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Environmental auditing in Vietnam: Current situation and solutions

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Abstract

Although environmental auditing in Vietnam began to receive attention a decade ago, it is still considered a field that is behind compared to many countries in the region and internationally. According to the assessment of the state audit, in recent years, environmental audit work has been promoted but there are still many limitations. Environmental audits are still mainly integrated into financial statement audits and compliance audits and there is no true environmental audit; There is no organization, legal basis, procedures, and complete instructions for environmental

audit activities. Meanwhile, many problems affecting human health and life cause damage to the environment, and pollution is becoming more and more pressing in the community and society. The article evaluates the current status of environmental auditing in Vietnam in the period 2008-2013, analyzes a number of opportunities and challenges, and then proposes some solutions to strengthen environmental auditing activities in Vietnam towards to sustainable development.

Keywords: Environmental Audit, Sustainable Development, Environmental Pollution

Introduction

In the context of globalization and international economic integration, Vietnam is facing many challenges such as: Environmental pollution, biological degradation and climate change. Faced with this reality, the State Audit has proactively deployed many solutions to strengthen environmental auditing to meet practical requirements, in accordance with international trends and practices.

The environment and sustainable development are not only a separate issue for each country but have become a global issue, receiving special attention from most countries around the world. In Vietnam, environmental issues and the protection of the environment and natural resources, although somewhat behind the world, have received deep attention from the Government. Every year, the state budget and large resources of the people, domestic and international organizations invest in environmental protection. However, Vietnam is still facing many challenges in environmental pollution and climate change.

According to the Law on Environmental Protection 2014, environmental audit is a sharp and effective management tool, helping businesses clearly understand that environmental problems that are occurring are very serious. On that basis, propose effective measures to prevent and improve the environment. According to environmental experts, environmental impact audit is a systematic examination of the actual environmental impacts of an operating enterprise, based on environmental monitoring data, with the aim of reducing minimize environmental risks.

Through audit, the audited unit will better understand the level of compliance with current regimes and policies on environmental management and protection during the unit's operations, and identify specific shortcomings. in the design and operation of the unit's environmental management systems, especially for units that have implemented the environmental management system according to ISO 14000 standards.

Overview of environmental auditing

According to the definition of the International Chamber of Commerce (ICC), environmental audit is a management tool that includes objective, periodic, systematic assessment of the organization, management, and operation of the environment. environmental equipment with the purpose of helping to protect the environment by facilitating management control of environmental practices and evaluating compliance with company policies.

The main purpose of environmental audit is to consider whether the current management system achieves environmental performance or not through a comprehensive examination of the working and management system, not just a superficial.

assessment of the environmental performance, environmental impacts. The overall goal of this audit is to help protect the environment and reduce risks to human health.

Through environmental impact assessment in compliance audits and financial audits, it has contributed to supporting auditors in achieving set audit objectives, and on the other hand, is also the basis for auditors to make recommendations. Conclusions, recommendations and solutions on environmental issues in particular and sustainable development in general, and at the same time, are the basis for the State Audit to continue researching, expanding and integrating environmental impact assessment in upcoming audits. The State Audit is also currently developing a process to guide environmental audits and moving forward to conduct audits in the field of mineral exploitation, economic and industrial zones...

Current status of environmental auditing in Vietnam in the period 2008 - 2023

Since 2008, the State Audit has decided to establish a Working Group on environmental audit, including environmental audit content in the action plan to implement the State Audit Development Strategy until 2022. For Up to now, the State Audit has carried out a number of audits with content related to the environment such as: Audit of the 5 million hectares of new forest planting project; Hoi An city wastewater treatment, solid waste and environmental protection project; Mekong River water issues... Statistics show that from 2010 to present, the State Audit has conducted an average of 5 environmental audits per year, with diverse topics from forest management, land, clean water to waste management, mineral exploitation and most recently low carbon metabolism. This is an important step forward in the activities of the State Audit with the approach of developing new types and fields of audit in accordance with international trends and practices.

After becoming a member of the Environmental Audit Working Group of the Asian Supreme Audit Institutions (ASOSAI) since 2008, the State Audit has researched, established an apparatus and piloted environmental audits. These are audits to evaluate the environmental management of local industrial parks and the implementation of solutions to reduce the use of common plastic bags in Ho Chi Minh City...

Through auditing, we initially discovered and recommended some inadequacies in state agencies' management of activities with potential risks of adverse impacts on the environment. In addition, environmental impact assessment in compliance audits and financial audits of the State Audit has been carried out in recent years, especially related thematic audits. to the management of resource use and the environment such as: Auditing the National Environmental Program on clean water and rural environmental sanitation; Audit of the Climate Change Adaptation and Mitigation Program; Auditing the Low Carbon Conversion Project in the field of energy saving in Vietnam...

In Vietnam, the voluntary implementation of environmental audits and disclosure of environmental information is still limited, because people do not really care about this issue if it does not directly affect their interests. Therefore, issues with indirect impacts and general macro impacts are not considered.

With the importance of the environment as well as the country's sustainable development and the need to integrate with the general development trend of supreme audit agencies in the world, the State Audit of Vietnam has soon There is research, understanding, and development orientation for environmental audit content.

In 2008, the State Audit of Vietnam officially became a member of the Working Group on Environmental Audit of the Asian Organization of Supreme Audit Institutions (ASOSAI). Thereby receiving international knowledge and experience in the field of environmental auditing, gradually forming the field of environmental auditing, building an apparatus to deploy environmental audits conducted by the State Audit. following international practice. In many countries around the world, environmental audits performed by the Supreme Audit Agency have long become an effective tool to evaluate the economics, effectiveness and efficiency of environmental protection. From the perspective of environmental management, the construction and implementation of projects, works, and plans on environmental protection are carried out.

In recent years, the State Audit of Vietnam has paid great attention to environmental auditing. In 2018, the State Audit successfully organized the 14th Congress of Asian Supreme Audit Agencies with the theme "Environmental Auditing for Sustainable Development", with the adoption of the Hanoi Declaration - one of the first and most methodical statements in ASOSAI congresses on environmental auditing.

Recently, a series of environmental incidents caused by industrial activities, management, treatment of medical waste, or imported scrap have become increasingly serious, causing heavy damage to the environment as well as life. human health such as the Formosa incident in 2016, DAP Lao Cai Fertilizer Project...

In that context, the State Audit has implemented many in-depth environmental audits such as auditing the operation of medical wastewater treatment systems of central hospitals in Hanoi city during the period. 2011-2015; Auditing environmental improvement and restoration activities in mineral exploitation in Thai Nguyen province; auditing wastewater treatment and management activities in Khai Quang Industrial Park, Vinh Phuc province in 2016 and Khanh Phu Industrial Park, Ninh Binh province in 2017.

Thereby, the environmental audit has made definite recommendations for local authorities, the Ministry of Natural Resources and Environment, and the Government in implementing and monitoring the environmental impacts of organizations.

2019 is the first year that the State Audit takes on the position of Chairman of the Organization of Supreme Audit Institutions in Asia for the 2018-2021 term, so environmental audit topics are increasingly researched and selected. carefully and cautiously. Two issues included in the annual plan by the State Audit are medical waste management and treatment activities at hospitals in Hanoi city and scrap import management for the period 2016-2023 at the Ministry. Natural Resources and Environment, Ministry of Industry and Trade, Ministry of Finance.

For the audit of medical waste, the State Audit focused on auditing the responsibilities of the Ministry of Health, Hanoi People's Committee and more than 20 general and specialized hospitals as well as waste treatment units.

healthcare in the area.

Audit results show that most hospitals still have limitations in managing and treating medical waste. Specifically, 82% of audited hospitals operate medical wastewater treatment systems that do not ensure procedures such as: not monitoring and supervising daily wastewater flow; The ratio of treated wastewater/amount of water used in some hospitals is low, with potential risks of leakage, loss or not being thoroughly collected in the treatment system; Failure to perform routine maintenance and upkeep of the system.

In addition, 86% of hospitals have not fully ensured environmental records and procedures according to regulations, such as: not yet confirming the completion of environmental protection works/implementation of the environmental protection project according to regulations. regulations; Discharging wastewater into water sources/exploiting and using water sources without a License/or the License has expired There are 59% of hospitals that have not implemented the reporting regime for medical waste management results, complete and timely periodic environmental monitoring reports;...

The State Audit also commented that the management and supervision measures of state management agencies have not ensured the necessary effectiveness and efficiency in promptly detecting and completely handling shortcomings and limitations. the above mechanism. Especially the issue of managing medical waste recycling activities, which has many potential risks to human health, as well as the management and treatment of medical waste at nearly 4,000 non-public medical facilities in the area. Capital desk.

The State Audit has proposed to state management agencies many measures to strengthen environmental management. Specifically, review the implementation of measures to overcome violations of environmental protection regulations by companies and production facilities that commit violations; Build an online database on the environment, publicize environmental information.

The State Audit also proposed that the Ministry of Natural Resources and Environment research and supplement and edit regulations to clarify the roles and responsibilities of management units in industrial park environmental protection.

In addition, the State Audit also proposed that the Ministry of Health research and coordinate with the Ministry of Natural Resources and Environment to adjust regulations on conditions related to the environmental field in granting operating licenses to establishments. medical examination and treatment, creating conditions for facilities to operate effectively and in accordance with regulations. At the same time, it is recommended that the Ministry of Natural Resources and Environment research and amend and supplement regulations to tighten management of monitoring of transportation routes and treatment of hazardous waste; clarify the statute of limitations for cases of violation of regulations on wastewater discharge/water resource exploitation without a license.

In the coming time, to further develop the field of environmental auditing and clearly demonstrate its pioneering role as President of ASOSAI for the 2018-2023 term, the State Audit will continue to research and expand. The scope of the audit focuses on topics of biodiversity conservation, response to climate change, green energy... In particular, attention is paid to auditing progress and results achieved in implementing the Sustainable Development

Goals - United Nations SDGs until 2030.

Environmental auditing is not only a new field but also a field that is relevant to many countries in the region and around the world. With the above awareness, the State Audit has implemented many solutions on international cooperation in the field of environmental auditing to learn, share experiences, and coordinate to implement common audit goals, including the following: Efforts to organize audits in coordination with Laos and Cambodia for the audit of Mekong River water issues...

In particular, the topic "Environmental Auditing for Sustainable Development" has become one of the important agenda items at the 14th ASOSAI Congress taking place from September 19 - 22, 2018. This is a topic that has been proposed by Vietnam before and received high consensus from other countries. For Vietnam, in the process of attracting investment, if it does not pay special attention to the environment, Vietnam will have to suffer great consequences in the future. The sustainable development process faces major challenges due to environmental factors, especially when the Industrial Revolution 4.0 puts Vietnam at risk of becoming an attractive destination for investment projects.

Currently, environmental pollution is becoming a concern in our country, such as the fact that there are more than 5,700 containers of imported scrap left at seaports, most concentrated in the ports of Vietnam. City. Ho Chi Minh. At Saigon New Port, as of June 26, 2018, the amount of imported scrap backlog was 4,480 containers, of which, at Cat Lai Port, there were 3,464 containers. This situation is pushing Vietnam to become the world's landfill. Thus, although Vietnam clearly demonstrates its stance of not exchanging the environment for the economy, if there are no preventive measures, outdated and waste technologies are at risk of being imported into the country and affecting the country's health. sustainable development.

Faced with that concern, the Auditing industry promotes environmental auditing content, including scrap import. In addition to auditing the management of scrap imports from abroad into Vietnam, a series of audits related to the environment are being focused on by the State Audit such as: Auditing the management and use of investment funds to build factories wastewater treatment in the city. Hanoi in the period 2014-2018; Auditing the licensing of mineral resource exploitation management in the period 2013-2018 in Nghe An; Audit of urban waste treatment management in the city. Hanoi...

Challenges and recommendations

Currently, in the Action Plan to implement the State Audit Development Strategy to 2020, the State Audit has also proposed many solutions to strengthen environmental audit activities. The State Audit also determined that, in the coming time, environmental challenges will become increasingly serious, threatening the development of countries, especially developing countries like Vietnam. The task of environmental auditing for sustainable development is increasingly important and heavier. Therefore, in order to overcome limitations and continue to implement environmental audit activities well in the coming time, the following key solutions should be noted:

Firstly, increase awareness and awareness of agencies, units and society about environmental auditing. Promote propaganda work to raise awareness of state management

agencies and the public.

Second, focus on building and strengthening environmental audit capacity; Develop a team of environmental audit auditors to ensure sufficient quantity, professional structure and reasonable industry structure. In particular, focus on training a team of environmental audit auditors through inviting foreign experts to share experiences; Sending staff to participate in courses abroad, looking for funding projects to develop environmental auditing. Along with that, develop facilities, propagate information and develop science and information technology to serve the content of environmental audit.

Third, propose and develop legal documents clearly defining the environmental audit function of the State Audit; Build and develop environmental auditing guidelines and methods in compliance with the International Auditing Standards System. Promote the development of processes and methods for operational auditing, including environmental auditing, and develop a handbook to guide auditing operations on the basis of Vietnamese law but with reference to standards and guidelines. guidelines and handbooks of the International Organization of Supreme Audit Institutions (INTOSAI), which focuses on assimilating INTOSAI standards. Units under the State Audit also need to cooperate closely in implementing environmental audit...

Fourth, promote and deploy environmental audits across the country and in all fields, especially strengthening operational audits to comprehensively evaluate management, resource use, and responsibilities. management in environmental protection work of state management agencies to achieve sustainable development goals. At the same time, strengthen inspection, control and quality assessment of environmental audit content to improve the capacity, effectiveness and efficiency of environmental audit.

Fifth, strengthen cooperation and share experiences in the field of environmental auditing, while demonstrating the efforts and practical contributions of the State Audit of Vietnam to the pursuit of sustainable development goals. of the world in general and solving global environmental challenges in particular. For example, Vietnam can learn from the experiences of countries in Southeast Asia, typically Malaysia. Since 2008, the State Audit of Malaysia has established the Environmental Audit Department. Over the past 10 years, the State Audit of Malaysia has conducted more than 50 audits on environmental issues at the federal and state levels. Environmental audits are carried out in accordance with international environmental auditing standards, environmental auditing guidelines, INTOSAI working group's guidelines on environmental auditing, and the State Audit's auditing guidelines. Malaysia. The Malaysian State Audit has used remote sensing technology and geographic information systems for sampling and analysis in environmental audits. It is necessary to focus on environmental audit topics such as: Internal environmental management of ministries, branches, waste management agencies, forest management, fisheries, environmental impact management, pollution, public works, etc. green turmeric...

Conclude

According to the State Audit's assessment in recent years, environmental auditing has been promoted but there are still many limitations. Environmental audits are still mainly

integrated into financial statement audits and compliance audits and there is no true environmental audit; There is no organization, legal basis, procedures, and complete instructions for environmental audit activities. Meanwhile, many problems affecting human health and life cause damage to the environment, and pollution is becoming more and more pressing in the community and society. Therefore, the State needs to have many appropriate measures to improve the effectiveness of environmental audit activities, helping green and sustainable development.

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