

management and governance systems in force. A sufficient answer is a simple, “No!” As proof, the head of the Minor’s Investment Committee also happens to be head of the Audit Committee where he serves as a check against his own decisions. His self is watching himself! This shouldn't be understood as calling anybody's professionalism or integrity into question, but separation between the decision and supervision is one of the fundamental principles of sound governance. Further evidence can be found in the following observations noted by the State Audit Bureau:

1. The Authority’s non-compliance with some of the approved practices of the general policy for investment.
2. The lack of supervision over the investments directly registered in the names of those under the Authority’s sponsorship.
3. The deficiency and weakness in the works of the Department of Control and Internal Audit.
4. Non-inclusion of the financial statements of properties, shares, and pacts of those who are under the Authority’s sponsorship.

The scope of this article will not allow the listing of all the evidence which was included in the report, but one of the most important matters mentioned was the fact that PAMA refused to provide the Bureau with reports which were prepared by an external auditor. I will not get into their response for withholding this report, but one would think if it had any findings in which the Authority could take pride, it would have been presented to the Bureau. I hope the Minister of Justice and the new General Manager of PAMA will have a look at it. They may find some interesting answers there.

The big question is this: Does the Authority have adequate and effective risk management and governance systems which qualify it to manage half a billion dinars?