



The Audit Bureau Annual Report for the Year 2020

(Executive Summary)

Our Vision

Creating a sustainable professional audit, enhancing public accountability, and helping the public sector in working efficiently and effectively.

Our Mission

Contributing to improvement in the use and management of public resources to realize community-based sustainable development through comprehensive and independent audits over public funds.

Our Professional Values and Principles

In the course of achieving our Vision and Mission at all levels, we adhere to our common set of values.

- * Integrity and Impartiality
- * Professional Care
- * Efficiency and Transparency
- * Team Work Spirit

Table of Content

❖ Introduction
❖ The Most Important Achievements of the Audit Bureau for 2020
❖ Transformation of Audit Operations
❖ Organization and Resource Efficiency
❖ Development & Capacity Building
❖ International Cooperation and Relationships with Audit Authorities, Donors and International Organizations
❖ Specialized Reports and Advisory Role
❖ Audit Work During the Corona Pandemic
❖ Plans and Aspirations
❖ Audit Tasks
❖ Audit Outputs
❖ Saving & Refund
❖ Internal Control
❖ Abiding by Defense Decrees
❖ Legal Cases and Advisory
❖ Institutional Performance Development and Quality Assurance
❖ Analyzing and Auditing of the Final Accounts of the General Budget
❖ The Financial, Legal and Technical Risks
❖ Financial Receivables
❖ The Most Important Violations Contained in the Annual Report of the Audit Bureau for the year 2020

❖ Introduction

The 69th Report of 2020 includes six chapters as follow:

- Chapter 1: The most important achievements of the Audit Bureau during 2020.
- Chapter 2: Analyzing and auditing of the final accounts of the General Budget and Government Units, analyzing the Treasury Financial Position Statement for 2020 and analysis of public debt for the period (2017-2020).
- Chapter 3: Audit of performance, environment and sustainable development of several financial, economic and environmental sectors.
- Chapter 4: Auditing number of public owned companies (government has 50 % or more of its shares) and analyzing their financial statements
- Chapter 5: The most important audit outputs, part of which has been referred to the judiciary due to a deficit or violation of using public funds, and another part to the Integrity and Anti-Corruption Commission for further investigation because of suspicions of corruptive acts in them.
- Chapter 6: The most important audit outputs in ministries, government departments, public institutions, public universities, municipalities, Joint services Board and the Greater Amman Municipality, were included in several sections, most notably violations committed using government vehicles.
- Note that the report does not reflect the full effort sought by the Audit Bureau staff, as it includes the findings that are not settled with the Auditees as a result of the non-refund of public money, which was disbursed in ways contrary to the regulations and laws in force, or follow-up of others through joint committees with various control authorities and taking the necessary measures to handle and correct violations.

❖ The Most Important Achievements of the Audit Bureau for 2020

Under the provisions of Article 119 of the Jordanian Constitution and Article (11) of the AB Law No. (28) for the year 1952 and its amendments, the Audit Bureau has carried out the Audit function in accordance with AB strategic plan for the years (2016-2020).

The Audit Bureau has prepared a preliminary plan for the transformation of operations and activities for the years (2020-2021) It became later the nucleus of the Strategic Plan for years (2021-2023), transformation plan included the application of international audits practices.

The most important area of transformation adopted and the achievements in 2020 were the following:

❖ **Transformation of Audit Operations**

- Audit operations have been directed towards risk-based audits, materiality and comprehensive auditing of all accounts and records of auditees by adopting audit methodology that complies with international standards approved and issued by the International Organization of Supreme Audit Institutions (INTOSAI), in light of amendments AB Law No. (63) of 2018.
- The periods of auditing have been kept up to date with the speed of taking appropriate measures on time addressing the shortcomings first and holding accountable those who are responsible for the delay in addressing and correcting the irregularities that appeared during their presence in the position of responsibility. Thus, the annual report for the year 2020 includes irregularities and remarks on violations committed during 2020.

❖ **Organization and Resource Efficiency**

- Due to the referral of several qualified staff of the AB to retirement, and in the application of the idea of replacement and succession and the continuation of efficient work in the Bureau, the cadres of auditors and supervisors have been developed and qualified, and approximately 40 employees have been promoted to various administrative supervisory levels with the aim of replacement and job succession. This led to a shortage in the number of qualified auditors who practice field audit work, which posed a challenge due to the increasing volume of audit missions entrusted to the Bureau.
- In the first third of 2020, the administrative organization by-law was amended and the technical directorates were renamed to match the nature of audit work carried out by them, and the Information Technology Directorate was separated from the Engineering Affairs Directorate to keep pace with the government's approach to government e-services, re-engineering operations.
- Technical and engineering audits were separated from the regular (financial and compliance) audit, as seven engineering groups were formed covering all parts of the Kingdom, each of which audits several government agencies, to give greater flexibility and segregation of tasks between types of audit.

- To improve institutional governance practices and reward outstanding performance in the Bureau's environment, the following has been done:
 - Forming committees for all subjects to consolidate the principles of justice, move away from individual decisions, strengthen the separation of tasks, prevent conflicts of interest and reward excellence performance.
 - Approving the basis for replacement, job succession, and promotion conditions for supervisory positions.

❖ **Development & Capacity Building**

- The audit files (planning and execution) were computerized within an automated file based on audit methodology in accordance with international standards with the aim of efficiently and effectively use of human resources to improve and standardize audit processes and procedures in accordance with international standards and document the work of the auditor. This file has been prepared with the effort of internal capabilities by a specialized work team. and we seek to develop it continuously so that all audit operations and files are managed and documented centrally, which facilitates the process of tracking audit work and monitoring progress and achievement.
- The Directorate of Institutional Performance Development and Quality Assurance has been strengthened to develop and enhance its role to monitor the quality of the implementation of audits and direct auditors to commit to quality control standards through the checklists approved for this purpose.
- A plan has been developed for digital transformation based on providing auditors within (3) years with advanced laptop computers and modern audit programs and directing the operational operations of the Bureau towards a paper-free environment by archiving all files and documents and facilitating the workflow and enabling auditors to use the Government Financial Information Management System (GFMIS) to facilitate access to records and accounts at the auditees.
- An initial contract has been signed to provide the AB with advanced software for managing audit operations and files (TeamMate), which contributes to digital transformation and controlling audit plans, so that (300) licenses/users will be operated over the next three years.

❖ **International Cooperation and Relationships with Audit Authorities, Donors and International Organizations**

- AB has actively participated in all activities held by Arab, regional and international audit organizations (ARABOSAI, ASOSAI, and INTOSAI) and participated in its remote working groups to strengthen and develop capabilities and keep pace with the latest developments in audit work.
- According to the memorandum of understanding, coordination was made with the Netherlands Court of Accounts within a (SHARAKA project) to strengthen performance and environment audit, including e performance audit of the Primary Health Program at the Ministry of Health. Moreover, the Bureau has improved its relations with donors, making it a house of expertise and an accreted audit agency, especially the World Bank, which is now choosing the Audit Bureau as an audit institution bank loan and grant agreements, including loans in the field of education, health, investment, employment programs and solidarity, During the year 2020 and the beginning of 2021, the Bureau issued about ten independent external auditor reports regarding these funds. In addition to that, the Audit Bureau is considered an approved body in issuing the audit report on verification of the Disbursement linked indicators (DLIs) of the loan's agreements for several international bodies.
- Mechanisms of cooperation and coordination with the Integrity and Anti-Corruption Commission were strengthened and developed through the memorandum of understanding signed with the Commission. In addition, the Bureau referred a number of cases tainted by suspicion of corruption, resulting from audits, for further investigation of its content and providing advice and experience in auditing, financial analysis and technical audit.

❖ **Specialized Reports and Advisory Role**

- The Bureau strengthened its advisory role through providing audit reports, a specialized working team submitted a financial and technical report on the reasons for the rise in electricity bills in the winter2020, upon a request from the House of Representatives, including many professional recommendations in this regard. It was discussed with the joint committee (the Finance Committee and the Energy Committee). and in a continuation approach of the Bureau in the study and analysis of financial statements, final accounts and estimated budgets for a group of government units, AB submitted (18) studies in this regard, at the

request of the Prime Minister, including a number of observations and recommendations.

❖ **Audit Work During the Corona Pandemic**

To enhance transparency and control over public money, the Bureau continued to carry out its duties despite the conditions of the pandemic and to abide by defense decrees related to distancing and reducing working staff. Audit works continued to be conducted whether on-site or remotely, in addition to participation in tender committees and procurements of all stages and giving first-hand remarks and addressing them quickly, which enhance confidence in the decisions taken, especially among donors and lenders.

❖ **Plans and Aspirations**

- The biggest part of the transformation plan was accomplished in the audit process, and it was the nucleus of the medium-term strategic plan launched by the Bureau at the beginning of 2021, with a duration of three years, and focused on continuing the development and improvement, keeping pace with international practices, improving the work environment and stimulating performance. The strategic plan included three strategic objectives and ten Sub-goals and nearly thirty projects and initiatives to achieve the vision of the AB, the main objectives of strategic plan are to improve the quality of operations, audit outputs and the work environment, raising the efficiency of employees, institutional excellence, working as a house of expertise, and enhancing the relationship with the relevant parties.
- A Twinning Program has been implemented with one of the advanced SAIs (the Supreme Audit Office of Poland) funded by European Union for the years (2021-2023) in cooperation with the Ministry of Planning and International Cooperation to strengthen institutional capacities and improve operations and audit outputs in the Audit Bureau. The project consists of three main components. The first component is the application of the risk-based audit approach and comprehensive auditing (financial and compliance audits), the second component is improving quality assurance processes, and the third component is the application and improvement of information technology audits and revenue audits.

❖ **Audit Tasks**

Despite the challenges during the year 2020 represented by the conditions of the Corona pandemic and the instructions for distancing and reducing the working cadres, the Bureau has accomplished several audit tasks assigned to it, as the following:

- Auditing (89,260) vouchers for pre-audit (municipalities) and checking (5581) different accounts for post-audit.
- Participating as an observer (without voting right) in (32921) different committees (technical, investigation, inventory, handovers, etc.).
- Conducting (5432) spot checks and examinations of the funds and storehouses that led to the discovery of defects in the management of public money and the identification of shortages.
- Completing (7281) various tasks by the engineering cadres in the Bureau represented in the technical committees, handover committees, field visits and technical audits.
- following up on a group of complaints, communications, suggestions and questions related to the nature of work of the Bureau received on its account through the platform “At your service”, where the response rate was (100%) without delay.
- Dealing with large number of complaints submitted through the Bureau's website or via e-mail or fax, the total number of complaints reached (257) complaints that were followed up, and (20) audit outputs were issued in light of these complaints.

❖ **Audit Outputs**

The number of audit outputs issued by the Bureau during the year 2020 reached a total of (257) audit reports, management letters and letters of clarifications as a result of the Bureau’s adoption of a comprehensive risk-based audit policy, discussing audit reports with the auditees on a timely basis, and increasing coordination and cooperation with various authorities. (23) Audit outputs have been corrected by the committee formed under the Prime Minister’s letter no. (55/11/1/1274) dated 21/2/2017, which includes holding periodic meetings in the Prime Ministry headed by the Minister of State for Prime Ministry Affairs and representatives of each of the Audit Bureau, the Prime Ministry and the Ministry of Finance, and calling a number of stakeholders in the relevant authorities to discuss the audit outputs issued by the Bureau first-hand and taking the necessary measures and decisions to correct them in accordance with the laws and regulations in force. Nearly (30) meetings were held, which resulted in the following:

1. The Prime Minister directed all concerned authorities to take the necessary measures to correct the violations contained in the Bureau's report for the year 2020, within a specified period, and to provide the Prime ministry with proof of that.

2. The committee discussed all the audit outputs and the response of the audited entities, and took the following decisions:

A. Transferring (27) audit outputs related to the accounts of government agencies and the accounts of municipalities to the Integrity and Anti-Corruption Commission, as the committee was convinced of the existence of suspected corruption in them and to conduct further investigations.

B. Transferring (11) audit outputs related to the accounts of government agencies and the accounts of municipalities to the judiciary, in which it was found that public funds were infringed.

C. Issuing (55) decisions to recover and collect public funds, valued at up to 7 million JDs.

D. Transferring (6) audit outputs to the Legislation and Opinion Bureau to clarify the opinion regarding the discrepancy in viewpoints between the Audit Bureau and the auditees.

E. Forming (30) joint committees including representatives of the concerned parties with the violation and the Audit Bureau, to study the procedures taken by those authorities to come up with specific recommendations that enable the committee to take the appropriate decision regarding them.

F. The Prime Minister addressed the concerned authorities with all the violations contained in the audit reports and corrected them in accordance with the regulating legislation.

3. All audit outputs issued for previous years are followed up and all appropriate measures are taken to recover violation included in audit output. The outstanding number of audit outputs reached (7000) audit letters, (2109) letter of clarification and took possession of (22%) of the Bureau's effort to follow up on these outputs.

❖ Saving & Refund

The Bureau achieved direct savings as a result of auditing transactions related to taxes and fees, recovering unlawfully disbursed amounts, and indirect savings through participation in the bids and procurement committees and the committees formed according to the letters of clarifications, the Bureau's audit letters, review notes, and pre-audit regulations. The total financial savings achieved during the year 2020 amounted to a total of 41,951,840 JDs.

❖ Internal Control

- The Bureau pays great attention to improving and developing the performance of the internal control units in the auditees since the performance of these units is directly reflected in the efficiency and effectiveness of the audit work carried out by the Bureau. Given that the Bureau is committed to conducting compliance audits and the implementation of the Internal Control Discipline No. (3) of 2011, its amendments, and the instructions issued pursuant thereto.
- At the beginning of the year 2020, the Bureau launched a project to improve the performance of these units, which stems from the sub-goal adopted by the Bureau within its strategic plan of (contributing to raising the efficiency and effectiveness of the internal control units of the auditees). To achieve this goal, the Bureau has prepared new standards for evaluating the performance of internal control units based on best professional practices contained in international and local internal auditing standards, as these standards were approved by the Central Committee for Internal Control Standards and circulated to all parties to which this by-law applies according to the Prime Minister's letter No. (55/11/1/23674) dated 12/14/14 2020.

❖ Abiding by Defense Decrees

The Bureau monitor the extent of the commitment of the auditees from the outbreak of the Corona pandemic, according to Defense Order No. (26) for the year 2020 and the Prime Minister's letter No. 10/13/1/4854, dated 24/2/2021 and in accordance with the instructions for controlling the commitment of the ministries' employees, Government departments and public official institutions with measures to prevent the outbreak of the Corona pandemic issued by the Audit Bureau in accordance with the third clause of Defense Order No. (20) For the year 2020, where the Bureau carried out (4251) visits to various government agencies during the pandemic, which resulted in the detection of (1,336) violations by Auditees and (340) public employee.

❖ Legal Cases and Advisory

- (219) legal advice was provided regarding the various auditees.
- The total cumulative number of cases transferred to the judiciary (rights/penalty/execution) amounted to (22919) cases until December 31, 2020, and the total amounts recovered according to them were 363,178,277 JDs, the total amounts collected from them were 164,033,618 JDs, and the total amount not collected from them was 199,144,558 JDs.
- The number of executive cases submitted for execution to the Kingdom's execution departments during the year 2020 reached (5,091) cases, and the value of the sums required to be collected under these cases was 16,741,087 JDs.

❖ Institutional Performance Development and Quality Assurance

- The Audit Bureau has adopted and applied an audit approach based on the latest professional standards to enhance its ability to carry out the tasks assigned to it efficiently, effectively, objectively, neutrally and professionally in a highly manner. According to a methodology based on international auditing standards and INTOSAI standards, in order to build a high-quality control system to accomplish its tasks with distinction and to reflect the implementation of strategies as follows:
 - Quality assurance reviews were conducted for a number of audit tasks in the various audits of the Audit Bureau.
 - A comprehensive and evidence-supported self-assessment process has been initiated for the Bureau's strengths and weaknesses at the institutional, organizational and professional levels, using the SAI-PMF (Performance Measurement Framework) issued by the International Organization of Supreme Audit Institutions (INTOSAI) and with the adoption of the base year (2019). the evaluation results will be used to improve the Bureau's ability in strategic planning by encouraging the use of performance measurement and management, identifying opportunities to enhance and monitor the performance of the Bureau, and enhancing accountability to serve as a measure of performance improvement.
 - Several strategic plans for ministries, public institutions and municipalities were reviewed and some amendments or observations were recommended to them

❖ Analyzing and Auditing of the Final Accounts of the General Budget

for the Financial Year 2020

First: The Central Budget Deficit:

The estimated deficit before financing amounted to 1.046 million JDs in the 2020 budget, while the actual deficit amounted to 2.182 million JDs, with an increase of 1.136 million JDs, at a rate of 109% of the estimated deficit.

Second: The Public Expenditures of the Central Budget:

- The actual public expenditures amounted to 9,211 million JDs.
- The actual general current expenditures amounted to 8,388 million JDs.
- The actual current expenditures of the civil apparatus amounted to 5,752 million JDs, which constituted 69% of the total actual public current expenditures
- The actual current expenditures of the military apparatus amounted to 2,636 million JDs, which constituted 31% of the total actual public current expenditures.
- Actual general capital expenditures amounted to 823 million JDs.
- The actual capital expenditures financed by the treasury amounted to 774 million dinars, which constituted 94% of the total public capital expenditures.
- The actual capital expenditures financed by loans amounted to 48.6 million dinars, which constituted 6% of the total actual public capital expenditures.

Third: The Public Revenues of the Central Budget

- The actual public revenues amounted to 7,029 million dinars.
- The actual revenues decreased from 7,754 million dinars in 2019 to 7.029 million dinars in 2020, at a rate of (9%), as a result of the decrease in the total of other revenues and the total of the recovered premiums.
- The total actual external grants amounted to 791 million JDs for the year 2020 compared to 788 million dinars in 2019, with an increase of 3 million JDs and a rate of (0.4%) as the main result of the increase in grants received from the European Union and the United States of America and other grants
- The total actual external grants decreased from the estimated amount of (16) million JDs at the end of 2020, with a deviation rate of (2%) as the

main result of the decrease in grants received from both the European Union and the Gulf Fund for Development.

- The external grants constituted 1% of the total domestic revenues for the financial year 2020, as well as 11% of the total public revenues for the same year.
- The total actual domestic revenues decreased by (725) million dinars at the end of 2020 compared to the end of 2019 with a rate of (10%) as the main result of the decrease in total other revenues by (1,003) million JDs, with a decrease of (44%)
- The total tax revenues increased by 278 million JDs, with a growth rate of (6%).

Fourth: Revenues and Expenditures of the Government Units

- The total estimated public revenues of government units amounted to 1,301,926,000 JDs, of which (1,203,681,000) JDs are self-revenue, which is represented in (revenues from selling goods and services, revenue from property income, various revenues), government support amounting to (28,145,000) JDs, and external revenues, which in total are realized from external grants and aid, which amounted to (70,100,000) JDs.
- The actual earned revenues amounted to (1,137,076,940) JDs in 2020, with a negative deviation (actually less than the estimated) amounting to (13%) from the estimated revenues for the same year.
- The total estimated public expenditures for government units amounted to 1,539,365,000 JDs for the year 2020, of which (1,054,320,000) JDs are current expenditures and (485,045,000) dinars are capital expenditures.
- The total actual public expenditures amounted to 1,185,824.796 dinars during the year 2020, with a negative deviation rate (actual less than the estimated) amounted to (23%) from the estimated expenditures for the same year.
- The actual deficit before financing amounted to (48,747.856) dinars during the year 2020, which is less than the estimated deficit of (188,691.144) with a deviation rate of (79%) due to the fact that the negative deviation in expenditures was greater than the negative deviation in revenues.
- The government units that transferred financial surpluses to the treasury during the year 2020 are (12) units. As for the rest of the government units, they did not achieve financial surpluses to be transferred to the treasury.

Fifth: Public Debt for the period (2017-2020)

- The total public debt balance increased at the end of 2020 compared to the end of 2017 (i.e. in the last three years) by 5.764 million dinars, or by 21.1%, to reach a balance of 33.033 million dinars.
- The internal debt (before subtracting deposits) increased by 1.196 million dinars, at a rate of 6.7%, as the internal debt balance of the central government (budget) increased by 1,279 million dinars, by 8.4%, while the guaranteed government debt decreased by (83) million dinars.
- The balance of government debt held by the Social Security Investment Fund increased by 388 million dinars to 6,039 million dinars, representing 40% of the total internal debt of the government.
- The internal debt from the Social Security Investment Fund in Independent Public Institutions increased by 12 million dinars, or 12.5% during the year 2020, bringing the total debt from the fund (a central government and its guarantee) to 6,149.7 millions JDs, with an increase of 400 million dinars during the year 2020.
- The total internal debt from the fund increased during the period from 2017 to 2020 by 1,231 million dinars, or 25%, as the government's dependence on borrowing from the Social Security Investment Fund increased.
- The external debt increased by 1,761 million dinars, or 14.3%, as a result of the increase in the central government debt balance (budget) by 1,779 million dinars, a rate of 15.2% The total foreign loans (budgeted and guaranteed) contracted during the year 2020 amounted to about 6,480.2 million dollars, equivalent to 4,594.5 million dinars, and most of them were to support the budget (deficit financing).
- The total balance of public debt (without subtracting deposits) to GDP amounted to 92.8%, 92.9%, 95.2% and 106.5% for the years (2017-2020), respectively, meaning that this ratio exceeded the permissible percentage according to the Public Debt Law, and the main reason is the increase in this ratio leads to the growth of the public debt stock at a rate greater than the growth in the gross domestic product.
- As a result of the change in the exchange rate of the dinar against the foreign currencies that make up the external loan balances (except for the US dollar, since the exchange rate is fixed between it and the

Jordanian dinar), the external public debt balance increased by 202.1 million dinars in 2020.

- The total public debt service from internal and external debt interests increased from 916.4 million JDs in 2017 to 1,286.3 million dinars in 2020.
- The total public debt service from the interests amounted to 11.2%, 12.4%, 13.2% and 14% of the total expenditures for the years 2017-2020, respectively.
- The total public debt service from the interests of the internal and external debt represented 13.6%, 15.3%, 16.7% and 20.6% of the total domestic revenues for the years 2017-2020, respectively.

Sixth: Analyzing of the Financial Position Statement for the Public Treasury for the year 2020

- The statement of the financial position of the treasury did not include the total balances of the previous obligations that appeared in the general budget law and its final accounts, whose total actual expenditures amounted to 835 million dinars during the years (2016-2020).
- An adequate explanation hasn't been included on the accumulated savings/deficit
- The total balance of advances amounted to 6,180,106,191 dinars as of December 31, 2020, at a rate of 87.3% of the total assets. It was noted that the balance of advances increased by an amount of 463,687.131 dinars, at a rate of 8.11%. for these parties.
- The balance of the value of the returned checks, amounting to 21,424,700 dinars, increased in 2020 compared to 2019, most of which belong to the Revenue Fund / Income and Sales Tax Department, with a value of 17,862,048 dinars, or 83% of the total returned checks, as uncertified checks are accepted from income and sales taxpayers.
- The Financial position of the treasury Not Showing the advances of the emergency expenditure fund to confront the Corona pandemic, amounting to 101,627.010 million dinars, as at the end of 2020.

❖ The Financial, Legal and Technical Risks

The Audit Bureau annual report for the year 2020 contained the above-mentioned risks as following:

First: Budget, Final Accounts, and Financial Position of the Public Treasury, Public Debt and Governmental Units.

1. The absence of instructions regulating exchange operations from the emergency expenditure fund to confront the Corona pandemic and how to pay these advances later and the need to show the expenses related to the Corona pandemic within the chapter for each public entity.
2. Allocating funds for some projects that were scheduled to be implemented during previous years, and allocations were repeatedly included for them without actually spending, and without taking action to correct the status of these projects.
3. Conducting a large number of transfers from allocations which was allocated to projects included in the budget.
4. Not disclosing the details of other current expenditure items and other allocations within the final account of the state's general budget.
5. Lack of the follow up on outstanding checks in ministries and government departments from a central body specialized and concerned with follow-up.
6. Failure to implement some capital projects for some ministries and departments, despite the availability of financial allocations within their budgets, and making financial transfers from their allocations to other projects.
7. Necessity to show the expenses related to the Corona pandemic within the chapter for each ministry/department.
8. The growth rate in the public debt balance is greater than the growth rate in the gross domestic product, and this has negative effects on debt sustainability or the ability to continue borrowing.
9. The ratio of public debt to GDP exceeded what was stated in the Public Debt Law
10. The increase in the balance of public debt as the main result of the budget deficit and the rise in the internal and external debt service, led to an increase in the interest payments of debt service, as the interests paid on the internal and external public debt amounted to 1,286.3 million dinars in 2020, and the instalments paid from external loans amounted to 1.676. 5 million dinars for the same year.

Second: Governmental Companies in which the Government Owns (50%) or more of its Shares

1. The losses in some companies exceeded the ceiling specified in the Companies Law, and there are no clear plans to address this.
2. The high value of accounts receivable and the weak collection procedures, the high indebtedness of some companies and their liabilities to others.
3. The increase in administrative and operational expenses in companies as a result of the increase in salaries and the number of staff and the failure to follow a policy of controlling and rationalizing spending and disbursing rewards and overtime in an exaggerated manner.
4. poor commitment to legislation, such as disbursing rewards to the chairman and members of the board of directors in violation of the companies' law, non-compliance with presidential decisions, and non-implementation of the government's transportation and travel system, non-compliance with the stamp fees law, non-compliance with the regulations of supplies and procurements by-law.
5. Violation of the terms and conditions of agreements and tenders, and their implementation, resorting to direct purchase, fragmentation of purchases, and weakness in maintaining assets.
6. Weakness in the application of good practices in institutional governance, internal control and control systems and the weakness of internal control units and their lack of independence.

Third: Exemptions

▪ Customs and Tax Exemptions

The volume of imports for the year 2020 (excluding oil and its derivatives) amounted to 2.79 billion dinars, as the last financial impact from paying customs duties and sales tax on fees amounted to 396,237.013 dinars, shown as follows:

- The size of the exempted amounts (fines) for the year 2020 amounted to 1,954,866 dinars by the settlement committee formed in the Jordanian Customs Department and according to the approval of the Council of Ministers.

The Main Risks are:

- Granting exemptions outside the framework of the General Sales Tax Law and the Income Tax Law, and there is a conflict between them and the exemptions granted under other legislation.
- Ineffectiveness of control systems to follow up on exemption decisions granted to investors, especially for investment projects, free and developmental zones, and insufficient guarantees provided when granting exemptions to projects.
- Not linking all granted exemptions to financial guarantees for fees and taxes, with activating control procedures and periodic follow-up to verify compliance with the conditions for granting these exemptions, especially those related to development areas and investment promotion.

Medical Exemptions

- The value of medical exemptions granted to treat citizens from the Royal Hashemite Court at the Ministry of Health during the year 2020 amounted to 10 million dinars.
- The value of medical exemptions granted to treat citizens from the Royal Hashemite Court in university hospitals and Prince Hamza Hospital during the year 2020 amounted to 17,364,336 dinars.
- The value of medical exemptions granted by the Prime Ministry for the treatment of citizens in university hospitals and Prince Hamza Hospital during the year 2020, which are disbursed from public expenditures/medical exemptions, amounted to 25,368,172 dinars.

Exemptions of University Fees

- The value of exemptions from university fees incurred by public universities amounted to 48,910,458 dinars.

Fourth: Tax and Customs Evasion

1. Loss of revenues as a result of the application of the circulars issued by the Income and Sales Tax Department to regulate the work of importers for others (the shippers), especially in light of the failure to follow up on the fate of those imports because (the shippers)

- provided fake information and due to lack of cadres to follow up and complete the audit process before the tax periods expire.
2. Postponing the payment of sales tax upon import and not directing this to the sectors and activities that are eligible for postponements, such as investment and industrial activity.
 3. Weak control over the development areas scattered in all governorates of the Kingdom (taxes and customs).
 4. Weakness of effective control means over tobacco, molasses and alcohol drinks, which requires intensification of spot checks by the Directorate of Combating Tax Evasion on all factories (tax and customs).
 5. The incomplete electronic link between the Companies Control Department and the Customs Department and the weak coordination between the Income and Sales Tax Department and other external parties regarding sources of information related to tax returns.
 6. The absence of control tools for inspecting imports and exports and evaluating their value, in order to reduce the diligence in the application and determine the tariff in a way that contravenes the regulating legislation. One of these tools is the formation of specialized committees for inspection and not be limited to one person.

Fifth: Tax and Customs Verifications

1. Not considering the materiality of the criteria for accepting tax returns within the sampling system and verifying the proper application of these criteria in a way that ensures considering the materiality of these statements and directing tax cadres to audit them concerning the need to separate the criteria for accepting the sales declaration from the approved criteria for accepting income declarations.
2. Inaccuracy in the application of the approved and enforceable customs tariff items on imports, which leads to a loss in duties and taxes.
3. Failure to follow up on the customs pledges, whether from the department and/or other relevant authorities, for goods that are taken out with a pledge and before the end of the customs procedures and obtaining the necessary approvals from other relevant authorities.
4. The poor follow-up of the joint tax files between Amman and Aqaba and the necessity of activating the Directorate of Combating Evasion

in Aqaba to avoid tax evasion as a result of the different tax brackets between them.

5. The incomplete electronic link between the Companies Control Department and the Customs Department.
6. The lack of continuous control over the stored goods (bonded) and considering the commitment of companies to release the goods within the specified period and activation of the provisions of the law about the seized goods to avoid their damage or loss.
7. The shortage of specialized technical cadres to raise the efficiency of auditing and collection at the Income and Sales Tax Department, which negatively affects tax revenue collections.

Sixth: Government Tenders and Procurement

1. Inaccuracy in preparing diagrams and engineering designs, calculating quantities, or considering the number of items in lump sums, in addition to the presence of errors in studies of government bid projects by the design consultant, which resulted in additional financial costs to the contractor or the issuance of unjustified variation orders and substantial changes to the terms of the original bid.
2. The contractor's failure to perform his duties in terms of technical defects that may affect construction safety, including what constitutes a danger to public safety and failure to comply with public safety conditions during implementation.
3. Creating and implementing new works within a work program separate from the works of the original bids without issuing a variation order according to the rules, which leads to delays in the completion of the original bids and the repetition of extensions during implementation.
4. Inaccuracy of technical studies of supply and installation bids upon assignment based on the (only matching) or the (cheapest matching) and at a financial cost greater than the estimated costs of these bids.
5. Weakness in the preparation and prioritization of the bid documents, which gives the contractor the right to request an increase in the bid value if the quantities of items change from the design plans, which incurs excessive amounts for government agencies.
6. Exceeding the value of the change orders for a number of government bids by more than (100%) of their original value without completing those bids.

7. The beneficiary department's failure to follow up on the implementation of bids and services by the contractors, the failure of the supervising engineer on the bid to follow up the implementation work and approve the materials, and the failure to take the necessary measures to correct the violations and deficiencies, or to properly calculate the fines for the delay.

Seventh: Government Vehicles

1. The increase in the rate of fuel consumption in violation of the provisions of the by-law for regulating the use of government vehicles and the instructions issued.
2. Allocating government vehicles for the use of managers and employees without submitting this to the Supervising Committee on the Use of Government Vehicles to study them and raise the necessary recommendation regarding them to the Prime Ministry to issue the fundamental approval for the use of government vehicles.
3. Allocating government cars to a number of employees without obtaining the necessary approvals. We point out that some authorities allocate government vehicles to office managers, financial directors and internal control whose nature of work does not require the use of a government car.
4. Not linking a number of government vehicles to the electronic tracking system and installing tracking devices on vehicles.
5. Not activating the electronic tracking system on vehicles that have tracking devices installed.
6. The failure of the internal control units in various government agencies to monitor the use of government vehicles, each within its jurisdiction.
7. The use of government cars with an engine capacity of more than 2000 cc, despite their high operating costs.
8. The presence of a number of vehicles bearing the white plate (loaded on projects) used by senior employees, and these vehicles are not monitored and counted.
9. A number of department managers use the movement's cars despite the allocation of cars to them and a fuel allowance of (150) liters per month.
10. Many vehicles have been out for a long time without being used, maintained or insured, and without taking the necessary measures to return them to service properly and benefit from them, as it was sufficient to address the competent authorities to write them off.

Eighth: Municipalities and the Greater Amman Municipality

▪ Municipalities

1. Approval of licensing buildings in violation of the provisions of the regulation and granting work permits despite the presence of breaches on the organizational capacity of the Public Street and adjacent plots.
2. Licensing the buildings based on the existing building and not the proposed building and according to schematic diagrams instead of engineering plans certified by the Engineers Association.
3. Issuance of building licenses without paying the full licensing fees and excesses on the percentage of the roof, floor and volume, and parking allowance.
4. Failure to pay a security deposit of (20%) of the total value of the license fees to ensure compliance with the terms and conditions of the license.
5. Disbursing sums of money in the form of bonuses, overtime allowances and travel allowances without a legal basis.
6. Failure to prepare the bank's settlement memorandum at the end of each month to meet the bank's statements of transactions recorded in the cash book.
7. The amounts of disbursed expenditures exceed their allocations in the budget of the various municipalities approved by the Minister of Local Administration, and the provisions of the municipal financial by-law are not applied when receiving amounts and when preparing and disbursing vouchers and paying personal advances.
8. Failure to transfer the received governmental and non-governmental trust funds to the relevant authorities' first-hand, which leads to the accumulation of these amounts as obligations on the municipalities.
9. Municipalities do not give the leased properties sufficient care to take all the necessary measures to collect amounts of rent allowance. They also lease these properties and exempt them from paying rent without the approval of the Minister of Local Administration.
10. Municipalities do not activate the inspection of shops to verify that they have obtained the necessary license, which led to the presence of a large number of shops operating without a license,

and the municipalities are still collecting bills fees for the total instead of adopting the area of the billboard.

11. As a result of the absence of the employer's and contractor's cadres in the projects and the follow-up of the projects, there is poor workmanship in the completion of the projects. As a result of the non-application of the contractual terms.

12. Several municipal councils and local councils do tasks outside the scope of their powers, and the implementation of the provisions of the Municipal Law, its regulations, and instructions are not duly enforced.

▪ **Greater Amman Municipality**

1. Disbursing rewards and incentives to the employees despite the lack of approval by the Prime Ministry on the basis for granting rewards and incentives, which unjustly creates legal and financial obligations on the Greater Amman Municipality.

2. The Municipality's failure to calculate and collect building permit fees correctly in accordance with the provisions of the Buildings and Organization Law in the city of Amman, which negatively affects the collections of building permits' revenues, which is the most important financial source for the municipality Fund.

3. The municipality's failure to take all necessary legal measures to collect the debts owed to the Amman Trust Fund, whether from those who failed to pay the fees, taxes and rent allowances due or from the employees against whom judicial decisions are issued without recourse, which negatively affects the financial position of the Greater Amman Municipality.

❖ **Financial Receivables**

▪ **Income and Sales Tax Department**

- Due to the volume of due and uncollected financial receivables to the Income and Sales Tax Department, amounting to 2.4 billion dinars, as of 1/1/2020, the Council of Ministers issued the Resolution No. (8010) dated December 30, 2019, the basis for settling outstanding issues between taxpayers and the Income and Sales Tax Department for the year 2019 where:
 - The number of settlements completed by the committee formed for this purpose reached (4,373) settlements with taxpayers until 31/12/2020.
 - The total amount collected amounted to 112 million dinars.
 - The total exemption from fines amounts to 104 million dinars.

▪ **Jordan Customs Department**

- The amount of due and uncollected financial receivables as of 1/1/2020 at the Jordanian Customs Department amounted to 434,428,685 dinars.
- The size of the exempted amounts (fines) for the year 2020 amounted to 1,954,866 dinars by the settlement committee formed in the Jordanian Customs Department and according to the approval of the Council of Ministers.

▪ **Health Insurance Management**

- The financial receivables due to the Health Insurance Department and uncollected as of 31/12/2020 amounted to 361,985,774 JD, while the total revenues generated by the Health Insurance Department during the year 2020 amounted to 171,632,835 JD.
- The financial receivables owed to the university hospitals and Prince Hamza Hospital, which were not collected as of 31/12/2020, amounted to 332,498,124 dinars, knowing that most of these amounts are owed by government agencies.

▪ **Public Universities**

- The value of the financial receivables due and uncollected of Public Universities as of 31/12/2020 amounted to 112,549,150 dinars.
- The value of the financial receivables due and uncollected of university hospitals, as of 31/12/2020, amounted to 229,165,179 dinars. Most of these amounts are owed by government agencies.

- **Municipalities, joint services councils, and the Greater Amman Municipality**
 - The value of the outstanding and uncollected financial receivables of the municipalities and the joint services councils as of 1/1/2020, amounted to 172,228,320 JD.
 - The financial receivables due to the Greater Amman Municipality and not collected, as of 31/12/2020, amounted to 263.5 million dinars

The reason for the accumulation of these receivables is the failure to take all the necessary legal measures against the violating parties to collect the value of the receivables, which requires activating the collection process, which will have a positive impact in reducing the deficit.

❖ **The Most Important Violations Contained in the Annual Report of the Audit Bureau for the year 2020:**

1. Aqaba International Schools Company

The company's accumulated losses increased, reaching (10,085,120, 11,337,204 and 12,309.077) dinars for the years (2017-2019), respectively, which represents a percentage of (212%, 238% and 259%) of the company's capital, and this led to the depletion of property rights, noting that the school's salary scale is high, as it was noted that the salaries of employees in the school increased compared to other similar schools.

Source: (the Bureau Letter No. 11473/3/31/18, dated 13/8/2020)

2. Aqaba Railway Company

The accumulated losses amounted to (87,232,806) dinars at the end of 2019, which is more than (75%) of the paid-up capital, which requires specific measures in accordance with paragraph (266-A) of the Companies Law No. (22) Of 1997 "to liquidate the company's assets, unless the general assembly decides in an extraordinary meeting to increase its capital", in addition to the fact that the company has (637) employees, most of whom are not currently doing any business as a result of the company's cessation of work. It was also found that there are a number of plots of land owned by the treasury of the Hashemite Kingdom of Jordan, and a group that is still registered in the name of the Aqaba Railway Corporation and has not been duly registered in the name of the company, and a group of lands that have been seized by the General Organization for Social Security because of the amounts owed by the company.

Source: (the Bureau Letter No. 18947/3/12/13, dated 22/12/2020)

3. Jordan Airports Company

There are obstacles facing investment in the company's lands at Queen Alia Airport outside the concession limits located at the main entrance to Queen Alia International Airport referred to in Area C: Access Road (C: Access Road) in Annex No. (2) Of the Agreement to Rehabilitate the Expansion and Operation of Queen Alia International Airport.

Source: (the Bureau Letter No. 13368/3/7/18, dated 15/9/2020)

4. AL-Samra Electricity Generating Company

A bonus equal three months were disbursed annually to the former General Manager (.....) during the years (2015-2018) as an efficiency incentive, with a total amount of 30,916 dinars, contrary to the letter

of the Prime Minister and the work contract signed with him on 10/11/2007.

Source: (the Bureau Letter No. 5783/3/23/18, dated 31/5/2020)

5. Aqaba Development Company

A number of decisions were taken by the company's board of directors to disburse sums of money and/or incur expenses and money for other parties that are not related to the company's goals and objectives, or to make decisions to spend from a previous year's budget, amounting to 312,365 JD. In addition to that, it appeared that there were many notes on the agreements of sale, lease and not following up on the collection of instalments due from investors.

Source: (the Bureau Letter No. 19814/4/9/18, dated 31/12/2020)

6. Aqaba Ports Management and Operation Company

The company paid an amount of 120,127 dinars as a reward to external parties without a legal basis based on the decision of the Policy Committee in the Aqaba Special Economic Zone Authority.

Source: (the Bureau Letter No. 16511/3/13/13, dated 15/11/2020)

7. Jordan Water Company / Miyahuna

- Appointing (13) employees directly without announcing the required jobs in the local newspapers through decisions of the Board of Directors and the Minister of Water and Irrigation, contrary to the decision of the Council of Ministers.

Source: (the Bureau Letter No. 6626/3/7/15, dated 9/6/2020)

- Failure to take the necessary measures against the subscribers who failed to pay the due instalments amounting to 584,876 dinars for the years (2016-2019) in contrary to the provisions of the Water Authority Law.

Source: (the Bureau Clarification No. 49 for 2020)

8. The Jordanian Group Company for Free Zones and Development Zones

Upon studying the investment contracts between the company and the investors, it was found that there were many violations and observations on the investments in the development areas in terms of non-compliance with the terms of the agreements by the investors and non-payment of the amounts owed to them, amounting to 6,049,600 dinars.

Source: (the Bureau Letter No. 16477/2/13, dated 1/11/2020)

9. The Performance Audit of Smart Card Project Management

It was found that the Civil Status Law No. (9) for the year 2001 and the reformulation of the legislation related to the personal smart card has not been amended, as the law in force is still related to the civil status card that is no longer used. It was also found that there was no documentation of all documents, data, and correspondences related to the main bid file with the Civil Status and Passports Department, with the department not taking into account the existence of alternatives or new suppliers for smart cards when the quantity of smart cards specified in the bid runs out, which leads to a monopoly on purchasing smart cards from the executing company by way of assignment, The smart card does not contain, up to date, any of the services that have been activated, such as (social security, health insurance ... and others), as it is still limited only to the personal information of citizens and the Department of Civil Status and Passports, has not coordinated with all government service departments to apply the benefits of the electronic card

Source: (the Bureau Letter No. 13989/3/1/14, dated 22/9/2020)

10. Jordan Customs Department

▪ Hospital (.....)

When auditing the customs data of the Hospital (...) for the period (1/1/2018-30/6/2020), it was found that the hospital obtained exemptions from customs duties and taxes for imports for modernization and renovation of the building located on plot no. (1496) This is in accordance with Investment Law No. (16) of 1995, which was extended several times, and on 3/3/2019, the legal opinion issued by the Legal Affairs Directorate in the Investment Commission confirmed that the hospital used the exemptions granted to it for a purpose other than for which it was exempted.

▪ Tourist resort

When auditing the customs data belonging to the company (...), it was found that the above company obtained an investment encouragement exemption to build a two-star hotel facility according to the letter of the Investment Commission and within (3) years and obtained a conditional initial approval valid for two years from the Ministry of Tourism and Antiquities ,It was found that the exemption granted to the stakeholders was for the

purposes of establishing a two-star hotel, which was not completed, and what was established as a tourist restaurant, which constitutes an explicit violation of the investment law accordingly, the stakeholders shall be entitled to all fees, taxes and customs fines as a result of disposing of the exempted materials for purposes other than the purpose for which they were exempted.

Source: (the Bureau Letter No. 16027/3/5/14, dated 26/10/2020)

11. Income and Sales Tax Department

When auditing a sample of tax files at the Aqaba Special Economic Zone Authority, it was found that the fight against tax evasion was not activated within the authority's limits to verify the validity of revenues, expenses and accounts submitted by taxpayers and the lack of a link between the electronic system approved by the Income and Sales Tax Department and the company registration and permit system in the authority, where it was found that there are cancelled files on the system in the authority, still appear as operating files on the department's system since 2003 to date. The tax files in the Tax Revenue Directorate of the authority were not classified according to the relative importance of the files and in line with the department's classification of taxpayers, despite its great importance when selecting and accepting samples, especially in light of the high volume of imports and local market transactions with the authority.

Source: (the Bureau Letter No. 18052/3/7/14, dated 8/12/2020)

12. Department of Land and Survey

It was found that the base price for plots of land had been electronically modified by the Directorate of Computer and Information Technology to calculate the exemptions contained in the Prime Minister's letter No. (45192/10/6/4) dated 31/10/ 2019, which affected the correctness of the estimation of land values. Consequently, on the correctness of calculating sales fees, property sales tax, and treasury revenues, contrary to the provisions of Article (4) of the Land Registration Fees Law No. (26) for the year 1985 and its amendments.

Source: (the Bureau Letter No. 2936/3/8/14, dated 18/2/2020)

13. Companies Control Department

When conducting a spot check on the fund of the Companies Control Department on 16/12/2020, we found that The receipts No. (876068) dated August 25, 2020, at a value of 7000 JD, and No. (876079) on 25/8/2020, with a value of 5000 JD in an unduly manner, was cancelled due to the

non-retention of all copies and upon verification through the archiving system, it was found that the copy of the receipts is in the origin of the transaction, which indicates the receipt of the amount in cash and the cancellation of the receipt with the intent of manipulation.

Source: (the Bureau Letter No. 18382/3/5/12, dated 17/12/2020)

14. Ministry of Environment

When auditing a sample of the projects account at the Ministry of Environment for the period (2017-2019), it was found that an amount of 985,533 dinars was transferred by the Ministry to the Royal Scientific Society, more than the actual costs (for the solar-powered irrigation water pumps project) funded by the European Union due to the lack of technical committee in following up the progress of the project contrary to article three, paragraph (A) of the agreement signed with the association, noting that (43%) of the pumps are not operating. In addition to that, the remaining balance of the grant of the project to integrate sustainable production and consumption policies amounting to 11,800 euros in the specified time allocated for training (160) employees in the field of Green entrepreneurial business was not utilized, which led to the return of this amount to the grant account according to the transfer order in letter No. (1/1/3869) dated 5/1/2019 addressed to the Central Bank

Source: (the Bureau Clarification No. 11 for the year 2020)

15. Ministry of Digital Economy and Entrepreneurship

When auditing the bidding documents related to the implementation of each of the fiber-optic networks project in the governorates of the south and the north, it was found that the Ministry did not conduct a pre-survey before bidding, which resulted in errors in the names and locations of the connection points to be implemented, which leading to the cancellation and creation of new points, and modification of the paths of the cables connecting the collection points, such as the Al-Karimah-alsakhnah path, which imposed additional financial burdens on the Treasury; and the failure to include the drilling item (micro-trench) in the table of quantities, which led to the contractor submitting financial claims instead of a delay amounting to 177,632 JD, resulted from the decision of the Dispute Resolution Board.

Source: (the Bureau Letter No. 18384/4/23/12, dated 17/12/2020)

16. Incentives of Parallel Program in Public Universities

When auditing the incentives for parallel and international education programs in public universities paid for academic and administrative staff, which amounted to 55,941,458 dinars for the ten public universities for the year 2019, it was found that the deduction rate for these rewards varied from (26%-75%) between these universities, knowing that the value of the total government support amounted to 48,319,544 dinars. By studying the subject, and without a unified ceiling for all universities as the regulations of these universities included that the body responsible for determining these percentages is the Boards of Trustees in universities and instructions conditional with the approval of the Higher Education Council and not specifying the programs that deduct from their fees for these incentives, as they differ from one university to another. In addition to a discrepancy in the mechanism for distributing parallel incentives from one university to another,

Source: (the Bureau Letter No. 15457/3/15/12, dated 7/10/2020)

17. Health insurance management

When auditing the records of the Subscribers Directorate for the period (2018, 2019), the following were found:

- A. The existence of duplication of several contributors to civil health insurance and military health insurance, bearing in mind that the link with the military health insurance was made in the month of 9/2018 without suspending the valid cards before that date.
- B. Health insurance cards for the category of Deputy Parliament are issued to the contributor for a period that exceeds the representative (legal) period of the House of Representatives, and their beneficiaries are granted an insurance card for the category (deputy) knowing that they are subscribers to the Social Security Corporation.
- C. Some contributors were granted health insurance cards (first-class) without their actual entitlement to this degree.
- D. The absence of an electronic link in health centers and hospitals with the health insurance system to inquire about any action taken by the Health Insurance Department on the subscriber and beneficiary card before treatment.

Source: (the Bureau Clarification No. 23 for the year 2020)

18. Ministry of Tourism and Antiquities

When auditing the records of the Directorate of Licensing and Professions for 2019 at the Ministry of Tourism and Antiquities, it was found that a number of companies were granted incentives and exemptions stipulated under the Investment Law after obtaining initial approvals from the Ministry to establish amusement and tourist cities in Amman and another to establish a tourist hotel in the city of Madaba, where the total of these Exemptions amounted to 6,768,816 dinars without completing the licensing procedures to date, bearing in mind that the company's branches are managed by companies other than the company that was granted initial approval for the establishment of entertainment and tourism cities and that it is doing physical fitness work, contrary to the initial approval that it was obtained, which stipulated that it should carry out the work of (a tourist restaurant / internal tourist amusement and recreation cities), and the other company did not undertake any construction work to establish the hotel, knowing that the land on which the hotel is intended to be built is still empty, contrary to the initial approval by which the investor obtained these exemptions .

Source: (the Bureau Clarification No. 16 for the year 2020)

19. Ministry of Energy and Mineral Resources

Upon auditing the oil shale concession agreements between the Ministry of Energy and Mineral Resources (Natural Resources Authority) and the oil shale and petroleum companies, it was found that these companies had not paid the training dues to the Ministry of Energy and Mineral Resources for the two years (2017.2018), amounting to 451,958 dollars, in violation of the law ratifying the concession agreement for surface distillation of oil shale as well as the non-payment of the sustainable development expenses for the two years (2017, 2018) amounting to 647,302 dollars, and the failure of these companies to implement development operations since the date of issuing the license to develop oil shale, as well as the failure of the company to reach the production stage and the failure of one of these companies to provide a pre-development guarantee for the third year amounting to 15,000,000 dollars from the date of issuance of the development license.

Source: (the Bureau Clarification No. 18 for the year 2020)

20. Ministry of Transportation

When auditing a sample of disbursement vouchers for the Ministry of Transport's trust account for the years (2012-2015) with the (...) Shipping Company, it was found that the company had not transferred the Ministry of Transport's share of the company's annual revenues, which represented an amount of \$200,000 annually from the company's profits, noting that the Ministry of Transport did not check the final accounts issued by the company to verify the share of the treasury of the Hashemite Kingdom of Jordan from the company's profits.

Source: (the Bureau Letter No. 15223/3/22/12, dated 5/10/2020)

21. Tourism Promotion Authority.

When auditing the vouchers related to foreign tourism companies operating charter airlines coming from Russia, the content of the Board of Directors' Decision No. (16) for the year 2015 which includes the disbursement of (60) dollars to these companies for each tourist coming on board the charter flight, provided that he resides in the country for seven Tourist nights, it was found that the value of the amounts paid by the Tourism Promotion Authority as support for foreign companies operating charter flights is 271,200 dollars for (4520) tourists at the rate of (60) dollars for each tourist, while the statements of flight schedules according to the records of King Hussein International Airport / Aqaba, showed that the number of arrivals on charter flights amounted to (2457) tourists, with a subsidy of 147,420 dollars, which indicates the disbursement of extra 123,780 dollars, contrary to the decision of the Board of Directors of the Authority

Source: (the Bureau Letter No. 14009/3/11/24, dated 23/9/2020)