

# ECOSAI CIRCULAR

## In this Issue:

- Profile of the Department of the Auditor General of Pakistan
- Role of SAI in Promoting Good National Governance - SAI Pakistan Experience
- Re-election of Mr. Seyed Kazem Mirvalad as President of the Supreme Audit Court of Iran
- An Introduction: The Accounts Chamber of the Kyrgyz Republic
- A Report on: The Chamber of Auditors of Azerbaijan Republic
- Course Report on: 45th Intensive Training Programme in Performance Auditing



***Editorial Board:***

Arif Mansur, Director General Audit,  
Federal Government, Islamabad

Liaqat Ali Chaudhary,  
Director General (IR&HR), Islamabad

Khalid Ali Shah, Director General  
Performance Audit Wing, Lahore

***Published by:***

Office of the Auditor General of Pakistan  
Constitution Avenue, Islamabad.

# Contents

I.	Editorial	1
II.	Department of the Auditor General of Pakistan - A Profile	2
III.	Role of SAI in Promoting Good National Governance - SAI Pakistan Experience	12
IV.	Re-election of Mr. Seyed Kazem Mirvalad as President of the Supreme Audit Court of Iran	15
V.	An Introduction "The Accounts Chamber of the Kyrgyz Republic"	17
VI.	A Report on "The Chamber of Auditors of Azerbaijan Republic"	22
VII.	Course Report on "45th Intensive Training Programme in Performance Auditing	24
VIII.	News in Brief	26

# Department of the Auditor General of Pakistan

## A PROFILE

Constitution of the Islamic Republic of Pakistan requires the establishment of a statutory office of the Auditor General of Pakistan for the Federation and the Provinces. The following constitutional provisions govern the working of the office:

- ❖ The Auditor General is appointed by the President of Pakistan for a five-year term.
- ❖ The Auditor General cannot be removed from office except in the like manner and on the like grounds as a Judge of the Supreme Court.
- ❖ The functions and powers of the Auditor General are required to be determined by the Parliament.
- ❖ The Accounts of the Federation and of the Provinces are kept in such form and in accordance with such principles and methods as are prescribed by the Auditor General.
- ❖ The Reports of the Auditor General relating to the Accounts of the Federation are submitted to the President who causes them to be laid before the National Assembly. The reports relating to the accounts of a Province are submitted to the Governor of the respective Province who causes them to be laid before the Provincial Assembly.

### *Organization Working Under the Auditor General*

Commensurate with his federal and provincial roles the Auditor General has an elaborate organization functioning to support him. Auditor-General reports to the President of the Republic, the Provincial Governors and the National and Provincial Assemblies. The outputs generated by the Auditor General for the stakeholders include reports on Accounts and Audit Reports on the operation of each of the governments.

### *Audit Organization*

The Audit Organization of the Auditor General of Pakistan is divided into five wings as briefly introduced below:

#### **Government Audit Wing**

The Government Audit Wing handles the core audit activity. Headed by a Deputy Auditor General, the wing comprises independent audit offices for the federation and for each of the four provinces. In addition, specialized audit offices have been established in the areas of public works, defence, foreign missions, major purchases and supplies expenditures and Zakat (a religious obligation). Independent audit offices have also been established for third party

validation and audit of expenditure incurred under the Social Action Programme, which is the largest developmental programme being implemented in the country. Audit undertaken by this wing is primarily Regulatory Audit and Performance Audit as defined by the INTOSAI Auditing Standards.

### **Corporate Audit Wing**

Many governmental organizations are established as corporate entities under the Company Law. Such entities are subjected to dual audit. Audit under the Company Law is conducted by Chartered Accountants for report to the Board of Directors of the companies. Statutory Audit of such entities is carried out by the Corporate Audit Wing of the Auditor General. Audit conducted by the field offices under this wing is commercially oriented and builds up on the audit work of the Chartered Accountants. Reports prepared in respect of these entities are considered by the respective Public Accounts Committees. A Deputy Auditor General heads the Wing.

### **Revenue Audit Wing**

The Auditor-General's organization has also established an independent wing for Revenue Audit with two major specializations i.e. Indirect Taxes and Direct Taxes. Both the federal and provincial taxes fall under the purview of the Auditor General for the purpose of audit. Deputy Auditor-General (Revenue Audit) is the head of the Wing.

### **Special Audits Wing**

Headed by Deputy Auditor General (Special Audit), this is a relatively new wing. This wing

has been established in response to considerable current interest in high level comprehensive audits of major projects and issues of topical national interest. The special audits can be undertaken on the directive of the Parliament, request of a government or on the initiative of the Auditor General of Pakistan.

### **Defence Audit Wing**

The organization also has a separate Wing to oversee the audit function with respect to defence services viz. army, navy and air force. The Wing is headed by a Deputy Auditor General who is responsible for guiding and monitoring the audit work of the offices of Director General of Audit Defence Services and Director General, Contract Data Cell.

### **Administration and Coordination**

A separate Administration and Coordination Wing for the Department of the Auditor General of Pakistan functions under a Deputy Auditor General and is responsible for policy formulation, budgeting, career planning, placements, human resource management, international relations, computerization, research and development and training functions. The Wing also operates training institutes at five different cities around the country.

### **Supervision of Accounts**

In line with his constitutional responsibilities the Auditor General supervises the accounting function. The day to day operation of the centralized accounting system is handled by a Controller General of Accounts who has Federal

who possess postgraduate degrees in professional subjects from local and foreign universities while 29 officers are currently abroad for such studies. Another 31 officers are pursuing MBA/ICMAP studies within the country.

### **Computer Training**

The Department has undertaken a program for extensively exposing its staff to the use of computers. For this purpose training courses were organized through different specialized training providers. After success of the initial effort the Department plans to cover the entire office work and expose them to the IT environment. It has established state of the art IT training facilities for this purpose.

### **Training in EDP/IT Audit**

The Department is also working on a proposal for training of its officers in EDP/IT Audit. The training course are expected to be organized shortly both within and outside the country.

### **Attachments with SAIs and Short Training Courses**

Department makes conscious efforts for on-the-job attachment of officers with other SAIs. In recent years officers have been sent for attachment to ANAO, Australia and GAO, USA. Officers are also regularly deputed to attend short training courses in training institutions of international repute.

### **Nature and Range of Audit Specializations**

The Department specializes in Regulatory and Performance Audits as defined by the INTOSAI Auditing Standards.

### **Regulatory audit covers:**

- ❖ attestation of financial accountability of accountable entities, involving examination and evaluation of financial records and expression of opinions on financial statements;
- ❖ attestation of financial accountability of the government administration as a whole;
- ❖ audit of financial systems and transactions, including an evaluation of compliance with applicable statutes and regulations;
- ❖ evaluation of internal control and internal audit functions;
- ❖ audit of the probity and propriety of administrative decisions taken within the audited entity; and
- ❖ reporting of any other matters arising from or relating to audit that the SAI considers should be disclosed.

### **Performance Audit deals with the following aspects:**

- ❖ audit of the economy of administrative activities in accordance with sound administrative principles and practices, and management policies;
- ❖ audit of the efficiency of utilization of human, financial and other resources, including examination of information systems, performance measures and monitoring arrangements, and procedures

followed by audited entities for remedying identified deficiencies; and

- ❖ audit of the effectiveness of performance in relation to the achievement of objectives of the audited entity, and audit of the actual impact of activities compared with the intended impact.

### **Comprehensive Audit**

The Department also subscribes to the INTOSAI assessment that in actual practice the two types of Audit (Regulatory and Performance) overlap. Efforts are in hand for moving towards a comprehensive audit approach which covers the entire range of activities and functions of an entity in a given period.

### **Certification Audit**

Since Accounting is set-up for each government as an independent function which is not controlled by the executive departments, Certification Audit presents certain serious challenges. A comprehensive macro approach has been developed for a certification methodology that meets the requirements of the Public Accounts Committees.

### **Audit of Privatization**

The organization has fairly extensive experience in the Audit of Privatization and a number of reports have been produced for the stakeholders.

Training courses are also organized to prepare officers to undertake audit assignments in this domain.

### **Revenue Audit**

This specialization has emerged over the last decade. The Departmental reports on revenue receipt have been very popular with the legislative oversight committees and have led to improvements in the assessment and collection systems.

### **Third Party Validation and Audit of Foreign Aided Projects**

International donors and agencies have emerged as major stakeholders in the developmental efforts. To meet their needs the Department has developed customized audit and validation activities.

*The most popular course offered has remained the Intensive Training Programme (ITP) in Performance Auditing.*

*We have trained 723 officers in this discipline so far and the number includes 140 foreign participants;*

### **New Audit Areas**

In response to emerging trends and needs in the Department, development of new audit specializations in areas such as National Debt Management, Environmental and EDP Auditing is receiving special attention.

### **International Activities**

The Supreme Audit Institution (SAI) of Pakistan is actively involved in the work being done internationally in the fields of state audit and



Panelists of the Symposium on the “Role of SAI in Promoting Good National Governance” organized during the 8th ASOSAI Assembly in Chaing Mai, Thailand (9 - 15 October, 2000).



Dr. Panya Tantiyavarong, Chairman of the State Audit Commission, Thailand and Chairman of ASOSAI presenting a souvenir to Mr. Manzur Hussain, Auditor General of Pakistan at the conclusion of panel discussion.



financial management. The SAI is a member of the International Organization of Supreme Audit Institutions (**INTOSAI**), Asian Organization of Supreme Audit Institutions (**ASOSAI**), Economic Cooperation Organization Supreme Audit Institutions (**ECOSAI**), Commonwealth Auditors General Conference and International Consortium on Governmental Financial Management (**ICGFM**). The Auditor General of Pakistan is permanent Secretary General of the ECOSAI. SAI Pakistan is also an elected member of the Governing Board of ASOSAI). The Department actively participates in the assemblies, seminars, workshops, conferences and symposia of these bodies as also in their training courses. The Department is also an elected member of the Board of Governors of ASOSAI and provides the services of trainers to ASOSAI for conducting training courses in audit. The Department of the Auditor General of Pakistan has had the honour of having organized the following international events in recent years:

- ❖ International Seminar on Audit of Revenue Receipts, Lahore, (Pakistan) – 1993
- ❖ ASOSAI/IDI Seminar on Auditing Foreign Aid Effectiveness and Accountability, Lahore (Pakistan) – 1994
- ❖ Pak-ICGFM International Conference, Lahore (Pakistan) – 1995
- ❖ 16<sup>th</sup> Commonwealth Auditors General Conference, Lahore (Pakistan) – 1996
- ❖ Five Pak-China Joint Seminars on different themes of audit – 1990 to 1998

- ❖ 1<sup>st</sup> Pak-Bangladesh Seminar on Performance Audit as an Aid for Better Public Administration and Effective Accountability - 1999.

The Department regularly shares its expertise with other Supreme Audit Institutions of the region/world. For this purpose it offers some of its courses internationally. The courses attended by international participants include:

- ❖ Intensive Training Course (ITP) in Performance Auditing
- ❖ Advanced Course in Financial Management
- ❖ Public Financial Management
- ❖ Audit of Procurement, Inventory and Contract Management
- ❖ Certification Audit
- ❖ Assessing and Relying on Internal Controls

The popularity of these programmes can be gauged from the fact that auditors from the Supreme Audit Institutions of the following countries have participated in these programmes:

Albania, Azerbaijan, Bangladesh, Bhutan, Brunei Darussalam, Ethiopia, Ghana, Indonesia, Kazakstan, Kuwait, Kyrgyz Republic, Libya, Malaysia, Maldives, Mongolia, Nepal, Oman, People's Republic of China, Qatar, Saudi Arabia, Sri Lanka, Tajikistan, Thailand, Turkey, Turkish Republic of Northern Cyprus, Uganda, United Arab Emirates, Uzbekistan, Vietnam, Yemen.

The most popular course offered has remained the Intensive Training Programme (ITP) in Performance Auditing. In 1998 an exclusive

programme was conducted for auditors of the Commonwealth SAIs in the Asian region on the request of Commonwealth Secretariat. The program has also been run in China and Macau on a few of occasions. We have trained 723 officers in this discipline so far and the number includes 140 foreign participants; besides scores of nominees of executive agencies have attended the course.

### *Experience as International External Auditor*

The Department has considerable exposure to the audit of various international organizations including the United Nations. Officers of the Department have experience of auditing the following international organizations:

- ❖ United Nations (UN) – 1961 to 1974
- ❖ Preparatory Commission for the Organization for the Prohibition of Chemical Weapons (PCOPCW) – 1993-97
- ❖ South Asian Association for Regional Cooperation (SAARC) – off and on ever since creation of the Association
- ❖ Organization of Islamic Countries (OIC) – intermittently ever since the creation of the Organization
- ❖ Economic Cooperation Organization (ECO) - at regular intervals ever since the creation of the Organization

The Department has recently been elected as External Auditor of the Organization for Prohibition of Chemical Weapons (OPCW), The Hague, Netherlands.

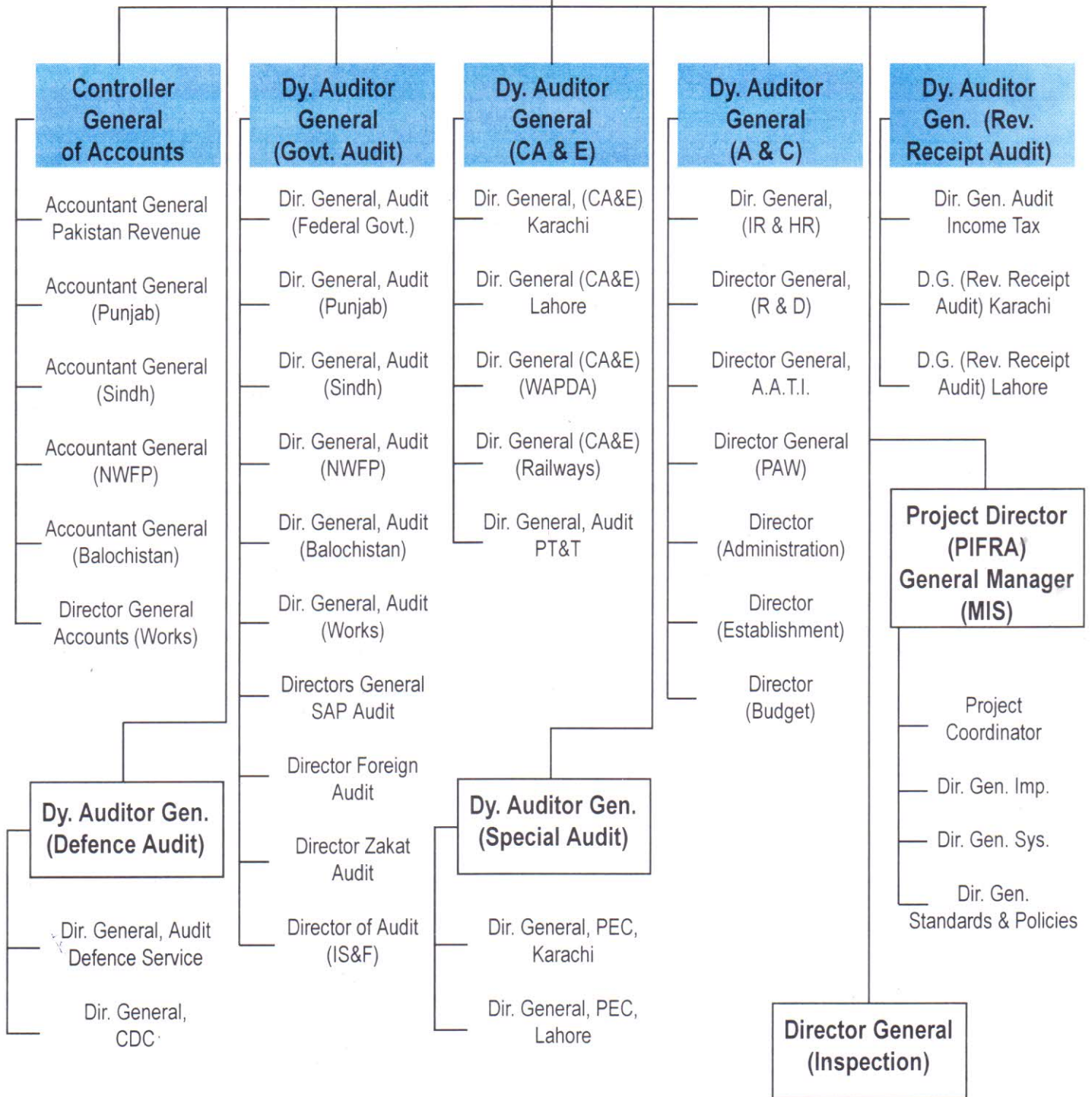
### *Future Plans*

Improvement and reform is a continuous process at the Department of the Auditor General of Pakistan. The Auditor General has a vision of a fully automated core accounting system for the country which should provide timely, accurate and comprehensive information to the executive for improved financial management and which also enables the parliament to oversee effective accountability of public managers and institutions.

The Auditor General is also taking steps to turn the Department into a real Supreme Audit Institution with all the needed independence and more effective and valuable audit output that should satisfy the needs of all stakeholders. To achieve this end the Department intends to build its capacity in the fields of, Environmental Audit, EDP Audit, Revenue Audit, Audit of Public Debt and Audit of Privatization in the years ahead.

Promotion of a greater sense of prudent public financial management among public managers and an equally aware and conscious citizenry also ranks very high in the priorities of the Auditor General. For this purpose the departmental outputs and services are being made increasingly user friendly and oriented to the needs of the public.

# Auditor General of Pakistan



## Role of SAI in Promoting Good National Governance - SAI Pakistan Experience\*

*Manzur Hussain*  
*Auditor General of Pakistan*



Governance today is not limited to the traditional functions of government that focussed on national defense, maintenance of law and order, and administration of justice. During the past few decades, governments have paid increasing attention to economic growth and development. Good national governance has, however, become the focus of world community during the last decade and the concept is gaining increasing importance with the passage of time. Good Governance means rule of law, transparency, accountability, participation, efficiency and effectiveness, institution building, sustainable development, poverty alleviation, empowerment and giving voice to the voiceless and marginalized.

*For good national governance to have any meaning for the common man, it has to be related to his needs. The challenge is geater in the case of under-developed and developing countries where a large mass of people, even today, do not have access to primary education, basic health care, potable water, sanitation facilities and population welfare measures including population control.*

For good national governance to have any meaning for the common man, it has to be related to his needs. The challenge is geater in the case of under-developed and developing countries where a large mass of people, even today, do not have access to primary education, basic health care, potable water, sanitation facilities

and population welfare measures including population control. Preservation and development of the environment and giving voice to the voiceless or focussing on the content of democracy rather than the form of democracy are other key elements of good governance which have not received the attention in many countries in the past. This has been the case in Pakistan as well. Pakistan was a model of development for many countries in the sixties with abundant inflow of foreign aid. This aid could, however, not be properly utilized for the above mentioned sectors of the economy and the injudicious use of aid pushed the country into problems of mismanagement, corruption and consequent alarming indebtedness.

The realization of the need for paying adequate attention to primary education, basic health care, potable water, sanitation, and population welfare and moving towards good national governance came in the early nineties. In 1993, the government started a US\$ 6 billion Social Action Program (SAP) with the assistance of multilateral and bilateral donors to focus on

\* The article is based on a presentation and comments made by the Auditor General of Pakistan during 8<sup>th</sup> Assembly and Symposium of the ASOSAI held in Chiang Mai, Thailand from 9-15 October, 2000 as one of the panelists for the Symposium.

poverty alleviation. The five-year program for which major share of resources came from donors was to make an intervention in the above mentioned five sectors. The program had a direct bearing on the poor of the country who felt that it was making improvements in the quality of their lives. After its success, the government decided to go into the next five-year phase of the program with an outlay of more than US\$ 10 billion of which more than 80% of the resources are being contributed by the government itself. Despite certain difficulties in the implementation of the program, it has largely been a success. In the implementation of SAP, emphasis of donors has been on institution building and enhancing and sustaining institutional capacity for delivery of essential services to the poor.

SAI of Pakistan has also assumed a changed role in implementation of SAP in the form of Third Party Validation (TPV) of SAP projects.

TPV is undertaken in addition to the regularity and performance audit and includes verification of physical sites and on-ground results of primary schools, basic health units, water supply schemes, sanitation works and population welfare activities. It also covers such areas as procurement of supplies and recruitment of staff for SAP. The whole idea of the validation exercise which is concurrent to the project implementation is to ensure success of the SAP and become a partner in development while maintaining independence of the SAI, rather than criticizing actions of the executive agencies many years after the wrong has been done. Thus TPV is a tripartite cooperative relationship

*The whole idea of the validation exercise which is concurrent to the project implementation is to ensure success of the SAP and become a partner in development while maintaining independence of the SAI, rather than criticizing actions of the executive agencies many years after the wrong has been done.*

developed between line departments, donors and the SAI. Line departments involved in the implementation of SAP have also come to appreciate oversight function of the SAI and are initiating action on TPV/audit findings.

As for the TPV/audit findings we have come across many cases of selection of improper sites, ghost employment, employment of people not qualified to undertake the assigned tasks, employee absenteeism, irregularities in procurement of materials and supplies etc. This has helped the government a lot in improving the program delivery and avoiding wastage of scarce resources. Reports of the Auditor General

have equally helped the donors, who have appreciated the audit effort and, in many cases, gone to the extent of withholding disbursements until such time that the irregularities are set right. So there is not only pressure on government departments from the

people but also from the donors for effective implementation of the SAP for which the SAI provides useful inputs.

Regarding empowerment of people and giving voice to voiceless people, the government is implementing a "Devolution Plan" aimed at decentralizing Federal and Provincial authority to the "District" level and empowering the people, particularly the women. With implementation of the plan from December, 2000 power centers have started to move to the places where they should be and people will have necessary structures and mechanism to solve most of their problems locally. This will also

enable the women to have greater say in local, regional and national affairs. Furthermore, the provincial and federal governments will be able to pay greater attention to regional and national problems. The devolution plan aims at giving a great deal of financial and administrative autonomy to the "District Government" and will have far reaching implications for the SAI. The SAI has not been responsible for audit of local governments heretofore, but with a major chunk of federal and provincial revenues going to district governments, the SAI will need to audit at that level. This will place very high demands on the SAI both in terms of financial and human resources and the quantity and quality of output. The SAI will, therefore, have to put in a tremendous effort in areas like training and quality control. The enhanced role for the SAI will enable us to contribute at a larger scale in national development effort.

Another aspect of governance is access to public information and decisions. For centuries the rulers have enjoyed the fruits of secrecy. They have successfully kept the state matters away from public eye. It was with the advent of democracy that demand for information about government policies and decisions became the prerogative of parliaments. But despite this trend, governments have been successfully hiding important information from public representatives through various mechanisms. The situation is, however, rapidly changing. The present day concept is that governments should disclose more information on their operations and make decisions taken by public functionaries public. Many governments have accordingly enacted laws that grant citizens greater access to public decisions and information. Government of Pakistan has also invited public comments on a similar piece of legislation for possible improvement before its promulgation as an

ordinance. The SAIs can play an effective role in ensuring that information provided by the governments is adequate, true and fair. Recent reports of the SAI of Pakistan have brought to notice of the public that in some cases extra-budgetary resources of the government were not used for the purposes for which these were meant. In some cases funds created for specific purposes, some of which are quite legitimate, were not presented to the legislature for necessary authorization. For example, sale proceeds of some privatized units have been kept outside the main books of account with no public information on the utilization of these funds. Similarly, a public sector corporation constructed a sports stadium in the province of Sindh on the verbal orders of the then Prime Minister and the Capital Development Authority built a Polo ground in the Prime Minister's house without proper authorization. The SAI reports also pointed out that some undisclosed (and undue) benefits worth millions of dollars were provided by the government to a private power producer.

In conclusion it can be said that governance has many dimensions from varying perspectives and local, provincial, and national governments need to pay adequate attention to the areas that are important from their respective viewpoints. However, as public auditors, there is an important role for us to play in good national governance may it be through regulatory audit, performance audit or third party validation. The audit effort may also take the form of audit of extra-budgetary resources, audit of public debt, audit of privatization, environmental audit or social audits but we should always remain ready to play our due role in promoting Good National Governance and national development effort by adding value to our output for effective use by taxpayers, executive managers and the legislators.

## Islamic Republic of Iran



### *Re-election of Mr. Seyed Kazem Mirvalad as President of the Supreme Audit Court of Iran*

Mr. Seyed Kazem Mirvalad, President of the Supreme Court of Iran was, upon the recommendation of the “Planing, Budget and Audit” Committee of the Islamic Consultative Assembly (Iranian Parliament) unanimously re-elected by the members of the Parliament to re-assume the position for another four year term. The re-election took place on 27 September, 2000 in the open session of the Parliament.

Mr. Mirvalad was born on the 3<sup>rd</sup> of July, 1955 in the western city of Malayer. He received his B.Sc. degree in Civil Engineering from Tabriz University and subsequently his M.A degree in Public Administration from Public Administration Training Center. Mr. Mirvalad has successfully occupied the seat of presidency since 1997, during which he has been able to extend and accomplish both the National and International plans and objectives of the Supreme Audit Court. Mr. Mirvalad was strongly supported by the rich variety of experiences

acquired while holding other state positions prior to his present position, some of which were:

- ❖ Observatory member of the General Assembly of the Central Bank of Iran. (1997-to the present day)
- ❖ Member of the Observatory Board of the National Cash Reserves. (1997-to the present day)
- ❖ Advisor to the Minister of Energy and Managing Director of Energy Investment Company. (1996-1997)
- ❖ Member of Parliament – Member of the Commission of Plan & Budget (for two terms-1988-1996)
- ❖ Speaker of the Plan & Budget Commission of the Parliament
- ❖ Member of the First Cultural, Social and Economical Development Plan Commission (1988-1996)
- ❖ Observatory Member of the Committee on the appropriation of Public Funds

*Mr. Mirvalad has successfully occupied the seat of presidency since 1997, during which he has been able to extend and accomplish both the National and International plans and objectives of the Supreme Audit Court.*

- ❖ Governor General of Ilam Province (1985-4988)
- ❖ Deputy Governor General of Hormozgan and Kermanshah Provinces (1981-1985)
- ❖ Consulting Engineer of Power Station and Electricity Posts and also of

Transferring lines Department of Consulting Engineers Co.

Apart from the above mentioned national positions, Mr. Mirvalad has also been President of the Economic Co-operation Organization Supreme Audit Institutions (ECOSAI) since May 1997, and has made great effort for realizing the aims and objectives of this Organization.



Delegates of the 3rd Assembly and 2nd International Seminar of ECOSAI held in Tehran, Iran (May, 2000) outside the venue of the meetings.



# *The Accounts Chamber of the Kyrgyz Republic*

## AN INTRODUCTION

The Accounts Chamber of the Kyrgyz Republic was formed in February 1996 in accordance with the Constitution of the Republic by the supreme boards – the President and the two chambers of the Parliament.

Its main objectives, functions and authorities are determined by the “Law on the Accounts Chamber”, which was adopted by the Legislative Assembly of the Parliament in October 1996. Number of amendments and additions were inserted in the Law in late 1998.

During past years Kyrgyzstan experienced a situation that the same objects were audited by different auditing boards which led to duplicating of their functions. Quite often 2-3 or more audits were carried out during a year in the same organizations. As a result audited institutions were disturbed in their work for a long periods of time, providing various certificates and other documents to auditors. Moreover, effectiveness of such audits was low and state of affairs was changing extremely slowly.

Besides, un-justified interference of state auditing boards into financial-economic activity of subjects of entrepreneurship took place. In this

connection the President of the Kyrgyz Republic issued a Decree of February 16, 2000 about measures for reducing un-justified audits and revisions in the activity of entrepreneurship, stipulating significant reduction of numbers, proper sequence and duration of audits, ban on execution of duplicate audits in the same direction by different auditing boards.

*During past years Kyrgyzstan experienced a situation that the same objects were audited by different auditing boards which led to duplicating of their functions. Quite often 2-3 or more audits were carried out during a year in the same organizations.*

The State Inspection of Financial Control under the Government of the Kyrgyz Republic was closed with the purpose to eradicate duplication in the activity of state auditing boards and to

strengthen the state financial-economic control in the Republic. Its functions and responsibilities were placed with the Accounts Chamber. Control-revision services in most ministries and agencies of the Republic were also eliminated.

In these conditions scope of the work of the Accounts Chamber has sharply increased. Now we have to control performance of not only the republican but also large number of local budgets. Even in these conditions the Accounts Chamber continues its effective activity.

The structure and staff of the renewed Accounts Chamber were determined by the President's order.

