



PASAI BULLETIN

Pacific auditors working together

Inside this issue:

An eye-witness account of Cyclone Pam, a new post for Dr Pohiva Tu'ionetoa, highlights from the 12th Governing Board meeting, the Secretariat introduces its new team, we welcome David Hausman to Chuuk State, GALE was in Wellington, Samoa has 16 new Certified Fraud Examiners and more in this bumper issue!

CYCLONE PAM — AN ON-THE-GROUND ACCOUNT FROM VANUATU

By Beulah Daunakamakama — survivor of Cyclone Pam

It is almost a month since Cyclone Pam ravaged the islands of Vanuatu on Friday 13 March. The Category 5 cyclone brushed closely alongside Efate but made a direct hit in the southern islands of Tanna, Erramango and the surrounding islands. While we were preparing for the event, I don't think anyone was ready to comprehend what this cyclone was capable of and what impact it would have on this small nation. For myself, I readied my family as much as possible but there was certainly an air of complacency in the community and waiting for the normal instructions to take place. The normal protocol for the public service is to wait for instructions from the Public Service Commission to announce that a yellow alert is in force before public servants are allowed to leave their public duties and tend to their families and homes.

Given the magnitude of the cyclone, perhaps more time should have been given to allow everyone to prepare more fully and give more comprehensive guidelines on what to expect during and after the cyclone.

Efate has a mix of Western housing, traditional housing and little shacks. The cyclone did not differentiate between the type of housing, but it was clear those that were poorly built bore the brunt of the storm. My cousin's rental place is a modern duplex up at Elluk and has beautiful views over Erakor Island. The walls are made of concrete and, from first appearances, looked like a building that would withstand a cyclone. She thought she would be safe. However, by 9 pm the roof started peeling off and the wind carried it over an elevated, two-storey home next door,



The battered
seafront in Port
Vila

CYCLONE PAM (cont)

across the road, across a yard and past the next house to finally land on the next road. The insurance inspector from Fiji mentioned that the metal used was 'cheapline' and was twisted like a tin can and there were no brackets securing the roof to the house. Nevertheless, the house started to fall apart and it became a very long night for my cousin who

has endured cyclones in Samoa. She said that she had never experienced anything like it and was getting close to thinking that she may have seen her last day.

On the other end of the scale, a story emerged from Bladinieres Estate (close to the airport) of an old man preparing for the cyclone. Upon hearing of the pending cyclone, he set out to dismantle his modest shack, stacked it up nicely, buried it and then sought refuge at a more secure family residence during the cyclone. He was the laughing stock of his immediate community who thought he was crazy. However, after the cyclone, he returned to his community to find those same people lost their homes and personal effects while he unpacked his house and rebuilt with no damage or loss. This says so much about thinking ahead and being prepared.

Teouma is known as the 'produce' hub for Efate and it provides a large percentage of the produce sold at the market. Crops were devastated and the people lost much. Another relative of mine lives in that area. She told me of how they were moving during the night from one house to the next as the wind destroyed the homes they were taking shelter in. And each time, their numbers increased as they collected the family whose home was destroyed. My heart immediately went out to them all, the children were petrified and their parents trying to be strong for them and keep them safe, and moving the elderly in such conditions was near impossible. In such helpless situations, this had to be the longest night for Vanuatu and its people.

During the cyclone, my most striking memory is of the roaring sound of the wind that blew outside in the dark. It was like a fleet of angry Mack trucks rushing at you, but the rush was not quick. It lasted a good eight hours from about 8 pm to 4 am. The wind and the rain came, and so did the neighbours' corrugated iron fence and part of their balcony, their roof and their mango tree. All the trees were uprooted, which has marked the beginning of skyrocketing prices for scarce fruit and veges (a small cabbage was seen as selling for VT2000 or about \$A23.00). While the wind was still gusting in the morning and the following day, the deafening roar had left our shores. Cyclone Pam left a trail of

"All the trees were uprooted, which has marked the beginning of skyrocketing prices for scarce fruit and veges. A small cabbage was seen as selling for VT2000 or about \$A23.00."

The remains of
Mama Market



"Stories are emerging of those who lost their lives and in such a small community where everyone knows or is related to someone, this is hard to fathom."

CYCLONE PAM (cont)



The clean up on the waterfront begins.

destruction never seen before in Vanuatu and on Saturday even though Shefa was still under red alert, people came out of their hiding places to witness the damage and it was devastating. On Sunday, it was pretty much the same thing. I think everyone was in a state of shock to see that their once beautiful town resembled a war zone and the green landscape is now a barren mess of dead vegetation. But like hope falling from heaven, the first signs of help could be heard in the skies from the New Zealand Hercules. Vanuatu's close neighbours (Australia and New Zealand) were on standby to lend a hand. Since then, we have seen army personnel from Australia, New Zealand, Fiji, Japan, France. Port Vila has been flooded with assistance abroad to work with local officials to assess the damage and administer assistance.

On the home front, our local businesses like Unelco (power/water), Telsat/TVL/Digicel (telecommunications) started work immediately to get essential services up and running. I am thankful that the water was on almost immediately in Port Vila and the power came on a couple of days ago. While you would think that the local tourism industry would take a hit, there has been pockets of hope for them as the aid workers flood the country. The Agriculture

Department is already sending out texts to motivate people to start planting local produce because the local crops have all but been destroyed. I know for sure I am going to miss my supply of coconuts, mango, avocados from my little patch in Port Vila. Although, all is not lost on the food supply front, as we have received news that Santo can provide some produce, but the question is whether there is sufficient supply.

A full assessment of the damage to government assets is needed, but the glaring hole (literally) is in the missing roof of the Ministry of Finance, which is the central government entity that controls all receipts and payments for the country. I guess from an auditor's perspective, it is frightening to think that already strained controls will be stressed further in trying times. But that is now going to be the norm and nature of how things will run in the short term while Vanuatu struggles to get back on its knees and then to its feet.

The Audit Office suffered some flooding damage and all staff suffered personal damage and loss to some degree. Unfortunately, some suffered more than others. Stories are emerging of those who lost their lives and in such a small community where everyone knows or is



CYCLONE PAM (cont)

related to someone, this is hard to fathom. And even though many have virtually nothing, they still give what they have to those who are more needy. The sad thing is that there are many who have taken to looting as a form of survival and some high-security prisoners have escaped. How can we comprehend it all? As the pictures of the devastation are shared all over the world, amongst the rubble, there are stories of survival, which has been therapeutic for everyone. Meeting the immediate needs to those displaced by the cyclone is a priority — housing and food supply to the remote areas is a logistical nightmare. The sound of the Black Hawks and local helicopters is now a common occurrence as they do aid drops to nearby islands that are mainly accessible by boat. Everyone else is just trying to go about their days, rebuilding their homes, communities, schools and churches. Trivial things are now critical — people can't find roofing nails!

While Vanuatu is lucky to have such a low death toll compared to the magnitude of the event, all those who experienced this Category 5 cyclone know full well they are fortunate to be alive because 'death' was certainly at Vanuatu's shores that black Friday.

How you can help

There are many appeals to support the people of Vanuatu, Kiribati, Solomon Islands and Tuvalu. Note that some appeals, such as the Australian Red Cross, have already closed their appeals. Please make sure you are donating to a reputable organisation.

Some of the appeals include:

Oxfam Australia

<https://www.oxfam.org.au/my/donate/cyclone-pam-in-vanuatu/>

Plan Australia

<http://www.plan.org.au/Donations/Donate/Help-Children-in-Crisis.aspx>

Save the Children New Zealand

<http://www.savethechildren.org.nz/see/emergencies/cyclone-pam-appeal---vanuatu/>

Other areas affected by Cyclone Pam

It is important to remember that Vanuatu was not the only area affected by Cyclone Pam. Tuvalu, Kiribati and the Solomon Islands were all affected by storm surges and damaging winds, as these images show.



Kiribati storm surge as a result of Cyclone Pam. Image credit: Plan Australia International. Accessed 20 March 2015.



Lototahi at Nanumea Island. Source: Tuvalu Media Department, Government of Tuvalu.

Kiribati storm surge as a result of Cyclone Pam. Image credit: Plan Australia International. Accessed 20 March 2015.

“Dr Tu’i’onetoa was a key figure in the formation of the South Pacific Association of Supreme Audit Institutions (SPASAI), the forerunner of PASAI.”



Dr Pohiva Tu’i’onetoa, after 31 years as the Auditor General of Tonga is now holding two ministerial portfolios in the Government of Tonga.

PASAI FAREWELLS ITS FOUNDING FATHER

After 31 years as the Auditor General of Tonga (1983–2014), Dr Pohiva Tu’i’onetoa is now holding two ministerial portfolios in the Government of Tonga: the Minister of Police, Prisons, and Fire Services; and the Minister for Commerce, Tourism and Labour. As the first Tongan to localise the post of Auditor General, Dr Tu’i’onetoa improved the professionalism and standards of audits undertaken in Tonga for the benefit not only of the Tonga Audit Office, but to the Pacific as a whole.

The founding (grandfather) of SPASAI

Dr Tu’i’onetoa was a key figure in the formation of the South Pacific Association of Supreme Audit Institutions (SPASAI), the forerunner of PASAI, as a regional working group of the International Organisation of Supreme Audit Institutions (INTOSAI). He was SPASAI’s first Secretary General, holding office for 10 years. SPASAI was renamed as the Pacific Association of Supreme Audit Institutions (PASAI) to reflect the current memberships, which now include all Pacific Island nations.

In 1992, Dr Tu’i’onetoa was appointed as a Governing Board Member for INTOSAI and re-elected again in 1998 for a second term until 2004. He was also a member of the Auditing Standards Committee of INTOSAI and a member of the sub-committee of Supreme Audit Institutions (SAI) Independence, which produced the INTOSAI Eight Pillars of SAI Audit Independence. Dr Tu’i’onetoa was a secretary and founding member of Tonga

Society of Accountants, serving as president for seven years (1998–2004).

Auditing achievements

During his years in the Tonga Audit Office Dr Tu’i’onetoa dedicated his time to ensuring the office improved its role in promoting accountability and transparency. He was the key figure in drafting and introducing the Public Audit Act 1984 and was also a key figure in drafting and introducing the Public Revenue Act and the Public Finance Administration Act 1983. These two pieces of legislations were drafted from the Audit Department and introduced the financial administration structure of the Government into a proper legal framework.

In 2009, Dr Tu’i’onetoa worked hard to establish the Government Audit Office of Tonga as an Approved Training Organisation (ATO) of New Zealand Institute of Chartered Accountants, which means the Tonga Audit Office can offer the practical experience component to meet the admission policy of the College of Chartered Accountants. No other organisation in Tonga has this status. The approval of the Tonga Audit Office as an ATO was based on the confidence given to the management skills and professional training capacity established by the Auditor General for the office.

Farewell to Dr Tu'i'onetoa (cont)

Dedication to education

As well as distinguished career in the Tonga Audit Office, Dr Tu'i'onetoa is also dedicated to improving education in Tonga. He was a member of Tupou High School Ex-students association that was responsible for the Tupou Tertiary Institute concept, which in 1999 used accounting and business programs as platform to develop tertiary-level programs. Since then, the program has expanded to include other tertiary-level disciplines including computer sciences, education, architecture and tourism. Dr Tu'i'onetoa was also a founding member of the Advisory Committee to the Accounting Training Scheme of Government. The Accounting Training Scheme now has recognised diploma and degree-level programs.

Recognition

In recognition of his continuous support and contribution to accountancy and audit in Tonga and to INTOSAI, Dr Tu'i'onetoa was awarded Fellow of the Institute of Chartered Accountants of New Zealand in 1999, the first Tongan accountant to receive such recognition.

The Tonga Audit Office and all PASAI members wish Pohiva the best in his new role as a Cabinet Minister and we look forward to viewing his achievements in these distinguished Ministries.

A PERSONAL NOTE FROM THE SECRETARY GENERAL

In April 1986, INCOSAI was held in Sydney, Australia. Pohiva was a young Auditor General and I was part of the New Zealand delegation. The sheer size of the event and the number of people was a bit overwhelming. One evening, the New Zealand Controller and Auditor General, Brian Tyler, asked Pohiva and me to draft a resolution to establish the Pacific as a regional body of INTOSAI. He would put the resolution to the Congress the very next day.

Pohiva and I sat down in a vast conference room to write the resolution, but neither of us had the slightest idea of how to write a resolution. After a number of drafts we presented the resolution to Brian Tyler, and he probably rewrote it. The next day the resolution was passed with acclaim and the South Pacific Association of Supreme Audit Institutions (SPASAI) came into being.

SPASAI was not the best acronym and a good lesson to check how an acronym sounds before you put it in stone! So was born SPASAI, the forefather of PASAI, and the reason why we refer to Pohiva as the grandfather of PASAI.

12TH PASAI GOVERNING BOARD MEETING, AUCKLAND

On the 17–18 February, PASAI's Governing Board met for the twelfth time. The Board met in Auckland, New Zealand to discuss a detailed agenda and to make some key decisions for PASAI. Some of the key highlights of the meeting are outlined below.

Monitoring, Evaluation and Reporting Framework

The Board approved the Monitoring, Evaluation and Reporting (MER) Framework for the *PASAI Long-Term Strategy 2014–2024*. The Secretariat will work with individual SAs to develop a simple, efficient, balanced M&E process for SAs that is practical, avoids 'survey overload', and minimises measurement requirements.

Cooperative financial audit—foreign-aid projects

PASAI's Technical Support Adviser, Agnes Aruwafu, updated the Board on the 1st Cooperative Financial Audit (CFA) on foreign-aid funded projects. Participants have started to trial IDI's online Community of Practice Portal, which will be evaluated for potential further use across PASAI.

INTOSAI peer review proposal for PASAI

INTOSAI has received a report from the UN about working to strengthen SAs with the framework of the UN's Post-2015 Development Agenda. Within the framework, the Austrian Court of Audit, funded by the Austrian Development Agency, wants to undertake an in-depth review of independence in one country in every INTOSAI region. An international team will assess independence and talk to parliaments and legislatures. They would like a developing country to be involved. The Austrian Court of Account and IDI will be sending a team and perhaps someone from the Pacific will also be part of the review. The Board views the participation of someone from the region on the review team as an opportunity for both capacity building and an opportunity to consider applying the methodology used by the international team more widely across PASAI. The Board agreed that SAI Vanuatu will be put forward as the PASAI country to undergo an in-depth review from the international team.

18th PASAI Congress Port Vila, Vanuatu

Despite the devastation of Cyclone Pam, the 18th PASAI Congress will go ahead in Port Vila, although later than originally planned. The Auditor General of Vanuatu, John Path, will confirm dates with the Prime Minister for around October. We will notify you of exacts dates on the PASAI website when they come to hand.

Next cooperative audit

The Governing Board members also approved the topic of 'public procurement' for the next cooperative audit to be jointly arranged by IDI/PASAI. This program will require participants to complete an online e-learning course to begin July/August 2015 before attending joint planning and reporting meetings.



PASAI Secretariat announces its new team

After a recent restructure, the PASAI Governing Board has made new appointments to the PASAI Secretariat.

Chief Executive: The new Chief Executive of the PASAI Secretariat is Tiofilusi Tuieti. Tio joins the Secretariat after two years at the World Bank in Washington DC, where he held the position of Advisor to the Executive Director of the South East Asia Group. Before that, he spent five years working for the Government of Tonga within the Ministry of Finance and National Planning, as the Chief Executive (Secretary for Finance and National Planning) for two years, and three years working as Deputy Secretary for Finance and Head of Treasury Division. Tio has also worked in the Tonga Audit Office, where he progressed to the level of Deputy Auditor-General, Financial and Compliance Division. Tio has served on various boards in Tonga, and represented Tonga on a number of international and regional forums. He holds a Master of Commerce degree in accounting with banking, as well as a Bachelor of Management Studies in accounting and finance. Tio is also a Chartered Accountant and a member of Chartered Accountants of Australia and New Zealand (CAANZ). Tio starts with the Secretariat on 25 May 2015.

Director, Technical Support: Agnes Tuiai-Aruwafu has been appointed as the new Director, Technical Support. Agnes took up this role on 1 April 2015. Agnes has worked for the Secretariat for two years as a Technical Support Advisor. Before this, she spent two years with the Australian National Audit Office and five and a half years as an AusAid contractor in various roles across the Solomon Islands. She started her audit career with Hall Chadwick (Chartered Accountants) in Brisbane, who she was with for four years and progressed through audit roles with the Queensland Audit Office for seven years. Agnes is a CPA and holds a Bachelor of Economics from The University of Queensland, as

well as a Bachelor of Business in Accountancy. Agnes is currently studying towards a Masters of International and Community Development.

Director, Practice Development: Sina Palamo-Iosefo has been appointed as the new Director, Practice Development. Sina took up this role on 1 April 2015. Sina has worked for the Secretariat since 2012 as a Capacity Building Advisor. Sina progressed through audit roles at the Samoan Audit Office. She has two periods away from the office, one on secondment to Coopers Lybrand in Auckland, and 11 years working at Betham & Co Public Accounting Firm. In 2006, Sina was back with the Samoa Audit Office before starting with the Secretariat. Sina holds a National Certificate in Business Studies from the Auckland Technical Institute and a Bachelor of Management Studies in Accounting from the University of Waikato. She is also a member of the Samoa Institute of Accountants.

Office Coordinator: Natalie Price has been appointed as the new Office Coordinator. Natalie took up this role on 1 April 2015. Natalie has been working as the Secretariat's Administrative Assistant (through an agency) for the last 18 months. Natalie spent 15 years in a number of roles with BDO Auckland. Natalie brings a range of administrative expertise to the role.

PASAI Advocate: Eroni Vatuloka, whose contract as Executive Director expires on 30 April 2015, will take up the part-time post of PASAI Advocate for the next 12 months. Eroni has spent the last five years as Executive Director of the PASAI Secretariat, having come from the Asian Development Bank where he was the PRAI Program Coordinator. Before this, Eroni worked his way up through the auditing profession within Fiji, becoming Auditor General in 2000, an office he held for nine years. Eroni holds a Bachelor of Arts in Accounting, a Graduate Diploma in Accounting, and a Master of Commerce from the Australian National University.

The team looks forward to an exciting new chapter in the history of the PASAI Secretariat.

PASAI welcomes a new Public Auditor to Chuuk State

PASAI welcomes David Hausman as Chuuk State Public Auditor, in the Federated States of Micronesia. We asked him to tell us a little bit about himself. David breaks the stereotype of auditors and has a special offer for any PASAI members who visit Chuuk State.

Welcome to the PASAI family David. What were you doing before you joined the Chuuk State's Audit Office?

I ran my own accountancy firm in Ohio, which I started in 1981. We specialised in small business providing tax, accounting, and auditing and management advisory services to small to medium businesses, helping many start-up companies to grow and flourish. On the auditing side of the business, I performed many audits of local and state governmental organisations in the State of Ohio.

What are you hoping to achieve as the first Public Auditor for the Chuuk State?

I have many goals. Firstly, I am working to prepare the office to operate independently from the National Public Auditor. Secondly, I want expand our office and increase our staff numbers from five to eight. Thirdly, I also hope to be Chuuk State's first paperless organisation, working electronically as much as possible. Fourthly, we need to update the Auditor Law. Finally, one of my main goals is to find a qualified Chuuk or FSM resident to take over the Auditor position at the end of my term.

It sounds like you will be busy. What do you do outside the office to wind down and relax?

My hobbies including biking, walking, swimming, scuba diving, sailing, exercising and riding my Harley Road King. In fact, I offer a free ride on the Harley to any PASAI member visiting the Chuuk State (if you dare!). I also believe in giving back to the community, so have volunteered with many non-profit organisations, including a 10-year stint as a voluntary CFO.

With those hobbies, Chuuk State sounds like a perfect place for David and we wish him well in his new job.



Global Audit Leadership Forum in Wellington

New Zealand's Auditor-General and Secretary General of PASAI, Lyn Provost, hosted the second annual Global Audit Leadership Forum (GALF) in Wellington, New Zealand, from 25 to 27 March 2015.

Thirteen countries and the European Union came together to discuss the challenges facing SAs around the world.

This year's GALF theme was 'The Public Auditor 2030'. Delegates shared their perspectives on how the auditor's role might evolve over the next 15 years.

Highlights from GALF are available on www.oag.govt.nz.

CERTIFIED FRAUD EXAMINERS IN SAMOA AUDIT OFFICE

By To'omata Sita Leota

Sixteen senior staff of the Audit Office, including the Controller and Auditor General, have passed the Certified Fraud Examination (CFE) of the Association of Certified Fraud Examiners (ACFE). The CFE initiative was arranged by the Controller and Auditor-General, Fuimaono Papalii C.G. Afele after he met CFE professionals in his attachment with the United States Government Accountability Office (GAO) in 2010.

Over December 2014 and January 2015, the staff from the Samoa Audit Office studied 46 topics in via an e-learning platform covering financial transactions and fraud schemes, law, investigation and fraud prevention and deterrence. The dedicated staff mainly studied individually after-hours. However, the team came together every day at lunchtime to brainstorm ideas and discuss issues.

CFEs can: examine data and records to detect and trace fraudulent transactions; interview suspects to obtain information and confessions; write investigation reports; advise clients as to their findings; testify at trial; understand the law as it relates to fraud and fraud investigations; and identify the underlying factors that motivate individuals to commit fraud.

The Samoa Audit Office has now set up a Special Audit Unit and, over the coming years, the Audit Office will recruit staff with legal and police expertise to join the unit, alongside the newly qualified Certified Fraud Examiners. The Special Audit Unit will make use of new audit laws that include whistleblowing clauses for voluntary reporting of fraud and irregularities with legal protection without repercussion. The Special Audit Unit will also set up a Samoa Certified Fraud Examiners Forum to network with and share resources and expertise with ACFE.

The ACFE is celebrating its 25th anniversary as the world's largest anti-fraud organisation and provider of anti-fraud training and education. With nearly 75,000 members worldwide, the ACFE is reducing business fraud and inspiring public confidence in the integrity and objectivity within the auditing profession. For more information, visit ACFE.com.




Certified fraud examiners in the Samoa Audit office

Back row from left: Tia David Pereira, Fa'amatua'ina Dennis Margraff, Ah Siu Lin, Terence Su'a, Lauano Dennis ChanTung, Tagaloa Iosua Leleisiua'o, Marshall Maua, and Fred Ah To.

Front row from left: Oceanbaby Penitito, Jaslyn Mariner Leota, Roseanne Fa'aui, Violet Roebeck Fasavalu, To'omata Sita Leota, and Morina Fa'asisila.

Absent from the photo: Fuimaono Papalii C.G. Afele



“Dr Moser stressed the critical contribution of SAIs to improve the results of development cooperation and strengthening of confidence in government.”

23rd UN/INTOSAI Symposium, Vienna, Austria

The 23rd UN/INTOSAI Symposium was held in Vienna, Austria from 2–4 March 2015 to deliberate on the topic ‘UN Post-2015 Development Agenda: the Role of Supreme Audit Institutions (SAIs) and Means of Implementation for Sustainable Development’.

This topic reflects a growing recognition of the need to involve SAIs in the implementation of the Post-2015 Development Agenda. Given their independence, professionalism and reliability, SAIs are uniquely positioned to serve the public by promoting effective public governance, increasing the efficiency of public administration, improving development outcomes and promoting trust in government. In terms of national implementation, SAIs have a very important oversight role to play.

PASAI was represented at the Symposium by Mr Alan Parker, Auditor General of SAI Cook Islands and Atunaisa Nadakuitavuki, Acting Auditor General of SAI Fiji.

Austrian President Heinz Fischer pointed out that SAIs can help to create trust between the donors

and the recipients of aid, helping to consolidate development cooperation. Against this background, President Fischer fully supports calls for the strengthening of the independence of audit institutions.

Austria’s Auditor General and INTOSAI’s Secretary-General, Dr Josef Moser, also underlined the key role of SAIs in ensuring that public resources are used for the benefit of citizens. Dr Moser stressed the critical contribution of SAIs to improve the results of development cooperation and strengthening of confidence in government. He reiterated that SAIs have a significant task to help ensure sustainable development for the guaranteed functioning of states.

Dr Moser said the role of SAIs in the post-2015 development agenda is clearly provided for by the UN General Assembly resolution A/69/228 for December 2014. The UN Sustainability Development Goals are currently being negotiated and will be decided at the UN General Assembly in 2015.

Board approves regional cooperative audit of climate change adaptation and disaster risk reduction strategies

The 12th PASAI Governing Board meeting approved the regional report of the cooperative audit on climate change adaptation and disaster risk reduction strategies.

A communication plan for distributing the report has been drafted and the report will be available on the PASAI website soon. If you would like a hard copy of the report, please contact the PASAI Secretariat at enquiry@pasai.org.

Developing careers in Kiribati

Nineteen staff from the Kiribati National Audit Office took part in training designed to develop their individual career paths, and to strengthen the capacity of the National Audit Office to undertake financial and performance auditing.

“Conducting financial audits is an essential part of government auditing,” said Michael Hunt, Deputy High Commissioner of Australia High Commission in Kiribati. “However, increasingly, performance auditing is being used by governments around the world to review the efficiency and effectiveness of how government services are delivered. It is important that auditors are exposed to world best practice.”

This is the first training specifically requested by the Kiribati National Audit Office as part of its commitment to developing the capacity of its workforce. This training was aimed at auditors with three to four years of auditing experience.

Participants were introduced to the international INTOSAI Standards of Supreme Audit Institutions—the ISSAI framework. Professional auditing standards are essential for the credibility, quality and professionalism of public sector auditing and the ISSAIs aim to promote independent and effective auditing by SAIs.

“While it is important for our auditors to understand the ISSAI framework, it is also important to remember that the ISSAIs do not override national laws, regulations or mandates, nor do they prevent SAIs from carrying out investigations, reviews or other engagements that are not specifically covered by the existing ISSAIs,” said Auditor General Mrs Matereta Raiman.

As a way of promoting information sharing across the region, two of the facilitators were from other Pacific Island audit offices: one from the Samoa Audit Office and one from the Cook Islands Office of Public Expenditure Review Committee and Audit. This approach allowed professional connections to be made within the region and also brought Pacific-specific knowledge and practical experience to the classroom.

Participants discussed audit process, including risk-based approaches to audits and they worked through case studies and exercises to gain insight into how an audit should be planned and the documents required to complete work at the different stages of the audit process.

The training materials for the training were developed with the assistance of the New Zealand Ministry of Foreign Affairs and Trade and the World Bank and were delivered by the Pacific Association of Supreme Audit Institutions.

For further information, contact Ms Sinaroseta Palamo-Iosefo, PASAI’s Capacity Building Advisor at: sina.iosefo@pasai.org.





SAI New Zealand examining co-governance models in the environment sector

By Jonathan Keate, SAI New Zealand

SAI New Zealand will soon begin examining the governance and accountability of a selection of co-governance models in the environment sector.

Background

Increasingly, a variety of governance models are appearing in the environment sector. These models have a range of purposes, including establishing arrangements between central government, local government, Maori iwi, and local groups. The arrangements come in a variety of legal forms and include statutory bodies, trusts, and contractual relationships.

This is an evolving area where formal agreements often follow informal arrangements that have been happening on the ground, or in the context of negotiations between the Crown and indigenous people as part of providing redress for historical grievances and to recognise indigenous interests in natural resources.

These arrangements vary in size and maturity from small boards managing a discrete local area such as a park or reserve to statutory entities managing a significant natural resource (e.g. the Waikato River). Some arrangements involve the Crown and local authorities 'co-governing' or 'co-managing' these areas or natural resources with iwi partners, and some involve novel legal concepts, such as recognising a river as a legal entity. Most of the arrangements are relatively new and have evolving governance and accountability.

Proposal

The SAI will examine a sample of six governance arrangements to identify what works well and what does not, and to isolate principles that would be useful to groups establishing and operating these arrangements in the future.

The focus of the audit will be on identifying principles rather than assessing effectiveness because, in most cases, it is too early to assess effectiveness. The overall audit question is:

What principles should be taken account of when establishing and operating co-governance arrangements in the environment sector?

The intention is that these principles will be useful for:

1. people trying to work through the issues around establishing and implementing good governance arrangements (e.g. local authorities)
2. people in government who are involved in establishing or supporting these governance arrangements.

The lines of questioning will focus on the following areas: clarity of purpose, roles and responsibilities, capability, accountability and integrity, information and reporting, and financial sustainability. These areas of focus are based on the principles of good governance developed for the audits of Inland Revenue business transformation, Rebuilding Christchurch and Auckland Transport's big roading projects.

The SAI intends to report on the findings later in 2015.



WHO'S TWEETING?



Helen Clark ✓ @HelenClarkUNDP

Good blog from @JanKellett & @WatsonCharlene of @UNDP on #WCDRR highlights key #DRR risk & finance issues
[http://www.trust.org/item/20150318101334-gchnf ...](http://www.trust.org/item/20150318101334-gchnf...) @ScheuerJo



Audit Office (ANAO) @ANAO_Australia Mar 2

Our new Better Practice Guide on 'Public Sector Audit Committees' is also now available:
[http://www.anao.gov.au/Publications/Better-Practice-Guides/2014-2015/Public-Sector-Audit-Committees ...](http://www.anao.gov.au/Publications/Better-Practice-Guides/2014-2015/Public-Sector-Audit-Committees...)



UN New Centre @UN_News_Centre Mar 18

#Sendai: @UN conference adopts new disaster risk reduction framework, urging 'tireless efforts to make world safer'



Audit General New Zealand @Auditor_general Feb 19

Doris Flores Brooks, the Public Auditor of Guam, visited the Office this morning and met with the Auditor-General.



STOP PRESS

The inaugural meeting of FSM Public Auditors was held on 17–18 February, in Weno, Chuuk State. Twenty-five state and national auditors and officials attended the meeting.

The establishment of the Chuuk State Office of the Public Auditor was one of the first orders of business noted, along with the appointment of Mr David Hausman. See our interview with David in this issue of the Bulletin.

Many issues were discussed over the two days, with each office having an opportunity to discuss issues relevant to them, including current projects and audits, training opportunities and events, and technology challenges.

It is planned that these meetings will become annual events for information and knowledge sharing.

CALENDAR

13–24 April 2015: IDI e-learning handbook meeting

15–16 April 2015: SAS Committee meeting, Auckland, New Zealand

11–15 May 2015: Tier 3 in-country workshop, Pohnpei, Federated States of Micronesia

8–10 June 2015: Tier 2 in-country training, Nukualofa, Tonga (tbc).

tbc: 18th PASAI Congress

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