

The role of supreme audit institutions in monitoring the implementation of Sustainable Development Goals by governments

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KEYWORDS

Sustainable development goals,
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ABSTRACT

This study examines the pivotal role of Supreme Audit Institutions (SAIs) in monitoring the implementation of Sustainable Development Goals (SDGs) by governments. Qualitative research method was used by synthesizing and analyzing important sources of documents from organizations such as Worldbank, United Nation; Intosai and the website of the National Supreme Audit Institution to explore the specific functions of the Supreme Audit Institution towards the goal of sustainable development. The study also pointed out the challenges faced by SAIs in fulfilling their oversight role and provides recommendations for strengthening their capacity to support the achievement of the SDGs.

1. Introduction

Since the United Nations (UN) issued 17 sustainable development goals and called on countries to work together to achieve the goal of protecting the planet, protecting the environment and quality of life globally in 2030, Vietnam is one of the countries that become a member of the United Nations committed to implementing the 17 goals that have been included in the 2030 agenda. The goals in the 2030 agenda are good, but how to monitor countries implementing the roadmap correctly and effectively requires the participation and supervision role of the State Audit. This study was conducted to point out the important role and challenges of state audit in helping countries effectively implement the proposed sustainable development goals. Accordingly, the following sections of the study

will focus on clarifying the following main contents: (1) An overview of sustainable development goals and the role of supreme audit institutions in monitoring the progress of sustainable development goals; (2) Lessons learned from other countries on the use of supreme audit institutions in monitoring the implementation of sustainable development goals; (3) The current situation in Vietnam; (4) Challenges facing supreme audit institutions today; (5) Proposing solutions to help supreme audit institutions improve the effectiveness of monitoring sustainable development goals.

2. Literature review

2.1. An overview of sustainable development goals (SDGs)

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In 2015, the United Nations member states joined forces to create a roadmap for a better future for all. This ambitious plan, known as the Sustainable Development Goals (SDGs), outlines 17 interconnected goals designed to achieve a world free from poverty, hunger,



Figure 1. 17 Sustainable Development Goals (United Nations, 2015)

and inequality, while protecting our planet.

The Sustainable Development Goals (SDGs) have a broad scope, encompassing a wide range of social, economic, and environmental issues (United Nations, 2015)

- People: Several goals prioritize human well-being and equality. This includes:

+ Ending poverty and hunger (Goals 1 & 2): Ensuring everyone has access to basic necessities like food, shelter, and sanitation.

+ Promoting good health and education (Goals 3 & 4): Guaranteeing access to quality healthcare, education, and mental well-being for all ages.

+ Achieving gender equality (Goal 5): Eliminating discrimination against women and girls and empowering them to reach their full potential.

+ Building peaceful and inclusive societies (Goal 16): Promoting peace, justice, and strong institutions for everyone's safety and security.

- Planet: Recognizing the importance of a healthy environment, the SDGs address:

+ Combating climate change (Goal 13): Taking urgent action to reduce greenhouse gas emissions and adapt to climate impacts.

+ Protecting biodiversity and ecosystems (Goals 14 & 15): Conserving our oceans, forests, and other

natural resources for future generations.

+ Promoting sustainable consumption and production (Goal 12): Shifting towards practices that minimize waste and environmental impact.

- Prosperity: The SDGs acknowledge that economic development is essential for achieving sustainability. They aim to:

+ Foster decent work and economic growth (Goal 8): Creating opportunities for everyone to have secure and fulfilling employment.

+ Build resilient infrastructure and promote innovation (Goal 9): Developing infrastructure that can withstand environmental challenges and fostering technological advancements for a sustainable future.

+ Reduce inequalities within and among countries (Goal 10): Closing the gap between rich and poor, both within and between nations.

- Partnership: The SDGs acknowledge that achieving these goals necessitates collaboration.

+ Partnerships for the Goals (Goal 17): Encouraging partnerships between governments, businesses, and civil society organizations to share resources, expertise, and best practices for implementing the SDGs.

2.2. An overview of Supreme Audit Institutions

Supreme Audit Institutions (SAIs) are public bodies responsible for the audit of government revenue and expenditure. By scrutinizing public financial management and reporting they provide assurance that resources are used as prescribed. SAIs undertake financial audits of organizations' accounting procedures and financial statements, and compliance audits reviewing the legality of transactions made by the audited body. They also conduct performance audits to scrutinize the efficiency, effectiveness or economy of government's undertakings (INTOSAI Development Initiative, 2021).

2.3. The role of State Audit in monitoring sustainable development goals

Traditional state audit functions focus on financial accountability. However, for SDGs, their role expands to and likely relate to performance Auditing (INTOSAI Development Initiative, 2021).

Promoting Transparency and Accountability: Audits assess if government policies, programs, and budgets are aligned with the SDGs. This transparency fosters public trust and ensures resources are used efficiently

for achieving these goals. Audits can identify potential misuse or misallocation of funds intended for SDG-related projects.

Evaluating Effectiveness and Efficiency: Audits determine if SDG-related programs are being implemented effectively and efficiently. This helps identify areas for improvement and prevents wasted resources. Audits can analyze if programs are truly achieving their intended outcomes in terms of contributing to specific SDGs. (Kardos M, 2012).

Highlighting Risks and Challenges: Audits can identify potential roadblocks to SDG implementation, such as: Weak governance structures; Corruption; Inadequate data collection on progress. By bringing these issues to light, audits pave the way for corrective measures and improved strategies.

Measuring Progress: Audits provide independent verification of progress made towards achieving the SDGs. This quantitative data is essential for: Tracking progress on specific targets; Identifying areas where further action is needed.

By scrutinizing public financial management and evaluating government performance against SDG targets, SAIs contribute to enhancing accountability, transparency, and effectiveness in achieving sustainable development (Rajaguguk, 2017)



Figure 2. Main role of State audit in monitoring SDGs

3. Research Method

This study employs a qualitative research methodology to examine the role and challenges of Supreme Audit Institutions (SAIs) in monitoring Sustainable Development Goals (SDGs). By synthesizing existing literature on sustainable

development, SAIs, and international experiences, the research aims to identify key issues and propose strategies for enhancing SAIs' effectiveness in this critical area. Document analysis is the primary research method used to extract relevant information and insights from various sources.

4. Results

4.1. Auditing relate to SDGs in some countries

- In Brazil:

The Brazilian Court of Auditors (TCU) has conducted audits on various SDG-related areas, including: Public education spending and its effectiveness in achieving SDG 4 (Quality Education); Management of water resources and sanitation services, contributing to SDG 6 (Clean Water and Sanitation). During auditing, these audits have identified inefficiencies and made recommendations for improvement, leading to better allocation of resources and progress towards the SDGs (UNDP, 2018).

- In Kenya:

The Office of the Auditor General (OAG) of Kenya partnered with the United Nations Development Programme (UNDP) to develop a guide for auditing county governments' performance on SDGs. This guide provides a framework for OAG auditors to assess how county governments are integrating the SDGs into their development plans and budgets. It helps ensure resources reach local communities and contribute to achieving the goals.

- In India:

The Comptroller and Auditor General of India (CAG) has conducted performance audits on various government programs related to SDGs, such as: The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), which contributes to SDG 1 (No Poverty) and SDG 8 (Decent Work and Economic Growth). The Swachh Bharat Mission (Clean India Mission), which contributes to SDG 6 (Clean Water and Sanitation). After auditing, these audits have highlighted issues like program implementation delays and gaps in targeting beneficiaries. This informs corrective measures and more effective program design to achieve the SDGs.

- In Sweden:

The Swedish National Audit Office (Riksrevisionen) has conducted audits on the government's integration of the SDGs into its national policies and strategies.

After auditing, these audits have assessed how well Sweden's national plans align with the SDGs and identify areas for improvement. This ensures a more cohesive approach to achieving the goals.

4.2. State Audit Office of Vietnam in monitoring SDGs implementation

Vietnam recognizes the importance of the SDGs and has made significant strides towards achieving them. The State Audit Office of Vietnam (SAV) plays a crucial role in monitoring and promoting progress through its audit practices. The SAV incorporates SDGs into its audit strategy by focusing on areas directly linked to specific goals including: (1) Education: Audits might assess the efficiency and effectiveness of government spending on education programs, contributing to SDG 4 (Quality Education). (2) Healthcare: Audits could evaluate the management of public healthcare resources and accessibility of services, contributing to SDG 3 (Good Health and Well-being). (3) Poverty Reduction: Audits might examine government programs aimed at poverty alleviation and social safety nets, contributing to SDG 1 (No Poverty). (4) Environmental Protection: Audits could assess environmental regulations and compliance, contributing to SDG 13 (Climate Action) and SDG 15 (Life on Land).

The SAV's SDG-focused audits have already made a positive impact during conducting audit, like:

Identifying Inefficiencies: Audits have revealed areas where government programs can be streamlined or targeted more effectively to achieve SDG goals.

Promoting Transparency: The SAV's audit reports contribute to transparency by highlighting progress made and areas needing improvement. This fosters public trust and encourages accountability.

4.3. Challenges in auditing sustainable development goals

While state audits offer a powerful tool for monitoring SDG implementation, there are several challenges SAIs face:

Limited Resources: Conducting comprehensive audits, especially those encompassing complex topics like the SDGs, requires significant resources. This includes well-trained personnel, advanced data analysis tools, and adequate funding for conducting fieldwork. Many SAIs, particularly in developing countries, face budgetary constraints that limit their capacity to conduct

in-depth SDG-focused audits (INTOSAI Development Initiative, 2021)

Lack of Standardized Methodologies: Currently, there's no single universally accepted methodology for auditing SDG implementation. This can lead to inconsistencies in how SAIs assess progress across different countries. Without standardized approaches, it can be difficult to compare results and share best practices effectively (INTOSAI Development Initiative, 2021).

Data Availability and Quality: Effective SDG monitoring relies on robust data collection and analysis. However, data availability and quality can be a major challenge, especially for developing countries. Inconsistent data collection methods, incomplete datasets, and lack of access to disaggregated data (data broken down by specific demographics) can hinder the effectiveness of audits (Reichborn-Kjennerud, K., & Johnsen, A, 2018)

Political Interference: In some cases, SAIs might face political pressure that could influence the scope or outcome of their audits. This can undermine the independence and objectivity of the audit process. Ensuring political will and commitment to transparency is crucial for SAIs to function effectively (UNDESA & IDI, 2021).

Capacity Building: Auditing SDGs requires specialized knowledge and skills beyond traditional financial auditing. SAIs need to invest in training their staff on the intricacies of the SDGs, social and environmental auditing methodologies, and data

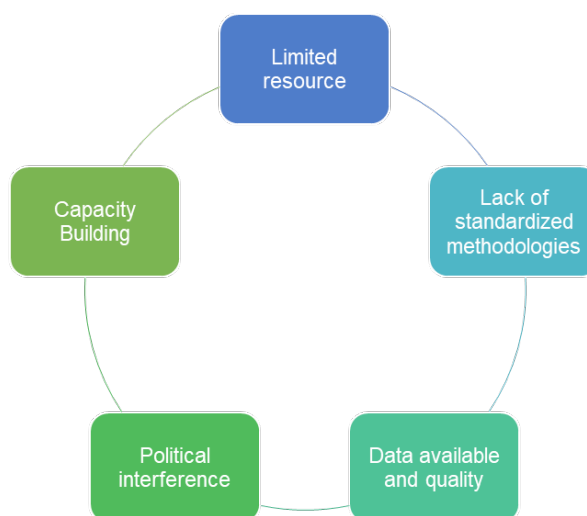


Figure 3. Main Challenges in auditing SDGs implementation

analysis techniques (INTOSAI Development Initiative, 2021).

5. Solutions

To overcome the challenges that auditors are facing in the process of conducting audits related to sustainable development goals. Here are some potential solutions to address the challenges SAIs face in auditing SDGs:

First, about Limited Resources: SAIs can collaborate with international organizations like the World Bank or UN agencies to access technical expertise, funding, and training opportunities. Utilizing data analytics tools and automation can streamline audit processes and improve efficiency. SAIs can also strategically prioritize audits based on national SDG priorities and potential impact (Chatterjee S, 2018).

Second, about Lack of Standardized Methodologies: International organizations like INTOSAI can play a key role in developing and promoting standardized frameworks for SDG auditing. SAIs can participate in knowledge-sharing platforms to exchange best practices in developing and implementing SDG-focused audit methodologies. Developing and testing pilot SDG audit methodologies in specific countries can inform the creation of more standardized approaches.

Third, about Data Availability and Quality: SAIs can work with national statistical agencies to improve data collection methods and ensure the availability of disaggregated data relevant to SDGs. Governments can invest in developing robust data infrastructure to improve data collection, storage, and accessibility for SAIs. SAIs can collaborate with civil society organizations that might possess data on specific SDG targets and challenges.

Fourth, about Political Interference: Robust legal frameworks can safeguard the independence of SAIs and protect them from political influence. Raising public awareness about the importance of SAIs and their role in promoting transparency and accountability can create a stronger public demand for independent audits. International organizations can advocate for the importance of SAI independence and provide support to SAIs facing political pressure.

Fifth, about Capacity Building: SAIs can invest in training programs for their staff on the SDGs, social and environmental auditing methodologies, and data analysis techniques. Collaboration with international organizations and SAIs from developed countries can facilitate knowledge exchange and capacity building for

auditors in developing countries. Mentoring programs can pair experienced SDG auditors with new staff to facilitate knowledge transfer and skill development.

6. Conclusion

The ambitious goals outlined in the 2030 Agenda for Sustainable Development require a multifaceted approach. State Audit Institutions (SAIs) play a critical role in ensuring effective implementation of these goals by acting as guardians of accountability and transparency. While SAIs offer a powerful tool, they face challenges like limited resources, lack of standardized methodologies, and political interference. Collaboration with international organizations, capacity building initiatives, and innovative solutions are crucial to overcome these obstacles. Looking ahead, SAIs are likely to embrace technological advancements, further integrate SDG considerations into their work, and strengthen collaboration with stakeholders. This will enhance their ability to monitor progress, promote accountability, and ensure a more sustainable future for all.

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