAI's Governing Board for the years 2009-2012, during the participation in the 11th meeting of ASOSAI General Assembly.
- In 2011, SAB 3rd Strategy for the years 2011-2015 was implemented.
- In 2018, the first edition of the "Citizen's Report" was launched. The report aims to educate citizens about the role of SAB and its audit functions and promote societal accountability to develop work and improve government performance and instill values of integrity and respect for the law among citizens.
- In September 2018, SAB won the elections for the ASOSAI membership for the years 2018-2021, during the participation in the meeting of the ASOSAI General Assembly held in Vietnam Republic during the period 19-22 of September 2018.
- In November 2019, SAB won first place in the elections of the ARABOSAI's Executive Council during the participation in the 13th session of the ARABOSAI's General Assembly held in Doha during the period 10-14 of November 2019.

Appointment decree

Decree No. 276 of 2019 was issued on the appointment of Mr. Faisal Al-Shaya as the President of the State Audit Bureau, upon the vote of the National Assembly with a majority of its members to choose Al-Shaya in its session held on Tuesday 10/29/2020



**Mr. Faisal Al-Shaya,
the President the State Audit Bureau
performing the constitutional oath**

Decree No. 276 of 2019

the appointment of the President of the State Audit Bureau

- Based on the constitution
- Law no. (30) of the year 1964 on the establishment of the State Audit Bureau and its amendments.
- Decree-Law no. (48) of the year 1979 on the salaries of the Prime Minister and ministers.
- The nomination of the Speaker of the National Assembly and the approval of the National Assembly in its secret session held on October 29th 2019.
- The proposal of the Prime Minister.
- The approval of the Council of Ministers.

The following decree was issued Article (1)

Mr. Faisal Fahad Al-Shaya, shall be appointed as the President of the State Audit Bureau.

Article (2)

The Prime Minister shall notify the National Assembly with this decree, and it shall be enforced from the date of its issuance and published in the official gazette

Emir of Kuwait

Sabah Al-Ahmad Al-Jaber Al-Sabah

The Prime Minister

Jaber Mubarak Al-Hamad Al-Sabah

Issued in Al-Seif Palace

8 Rabi' I A.H. 1441

November 5th 2019

The official meetings of the senior management

First: the meetings of Mr. Faisal Al-Shaya, the President of the State Audit Bureau



The State Audit Bureau's President Meeting with the Emir and the Crown Prince

His Highness, the Emir, Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, may Allah protect him, met both the Speaker of the National Assembly, Mr. Marzouq Al-Ghanim, and the President of SAB, Mr. Faisal Al-Shaya, on an occasion of the appointment of Al-Shaya as the President of SAB after taking the constitutional oath before the National Assembly on Tuesday, on the 12th of November 2019.



His Highness the Crown Prince Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah met both the Speaker of the National Assembly, Mr. Marzouq Al-Ghanim, and the President of SAB, Mr. Faisal Al-Shaya, on the occasion of the appointment of Al-Shaya as the President of SAB.

In his part, SAB President, Mr. Faisal Al-Shaya, at the oath ceremony, thanked His Highness the Emir and the Speaker of the National Assembly for their confidence and expressed his readiness to meet their expectations. He also confirmed the application of the law would be to all.

SAB Presidents and Congratulatory Meetings on the Occasion of his Appointment



A Congratulatory Meeting with the Prime Minister

His Highness Sheikh Sabah Al-Khaled Al-Hamad Al-Sabah



A Congratulatory Meeting with the Minister of State for Municipal Affairs

Mr. Walid Al-Jasem



Meeting with the Minister of Health Sheikh
Dr. Basil Al-Sabah



Meeting with the Minister of Education
Dr. Saud Al-Harbi



Meeting with the Minister of Interior
Mr. Anas Al-Saleh



Meeting with the Minister of Commerce and
Industry, Mr. Khaled Al-Roudhan



A Congratulatory Meeting with SAB personnel

Submitting several reports to the Prime Minister on ministries and government projects on the 4th of December, 2019



The Prime Minister, Sheikh Sabah Al-Khaled, received the President of SAB, Mr. Faisal Al-Shaya. Several reports on governmental ministries, bodies, and projects were submitted. This reflects and implements the directives of His Highness the Emir of the State, Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, may Allah

protect him, and His Highness's constant keenness to fight corruption and protect public funds.

Mr. Faisal Al-Shaya, the President of SAB, meeting with the Minister of Commerce and Industry, Mr. Khaled Al-Roudhan, on Sunday the 8th of December, 2019, to discuss matters related to the Ministry.



An Official Visit of SAB Delegation to the General Auditing Bureau in the Kingdom of Saudi Arabia, from 10-11 of December 2019

The President of SAB, Mr. Faisal Al-Shaya, met the President of The General Auditing Bureau in the Kingdom of Saudi Arabia, Dr. Hussam bin Abdulmohsen Alangari. The meeting included a discussion of several issues of common interest.



SAB President, Mr. Faisal Al-Shaya, Meeting with Officials from the Ministry of Communications on Wednesday, the 18th of December 2019

A number of issues related to SAB audits over the Ministry were discussed, including those related to post-audit, financial irregularities, and the procedures applied to clarify the best ways to address the legal aspects and the required procedures.



Second: Meetings of Mr. Adel Al-Sarawi, the Acting President of SAB

SAB Annual Report is Submitted to the Deputy and the Crown Prince, the Speaker of the National Assembly, and the Prime Minister

His Highness, the Deputy and the Crown Prince, Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah, - may Allah protect him – met with the Acting President of SAB, Mr. Adel Al-Sarawi, and the accompanying staff from SAB's different sectors who participated in the preparation of the annual report. The report presented the findings of the examination and review performed on implementing the State's budgets and final accounts for the fiscal year 2018/2019.

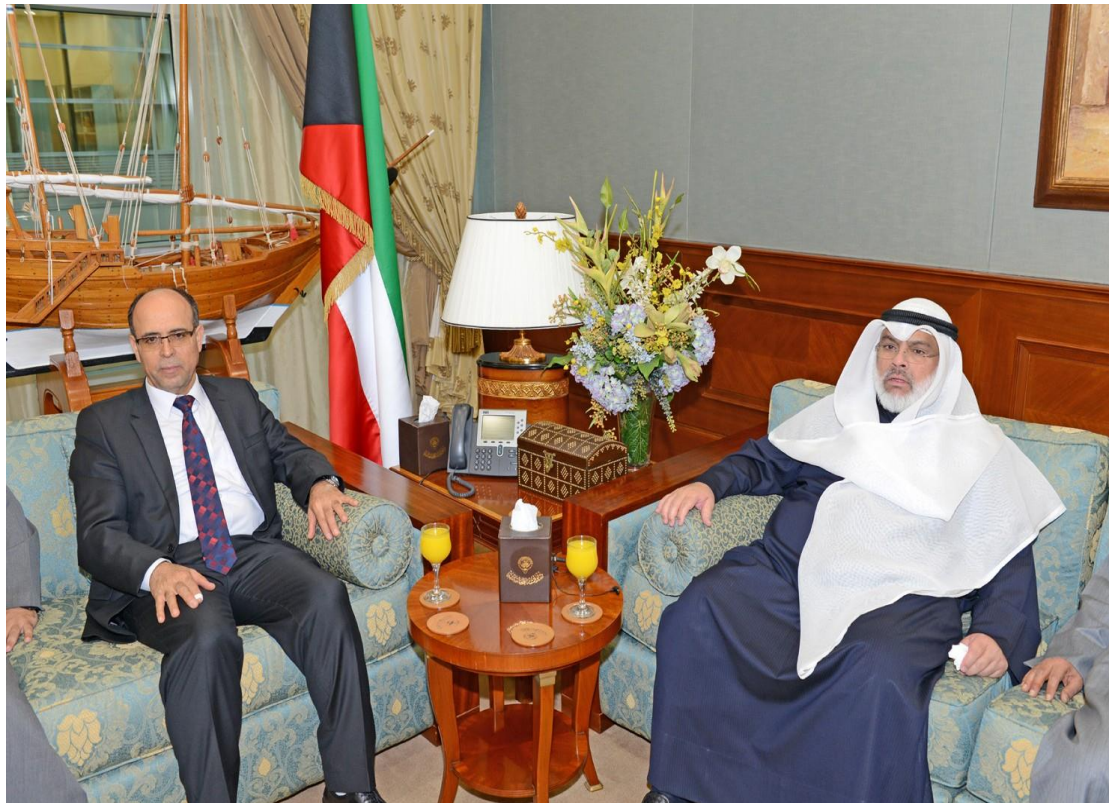
His Highness - may Allah protect him - praised SAB's positive and distinguished role in preserving the public funds and improving government bodies' efficiency and performance to serve the country's economic development process. He also wished them continuous success in their endeavor.

Al-Sarawi also submitted copies of the reports to the Speaker of the National Assembly, Mr. Marzouq Al-Ghanim, as well as His Highness the Prime Minister, Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah.



The Visit of the Tunisian Court of Accounts' First President and the Secretary-General of the ARABOSAI

The Acting President of SAB, Mr. Adel Al-Sarawi, met the First President of the Court of Accounts of the Republic of Tunisia and the Secretary-General of ARABOSAI, Mr. Nejib Al-Gtari, during his official visit to SAB from the 7th to the 9th of January 2019. During the meeting, both heads discussed the bilateral cooperation between the two SAIs, got acquainted with the Kuwaiti SAI experience in the training field, and presented the knowledge of the Court of Accounts of Tunisia. They reviewed the experience of the two SAIs in various auditing areas and the system applied by SAB regarding audit files and the possibility of using such a system in the SAI of Tunisia and circulating the system later on to SAIs members in ARABOSAI.



The Visit of the Chairman of the Chamber of Accounts of the Republic of Azerbaijan

The Acting President of SAB hosted the Chairman of the Chamber of Accounts of the Republic of Azerbaijan, Mr. Vugar Gulmammadov, and his accompanying delegation, in an official visit from 12-13 February 2019. The visit aims to expand the scope and areas of cooperation, enhance bilateral relations, exchange experiences and expertise in the field of control and audit, and seek mechanisms and methods to develop professional skills. During the visit, the bilateral cooperation agreement between the two SAIs was renewed, and an action plan was developed for the years 2020-2023.

The conclusion of the cooperation agreement is a valuable opportunity to enhance knowledge of Azerbaijan's SAI. The two parties are keen to encourage cooperation between SAIs in the control, audit, and professional training fields.

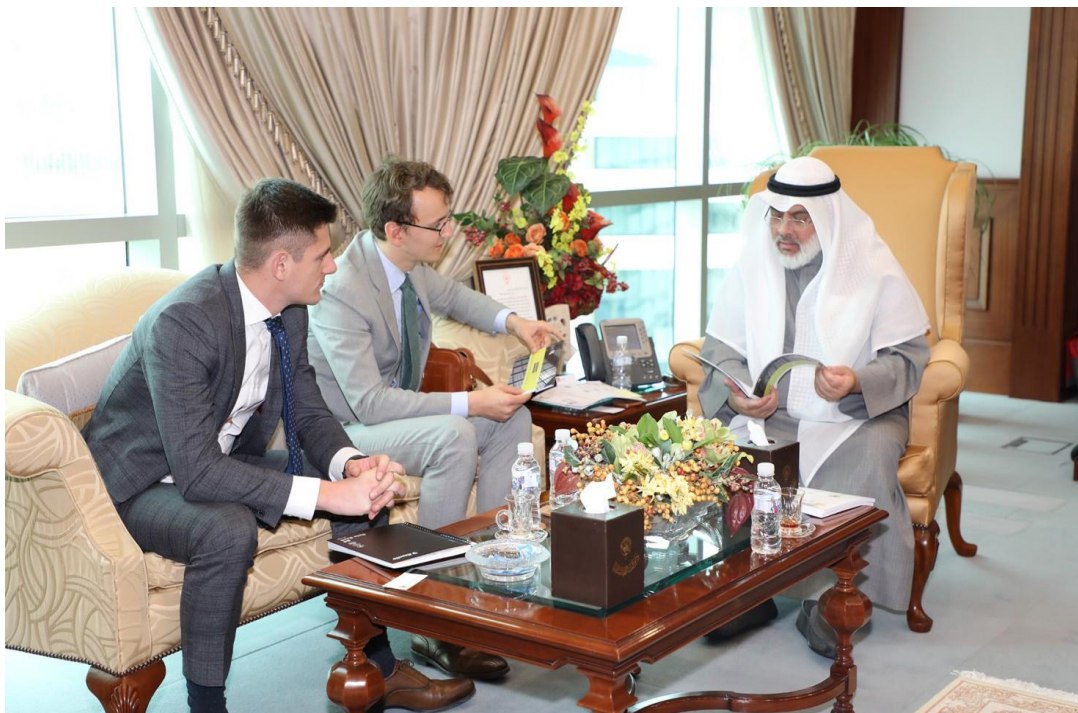
The agreement also aims to develop the professional skills and capabilities of the employees of both parties through training initiatives and expert visits and the exchange of technical information and research results, according to the agreed-upon technical cooperation program.



**A Team of SAB Leaders and Auditors headed by SAB Acting President,
Mr. Adel Al-Serawi, Meeting with the Delegation from the Fitch Credit
Rating Agency from 4-6 of March 2019 to Discuss the
Sovereign Credit Rating for 2019**

The Fitch agency's delegation visit took place in light of the positive reviews on SAB achievements and audit outputs to understand its experiences, the legal scope of its missions, and the compulsion of its decisions. Additionally, the visit aimed at identifying the extent of coordination with the relevant authorities, represented by the National Assembly, the Council of Ministers, and other relevant bodies.

During the meeting, the delegation reviewed SAB's annual reports. SAB's representatives presented the results of those reports and how SAB witnessed the Council of Ministers' unprecedented request to discuss before the Cabinet the most critical topics from its annual reports. Accordingly, the government promised to consider the included remarks and take the necessary measures in this regard. It also assured to reform the government administration and hold accountable those responsible for any default, negligence, or misuse of public funds.



SAB Acting President's Meeting with Experts from the Office of the Auditor-General of South Africa

In light of the cooperation agreement concluded between the two SAIs, SAB hosted experts from the Office of the Auditor-General of South Africa from 2-5 of September 2019. The guests attended a seminar titled "the Implementation of International Standards for the Professional Qualification of SAIs." The cooperation agreement aims to enhance the collaboration between the two SAIs, contributing to supporting the distinguished relationship between both SAIs. The agreement also aims at activating the joint cooperation between the two parties in the fields of auditing, developing professional skills and capabilities of SAIs' employees through training initiatives, expert visits, and the exchange of technical information and research findings.



Visit of the Deputy Auditor-General of the State Audit Office of Thailand

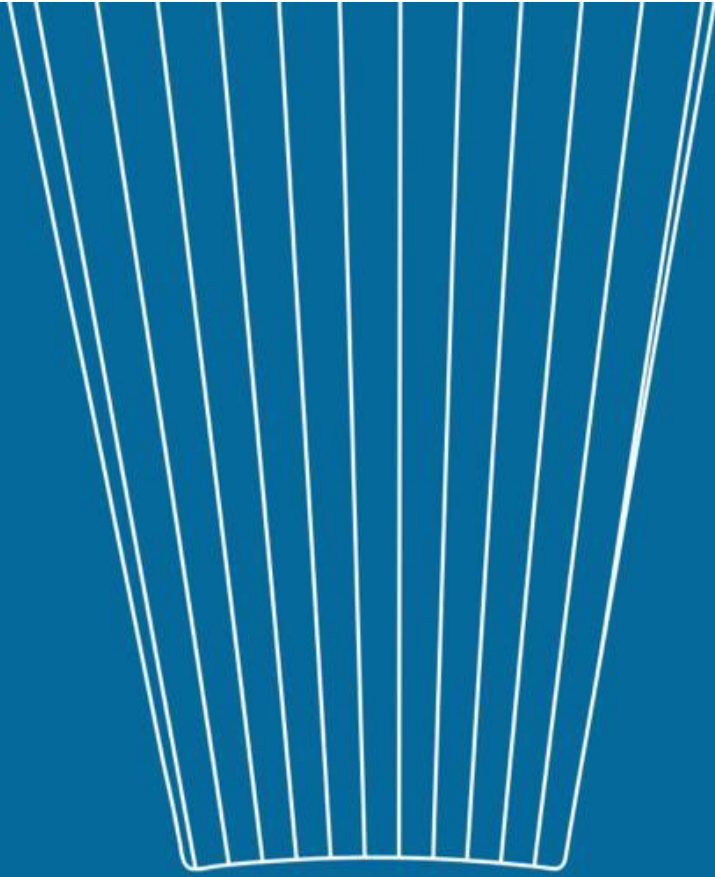
SAB received the Deputy Auditor General of the Kingdom of Thailand, Dr. Sirin Phankasem, and her accompanying delegation on Tuesday, the 11th of June 2019, to discuss the aspects of cooperation and the proposed work plan in preparation for the signing of a memorandum of understanding between the two SAIs.

The visit aimed to support the distinguished relations between the two SAIs in various fields and enhance international bilateral ties to exchange expertise and experiences in the audit domain. It also strived to develop the capabilities of the SAB's staff and enhance the efficiency of work.

SAB delivered an overview of its audit role in preserving public funds and several presentations to shed light on numerous topics, including the sustainable development goals, risk-based audits, and the IT role in the audit process.

The presentation on the SDGs discussed SAB's procedures in auditing the SDGs. SAB formed a workgroup to follow up on the implementation of the SDGs in October 2017 and developed a roadmap to improve and strengthen the auditor's technical capabilities in cooperation with the Department of the Training and International Relations and the National Steering Committee for the implementation of the 2030 Agenda (SDGs). The Department is also responsible for developing and presenting an induction course on sustainable development to SAB's auditors.





Section Two:
Institutional Organization that
Supports SDGs achievement

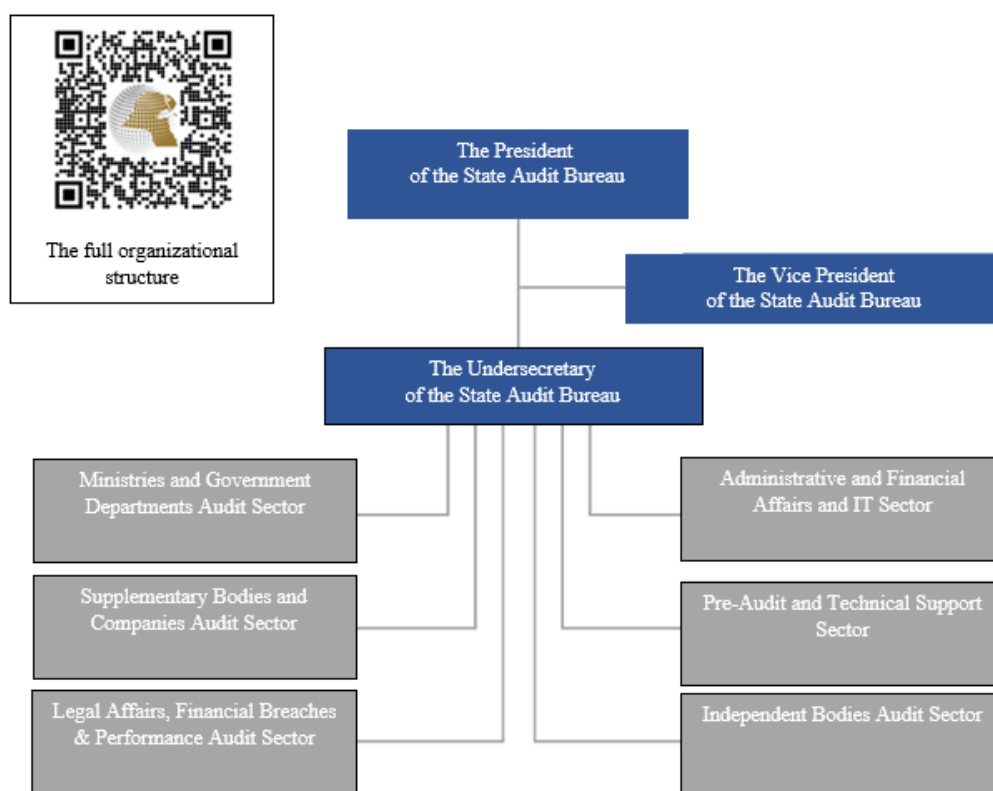
Institutional organization that supports SDGs achievement:

SAB is keen to create an environment that is compatible with the requirements of following-up and achieving SDGs by adopting policies and work principles at several levels, including the following:

At a structural-organization level:

Based on the substantial changes faced by professional institutions in the operative systems and mechanisms, particularly in keeping pace with the developments and updates in the professional field, the need to reform organizational structure components arose. It became important to specify the tasks and responsibilities of the organizational units based on the administrative organization and institutions' developments and the division of the general budget in the state. It also became necessary to flexibly deal with these new developments, understand their requirements, and enhance the ability to adapt to them. Subsequently, this calls for the need to organize the work processes through appropriate organizational components. Such issues were taken into consideration to support the audit efforts in protecting the public funds. It is considered a significant drive in the development process as it focuses on the culture of continuous change in work performance methods to face the challenges imposed by the changing work environment and institutional capabilities.

The organizational structure:



The change mechanisms applied in SAB's organizational structure are based on a study that took into account the harmonization between the organizational structure and SAB establishment objectives. This is achieved by meeting the required balance between the technical and the supporting organizational divisions to avoid conflict or duplication in the specializations.

At the strategic planning level:

The development of SAB strategic plan went through four main stages. Each stage considered creating a balance between developing the professional performance within SAB and dealing with the external challenges and difficulties that it faces to efficiently and effectively accomplish SAB audit progress. Accordingly, it will fulfill the assigned tasks based on its establishment law No. (30) of the year 1964 and its local, regional, and international responsibilities.

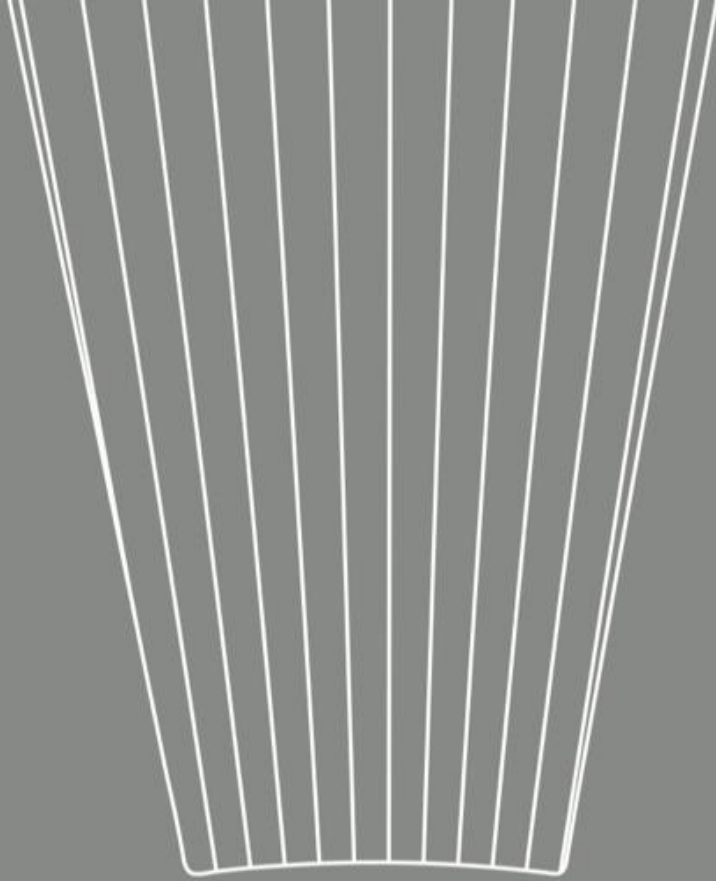
At the level of tools regulating the support of audit and administrative work:

SAB has been keen to create an environment that is compatible with the requirements of following-up and achieving the SDGs through the application of developed work mechanisms that organize its tasks and document its procedures and results. Accordingly, the team of the Unified Modeling Language system (UML) and the Audit Management System (AMS) is assigned to maintain and improve the primary operations of (UML) and (AMS). The team conducted the following:

- Study the proposals of SAB's sectors to improve the main processes, especially the auditing processes, and give an opinion on them.
- Conduct periodical review for the main operations with the aim of modifying them, if needed, in light of the previous cases referred to in the audit product number (36/2010) that calls for a change in the primary operations.
- Submit the team's proposals to amend the approved systems in their final form with a clear explanation of the reasons for the amendment and its impact on the efficiency of SAB performance.
- Participate in explaining the new amendments to the main operations and raising awareness of their importance, in cooperation with the sectors at the level of SAB.

Regarding the maintenance of the Audit Management System (AMS), the team performed the following:

- Receive quarterly reports of the follow-up teams regarding the problems occurred from using the Audit Management System (AMS) and the improvement requests, consider such issues by the representatives of the Information Technology Department, discuss and approve them during team's meetings, and provide SAB's sectors with team's final opinion on the reports.
- Discuss the method of submitting annual reports in the Audit Management System (AMS) by representatives from the Information Technology Department in the presence of representatives from the audit sectors.
- Follow-up with the actual operational status of AMS and the audit encyclopedia system, the first and second phases.
- Follow-up with the executive status of the development work for AMS with the specialists in the IT Department.
- Coordinate regarding the utilization of AMS for the pre-audit sector by reviewing the current and permanent files of the post-audit sector teams.
- Coordinate with the IT department regarding the use of AMS by audit teams affiliated with the Performance Audit Department.
- Coordinate and participate with specialists from the IT Department to examine the database of AMS.



Section Three

The Efforts of SAB in Supporting the Implementation of Sustainable Development Goals

Section three of the annual book presents SAB's work plans and results from an angle that reflects the role of SAB in achieving the 17 goals of the 2030 Agenda and their targets across the three dimensions of sustainable development: the economic, social, and environmental. These goals and targets were drafted to be fulfilled under the framework of a mutual global program embracing the slogan of "Transforming our World".

SAB results ascertain the vital role of SAB in achieving SDGs, which was supported by the UN decision No. (A228/69/) issued in December 2014 regarding "strengthening efficiency, effectiveness, accountability, and transparency of general administrations through the support of SAIs' audit role". In addition to protecting public funds, the decision included several topics under SAIs' responsibilities, such as their contribution to achieving SDGs through the adoption of effective strategic policies as well as activating SAIs' control role by auditing and following up on governments' preparedness to fulfill their roles in achieving the SDGs.

The statement will not only showcase the impact and results of SAB work for 2019 in the framework of subjects related to the SDGs but also will explain their impact and reflection of SAB work on the targets and pillars of the Kuwait National Development Plan, which adopt Kuwait vision for 2035. This vision carries a unified direction toward a bright and sustainable future under the slogan "New Kuwait".

SDG 1: No poverty:



The Kuwaiti citizen enjoys a high standard of living and a high average income. The latest statistics by the Central Statistical Bureau of Kuwait (in the annual statistical group for 2017/2018, and statistical overview for 2018/2019)

indicated an increase in the individual share in the most important economic groups, where the individual GDP share was (7,928 KD), the GNP share was (9,187 KD), and the national disposable income was (8,214 KD). These statistics are also confirmed by the Kuwaiti citizen's lead in the salaries system worldwide and the high level of living that Kuwaiti citizens enjoy under the support services and privileges provided by the State.

Therefore, by analogy, the first development goal, which involves eradicating poverty, does not apply to the Kuwaiti community, as there are no recorded cases of poverty in the State of Kuwait. Although this particular SDG does not apply to the Kuwaiti community, the State of Kuwait has largely contributed to supporting poor communities worldwide. These noticeable contributions resulted in honoring the State of Kuwait as an "International Humanitarian Center", as well as granting the Emir of Kuwait Sheikh Subah Al-Ahmad Al-Jaber Al-Subah the title of "a humanitarian leader".

The staff of SAB, serving as a miniature community representing the Kuwaiti society, also share this humanitarian sense that is remarkably reflected in a number of voluntary humanitarian initiatives, such as the initiative presented by SAB's 2nd Youth Forum Team to establish "SAB School" in India. This gesture was taken by SAB to contribute to elevating the scientific qualifications of the school's students and therefore support them in enhancing their living circumstances and prepare them to get better work opportunities in the future.



SDG 2: Zero Hunger



The second goal of SDGs focuses on achieving global food security, improved nutrition, and enhancing sustainable agriculture. The SDG2 partially applies to the State of Kuwait since there are no recorded cases of hunger in the community. However, this goal might be relevant in the field of enhancing sustainable agriculture.

The State of Kuwait made significant strides in terms of consolidating its food security by establishing the Kuwait Flour Mills & Bakeries Company (KFMB), which produces all kinds of bread and pasta, imports oils and grains, and mills them to produce flour and fodder of all kinds. SAB, with its audit role, contributed to achieving the SDG2 by enlisting observations that might benefit the Company and contribute to the stability of its business. Some of these observations relate to the increase of sell prices of some products locally compared to their selling price abroad, despite that the Company has support for these products for the purpose of reducing its prices in the local market. Moreover, the Kuwait Supply Company, which is a subsidiary company of KFMB importing foodstuffs such as rice, milk, etc., has developed its food supply system that is affiliated to the Ministry of Commerce and Industry. The system was developed according to the latest global technological systems and it is currently fully operational. The Kuwait Supply Company has developed its new food supply system to address all types of deficiencies that were detected in the previous system. It considers all the notes referred to in the SAB report.



On the other hand, the Livestock Transport and Trading Company (Almawashi) is primarily engaged in the import, transport, and trading of livestock and chilled meat. In addition to establishing the necessary feedlots for livestock, the Company is responsible for the import, export, and manufacturing of cattle fodders. It also owns a meat-processing factory for the production of frozen and chilled meat. Given that the Company is deemed important for achieving food security in the field of meat production, SAB had requested the Company to use a camera system for monitoring the feedlots in order to ensure that sheep are not subjected to theft or damages. Such monitoring would therefore contribute to the evaluation of the company's overall business.

Despite the modest share of the agricultural sector production in the State of Kuwait, which might be attributed to the limited agricultural areas and the unfavorable climatic conditions, Kuwait continues to pay more attention to supporting and developing its agricultural sector. This gesture is geared towards enhancing this particular sector in order to meet the food needs of the population and to increase the rate of local agricultural self-sufficiency.

SAB has worked to support the State's efforts in this field through its supervisory role in supporting the local agricultural sector, achieving food security and good nutrition, and promoting agriculture sustainability. The role of SAB was represented in following up on the implementation of the food security plans set by the Public Authority for Agriculture and Fisheries Affairs, which relate to the distribution of agricultural and animal lands and the support to be provided in this domain.

SDG3: Good Health and Well-being:



The third goal of the SDGs is to support and guarantee the provision of integrated health services and health care for all segments of society. This is to enhance the concept of public health and support its sustainability to protect society and its members.

The latest years in Kuwait have witnessed an active movement on the level of supporting the health system and increasing the quality of health services provided through it. This comes within the framework of a number of health projects, which were nineteen projects. These projects were drafted to achieve growth and integration toward enhancing public health for society and provide advanced health care for individuals, which would strengthen healthy life patterns.

In this framework, the audit role of SAB comes to support this direction through following up on the implementation and evaluation of projects within the health field. In the field of medical equipment, SAB studied several technically qualified subjects as well as other subjects that remain under study with an approximate sum of 52,000,000 KD that are related to improving public health. Such as,

importing medical imaging and radioactive treatment equipment, fitting-out operation rooms and dental equipment, as well as information systems and medical communication systems. In addition to (AIMD) equipment, the subjects studied relate to importing equipment for people with special needs, medical laboratory and sterilization systems, as well as maintenance contracts for medical equipment and systems pertaining to several entities such as the Ministry of Health, the National Guard, the Public Authority of the Disabled, and Kuwait Institute for Scientific Research.

The technical study considered many aspects, most importantly the availability of global accreditation of equipment and its accessories in order to improve the safety of patients and medical staff. It also considered whether the companies' proposals adequately meet the technical requirements to achieve their intended goal.

SDG 4: Quality Education



The State Audit Bureau was keen to establish a specialized professional culture for its staff, which is a scientific and practical basis for building expertise and raising its efficiency. This was achieved through developing its development tools, aiming at rehabilitating and developing its human resources and the scientific and professional skills in parallel and accordance with the international professional orientations. SAB worked on applying the best systems and work mechanisms that would raise the level of professional performance and improve institutional performance towards achieving sustainable excellence as an ambitious vision for a promising future for

the State Audit Bureau. SAB focused its priority on presenting a specialized scientific and knowledge reference by providing effective tools that would contribute to developing and refining the professional skills and experiences of its staff. Such tools would encourage SAB staff to follow up on the scientific development in their respective fields of specialization along with following up on the present and emerging issues in the professional accounting domain. SAB worked to shed light on this aspect by directing the attention of its staff towards familiarizing themselves with the contents of the fields of knowledge and their developments. This knowledge is presented to SAB staff through training programs, seminars, and workshops. Additionally, such aspects would be presented as research topics of the SAB Research Competition, which is organized at the level of all SAB sectors. Moreover, SAB forms specialized teams called "development project teams" to study and explore these aspects. It also establishes and dedicates webpages under SAB Portal to shed light on such topics of interest. Sustainable development, artificial intelligence, digital currencies, big data, and other new and evolving topics had the attention of specialists in the State Audit Bureau. Therefore, SAB takes into consideration the knowledge advances as a base in choosing the main themes of its planned training programs. Among others, the conducted training programs and workshops mainly dealt with the topics of sustainable development, transformation to the accrual basis of accounting, governance, and professional standards. These topics were the main pillar for meeting the objectives of the SAB 2019/2020 training plan. The achievement of the training plan would contribute to the qualification of SAB staff and help them fulfill their responsibilities in maintaining the necessary knowledge and skills to keep pace with the continuous developments in the accounting and auditing profession as well as the scientific and professional fields supporting it.

In the framework of professional training, SAB has worked to accomplish work plans to train newly recruited employees

Experts with experience in the different sectors of SAB organize field visits to entities in order to communicate with auditors, train them, and provide them with technical assistance.

In the field of professional training and capacity development, SAB has finished training and professional capacity development with respect to the annual training plan and activities outside of training

To ensure good education and provide learning opportunities for all, SAB has worked on preparing a training plan based on the needs of the different sectors of SAB. The training plan includes SAB employees, the staff of entities subject to SAB control, and the staff of other SAIs. In addition to holding training activities outside the training plan, SAB conducted ICDL courses, special training for SAB new recruits, and communication programs that were presented by SAB trainers for the entities subject to SAB control. SAB was also keen to send its employees to participate in training programs held by government entities and institutions, specialized training centers and institutes, and non-profit societies. Other activities of SAB in this domain include training academic students from the different universities and colleges of Kuwait and holding several seminars to keep up with the latest developments in audit topics that are of interest to SAB.

First: Training Plan Programs:

During the period from 1/1/2019 to 31/12/2019, a total of (39) training programs were conducted, which are categorized as follows:

- (20) Specialized courses and workshops.
- (6) Legal programs.
- (3) Courses on specialized guides.

- (3) Supervisory programs.
- (5) Management and soft skills programs.
- (2) Courses on scientific research.

A total of (845) SAB staff and other external entities staff have participated in these programs according to the following table:

Participants	Specialized programs	Legal programs	Course on Specialized guides	Supervisory programs	Management and soft skills programs	Scientific research programs	Total
Within SAB	364	142	45	69	115	49	784
Outside SAB	50	0	7	0	0	0	57
Outside Kuwait	4	0	0	0	0	0	4
Total	418	142	52	69	115	49	845

SAB enlisted the help of **(48)** qualified and excellent trainers to carry out SAB training programs. They are classified as follows:

- Trainers from within SAB **(35)** trainers):
 - Trainers with an approved trainer certificate from IDI.
 - Trainers with a specialized trainer certificate from SAB.
 - SAB experts and advisors.
 - Experienced auditors.
- Trainers from outside SAB **(13)** trainers):
 - Expert trainers and consultants.
 - Experienced trainers.

Second: Programs held outside of the training plan:

The Training and International Relations Department executed (11) training programs during the period from 1/1 – 31/12/2019. These training programs were

concerned with the latest developments and changes at the professional, administrative, legal, and technical scales. The programs were held in order to meet the demands of SAB sectors and to introduce their staff to such developments. (260) participants within SAB have participated in these programs according to the following:

Training Activity	Date	Participants
Workshop on applying the public sector governance guide and the corporate governance guide	3/3/2019	16
	4/3/2019	16
	5/3/2019	12
	6/3/2019	11
	7/3/2019	18
Preparing and training trainers on the job	3-14/3/2019 (theoretical training)	16
	18-24/3/2019 (practical training)	
Planning and implementing performance audit operations	10-21/3/2019	28
Support of World Bank to SAB to strengthen its capacities	31/3-1/4/2019	9
Types and tools of financial investments	7-9/4/2019	17
Primavera	14-18/4/2019	14
Risk-based audit workshop	14-18/9/2019	24
Role of SAB in auditing PPP projects	17-21/11/2019	25
Dialogues in the field of strategic thinking and planning – KPIs	4-5/11/2019	17
Introduction to ethics audits	10-12/11/2019	11
Statistics: the implementation of statistical studies	8-12/12/2019	12
Preparing and training trainers on the job	3-14/3/2019 (theoretical training)	14
	18-24/3/2019 (practical training)	
Total	260	

Third: Seminars:

The Training and International Relations Department is keen on providing seminars to keep up with the latest developments in audit topics that concern SAB. During 2019, many seminars were held, and the invitations were public for all SAB staff and they included different specialized subjects.

Fourth: Professional Certifications:

The acquisition of professional certifications is considered an indicator of quality and professional excellence within the specialized fields, and particularly the certifications issued by international organizations with global recognition. In support of SAB's strategy in building institutional capacities to support and improve the experience of SAB staff and promote their self-development, SAB was keen to ensure the optimum level of skills, training experience, and necessary occupational expertise for all of its staff through encouraging them to acquire professional certifications. The number of staff members who acquired professional certifications during the fiscal year 2019/2020 reached (29) employees from the different audit and supporting sectors of SAB.

Fifth: International Computer Driving License (ICDL)

In cooperation with the IT Department, the Training and International Relations Department of SAB prepares an annual training plan in the field of computer skills. The plan includes ICDL training courses that are aimed at qualifying the trainees to acquire the certification and pass the relevant tests. This comprehensive plan includes packages of training courses, which are conducted at SAB headquarters. The courses are presented by experienced staff at the IT

Department in the form of (3) packages. Each package contains (7) courses. A total of (187) participants have participated throughout the year.

Sixth: New Recruits Plan:

The Senior Management gives special attention to new recruits in order to help them gain the needed skills, knowledge, and the skills of professional conduct. This attention would be reflected in the quality of their professional performance while working in SAB. Such theoretical and fundamental training would also contribute to achieving the intended goals of SAB.

During 2019, the Training and International Relations Department designed and implemented the 2019/2020 training plan for SAB new recruits from the administrative staff category (Group 25), as follows:

The plan was designed for (26) trainees, which covered the period from 24/3/2019 to 21/4/2019, as a basic introduction for the administrative work within SAB. It aimed to introduce trainees to SAB sectors. This plan included a group of basic and introductory programs that are related to the trainees' work nature. The goal was to give trainees the primary knowledge and skills that would assist them in their new job. The programs were presented by an elite group of (36) experienced trainers from within SAB.

Seventh: Communication programs with entities subject to SAB control:

From the perspective of SAB's commitment to strengthen cooperation with entities subject to its control, the Training and International Relations Department held special programs in coordination with these entities and based on their request. A total of (5) Communication programs were conducted during the period from 1/1 to 31/12/2019 according to the following table:

Entity requesting training	Training Program	Date	Participants
The National Assembly	Developing audit and review skills of internal audit department members within the National Assembly	6-10/1/2019	National Assembly's Staff
Kuwait University: College of Business Administration (CBA)	Cultural seminar within the College of Business Administration	27/3/2019	CBA's students
Kuwait Ports Authority	Introductory workshop on current laws and regulations of SAB	28-29/4/2019	Kuwait Ports Authority's Staff
Kuwait International Law School	Legal preparation according to labor market requirements	29/4/2019	Kuwait International Law School's Staff
Public Institution for Social Security	Training legal graduates within the Public Institution for Social Security	9-10/10/2019	Legal Graduates

Eight: Sending some SAB staff to training programs organized by certified training entities:

In the framework of providing excellent training services, the Training and International Relations Department is keen on facilitating the registration of SAB staff to a variety of training programs based on the training needs of the concerned department. These training programs are not included in the SAB training plan and are conducted by specialized institutions and centers or non-profit societies. The list of these programs would be circulated to all sectors of SAB based on their job nature, in order to guarantee the achievement of training goals. Many SAB employees were sent to different training activities during the period from 1/1-31/12/2019, according to the following:

- Cooperation with non-profit organizations:

In the framework of cooperating with non-profit organizations, SAB communicated with the International Monetary Fund (IMF) in order to enroll SAB staff in their programs and workshops. (2) SAB employees have participated in a training program presented by the IMF.

- Training programs held by specialized institutions and centers:

Throughout the year, a total of (478) trainees have participated in local programs, according to the following table:

Local Entities	Total
Training institutions	122
Kuwait Institute for Judicial & Legal Studies	28
The Public Authority for Applied Education and Training	114
Kuwait University – College of Arts	4
Kuwait International Law School	6
Kuwait Society of Engineers	8
Institute of Banking Studies	4

Local Entities	Total
Abdulaziz Hamad Alsager Center- Kuwait Chamber of Commerce and Industry	5
Central Agency for Information Technology	24
Ministry of Finance	40
Civil Service Commission	53
Public Institution For Social Security	5
General Secretariat of the Supreme Council for Planning and Development	21
Kuwait Anti-Corruption Authority	2
Central Bank of Kuwait	8
Middle East Facility Management Association	1
Kuwait News Agency KUNA	2
Arab Planning Institute	21
Arab Open University	4
Kuwait Institute for Scientific Research	6
Total	478

Ninth: field training for university and academic institutions students:

The Training and International Relations Department coordinates with some SAB departments to host several academic students from Kuwait University, private universities, or the Public Authority for Applied Education and Training. These students were granted the opportunity to get field training here at SAB. They were trained on work procedures applied at SAB, and they were also assigned to some tasks related to their majors in order to provide them with practical skills that might elevate their skill level and facilitate joining the labor market. During the period from 1/1-31/12/2019, (57) students were trained, as illustrated below:

Entity	Training period	Trainees	Contributing Department
American University of Middle East	6-10/1/2019	3	Oil Entities Production and Manufacturing Audit Department
		2	Companies Audit Department
		4	Social Affairs Pre-Audit Department
	8/9-27/11/2019	1	Administrative Affairs Department
		3	Financial Affairs Department
		6	Social Affairs Pre-Audit Department
American College of Middle East	3/2-16/5/2019	1	Financial Affairs Department
Kuwait University – College of Arts	27/1-7/5/2019	3	Information, Public Relations, and Information Center Department
	17/9-23/12/2019	1	
Kuwait University – College of Business Administration	27/1-5/5/2019	3	Oil Entities Marketing and Investment Audit Department
		1	
	9/6-18/7/2019	2	Administrative Affairs Department
		5	Defense, Security, and Public Affairs Audit Department
	8/9-5/12/2019	3	Companies Audit Department
		2	Administrative Affairs Department
Kuwait University – College of Computer Science and Engineering	15/9-12/12/2019	2	Information Technology Department
The Public Authority for Applied Education – The High Institute for Administration Services	9/6-1/8/2019	5	Administrative Affairs Department
		4	Information Technology Department
		4	Information, Public Relations, and Information Center Department
Gulf University for Science & Technology	12/5- 4/7/2019	2	Economic Affairs Pre-Audit Department
Total		57	

Continuing Professional Education Project:






The State Audit Bureau's General Audit Manual (2nd Edition/ 2014), issued by SAB president by decision No. 29/2014, contained concepts of continuous learning and development. Item No. 175 stated that "SAB has to ensure that its technical staff members have the professional efficiency through continuous learning and training". In keeping with SAB strategy 2016-2020, which included the goal "support and develop SAB institutional capacity and the professional capacities of its staff", decision No. 322/2018 was issued regarding the application of rules mentioned in the Continuing Professional Education Manual (2nd Edition/ 2018) of SAB. In addition, decision No. 22/2019 was issued on 2/1/2019 regarding activating the application of rules of Continuing Professional Education (CPE). According to the Continuing Professional Education Manual, all SAB's professional members of the different audit occupations (auditors/ supervisors/ technical office members) are required to complete (80) CPE credits during a span of three years with a minimum of 20 CPE credits per year by attending training programs and learning activities. This system assists professional staff at SAB to meet their responsibilities in keeping up with knowledge and skills that correspond to the continuous developments in the professions of audit and review.

In order to achieve this task, a special system was developed to monitor and calculate CPE credits. In addition to following-up on the calculation of CPE credits earned by participating in training activities, this system includes preparing follow-up reports on the participation results for all SAB audit sectors. All audit sectors were addressed with the names of auditors, supervisors, and technical office members who did not fulfill the required CPE credits in order to help them complete the missing credits before 31/12/2019. It is noteworthy that meeting the required CPE credits are to be considered during candidatures to chair working groups and the promotions to audit posts within SAB.

Professional training and developing skills and experience of SAB staff (external training):

In the field of cooperative professional training and developing expertise for specialists, SAB has shown great interest to participate in all activities held on the level of professional organizations and SAIs in the field of professional and experience transfer and exchange. A total of (183) participants from all SAB's sectors have participated in (37) training activities in 2019. This includes programs, workshops, training events, and scientific meetings. Topics included the following:

- Performance audit
- Sustainable development
- Public debt
- Environmental audit
- Risk-based audit
- Financial audit
- Internal audit
- Information technology
- Human resources
- International standards
- Governance
- Oil sector

Organization		Number of Activities	Participants from Kuwait
INTOSAI		5	9
ASOSAI		6	21
ARABOSAI		9	33
GCC General Secretariat		5	5
Programs & activities within the framework of cooperation agreements work plans		12	117
Total		37	185

In the field of cooperative professional training and skill and experience development for specialists:

Cooperation with audit offices to support mechanisms for new recruits' training.

This cooperation is considered a continuation of the new recruits' training program. New recruits are trained in one of the highly experienced audit offices in Kuwait so that they acquire practical skills through a training plan implemented by SAB. During 2019, the technical committee of following up on field training at audit offices was formed by decision No. 153 for the fiscal year 2018/2019. RSM Albazie & Co. took charge of training (30) trainees of accountants during the period from 1/2 – 2/5/2019. The Committee followed up the attendance of trainees based on decision No. 92/2013 through field visits. In addition, the Committee submitted monthly reports and a final report on the performance of trainees, supervisors, and the training office.

Cooperation in the field of scientific research and specialized studies:

Research Collaboration at the level of the State of Kuwait:

The technical committee of the scientific and applied research competition at SAB has approved the cooperative institutional direction in the field of researches and studies. During 2019, it has worked on building bridges with the Researches and Studies Sector at Kuwait University in order to benefit from their experience in the field of fostering the scientific research movement. The committee reviewed the preparation rules for scientific and academic researches approved at KU and the criteria for evaluating and approving such researches.

Research Collaboration at the Regional, Arab, and International level:

SAB has participated in scientific research competitions offered at the level of Arab and regional audit organizations. SAB believes that cultural activities, which are organized for the purpose of developing technical capacities and skills of specialists, should be supported. The participation of SAB in this domain include the following:

The 4th research competition at the level of GCC countries:

SAB has participated in the 4th research and studies competition in the field of audit and control for GCC SAIs staff during the period from 2016 to 2019. The competition included three technical topics, which are divided into two categories based on experience. (7) participants from SAB submitted (6) researches. (3) participants from SAB won, taking 1st and 3rd place.

Research competition at the level of ARABOSAI:

In the scope of encouraging ARABOSAI SAIs' staff to participate in the scientific research competition, which is offered every 3 years, (4) participants from SAB applied in that competition. Results were announced during ARABOSAI 58th Executive Board Meeting, which was held in Tunisia during the period from 12 – 14 Nov 2019. It is worthy to note that SAB is a member of the judging committee, which is comprised of (Kuwait, Palestine, Libya, Egypt, Oman, and Algeria).

SAB participations in ASOSAI research:

SAB is participating in the 12th ASOSAI research project regarding “SDGs Audit” (including benefitting from digital or big data to achieve SDGs). SAB has (4) participants in that project.

Preparing Specialized Publications:

SAB works on managing its resources effectively through providing a suitable professional environment for its specialized staff and employing accumulative capabilities and experience to support intellectual production. Moreover, SAB encourages scientific and intellectual contributions in order to ensure an additional reference value for its outcomes. This movement is represented by a continuous chain of specialized scientific and professional publications. These publications were issued by SAB for the purpose of searching and presenting reference coverage for the latest topics, updating the work methods, policies, and approaches, as well as defining the organizational frameworks within SAB. Some of SAB's publications during 2019 are the following:



- **Audit manual on applying governance rules in the companies subject to SAB control (1st edition 2019).**
- **Report on evaluating the efficiency and effectiveness of government procedures to limit the spread of marginal labor (2nd edition 2019).**
- **Set of Control Guidelines for the Exercise of Pre-audit (4th edition 2019).**
- **Policies of supporting integration and dealing with the diversity of opinions at SAB.**
- **Report on evaluating the efficiency and effectiveness of entities concerned with combating desertification (2nd edition).**
- **Audit manual on applying governance rules in the public sector subject to SAB control.**

In addition to:

- **Unified Modeling Language Guide (2nd edition):**

The team responsible for maintaining and improving the UML operations worked on preparing the Unified Modeling Language Guide (2nd edition) for the audit sectors and the new and supporting departments. The team organized several activities to introduce and promote the UML Guide. The activities included:

- A presentation for the Committee on Professional Audit and Control Standards and Guides to acquire approval.
 - A seminar titled “Unified Modeling Language Guide / 2nd edition 2019” for all SAB staff.
 - A workshop titled “Activating the use of UML Guide for team members to start training all SAB audit and support sectors by team members”.
 - Training all SAB audit and support sectors on using the UML Guide (2nd edition) by conducting (9) workshops on “Activating the use of Unified Modeling Language Guide”.
 - Training new recruits of SAB on using the Unified Modeling Language Guide.
- **The electronic manual for employment affairs (decisions and circulars regulating the topics subject to audit), observations, and common violations.**
 - **The Kuwaiti Legal and Judicial Tax Encyclopedia.**

Seminars, lectures, and presentations:

According to the seventh principle of Mexico Declaration (INCOSAI 2007), which recommended the necessity of having effective follow-up mechanisms for recommendations submitted by SAIs that need corrective measures, SAB organized a seminar followed by a presentation on “Studying institutional development regarding the application of corrective plans for audit operations at SAB”. SAB sought to achieve the second goal of its strategic plan regarding

supporting and developing SAB institutional capacities. During the seminar, the Pre-Audit and Technical Support Audit Sector presented an explanation on studying institutional development regarding the implementation of corrective plans of audit operations at SAB. The study aimed to transfer the experience of other SAIs in the field of plans and corrective measures through showcasing the experience of Hungary, Bulgaria, and the United States of America. In addition, the presentation explained how to prepare initial templates for corrective measure plans that comply with SAB annual report in order to be used as part of evaluating the seriousness of entities in dealing with observations and violations mentioned in SAB's annual report "Addressing observations and violations with a corrective plan".

The team explained the proposed models for corrective plans and how to assess corrective measure plans. The most important components of corrective plans are (the number and code of the observation, the entity's comment on the observation, classification of the observation, the priority of the observation, the corrective measures and the entity responsible for their implementation, the projected date for implementing the corrective measures, the expected results of implementing corrective measures, and the causes and roots of the observation). Afterward, the team discussed the importance of determining materiality for each observation in order to increase the effectiveness of assessing the entity's seriousness in addressing observations of SAB. In order to achieve this, the classification of observations based on their subjects is considered the first step. Then, we should determine the priority and impact of each subject on the public interest and the country. The priority of subjects might change annually according to the ongoing changes in the country's needs and development plans.

To support the current direction that is based on the need to embrace the concept of self-learning, SAB has established many electronic pages on several modern subjects, which are listed under the SAB Portal. Through these pages, SAB

highlights specialized knowledge-based concepts and their latest developments. The provided knowledge would serve as a good reference for readers that is derived from scientific and professional resources. Readers will be introduced to different subjects, including scientific terms and their references. The portal also includes a list of links for relevant websites, such as:

- Sub-site of sustainable development
- Sub-site of environmental review
- Sub-site of ICAT tools
- Sub-site of artificial intelligence

Being responsible for cooperating with SAB's Technical Committee on the Scientific and Applied Research Competition, The Training and International Relations Department was keen on following up on the latest developments of science and knowledge through offering research topics of high importance in the fields of audit, control, administration and all sciences related to them. The aim is to encourage SAB staff to prepare scientific researches and develop their researches and scientific skills. The Department offered the 20th competition for research across all SAB sectors in 2019. The competition contained six technical topics of high importance in the fields of audit and control practiced by SAB. The topics were the following:

Topics	
First: individual & cooperative topics:	
Topic (1)	The role of working groups in developing audit work at SAB
Topic (2)	Government responsibility in achieving financial sustainability and SAB's role in that regard
Topic (3)	VAT and selective taxation and the role of SAB in their audit
Topic (4)	Audit on administrative contracts and its positive impact on preserving public funds
Topic (5)	The use of different IT tools and their impact on developing the audit work
Second: Group Research	
Topic (6)	The major modifications included in Law No. 49/2016 regarding public tenders and the role of SAB in their audit and control

The role of Al-Raqaba Magazine is prominent in this aspect, where it produced several topics within the framework of scientific developments and knowledge. The 56th issue of the magazine, which was published in January 2019, addressed one of the development projects, which is the project of establishing, developing, and implementing the national performance framework of SAB. Furthermore, the issue included an article regarding effective risk management in financial institutions and the global and local capital markets authorities. It also included an overview of a publication by SAB regarding issues of high risk.

On the other hand, the 57th issue of Al-Raqaba Magazine, which was published in April 2019, addressed the topic of the right to appeal against the decisions of the Disciplinary Board under the section of “Legislations”. The feature article of the issue shed light on a seminar organized by SAB regarding the 2030 Agenda for Sustainable Development. It has also included an article about risk management and its correlation with combating money laundry and financing terrorism. Besides, the section of “Development Projects” of this issue showcased a topic on risk-based audit and introduced the standards, guides, and information systems related to audit work currently in effect at SAB. The “Audit Vision” section presented the topic of innovation in the field of audit. However, the 58th issue of the Magazine, published in July 2019, contained an audit vision about the importance of control in terms of correcting the path of general policy in countries. It also included an introduction about value-added tax (VAT) and its application, a topic about artificial intelligence and internal audit, and an article on auditing sustainable development.

The 59th issue, published in October 2019, showcased an audit vision regarding SAIs and the latest developments in information technology. It also included an article about sustainable development and its role in preserving the economic resources of the country. This issue highlighted topics such as artificial intelligence and its applications, Blockchain technology, and income-generating

real estate funds, in addition to a report on combating financial and administrative corruption. Recently, the 60th issue of Al-Raqaba Magazine was published in December 2019. It included a study about the administrative investigation in financial violations, a report on auditing diplomatic delegations abroad, a study regarding globalization and its influence on human resource management strategy, and a research paper on the methods for concurrent control of construction projects after signing contracts and during execution.

In this context, it is worthy to note that SAB has several academically competent staff who were keen on continuing their education during their work at SAB. They were (47) staff members, as illustrated below:

Sector	Diploma to Bachelor	Bachelor to Masters	Masters to PhD	Total	Percentage
Office of SAB President	1	1	-	2	%3.6
Office of SAB Undersecretary	-	-	1	1	%1.8
Legal Affairs, Financial Breaches, and Performance Audit	-	4	-	4	%7.3
Independent Bodies Audit	-	11	-	11	%20
Supplementary Bodies and Companies Audit	-	11	-	11	%20
Ministries and Government Departments Audit	-	7	2	9	%16.4
Administrative and Financial Affairs and IT	2	6	1	9	%16.4
Total	3	40	4	47	%100

SDG 5: Gender Equality:



The fifth goal of SDGs ascertains the principle of gender equality. It calls for empowering women by providing them with equal opportunities in work, effective participation in leadership and decision making, and highlighting their effective role in achieving the SDGs.

The importance of this goal lies in its agreement with the constitutional principle, which the Kuwaiti constitution called for and confirmed the importance of equal opportunities between men and women and equated between them in terms of rights and duties. Article (8) of the constitution states that the country preserves the pillars of society and ensures safety, security, and equal opportunities between citizens. Article (29) of the constitution states that “people are equal in terms of human dignity, they are equal in front of the law in terms of rights and duties, and there is no discrimination between them because of gender, origin, language, or religion”.

These privileges were guaranteed by the constitution to Kuwaiti women. Therefore, State institutions are keen to support such privileges in the field of professional work through striking a balance in their workforce as far as possible. Looking at the human resources across SAB sectors and considering SAB’s strategy that aims to determine types of jobs, specialties, and the number of employees that are needed for meeting work requirements and achieving its goals, we can notice that SAB supports workforce equality, as well. The classification of the workforce at SAB underscores the role of women and their ability to take positions that correspond to their technical efficiency and professional experience, as illustrated below:

- Statistics of the female workforce: The number of females working at SAB is (579), representing 49% of the total workforce of SAB, i.e., 1197 employees.
- The supervisory positions held by SAB's female staff are (30) positions out of a total of (109) positions for males. It represents 27.5% of the total positions.

Official representation at the State level:

Presenting the Annual Report to the Prime Minister.



Participating in official meetings: The meetings for delivering the final account reports to His Highness the Amir Sheikh Subah Al-Ahmad Al-Jaber Al-Subah, the Crown Prince His Highness Sheikh Nawaf Al-Ahmad Al-Jaber Al-Subah, and the Speaker of the National Assembly Mr. Marzooq Al-Ghanim, included the participation of female SAB staff. Such participation was intended to highlight the role of working women and their effective participation in accomplishing achievements.

Participation in the meetings of (the National Assembly and the Council of Ministers): The female staff of SAB has proven to be highly competent in representing SAB at its official meetings with the National Assembly and the

Council of Ministers, which were held to discuss audit work results and to follow-up on the accomplishments.

Official representation at the level of professional organizations:

Participating in the meetings, activities, and task forces of international professional organizations, Arab organizations, and regional organizations:

The State Audit Bureau of Kuwait is keen on highlighting the effective role of women through promoting their participation in official representation at all activities and events organized by the different professional and audit organizations. SAB wanted to encourage women and highlight their role in decision-making.



Committees and teams at SAB level:

Leadership of committees and working groups:



In the framework of organizing committees and working groups, which are formed to finish works and tasks of high priority and to accomplish development projects that target professional development and the application of work mechanisms, SAB has given female staff the tasks of leading many committees and teams, including the following:

Development projects committees and working groups
SDGs follow-up Team
Team of re-evaluating SAB annual report and its classification and structure
Audit Organizations committees and working groups
Team of preparing SAB report on performance assessment using SAI PMF
INTOSAI working group on IT audit Team
The value and benefits of SAIs Team “Making a difference in citizens lives”
SAB Committees and working groups
SAB website development team
SAB second youth forum team

Meanwhile, the female staff of SAB have participated in the membership of several committees and working groups, such as:

Development projects committees and working groups	Members	Females	Males
WG of spreading cultural knowledge on SAB role in preserving public funds	12	7	5
WG of studying SAB role regarding Tax Audit	8	1	7
SDGs follow-up Team	12	4	8
WG for following up on the project of supporting internal audit systems at entities subject to SAB control and strengthening audit units capacities	12	4	8
The technical committee for reconsidering applied rules and standards in determining the seriousness of audited entities in addressing observations and violations registered on their final accounts	6	2	4
Team of re-evaluating SAB annual report and its classification and structure	8	4	4
Audit Organizations committees and working groups	Members	Females	Males
The technical committee of continuous professional education	9	4	5
Team of preparing SAB report on performance assessment using SAI PMF	12	7	5
INTOSAI working group on IT audit Team	11	9	2
The Strategic plan team	8	6	2
Committee of evidence and professional and audit standards	13	8	5
Committee of developing institutional capacities and committee of training and developing SAIs staff	12	7	5
SAB environmental Audit team	10	7	3
The value and benefits of SAIs Team “Making a difference in citizens lives”	7	5	2
SAB Committees and working groups	Members	Females	Males
SAB website development team	8	7	1
SAB second youth forum team	26	16	10
WG of SAB regular meeting with entities subject to its control	13	12	1

SDG 6: Clean Water and Sanitation:



Water is life and an active factor in the continuation of life and the survival of living beings. The world today witnesses a water crisis, where the shortage of water and the increase of pollution are considered the most important and prominent challenges that face humanity. In order to avoid the negative effects that will result from the continuation of this crisis, all countries tried hard to address this deterioration and find successful solutions for this problem. The State of Kuwait is one of those countries. Kuwait works very hard to achieve effective management of water resources and services. The control role of SAB comes to complement the State's efforts in this domain. It supports the success of State projects and in building national capacities in the field of environmental activity related to water and its protection. This occurs through the offerings of the technical sectors at SAB to State bodies and institutions concerned with the water sector, its projects and services. SAB works on supporting water management projects and services at the State level and contributes to the increase of their performance, usage, and management. This work is undertaken through auditing Al-Rawdatain Water Utility Company, which supervises the production of clean drinking water in its factories. It uses Al-Rawdatain field, which contains the largest water reserves in Kuwait. Its waters are pure, and it gathered these characteristics from rainwater, which accumulated over many years.

SDG 7: Affordable and Clean Energy:



The increase in population, urbanization, and the increase of using modern technology across the world have heavily affected the guarantees of the effective continuation of energy and its services. This has made the efforts of supporting its sustainability and enhancing its efficiency a global target that all countries are working to achieve. The State of Kuwait is working on strengthening national priorities in the field of all types of energy. In addition, Kuwait is working on enhancing its tools and level of services through several energy projects. In this context, the role of SAB is reflected in activating the success of the State's efforts and achieving its development targets in this domain through its control, follow-up, and assessment functions.

SAB role in strengthening national priorities in the field of electric energy:



The State Audit Bureau prepared a study regarding the effectiveness of entities in Kuwait to implement SDG 7 and its impact on achieving the vision of His Highness the Amir for producing renewable electric energy. In order to achieve this goal, SAB focused on the following sub-goals:

- The current Kuwait indicator for achieving the seventh goal of the UN sustainable development plan.
- The impact of achieving the SDG7 on the vision of the Amir, which is related to producing 15% of Kuwait's electric energy from renewable resources by the year 2030.
- Explain the environmental impact of using solar panel technology and their contribution to solving the problem of pollution in Kuwait, as well as explaining their financial impact.
- The cost of implementing solar panel technology in Kuwait as opposed to its prices in the global market.
- The experience gained by implementing the solar panel technology in Kuwait and the region.

The following aspects have been considered in measuring the efficiency of public entities:

- The State's ability to achieve SDG 7 by the year 2030.
- How far SDG 7 would contribute to the achievement of the vision of His Highness the Emir, which envisages that by 2030 the renewable energy production shall increase to 15% of the total electricity generated in Kuwait.
- Examining whether the used sustainable energy is found to be reliable and affordable in comparison to world prices.

The role of SAB in the assessment and operation of renewable energy projects in the State of Kuwait:

Shagaya Solar Power Plant Project in Kuwait

Based on the noble vision of His Highness the Emir, Kuwait is moving towards diversifying the alternative energy sources used to generate electricity for the State. The production of renewable energy shall be increased to 15% by the year 2030 in order to correspond to any future increase in electricity consumption and

to ensure the provision of clean electrical energy that would have a positive impact on the environment, climate, and economy. In this context, SAB has reviewed the successful experiences of Kuwait in the field of renewable energy. The pre-audit sector of SAB was introduced to Phase 1 of the Shagaya Project, which includes the installation of a pilot power plant for Kuwait Institution for Scientific Research (KISR) with a total capacity of 70 megawatts (MW).

Reviewing successful experiences in the field of renewable energy, and the role of SAIs in the audit and management of renewable energy projects:

Solar Energy Plant of Oman

The State Audit Bureau of Kuwait has always been keen to learn and capitalize on the successful experiences of the several countries and SAIs that excel in the field of renewable energy, in order to improve the audit functions and to enhance cooperation among the different countries. To that end, SAB had arranged a visit to Miraah Solar Project in the Sultanate of Oman, in coordination with the State Audit Institution of Oman and the Petroleum Development Oman (PDO). This visit took place in order to capitalize on the Project as a successful example for the generation of alternative energy and to review state-of-the-art technologies in this domain. Another objective of the visit was to share the Omani expertise to be adopted in line with the renewable energy projects of Kuwait, as well as to elevate the operational and educational competence of SAB's staff.

Hosted by the SAI of Oman together with the PDO, a SAB delegation has visited the Miraah Project. Miraah is a dynamic project for the generation of solar thermal energy, which is located in Amal oil field at Marmoul, South of Oman. The project was constructed with a capacity to produce a 1,021 MW of thermal energy that would generate tons of steam. The generated steam is used, thereafter,

for the extraction of heavy oil. This project was adopted by Oman Oil Company in partnership with Glass Point Solar. Miraah is considered one of the largest solar plants in the world.

Noor IV Photovoltaic Plant - A project of the Moroccan Agency for Sustainable Energy “MASEN”



In January 2019, a delegation of SAB paid a visit to the Noor Ouarzazate Plant in the Kingdom of Morocco. This visit took place as part of SAB’s efforts in the assessment of Kuwait’s contribution to the achievement of SDG7. Such efforts entail comparing the projects of Kuwait to similar projects carried out by other countries of the world. Morocco’s “Noor” plant project is one of the key projects that are comparable to those constructed in Kuwait. This is due to the fact that they all share similar desert locations while using diverse technologies in their operations.

During the visit, the following have been presented:

- A presentation by the Court of Audit of Morocco on “Evaluation of Energy Efficiency Policy in the Kingdom of Morocco”.
- A presentation by the Moroccan Agency for Sustainable Energy “MASEN”, which is a government institution that is responsible for renewable energy projects in Morocco. Throughout the presentation, delegates of SAB were introduced to how the Noor Ouarzazate Plant Project was established. Afterward, the delegates were taken on an orientation tour to Noor IV Photovoltaic Plant.
- A report prepared by the Court of Audit of Morocco on renewable energy in Kuwait.

The visit has met all the aspired objectives with respect to collecting data on the execution of renewable energy projects that are comparable to the conditions of Kuwait. The collected data will, thereby, remarkably enrich the study prepared on the contribution of Kuwait to SDG7 implementation.

The 14th ASME Power Conference, at the United States of America

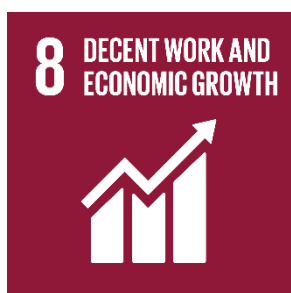
In its firm desire to follow-up on the implementation of Sustainable Development Goals (SDGs), SAB had attended the 14th ASME Power Conference 2019, which was held by the American Society of Mechanical Engineers (ASME).

The Conference was aimed at introducing participants to the state-of-the-art technologies that help energy researchers operate efficiently in order to achieve the highest quality, reduce cost, and conserve energy. This participation served to elevate the knowledge of participants through the researches presented on improving the productivity of power and the generation of electricity by means other than the traditional methods that are currently being used. These presented researches also dealt with the utilization and benefit of using batteries to store

power at the commercial level and the use of alternative energy to generate electricity.

The ASME Power Conference featured a range of seminars, workshops, and plenaries, which included discussions on a number of themes in the area of electric power. Among the discussed themes were issues related to the operation, maintenance, equipment, and performance measurement, along with the potential obstacles encountered within the electric power plants. Environmental issues in the field of energy were highlighted as well. At the Conference, the participants were also introduced to the latest renewable energy systems.

SDG 8: Decent Work and Economic Growth



The inclusive and sustained economic growth in today's world requires that we consolidate our efforts to promote policies geared towards the achievement of economic growth. To that end, SAB is keen to activate its dynamic role in preserving public funds, supporting the economy of the State, and promoting the policies that are geared towards the attainment of economic growth and call for diversifying sources of income as one of its top priorities.

Taxes are among the primary sources for funding the activities and expenditures of the State. They play a critical role in the national economy and are an instrument of economic, political, and social policies. This is due to the fact that taxes contribute to funding the public treasury and therefore assist the public administration to meet their obligations. The Arab Gulf countries are currently intending to impose value-added taxes (VAT) and to adopt a number of other tax-related policies that would maximize non-oil revenues. Given that this public

trend will yield additional burdens to the functions entrusted to SAB, a team was formed within SAB under the Resolution No. (255) of 2017 to handle all issues related to the role of SAB in the audit of taxes. The established team has gathered the circulars and resolutions issued by the Taxation Sector during the last five years in order to be compared against those included in the current tax audit manual. Members of the team have also collected the recent tax-related studies and publications issued by international organizations. In addition, the team coordinated with the Taxation Sector in the Ministry of Finance regarding tax-related issues, and particularly the measures undertaken by the Ministry for the promulgation of laws pertaining to value-added and selective taxes. The said team prepared the initial draft of the VAT Audit Manual. The underlying fundamentals and major points of the manual were developed in accordance with the guidance of the Professional and Audit Standards Committee. The team is working on updating the current Tax Audit Manual of SAB, through the following:

- Incorporating the organizational structure and competencies of the Taxation Sector in the Manual.
- Implementing an item relating to audit planning.
- Implementing an item relating to the risk-based audit.
- Implementing an item relating to the audit method.
- Implementing an item relating to the preliminary and the final meetings with the entity (minutes of meeting).
- Implementing an item relating to the audit and documentation report.
- Implementing an item relating to the follow-up of observations.
- Implementing an item relating to performance audits.
- Implementing an item relating to internal audits.

- Updating the Tax Audit Manual with the resolutions and circulars of the Taxation Sector that are issued during the last five years.
- Adding a new paragraph on understanding and learning about the automated information systems adopted by the entity.

The State Audit Bureau, on the other hand, strives to support sustained economic growth and to increase the levels of productivity within the State of Kuwait. Given that the economy of the State mainly relies on oil as the primary source of revenues, it is imperative to improve the economy by diversifying the sources of Kuwait revenues. Investment is one of the key instruments for diversifying economic resources. In this sense, the role of SAB is remarkably demonstrated in the following achievements:

- Preparation of reports on funds invested according to Law No. (1) of 1993 on Public Fund Protection of the Entities Subject to the Audit of SAB over the previous periods of 31/12/2018 and 30/6/2019.
- Examining all notifications received on the investment operations carried out by the entities subject to the audit of SAB and ensuring the provision of data as required by the regulations prescribed by Article (6) of Law 1 /1993 concerning the protection of public funds.
- Establishing an audit team that is responsible for auditing the Kuwaiti Investment Office in London and presenting a report on the findings of the review and audit tasks. The said report was incorporated in the SAB Annual Report for the fiscal year 2018/2019.

In addition, the State Audit Bureau has set a master plan emanating from the 2035 Kuwait Vision of His Highness the Emir. The developed plan included a range of key projects that are to be achieved; for instance, the project of reorganizing and

managing the State's properties, which was expected to be accomplished during the year 2020. The Touristic Enterprises Company, also known as TEC, is one of the major entities that are subject to the audit of SAB. The properties owned by this particular entity are with privileged locations. Therefore, the State Audit Bureau of Kuwait is keen to support the accomplishment of the TEC project through its entrusted audit role. SAB provides TEC with its comments on the said project to be implemented in accordance with the laws and regulations prescribed by the State authorities.

Other entities that are subject to the audit of SAB include the Public Utilities Management Company (PUMC), which is specialized in managing the properties of the State along with supervising the car parking lots of such properties. According to the contract concluded with the Ministry of Finance (Affairs of State Properties) on October 3, 2016, PUMC shall be responsible for the management, operation, and maintenance of Al-Shadadiya Labour City Project for a duration of 20 years.

Auditing the operations of PUMC by SAB would contribute to the achievement of the targeted sustainable development within the company.

Besides, such audit functions of SAB would serve to support the national strategies by providing decent work opportunities and ensuring the recruitment of the youth cadres. They would also help to maintain individual economic growth by attaining higher levels of economic productivity through diversifying, promoting, and supporting the development of such projects. Article (16) of the Kuwaiti Constitution underscored that "property, capital, and work are fundamental constituents of the social structure of the State and of the national wealth. All of them are individual rights with a social function as regulated by law". In addition, Article (41) provided that every Kuwaiti has the right to work and to choose the type of his work. It has also highlighted that work is a duty of

every citizen and the State shall endeavor to make it available to citizens and to make its terms equitable. To that end, the State Audit Bureau, through its audit efforts and administrative activities, is keen to support the endeavors of the State in this regard. Efforts and activities of SAB can be summarized as follows: With respect to the goal of providing decent work, SAB works under a well-set strategy that is targeted at improving and developing its human resources. The administrative system of SAB follows a policy that calls for continuous improvement in human resources management. The latter has been achieved by maintaining the position of SAB as an ideal entity that is recognized as one of the most attractive employers. SAB attracts the different professional competencies that are capable of interacting with the evolving audit notions and modalities. Further, SAB strives to develop the work environment within and enhance the career stability of its employees. All efforts of SAB in this domain have emerged from its belief that human resources are one of the cornerstones for supporting institutional development.

- The State Audit Bureau has developed its registration mechanisms for the application for vacancies within SAB. In 2019, the e-recruitment service of SAB has been developed in order to facilitate the application for vacancies. Three recruitment announcements were posted during this period.
- The State Audit Bureau holds a wide range of competent workforces that are constantly increasing according to the volume of work and mandates entrusted to SAB. It is evident that the increase of workforces within SAB occurred gradually. This is due to the fact that such an increase and the development of workforce capacities shall be based on development studies and researches prepared by the Administrative Affairs Department under the directions of the strategic management of SAB. All these efforts

contributed to the qualitative development of SAB workforces, which yields attracting the different competencies that have the potential to scale up the audit work within SAB and to elevate the professional performance therein.

Activating policies to address the problem of unemployment:

The State of Kuwait is devoting particular attention to recruiting its citizens and providing them with decent work opportunities. To that end, A range of legislations and decisions are promulgated to eliminate the problem of unemployment, protect the rights of national labor, and implement the policy of “Kuwaitization” in government jobs, which calls for replacing expatriate labor force with the national labor force. Such efforts of Kuwait emerged from its belief in its responsibility to provide safety and social security to the Kuwaiti citizen as well as to fulfill the needs of the society members in line with the provisions of Article (41) of the Kuwaiti Constitution, which states that “every Kuwaiti has the right to work and to choose the type of his work. Work is a duty of every citizen necessitated by personal dignity and the public good. The State shall endeavor to make it available to citizens and to make its terms equitable”.

These efforts took place in implementation of the SDG8, which calls for providing decent work and creating job opportunities for all. Effective measures have been taken to ensure the attainment of the overall target, which aims at achieving full and productive employment within the societies. The role of the National Assembly in this aspect is demonstrated in supporting the “Kuwaitization” policy within both the public and private sectors along with creating new job opportunities for the Kuwaiti youth. To that end and in line with the provisions of Article (25) of Law No. (3/ 1964) on SAB Establishment and its amendments, the A/Speaker of the National Assembly has sent an official

letter (Reference No. KNA_38446_2019) on April 9, 2019 to the State Audit Bureau of Kuwait. The letter provides that the Budget and Final Accounts Committee requires SAB to provide a study on the contracts concluded between the government entities and other external parties to provide workers and staff of which their expenses are correlated to Section 1 of Expenses (Compensation of Workers) for the fiscal years from 2015/2016 to 2018/2019. Accordingly, a team has been established within SAB to handle the preparation and presentation of this study. Findings of the study included the need to oblige the different government institutions to pay more attention to the national human resources for being the pillars of the country and its future. Government institutions shall draw on the national human resources as well as develop and train their employees to promote the culture of devotion and loyalty to their jobs. They should also create a work environment that guarantees employees' development and their career growth. In addition, government institutions should abide by all laws, regulations, and circulars relating to the national cadres, which would therefore contribute to the attainment of the strategic goals and development plans of the State. Recruitment of migrate workers in government entities and administrations should be limited to those with rare specializations or financial experience in order to draw upon such competencies in the different scientific and practical fields and to share their expertise. It is necessary that government entities collect and study their needs prior to signing contracts of migrate workers. This is in order to avoid unduly placing additional financial burdens on the public budget.

Auditor's Impact: a training program for qualifying Kuwaiti graduates to work in the field of internal audit



The State Audit Bureau of Kuwait has always been keen to serve the community. Therefore, a training program, entitled “Auditor’s Impact”, has been adopted by SAB to qualify Kuwaiti new graduates holding a bachelor’s degree in accounting or finance. Among the objectives of the program was to support graduates and equip them with the fundamental and international audit standards. This gesture will positively reflect on the participants themselves and the society as a whole, given that the unique expertise that is to be acquired through the program would enable the participants to work in the different sectors with high efficiency. SAB

has also enabled the online registration of students that are willing to join this audit training through its website. New pages were added to SAB's portal to follow-up on the registration process and enable direct contact with users of the portal. Besides, the users may easily access and extract reports on every training announcement.

The training program was attended by a range of fresh graduates holding a bachelor's degree in finance or accounting with an overall grade of (Good/ C). A total of (25) participants have joined the program, which were trained and equipped with skills that they need as internal auditors. This specialized training program was aimed at providing the labor market with skilled national cadres that are capable of working at and enhancing the audit units within the different government entities. In this regard, SAB believes that such graduates should be granted the opportunity to prove their capacities and success. The program was carried out in two phases, the theoretical and practical training. These two phases are explained below:

PHASE I: (Theoretical Training)

The first phase comprised specialized training courses and workshops in the field of internal audit, which were delivered by a group of competent trainers working within SAB. The presented programs featured panel discussions through which SAB hosted a number of public and private entities of excellence in the area of internal audit in order to showcase their relevant expertise and on-the-ground experience; such as the Central Bank of Kuwait (CBK), Kuwait Petroleum Corporation (KPC), and the Kuwait Finance House (KFH).

PHASE II: (Field Training)

During this phase, trainees were distributed among leading entities in the field of internal auditing in Kuwait. The training in this phase was carried out according to a well-set plan and in coordination with the partner entities, i.e. Central Bank

of Kuwait, Kuwait Petroleum Corporation, Kuwait Finance House, and Warba Bank. The engagement of these entities demonstrates a strong belief in SAB's project as well as an acknowledgment of such entities for their mutual responsibility towards the society. Following the phase of field training, the trainees were asked to deliver presentations in order to assess the knowledge they acquired from the field training. Delivery of such presentations is considered a mandatory requirement for all trainees to successfully pass the program. All presentations were assessed by a committee comprising professional experts from SAB. At the end of the training program, the participants were granted a certificate of completion accredited by SAB.

SDG 9: Industry, Innovation, and Infrastructures



The investment in the different types of infrastructures and the efforts relating to their development, modernization, and sustainability will yield fruitful results that contribute to improving the quality of life for all society members. Such investment is a crucial driver of economic growth and development.

Among the critical elements that can positively and directly affect the attainment of sustainable development is to build resilient infrastructures. This includes transportation services, water treatment and supply services, communication services, and services relating to the different types of energy. Other means to achieve sustainable development are to promote inclusive and sustainable industries, increase efficiency in the use of resources, and to ensure better utilization and reliance on such resources in the industrial sectors. It is also imperative to promote innovation and scientific research, as well as to increase the number of workers that are involved in this domain. Based on these grounds, the State is granting more attention to supporting efforts of both the private and

public institutions in order to enhance their capacities and to scale up their efficiency in managing projects relating to this particular sector.

In this context, the State of Kuwait is working on (26) projects to create structural diversification in this sector. In order to realize the targets pertaining to these projects, it is necessary that SAB provides its needed audit support.

The Sustainable Development Goal 9 (SDG 9) is focused on the investment in industry, infrastructure, and innovation. These three elements are critical drivers for economic growth, and particularly of urban areas. Mass transportation, for instance, is one of the key factors to achieve this particular goal. The Kuwait Public Transport Company (KPTC), which is one of the main pillars for transportation that provides land and sea transport services in Kuwait, is subject to the audit of SAB. Accordingly, the audit functions carried out by SAB in this area primarily contribute to the attainment of SDG 9.

Auditing works pertaining to the development and maintenance of infrastructure and service projects in order to support and scale up their performance:

The pre-audit sector of SAB has studied a number of topics relating to the development and maintenance of the State's infrastructure. It has also verified the procedures undertaken by the entities subject to the pre-audit of SAB in their awarding of practices that took place in the entity and were not proceeded under the oversight of the Central Agency for Public Tenders due to granting an authorization to the Ministry to carry out the bidding and awarding proceedings.

The study of these topics found that such authorization shall only be granted by the Central Agency for Public Tenders when the practice is restricted to companies of a certain rating that requires basis and criteria to ensure the capacity

of the qualified companies to fully execute their contracts. Given the significance of these contracts in improving the performance and efficiency of service projects, the existence of well-set criteria is mandatory.

The role of SAB in this domain involves auditing the compliance of the entities subject to its pre-audit with the terms specified by the Central Agency for Public Tenders (CAPT) for approving the conduct of the awarding proceedings by the entity. This involves auditing the validity of tenders presented by the companies and their compliance with the technical terms required for the execution of these projects. Such terms include the need for tenderers to have the necessary equipment, mechanisms, and sufficient manpower. It is also imperative that contractors/ tenderers have specific certifications in this area. In addition, SAB audits the exclusion of tenders that do not meet the terms and requirements for executing the projects. The auditors of SAB shall ensure that the entity did not add any additional qualification requirements that might exclude a tender that meets all the pre-set technical requirements.

Upon an assignment from the National Assembly, a group of specialists within SAB had studied the different financial, technical, and legal aspects relating to the implications of heavy rain disaster, which occurred in 2018. The final report was presented by SAB, including all financial, technical, and legal aspects relating to the maintenance of highways, inner roads, sewage lines, and sewage pumping and treatment stations. The report defined the correlation of these aspects with the implications of the 2018 rainfall disaster in Subah Al-Ahmed residential area, Mangaf tunnel, and Fahaheel area. It also highlighted that the failure to drain rainwater from the roads had greatly impacted the asphalt layers and caused the problem of flying gravel.

SDG 10: Reduced Inequalities



At the national scale, the Kuwaiti Constitution highlighted the principle of equality as one of the core pillars of the Kuwaiti society. Article (7) of the Constitution provided that justice, liberty, and equality are the pillars of society; co-operation and mutual help are the firmest bonds between citizens. The significance of this particular principle was also underscored in Article (29), which stipulates that “all people are equal in human dignity and in public rights and duties before the law, without distinction to race, origin, language, or religion”. In addition, on a global scale, Article (1) of the Universal Declaration of Human Rights (UDHR) provided that: “All human beings are born free and equal in dignity and rights”. Equality is, therefore, a social principle that guarantees a decent life for all members of every group in the community.

In this sense, the State of Kuwait strives to support and implement the policies that will ensure the realization of this principle at both the national and international levels. Numerous government efforts were expended in this area, which were supported by the audit of SAB to ensure that the aspired goals of such efforts have been achieved.

The audit role of SAB in achieving welfare by enabling the different groups of society to receive social, residential, educational, and health care.

For instance:

Health care projects relating to the provision of prosthetic devices and guest service for people with special needs:

The Kuwait Public Authority for Disabled Affairs (PADA) presented to SAB, several times and most recently on 24/10/2019, the tender No. (PADA1/2018-2019) concerning the provision of guest service for people with special needs. It was apparent from the tender's price analysis table that there was a special item for "additional costs" with a high amount. Therefore, SAB requested an analysis of the price of this particular item. It was then noticed that there were certain items that should not be burdened on the price of the tender, such as the cost of the percentage of Kuwaiti personnel working in the company and the change in petrol and rental prices. All these items were eliminated from the contract based on the opinion of SAB, resulting in a direct saving to the Public Treasury of the State with an amount of (KWD 95,806/ 200).

It was also noted in one of the tender's requirements that the company must have an ongoing contract at the time of tendering with an amount of half a million Kuwaiti dinars or more in a field similar to that of the tender. Given that the guest service for people with special needs is only provided by Al-Essa Company through the Ministry of Social Affairs, SAB requested to consider amending the above-mentioned term. It has also recommended qualifying the relevant specialized company in future tenders in order to ensure competitiveness between different tenderers, and therefore ensure the attainment of welfare for people with special needs.

SDG 11: Sustainable Cities and Communities



The Sustainable Development Goal 11 calls for global efforts towards enhancing inclusive and sustainable urbanization. This is in order to ensure the provision of safe residents and transport systems, improve road safety, and reduce losses caused by disasters, including water-

related disasters. Besides, it is imperative to mitigate the adverse environmental impact of cities through paying special attention to air quality and the management of waste. All the above factors will contribute to making cities and human settlements inclusive, safe, resilient, and sustainable. In this sense, the audit role of SAB has an effective impact on realizing the trends of this Goal. This role is demonstrated in supporting the efforts of competent government institutions.

The audit role of SAB in supporting integration in the execution of infrastructure projects:

The pre-audit sector of SAB has carried out a study on contracts relating to the execution of infrastructure projects, which had resulted in financial savings to the budget of the State. The study included financial audits on projects that are to be concluded with companies handling the projects of the State. Such savings were realized by efforts of SAB in reviewing the price lists and the bills of quantities (BOQs) of the contracts in order to make sure that no additional burdens were added to the planned contract and to ensure that the BOQ presented by the entity does not include any duplicate price items. In addition, SAB reviews the need to prepare cost balance sheets that would serve to rationalize the expenses of maintenance contracts to ensure that all expenses of the State are based on actual needs.

SAB also examines how far do the presented tenders comply with the tendering conditions and the requirements of the concerned entities, i.e., the Ministry of Public Works and the Ministry of Electricity and Water. These entities must first coordinate with SAB prior to concluding any contract in order to make sure that there are no technical obstacles hindering the implementation of these projects. All contractors must be committed to supplying their materials from approved

companies in the State of Kuwait. Besides, it is also necessary to carefully consider the price brackets to ensure their appropriateness in comparison with the prevailing markets prices.

To acquire the approval of SAB, all entities are obliged to conclude the contract within (90) days from the date of obtaining SAB's approval on the contract to be concluded. The abidance by this specific term is imperative to avoid the expiration of the initial guarantee (Bid Bond) provided by the lowest tenderers, which could cause the withdrawal of the company offering the lowest price and therefore lead to losses in public funds.

The audit role of SAB in supporting the policy of Public-Private Partnership (PPP):

SAB has a pivotal role in studying the different projects in the State of Kuwait that are funded by the Public-Private Partnership (PPP) model. It is worth mentioning that PPP projects are among the key vehicles for building the national economy, which is built on the grounds of social equity. These projects are based on the notion of initiatives. They include all projects involving a long-term investment of the contract subject, where the public entity would be paid for granting the right to use the facility/project whilst the investor would acquire the investment profits he received throughout the term of the contract. It is also imperative that all PPP projects be of strategic significance to the national economy.

In this regard, the State Audit Bureau has performed preventive pre-audits on the contracts and commitments relating to PPP projects that were presented to SAB for approval. Accordingly, SAB has provided its relative opinion on the presented projects. Documents of the following projects were returned:

- Provision of Advisory Services to the North Az-Zour Project for Power Generation and Water Desalination Plant - Phases II and III.
- Al-Kheiran Independent Water and Power Plant (IWPP) Project- Phase 1. The documents of this project were returned for violating Article (53) of Kuwait's Public Tender Law No. 49/2016 with respect to the validity of the project's awarding.
- Kabd Municipal Solid Waste Project. The project's documents were returned owing to the lack of accurate financial appropriations that comply with rules of the public budget and due to certain professional observations relating to the terms and requirements of the contracting.

Furthermore, SAB received an official letter on December 2, 2018, from the National Assembly (Ref. number: KNA-31090-2018), in which SAB was requested to prepare a report on its opinions and recommendations regarding the existing PPP projects in the State of Kuwait. This is in order to assess whether the State has improved or achieved a public service that is of economic and social significance. Accordingly, SAB started auditing all PPP projects in the State of Kuwait, and remarks were then formulated on the projects that have been discontinued. SAB has also set out its remarks on a total of (9) PPP projects that are being executed under contracts or licenses pertaining to State properties prior to the activation of Kuwait's Law No. 116/2014, to which they were then subject. In addition, SAB has studied and presented its remarks on a total of (11) PPP projects that are still under the tendering process. The study covered all technical and procedural aspects of each individual project. It has also included remarks on the financial appropriations and technical terms and requirements, in addition to highlighting the anomalies in the implementation of such projects and the reasons for the delay in their execution. Recommendations were, thereafter, presented on

a project-by-project basis, in accordance with their respective legal frameworks and administrative procedures in order to be drawn upon in the future.

Through the undertaken study, the performance of the Kuwait Authority for Partnership Projects (KAPP) was assessed in terms of its achievement for the tasks entrusted to it. The entrusted tasks of KAAP include the completion of PPP projects and overcoming the constraints to their execution, in addition to identifying means and methods for monitoring and evaluating the performance of the approved PPP projects. KAAP, however, failed to achieve the assigned tasks and managed only to conclude contracts on the preparation of feasibility studies for these projects. Not to mention that all projects have been stalled. The contribution of SAB in this regard, including its study and the presented general remarks, is deemed to be the first step to remedy the situations of such projects.

Kabd Municipal Solid Waste Project:

Kuwait Authority for Partnership Projects (KAPP) presented to the pre-audit sector of SAB a project on the treatment of Kabd municipal solid waste. This project will be funded by the Public-Private Partnerships (PPP) model, which involves developing, financing, designing, engineering, insuring, constructing, building, operating, maintaining, and transferring the facility. It aims to transform around 3,275 tons per day of municipal solid waste, including household, commercial and agricultural waste, into electrical power. The power will be generated using incinerators and the remaining slag in the sanitary landfill.

The Kabd Municipal Solid Waste Project has a direct correlation to the attainment of SDG 11, which calls for making cities and human settlements inclusive, safe, resilient, and sustainable. This project seeks to realize certain environmental objectives relating to the provision of landfills, generation of clean electric power

from waste incineration, and the provision of sanitary landfills to dispose of incineration residues.

SAB has issued its opinion in this regard. The contracting of the project was disapproved by SAB due to a number of observations relating to the economic feasibility study and the financial obligations of the project. Subsequently, immediate savings of (KWD 886,800,000) were realized for the State treasury. The contract has been rejected for several reasons, as summarized below:

- There were no legal grounds for the coverage of the fiscal period, considering that the Ministry of Finance had approved on 1/11/2017 to incorporate this project within the annual projects for the fiscal year 2018-2019 without any financial costs.
- Waste is collected by the Municipality of Kuwait based on the quantity rather than the type of waste, whereas the concept of this project is mainly based on the types of waste to be utilized. This will place an additional burden on the Municipality in providing the type of waste that is required for the operation of the plant. In the event that the municipality fails to provide the necessary type of waste, it will be compelled to use fuel instead, which will consequently yield both financial and environmental burdens.
- The transfer of waste under the relevant contracts of the Municipality, rather than through the investor himself, will impose additional financial burdens on the State's budget.
- This project does not generate any revenues for the State, although there is a possibility for such types of projects to do so.
- The amounts to be paid by the State for the investor is found to be unclear compared to the amount disclosed in the proposal, which KAPP justified in its replies as being set out merely for assessment. The actual amounts to

be paid for the investor might exceed the (KWD 886,800,000) amount which was approved by the Ministry of Finance.

- The investor presented data on designing a recycling factory with a capacity of 162,500 tons. However, the presented data did not include the legal and economic structure for dealing with the substances and materials that are generated from waste incineration and dealing with the recyclables. This particular aspect was not considered in the assessment of the investors' tenders, thus depriving the State of receiving huge revenues that are expected to be earned out of these materials. The investor, thereby, was given the exclusive right to utilize such resources due to the fact that there are no legal grounds or regulations in the State of Kuwait regarding the recycled metal market.
- A complete Environmental and Social Impact Assessment (ESIA) has been presented after signing the Public-Private Partnership Agreement (PPPA). According to the items of the PPPA, any new or additional requirements resulting from this study shall be considered as a change order. This would then impose new and unforeseen financial burdens on the State.
- There are no fees or explicit penalties imposed for the investor's failure to comply with the required technical specifications, installation of equipment other than the ones agreed upon, or failure to abide by the required percentage of national workers, which was defined by the law as 70%.
- Some items of the PPP Agreement provide that the entity has the right to introduce amendments to the design and other aspects of the project and that the public entity will pay for the costs of such amendments or request to be funded by the investor. This would, thereby, result in increasing the payments due to the investor.

The audit role of SAB in the development of road networks:

The State Audit Bureau has performed pre-audit tasks which included studying a number of topics relating to the development of the road network in Kuwait as well as approving contracts of the Ministry of Public Works (MPW) for the year 2019. The topics being studied by SAB can be classified into two categories:

1) New projects and contracts

Three new contracts have been studied and audited by SAB. The first contract involves a new construction project relating to the construction, completion, and maintenance of Al-Ghouse Road. The project extends from the 7th Ring Road to the Fahaheel-Ahmadi road (Route 212) at a cost of (KWD 59,780,000/ 00). The second contract, on the other hand, pertains to a construction project with a cost of (KWD 25,878,862/ 00), which relates to the construction, completion, and maintenance of roads, bridges, and rainwater drains for parts of the 5th Ring Road and King Fahad Road surrounding the area of South Surra. In addition, SAB has studied and audited a general maintenance contract for roads and squares in Al-Jahra Governorate (Al-Qasir) with a total cost of (KWD 2,700,000/ 000).

2) Change orders for ongoing maintenance contracts

Roads of Kuwait were severely affected by the heavy-rain season we witnessed last year. The primary cause of such damage would be the used asphalt mixtures which proved to be unsuccessful. Therefore, the Ministerial Order No. (571) of the year 2019 has been issued by the Ministry of Public Works on Feb. 17, 2019, regarding the procedures to be undertaken for improving the execution, construction, and maintenance of roads in the State of Kuwait. This order entails a number of change orders to be issued on road maintenance contracts. In this sense, SAB has promptly studied these change orders and provided its pre-

approval on a total of (19) orders pertaining to nineteen ongoing maintenance contracts. The estimated net cost of the approved change orders was (KWD 24,722,951/ 480).

The pre-audit sector of SAB played a pivotal role in studying the topics relating to the development of the road network in Kuwait. This role involves verifying the pricing of the bills of quantities (BOQs), as well as coordinating with the concerned entities to provide a cost balance sheet that corresponds to the prevailing prices of the local market. This would serve to ensure the protection of public funds by finding the lowest prices for executing the maintenance works.

Further, SAB is keen to continue its audit role prior to signing the contracts. It requests the competent MPW officials to examine the list of sub-contractors and ensure their fulfillment of all requirements of the project before being approved. The MPW is also requested to coordinate with all entities relevant to the facilities, major linkage services, and the existing services. Such coordination is deemed imperative to avoid any potential conflict between the existing and future services caused by obstacles faced in project worksite or the delay in issuing the necessary licenses. Poor coordination between the different relevant entities would, therefore, result in delays in the development projects of the State or may entail losses to the public funds due to the potential compensation that the State has to pay for in return.

The role of SAB in assessing the efficiency and effectiveness of the road network and its preparedness for the rainfall season “Emergency Plan”:

Since the emergence of the heavy rain implications problem that aroused last year, the State Audit Bureau, through its post and pre-audit functions, has taken part in studying the causes and justifications for this problem in order to avoid

any future recurrence. It has carried out the assignment of the National Assembly, through which SAB was entrusted to study the justifications and causes of this problem and present its recommendations on how to prevent its recurrence in the years to come. In April 2019, the report of SAB was submitted to the National Assembly in this regard. SAB has also participated in the investigation committees that were formed by the National Assembly on the implications of the heavy rain problem in Kuwait.

Another key role of SAB was demonstrated in studying and auditing the emergency plan for the coming rainfall season, which included temporary solutions for the problem. A total of (5) change orders pertaining to 5 ongoing construction contracts were studied and granted the pre-approval by SAB. The estimated cost of these change orders was (KWD 6,102,482/ 433). It is worth mentioning that the studies that were undertaken by SAB on these change orders and the contracts relating to the preparedness for rainfall season had resulted in a direct saving of (KWD 614,077/ 557).

In addition, SAB has studied the change orders for a number of topics relating to the preparedness for rainfall season in order to assess the readiness of the MPW and its preparation of a comprehensive study and plan to develop and elevate the efficiency of the road network in Kuwait. The study of SAB resulted in a wide range of key recommendations. It has recommended that the relevant entities cooperate with each other and coordinate with the geological studies team in order to ensure the appropriateness of the solutions presented in the plan. SAB has also underlined the need to consider remarks of the Environment Public Authority upon setting out and implementing the solutions presented for the rainfall season. This is in addition to the need to synchronize works pertaining to the change orders of these contracts with the works required by the overall plan, which shall be implemented in cooperation with the concerned entities upon the

assignments of the Council of Ministers. These works shall be fully executed prior to the onset of the rainfall season. SAB also recommended that the MPW investigate whether the primary purpose of the change orders to be issued on these contracts is to avoid and prevent any potential damages and implications caused by heavy rainfall and floods, pursuant to the government committees' recommendations contained in Order No (115) that was issued by the Council of Ministers in its meeting No. (4/2019) on 28/1/2019.

The change orders studied by the pre-audit sector of SAB include:

1. Change Order No. (2). This change order was made on the MPW contract No. 264, which relates to addressing the implications of floods and heavy rainfall on Mangaf Tunnel. It was issued based on the assignments of the Council of Ministers with respect to implementing solutions that guarantee the protection of urban areas in Kuwait from damages caused by flash floods and ponding during the coming rainfall seasons.

The change order included the execution of a water channel in Sabahiya area to accommodate the excess rainwater flooding from Sabahiya's rain drainage and therefore stop its flooding to Mangaf Tunnel, which is considered one of the critical and most seriously-affected areas by the heavy rainfall disaster. The proposal to be implemented is part of the overall proposal to mitigate the effects of floods and heavy rainfall on both Sabahiya area and Mangaf tunnel before the coming rainfall season. Several parties from the different competent ministries will take part in the implementation of this proposal, which shall be undertaken until alternative durable solutions are found and implemented to protect such areas from flash floods.

2. Change Order No. (1) on the MPW contract No. 223, which relates to addressing the implications of floods and heavy rainfall at the intersection zone between the 7th Ring Road and Kabd-Sulaibiya highway. It was issued based on the assignments of the Council of Ministers with respect to implementing solutions that guarantee the protection of urban areas in Kuwait from damages caused by flash floods and ponding during the coming rainfall seasons.

Change Order No. (1) included the implementation of a proposal on building artificial lakes to accommodate rainwater and floods in the area south of the 7th Ring Road and its intersection with Kabd-Sulaibiya highway, given that is particular zone is one of the critical and most seriously-affected areas by the rainfall disaster. The proposal to be implemented is part of the overall proposal to mitigate the effects of floods and heavy rainfall in the 7th Ring Road area before the coming rainfall season. Several parties from the different competent ministries will take part in the implementation of this proposal, which shall be undertaken until alternative durable solutions are found and implemented to protect such areas from flash floods.

The audit role of SAB in assessing the disaster response actions and plans and evaluating the way such plans, actions, and precautions are undertaken by the entities to ensure business continuity:

The State Audit Bureau of Kuwait has carried out a study on (69) entities out of the (88) government entities that are subject to its audit, which is equivalent to 78% of the total government entities in Kuwait. Throughout this study, these (69) entities were assessed in terms of their preparedness for responding to potential disasters. The study was intended to raise the awareness of decision-makers in the different government entities on the importance of planning to ensure their continuity of business and recovery from disasters. The decision-makers were

also encouraged to adopt the best practices in this domain. The study presents the overall status of the government entities and their preparedness to cope with disasters. Such information would provide a good basis for assessing the weaknesses within government entities and finding solutions that serve to elevate their preparedness and mitigate any potential risks. This is in order to guarantee the continuity of business within the government entities and to ensure provision and protection of services from severe damages or harm caused by disasters. The entities will, therefore, be able to cope with emergencies promptly, effectively, and systematically. They will also be capable of providing, at a minimum, the necessary services and tasks prior, during, and after the occurrence of disasters. These measures shall be continued until the entities fully recover from the suspension of its business and the harms caused. To that end, government entities shall pay more attention to business continuity plans, which serve to ensure the continuity of their functions and the provision of any assistance deemed necessary in this regard. Decision-makers are also encouraged to work in accordance with a well-set and manageable plan upon setting their business continuity measures in case of an emergency. Further, an effective plan shall be set within the government entities in order to manage the continuity of their IT-related functions and to ensure maintenance, availability, and protection of data from any manipulation or loss in the event of a disaster.

The study was concluded with findings on each individual entity. Four indicators have been used, including the general indicator of business continuity preparedness as well as the risk ratio in services and data, which were assessed in terms of their weight against the overall level of preparedness. The four aspects of the study (i.e., availability of the plan, management of the plan, inclusiveness of the plan, and training and testing) were thereafter assessed, and elements of the assessment were explicitly elaborated. Using these elements, the study explained

the preparedness of each individual entity for responding to disasters and ensuring the continuity of their business.

In addition, the pre-audit sector of SAB examined a number of change orders relating to the plan for improving roads of Kuwait and the asphalt mixture used for road paving. These change orders were also related to improving asphalt mixture specifications for urgent and emergency maintenance of highways. Afterward, SAB presented its approval on these change orders, providing that certain conditions are taken into consideration in order to elevate the efficiency of these change orders and to ensure the attainment of the primary objective of SAB's establishment, i.e. the protection of public funds. The most important of these conditions is to use the requested change orders for realizing the primary purpose upon which they were approved. Change orders shall be aimed at protecting lives and properties, ensuring the safety of road users, and mitigating the suffering of citizens by instantly developing and improving the asphalt mixture used in the road maintenance and execution projects which were incorporated in the MPW budget. These efforts shall be targeted towards achieving public interest and maintaining both the public and private properties. Another mandatory condition for change orders is to guarantee that the improved asphalt mixture is used by the MPW as an ultimate solution for avoiding flying gravel and ensuring the consistency of asphalt road paving. The MPW must also guarantee that the application of the asphalt mixture is valid and sound and that the approved mixture had successfully passed the required tests.

The role of SAB, in this regard, involves checking whether the use of this mixture will not result in a waste of public funds while ensuring that no damages will be caused by poor pavement. SAB also checks that there is no duplication or overlap between the works entailed by the change order plan and the original work plan or the current contract plans. Further, it is necessary to make sure that the change

order plan does not interfere with the damaged areas or the areas that remain under the 10-year insurance.

SDG 12: Responsible Consumption and Production



Improving the quality of life for all is a nation-wide objective that is to be achieved through a mutual call for adopting sustainable practices to protect the environment, resources, and energy. This objective entails enhancing efforts to support the application of eco-friendly consumption patterns and means of production, reduce amounts of waste, increase rates of national recycling, and reduce the use and degradation of resources in order to achieve sustainable management and ensure optimal use of natural resources.

In this sense, the State of Kuwait is working on the adoption of development policies, work plans, and projects that support the attainment of this particular goal. Accordingly, SAB is keen to support such efforts and promote the realization of their objectives. Given the vitality of the national water security and in line with the SDG 12, which underlines the need to ensure sustainable consumption and production patterns to increase production quality, reduce its costs, and mitigate its environmental impacts, an environment report has been prepared by SAB, entitled “Assessing the Efficiency and Effectiveness of the Ministry of Electricity and Water in Ensuring Sustainability of Fresh Water”. It is noteworthy that this step has come out of SAB’s desire to participate in ASOSAI WGEA cooperative audits on water environment protection. Further, the report was issued in view of the post-audit role of SAB and the 2017/2019

work plan of its environmental auditing team, which has a dynamic role in auditing the role of public entities in the protection of the Kuwaiti environment. The assessment carried out in the report was limited to the administrative units within the Ministry of Electricity and Water that are concerned with water issues. The primary objectives of the assessment can be summarized as follows:

- Assessing the efficiency and effectiveness of the Ministry of Electricity and Water in achieving water projects and providing high-quality freshwater without causing any harm to the environment.
 - Assessing the efforts of the Ministry of Electricity and Water in rationalizing the consumption of freshwater in accordance with the relevant laws, regulations, and policies.
- The report has dealt with the following aspects:
- Assessing the effectiveness of the Ministry of Electricity and Water in providing the State of Kuwait with its needs from high-quality freshwater.
 - Assessing the efficiency of the Ministry of Electricity and Water in reducing the cost of freshwater production and mitigating the environmental impacts of water desalination plants.
 - Assessing efforts of the Ministry of Electricity and Water in rationalizing the consumption of freshwater.
 - Assessing the Ministry of Electricity and Water in the completion of the major development and construction projects for freshwater production.

SDG 14: Life Below Water



The SDG 14 calls for conserving and sustainably using the oceans, seas, and marine resources to attain sustainable development. This particular goal shall be achieved under the framework of supporting the management mechanisms of water for being an international resource. Such support includes the activation of policies relating to the protection of the water environment and the reduction of marine pollution of all types.

In this sense, the State of Kuwait is keen to implement science-based plans on the management of marine resources. These plans are meant to assess the status of the marine environment in Kuwait and to identify the pertained difficulties and implications. They are also aimed at finding sustainable solutions for marine-related issues in order to ensure the protection of the marine ecosystems and the protection of biodiversity in the marine environment.

Supporting projects relating to the protection of biodiversity in the marine environment:

The State Audit Bureau of Kuwait, through its Training and International Relations Department, was keen to support projects relating to the protection of biodiversity in the marine environment. The Training and International Relations Department has incorporated relevant issues in the work plans of the different cooperation agreements that were concluded between SAB and other SAIs with successful experiences in this particular domain, such as the National Audit Office of Estonia (NAO). Accordingly, SAB hosted a joint symposium with the NAO on “Waste Management Issues (Hazardous Medical Waste): Marine Pollution and its Impact on Fish Stocks”. This symposium was organized on 25-

26/3/2019 under Phase 3 of the cooperation agreement concluded between SAB and the NAO.



In addition, a delegation of (3) SAB auditors has participated in the 2nd Meeting of Cooperative Audit and Research Projects of ASOSAI WGEA, which was held on 22-24/1/2019 in Bangkok, Thailand. SAB has also translated a number of publications relating to this particular area.

SDG 15: Life on Land



The environmental dimension takes up a great deal of space in the overall pattern through which the SDGs are formulated. Several areas of the development objectives are focused on adopting the concept of environmental protection as a basis for defining and directing its framework. Protecting ecosystems, including effective management, restoration, and promotion of sustainable use of the terrestrial

ecosystems, is one of the most important objectives. This particular objective is important for securing and preserving the natural and environmental resources' base. It would, thereby, contribute to protecting the right of the present and future generations to live in a clean and balanced environment.

Supporting biodiversity protection projects:

In keeping with its role in achieving sustainable development and being a leader and a role model for the dissemination of environmental and communal responsibility, the State Audit Bureau has ensured, in following up the design agreement of SAB's new north building, that the building is eco-friendly and meets the specifications of sustainable green buildings. In that spirit, SAB seeks to obtain the LEED (Leadership in Energy and Environmental Design) Silver Certification. It is worth mentioning that LEED is the most internationally recognized standard system for green buildings. It aims to increase the efficiency of the building on using energy and water to provide exhaustible resources and to protect and improve biodiversity while minimizing the impact of the building on climate change and the ecosystem as a whole. LEED system is also targeted at protecting the health and safety of the employees within the building.

Keen to promote awareness of the importance of green buildings and their role in attaining sustainable development, SAB has participated in a number of training programs in order to prepare and qualify SAB engineers to acquire professional certifications on green buildings, such as the certifications of the U.S system "LEED" and the Qatari system "GSAS". Such certifications would serve to scale up the efficiency of SAB staff and increase their knowledge on requirements of green buildings and their role in realizing sustainable cities and communities.

SDG 16: Peace, Justice, and Strong Institutions



The State Audit Bureau of Kuwait contributes to building effective institutions that operate within the framework of monitoring, accountability, and countering corruption. This contribution was meant to activate the control of SAB, which was empowered by the legislature, in combating all sorts of breaches to the financial interests of the State. The Establishment Law of SAB, Law No. 30 of 1964, sets out the financial offenses and the legal responsibility of the perpetrators. It also clarifies what penalties should be imposed on those violators through a disciplinary council, which is referred to as the Disciplinary Authority for Financial Violations. The role and mandates of the Authority have been activated in order to combat corruption, support the provision of access to justice for all, and build effective and accountable institutions at all levels.

Furthermore, SAB strives to support the regulatory environment for building robust institutions by promoting the principles of good governance. It also supports the establishment of a mutual infrastructure that enables the adoption of e-governance and promotes the execution of IT projects in order to keep abreast of the era of digital data.

Mechanisms for activating principles of accountability and anti-corruption: Activating the Role of the Disciplinary Authority for Financial Violations to Realize the Principles of Accountability and Anti-corruption

To make sure that the financial control of SAB, with its different sectors, is not limited to reporting its remarks and the disclosed financial violations, and in order

for SAB's control to be productive and effective, SAB has activated the provisions included in Section 4 of its Establishment Law. These provisions call for referring the perpetrators of offenses arising from the control of SAB to disciplinary trials before the competent Authority in order to achieve justice and accountability and, therefore, preserve the public funds.

Besides, SAB has prepared a report on findings of the study carried out by the team that is responsible for presenting SAB's vision with respect to the competence to refer financial violators to disciplinary trials. The report also included the team's response to the opinions denying this particular competence.

Efforts of SAB in promoting the notion of professional ethical conduct and enhancing the principle of integrity within its members:

Issuance of the Code of Professional Ethical Conduct

In its desire to apply new professional thinking to support the organizational and administrative capacities within, SAB devotes particular attention to applying the latest developments in the field of occupational and organizational work. This entails activating strategic thinking through adopting an organized work policy that is based on a system of well-planned and well-thought planning. Such a work system shall contribute to the creation of an administrative and technical structure with advanced vocational and scientific potentials that shall be in line with the rich history of SAB and its vast and extensive experiences, which were acquired over years of advanced administrative and technical work. In addition, SAB believes that strategic management is an effective tool for investing its available resources in order to achieve its primary task and mission, i.e., achieving effective control over public funds within the auditees in accordance with the best professional practices.

SAB also underscores the importance of realizing sustainable professional excellence and upholding its core values of independence, professionalism, continuous improvement, and promotion of accountability.

Given its belief in the importance of strategic planning, SAB has incorporated a strategic planning department within its organizational structure. The department shall be responsible for supervising the preparation, implementation, and evaluation of strategic plans and the institutional performance within SAB. It is also to define the programs and projects that are needed for the implementation of such strategic plans, in addition to findings solutions to overcome any difficulties or obstacles encountered in their implementation. Other tasks of the department include following up on the different sectors of SAB with respect to SDG implementation and their commitment to the strategy-related work systems. Besides, the department supports and monitors the work of the teams functioning under the Strategic Plan Follow-up Committee, which is a SAB committee that is responsible for following up and assessing the extent to which the SAB Strategic Plan 2016-2020 has been achieved. The department is also responsible for following up on the strategic plan forms that are presented by the different sectors and departments of SAB. It shall then contact those sectors on any feedback relating to the completion or proper filling of the presented forms. It is worth mentioning that the department prepared a report on monitoring the obstacles, recommendations, and proposals for the next strategic plan for the years 2020-2024.

Efforts of SAB in creating effective communication with the different institutions and groups of the community in order to introduce and promote the audit role of SAB and its significance; and the efforts of SAB in activating procedures to enhance transparency by publicizing and introducing its outputs and achievements:

The State Audit Bureau strives to achieve its aspired objective of ensuring the seriousness of auditees' procedures in handling the remarks and financial violations included in reports of SAB on the auditees' final accounts. It also believes that it is imperative to set out new rules and standards to assess and handle the procedures undertaken by the auditees in a comprehensive and objective manner. SAB has, therefore, adopted the concept of corrective action, which was prescribed in principle 7 of Mexico declaration (ISSAI 10) that was issued in 2007. Accordingly, a competent technical committee was formed with competencies that include drafting a proposal on the rules, standards, and forms pertaining to assessing the auditees' procedures in handling the remarks and financial violations that are reported on their final accounts. One of the major achievements of the said committee was the preparation of standards, rules, forms, and directives for calculating the total and partial score for seriousness. These rules and standards are characterized by the following:

- Providing a uniform context to be used by all audit sectors in calculating the level of seriousness.
- Providing the ability to measure the extent to which the entity cooperates with SAB on the preparation of the seriousness report by responding promptly to the requests of SAB.
- Providing the ability to calculate in numbers (percentage) the seriousness of entities' procedures with respect to handling remarks of SAB.
- Providing the ability to handle the frequent and continuous remarks of SAB throughout the previous years by deducting a certain percentage from the overall score of seriousness.
- Providing the ability to measure any emerging obstacles in handling the remark due to the delay in executing the procedures by the entity.

- Enabling the auditor to identify what actions have been taken to handle the remark and the projected dates for their implementation.
- Enabling the auditor to be familiarized with the external entities and their impact in handling the remark; this will therefore contribute to monitoring or referring any new remarks to other entities if such external entities are found to be hindering or avoiding the handling of the presented remark.
- Encouraging the auditee to disclose any data or information relating to the remark as well as to consider and find solutions for the remarks presented by SAB. The achievement of these steps will guarantee a higher score for the entity in the seriousness assessment.

Further, the committee delivered a total of (6) workshops, targeting the relevant audit sectors of SAB and featuring a number of applicable case studies from each individual sector. Throughout these workshops, the committee received a range of proposals and visions on the new rules and standards, which will contribute to providing an effective follow-up form to be used in monitoring the implementation of the remarks and violations reported by SAB. They will also contribute to realizing the ultimate goals of SAB with respect to the protection of public funds in cooperation with the different stakeholders.

SAB, on the other hand, works through a number of means and channels to achieve effective communication with the public and private community. Such channels include:

SAB's WEBSITE

The website of the State Audit Bureau is one of the main channels adopted by SAB to ensure effective communication with both the public and private

communities. It has undertaken the principles of transparency and disclosure as fundamental tools for allowing the access of all groups within the society to the audit works of SAB. Through its official website, SAB fully publishes its reports for the audit and review findings on the implementation of the auditees' budgets. In addition to these reports which are published through the website in an electronic format, findings of the National Assembly and the Council of Ministers' assignments are available for the readers as well. SAB has assigned a special page within its official website under the name of 'Citizen's Page', which supports the establishment of an interactive relationship between the citizen and the State Audit Bureau of Kuwait. This page allows for the engagement of citizens in defining the priorities of audit work as well as presenting their proposals to improve the performance within SAB and support its oversight role in the protection of public funds. It also serves to ensure the engagement of citizens in the fight against corruption through reporting any manifestations of corruption.

Periodical Publications

- Citizen's Report (2nd Edition).



In order to enhance the credibility and reputation of the State Audit Bureau and to improve its ability to make a difference in the lives of citizens by strengthening relations with stakeholders and those interested in SAB's audit output, SAB's

‘Citizen's Report 2019’ has been issued. The Citizen’s Report plays a significant role in enhancing the rule of law, reducing waste in public funds, as well as building effective and accountable institutions at all levels, which is one of the targets of the SDG 16. It is worth mentioning that the report has been translated into English by the Translation Section of the Department of Training and International Relations.

Effective professional contributions to enhance the principles of transparency and accountability in the functioning of SAIs as role models

The contribution of SAB in activating the procedures that enhance principles of transparency and accountability in the functioning of SAIs, as well as highlighting and improving the aspects of media within the GCC SAIs

The State Audit Bureau of Kuwait has a firm belief in the importance of communication with the community and the need to promote transparency and accountability in the functioning of SAIs for being role models. Accordingly, SAB made a detailed proposal on highlighting and improving the aspects of media within the SAIs of the GCC countries. This proposal was presented during the 12th meeting of the Secretaries of GCC SAIs, which was held in Oman on November 11-12, 2019. It aims at shedding light on the aspects of media within the GCC SAIs, improving the image of SAIs before the media and the citizens, and promoting the engagement of citizens, civil society organizations, and media in monitoring any misuse or waste of public funds.

Efforts of SAB in supporting the establishment of strong institutions:

The Quality Assurance Department of SAB works on improving and developing the performance and audit outputs of SAB in order to achieve the following:

- Enhancing the credibility and reputation of SAB and improving its ability in making a difference in the lives of citizens by strengthening relations with stakeholders and other parties that are interested in SAB's audit outputs.
- Instilling a culture of quality assurance within the different administrative levels of SAB in order to support and scale up the performance of SAB staff.
- Ensuring the quality of audit tasks at all its phases, as well as the quality of audit manuals and outputs by activating the audit quality system in the practice of audit works.
- Maintaining a high level of integrity, accountability, and efficiency in the functions and audit outputs of SAB.
- Providing an assessment tool to measure the institutional performance of SAB.

In this sense, SAB strives to highlight its role in achieving targets of the SDG 16 (Peace, justice, and strong institutions), which calls for promoting the establishment of sound and inclusive societies for all in order to achieve the desired sustainable development. It also focuses on providing access to justice for all as well as establishing effective and accountable institutions at all levels.

Within its efforts in ensuring the quality of audit tasks, SAB worked on carrying out a number of reviews that guarantee the quality of its audit tasks. The undertaken reviews included most of SAB's sectors while taking into consideration the international experience in this domain. These review tasks were geared towards improving and developing the audit performance to guarantee the quality of audit outputs.

SAB's efforts in supporting the regulatory environment for the application of good governance

Governance is one of the most important levers for building strong institutions. It is also a major requirement for realizing administrative management, whose application has become necessary to ensure the organization of work within the institutions and the application of good governance practices therein. This can be achieved through the development of appropriate and effective rules, regulations, principles, standards, and procedures for managing governance within an institution, achieving its plans and objectives, as well as ensuring tight oversight and quality and excellence in its performance.

SAB is keen to support the empowerment of institutions by applying the principles of governance and activating their mechanisms. This support was demonstrated through the efforts of SAB's audit team in general, and particularly the efforts of the governance team and its working groups that are concerned with the public sector and companies' governance. The governance team of SAB, in cooperation with the Committee of Professional and Audit Manuals and Standards and its subcommittee, has prepared a manual on the governance of the public sector and another manual on the governance of companies. These two manuals were translated into English by the Translation Section of SAB.

In addition, a number of workshops and training programs were conducted on the application of SAB's manual for the governance of the public sector. SAB also prepared the 2nd edition of the governance manual, which included the main themes that were presented in Kuwait Vision 2035 with respect to the principles of governance. This publication also included the best governance-related practices and the recent legislative changes taking place at the local and international scales in the field of governance. The governance team of SAB has

contacted all committees responsible for the preparation of the 2018/2019 annual report in order to incorporate a special section for governance within the chapter pertaining to the remarks resulting from the audit and review of each individual auditee. It has also coordinated with SAB's annual report committees of the different post-audit sectors to include the remarks reported on the application of governance principles under the remarks section in the annual report. Besides, these committees were asked to ensure the completion of the forms relating to the compliance of the government entities (i.e., ministries and government departments, public entities with an attached budget, and public institutions with an independent budget), which shall be duly filled by the audit teams of SAB. The forms were then collected in order to prepare the governance section in the indicators' report for the fiscal year 2018/2019. In this sense, the audit teams of both the companies' sector and the oil entities sector of SAB were requested to analyze all data included in the forms pertaining to the governance of listed and non-listed companies. The analyzed data was then collected by the concerned annual report committees in preparation for its inclusion under the governance section in SAB's indicators report for the fiscal year 2018/2019.

Further, the governance team supports the national strategy project, which calls for fighting corruption and fostering integrity and transparency in the State of Kuwait. To that end, the team had organized a meeting with the Kuwait Anti-Corruption Authority (Nazaha). The meeting resulted in including the item of governance in a number of agreements concluded between SAB and the other SAIs.

On the other hand, the Inspection Procedures Set-up Team of SAB's pre-audit sector has worked on the execution of the pre-audit inspection procedures set. This set is presented in a flexible and easy-to-use document that corresponds to all changes in the audit environment, laws, decisions, and the various circulars

relating to the examination of topics submitted to the pre-audit sector of SAB. These procedures have been set in light of SAB's General Audit Manual and in conformity with the audit guidelines for the execution of pre-audit functions as prescribed in the General Audit Manual. Both the General Audit Manual and the SAB's pre-audit guidelines serve as the key reference for this set.

The pre-audit inspection procedures set is aimed at:

1. Supporting, facilitating, and elevating the efficiency of audits for the different topics referred to the pre-audit sector of SAB.
2. Standardizing the audit procedures among the different audit teams of the pre-audit sector to reflect the institutional work within SAB.
3. Enabling easy access to the decisions, laws, legal opinions, and audit directives regulating the audit functions in the pre-audit sector.
4. Facilitating the periodic rotation of auditors within the different audit teams without compromising the quality of audit work.
5. Representing a paramount training tool that serves to train newly recruited staff in an explicit and simplified manner.

The implementation of this project started with a basic visualization of the development process and the attempt to upgrade the operational environment database and connect it to the primary machine of relevant programs. The operation also examined the impact and effect of upgrading/testing the database conditions, update the findings with the developers and testers to assess the effectiveness of the upgrade on the systems in terms of connectivity, functions, pace, soundness, and data accuracy. This leads to the development of the operational environment's database. It has been coordinated with the systems'

users to verify their soundness within the upgraded database. Therefore, all the databases were upgraded successfully.

External Biometric Attendance System's Project and its Integration with the System Currently Used in SAB

SAB is equipped with several biometric attendance systems to help auditors' clock in and out attendance at the outside entities and connect them to the attendance database to verify their fingerprint electronically without any manual intervention. A total number of 89 entities subject to SAB control had these systems installed, of which connectivity to the primary operating system is verified.

Replacing network's VPN Firewalls

As part of SAB's interest in keeping up with the developments in information security, the VPN firewall was replaced. A configuration, setting up, and connection of the new firewall to the intranet and internet were efficiently carried out.

Operating Office 365 Project

SAB is interested in providing the latest technologies to its staff. Therefore, Office-365 was installed. This program is an online Microsoft application that enables auditors to access and share their documents with their peers, track, and save duplicate copies. Office 365 offers numerous features that support the employees in conducting their tasks effectively.

Operating SAB IT Helpdesk Project

The System Center Service software offers electronic reporting assistance for staff members' problems/requests instead of asking through phone calls or paper forms. The system is equipped to receive and transfer requested services to the

relevant employees. It then automatically follows-up the users' requests status. The problems/requests are subject to a service-level agreement that defines the standards for delivering assistance. The beneficiary's satisfaction is measured with the services in later times.

Cyber Security Project

Cyber Security is the practice of defending systems, networks, and software from digital attacks, which typically target the access, modification, or damaging of sensitive information, blackmailing users, or boycotting businesses. In cooperation with the Kuwait Foundation for the Advancement of Sciences, SAB has measured staff awareness through the simulation of phishing e-mails that lead users to believe that they come from trusted sources. 90% of hack attacks originate from e-mails due to the lack of awareness in identifying and dealing with said issue. It has also been detected that the risk rate for e-mail users in SAB is 16.2%. As a result, SAB took illustrative actions, safe and correct measures when similar e-mails are received. SAB has also delivered comprehensive awareness campaigns to explain basic safety principles and ways to comply with them, such as selecting a strong password, paying attention to the attachments within e-mails of unknown sources, and ensure the backing up of data.

Development and Integration of the Automatic Systems

SAB is interested in developing the automatic systems at its organizational units based on their needs. Therefore, it resorts to its ad hoc department to guarantee connectivity and enhance these units' efficiency. SAB is also keen on achieving information security based on the applied international standards and implementing computer-based audit methods and e-archives for all its work. This conforms to SAB's second strategic goal of developing and supporting its

institutional and professional capacities. The executed projects in 2019 may be summarized as the following:

- The re-developing of the Audit Encyclopedia system (first stage) using modern technology. SAB is interested in utilizing the latest features of automated systems. These systems consist of 28 requirements (new and improved) approved by the Maintenance and Main Operations Improvement teams.
- Purchasing project of an archiving and internal correspondence ECM automated system for all SAB sectors. The project's application and operating system are partially executed; the executing company is followed-up during the final stages of the project execution.

Supporting SAB auditors' capacities through Computer IDEA project

Utilizing the IDEA project to support SAB auditors' capacities helps improve the audit process, particularly in examining the data extracted from auditees. The program contributes to detecting the observations that are relevant to public funds. Accordingly, the Information Technology Department surmised that this project should be part of its operational plan to guarantee its execution and generate more audit outcomes. In 2019, the third phase of the project was finalized. This phase's planning was very different from any previous ones in terms of the diversity of the applied instruments and the contributions of audit sectors in sharing their success stories in the sectors that have emerged due to IDEA. In 2019, several orientation seminars were delivered to introduce and explain IDEA's main functions and demonstrate the auditors' success stories in using this program. The sessions enhance awareness about the program's uses while employing competitions and interactive activities to encourage auditors to

embrace it. A special link to a sub-site of the IDEA support team was added to SAB portal to facilitate and promote communication with the concerned specialists.

Furthermore, the link presents the auditors with relevant scientific materials on using the program for their reference. The materials are meant to enhance the auditors' skills in conducting audits using modern computerized technology in alignment with the INTOSAI audit standards and recommendations. The web page also explains the program and ways to utilize it and an English translation for the illustrated texts.

Technical Procedures and the Quality Management System Upgrade

Through its concerned department, SAB is eager to keep up with the latest international quality management developments within information technology to guarantee its compliance with its standards and achieve high-quality outcomes of its technical outputs. The following has been carried out:

- Set up information technology policies to serve all SAB personnel to employ and generalize the technological assets' uses, and enhance and activate said policies by promoting and following-up their application.
- IT operations governance framework project aims at keeping abreast of the IT procedures approved by the Central Agency for Information Technology. SAB is committed to delivering technical services to its staff based on the standards and regulations of internationally recognized information governance frameworks to elevate the quality of the products and technical outcomes. In 2019, following excessive examinations of existing disparities, a significant part of the procedures and their implications on the approving department were documented.

- Set up procedures to combat crises and risk management. The IT Department has given significant consideration in developing precautionary measures to face any potential risks and obstacles. This is particularly important in providing valid data for the most prolonged periods possible and protecting it from loss or damage. A research was conducted to assess how the discontinuity of services and systems can affect SAB's work in general and auditors' work in particular. The study covered the technical systems, the building's services and regulations, and the risk management of technical systems by defining each asset's weaknesses and the potential risks. It is essential to understand the extent to which risks affect the assets, determine the probability of risk occurrence, and evaluate the risk and its impact on each asset. Moreover, a team consisting of the relevant department members conducted field visits to leading entities such as the Central Bank of Kuwait and Kuwait Petroleum Corporation. The team was exposed to these entities' experiences in developing continuity plans and testing evacuation plans. Therefore, the team's work plan was modified to include all the conclusions drawn from the visits. The report is developed to include the technical recommendations required to face crises and methods to efficiently and professionally manage risks.

SDG 17: Partnerships for the goals:



SAB leads by example in supporting institutional capacities, dissemination of information, and knowledge exchange. Consolidating the principle of partnership and professional cooperation and embracing the knowledge exchange policy in coordination with professional institutions and organizations, SAB has adopted

progressive policies and strategies to utilize the opportunities that emerged via disseminating information and experiences. Realizing professional practices and understanding their outcomes and, displaying experiences, and taking part in their assessment have played a crucial role in this process. Accordingly, SAB organized and took place in many activities and events, including several official participations of its representatives in professional and cultural meetings, events, and assemblies, to name a few:

Incorporate the concept of mutual responsibility in the achievement of sustainable development goals through effective communication with stakeholders, supporting capabilities, and activating national control mechanisms to protect public funds:

SAB strives to apply scientifically addressed principles and regulations, specialized methodological systems, standards and approved professional instruments to guarantee the efficiency and effectiveness of its functions. Plans and work programs are developed per SAB strategies to focus on the continuous improvement of the institutional efficiency across all sectors and endorse professional performance with the latest cumulative intellectual notions within the audit field. At the same time, they also enhance the capacities of SAB auditors. The responsibility of SAB is not limited to the control aspects. It extends to bridge the gaps to support and cooperate with its auditees in finding adequate responses to the obstacles that hinder their optimal execution of the applied policies and budget plans. SAB encourages and assists its auditees in developing early detection methods to disclose any deviations and therefore help them face and combat corruption based on the concerned rules and regulations.

SAB has been analyzing development plan projects for the fiscal year under investigation. A review plan was approved and set up, and an examination and audit operations were conducted based on the employed plan.

SAB completed the periodical reports on each auditee for the fiscal year 2018/2019. It also conducted the annual report on the review's findings and examination processes of the entities' budget execution and final accounts for the same fiscal year. The information intends to verify the financial statements' validity and accuracy relevant to the actual expenditures and the collected revenues. It also follows the mobility and settlement of extra budgetary accounts at the end of the concerned fiscal year. The report further assesses the properties and assets, including the significant financial violations of all SAB's auditees and the procedures carried out in this regard.

SAB completed several memorandums supported with the relevant legal opinion regarding topics under its area of specialization. It held meetings with auditees' officials to discuss the observations and financial violations and set the appropriate approaches to eliminate and tackle their implications accordingly.

SAB developed a statement that included the main findings of analyzing the entire statement of the state finance department's final accounts. SAB further displayed the observations that are repetitive and may be considered as a general phenomenon. It also highlighted significant aspects to be disclosed or the parts that must be considered.

Institutional Performance Development and Support Projects:

SAB is keen to achieve distinction in its professional performance and confirm its role as a significant partner that supports its auditees' working mechanisms through conducting the required studies that develop their performance level and

efficiency. Among SAB efforts in this field are the circulars no. (8) and no. (9) of 2019, issued on auditing the recruitment decisions. Said circulars are in conformation with the articles (10) and (12) of the Law no. (30) of 1964 of SAB establishment, of which are significant to the financial implications that succeed the administrative resolutions. SAB objection and its decision to terminate a resolution by the force law provide the administrative body an opportunity to review the legality of the decision and either null or withdraw it had it not been legitimate. This contributes to limiting the referrals to administrative entities with cancellation or compensation cases.

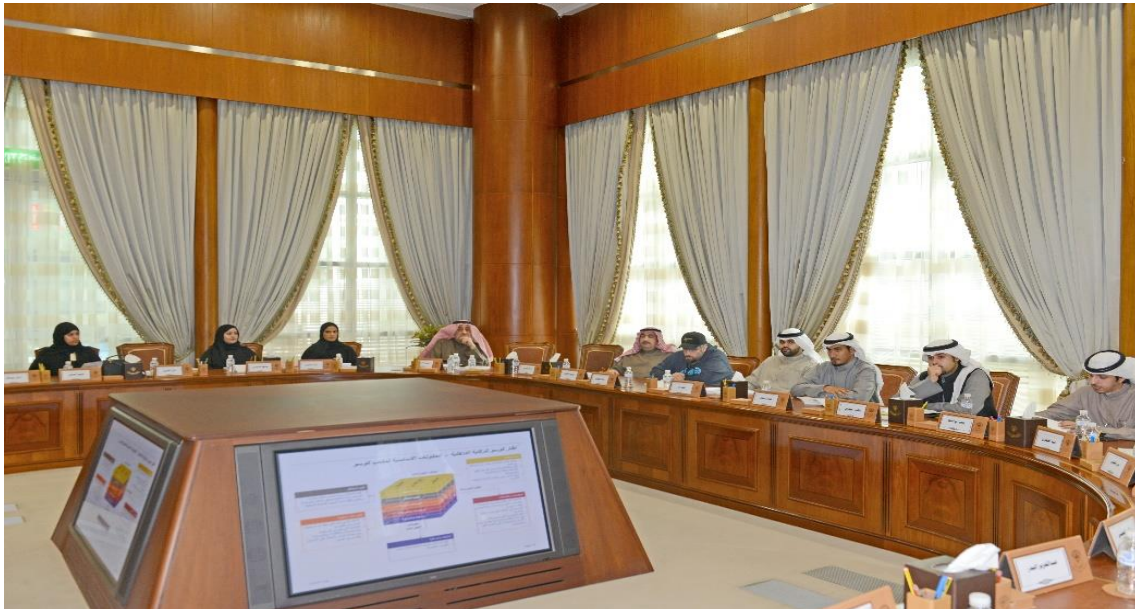
With the assistance of the working group on developing circulars, SAB created a work plan to ensure the clarity of the issued circulars and the explicitly of their contexts and procedures. These circulars should be clear as they are considered a roadmap and comprehensive instructions to audit the recruitment decisions. The operations were carried out as follows:

- Overview of all kinds of recruitment decisions in the entities subject to audit.
- Classify decisions based on legal deadlines.
- Develop surveys targeting all audit sectors to understand the mechanisms applied in auditing the recruitment decisions and the auditees' commitment to providing SAB with such decisions. The surveys also aim to uncover the difficulties that face the audit teams and demonstrate their recommendations to improve the audit mechanism.
- The survey results are categorized, and each sector's data is analyzed to uncover the difficulties that face the audit teams and tackle them in future circulars.
- Based on the survey findings, there have been many meetings between team members to develop circulars and its attached business models.

- Elicit feedback from all the concerned departments and post-audit sectors regarding the proposed circulars and the attached models. Their remarks are carefully considered, and it has been agreed on what to apply.
- Circulars no. (8) and (9) of 2019 were issued on 9/6/2019. The circulars were to take effect in October 2019. The circular no. (9), which addresses the entities subject to SAB control was published in the Kuwait Al-youm newspaper, the official gazette on Sunday 27/10/2019.

SAB was eager to introduce the issued circulars and emphasize their importance. In the light of this, circular no. (9) of 2019 was generalized and e-mailed to all SAB auditees. Additionally, an introductory lecture on the circular and several 8-hour training workshops was organized. 67 auditors of different audit sectors attended the events. The workshops explained the auditees' legal obligations and audit teams' role in this regard. The workshops also covered practical applications of the models attached to the circulars. A study material was developed under the title "An Introduction to Recruitment Decisions' Audit". This program presented the main principles relevant to circulars no. (8) and (9) of 2019. An awareness-raising competition was organized to disseminate a knowledge culture and encourage the contemplation and exploration of the circulars. Social media and e-mail are also utilized to promote and introduce the circulars to the entire audit teams.

Auditees' Internal Control Systems Support Project on Internal Audit Approach in Public Bodies



SAB adopted a project to support internal audit units in the public entities in coordination with the General Secretariat of the Supreme Council for Planning and Development and the UNDP office in Kuwait. This collaboration took place to develop the auditors' capacities, inspection process, and audit offices' staff at the auditees. It aims at delivering professional support to the established internal audit units based on the Council of Ministers' resolution no. (383) of 2011.

The project intends to support the internal audit units at the public entities to enhance the internal control systems within the entities subject to SAB control. It also focuses on amplifying its internal audit units and equipping the concerned units with the required professional assistance, and developing the auditors' capacities in this field. SAB formed a project team to support internal audit units in the public entities. In coordination with the General Secretariat of the Supreme Council for Planning and Development and cooperation with the UNDP office in Kuwait, SAB team has proposed this project to ad hoc international agencies to

be implemented in alignment with the latest international standards of internal audit. A contract was signed with Price Waterhouse Coopers to execute the project, and the operations took place on 24/06/2018. The project consisted of four stages that were carried out as follows:

1. The stage of gaps analysis for the inspection and audit offices:

The work of internal audit units in 35 government entities was examined. An internal report was developed in this regard. It is found that 75% of public bodies face a large gap, whereas 11% of the entities face a moderate gap, and 14% of them encounter a small gap.

A gap analysis report was issued. The internal audit practices at the government entities' audit and inspection offices were compared, focusing on the best practices in internal audit and analysis. The practices were examined based on the display of findings of the general framework requirements of the fundamental standards for internal audit.

2. The stage of developing an internal audit approach (the internal auditors' guidelines):

- A general understanding was formed, and a status analysis of the internal audit offices and departments was conducted within the selected entities based on the received documents.
- The approach contents were drafted and reviewed by the working team.
- The internal audit approach was issued.

3. The stage of developing an approach to evaluate the quality of the internal audit (Detection, Evaluation, and Quality Insurance system Guideline):

- The evaluation approach contents were developed based on the selection and assessment criteria (descriptive standards: defines the characteristics

required by the institutions and individuals practicing internal audit/performance criteria: addresses the nature of internal audit and defines quality standards to assess the delivered performance services).

- An internal audit quality assessment was issued.

4. The stage of developing and conducting training:

Project team members prepared for the execution of the training plan that covers the approaches. The training includes the following programs:

- Provide training to SAB personnel on the internal audit and SAB internal audit quality evaluation approaches (137 participants).
- Provide staff in government entities with training on the SAB auditees' internal audit approach (133 participants).
- Train the trainers (52 participants), (31 trainers are SAB auditors), and (21 trainers from public entities).

The project was finalized in March 2019; the recommendations were presented to SAB's senior management to optimize the work's efficiency and improvement at the audit and inspection offices. The recommendations are summarized as the following:

- Employ the internal audit approach in a manner that aligns with the objectives of the internal control support system project and set off the functions of inspection and audit offices within the government entities through corresponding with the Council of Ministers to examine the possibility of passing a resolution that compels public entities to apply this approach.
- Present internal audit offices' evaluation approach before the Standards and Guidelines committee to examine it before its approval.
- Deliver training programs for the entities that did not participate in the internal audit program to disseminate knowledge on the internal audit

approach through SAB auditors that were trained and groomed by relevant courses.

- Include programs on the two approaches within the annual training plan and the newly recruited training plan.

The letter no. 4/1/1-5093 was delivered to H.E, the Deputy Prime Minister, and the State's Minister of Council of Ministers' Affairs. The letter includes:

- In light of the Council of Ministers' endeavor to achieve the Development Plan of Kuwait 2015/2016 - 2019/2020, particularly its third direction "facing the challenges of corruption and enhancing the efficiency of the state's administrative body," it is necessary to consider a new resolution by the Council that compels public entities to apply the concerned approach. That is to achieve the development plan derived from H.H the Emir's vision of Kuwait 2035, and guarantee the success of the project adopted by SAB of which corresponds to the Council of Ministers' resolution no. (283) of 2011.
- Continue to train all the staff at these units to work based on the given elements. A number of 52 staff members from SAB and various government entities were trained. The trainees are able to deliver these training programs to their peers in the future.

The letter no. 3/1/1 - 5090 was delivered to H.E, the National Assembly's Speaker, presenting the findings and outcomes of the different project's stages.

- In July 2019, a presentation was delivered to H.E, the Prime Minister, and H.E, the National Assembly Speaker. It demonstrated the projects' stages, main recommendations, and findings. The Internal Audit Approach was then sent to the Standards and Guidelines Committee.

Enhance cooperative partnerships through collaboration with international institutions:

The collaboration with the World Bank for consultancy services to support SAB institutional capacities.

To improve and develop the work environment, SAB has been keen to enhance its functions and audit reports by supporting its personnel's capacities and continuous development of the audit procedures and approaches through a special team. The team is responsible for contemplating and developing a risk-based audit approach. The team also developed " the Teams' Feedback Memorandum on the Risk-based Audit Approach Guidelines to be Prepared under SAB Audit and Professional Standards and Guidelines Committee." Accordingly, the team has initiated its work through collecting, contemplating, and analyzing the contents of SAB's audit guides and the experiences of its different sectors. The team also considered the most significant elements mentioned within the audit standards, guidelines, international organizations, and other supreme audit institutions' experiences. The team has also participated in several training courses abroad and official visits to other SAIs to be acquainted with their experiences.

SAB enhances collaborative partnerships through cooperating with international institutions. On 14th of May 2019, SAB signed a collaboration agreement with the World Bank. In light of the partnership program, the World Bank provides SAB with technical support in Risk-based Audit Approach drawn from the competence derived from its actual experiences with various SAIs. Several phone calls, meetings, e-correspondence, and workshops took place between the two parties to develop guidelines that elevate the audit level and employ a special risk-

based audit approach as a foundation for the audit procedures. That is achieved through the following:

- Recognize the World Bank experiences and ad hoc proficiency in risk-based audits, developing guidelines, and cooperation with other nations in this regard, such as Iraq, Georgia, and Azerbaijan.
- Understand the World Bank's experience and expertise in improving the quality of work.
- The World Bank provides technical support to SAB according to the partnership program. The implementation stages after the agreement were the following:
 - Evaluate SAB's current risk-based audit capacities to develop particular relevant strategies.
 - Apply a strategy and a comprehensive risk-based audit to steer the execution plan and define a relevant deadline.
 - Set up a risk-based audit guideline that provides instructions on the planning and execution of risk-based audits.
 - Set up a sustainable training mechanism in SAB within risk-based audits.

Enhance Cooperative Partnerships through Collaborating with Public Institutions:

SAB is keen to perform its duties effectively through efficient contribution and cooperation with various technical support entities and institutions concerning their applied procedures. Based on its prolonged professional expertise, SAB provides its technical opinion on the proposed legislation and suggests any required modifications to the currently used regulations.

To execute the said role effectively and efficiently, a special technical committee was formed. The committee is named the “Standing Technical Committee for SAB’s Circulars, Technical Recommendations, and Audit Reports.” The committee is responsible for issuing an opinion on drafts of laws, regulations, and circulars. It consists of SAB’s financial and legal specialists who represent all SAB sectors. SAB provided the committee with the required elements of success to carry out its purpose efficiently. Based on its specialty field, the committee examines the topics and proposals delivered to SAB and those referred to it by SAB’s Senior Management and different sectors. The committee also initiates research on emerging issues that require further investigations and instructions. It also contemplates topics published in the national gazette "Al-Kuwait Al-Youm" that are mainly relevant to SAB functions and specialty. The matters would further be referred to SAB’s concerned sectors to take the required measures. The committee also examines and provides opinions on external issues.

Among the main topics referred to the committee in 2019 are:

- On 14/1/2019, an opinion was provided on the study "Differences and the Dual Jurisdiction between the Ministry of State for Youth Affairs and Youth Public Authority.”
- The letter received from the Ministry of Finance no. REG-2019-04214, on 17/02/2019, requests SAB opinion or recommendations on the circular draft on government bids. A sub-team was formed to contemplate the circular draft and propose a memorandum with the recommendations and opinion deemed necessary by SAB. The memorandum was attached to SAB letter to the Undersecretary of the Ministry of Finance no. 1/1/22-1725 on 13/03/2019.
- Examine the proposed circular projects on the recruitment decisions’ audit mechanism based on articles 10 and 12 of SAB Establishment Law no. 30

of 1964. Review the execution mechanisms of the auditees' obligations based on the articles stated in SAB Establishment Law. The circular proposals no. 8 and 9 of 2019 were delivered to the Senior Management on 09/06/2019.

- The Ministry of Finance's letter no. REG-2019-11956 on 12/05/2019 proposing that SAB provides its observations and recommendations on the 2018's circular no. 5. The circular revolves around developing estimations for the budgets of ministries, government units, and subsidiaries based on the budget classification (cash basis) for the fiscal year 2020/2021. A subgroup was formed to examine the circular and provide relevant recommendations and observations. On 30th of May 2019, SAB delivered letter no. 1/1/22-3759 to the Undersecretary of the Ministry of Finance containing all the relevant details.
- A sub-team was formed to examine SAB sectors' recommendations and modifications to be included within the execution principles of the budgets of ministries, public units, and entities of independent and dependent budgets for the fiscal year 2019/2020 and consider implementing them for fiscal year 2020/2021. The Ministry of Finance is to be reported with said recommendations as soon as they are finalized and approved by SAB Senior Management.

In light of Goal 17, SAB has organized several meetings with public institutions to enhance cooperative partnership and collaboration with government entities, among which are:

1. The Ministry of Health (MoH):

- On Sunday, 6 January 2019, the Pre-Audit and Technical Support Sector, representing SAB held several meetings with the

representatives of the MoH. Discussions and presentations on SAB's main observations of pre-audit on the MoH in 2018 were delivered. The purpose of this interaction is to pinpoint the Ministry's deficiencies and to find solutions that hinder their future recurrence. It has been consensually agreed to provide a three-month grace period to take corrective actions towards these observations. Another meeting is to be held to inform SAB about the Ministry's corrective measures in this regard.

- On Thursday, 11 April 2019, the second meeting was held. It was attended by the Acting President of the State Audit Bureau, the Minister and Undersecretary of Health, the assistant undersecretaries, and departments' directors of the MoH. A presentation was delivered to illustrate the central, constant, and emerging observations since the last meeting. A comparison between the Ministry's performance before and after the previous meeting was also made.
- On Wednesday, 1 May 2019, team representatives of the Social Affairs Pre-Audit Department in SAB held a meeting with the MoH Assistant Undersecretary of Medical Supplies and Medicine. The meeting took place at the premises of the Central Medical Warehouse Management. The parties reviewed and discussed the Ministry's corrective measures in light of SAB recommendations in previous meetings. The purpose of this notion is to avoid observations on the Ministry in the area of pre-audit.

2. The Public Authority of the Individuals with Disability:

On Tuesday, 16 April 2019, SAB representatives visited the Public Authority of the Individuals with Disability to explain circular no. (6) of 2018. The participants delivered a presentation on the articles of SAB circular no. (6) of 2018 on completing all the required documents before presenting them to SAB pre-audit to avoid any project delays due to the Authority's lack of compliance with the circular's articles. Another meeting was then held with the Authority at SAB's premises to discuss prosthetic devices' issues. Other corresponding matters were reviewed, such as the Central Agency for Public Tenders' exceptions and the mechanism to be followed until the end of the current financial year and the work mechanisms to be observed in the future.

3. The Ministry of Defense:

- On 18 March 2019, a SAB's team paid a visit to the Ministry of Defense (MoD) to discuss recurring observations on the Ministry's topics and other matters relevant to the contracting procedures through foreign military sales (FMS) and clarify the main observations on confidential issues.
- On 1 July 2019, SAB representatives visited the MoD to introduce its personnel to its circular no. 6 of 2018. SAB team highlighted the key documents to be attached when delivering the topics before SAB and stressed the importance of completing all required documentations when corresponding with SAB. The team also mentioned how to limit documents turndowns due to non-conformity with the relevant circular and ways to reduce the time to examine the topics.
- On 26 March 2019, SAB representatives visited the Armament and Procurement Authority. They met with the Chief of Defense Staff to

discuss the main observations and corrective measures to avoid future recurrences, particularly concerning direct contracting.

4. Kuwait National Guard:

- On 28 January 2019, SAB and Kuwait National Guard representatives met to discuss main and recurring observations in the presented topics. Among the addressed issues was the National Guard's failure to equip companies to carry out the required duties. Consequently, the National Guard has prepared an excessive number of companies due to the link added to its official website to register and get equipped. This limited the notion of direct contracting and supply, specifically in inviting bids and applications to obtain competitive prices and preserve public funds.
- On 1 July 2019, SAB representatives visited the National Guard Headquarter to introduce SAB circular no. 6 of 2018. The recurring observations were discussed. The documents that should be included when presenting topics before SAB were highlighted to limit documents' turndown due to non-conformity with the relevant circular and limit the required time to examine the issues.

5. The Ministry of Interior (MoI):

- On 23 May 2019, SAB Acting President notified MoI with a letter, highlighting the most significant indicators and occurrences detected during the examination of the topics presented before SAB pre-audit. The letter also discussed the observations that emerged from the review and examination processes of the fiscal years 2017/2018 and 2018/2019.

- The MoI responded to SAB, stressing that the Ministry has taken the letter into consideration. According to its letter no. 13147, on 20 June 2019, the Ministry affirmed that all SAB's observations were taken into account to avoid future recurrences. The Ministry also stated that it is committed to taking the required actions to prevent any other issues.

6. The Ministry of Foreign Affairs (MoFA):

- On the 23rd of May 2019, and based on the cooperation and communication principles, SAB Acting President forwarded a letter to the MoFA. It demonstrated pre-audit observations derived from examining the Ministry's procedures for the different types of contracts executed and signed abroad to meet diplomatic missions' needs. The Ministry's response was the following:
 - The Ministry has formed a committee to examine the bylaw organizing residences' lease of the head of diplomatic missions and other diplomats abroad.
 - When presenting topics before SAB, MoFA reports all its measures based on the concerned committee's study. This notion contributes to the prompt completion of SAB examination and the issuance of pre-audit letters in shorter periods.
 - On 10 October 2019, a meeting was held between SAB and MoFA representatives to introduce SAB circular no. 6 of 2018. The meeting highlighted the essential documents to be attached when presenting topics while addressing the importance of submitting all the required papers during the SAB correspondence. This notion aims to limit the turndown of documents due to non-conformity with the concerned

circular. Consequently, this procedure will minimize the required time to examine topics.

Enhance cooperative partnerships through professional collaborations on an audit institutionalization level (international, Arab, and regional).

SAB is keen to enhance cooperative partnerships through professional collaborations on an audit institutionalization level (international, Arab, regional). Toward that end, SAB joined professional organizations, committees, and working groups relevant to sustainable development. SAB played a role in supporting institutional capacities by disseminating information and exchanging knowledge and expertise. Additionally, it has presented an example of best practices within the field among other SAIs, namely:

Committees and working groups within the General Secretary of GCC SAIs that SAB is affiliated with:

- The Development and Training Committee for the GCC SAIs' staff members.
- Audit principles' team for SAIs.

SAB memberships in the ARABOSAI committees:

- The Audit on SDG Committee
- Strategic Planning Committee
- Institutional Capacity Development Committee
- Audit and Professional Standards Committee

- SAB memberships in the ASOSAI committees:

- The Sub-regional Working Group on Environmental Audit

SAB memberships in the INTOSAI's committees in 2019:

- The Working Group on SDGs (WGSDGs)
- Sub-committee on Peer Reviews

SAB also participated in events associated with the audit committees and working groups. A total number of 101 participants have joined 32 events, based on the following table:

First: The INTOSAI events:

Subject	Date	Venue	No. of participants
Meeting of the Financial Audit and Accounting Subcommittee (FAAS)	26-28/3	UAE	2
The 12 th meeting of the Working Group on Value and Benefits of SAls	1-2/4	Austria	2
12 th Meeting of the INTOSAI Working Group on Key National Indicators	2-4/4	Slovakia	2
28 th Meeting of the INTOSAI Working Group on Information Technology Audit	2-3/4	Fiji	2
Seminar "Auditing the Performance of IT Audit"	4-5/4		
The 3 rd annual meeting of INTOSAI Working Group on Big Data	25-26/4	Denmark	2

Subject	Date	Venue	No. of participants
The annual meeting of the INTOSAI Working Group on Public Debt	23-25/5	Azerbaijan	2
The 4 th meeting of the INTOSAI Working Group on the Audit of Extractive Industries	27-29/5	Philippines	2
Meeting of the Capacity Building Committee	1-3/7	Japan	5
The 19 th Meeting of the INTOSAI Working Group on Environmental Audit	6-9/8	Thailand	2
INCOSAI XXIII on "Information Technology to Develop Public Administration"	23-28/9	Russia	8
Joint Biodiversity Conference of EUROSAI WGEA and the European Court of Auditors	22-24/10	Luxembourg	4

Second: The ASOSAI Events:

Subject	Date	Venue	No. of participants
The 2 nd Working Group Meeting on Cooperative Audit on Water Environment Protection	22-24/1	Thailand	3
The 2 nd Working Group Meeting around the Research Project on the	1-2/4	Austria	3

Subject	Date	Venue	No. of participants
Application of Big Data in Environmental Audit			
The 1 st Meeting of the Working Group on Developing the ASOSAI 12 th Research on "Audit on the implementation of SDG- utilizing digital and big data to achieve SDGs" in 2019-2021.	25-27/2	UAE	2
The 54 th ASOSAI Governing Board Meeting	23-24/7	Kuwait	12
The 1 st Working Group Meeting of the ASOSAI 12 th Research Project on "Audit on SDG implementation - Utilizing Digital and Big Data to Achieve SDGs" from 2019-2021.	25-27/2	UAE	2

Third: ARABOSAI Events:

Subject	Date	Venue	No. of participants
The 13 th Meeting of Institutional Capacity Development Committee	21-24/1	<i>Morocco</i>	3
The 3 rd meeting of the Environmental Audit Committee	28-31/1	<i>Tunisia</i>	1
The 12 th meeting of the Audit and Professional Standards Committee	27-30/1	<i>KSA</i>	2

Subject	Date	Venue	No. of participants
The 10 th ARABOSAI meeting of the Strategic Planning Committee	17-21/2	<i>Kuwait</i>	6
ARABOSAI stakeholders and heads of SAs meeting on Auditing of the implementation of SDGs.	17/3	<i>Tunisia</i>	3
The 57 th meeting of the Governing Board	18-20/3	<i>Tunisia</i>	6
The 4 th meeting of the Environmental Audit Committee	2-5/9	Jordan	2
The 13 th meeting of the Audit and Professional Standards Committee	9-11/9	Egypt	2
The 14 th meeting of the Institutional Capacity Development Committee	16-18/9	Tunisia	2
The 11 th meeting of the ARABOSAI Strategic Planning Committee	6-9/10	Algeria	2
The 58 th meeting of the Governing Board	10-11/11	Qatar	6
The General Assembly's 13 th meeting and the 2 nd Technical Symposium on "Development Project in the Arab SAs"	12-14/11		8
The 59 th meeting of the Governing Board	14/11		6

Fourth: GCC General Secretary Events:

Subject	Date	Venue	No. of participants
The 27 th meeting of the Training and Development Committee of Personnel at the Control and Audit institutions.	1-2/5	KSA	2
The 20 th meeting of the Undersecretary of GCC SAIs	11-12/9	Oman	3
The 16 th meeting of GCC SAIs' Presidents	17/10	Oman	5

SAB is keen to participate in events where stakeholders are present. That is to emphasize the concept of partnership. Two participants have joined the meeting of SAIs' presidents on the audit on the implementation of SDGs titled "SAIs Making a Difference" at the UN headquarter in New York.

SAB had also hosted six different events under the umbrella of the ASOSAI and ARABOSAI in 2019, they are:

	Subject	Date	From SAB	
			No. of participants	Observers
	The visit of ASOSAI's General Secretary delegation to follow up on the	18-19/6	12	-

preparations for the 54 th meeting of the ASOSAI Board of Directors			
The 54 th ASOSAI Governing Board Meeting	23-24/7	12	27
The 10 th meeting of the Strategic Planning Committee of the ARABOSAI	17-21/2	6	-
Training program on "Oil Sector Audit" for SAB auditors in Lebanon	8-12/9	8	3
Training program "Audit on the Diplomatic Missions abroad."	6-10/10	4	-
Training program on "Oil Sector Audit" for auditors from the SAI of Vietnam	8-12/12	15	-
Total		57	30

Under joint collaboration with other SAIs to enhance professional relations, expertise, and knowledge, several lecturers specialized in the field of ISSAIs, were sought to deliver training programs to SAI of Qatar personnel. Four lecturers from SAB participated in providing four training programs in 2019.

Furthermore, SAB held several meetings with an international audit office to discuss the proposed training program by the Office, special procedures for enhancing the tax audit mechanism and increasing the efficiency of tax auditors at SAB. Moreover, SAB discussed the offers presented by the Office and the modified offers based on the team's recommendations, which were four offers that were studied and analyzed. Additionally, SAB participated in the training program on "Value added tax in GCC countries", which was held in the UAE in 2019.

Enhance cooperative partnership through professional collaboration in the field of sustainable development among SAIs on a national level.

The Pre-Audit and Technical Support Sector representing SAB delivered a presentation based on the study conducted to assess the effectiveness of entities in Kuwait and their ability to apply the seventh goal of the UN agenda according to international criteria. During the presentation, the findings and recommendations regarding the effectiveness and ability to apply the seventh UN agenda goal were demonstrated. Many relevant parties were invited, and the event witnessed the participation of the following bodies:

- The Kuwait Institute for Scientific Research.
- The Kuwait Foundation for the Advancement of Sciences.
- The General Secretariat of the Supreme Council for Planning and Development
- The Kuwait Authority for Partnership Projects
- The Kuwait Petroleum Corporation.
- The Kuwait Oil Company.
- The Kuwait Integrated Petroleum Industries Company.
- The Kuwait Petroleum International (Q8)
- The Kuwait Oil Tankers Company
- The Petrochemical Industries Company

SAB exchanged views with the participating parties on many pivotal points from the study during the presentation. This helped explain SAB's position towards Kuwait's performance concerning the seventh goal of the

sustainable development plan and disseminating experiences among the attendees.

Enhance cooperative partnership through professional collaboration in the field of sustainable development among SAIs on a regional level.

SAB representatives joined the GCC conference on Sustainable Development. The main seven themes of the Kuwait Development Plan of 2035 were examined. These factors describe the area of focus on several programs within the plan to achieve SDG and fulfill the vision for a New Kuwait. SAB representatives also participated in the first conference on the challenges facing sustainable infrastructure development. The event discussed the main challenges encountered when developing the infrastructure into a sustainable structure, and how to overcome challenges. During the conference, countries' projects were presented, such as Sheikh Jaber Al-Ahmad Al-Sabah Causeway (the State of Kuwait) and the 2022 World Cup stadiums (Qatar).

Enhance Cooperative Partnership through Professional Collaboration in the Field of Sustainable Development among SAIs at an Arab level.

In October 2019, SAB organized a program to exchange expertise between SAB and the Kingdom of Morocco's Court of Accounts. SAB invited the Moroccan delegation to participate in the training program on "the Role of Environmental Audit in Achieving Sustainable Development" under the execution of the third phase of the cooperation working-plan signed between SAB and SAI of Morocco. The program covered the following topics:

- A definition of environmental audit, environmental audit standards, and a display of the findings of the latest SAB environmental reports, namely:
 1. Evaluate the effectiveness and efficiency of the Ministry of Electricity and Water in terms of freshwater sustainability (Goal no. 6).
 2. Evaluate the effectiveness and efficiency of relevant parties' performance in combating desertification (Goal no. 15).

- Definition of sustainable development, SDGs on the environment (goal no. 6, 11, 12, 13, 14, and 15).
- Reviewing a renewable energy project in Kuwait (Shagaya renewable energy plant). (Goal no. 7).
- Display the report of the Moroccan Court of Accounts on the environment and SDGs.

At the level of internal organization and hosting

- SAB organized a seminar in cooperation with the SAI of India on tax audits. SAB, represented by a special team, delivered an integrated report that included recommendations on the main lessons learned from the discussions.

Cooperation Agreements.

- **The bilateral agreement with the SAI of India**

Within the tax audit field, SAB coordinated and communicated with members of the SAI of India to elicit their opinions and recommendations to update the audit manual on tax, after its translation

to English, by the Translation Section at the Training and International Relations Department.

- **The bilateral agreement with the Moroccan Court of Accounts.**
 - Participated in the seminar on risk-based audits under the cooperation agreement signed with SAI of Morocco (the first phase).
 - SAB participated in the seminar on "Governance in the Public Sector," organized by SAI of Morocco in light of the second phase of the cooperation agreement signed between the two SAIs.
- **Bilateral cooperation agreement with SAI of Azerbaijan (renewal of agreement).**

The Maintenance and improvement team of key operations (UML) delivered a presentation on Audit Management Systems (AMS) to the SAI of Azerbaijan on a SAB and AMS-levels.

Enhance cooperative partnership through professional collaboration in the field of Information Technology.

It is impossible to achieve SDGs unless international cooperation and partnership are made. Technology is considered a critical method to exchange knowledge, enhance innovation, and promote collaboration among nations. The National Company for Technological Projects is an entity that is subject to SAB control. This company aims at transmitting the latest technology to Kuwait in different aspects. Through conducting high-tech specialized projects to develop the national economy or participate in similar domains. SAB observations are considered an assisting tool that points out any weaknesses to help it rise, avoid similar statements, and achieve its desired goal.