

**THE NATIONAL
ASSEMBLY**

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**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

Hanoi, June 24, 2015

LAW

ON THE STATE AUDIT OF VIETNAM

Pursuant to the Constitution of the Socialist Republic of Vietnam,

The National Assembly promulgates the Law on the State Audit of Vietnam.

Chapter I

GENERAL PROVISIONS

Article 1. Governing scope

This Law deals with the functions, duties, powers, organizational structure, and operations of the State Audit of Vietnam (hereinafter referred to as “State Audit”); the duties and powers of the State Auditor General; the duties and powers of State Auditors; and the powers and responsibilities of organizations and individuals related to state audit activities.

Article 2. Regulated entities

1. State Audit.
2. Agencies and organizations assigned to manage and/or use public finance and/or public assets.
3. Other organizations and individuals related to state audit activities.

Article 3. Interpretation of terms

In this Law, the terms below are defined as follows:

1. *Audit report of the State Audit* is the document prepared by the State Audit at the end of each audit to provide assessments, confirmations, conclusions and recommendations on the audited matters. The audit report of the State Audit shall be signed and stamped by the State Auditor General or the person authorized by the State Auditor General.
2. *Audit evidence* is documents and information obtained by State Auditors during an audit and serve as the basis of the State Auditors’ assessments, confirmations, conclusions and recommendations.

3. *Audited entity* is agency or organization assigned to manage and/or use public funds and/or public assets.

4. *Audit documentation* is documents obtained, reclassified, used, prepared, retained, and managed by the State Audit.

5. *Audit of the State Audit* is the process of assessment and confirmation of the truth and fairness of information on public finance and/or public assets or financial statements related to the management and use of public finance and/or public assets; the adherence to laws and regulations and the efficiency of management and/or use of public finance and/or public assets.

6. *Specialized state audit entity* means the entity affiliated with the State Audit which audits entities at the central government level and performs other duties as assigned by the State Auditor General.

7. *Local state audit entity* means an entity affiliated with State Audit which audits entities at the local government level and performs other duties as assigned by the State Auditor General.

8. *State auditors* are state officers appointed by the State Auditor General to various positions of the State Audit to carry out its duties.

9. *Positions of State Auditors* are the positions that reflect the level of professional capability and qualifications of State Auditors, including: auditors, main auditors, and senior auditors.

10. *Public finance* represents: state budget; national reserve; state-owned financial funds; finance of government bodies, the people's armed forces, public service agencies, providers of public services and goods, political organizations, socio-political organizations, socio-political-professional organizations, social organizations, and socio-professional organizations using state funding and state budget; state-owned capital in enterprises; and public debts.

11. *Public assets* represent: land; water resources; mineral resources; resources in territorial waters and airspace; other natural resources; state-owned assets at government bodies, people's armed forces public service agencies, political organizations, socio-political organizations, socio-political-professional organizations, social organizations, and socio-professional organizations; public assets assigned to enterprises; state assets for reserve; assets classified as infrastructure serving public interests; and other types of assets under public ownership and managed by the State.

Article 4. Subjects of state audit

The subjects of state audit include the management and use of public funds and/or public assets, and other activities related to the management and use of public finance and/or public assets of audited entities.

Article 5. Principles of State Audit

1. Observance of law and independence.
2. Integrity, objectiveness, openness, and transparency.

Article 6. State auditing standards

1. State auditing standards are regulations and guidelines on the requirements, principles and procedures of the audit and processes that the State Auditors shall follow to resolve issues arising during the audit; they are the basis for inspection and assessment of the audit quality and professional integrity of State Auditors.
2. The State Auditor General shall establish and promulgate the state auditing standards in accordance with the Law on Promulgation of Legislative Documents.

Article 7. Legal validity of audit reports

1. Audit reports of the State Audit are binding upon audited entities that are responsible for addressing issues raised in relation to the management and use of public finance and/or public assets.
2. Audit reports of the State Audit are the basis for:
 - a) The National Assembly to use during the process of considering, deciding, and supervising the implementation of long-term and annual socio-economic development objectives, targets, policies and duties; policies on investment in national target programs and projects of national importance; basic national finance and monetary policies; imposition, adjustment, or cancellation of taxes; allocation of revenue and expenditure budgets between the central government and local government; limits of national debts, public debts, and government debts; preparation of state budget estimates and allocation of the central government budget; and approval of the state budget final accounts.
 - b) The Government, regulatory agencies, other agencies and organizations of the State to use in their management, governance, and other duties.
 - c) The People's Councils to use in the process of: considering and determining budget estimates and allocating local government budgets; approving local government budget final accounts; supervising the management and use of public finance and/or public assets; and exercising their duties.
 - d) Audited entities to exercise their right to appeal.

Article 8. Prohibited acts

1. The following acts of the State Audit, State Auditors, and State Audit collaborators are prohibited:

- a) Harassing and/or causing disruptions to audited entities.
- b) Interfering illegally in the normal course of operations of audited entities.
- c) Offering or receiving bribes and/or brokering bribery.
- d) Reporting false or insufficient audit results.
- dd) Misuse of powers and/or position for self-seeking purposes.
- e) Revealing confidential information of the State or of audited entities.
- g) Revealing information of the audit progress and results that have not been officially finalized.

2. The following acts of audited entities and related organizations and individuals are prohibited:

- a) Refusing to provide information and/or documents at the request of the State Audit and State Auditors.
- b) Obstructing the work of the State Audit and State Auditors.
- c) Making false, untruthful, insufficient, out-of-date or bias representations to the State Audit during the audit.
- d) Accepting or offering bribes to State Auditors and State Audit collaborators, and/or brokering bribery.
- dd) Hiding violations or law breaching acts related to public funds and/or public assets.

3. Organizations and individuals are prohibited from illegally interfering in the audit and audit results of the State Audit, State Auditors, and State Audit collaborators.

Chapter II

FUNCTIONS, DUTIES, POWERS AND ORGANIZATIONAL STRUCTURE OF THE STATE AUDIT

Section 1. FUNCTIONS, DUTIES AND POWERS OF THE STATE AUDIT

Article 9. Functions of the State Audit

The State Audit has the functions of providing assessments, confirmations, conclusions and recommendations with regard to the management and use of public finance and/or public assets.

Article 10. Duties of the State Audit

1. Prepare annual audit plans and submit them to the National Assembly before implementation.
2. Organize the implementation of annual audit plans and perform duties at the request of the National Assembly, Standing Committee of the National Assembly, the President, the Government, and the Prime Minister.
3. Consider and perform audits at the request of the Ethnic Council, Committees of the National Assembly, National Assembly Delegations, Standing Committee of the People's Council, the People's Committees of centrally-affiliated cities and provinces, and other agencies and organizations not included in the annual audit plans of State Audit.
4. Propose opinions of the State Audit to the National Assembly for consideration and decision of state budget estimates, allocation of the central government budget, strategic investment in national target programs, projects of national importance, and approval of state budget final accounts.
5. Join other agencies of the National Assembly and the Government in reviewing state budget estimates, allocation of the central government budget proposal, adjustment of state budget estimates, proposals of funding for national target programs and projects of national importance decided by the National Assembly and state budget final accounts.
6. Join other agencies of the National Assembly in supervising implementation of laws and resolutions of the National Assembly, and ordinances and resolutions of the Standing Committee of the National Assembly on Budget – Finance; and supervising implementation of the state budget and financial policies upon request.
7. Join other agencies of the National Assembly, the Government, and competent authorities in drafting and proposing law/ordinance projects.
8. Submit annual consolidated reports on audit results and implementation of audit conclusions and recommendations to the National Assembly and the Standing Committee of the National Assembly; and send those reports to the President, the Government, the Prime Minister, the

Ethnic Council, and Committees of the National Assembly; provide audit results to the Ministry of Finance, the National Assembly Delegation, People's Councils, People's Committees at the locations where audits are carried out, and other agencies as prescribed by laws.

9. Provide explanation of audit results to the National Assembly and other agencies of the National Assembly as prescribed by laws.

10. Publish annual consolidated reports on audit results and the implementation of audit conclusions and recommendations, in accordance with Article 50 and Article 51 of this Law and relevant regulations.

11. Monitor and inspect the implementation of audit conclusions and recommendations of the State Audit.

12. Transfer documentation to investigation agencies, the People's Procuracies and other competent regulatory agencies for handling suspected criminal cases and violations committed by agencies, organizations and individuals, if such criminal cases or violations are discovered during the audit.

13. Maintain audit documentation; and keep accounting figures, documents, and information on the operations of audited entities confidential, as prescribed by laws.

14. Perform international cooperation duties in state auditing.

15. Organize and manage activities of scientific research, training, and development of the human resources of the State Audit.

16. Organize examinations, and issue, revoke and manage State Auditor certificates.

17. Conduct communication, dissemination and education of laws and regulations on state auditing.

18. Develop the Strategy for Development of the State Audit and submit it to the Standing Committee of the National Assembly for promulgation.

19. Perform other duties as prescribed by laws.

Article 11. Powers of the State Audit

1. Submit law/ordinance projects and draft resolutions to the National Assembly and Standing Committee of the National Assembly as prescribed by laws.

2. Request audited entities and related organizations and individuals to promptly provide sufficient and accurate information and documents required for its audits.

3. Request audited entities to implement audit conclusions and recommendations of the State Audit with regard to irregularities in the financial statements and non-compliance; recommend improvements to address weaknesses discovered by the State Audit.
4. Urge competent agencies or persons to request audited entities to implement audit conclusions and recommendations of the State Audit with regard to irregularities in the financial statements and non-compliance; request legal actions against audited entities for failure to implement or to adequately and promptly implement audit conclusions and recommendations of the State Audit.
5. Urge competent agencies or persons to deal with violations are committed by agencies, organizations and individuals, if such violations are discovered during the audit.
6. Request competent agencies or persons to deal, in accordance with the law, with agencies, organizations and individuals that obstruct the audit of the State Audit or that provide false information/documents to the State Audit and State Auditors.
7. Request professional consultation when necessary.
8. Authorize or hire audit firms to carry out audits at agencies and organizations that manage and/or use public finance and/or public assets; the State Audit is ultimately responsible for the truth and fairness of figures, documents, and audit conclusions and recommendations provided by such audit firms.
9. Provide recommendations to the National Assembly, Standing Committee of the National Assembly, the Government, the Prime Minister, and other regulatory agencies of the State to amend and supplement policies and laws.

Section 2. ORGANIZATIONAL STRUCTURE OF THE STATE AUDIT

Article 12. State Auditor General

1. The State Auditor General is the head of the State Audit, and is responsible to the National Assembly and Standing Committee of the National Assembly for the organization and operation of the State Audit.
2. The State Auditor General is elected and dismissed by the National Assembly at the recommendation of the Standing Committee of the National Assembly.
3. The term of office of the State Auditor General is 05 years, coinciding with the term of the National Assembly. The State Auditor General may be reelected, but not for more than two consecutive terms.

Article 13. Responsibilities of the State Auditor General

1. Lead and direct the State Audit to perform the duties and exercise the powers prescribed in Article 10 and Article 11 of this Law.

2. Present annual consolidated reports on audit activities and results to the National Assembly; present such reports to the Standing Committee of the National Assembly during the intervals between meetings of the National Assembly; and respond to enquiries of the National Assembly deputies or the Standing Committee of the National Assembly.
3. Take legal responsibility for the contents of audit reports of the State Audit.
4. Decide and implement specific measures for enhancing the discipline of state auditing; preventing and fighting corruption, wastefulness, bureaucracy and authoritarianism of officials and civil servants of the State Audit.
5. Define the functions, duties, powers and organizational structure of entities affiliated with the State Audit.
6. Submit to the Standing Committee of the National Assembly proposals on personnel matters, establishment, merger and dissolution of entities affiliated with the State Audit.
7. Implement measures for ensuring the independence and quality of the State Audit's audits.
8. Address complaints and denunciations related to the State Audit's audits.
9. Perform other duties as prescribed by law.

Article 14. Powers of the State Auditor General

1. Issue audit decisions.
2. Be invited to general meetings of the National Assembly, meetings of the Standing Committee of the National Assembly, and meetings of the Government on relevant issues.
3. Promulgate legislative documents in accordance with the Law on Promulgation of Legislative Documents.
4. Urge Ministers, Heads of ministerial agencies, Heads of Governmental agencies, other central regulatory agencies, Chairmen of the People's Committees of centrally-affiliated cities and provinces, and heads of superior agencies of audited entities to deal with the agencies, organizations and individuals who obstruct the State Audit's audit, or provide false information/documents to the State Audit or fail to adequately and promptly implement audit conclusions and recommendations provided by the State Audit. In case the State Audit's audit conclusions and recommendations are not implemented or adequately implemented, the State Auditor General shall request a competent person to consider and handle the case as prescribed by law.
5. Decide to carry out audits at the request of the agencies or organizations as prescribed in Article 10, Clause 3 of this Law.

6. Decide to seal documents and inspect accounts of audited entities or relevant individuals.
7. Recommend to the Standing Committee of the National Assembly to designate or dismiss the Deputy State Auditor General.

Article 15. Deputy State Auditor General

1. The Deputy State Auditor General shall assist the State Auditor General in performing duties as assigned by the State Auditor General and shall assume responsibility to the State Auditor General for the assigned duties. In the absence of the State Auditor General, a Deputy State Auditor General who is authorized by the State Auditor General shall lead and direct the operations of the State Audit on behalf of the State Auditor General.
2. The Deputy State Auditor General shall be recommended by the State Auditor General to the Standing Committee of the National Assembly for designation or dismissal.
3. The term of office of the Deputy State Auditor General is 05 years.

Article 16. Organizational structure of the State Audit

1. The State Audit is subject to centralized organization and management and consists of the State Audit Office, entities affiliated with management, specialized state audit entities, local state audit entities, and public service agencies.

The State Audit Office, local state audit entities, and public service agencies shall have their own accounts and seals.

2. The Standing Committee of the National Assembly shall decide the number of entities affiliated to the State Audit at the recommendation of the State Auditor General.

Article 17. Chief Auditors and Deputy Chief Auditors

1. Chief Auditor is the head of a specialized state audit entity or a local state audit entity.
2. Deputy Chief Auditors shall assist the Chief Auditor in performing duties as assigned by the Chief Auditor and shall have the responsibility before the Chief Auditor for the assigned duties.
3. The Chief Auditor and Deputy Chief Auditors must hold the position of main auditor or a higher rank.
4. The State Auditor General shall designate and dismiss Chief Auditors and Deputy Chief Auditors.
5. The duties, powers, and responsibilities of Chief Auditor and Deputy Chief Auditor shall be prescribed by the State Auditor General.

Section 3. STATE AUDITOR COUNCIL

Article 18. Establishment and dissolution of State Auditor Council

1. A State Auditor Council shall be established whenever necessary to provide consultation to the State Auditor General on important audit reports, and to assist the State Auditor General in re-verifying audit reports at the request of audited entities, and in settling complaints on audit reports.
2. The State Auditor General shall decide the establishment of a State Auditor Council and the members and working regulations of the Council. The Chairman of the State Auditor Council is a Deputy State Auditor General. The State Auditor General may invite external experts to join the Council on a case-by-case basis.
3. The State Auditor Council shall be automatically dissolved after its mission have been accomplished.

Article 19. Working principles of a State Auditor Council

1. Working as a group.
2. Making decisions under majority rule; dissenting opinions shall be recorded and reported to the State Auditor General.
3. Minutes and other documents of the State Auditor Council shall be retained and maintained as audit documentation of the State Audit.

Chapter III

STATE AUDITORS AND STATE AUDIT COLLABORATORS;

Article 20. Positions of State Auditors

1. There are following positions of State Auditors:

- a) Auditors;
- b) Main auditors; and
- c) Senior auditors.

2. The State Auditor General shall decide on the appointment and dismissal of various positions of State Auditors.

Article 21. Common criteria for State Auditors

In additions to satisfying the criteria applied to civil servants according to regulations of the law on officials and civil servants, a State Auditor must:

- 1. Be ethical and have a good sense of responsibility; integrity, honesty, and objectivity; and
- 2. Have a bachelor's degree or a higher degree in audit, accounting, finance, banking, economics, law, or another discipline that is directly related to audit; and
- 3. Have worked for at least 05 consecutive years in his/her training field or for at least 03 years in the State Audit, not including the internship period; and
- 4. Have a State Auditor certificate.

Article 22. Responsibilities of State Auditors

- 1. Perform audit tasks and take responsibility for performance of assigned audit tasks; provide assessments, confirmations, conclusions and recommendations on audited matters.
- 2. Comply with the law, operating principles, audit standards and procedures of State Audit and relevant regulations issued by the State Auditor General.
- 3. Take legal responsibility for audit evidence, assessments, confirmations, conclusions and recommendations.
- 4. Collect audit evidence, record and retain documents of State Auditors according to the regulations of the State Auditor General.

5. Protect the confidentiality of information and documents collected during the audit process.
6. Present State Auditor identity cards upon performance of audit tasks.
7. Maintain continuing professional development to improve professional knowledge, skills, and ethics; complete annual update courses as prescribed by the State Auditor General.
8. Promptly and adequately report a situation mentioned in Article 28 of this Law, and other situations that affect the independence of State Auditors, to the person who issues the decision to establish an audit delegation.

Article 23. Criteria for the position of State Auditor

1. Satisfy common criteria of State Auditors prescribed in Article 21 of this Law; and
2. Understand the policies of the Communist Party, and the policies and regulations of the State Audit Law; have knowledge of governmental administration and socio-economic administration; and
3. Understand the state audit standards and procedures; and
4. Pass the examination for the position of State Auditor.

Article 24. Criteria for the position of Main Auditor

1. Understand, and be capable of, proficiently applying the State Audit Law; and
2. Be capable of: providing inputs and advice for the State Audit's development of long-term and medium-term audit plans; performing professional audit research; and drafting and proposing amendments and supplements to state auditing standards; and
3. Understand international audit practices and standards; and
4. Have worked for at least 05 years as an auditor or 08 years in an equivalent position; and
5. Have passed the examination for the position of main auditor.

Article 25. Criteria for the position of Senior Auditor

1. Understand, and be capable of, providing instructions on application of audit procedures, standards, and methodology in an audit; and
2. Be capable of leading scientific research by the State Audit into subject matters of ministerial or state level; and
3. Have worked for at least 05 years as a main auditor or 08 years in an equivalent position; and

4. Have passed the examination for the position of senior auditor.

Article 26. State Auditor identity card

1. State auditor identity cards are issued by the State Auditor General to State Auditors and are used while performing audit engagements.

2. The State Auditor General shall provide the template and promulgate regulations on the management and use of State Auditor identity cards.

Article 27. Dismissal of State Auditors

1. A State Auditor shall be discharged from position as State Auditor in the following cases:

a) Retirement, resignation, reassignment; or

b) Health issues, family issues, or other reasons likely to render the State Auditor unable to fulfill his/her duties.

2. A State Auditor shall be dismissed in the following cases:

a) Imposition of an effective sentence in a court of law; or

b) Violations against Article 8 Clause 1 of this Law; or

c) Violations against professional ethics of State Auditors; or

d) Failure to fulfill assigned tasks; or

dd) There is evidence that the person who has been appointed as a State Auditor cheated during the examination or provided false documentation upon application for the position.

Article 28. Cases in which a person must not be selected as part of an audit delegation

1. The person has purchased shares of, contributed capital to, or had a business relationship with the audited entity.

2. The person used to hold a position of managerial level, or was an executive, member of the Supervisory Board, chief accountant, or equivalent to chief accountant, in the audited fiscal year of the audited entity.

3. A person who used to hold a position of managerial level, or was an executive, member of the Supervisory Board, chief accountant, or accountant of an audited entity, must not participate in the audit of that entity for at least 05 years after he/she terminates his/her position.

4. The person is a parent, adoptive parent, parent-in-law, spouse, child or sibling of the head, chief accountant, or equivalent to chief accountant of the audited entity.

Article 29. State Audit collaborators

1. The State Audit may employ collaborators who are Vietnamese or foreign experts, scientists or administrators under service contracts. Service fees for employing collaborators are included in the annual operating budget of the State Audit.

2. State Audit collaborators have the following rights and obligations:

a) Exercise their contractual rights and obligations;

b) Comply with the regulations of the Law on State Audit;

c) Take legal responsibility before the State Audit for the performance of their tasks.

3. The State Auditor General shall promulgate specific regulations on the employment of collaborators.

Chapter IV

STATE AUDIT ACTIVITIES

Section 1. AUDIT DECISIONS

Article 30: Basis for issuing decisions to carry out audit

The State Auditor General shall issue a decision to carry out and audit based on one of the following:

1. Annual audit plans of the State Audit; or
2. Requests of the National Assembly, the Standing Committee of the National Assembly, the President, the Government, or the Prime Minister; or
3. Requests of agencies and organizations mentioned in Article 10 Clause 3 of this Law which are approved by the State Auditor General.

Article 31. Decisions to carry out an audit

1. A decision to carry out and audit consists of the following main components:
 - a) Legal basis for conducting the audit;
 - b) Audited entity;
 - c) Objectives, contents, and scope of the audit;
 - d) Location and duration of the audit;
 - dd) The head and members of the audit delegation.
2. The audit decision must be sent to the audited entity and members of the audit delegation within 03 working days and announced within 15 working days, at the latest, after its signing date, except for ad hoc audits.
3. During the audit, if the contents, scope, location or duration of audit, or members of the audit delegation need to be changed, the State Auditor General shall issue a decision on the changes and send it to the audited entity and members of the audit delegation within the deadline mentioned in Clause 2 of this Article.

Article 32. Audit contents

1. Audit contents include:

- a) Financial audit: to assess and confirm the truth and fairness of financial information and financial statements of the audited entity.
 - b) Compliance audit: to assess and confirm compliance with law, rules and regulations binding upon the audited entity.
 - c) Operational audit: to assess the efficiency and effectiveness of management and use of public finance and/or public assets.
2. The State Auditor General shall decide the contents of each audit based on its requirements.

Article 33. Audit of state budget final accounts

1. State budget final accounts of different government levels shall be audited before they are submitted to, and approved by, the National Assembly or the People's Councils. The audit of State budget final accounts of local governments after they have been approved by the People's Councils shall be carried out under decisions of the State Auditor General.
2. In case an audited state budget final account is yet to be approved by the National Assembly or the People's Council, the State Audit must clarify, to the extent its duties and powers allow, any issues raised by the National Assembly or the People's Council by the deadline set by the National Assembly or the People's Council.

Section 2. LOCATION AND DURATION OF AUDIT

Article 34. Duration of audit

1. The duration of an audit begins from the day the audit decision is announced until the last day the audit delegation works at the audited entity.
2. The duration of an audit will not exceed 60 days, except for cases specified in Clause 3 of this Article. Where matters are complicated or where otherwise necessary, the State Auditor General may decide to extend the duration of the audit once; the extension period must not exceed 30 days.
3. The State Auditor General shall specify the duration of an audit for assessing the efficiency and effectiveness of the management and use of public finance and/or public assets on a nationwide scale.

Article 35. Location of audit

1. The audit shall be carried out at the audited entity, the office of the State Audit, or another location decided by the State Auditor General.
2. If an audit is carried out outside the premises of the audited entity, the audited entity must transfer documents as prescribed by the State Auditor General to the location of the audit.

Section 3. AUDIT DELEGATION.

Article 36. Establishment and dissolution of an audit delegation

1. An audit delegation shall be established to perform audit tasks of State Audit. The State Auditor General shall establish the audit delegation at the request of the chief auditor of a specialized state audit entity or local state audit entity. An audit delegation may be divided into smaller teams depending on the scale of the audit.
2. An audit delegation shall be automatically dissolved after all audit tasks are completed and remains responsible for the assessments, confirmations, conclusions and recommendations provided in the audit report.

Article 37. Composition of audit delegation

1. The Head of the audit delegation.
2. The Deputy Head of the audit delegation.
3. Leaders of audit teams if the audit delegation is divided into smaller teams.
4. Members.

Article 38. Criteria for Head and Deputy Head of audit delegation and Audit Team Leaders

1. Criteria for Head or Deputy Head of an audit delegation:
 - a) Have professional expertise, leadership skills, and work experience appropriate for his/her assigned duties; and
 - b) Be a main auditor holding the position of deputy manager or higher, or an auditor holding the position of manager or higher.
2. Criteria for the Audit Team Leader:
 - a) Have professional expertise, leadership competencies, and working experience appropriate for his/her assigned duties; and
 - b) Be a main auditor or auditor holding the position of deputy manager or higher.

Article 39. Duties, powers, and responsibilities of Head of the audit delegation

1. The head of the audit delegation has the following duties:
 - a) Organize performance of audit tasks under the audit decision.

b) Approve audit minutes prepared by audit teams; prepare audit reports; report and explain the audit results to the chief auditor and in cooperation with the chief auditor, report and explain the audit results to the State Auditor General; communicate the audit results approved by the State Auditor General to the audited entity; and sign the audit report.

c) Manage members of the audit delegation according to regulations issued by the State Auditor General.

d) Make periodic or ad-hoc reports at the request of the chief auditor on the implementation status of the audit plan and progress and performance of the audit.

2. Head of the audit delegation has the following powers:

a) Request the audited entity to provide necessary information/documents and representations on the issues related to the audit contents; and request asset counts and reconciliation of accounts of the audited entity if they are related to the audit contents.

b) Request relevant organizations and individuals to provide information and documents related to the audit contents in order to obtain audit evidence.

c) Recommend the chief auditor to request the State Auditor General to inspect accounts of the audited entity or relevant individuals at credit institutions or the State Treasury as prescribed by law; and seal documents of the audited entity in cases of law violations or there is evidence of modification, moving, hiding or destruction of documents related to the audit contents.

d) Request the deputy head of the audit delegation, audit team leaders, and members of the audit delegation to report the audit results; if there are conflicting opinions on the audit results, the head of the audit delegation shall make a decision and take responsibility for such decision, and report such conflicting opinions to the chief auditor.

dd) Preserve his/her opinions in writing if they are different from the assessments, confirmations, conclusions and recommendations provided in the audit report.

e) Recommend the chief auditor to advise the State Auditor General to request a competent authority to take actions against legal violations committed by the audited entity.

g) Suspend performance of audit team leaders and junior members of the audit delegation if they are suspected of violating Article 8 Clause 1 of this Law.

3. The Head of the audit delegation has the following responsibilities:

a) Take responsibility before the Chief Auditor for the operation of the audit delegation;

b) Take legal responsibility for the truth and fairness, and objectiveness of the assessments, confirmations, conclusions and recommendations provided in the audit report;

c) Take joint responsibility for violations against laws and regulations on auditing committed by members of the audit delegation; take responsibility for the decisions to suspend team leaders and junior members of the audit delegation.

Article 40. Duties, powers, and responsibilities of Deputy Head of audit delegation

Deputy Head of audit delegation shall assist Head of the audit delegation and perform the tasks assigned by the Head and take responsibility to the Head for performance of such tasks.

Article 41. Duties, powers, and responsibilities of Audit Team Leaders

1. Audit Team Leaders have the following duties:

- a) Organize the implementation of the audit under the approved audit plan.
- b) Consolidate audit results; prepare and sign the audit minutes of the audit team.
- c) Manage team members according to regulations of the State Auditor General.

2. Audit team leaders have the following powers:

- a) Request the audited entity to promptly and adequately provide information/documents and representations on issues related to the audit contents.
- b) Request relevant organizations and individuals to provide information and documents related to the audit contents.
- c) Report and recommend to the Head of the audit delegation disciplinary actions against team members who commit violations, if within their competence, or request a competent agency or person to take actions as prescribed by law.
- d) Request the Head of the audit delegation to provide an explanation for changing the assessments, confirmations, conclusions and recommendations provided in the audit minutes or audit report.
- dd) Preserve their opinions in writing if they are different from the assessments, confirmations, conclusions and recommendations provided in the audit minutes or audit report.
- e) Request the Head of the audit delegation to suspend team members who are suspected of committing violations mentioned in Article 8 Clause 1 of this Law.

3. Audit team leaders have the following responsibilities:

- a) Take responsibility before Head of the audit delegation for the operation of their teams.

- b) Take legal responsibility for the truth and fairness, and objectiveness of the assessments, confirmations, conclusions and recommendations provided in the audit minutes of their teams.
- c) Represent issues related to the operation of their teams at the request of the head of the audit delegation, competent agencies, organizations or persons.
- d) Take joint responsibility for violations against regulations of law on auditing committed by their team members.

Article 42. Duties and powers of members of the audit delegation that are State Auditors

1. Members of the audit delegation that are State Auditors have the following duties:

- a) Perform assigned tasks and report audit results to Head of the audit delegation and Audit Team Leader.
- b) Comply with the law, audit principles, standards, and procedures, and regulations of the State Auditor General during the audit.
- c) Obtain and assess audit evidence; keep a log of the audit works and work papers of State Auditors; and retain and preserve audit documentation as prescribed by laws.
- d) Follow instructions and conclusions of Audit Team Leader and Head of the audit delegation.
- dd) Observe the discipline of the audit team and audit delegation according to the regulations of the State Auditor General.

2. Members of the audit delegation that are State Auditors have the following powers:

- a) During the audit, State Auditors have the right to act independently and only comply with the law.
- b) Request the audited entity and relevant organizations and individuals to promptly and adequately provide information/documents related to the audit contents.
- c) Use information and documents of State Audit collaborators; review documents related to the operation of the audited entity; obtain and protect documents and other evidence; and examine the operation of the audited entity.
- d) Preserve their opinions in writing on the audit results within the scope of their assigned tasks and report to Head of the audit delegation and Audit Team Leader; report to the Chief Auditor if they do not concur; and report to the State Auditor General if the Chief Auditor does not concur.
- dd) Request Head of the audit team and Audit Team Leader to provide an explanation for changing their assessments, confirmations, conclusions and recommendations provided in the audit minutes or audit report.

e) Recommend Head of the audit delegation and Audit Team Leader to request the audited entity to provide representations on issues related to the audit; recommend the involvement of experts and State Audit collaborators where necessary;

g) Be provided with necessary equipment and conditions for carrying out the audit.

Article 43. Duties and responsibilities of members of the audit delegation that are not State Auditors

1. Members of the audit delegation that are not State Auditors include:

a) Officials and civil servants of the State Audit; and

b) State Audit collaborators.

2. Members of the audit delegation that are not State Auditors have the following duties and responsibilities:

a) Perform the tasks assigned by the head of the audit delegation and team leader;

b) Comply with laws and with audit standards, procedures, and methods of the State Audit;

c) Take responsibility before Head of the audit delegation and Audit Team Leader for their assigned tasks.

Section 4. AUDIT PROCESS

Article 44. Stages of the audit process

1. Prepare for the audit.

2. Perform the audit.

3. Prepare and send the audit report.

4. Monitor and inspect the implementation of audit conclusions and recommendations.

Article 45. Preparing for the audit

1. Survey and collect information on the internal control systems and financial position and performance, and other relevant information about the audited entity.

2. Assess the internal control systems and information on the audited entity to determine the objectives, contents, scope, and audit approach.

3. Prepare the audit plan.

Article 46. Performing the audit

1. The audit delegation shall perform the audit in accordance with the audit decision.
2. Members of the audit delegation shall apply professional audit methodology to obtain and assess audit evidence; perform inspections, comparisons and confirmations; and investigate organizations and individuals related to the audit to serve as the basis for assessments, confirmations, and conclusions and recommendations on the audited matters.

Article 47. Preparing and sending the audit report

1. Within 30 days from the completion of the field audit at the audited entity, the State Audit shall complete the draft audit report and send it to the audited entity for its responses.
2. Within 10 days from the receipt of the draft audit report, the audited entity must send its responses in writing to the State Audit; if the audited entity does not provide any responses by the deadline, it will be considered that the audited entity agrees with the draft audit report.
3. The audit report shall be sent by the State Audit to the audited entity and relevant agencies according to the regulations of the State Auditor General within 45 days of the completion of the field audit. This deadline may be extended up to 60 days of the completion of the field audit.
4. Audit reports on local government budget final accounts shall be sent to the National Assembly Delegations, the People's Councils and the People's Committees of the same administrative level; audit reports on local government budget final accounts of centrally-affiliated cities and provinces shall also be sent to the Ministry of Finance.

Article 48. Preparing and sending reports on audit of state budget final accounts and State Audit's annual consolidated reports on audit results

1. Audit reports on state budget final accounts shall be prepared in accordance with Article 47, Clauses 1, 2 and 3 of this Law.
2. The State Audit's annual consolidated audit report shall be prepared on the basis of the audit reports on state budget final accounts and the State Audit's consolidated audit results obtained during the year.
3. The State Audit shall send the audit reports on state budget final accounts and the annual consolidated audit report to the National Assembly, the Standing Committee of the National Assembly, the Ethnic Council, and Committees of the National Assembly within 16 months of the end of the budget year, and also to the President, the Government, and the Prime Minister.

Article 49. Inspecting implementation of audit conclusions and recommendations

1. The State Audit shall plan and organize the inspection of audited entities' implementation of audit conclusions and recommendations provided by the State Audit.

2. The inspection of implementation of the audit conclusions and recommendations shall be carried out in the following manners:

- a) Request the audited entity to submit a written report on implementation of the audit conclusions and recommendations.
- b) Carry out inspections of the implementation of the audit conclusions and recommendations at the audited entity and relevant agencies, organizations and entities.

3. The State Audit shall prepare and send the report on the implementation of audit conclusions and recommendations. Reports on the implementation of audit conclusions and recommendations of the State Audit shall be sent in accordance with Article 48, Clause 3 of this Law.

Section 5. PUBLICITY OF AUDIT RESULTS AND IMPLEMENTATION OF AUDIT CONCLUSIONS AND RECOMMENDATIONS

Article 50. Publicity of audit reports

- 1. An audit report shall be given publicity after its issuance, except for those contents considered state secrets as defined by law.
- 2. The State Auditor General shall organize the publicity of audit results in one or some of the following manners:
 - a) Press conference;
 - b) Posting in the Official Gazette and on media
 - c) Posting on websites and publications of the State Audit;
 - d) Displaying at the office of the audited entity.

Article 51. Publicity of annual consolidated audit reports and reports on implementation of audit conclusions and recommendations

- 1. The State Audit's annual consolidated audit reports and reports on implementation of audit conclusions and recommendations shall be given publicity after they are submitted to the National Assembly as prescribed by law.
- 2. The methods of publicity are prescribed in Article 50, Clause 2, Points a, b, and c of this Law.

Section 6. AUDIT DOCUMENTATION

Article 52. Audit documentation

1. Documents of each audit should be stored on a file.
2. The State Auditor General shall promulgate specific regulations on audit documentation.
3. Audit documentation must be archived within 12 months of the date of issuance of the audit report.
4. Audit documentation shall be kept in the archive for at least 10 years, unless otherwise decided by a competent authority.

Article 53. Maintenance and use of audit documentation

1. Audit documentation must be kept confidential and maintained in full and on a safely manner.
2. Audit documentation may only be accessed and used in the following cases:
 - a) At the request of the People's Court, the People's Procuracies, investigation agencies, and relevant agencies as prescribed by law;
 - b) There are requests for audit quality assessment; settlement of complaints involving audit reports and denunciations; and preparation of the next period's audit plan or other demands under decisions of the State Auditor General.

Article 54. Destruction of audit documentation

1. Audit documentation shall be destroyed under decisions of the State Auditor General after expiration of the retention period, unless otherwise decided by a competent authority.
2. The State Auditor General shall establish a Council for Destruction of Audit Dossiers in charge of the destruction of expired audit documentation. The Council for Destruction of Audit Dossiers must check and compile a list of audit documentation to be destroyed and prepare the minutes on destruction of expired audit documentation.
3. Audit documentation shall be destroyed in accordance with the law.

Chapter V

RIGHTS AND OBLIGATIONS OF AUDITED ENTITIES

Article 55. Audited entities

Audited entities include:

1. Ministries, ministerial agencies, Governmental agencies, and other central regulatory agencies.
2. Agencies assigned to execute state budget receipts and expenditures at various administrative levels.
3. The People's Councils, the People's Committees at various administrative levels and other local regulatory agencies
4. Entities of the People's armed forces.
5. Entities in charge of management and use of national reserves; and state public funds.
6. Political organizations, socio-political organizations, socio-political-professional organizations, social organizations, and socio-professional organizations using funds and budgets provided by the State.
7. Public service agencies.
8. Organizations in charge of national asset management.
9. Management units of projects whose funding is provided by, or derived from, the state budget.
10. Enterprises of which over 50% charter capital is held by the State. For enterprises of which the State owns 50% or less, the State Auditor General shall decide the appropriate audit objectives, criteria, contents, and methodology.
11. Entities receiving subsidies from the State, and entities whose debts are guaranteed by the State, other than enterprises that manage and use state capital and/or state assets. These entities may hire audit firms to perform audits; audit firms must perform the audits in accordance with the state auditing standards and procedures and then send audit reports to the State Audit.
12. Agencies in charge of managing and using public debts.

Article 56. Rights of audited entities

1. Request the audit delegation to present the audit decision and request State Auditors to present State Auditor identity cards.

2. Refuse to provide information and documents that are not relevant to the audit contents; request replacement of members of the audit delegation if there is evidence that such members are not honest or objective while performing their duties or are not qualified as members of the audit delegation according to Article 28 of this Law.
3. Provide written representation of the issues mentioned in the draft audit report if it is deemed unsatisfactory.
4. File complaints against acts of any member of the audit delegation during the audit on the grounds that such acts are illegitimate.
5. Appeal against assessments, confirmations, conclusions and recommendations provided by auditors in the audit report on the grounds that they are illegitimate.
6. Request State Audit to pay compensation for damages where such damages are caused to the audited entity as prescribed by law.
7. Exercise other rights prescribed by law.

Article 57. Obligations of audited entities

1. Follow the audit decision.
2. Promptly and adequately prepare and provide to the State Audit on request: financial statements, reports on capital use and final accounts and investment project management; revenue and expenditure plan; and reports on budget execution and final accounts.
3. Promptly and adequately provide information and documents serving the audit at the request of the State Audit and State Auditors; and assume responsibility for the accuracy, truth, and objectiveness of the information and documents provided.
4. Promptly and adequately respond to and provide representation on the issues related to the audit contents at the request of the audit delegation and State Auditors.
5. Sign audit minutes.
6. Promptly and adequately implement audit conclusions and recommendations provided by the State Audit with regard to the management and use of public finance and/or public assets; address weaknesses raised in the audit conclusions and recommendations of the State Audit; and submit a written report on implementation of such conclusions and recommendations to the State Audit.
7. Promptly and adequately implement audit conclusions and recommendations provided by the State Audit, even if filing an appeal, unless the State Auditor General or a competent authority agrees to a temporary delay of the implementation of the audit conclusions and recommendations.

Article 58. Responsibility to submit financial statements, state budget final accounts, and budget estimates of audited entities

1. At the end of the budget year, level I budget entities of the central government budget, the People's Committees of centrally-affiliated cities and provinces, and audited entities shall send their financial statements, state budget final accounts, and budget estimates for the next year to the State Audit.
2. The Ministry of Finance, and Departments of Finance of centrally-affiliated cities and provinces shall send reports on the execution of budget receipt and expenditure estimates for the year to the State Audit.
3. The State Auditor General shall specify the time and recipients of reports as prescribed by law.

Chapter VI

MAINTAINING OPERATIONS OF State Audit

Article 59. Funding, infrastructure and equipment of State Audit

1. The State shall provide sufficient funding, infrastructure and equipment to the State Audit as prescribed by laws. Estimates of funding for the State Audit shall be made by the State Audit and submitted to the Government for consolidation and submission to the National Assembly for final decision.

2. The management, provision, and use of funding for the State Audit shall comply with the regulations of the Law on State Budget.

Article 60. Permanent personnel of the State Audit

Permanent personnel of the State Audit shall be decided by the Standing Committee of the National Assembly at the request of the State Auditor General.

Article 61. Investment in modernization of State Audit's operation

The State shall have policies on investment in the development of infrastructure, information technology, and other equipment to facilitate the organization and operation of the State Audit and to meet the demand for international integration.

Article 62. Benefits of State Audit's officials and civil servants

The salaries, allowances, business attire, and preferential benefits of officials and civil servants of the State Audit shall be prescribed by the Standing Committee of the National Assembly.

Chapter VII

RESPONSIBILITIES OF AGENCIES, ORGANIZATIONS AND INDIVIDUALS WITH RESPECT TO STATE AUDIT'S OPERATIONS

Article 63. Responsibilities of the National Assembly

1. The National Assembly, Standing Committee of the National Assembly, Ethnic Council, Committees of the National Assembly, National Assembly Delegations, and National Assembly deputies, within the scope of their respective functions, duties and powers, shall supervise the operations of the State Audit as prescribed by laws.

2. The State Auditor General shall report audit results and works of the State Audit to the National Assembly and the Standing Committee of the National Assembly; make reports, provide explanations, provide documents, consider and respond to inquiries as required by the Ethnic Council, Committees of the National Assembly, National Assembly Delegations, and National Assembly deputies; and respond to enquiries of National Assembly deputies before the National Assembly or the Standing Committee of the National Assembly.

Article 64. Responsibilities of the Government

The Government, Ministries, and ministerial agencies, within the scope of their respective functions, duties and powers, shall cooperate with the State Audit in organizing and conducting state audits; and implement and urge and direct relevant agencies to implement and report on the implementation of audit conclusions and recommendations provided by the State Audit.

Article 65. Responsibilities of investigation agencies and the People's Procuracies

Investigation agencies and the People's Procuracies shall receive and handle suspected criminal cases discovered by the State Audit within their competence.

Article 66. Responsibilities of the People's Councils

The People's Councils shall supervise local implementations of audit conclusions and recommendations provided by the State Audit.

Article 67. Responsibilities of the People's Committees

1. Provide and direct local agencies to provide information and documents promptly and adequately to serve the State Audit's audits.

2. Implement and direct local agencies to implement and report on the implementation of audit conclusions and recommendations provided by the State Audit.

Article 68. Responsibilities of agencies, organizations and individuals relevant to state audit

1. Agencies, organizations and individuals relevant to state audit have the responsibility to promptly and adequately provide accurate information and documents serving the audit at the request of the State Audit and State Auditors; and assume responsibility for the accuracy, truth, and objectiveness of the information and documents provided.
2. Relevant agencies, organizations and individuals have the responsibility to implement audit conclusions and recommendations provided by the State Audit and report on implementation results to the State Audit.
3. The Ministry of Finance, the Ministry of Planning and Investment, other agencies of the Government, the People's Committees of centrally-affiliated cities and provinces assume the responsibility to promptly and adequately provide information and documents to the State Audit to perform the tasks mentioned in Article 10, Clause 4 of this Law.

Chapter VIII

COMPLAINTS, DENUNCIATIONS, AND DEALING WITH VIOLATIONS OF STATE AUDITING REGULATIONS

Article 69. Appeal and settlement of complaints about state audit

1. Appeal and settlement of appeal about the state audit shall comply with the regulations of the Law on Appeal.

2. Appeal and settlement of appeal related to audited entities:

a) During the audit process, the audited entity is entitled to file an appeal to the State Auditor General against acts of Head of the audit delegation, Audit Team Leaders, and members of the audit delegation if there are grounds for believing that such acts are illegitimate and negatively affect its lawful rights and interests;

b) Within 30 days of the receipt of the audit report, the audited entity is entitled to file an appeal to the State Auditor General against the assessments, confirmations, conclusions and recommendations provided in the audit report if there are grounds for believing that the assessments, confirmations, conclusions and recommendations are illegitimate and negatively affect its lawful rights and interests;

c) Procedures for settling audit-related appeals shall comply with the regulations of the Law on Appeal;

d) Rights and obligations of the appellant, defendants, appeal handlers, lawyers and legal assistants, implementation of legally effective decisions on appeal settlement, and prohibited acts are in accordance with the Law on Appeal.

Article 70. Denunciations and settlement of denunciations on state auditing

Denunciations and settlement of denunciations on state auditing shall comply with the regulations of the Law on Denunciations.

Article 71. Dealing with violations

Agencies, organizations and individuals that commit violations of regulations of the Law on State Audit shall be dealt with as prescribed by law depending on the nature and severity of the violations.

Chapter IX

IMPLEMENTATION

Article 72. Effect

1. This Law comes into effect from January 01, 2016.

Audits of enterprises of which over 50% charter capital is held by the State that are already included in the audit plan of 2015 shall be implemented until the audit plan is completed.

2. The Law on State Audit No. 37/2005/QH11 expires from the effective date of this Law.

Article 73. Elaboration

The Standing Committee of the National Assembly and State Auditor General shall elaborate given Articles and clauses of this Law.

This Law is ratified by the 13th National Assembly of the Socialist Republic of Vietnam in the 9th session on June 24, 2015.

CHAIRMAN OF NATIONAL ASSEMBLY

Nguyen Sinh Hung