

Excess payments of Nu 860 M related to public procurement during FY 2023-2024 – RAA Report

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During the financial year 2023-2024, the audit report showed excess payments of some Nu 860 M related to public procurement, particularly in construction works. During the period, the authority recommended appropriate actions on 150 officials across 33 agencies. The government is asked to enforce stronger mechanisms and stricter measures.

According to the Royal Audit Authority, many excess payments appear to involve deliberate deception, but a lack of evidence hampers prosecution.

In case of payments made for works not executed, it has negatively affected the quality of the construction.

The latest audit report found that in cases without fraudulent intents, the lapses occur due to inexperienced engineers, insufficient site monitoring and supervision, overburdening engineers with multiple projects, poor record-keeping, and weak oversight by agency heads.

The report recommends the government limit the number of construction sites assigned to each engineer based on project value and complexity. It also wants them to look into the placement policy for engineers based on their experience and qualifications. The capacity building of engineers is another suggestion.

Despite stringent accountability measures, the trend of excess payments continues. Repeated instances of excess payments in public construction projects have become a longstanding issue. It is causing significant financial losses and compromising project quality.

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