

لتقدم بثقة
Moving Forward
With Confidence

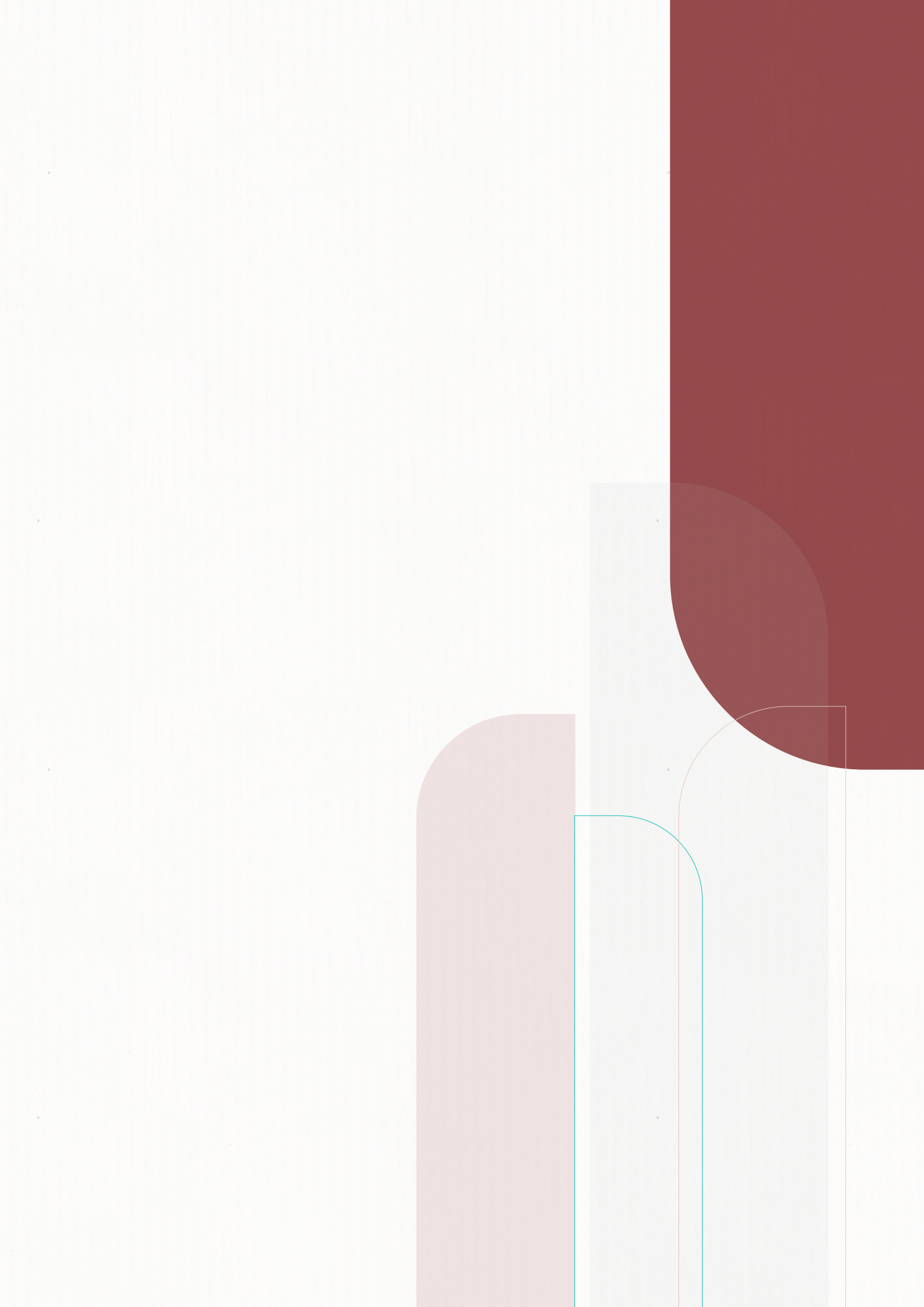


Community 20

Brief 23



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In order to furnish means of support towards the achievement of our future goals, we are determined to undertake necessary measures to restructure the State's Administrative Apparatus, modernize the scheme of legislations, laws, work mechanisms and programs, enhance the values and principles of work, and espouse and streamline procedures and performance governance, integrity, accountability to guarantee complete harmony with the requirements of our vision and its goals.

His Majesty Sultan Haitham bin Tarik

23rd February 2020



Preface

Following the approach of His Majesty Sultan Haitham bin Tarik in promoting the principles of integrity and accountability in all sectors, and as State Audit Institution (SAI) endeavors to achieve Oman Vision 2040 and its objectives for the development of a transparent, impartial, effective and independent oversight scheme that allows access to information and its use in evaluating the development process and establishes a consistent and positive relationship between society and state institutions, and activates the principle of accountability for performance, thereby raising the level of services provided and contributing to protect public fund and national gains of the Sultanate of Oman.

State Audit Institution prepared the Community Brief on its 2023 Annual Report, including key topics of the annual audit plan, which was prepared as per the principles, bases, and standards adopted by the International Organization of Supreme Audit Institutions (INTOSAI) as well as materiality, risk analysis of audit topics and audit manuals, and taking into account Oman Vision 2040. The Community Brief also includes audit results and SAI efforts in revealing financial and administrative irregularities addressed by it in coordination with the concerned authorities. Moreover, it emphasizes SAI's role in the field of awareness and integrity promotion, besides engaging the community through receiving complaints and reports pertaining to negligence and violation of laws, regulations and decisions.

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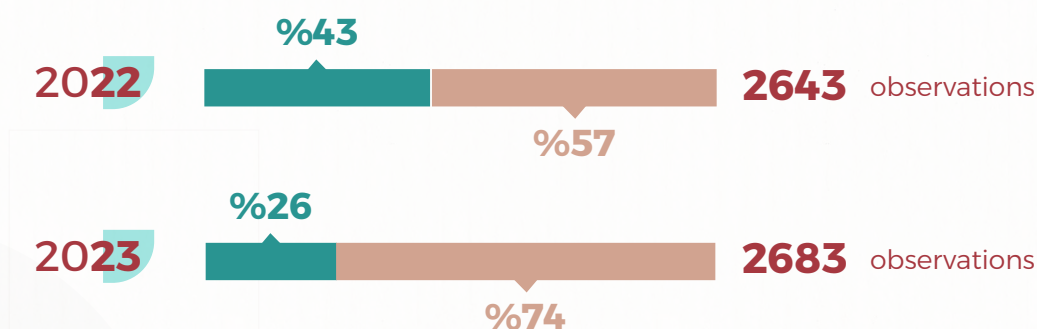
Audit Tasks and Issued Reports*

SAI's total audits and reports issued



Observation implementation rate

■ Implemented
■ Under implementation



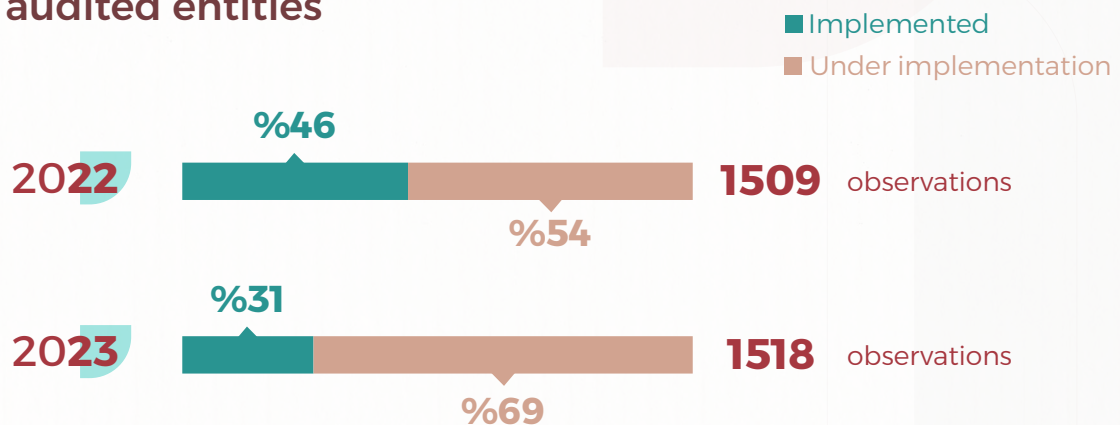
* The indicated figures are as per the latest database update as of May 2024

Government Units

Total number of audits and reports



Implementation rate of SAI's observations by the audited entities

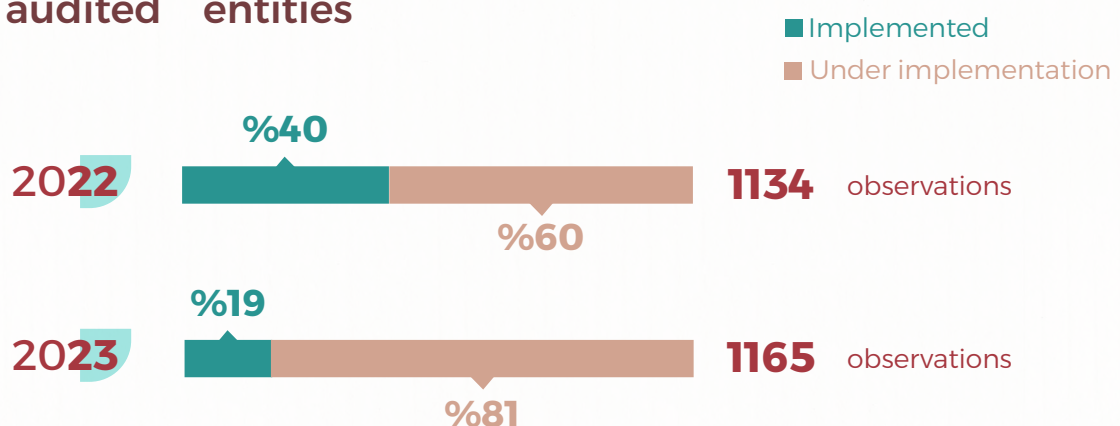


Authorities, Investments and Companies

Total number of audits and reports



Implementation rate of SAI's observations by the audited entities



Key Topics of the Annual Audit Plan

Government Units

- Audit of the final account and financial position of the State for the year 2023
- Audit of inspection, tax assessment and collection activities of companies income tax, withholding tax and indirect taxes (excise tax and value-added tax) for the years (2021 - 2022)
- Follow-up and evaluation of the operational environment of the precious metals and artifacts stamping laboratory and its impact on the realized revenues at the Ministry of Commerce, Industry and Investment Promotion for the period (2021 - 2023)
- Audit of some financial and administrative activities and some social housing projects at the Ministry of Housing and Urban Planning for the period (2021 - 2023)
- Evaluation of the preparedness of the Ministry of Education's schools for the academic year (2022 - 2023)
- Evaluation of some IT general controls at the Ministry of Labour and the central recruitment system for the period (2021 - 2023)
- Audit and evaluation of the mechanism for issuing tourism licenses and its challenges for the period (2020 - 2022)
- Evaluation of the progress of the strategic programs of the 10th Five-Year Development Plan (2021 - 2025) at the Ministry of Economy
- Audit of some financial and administrative activities at certain government hospitals for the period (2019-2022)
- Audit of some financial and administrative activities at certain government hospitals for the period (2019 - 2022)
- Audit of Dhofar Municipality Building Project for the period (2019 - 2022)
- Audit of some financial and administrative activities of some Governors' offices for the year (2020 - 2022)
- Audit of some financial and administrative activities at the University of Technology and Applied Sciences in Shinas for the period (2019 - 2022)
- Audit and evaluation of some executive and financial aspects of the Agricultural and Fishery Development Fund for the period (2021 - 2023)

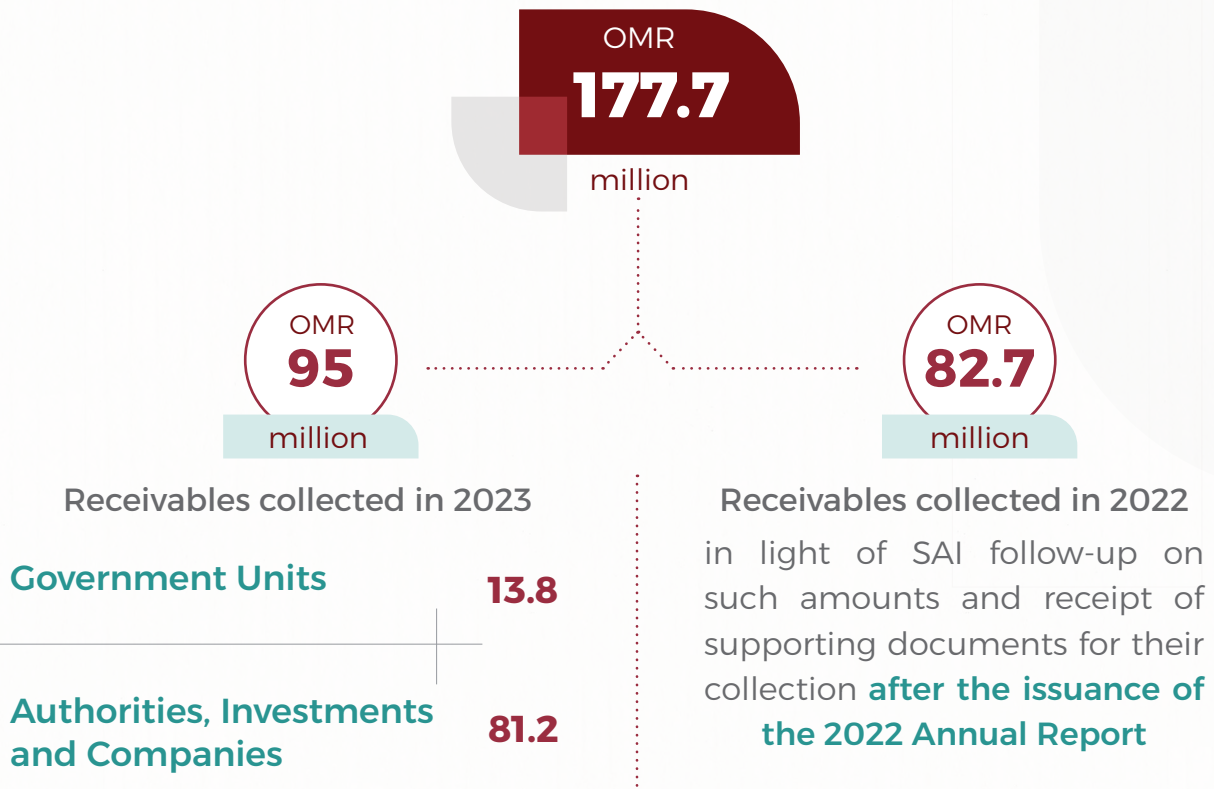
Authorities, Investments and Companies

- Audit of some financial and administrative activities of some authorities for the period (2019 - 2022)
- Audit of some financial, administrative, and operational activities of certain oil and gas exploration and production companies for the period (2018 - 2021)
- Audit of some service contracts of Petroleum Development Oman (PDO) for the period (2018 - 2021)
- Audit of draft settlement agreement concluded between PDO and one of the contractors in 2022
- Audit of PDO financial statements and some financial operations for the year 2021
- Audit of Nakhla Program and the effectiveness of OQ Group integration for the period (2018 - 2021)
- Audit of some financial and administrative activities of Duqm Refinery and Petrochemical Industries Project for the period (2019 - 2021)
- Audit of some financial and administrative activities of OQ Methanol Company for the period (2018 - 2021)
- Audit of some financial, administrative and operational activities of Oman Liquefied Natural Gas for the period (2018 - 2021)
- Audit of some financial and administrative activities of Oman Investment Authority for the period (2020 - 2022)
- Follow up on the implementation of the transformation plan for smart meters and evaluation of customer services at some electricity companies for the period (2020 - 2022)
- Audit of some financial and administrative activities, tenders and contracts of Dhofar Integrated Services Company (wastewater sector) for the period (2018 - 2021)
- Performance evaluation of Oman Water and Wastewater Services Company after merger in 2022
- Audit of some operation and maintenance activities of sewage treatment plants and their assets in the governorates for the period (2021 - 2023)
- Audit of remote water meter reading project at Oman Water and Wastewater Services Company for the period (2020-2022)

- Audit of some projects and operational expenditures of Oman Tourism Development Company (OMRAN Group) for the period (2019- June 2023)
- Audit of some operational and administrative expenses and some tendering procedures of Oman Air for the period (2018 - mid 2023)
- Audit of ticket sales revenues at Oman Air Outstations in Europe for the period (2016-2022)
- Audit of some investments and financial and administrative activities of Oman Airports for the period (2020 - 2023)
- Audit of some financial and administrative activities of Salalah Airport for the period (2020 - 2022)
- Audit of A'Sharq Project in Barka and Souq Shati Al Hafa Project in Salalah in 2023
- Audit of some investments and financial and administrative activities of Al-Hosn Investment Company for the period (2019 - 2022)
- Audit of some financial and administrative activities and operational performance of Oman Post, and some activities of Asyad Express for the period (2020 - 2022)
- Audit of some financial, administrative and operational activities of the National Ferries Company for the period (2018 - 2022)
- Audit of some financial, administrative and operational activities of Duqm Quarries Company for the period (2017- 2022)
- Audit of Natural Shrimp Aquaculture Company for the financial years 2021, 2022 and part of 2023
- Performance audit of municipal solid waste management contracts of Oman Environmental Services Holding Company (be'ah) for the period (2021 - 2022)

Direct Added Value

Collection and recovery of amounts



115

cases

Public fund cases that the Institution dealt with in 2023, for some of which convictions were issued including punishments of imprisonment for periods ranging from 1 month to 10 years and fines between OMR 200 and OMR 63 thousand as well as verdicts of ancillary and complementary punishments.



Audit Tasks Based on Royal Assignment

Audit Tasks Based on Royal Assignment

Review of Omanization Indicators in the Private Sector, Omanization Policy Performance and Succession Plans in Government Companies

In implementation of the Royal Directives of His Majesty Sultan Haitham bin Tarik to follow up on the Omanization indicators in the private sector, Omanization policy performance and succession plans in government companies.

State Audit Institution submitted its proposals to His Majesty in this regard, included the following:

Ceasing recruitment of non-Omani manpower for professions that have been Omanized.

Taking into account that the issuance of licenses for recruitment of non-Omani manpower is aligned with the available specializations of job seekers, and paying sufficient attention to the job stability of Omani workers within the employment policies of the Ministry of Labour.

Continuing efforts to increase Omanization rates, particularly in specialized, technical and supervisory professions, as the actual Omanization rates are still far from the prescribed rates set for professional categories.

The importance of matching and correcting the job titles of non-Omani workers between company records and the Ministry of Labour records to bridge the gaps used to evade Omanizing jobs.

Taking the actions prescribed by law towards employees who are over 60 years old.

Obliging all government companies to prepare and approve succession plans for jobs held by non-Omanis according to clear timelines that are consistent with the plan approved by Oman Investment Authority.

Intensifying efforts to employ job seekers at all educational levels, especially those with general education diploma or its equivalent, in light of the availability of required professions and the willingness of companies to hire them at appropriate salaries.

Taking into account the age groups of job seekers to leverage job opportunities as some entities refuse to hire them. Plans for jobs held by non-Omanis according to clear timelines that are consistent with the plan approved by Oman Investment Authority.

The Royal Directives

The Royal Directives were issued for the Ministry of Labour to take the necessary actions, as a matter of urgency, to halt the violations of companies and their evasion of applying Omanis' employment and succession policies, and to rectify the current situation in private sector and government companies in accordance with the proposals of State Audit Institution. Additionally, the Ministry shall submit a report on the measures taken and the results achieved.

Review of the Role of Government Units and Companies in Supporting National Product Purchase

In implementation of the Royal Directives to review the role of government units and companies in supporting the purchase of national products, State Audit Institution prepared a study in that regard during the year 2023, reflecting the importance of national products in achieving sustainable development goals, especially in the field of economic diversification, as well as enhancing the role of small and medium enterprises (SMEs) in stimulating economic activity and providing more job opportunities.

The study aimed at identifying the compliance of these units in supporting the use of national products, pinpointing challenges and opportunities for improvement as well as putting forward proposals. Moreover, the study included auditing and evaluating the commitment of (165) audited units of the State's Administrative Apparatus, authorities and companies.

In this regard, State Audit Institution submitted its proposals to His Majesty, which included the following:

Establishing an electronic platform that includes reference database of local/national products and their suppliers, which will ease access to such information and spare time and effort for buyers.

Expanding the scope of legal legislation in Omani laws, which supports the purchase of national products, including appropriate application mechanisms in a way that does not contradict the State's policy on expenditure rationalization, and the procurement of such products with the required quality.

Identifying a competent entity to conduct market research, identify products that can be manufactured locally and direct entrepreneurs and investors towards them.

Issuing and standardizing government procurement forms by type for all government entities to enhance the quality of procedure control for using national products in government supplies and services.

Unifying the criteria for financial and technical analysis of bids submitted for government tenders, with controls and weights to be set at no less than 30% as a criterion for the added value of local content.

Strengthening the media and awareness role by relevant government entities to urge SMEs owners to register at the platform of the General Secretariat of the Tender Board to leverage the support of government procurement of national products to encourage them to generate job opportunities and create new industries, taking into account the procedures and commitments of the registration at the Tender Board.

Increasing awareness campaigns on the benefits of individual's support for the national product by publishing photos, short videos and success stories, and the impact of these benefits on local added value, with the possibility of publishing on all different communication channels.

Requiring government units to allocate more tenders to SMEs pursuant to Financial Circular No. (1/2021) on the award of government tenders which values do not exceed OMR 10 thousand to SMEs, as well as supporting self-employed persons and vocational colleges in the Sultanate of Oman by requesting the provision of services or procurement of products.

The Royal Directives

The Royal Directives were issued to refer the proposals contained in the memorandum of State Audit Institution to the Tender Board to provide the procedures that the Board intends to take in order to put the local content on the right course.



Government Units

Ministry of Finance

1 Audit Results of the State's Final Account for the Financial Year 2023

OMR **183.4** million

Amounts owed to the government by some entities for years as follows:

OMR **40.4** million

Value of gas sale owed by some entities during the period (2016 - 2023).

OMR **9.2** million

Installments and interests of some loans due during 2023 and previous years.

OMR **133.8** million

Receivables owed by some government entities and recorded in the Ministry of Finance's records for a long time.

Action Taken

About OMR 2.2 million was collected in 2024, and Integrated Gas Company is being followed up to collect all gas sales receivables.

Collection of due installments, interests and fines is under legal actions.

An amount of OMR 26.6 million was collected during 2023 and the outstanding amounts are being followed up.

Tax Authority

1 Audit Results of Inspection, Assessment and Collection Activities of the Income Tax for the year 2022

OMR **4.1** million

Loss of collection of tax receivables from a company due to an error in calculating and carrying forward losses for the period (2009 - 2018).

OMR **12.2** million

Non-disclosure of revenues of 12 companies for the tax years (2017 - 2021).

OMR **9.4** million

Uncollected tax receivables dating back years.

Action Taken

The losses were recalculated and an amount of OMR 3.1 million was collected during 2023, while the recovery of the remaining amount is being followed up.

Some companies were re-assessed during 2023, and the collection of the due tax is being followed up.

An amount of OMR 4.7 million was recovered during 2023, and collection of the remaining amounts is being followed up.



Audit Results of some Inspection, Assessment and Collection Activities of the Withholding Tax for the 2022 Returns

OMR **29.5** million

Non-levy and collection of withholding tax on amounts paid by certain entities and companies as follows

Action Taken

OMR **27.5** million

Amounts paid by units of the State's Administrative Apparatus and some institutions and companies to foreign entities not based in the Sultanate of Oman.

OMR **2** million

Amounts paid by some universities and colleges in the Sultanate of Oman as royalties (academic affiliation fees) to foreign entities not based in the Sultanate of Oman.

OMR **13.1** million

Tax Authority did not take all measures of collection, follow-up and administrative enforcement for the uncollected amounts of withholding tax for a number of companies and establishments.

The entities were addressed on the details of the amounts referred to as a prelude to their examination and collection of the tax payable by those entities.

An amount of OMR 1.5 million was collected in 2024, and the remaining amounts are being followed up.





Audit Results of Some Activities of Indirect Tax Collection and Recovery (Excise Tax and Value-added Tax) for the Years 2021 and 2022

OMR

10.3

million

Uncollected tax receivables of the excise tax.

In 1217 cases, administrative penalties were not levied on taxpayers who failed to submit the excise tax returns.

OMR

16.9

million

Not taking all procedures prescribed for administrative enforcement pursuant to Article (175) of the Executive Regulations of the Value Added Tax Law, resulting in non-collection of VAT receivables from some taxpayers for the years (2021 - 2023).

OMR

2.5

million

Non-collection of VAT and excise taxes, and in other cases they were collected less than the due amount.

Action Taken

An amount of OMR 215 thousand was collected, and the collection of the remaining tax is being followed up.

Tax Authority requested all taxpayers to submit excise tax returns and imposed administrative penalties (fines) on violators.

About OMR 296 thousand was collected, and the collection of the remaining amounts is being followed up.

About OMR 781 thousand was collected, and the collection of the remaining amounts is being followed up.

Ministry of Commerce, Industry & Investment Promotion

1 Results of Follow-up and Assessment of the Operational Environment of the Precious Metals and Artefacts Stamping Laboratory and Its Impact on the Revenues Achieved for the Period (2021 - 2023)

Inefficiency of the equipment used in the laboratory, some of which are malfunctioned and others need maintenance or replacement

The laboratory's infrastructure lacks many technical requirements for security and safety

Lack of technical staff working in the laboratory compared to the volume of work assigned to them and the samples received to the laboratory, which resulted in long periods of testing, late delivery of samples to their owners, and limitation of receiving local gold to one day a week.

Action Taken

Four tenders, valued at about OMR 384 thousand, were floated in 2023 for the procurement, installation and commissioning of equipment, as well as the procurement of chemicals and laboratory instruments.

Work is underway to move to a new building with modern specifications that meet technical requirements for security and safety.

An initial approval was obtained from the Ministry of Finance to provide allocations for the required grades for a number of (78) employees, including employees for precious metals and artefacts stamping laboratories. Additionally, a cooperation initiative with entrepreneurs at the Small and Medium Enterprises Development Authority was developed, which will contribute to solving the challenges faced by the laboratory in delivering artefacts to their owners in the specified time and receiving manufactured samples on a daily basis.

2 Audit Results of Intellectual Property System (IPS) of the National Intellectual Property Office



Incomplete e-linkage between Oman Business Platform System (Invest Easy) and IPS of the National Intellectual Property Office, as well as non-transformation of all services electronically, which has started since 2020.



IPS users face many technical challenges, leading to delay in completing and tracking transactions, in addition to the frequent visits of customers to the concerned entities to claim refund of the fees paid.



Limited e-linking of the National Intellectual Property Office' system with the Commercial Registry Secretariat, Directorate General of Customs and Muscat Municipality, which is not conducive to streamlining procedures and obtaining the necessary and complete data during the execution of transactions.



Absence of database to provide open data, including data related to traditional knowledge and genetic resources, putting them at risk of being registered as patents by foreign companies.

Action Taken

The Ministry floated a tender and signed a contract in March 2024 to provide consultancy services for the set-up, development and operation of the electronic IPS.

Ministry of Housing and Urban Planning

1 Audit Results of Some Social Housing Projects for the Period (2021 - 2023)

OMR **100** million

Allocation of financial provisions for (3978) housing grants during the period (2021 - 2023), representing only about 17% of the total number of (23,959) awaiting requests for housing grants, some of which date back to 2011, indicating that the time required to fulfil these requests extended to nearly 18 years, in light of the annually allocated financial resources of about OMR 35 million.

Retention of housing grant amounts for varied durations without being used due to financial allocation for a number of cases entitled to housing grants before they are completely ready for construction, resulting in the transfer of these obligations to other grant cases.

Action Taken

A national plan for social housing is being prepared, which includes financing alternatives for housing grants, and aims to obtain housing grants within a maximum of 3 years in cooperation with the Social Protection Fund and community partnership with the private sector.

An action plan was approved and financial provisions for the 2024 housing grant programs were allocated, and all cases are currently being verified and examined before assigning financial allocation to accelerate the commencement of housing grants implementation.

Action Taken



Discrepancy in assessing urgent cases and variation in granting approval and rejection exemptions for the same reason (e.g. income requirement, dependency requirement, waiver of housing grant request to others), resulting in prejudice of equality principle between applicants.

The Ministry conducted a study of differentiation criteria that commensurate with the cases of housing grants, and submitted the draft criteria to the competent entities for comment before their approval.



Electronic integration with all entities concerned with submitting supporting documents for housing grant request has not been finalized.

Social housing services were launched in the electronic platform, and the electronic linkage with (14) concerned entities is being finalized.



Long period of time between the date on which the citizen receives the housing grant approval and the date of proceeding with the work order for house construction.

All directorates concerned with social housing and projects were instructed to ensure that cases are ready before their financial allocation, as well as to work to overcome obstacles, if any, in cooperation with other directorates.



Non-compliance with the queuing system in providing housing grants.

This observation was addressed by limiting exemptions to very urgent cases.

Ministry of Education



Evaluation Results of the Preparedness of the Ministry of Education's Schools for the Academic Year (2022 - 2023)



Shortage of teaching staff in many schools in most governorates of the Sultanate of Oman, with an increase in the number of schools with insufficient teaching faculty averaging at 56%. In addition, teaching load for teachers in terms of weekly classes increased to (35) classes in Dhofar Governorate, (31) classes in Al Batinah South Governorate, (29) classes in Al Buraimi Governorate and (28) classes in Muscat and Al Dhahirah Governorates, adversely affecting the performance of teachers and the quality of the educational process.



Shortage of senior teachers for certain subjects in some schools at a rate of (96%) in Al Wusta, (92%) in Musandam, (54%) in Al Sharqiyah South, (47%) in Al Dakhiliyah, (45%) in Al Batinah North and (31%) in Al Batinah South Governorates, which resulted in limiting the role of senior teachers in the supervision, follow-up, and evaluation of those subjects' teachers in such schools.

Action Taken

Financial grades have been approved to appoint teachers in educational directorates for the academic year (2023 - 2024).

In the academic year 2022/2023, the Ministry offered 568 financial grades for the senior teacher position, 123 of which were filled. In the academic year 2023/2024, 674 financial grades for the senior teacher position were offered, 141 of which were filled. As for the academic year 2024/2025, the Ministry offered 1,241 financial grades, for which 564 teachers applied, and the nomination stages are still in process.



Action Taken

Instability of teaching staff in all schools at Al Wusta Governorate as a result of the continuous annual movement of teachers, and the annual appointment of new teachers. This has resulted in insufficient expertise of teaching staff, considerable time and effort to prepare new teachers, and continuous educational loss for students.

The Ministry introduced Localization Program to cover the deficit in the educational specializations and maintain the stability of teaching staff.

Inadequate number of nursing personnel at some schools in certain governorates in the Sultanate of Oman, commensurate with the number of schools, student density, and the basis of calculating administrative and technical staff positions in public schools.

A proposal will be submitted to the Ministry of Finance to approve the provision of financial grades for the appointment of school health nurse assistants.

Poor general condition of many school buildings, as there were cracks, water leakage, etc., making those buildings unsuitable educational environments for students. According to the sample of visited schools, the highest percentage of damaged buildings reached (89%) in Dhofar Governorate, (81%) in Al Batinah South Governorate, and (75%) in Muscat Governorate.

An amount of OMR 5 million was approved for the year 2022 for public schools' maintenance and restoration across all governorates. Additionally, an amount of OMR 6.3 million was approved for the year 2023, and an amount of OMR 40 million was allocated for the Ministry's development budget for the year 2024.

Action Taken

The number of students in classrooms exceeded the maximum approved limit by more than (30) students in the first cycle, and (35) students in the second cycle and post-basic education in the Governorates of (Muscat, Dhofar, Al Batinah north, Al Batinah south, Al Dakhiliyah, Al Dhahirah, and Al Buraimi). Moreover, some educational facilities at certain schools were converted into classrooms, negatively affecting the academic achievement and depriving both teachers and students of perfectly carrying out their tasks.

Construction of 20 school buildings was approved for the years (2024-2026), and an amount of OMR 5 million was allocated for educational facilities for the same period.

Delay in supplying some textbooks for the academic year (2022-2023) to many schools that were visited in the governorates. The highest rate of schools that were late in submitting textbooks in the Governorates of Al Batinah South, Muscat, and Dhofar reached 81%, 80% and 79% respectively. Moreover, those textbooks were submitted to students after the beginning of the academic year, adversely affecting the educational process.

The Ministry took several measures in this regard, the results of which were apparent in the academic year 2023/2024 as the majority of textbooks were provided.

Delay in approving the final version of some textbooks by the Ministry, which resulted in the late supply of these textbooks by printing presses, as the contract concluded with them stipulates that the period of supply shall be calculated after the final approval of the version.



Crash of many computers in learning resource rooms and computer laboratories in the majority of schools in some governorates of the Sultanate of Oman, and the need for their replacement since years. In addition, the number of those computers was inconsistent with the density of students, not to mention their poor efficiency, resulting in the difficult use of such computers to apply educational activities.



Shortage of teaching devices and aids (interactive screens, projectors, and recorders) as well as failure of some of those devices and aids, resulted in delivering some lessons using conventional methods and not keeping pace with the technical development in this regard.



Delay in conclusion of school transportation contracts till the beginning of the academic year 2022/2023. hence, most public schools were not ready to provide school transportation services in proportion to the number of students and the geography of areas. Moreover, buses were crowded as the number of students exceeded the permissible maximum limit.

Action Taken

The Ministry is replacing more than (40) thousand computers in computer laboratories and learning resource rooms as well as replacing computers of school administration. Computers will be delivered to all governorates by the beginning of the academic year (2023/2024).

An amount of about OMR 947 thousand was allocated for tenders of teaching devices and aids within 2023 budget to meet such needs.

The Ministry took several measures in this regard, the results of which were apparent in the academic year 2023/2024 in terms of contract renewals. Educational directorates will be followed up in this regard via correspondences and by conducting field visits to prevent overcrowding buses in the future.

Ministry of Labour



Evaluation Results of Some IT General Controls at the Ministry of Labour and the Central Recruitment System for the Period (2021 - 2023)



Absence of a data classification policy at the Ministry, in violation of the Law on the Classification of State Records and the Governance of Protected Places issued by Royal Decree No. (118/2011), and Clause No. (8-2 Information Classification) of the General Information Security Policy issued by Circular No. (3/2015). Non-classification of such data does not provide adequate security protection thereof.

Action Taken

The Ministry will adhere to classifying data in databases as per the aforementioned legislation.



Some employees were granted powers for tasks unrelated to their departments, such as (Government Recruitment, Ejada and Mawrid Plus Systems), resulting in the use and abuse of those powers to approve transactions by employees not authorized to carry out the transaction procedures.

The Ministry withdrew the powers.





Many observations were found during the audit and trial of the Central Recruitment System, some of which led to:

Competing for jobs in violation of their issued vacancy announcements.

Allowing non-qualified competitors to enter the test.

The system allows access to the test by the same candidate civil ID from more than one computer.

The feature of system change tracking was turned off in the spreadsheets.

Insert of random specializations for candidates that do not match their actual specializations.

Repeated rejection of job applicants due to mismatch of their qualifications with the specialization required for the job, despite they are actually compatible.

Action Taken

Some observations were corrected, and other observations are being corrected.



Ministry of Heritage and Tourism

1 Audit and Evaluation Results of the Mechanism for Issuing Tourism Licenses and Its Challenges for the Period (2020 - 2022)

Deliberations across the organizational levels of the Ministry took about five months to decide on issuing the initial approval for (14) applications for the establishment of accommodation and tourism facilities.

Limited direct coordination and cooperation between specialists in the Classification and Quality Control Department and Muscat Municipality, hindering the exchange of experiences and adoption of joint positions in the audit and inspection of hotel and tourism facilities.

Many ongoing challenges in the electronic integration between the licensing system at the Ministry (issuance/renewal/cancellation), and the Invest Easy Portal at the Ministry of Commerce, Industry and Investment Promotion.

Action Taken

Controls and requirements for hotel facilities have been updated to streamline and accelerate their approval procedures in line with the needs of each governorate, taking into account reducing the time taken to decide on these applications.

The Ministry formed a joint team with Muscat Municipality for direct coordination in addressing challenges and obstacles.

The Ministry continues to coordinate with the Ministry of Commerce, Industry and Investment Promotion to address the challenges.

Ministry of Economy



Evaluation Results of the Progress of the Strategic Programs of the 10th Five-Year Development Plan (2021 - 2025)

About (198) strategic programs are still under restructuring and classification within the umbrella of the national programs for six programs, namely: fiscal sustainability, economic diversification, employment, investment attraction and export development, digital transformation, and net zero emissions, creating a gap in the hierarchical integration between strategic, developmental and executive planning.

Delay in issuing the Strategic Programs Folder, and failure of executive authorities to fill out the forms for converting strategic programs into executive plans.

OMR **2.8** million

Delay in setting up the electronic system for planning, evaluation and performance follow-up, despite allocating a financial provision of about OMR 2.8 million from the digital transformation budget.

The five-year development plans are still being prepared and implemented based on the Economic Development Law issued by Royal Decree No. (9/1975) which is inconsistent with the developments of the economic environment at the global, regional, and national levels.

Action Taken

Strategic programs will be linked to the entities' annual plans to ensure their implementation and achievement by connecting them to development projects.

The final timeline for setting up the electronic system will be announced after identifying the work to be carried out by Oman Telecommunications Company (Omantel).

A new draft law in this regard was submitted to the Council of Ministers.

Ministry of Health

1 Audit Results of Some Financial and Administrative Activities at Certain Government Hospitals for the Period (2019 - 2022)

OMR **9** million

Many shortcomings in the performance of the company assigned with providing catering, food, cleaning, laundry, and pest control services at Khawla Hospital. Field inspections conducted by SAI members for the services provided by the company revealed that the company failed to provide those services as per the concluded contracts, which negatively impacted the quality of the services provided.

Action Taken

Several meetings were held with the company to inform it about the shortcomings that must be avoided in all services provided. Records of proving violations against the company were prepared, and penalty provisions are being applied to the company.

OMR **2.5** million

Non-collection of amounts from insurance companies in compensation of physical injury treatments and first aids resulting from traffic accidents for the period (2003-2022) by Sultan Qaboos Hospital in Salalah, in violation of the provisions of the Executive Regulation of the Financial Law.

An amount of about OMR 795 thousand was collected, and the remaining amount is being collected.

Shortage of medical equipment and tools in some departments of Khasab Hospital.

Oxygen connectors were provided in the isolation room and curtains were installed for the dialysis unit. Furthermore, ventilators and a phototherapy device were provided for jaundice treatment.

Dhofar Municipality

1 Audit Results of Dhofar Municipality Building Project for the Period (2019 - 2022)

OMR **2.2** million

Dhofar Municipality Building Project was not completed on time, and there was a delay in taking legal measures to withdraw the project because of the contractor's failure, which resulted in incurring rental cost of three (3) buildings as offices for Dhofar Municipality employees from 2017 to 2023, and contract extension costs for the consultancy office supervising the project.

Action Taken

The project was withdrawn from the main contractor, and a tender was floated for its completion. Moreover, a taskforce and a director were assigned to manage the project.

OMR **1.3** million

Non-levy and collection of delay penalty of 10% of the contract value from the contractor of Dhofar Municipality building Project.

The penalty will be calculated and levied within the reviews on the the project's final account .

OMR **426** thousand

Non-recovery of amounts representing the remaining of the advance payment made to the contractor of Dhofar Municipality Building Project after the disbursement of such payment, in violation of the provisions of the Standard Documents for Building and Civil Engineering Works.

The remaining amount will be deducted from the project's final account.

Al Dakhiliyah Governor's Office

The national product was not stipulated as a requirement in the conditions and specifications booklet when floating tenders, in violation of the provisions of the Executive Regulation of the Tender Law, which is not in line with the government's approach towards supporting the national product and developing local enterprises to create competitiveness in local markets and provide job opportunities for citizens.

Absence of an electronic system to manage projects' follow-up and supervision, as well as the archiving of all related documents to ensure following up, reviewing, and archiving, and contribute to providing an accurate project database.

Action Taken

Tender analysis criteria have been updated to include local content in coordination with the General Secretariat of the Tender Board.

A national system for managing government projects and procurements (Takamul Platform) will be established by the Tender Board for all government entities, and will be implemented in stages. The first stage (registration and tendering window) will be launched in November 2024.

Al Batinah South Governor's Office

Absence of database for completed building permits led to a failure to match the actual building permits obtained with what was completed during the year, in light of the lack of a feature to extract monthly reports from the electronic permit system.

Action Taken

Electronic transformation is under process through the Consolidated National Services System.

Sultan Qaboos University

1 Audit Results of Some of the University Operational Contracts for the Period (2021 - 2022)

Action Taken

Non-adherence to the controls and procedures stipulated in the Financial Regulation of Sultan Qaboos University issued by Decision No. 142/2007 on the procedures of floating, awarding, and implementing tenders, which negatively impacted the contracts concluded by the University and led to budgetary implications and burdens, as well as low level of provided services.

The University's Internal Tender Committee has developed a follow-up dashboard as well as contract renewal and tendering mechanisms during 2024.

Shortage of human staff assigned to supervise and follow up on the transportation agreement at the University compared to the contract value and the number of buses of the Oman National Transport Company (Mwasalat). Only one employee in the Deanship of Student Affairs was assigned to supervise (87) buses, resulting in limited supervision and follow-up on the University transportation contract; instead, a group of students were engaged to detect observations on the company in terms of delay or shortage of buses.

The University considered new strategies for the scope of student transport services contract to address the received observations in a manner that improves the services during the contract execution period.

University of Technology and Applied Sciences in Shinas

Action Taken

The number of non-Omani employees in technical and academic positions reached 209 employees, with an increase of 56% of the total staff amounting 374 employees.

National succession initiatives of the Ministry of Labour are being implemented in coordination with the presidency of the University. A program for the succession of non-Omani technicians is currently under process for the academic year (2024/2025).

Multiple e-systems were used at the University, such as the recruitment system, student system, library system, learning platforms and e-mail.

All employees' e-systems have been incorporated into one portal. A proposal is under study to adopt the Enterprise Resource Planning system (ERP) to consolidate all electronic work provided.

Agricultural and Fishery Development Fund



Audit Results of some Executive and Financial Aspects of the Agricultural and Fishery Development Fund for the Period (2021 - 2023)

OMR

3.5

million

Financing of (27) ongoing projects submitted by the Ministry of Agriculture, Fisheries and Water Resources or projects that fall under the ministry's jurisdiction, which represent 69% of the number of projects funded during the years (2021 - 2022), in a manner that is inconsistent with the provisions of article (2) of the System of Agricultural and Fishery Development Fund amended by the Royal Decree No. (23/2017).

Absence of electronic systems and integrated electronic database for ongoing and completely funded projects, resulting in limited follow-up and evaluation of project progress.

Limited follow-up and evaluation of project progress and post-implementation sustainability, resulted in changing the titles, activities, and objectives of some projects' executive plans, and rescheduling some activities, as well as extending implementation periods, some of which reached (46) months with no indication of their sustainability.

Action Taken

Projects aimed at optimizing resource utilization and maximizing economic and social returns have been selected in consistency with the Fund's objectives. Approval procedures from competent authorities are being finalized.

Special electronic systems and integrated electronic databases will be established to follow up on the progress of projects funded by the Fund.

The importance of continuous follow-up of projects was emphasized to ensure their sustainability and continuity.



Authorities, Investment and Companies

Key Observations on some Authorities

OMR

35.5

million

The Financial Services Authority retained the accumulated surpluses of its resources till the end of 2022 without transferring them to the Ministry of Finance, in violation of the Financial Circular No. 18/2020 on the commitment to transfer government revenues on a timely basis to the Ministry of Finance in implementation of the Royal Orders to centralize the State's public revenues.

Action Taken

SAI is following up its recommendation on the transfer of the amounts to the Ministry of Finance.

OMR

800

thousand

Loss of revenue realization due to the export of waste cooking oil used by several companies during the period (2021 - 2023) without obtaining a permit from the Environment Authority. Furthermore, a lower weight was registered for some shipments in the customs declaration in comparison to the weight stated in the shipping company invoices.

Public Prosecution was addressed to take legal actions against violating companies.

Ministry of Energy and Minerals - Reports Submitted to the Ministry on the Audit of some Concession Companies



Audit Results of some Financial, Administrative, and Operational Activities of some Oil and Gas Exploration and Production Companies for the Period (2018 - 2021)

USD

114

million

The value of associated gas flaring amounted to about 22.7 million cubic feet per day during the period (2019 - 2022), representing 98.5% of the total gas produced, as a result of the delay in the commencement of associated gas utilization projects. Moreover, one of the fields was not reappraised to be developed as a gas field despite the increase of its produced gas quantities by 38% to 52%.

Action Taken

The Ministry is following up on the company's plans to develop the fields and ensure full utilization of associated gas by 2027.

USD

6.5

million

The construction cost of hydrogen sulfide removal unit in one of the fields without benefit, in light of its shutdown in 2013 and replacement with a chemical substance to treat hydrogen sulfide.

The Ministry will follow up on the evaluation, based on which the company should take the necessary measures pertaining to the unit.

OMR

411

thousand

Cancellation of procurement and installation works of the security system in 2020 following the approval of the Ministry's Tender Committee, although the company witnessed 50 material thefts worth about OMR 411 thousand during the period (2018 - 2021).

The Ministry is following up on the installation of an integrated security system, which started in 2023.

Action Taken

A number of 347 wells had been shut-in till June 2021 for several reasons, including low production and injection. In addition, 46 wells had been inactive for periods ranging from 4 to 13 years with no periodic review for their reuse or abandonment, in violation of Well Integrity Management Standards.

USD **41.2** million

Loss of revenues for the government as a result of the recovery of 100% of costs by the operator without the government receiving its share of crude oil sales during the period (January 2019-2021). Moreover, government dues of USD 5.2 million for 2018 were not paid.

USD **530** thousand

Continued non-payment of annual rental fees, oil and gas database fees, and training fees for the years 2020 and 2021 with the estimated interests till the end of December 2021.

Shut-in wells are being constantly reviewed and the results will be presented to the Joint Management Committee.

Receiving the government share of sold oil is being followed up, and a new mechanism is being agreed upon with the operator to ensure payment of the government share for 2018 according to a time schedule.

Annual rental fees as well as oil and gas database fees amounting to USD 600 thousand have been collected for the years 2020 to 2023, whilst collection of training fees is being followed up.

Petroleum Development Oman

1 Audit Results of Oil Country Tubular Goods Contract

USD **4.177** billion

The cost of constant purchase of oil country tubular goods from a vendor for 24 years, since 1999, as per price agreements amounting to USD 4.177 billion in total up to October 2023, without re-tendering for competition.

USD **265** million

Increase of post-award contract value compared to expected savings of about USD 42 million during the period (2017-2021), as consumption estimates relied upon previous data without taking into account future drilling activities. This resulted in the increase of actual consumption compared to the estimated consumption by 21% to 39% during the same period.

USD **25** million

The cost of re-procurement of materials from the vendor during (2017-2021), after 18 months of storing them in the vendor's warehouses, as the company carried out initial procurement procedures beyond the actual need. Additionally, there was an increase in storage costs from USD 644 thousand in 2017 to USD 3.2 million in 2021, totalling USD 7.9 million during the same period.

Action Taken

The request for additional 7-year contract extension has been suspended, and the current contract has been extended until October 2024 to ensure work continuity. A comprehensive review of the contracting and procurement regulation is being conducted for development and improvement as well as enhancement of governance aspects therein, and identification of cases of single sourcing to be approved only within the narrowest limits.

The company will take into account future drilling activities while calculating consumption estimates in the new strategy.

The company will establish more effective procedures prior to the re-procurement of materials from the vendor.



Audit Results of the Draft Settlement Agreement Concluded between PDO and One of the Contractors in 2022



Review of only six contracts awarded to the contractor to calculate the price increase, despite the recommendation of the Legal Affairs Department and the Dispute Committee at the company, as well as the external auditor to conduct a comprehensive review of all contracts awarded to the contractor after deliberately increasing the cost.

USD

14.2

million

Not charging the contractor the price differences for services provided by other contractors, instead, only USD 1.4 million was recovered, in addition to paying about USD 14.2 million to the contractor as inspection and utility fees without referring to any contractual provisions and without providing supporting documents.

USD

3.2

million

Overpayments were made to the contractor due to many violations in his invoices for the Drilling Equipment Services Contract extended during the period (January 2007 - April 2016) as well as the Fishing and Milling Contract for the period (January 2013 - December 2027).

USD

9.3

million

Non-recovery of about USD 6.7 million overpaid to the contractor since the Major Tender Board Committee was notified in 2021, and the contractor's acceptance to pay them. In addition, non-recovery of USD 2.6 million, the value of services that the contractor failed to provide during the period (November 2020 - September 2022).

Action Taken

The Board of Directors approved the proposed settlement and the recovery of about USD 8.8 million, without proceeding with the review of previous contracts. SAI is following up its recommendation to review previous contracts and recover undue amounts.



3 Audit Results of the financial statements of Petroleum Development Oman for 2021

USD **355** million

No action was taken against the auditor for committing errors while reviewing the 2020 financial statements in terms of overbooking assets and liabilities by USD 334 million and USD 21 million respectively.

Action Taken

The company will not assign any work to the auditor considering the observations detected regarding his performance.

USD **195** million

Inaccuracy of asset value due to the delay in the transfer of capital costs of 40 exploration wells to expenditures item despite completion of drilling activities for more than a year. Furthermore, 17 wells were not written off from the records despite their classification as non-productive wells. In addition, some exploration wells were reclassified from non-productive to productive wells, in violation of the accounting policy.

The company agreed to improve the procedures to avoid the delay in the write-off and transfer of well costs.

USD **25.3** million

The depreciation cost of some fixed assets was overbooked by USD 9.3 million and under booked by USD 16 million due to non-review of their lifespan after extending the Concession Agreement to 2044.

The company agreed with the recommendation, and SAI is following up on the results of the review of the depreciation cost booking mechanism in line with the Concession Agreement extended to 2044.

4 Audit Results of some Financial Operations of Petroleum Development Oman for the Year 2021

USD **5.5** million

Payments made for overtime working hours during 2021 without verifying the supporting documents, and lack of periodic review of those expenses in view of the overpayments resulted from some technical challenges in the electronic system.

Action Taken

The company will develop a system to govern overtime working hours and review payments and supporting documents periodically.

USD **49** million

Delay in payment of the main oil line utilization fees by some operating companies in the concession areas for up to 153 days, in violation of the procedures stipulating that payment should be made within five days of the following month.

Crude Oil Transportation and Handling Agreement will be updated by adding penalties in case of operating companies' delay in paying the main oil line utilization fees, in addition to ensuring that they are followed up to pay on time.

USD **14.1** million

Non-collection of tanker fees of about USD 1.1 million from shipping agents as of September 2022, in addition to delay for up to 89 days in settling USD 13 million of port receivables with the Ministry of Finance.

Necessary actions are being taken to collect the fees and settle the port receivables with the Ministry of Finance.



5

Audit Results of Well Engineering Services Contracts of Petroleum Development Oman for the Period of (2018 - 2021)

USD **78** million

Extension of the Drilling Equipment Services Contract signed in 2016 with a contractor for about USD 78 million for 5 years despite the fact that the contractor's prices were 29% higher than those of another contractor who was awarded only 30% of the scope of work for approximately USD 25 million.

USD **22.8** million

The cost of the constant award of 70% of the Drilling Equipment Services Contract scope after its extension in September 2020 for a period of 5 years with a contractor during 2021 and 2022, despite detection of invoice irregularities committed by the contractor and an increase in prices in 2019 of approximately USD 7.9 million, in violation of the directives of the Major Tender Board Committee.

USD **46.5** million

Calculation of subcontractors' scope of work for Local Community Contractors (LCCs) and Small & Medium Enterprises (SMEs) at 2.5% instead of 10% of the contract value with a difference of about USD 930 thousand, in violation of contracting and procurement procedures. In addition, lack of payment evidence of subcontract costs totaling approximately USD 45.6 million during the period (2018 - 2021).

Action Taken

The company will limit contract extensions and negotiate with contractors to control the increase of prices.

The Company will implement SAI's recommendation to conduct an investigation and assign responsibility for the irregularities committed in awarding the works.

Clauses relating to LCCs and SMEs were included in the new contract template, and documentary evidence of payments made to them is being verified.



6 Audit Results of Service Provision Contract for One of the Fields for the Period (2019 - 2022)

USD **402** million

Recovery of operational costs by the operator during the period (2016-2022) without being audited by PDO, in violation of the requirements of the Service Agreement signed between the two parties.

Action Taken

The company will conduct a thorough audit of the total costs recovered by the operator and provide SAI with the results.

USD **24** million

Reduction of allocations for local content targets from about USD 24 million to about USD 1.5 million during the period (2021-2023), while the actual spending in this aspect did not exceed USD 96 thousand.

The company will ensure that the operator adheres to the local content targets.

USD **22.4** million

Flare of about 135.7 million cubic meters of associated gas with an estimated value of USD 22.4 million, representing 99.6% of the total associated gas produced during the period (2019 - 2022).

The operator is being followed up to implement the plan developed for the utilization of 90% of associated gas by 2025.

OQ Group

1 Audit Results of Nakhla Program and the Effectiveness of OQ Group Integration for the Period (2018 - 2021)

USD **7.2** million

Incurring costs of outsourcing consulting services during the period (December 2018 - January 2021) to finalize certain activities related to developing policies and procedures, aligning the workforce and restructuring the OQ Group, despite the availability of a large number of experienced staff within the Group.

USD **42.2** million

Incurring costs of office space rental and set-up for the period (September 2019 - August 2022) before the integration process is finalized, without considering options of continuing to operate from existing corporate premises or owning a building for the Group before proceeding with the lease.

USD **9.5** million

Lack of supporting documents for the expenses of travel tickets, hotels, meals, conferences, events, printing and advertising.

Action Taken

The Group will consider SAI's observations to ensure improvement of its operational and financial activities, enhance governance procedures on expenses and comply with the policies issued by Oman Investment Authority, as well as to rationalize expenditure and limit outsourcing of consultants. The company is also considering moving to a main building. SAI is following up on its recommendation to conduct an investigation and assign responsibility.



Audit Results of some Financial and Administrative Activities of Duqm Refinery and Petrochemical Industries Project for the Period (2019 - 2021)

USD

93.6

million

Expenses related to the Petrochemical Complex Project were included in the Refinery Project budget instead of adopting a separate budget. Additionally, the remaining project amounts of USD 88 million are still booked under the item of capital work in progress despite the suspension of the project implementation in 2020.

Action Taken

The potential to leverage previous license agreements and front-end engineering designs of the Petrochemical Complex Project will be considered with the new consortium.

USD

3.7

million

Incurring additional financial burdens to provide the first package contractor with diesel fuel, in addition to providing naphtha to clean the pipes during the trial operation phase of the refinery, and supplying electric power and steam quantity during the construction and pre-trial operation of the Refinery, in violation of the contract terms.

The value of diesel fuel and naphtha used to start-up the operations is being recovered.



3 Audit Results of some Financial and Administrative Activities of OQ Methanol for the Period (2018 - 2021)

USD **14** million

Missed revenues due to non-production of approximately 45 thousand metric tons of Methanol because of the plant shutdown due to power outage in 2022, and failure of the backup generators since the third quarter of 2021 as a result of non-maintenance of key parts thereof for more than 12 years despite the requirement to replace them every 5 years. In addition, non-replacement of the turbine automatic operator installed in May 2018, which should be replaced every 4 years.

Action Taken

Shortfalls were addressed, and an automatic operator with higher specifications was procured and installed during 2023.

USD **5.7** million

Differences in quantities reached to 1.885 million British thermal units (Btu), as OQ Gas Networks Company (OQGN) billed the amount of the consumed natural gas at a higher rate than the its meter reading in the OQ Methanol Company's control room during the period (2019 - 2022).

The company will address the technical factors to ensure the consistency of the readings, and coordinate with OQGN in this regard.

Oman Liquefied Natural Gas



Audit Results of some Financial, Administrative and Operational Activities of Oman Liquefied Natural Gas for the Period (2018 - 2021)

USD **59.2** million

Loss of revenues as a result of suspension of natural gas liquefactions at train No. 1 during May 2021 after the fire incident at power transformer station No. 3 due to the use of obsolete circuit breakers aged over 24 years with no spare parts available, despite periodic inspections conducted in 2018 and 2021.

Action Taken

The company has begun replacing all obsolete breakers, and it is expected to be completed by 2025.

USD **4** million

Non-levy of penalty on the contractor for the delay in completing the power plant construction project milestones as per the contract terms.

The company deducted the penalty from the interim payments due to the contractor.

USD **3.7** million

Failure to follow up on the contractor for more than 17 months since he rejected in July 2021 the company's claim of compensation of approximately USD 3.7 million for the damages resulted from his delay in delivering materials and conducting periodic maintenance for liquefaction train No. 3.

The claims are being settled with the contractor prior to closing the project.

Oman Investment Authority



Audit Results of some Financial and Administrative Activities of Oman Investment Authority for the Period (2020 - 2022)

OMR **51.9** million

Payment of invoices amounting to OMR 29 million in absence of related purchase orders, and issuance of purchase orders amounting to OMR 1.8 million after receipt of vendors' invoices, as well as award of work amounting to about OMR 21.1 million through single source without having a mechanism and controls in place to regulate such award.

Lack of a standard mechanism regulating the procedures of appointing CEOs/GMs of OIA's affiliated companies to achieve the objectives of Rawabet Program.

Action Taken

Guidelines on single sourcing and a matrix of powers are being developed to segregate competencies to minimize single sourcing. In addition, regulations and procedures for single sourcing were approved in July 2024.

The guidelines for the procedures of employing CEOs and their equivalents were prepared and approved in accordance with the OIA's circular to the Chairmen of the Boards of Directors of OIA's affiliated companies in July 31, 2023.

Electricity Holding Company (Nama Group)



Results of Following-up on the Implementation of the Transformation Plan for Smart Meters and Evaluation of Customer Services at some Electricity Companies for the Period (2020 - 2022)

Action Taken

OMR

520

thousand

The company incurred financial burdens to purchase 20,100 prepaid meters with their accessories from November 2020 to May 2022, inconsistent with the Transformation Plan for Smart Meters, in addition to supplying 1,150 prepaid smart meters despite having 30,000 meters in the warehouse without utilization.

Supply of meters has been halted since August 2022.

OMR

320

thousand

A number of 12,513 digital and mechanical meters and their accessories have been in the company's warehouses for a long time despite the company's intention to activate smart meters and cease installing those meters.

Coordination will be made to obtain approvals from the relevant entities to proceed with an auction to sell them.

Replacement of 11,625 meters of various types during the period from January 2018 to June 2022 due to meter burns and breakdowns, and the technical malfunctions represented 81% of the replacement causes.

A detailed analysis is being conducted on the causes of meter replacements and their types to come up with findings and recommendations to be applied in the current work mechanisms.

Action Taken

Increase in the number of unanswered customer calls from 8,562 calls in 2019 to 42,422 calls in 2021 with an increase of 395%, negatively impacting customer satisfaction.

A plan was set at the electricity sector level to establish a call center for the distribution company and another one for the supply company to improve the response rate.

The monthly average rate of zero bills issued for residential, commercial and industrial accounts and the cost reflective tariff increased by 62% and 48% respectively in 2021 compared to 2019.

Visits to meter sites are being carried out to verify the actual readings and take the necessary actions in that regard.

OMR **182** thousand

Procurement of 4 thousand prepaid smart meters in March 2021 without installing them till December 2022 due to challenges in communicating and reading processes between the system and those meters.

The company coordinated with the rest of the Group's companies to benefit from those meters.

Dhofar Integrated Services Company



Audit Results of some Financial and Administrative Activities, Tenders and Contracts (Wastewater Sector) for the Period (2018 - 2021)

OMR

8.4

million

Non-collection of the compensation value from the consultant in the legal case of repairing the technical defects that occurred in the Sewage Treatment Plant Expansion Project in Raysut (Phase II) and network expansion, despite the issuance of final judgement by the Supreme Court in favor of the company in January 2021.

Action Taken

The execution file is being reviewed and the legal status is being evaluated to collect the compensation through international arbitration.

OMR

2.4

million

Delay in collection of dues related to wastewater services, some of which were due for more than 91 days.

An amount of OMR 2.3 million has been collected, and collection of the remaining amount is being followed up.

OMR

1

million

Non-collection of compensation from insurance companies against the costs of repairing the damages caused by weather conditions that occurred in May 2020.

Compensation Collection from insurance companies is being followed up.

Oman Water and Wastewater Services Company

1 Performance Evaluation Results of Oman Water and Wastewater Services Company after Merger in 2022

OMR **9** million

Non-collection of drinking water consumption value from commercial customers that had been due for more than 5 years by the end of 2022.

Action Taken

The company is exerting diligent efforts to take the necessary measures to collect the arrears.

OMR **127** million

Water loss increased from 21.6% in 2018 to 41% in 2022, in addition to loss of revenues estimated at about OMR 127 million in 2022.

The management stated that the financial procedures related to estimated bills were not incorporated in the commercial loss calculation, but were included starting from 2020, and work is underway to reduce the loss.

2 Audit Results of some Operation and Maintenance Activities of Sewage Treatment Plants and their Assets in the Governorates for the Period (2021 - 2023)

56 equipment pieces in some treatment plants are out of service and some facilities are corroded. In addition, maintenance shortfalls and connection leaks were detected due to contractors' failure to carry out preventive and corrective maintenance.

Action Taken

Amounts will be deducted from the contractors' bank guarantee to carry out the maintenance.

OMR

995

thousand

Overpayment of amounts for calculating the average estimated water quantities received per month instead of calculating the actual quantities during the period (January 2022 – July 2023), in violation of the contract.

Action Taken

SAI is following up on its recommendation to recover the overpaid amounts.

tanker owners are still permitted to discharge some sewage waste into unlined pits without obtaining the necessary permits from the competent authorities, in addition to discharging double-treated effluent from Sohar Sewage Treatment Plant into the wadis without taking corrective measures to eliminate environmental damage.

Some pits were closed and tenders have been awarded to construct new treatment plants. Moreover, work has been coordinated with the Authority for Public Services Regulation to take the necessary measures.



Audit Results of Remote Water Meter Reading Project at Oman Water and Wastewater Services Company for the Period (2020 - 2022)

OMR

3.3

million

Within a contract to provide 120 thousand water meters in the governorates, 100 thousand meters were replaced, although 61 thousand meters have not yet completed their lifespan and there is no evidence of their failure or obsolescence.

Action Taken

The company responded to SAI recommendation to stop replacing the meters in the governorates and to limit the replacement to the broken meters.

Action Taken

Failure and replacement of 13,300 AXIOMA meters, representing 5% of total meters installed of same type, despite the short lapse of time since their installation.

Meters will be inspected and certified to verify their efficiency and compliance with the approved specifications.

Inability of some meters to transmit monthly readings wirelessly, at rates ranging from 4% to 6% during the period (July 2021-2023) due to non-availability of network connection.

A study was conducted for non-connected meters and solutions were reached, reflecting an improvement in providing readings.

OMR

297

thousand

Non-levy of penalty for the contractor's shortfall in performing contractual obligations in terms of non-adherence to replace the meters as well as the inaccuracy and invalidity of readings received during the period (January 2021 - 2023).

Levying and collecting penalties are under consideration.

Oman Tourism Development Company (OMRAN Group)

1 Audit Results of some Projects of Oman Tourism Development Company (OMRAN Group) in 2023

OMR **20.4** million

Delay in preparing the feasibility study for the Commercial Building No. 1 Project in the Business Park till January 2022, despite tendering consultancy services in November 2012, and awarding the project in June 2022 before finalizing the necessary bank financing of about OMR 11 million for the project, which resulted in a 10-year delay for project commencement. In addition, the company couldn't secure investors to purchase the commercial spaces allocated for sale and provide the necessary liquidity to finance its share of OMR 9.4 million in the project.

OMR **18.9** million

Non-collection of about OMR 8.4 million of the remaining value of repairs implemented to address structural defects in a hotel building, amounting to OMR 11.9 million, from the project consultant. In addition, financial burdens and operational losses of about OMR 10.5 million were incurred during the hotel closure period.

Action Taken

The company will adhere to the investment policy and guiding principles of Oman Investment Authority in future projects, and will commit to secure financial appropriations before project commencement.

About OMR 8.2 has been collected from the project consultant, and the remaining claims with the relevant parties are being identified.



Audit Results of some Operational Expenditures of Oman Tourism Development Company (OMRAN Group) for the Period (2019 - June 2023)

OMR **6.6** billion

Absence of annual action plans to implement the Corporate Five-Year Strategic Plan approved in 2021, which made it difficult to measure the plan implementation results as per the set objectives and to identify financing priorities for projects estimated at about OMR 6.6 billion.

Action Taken

The annual action plan was approved by the board of directors in December 2023.

OMR **108** million

Constant accumulation of the Group's debts to finance its investment projects during the period (2015 - June 2023).

An annual plan has been developed that includes diversification and multiplicity of the investments in the coming years, which are expected to reduce debts through the expected returns.

Oman Air



Audit Results of some Operational and Administrative Expenses and some Tendering Procedures for the Period (2018 - mid 2023)

OMR **117** million

Constant increase of the company's payables to others, some of which have been due since 2016.

Action Taken

OMR 5 million was paid in February 2024, and it has been agreed to pay OMR 1 million monthly.



OMR **229** million

Value of amounts paid to fuel supply companies during the period (2018 - 2021) based on letters of intent without concluding contracts with them.

Action Taken

Contracts will be concluded with the fuel supply companies.

2 Audit Results of Ticket Sales Revenues at Outstations in Europe for the Period (2016 - 2022)

OMR **30** million

Operational losses incurred due to inaccurate feasibility studies prepared by the company to operate some routes in Europe (Manchester, Athens and Moscow) during the period (2017 - 2020).

Action Taken

Accuracy will be better observed and all inputs will be taken into account when preparing feasibility studies in the future.

OMR **565** thousand

disbursement of undue compensations to passengers during the period (2016 - 2020) for flight delays due to unexpected technical reasons and beyond the company's control.

A number of measures have been taken to avoid compensations for out-of-control cases, including strengthening claim monitoring procedures and verifying all documents. Additionally, a regulation has been prepared to handle Europe cases.

Oman Airports



Audit Results of some Investments and Financial and Administrative Activities of Oman Airports for the Period (2020 - 2023)

OMR **124** million

Receivables due to the company till November 2023, some of which were due for more than 2 years, including dues of OMR 65 million from Oman Air representing 52% of total receivables.

Action Taken

The Company's Board of Directors has been informed of the outstanding receivables to take the necessary measures, and SAI is following up on the actions taken in this regard.

OMR **3.7** million

Cost of unutilized cargo scanner despite lapse of more than 7 years since it was procured till December 2023.

The company coordinated with the relevant authorities to find appropriate solutions to operate the cargo scanner.



Audit Results of some Financial and Administrative Activities of Salalah Airport for the Period (2020 - 2022)

OMR **536** thousand

Backup generators did not automatically operate following a fire incident in December 2019, and Salalah Airport technicians were unable to operate them for more than 6 hours. In addition, non-collection of compensation of about OMR 536 thousand against the fire damages from the insurance company.

Action Taken

The contractor has been requested to repair the automation system of the backup generators, which is expected to be completed during 2024, and the compensation from the insurance company will be collected during the same period.

OMR

351

thousand

Additional financial costs of OMR 351 thousand incurred by the company for the years (2017-2022) as a result of continuous leaks in the firefighting water network due to frequent technical failures, although the network is still under warranty.

Action Taken

A tender has been floated to identify the causes of the technical failures and find appropriate solutions. In addition, a request has been submitted to the competent technical committee to oblige the contractor to repair the network.

OMR

7.5

million

Arrears due for more than 361 days from some entities and companies operating at the airport against services provided to them.

Legal procedures have been initiated against one of the companies, and the remaining amounts are being collected from the other companies.

Muscat National Development and Investment Company (ASAAS)



Audit Results of A'Sharq Project in Barka

OMR **90.4** million

Deficit of about OMR 90.4 million in the required development budget for the project, despite lapse of more than 5 years since the commencement of the initial site preparation works in the last quarter of 2017, which resulted in the loss of revenue realization estimated at OMR 29 million due to delay in project implementation and inability to operate it in 2023 as per the main project schedule.

OMR **12.1** million

Costs of purchasing play facilities for the waterpark and theme park in 2018 without utilizing them, in addition to not benefitting from their guarantees as well as bearing costs of OMR 112 thousand for their storage.

Action Taken

The company seeks to provide the necessary liquidity to complete the project.



Audit Results of Souq Shati Al Hafa Project in Salalah

OMR

1.4

million

Delay of up to 11 months in the completion of Souq Shati Al-Hafa Project in Salalah, costing about OMR 8.4 million, with an actual completion rate of 94% till the end of April 2023, resulting in non-realization of revenues estimated at OMR 1.4 million from leasing commercial units and advertising services as planned in the financial model.

Action Taken

Parts of the project were opened ahead of schedule to maximize cash flows, and the company is seeking to deliver the units to tenants to start operating.

Al-Hosn Investment Company



Audit Results of some Investments, Financial and Administrative Activities for the Period (2019 - 2022)

OMR

2.1

million

Loss of revenue realization during the period (June 2019-August 2023) due to the vacancy of Dana House building, without re-evaluating the rental space pricing calculation.

Action Taken

Part of the building was leased at the end of 2023, and the rest of the building is still in the lease process.

OMR

868

thousand

The company incurred the costs of preparing studies and appointing consultants for and on behalf of the investor without claiming such costs during the period (August 2021 - August 2023).

Amounts are being recovered as per the consulting agreement.

Oman Post



Audit Results of some Financial and Administrative Activities and Operational Performance of Oman Post, and some Activities of Asyad Express for the Period (2020 - 2022)

OMR **19.8** million

Accumulated financial losses of about OMR 5.4 million till the end of 2022 due to limited measures taken to improve the quality of services provided, and failure to take advantage of growth opportunities in postal services despite the continuous government subsidy of about OMR 14.4 million from 2020 to 2022, as a result of transferring some commercial services of Oman Post to Asyad Express.

OMR **1** million

Oman Post receivables exceeded about OMR 1 million by the end of 2022, out of which about OMR 357 thousand were due for more than 120 days as a result of insufficient analysis and assessment procedures for clients' financial solvency and non-levy of delay penalties.

OMR **148** thousand

Lack of controls to govern the expenses of meetings, gifts and entertainment, and the use of company vehicles for personal purposes during the period (2020 - 2022).

Action Taken

Several initiatives are being implemented to boost revenues and reduce government subsidy in coordination with Asyad Group.

The company is in the process of implementing a standard form to approve the financial solvency, and determining the credit limit. Moreover, delay penalty clause is being activated, and follow-up mechanisms on arrears collection is being enhanced and incorporated within the performance indicators.

Spending rationalization will be followed and corporate vehicle use policy will be adopted. In addition, periodic analysis of fuel consumption and vehicle maintenance will be conducted.

National Ferries Company



Audit Results of some Financial, Administrative and Operational Activities of the National Ferries Company for the Period (2018 - 2022)

OMR

43.3

million

Absence of a plan to limit the reliance on the government subsidy of about OMR 43.3 million provided to the company during the period (2018-2022), in light of its limited ability to finance its expenses from operating revenues which did not exceed an average of 15% of expenses.

Action Taken

The company will implement a number of initiatives to reduce the government subsidy, including replacing the ferry fleet with a more efficient one and chartering the landing craft "HALANIYAT" during periods outside of the approved voyage schedule.

OMR

62

thousand

The company was defrauded and amounts were transferred to a fake account due to shortfalls in the procedures for paying an invoice to the contracting company to provide ferry crews, in addition to not reporting the incident to SAI, in violation of State Audit Law.

The company has taken several legal actions, and will verify payment procedures as well as ensure compliance with State Audit Law.

Duqm Quarries



Audit Results of some Financial, Administrative and Operational Activities of Duqm Quarries for the period (2017 - 2022)

OMR

1.2

million

Decrease of the company's total revenues from operations by 30% during the period (2019-2022) due to its limited business activities and complete dependence on government projects without searching for other investment alternatives and opportunities.

Action Taken

Several measures were taken to improve the company's performance by changing the executive management, reviewing the operational performance and adopting the limestone investment plan.

Delay in the implementation of the limestone mining project until mid-2023, whose reserves estimated at about 150 million tons, in addition to the absence of a clear timeframe to implement a number of projects.

The limestone project was commenced in January 2024 as per the project schedule, and the company seeks to develop the projects over the next (5-10) years.

OMR

323

thousand

Loss of revenue realization due to selling some products at lower than the minimum price specified for each product and lower than the approved prices in some agreements.

New price list has been applied as of the first quarter of 2024.

Natural Shrimp Aquaculture Company

1 Audit Results of Natural Shrimp Aquaculture Company for the Financial Years of 2021 and 2022 and part of 2023

OMR

3.7

million

Loss of revenue realization during the period from January 2022 to May 2023 due to non-achievement of targeted harvest quantities and the average selling price expected in the budget, in addition to harvesting quantities of shrimp less than the targeted commercial weight.

OMR

1.2

million

Annual costs were incurred representing the difference between electricity production by diesel generators and the value of the government tariff for agricultural facilities due to the delay in supplying the farm with the power grid by the electricity company since the operation commencement in July 2021 till May 2023.

Action Taken

The shrimp nursery and growth ponds were commissioned in June 2023 and August 2023 respectively, and the survival rate in the nursery ponds reached 90% compared to the target of 65%.

The company has made diligent efforts since 2017 to ensure the power supply. However, the entities concerned with power generation and transmission were late in meeting the demand, thereby, the company had to bear the cost of constructing a power line.

Oman Environmental Services Holding Company (be'ah)



Performance Audit Results of Municipal Solid Waste Management Contracts of Oman Environmental Services Holding Company (be'ah) for the Period (2021 - 2022)

OMR

151

thousand

Decline in the performance of contracted companies in the field of solid waste management, with a decrease of 17% in one case during the period (January 2020 - July 2023), in addition to updating key performance indicators and penalties in some contracts, resulted in reducing penalties by about OMR 151 thousand during the period (May 2021 - April 2023).

OMR

40

thousand

Non-collection of the contribution value due from a company operating the waste management contract pertaining to raising environmental awareness for the years 2019 and 2022, in violation of the contract terms.

Action Taken

Key performance indicators in new draft contracts have been amended to ensure that challenges in current contracts are addressed and referred to the Authority for Public Services Regulation for review, while considering obtaining the necessary approvals upon amending contracts and exempting from penalties.

The amount was deducted from the company's dues and collected in September 2023.



Integrity Promotion and Anti-Corruption

Financial and Administrative Irregularities

As State Audit Institution is keen on carrying out its responsibilities in detecting financial and administrative irregularities as per State Audit Law issued by Royal Decree No. 111/2011, the Institution dealt with (115) public fund cases that constitute suspicions or criminal offences in 2023.

2022		2023
113	Cases addressed by SAI	115
14	Referred to the Public Prosecution	28
32	In the process of investigation (still under procedures)	22
67	Pending from previous years	65

Classification of Public Fund Cases Addressed by SAI

- Acceptance of bribery to perform an act contrary to job duties
- Embezzlement of public fund
- Money laundering
- Information forgery in government data
- Forgery in official and customary documents
- Use of forged instrument with knowledge of its forgery
- Use of position to realize an advantage
- Transgression of public fund
- Conflict of interest
- Failure to perform job duties

Examples of Judgments of Conviction Issued during 2023

Oman Fisheries Company

Marketing and Sales Manager at Oman Fisheries Company abused his position and accepted a benefit of USD 5,400 to perform one of his job duties, and accepted another benefit of USD 794 from a foreign company as well as attempted to obtain a benefit of USD 7,115 from another foreign company. The manager further laundered illegal amounts of USD 6,194 at a bank outside the Sultanate of Oman and consolidated and possessed them with his own money.

The accused was convicted of the felony of money laundering, the misdemeanor of obtaining a benefit and illicitly profiting from one of his job duties, the misdemeanor of misuse of position and violation of one of its duties and obtaining a benefit for himself as well as the misdemeanor of violating Foreigners Residency Law.

The accused was punished by 10-year imprisonment and a fine of OMR 50 thousand for the first conviction, and punished by 3-year imprisonment and a fine of OMR 1000 for the second conviction. He was further punished by one-year imprisonment and a fine of OMR 500 for the third conviction, as well as one-month imprisonment and a fine of OMR 200 for the fourth conviction, provided that punishments shall be integrated and the most severe punishment shall be adjudicated, in addition to confiscation of funds subject of the crime and any funds owned by the accused equal to the value of the fund subject of the crime, removal from office and permanent deportation from the Sultanate of Oman after execution of the punishment. The accused was obligated to pay the expenses of the lawsuit.



Oman Dates Production and Packaging Company

The Financial Director of Oman Dates Production and Packaging Company embezzled public funds amounting to OMR 63,535.200 from the company's account by forgery and use of the forged official instrument.

- The first accused was convicted of the felony of public fund embezzlement by forgery, and punished by one-year imprisonment, a fine of OMR 63,535.200, restitution of the embezzled amount, removal from office and permanent prohibition from assuming public office. He was also convicted of the felony of forgery in official instruments and punished by one-year imprisonment, and he was convicted of the felony of using a forged official instrument with knowledge of its forgery and punished by one-year imprisonment. He was further convicted of the crime of participating in forging and using customary documents and punished by six-month imprisonment, and he was convicted of the crime of using information technology means to commit information forgery and punished by one-year imprisonment and a fine of OMR 1,000.
- The second and third accused were convicted of the felony of participating in the embezzlement of public fund and punished by one-year imprisonment, of which six months shall be served and the remainder shall be suspended. The second accused was further punished by a fine of an amount equal to the misappropriated amount, restitution of the misappropriated amount, removal from office and permanent prohibition from assuming public office.
- The second accused was convicted of the felony of participating in the forgery of official instruments and punished by one-year imprisonment, of which six months shall be served and the remainder shall be suspended.
- The third accused was convicted of the crime of forgery in customary documents and use of such documents with knowledge of their forgery and punished by 6-month imprisonment.
- The first and second accused were convicted of the crime of misuse of position and violation of its duties to obtain a benefit, and punished by one-year imprisonment, of which six months shall be served and the remainder shall be suspended, a fine of OMR 500, removal from office and confiscation of all received funds. They were further convicted of the crime of using the public position to realize an advantage, and punished



by one-year imprisonment, of which six months shall be served and the remainder shall be suspended, as well as convicted of the crime of transgression of public fund and punished by six-month imprisonment.

• The punishments ruled for the accused shall be integrated and the most severe one shall be adjudicated, and they shall be deported from the country following the execution of the punishment ruled against them.

Social Protection Fund (Formerly Public Authority for Social Insurance)

Document Management Assistant at Public Authority for Social Insurance fabricated an official instrument and forged the signature of the competent official, and used the forged instrument to address the bank to transfer an amount of OMR 7,000 into his personal account.

The accused was convicted of the crime attributed to him and punished by 4-year imprisonment for the felony of forging official instruments as it is considered the most severe one, and he was obligated to pay the expenses, and the forged instrument was confiscated in preparation for its destruction.

Ministry of Transport, Communications and Information Technology

One of the owners of a consulting company that was awarded the Al Batinah Expressway Project Management Agreement, facilitated his company's subcontracting procedures with the executing company, by which he realized an advantage for himself.

The accused was convicted of the misdemeanor of using his public position to realize a personal advantage and the misdemeanor of owning a share in a company whose business is directly connected to his workplace. The Court ruled to imprison him for one and a half years, of which six months shall be served and the remainder shall be suspended, as well as to confiscate the seized funds.

A number of employees at the Ministry used their positions to realize an advantage and committed the suspicion of conflict of interest by facilitating procedures for a company to obtain subcontracting work within the projects executed in the Ministry. The company was paid OMR 643,980.125 against the executed work.

All the accused were convicted of the misdemeanor of conflict of interest and punished by one-year imprisonment, as well as the misdemeanor of using the position to realize an advantage and punished by one-year imprisonment. The court adjudicated the integration of the two punishments, removal from office, permanent prohibition from assuming public office and confiscation of the funds received in violation of the law.

Muscat Municipality

An employee at Muscat Municipality accepted a bribe of OMR 21,551.600 for performing tasks contrary to his job duties, by registering (91) lease contracts with low value ranging between (OMR 1 to OMR 50). He also committed the crime of information forgery in government data and exempting some companies from technical and health inspection, with the participation of a number of accused persons.

- The first accused was convicted of the felony of accepting a bribe to perform a task contrary to his job duties, the felony of using information technology means to commit the crime of information forgery in government data, the felony of forgery in an official instrument, the felony of using a forged instrument with knowledge of its forgery, the misdemeanor of deliberately failing to perform his job duties, the misdemeanor of transgressing public fund, and the misdemeanor of using his work to realize an advantage, and he was punished by 5-year imprisonment and a fine of OMR 3,000.

- The second and third accused were convicted of the felony of jointly using information technology means to commit the crime of information forgery in government data, the felony of forgery in official instruments, the felony of using a forged instrument with knowledge of its forgery, the misdemeanor of failing their job duties, the misdemeanor of transgressing public fund and the misdemeanor of using their work to realize an advantage for themselves and others. They were punished by 3-year imprisonment and a fine of OMR 3,000.

- The fourth, fifth and sixth accused were convicted of the felony of jointly using information technology means to commit the crime of information forgery in government data, the felony of jointly forging official instruments, the felony of jointly using an instrument with knowledge of its forgery. The Court adjudicated one-year imprisonment and a fine of OMR 3,000 for the fourth and fifth accused. The sixth accused was sentenced to one-year imprisonment with a stay of execution and a fine of OMR 3,000, out of which OMR 1,000 shall be executed.

- The seventh accused was convicted of the felony of bribery, the felony of participating in using information technology means to commit the crime of information forgery in a government e-system. He was punished by one-year imprisonment with a stay of execution and a fine of OMR 30,000. The rest of the misdemeanors were referred to the competent Primary Court, with a ruling of confiscating the forged documents and revoking the municipal license.

- The first, second and third accused were punished by removal from office, permanent prohibition from assuming public office, confiscation of the bribery amount and obligation to pay the expenses.

Awareness and Integrity Promotion

With the aim of strengthening community partnership, promoting integrity values, establishing the culture of protecting public fund and preserving the State gains, State Audit Institution has devoted considerable attention to media and awareness aspects by implementing many programs, activities and events, as follows:

2022		2023
94	Radio & TV programs	65
31	Radio & TV interviews and reports	39
29	Press releases	60
5	Seminars & lectures	22
96	Digital awareness releases	46
4	Printed awareness releases	3
259	Total	235

Follow-up and Implementation of the United Nations Convention against Corruption

State Audit Institution undertakes the task of the Anti-Corruption Authority and the follow-up on and implementation of the United Nations Convention against Corruption. In this regard, the efforts exerted by SAI during 2023 resulted in the following:

Participations of State Audit Institution in international, regional and local activities in the field of promoting integrity and combating corruption



State Audit Institution organized the 2023 annual event in cooperation with the Secretariat General of the Cooperation Council for the Arab States of the Gulf. In this regard, SAI implemented a symposium entitled “Institutional and Community Partnership and its Role in Protecting Public Fund, Promoting Integrity and Combating Corruption” in Dhofar Governorate on August 24, 2023.

State Audit Institution prepared the Gulf Joint Program for Awareness and Education in the Field of Education, and it was approved in accordance with the minutes of the ninth meeting of the GCC Anti-Corruption Ministerial Committee.

State Audit Institution has prepared the Manual of Making Media and Awareness Content Available for the GCC Authorities and Institutions Responsible for Promoting Integrity and Combating Corruption. It is currently under study by the GCC Anti-Corruption Experts Committee.

National Integrity Promotion Plan (2022 - 2030)

The Sultanate of Oman has adopted the National Integrity Promotion Plan, reflecting its keenness to fulfill its obligations under the United Nations Convention against Corruption in implementation of the requirements of Article (5) of the Convention, which obliges the States Parties to develop and implement effective anti-corruption policies that promote the participation of society and reflect the principles of the rule of law and promote proper management of public affairs with transparency. In this regard, State Audit Institution made the following efforts:

Organizing the Executive Workshop of the National Integrity Promotion Plan, in the presence of the entities concerned with implementing the Plan, at SAI headquarters in Muscat on September 13, 2023.

Holding (4) meetings with the concerned officials at Oman Vision 2040 Implementation Follow-up Unit to discuss mechanisms for following up on the implementation of the National Integrity Promotion Plan, resulted in preparing a dashboard for the Plan's performance indicators, detailed plan models for executive procedures, and a statement of the implementing and supporting entities for each executive procedure.

Holding (6) meetings to discuss the implementation of the National Integrity Promotion Plan with a number of entities concerned with implementing the Plan (Ministry of Culture, Sports and Youth, Small and Medium Enterprises Development Authority, Central Bank, Ministry of Finance, Ministry of Labour and Ministry of Commerce, Industry and Investment Promotion).

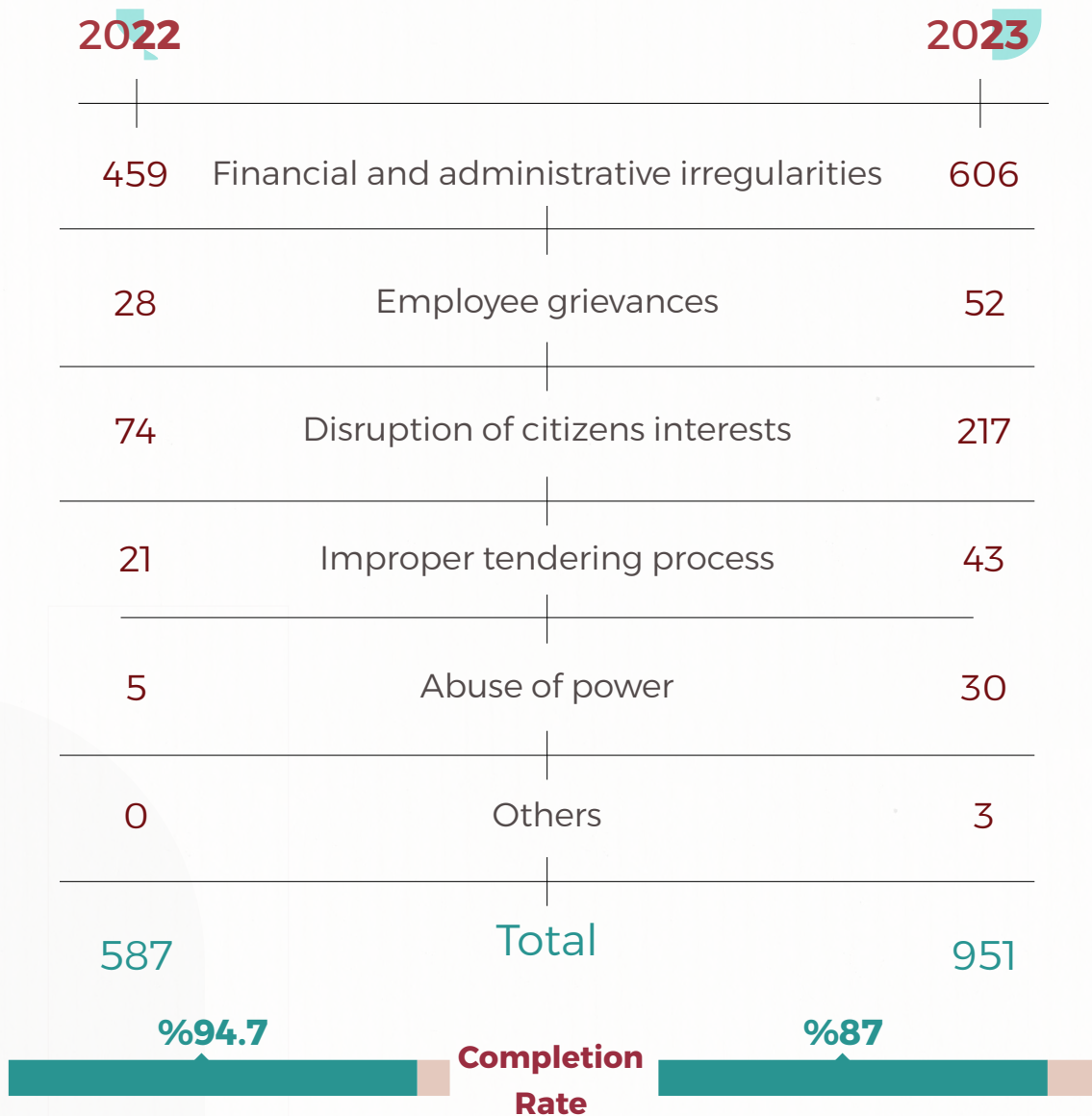
Revision of Draft Laws, Regulations and Decisions

As per Article (5) of State Audit Law issued by Royal Decree No. 111/2011, State Audit Institution shall review and comment on draft laws, regulations and systems developed by entities subject to its audit with respect to financial and accounting affairs, taxes and charges. SAI reviewed (57) draft laws, regulations and decisions during 2023.

2022		2023
81	Laws / Regulations / Decisions	57
9	Laws	3
36	Regulations	20
36	Decisions	34

Complaints and Reports

1 Types of complaints and reports





Statistic of complaints and reports registered with the Institution for the top five entities subject to its audit during the year 2023



Government Units

Ministry of Housing and Urban Planning	71
Ministry of Health	26
Ministry of Endowments and Religious Affairs	20
Ministry of Education	19
Ministry of Labour	18



Authorities, Investments and Companies

Environment Authority	19
Nama Water Services	16
Petroleum Development Oman	11
Oman Development Bank	8
Nama Electricity Distribution Company	5





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