



Pacific Association of Supreme Audit Institutions (PASAI)

Status of the Pacific Regional Audit Initiative (PRAI) - July 2010

PASAI Mandate and Objectives

PASAI promotes transparent, accountable, effective, and efficient use of public sector resources in the Pacific.

PASAI contributes to that goal by helping its member SAs improve the quality of public sector auditing in the Pacific to uniformly high standards.

To that objective, PASAI's mandate is to strengthen understanding, co-operation and coordination between its members by advocating the interest in good governance and build and sustain auditing capacity while assisting its members to perform their auditing functions. It also serves as a regional working group of INTOSAI and encourage co-operation with other regional working groups.

PRAI

The Pacific Regional Audit Initiative (PRAI) is a Pacific Plan initiative.

The PRAI's overarching objective is to raise Pacific public auditing to uniformly-high standards.

This in turn is expected to improve transparency and accountability in managing and using public resources.

Governing Board 3rd Meeting, Nadi - 5 July 2010

The PASAI Governing Board 3rd meeting at Novotel Nadi on 5 July 2010 deliberated and resolved matters on the organization's governance and strategic issues, Secretariat establishment especially in relation to its incorporated society status and requirements, projects and other business.

The Board approved the 2010/11 Business Plan, the additional facilities and resources for the PASAI Secretariat and the Office Policies. It noted the good progress made by the Pacific Regional Audit Initiative (PRAI) projects including capacity development, cooperative audits, sub-regional audit support (SAS), and the accountability and transparency work. The Board also noted delays in the preparation of the 2009/10 accounts and the completion of the project management framework report.

The development partners who attended the meeting expressed satisfaction with the progress made on the various projects under the PRAI. The partners however expressed the view that a medium to long-term funding strategy should be put in place to ensure the sustainability of the PRAI programs.

Kiribati Congress - 7 to 9 July 2010

The XIII PASAI Congress was held at Tarawa Kiribati between 7 and 9 July 2010. The key note address was delivered by the Vice President of Kiribati Hon. Ms Teima Onorio who reinforced the critical roles SAs play in promoting good governance and strengthening accountability and transparency in the region. She made specific mention of the pooling of resources to address common objectives such as the (SAS) program, which has generally improved the quality of public sector auditing in the small island states.

The Congress deliberated on PASAI governance issues and the results of the various programs of PRAI over the 3 days making specific recommendations on the secretariat responsibilities, accountability and transparency survey report and funding arrangements over the long term. Congress also received reports from members of the work they perform in the various INTOSAI Committees.

The Congress discussed with its stakeholders the question of how to maximize the effectiveness of its findings in the accountability and transparency plus the results of such cooperative audits as the waste audits. The Congress agreed it was important that it work with stakeholders such as the Pacific Island Forum Secretariat. While the Secretariat is charged with pursuing this objective, the effectiveness of the PRAI initiative will be a focus of the next Governing Board meeting in February 2011 and ultimately the next annual Congress.

The Secretary General on behalf of members of PASAI thanked the Mr Ramon Taake, the Auditor-General of Kiribati for the organization of a successful Congress. The excursion to Ouba Island, 2 hours by boat from Tarawa, and the attendance of the independence celebrations rounded off a successful Congress. The Secretary General in closing stated that PASAI should be proud of its achievements to date and it was essential that the results of PASAI activities have lasting impact in the region.

Below is a photo of the participants of the XIII PASAI Congress held at Tarawa Kiribati Between 7 and 9 July 2010.



Capacity Development Program

The meetings of the 5 working groups to develop manuals, guidelines and training materials will commence in August 2010. The 5 manuals and training materials including Human Resources, Financial Audit, Performance Audit, Tier 2 Intermediate Government Auditing and Tier 3 Supervisory Roles are on schedule to be completed before the Tonga PASAI Congress in 2011.

The second Capacity Building "Kick-off" Conference for the other 4 guidelines and training materials has been re-scheduled from March 2011 to 15 - 19 November 2010.

Cooperative Performance Audit

Seven of the ten heads of SAIs have signed off the reports of the first cooperative performance audit on the management of solid waste. In addition to Guam, the Federated States of Micronesia (FSM) has made its report public in the 26th July issue of the *Kaselehlie* Press. A copy of the news item is available with the Secretariat.

Preparations have commenced for the second cooperative performance audit on access to safe drinking water. To date, 7 of the 9 SAIs that had shown interest have confirmed their participation. The Planning Meeting for this audit will be held at Novotel Nadi between 30 August and 4 September 2010.

Sub-regional Audit Support (SAS) Program

The Asian Development Bank (ADB) is currently seeking approval from the Government of Japan for funding under the new Japan Fund for Poverty Reduction (JFPR). While this may lead to some delay in commencing round 2 of the SAS work, the secretariat has been making arrangement for the programme to proceed once the ADB have confirmed their funding arrangements. The work has included seeking applications for the vacant positions of SAS coordinator and expert. Details of the changes will be provided in the August update.

2009 Report on Accountability and Transparency in the Pacific Region and the 2010 Survey

The 2009 Report on Accountability and Transparency in the Pacific Region was tabled in the Nadi Governing Board meeting and the Kiribati Congress. Having also received an external commentary, which provided useful view on the findings, the Congress resolved that the Accountability Report be published. It also resolved to consult with development partners on the 2010 accountability survey and link up with governance institutions which have similar initiatives in the region.

Funding

At the end of the Governing Board Nadi meeting, the Secretary General Ms Lyn Provost signed a grant agreement with the World Bank for a sum of US\$550,000 over the next 2 years. The fund is specifically for the development of PASAI manuals and guidelines, and training materials.

PASAI welcomes this support from the World Bank and appreciate the personal efforts of their representative Ms Kylie Coulson.

PASAI Secretariat

The secretariat has been kept busy during the month with the logistical arrangements for the second cooperative performance audit planning meeting and the various working group meetings. The dates for the various activities in the next 3 months are as follows:

- 16-20 August 2010 - Tier 2 Intermediate Government Auditing Working Group meeting, Auckland;
- 23-27 August 2010 - Human Resources Manual Working Group meeting, Auckland;
- 30 August-4 September - Cooperative Performance Audit Planning meeting, Nadi;
- 6-10 September 2010 - Tier 3 Supervisory Roles Working Group meeting, Auckland;
- 13-24 September 2010 - SAS preparation meeting, Auckland (dates to be confirmed);
- 20-24 September 2010 - Financial Audit Manual Working Group meeting, Auckland;
- 4-8 October 2010 - SAS Workshop, Funafuti, Tuvalu (dates to be confirmed);
- 11 October 2010 - SAS audits start, Tuvalu (date to be confirmed).

For any clarification of any of the items in this update, please do not hesitate to contact the PASAI Secretariat by

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