



PASAI update

Pacific Auditors working together

IDI Global Leadership Symposium and SAI Young Leaders Program Planning Meeting

The IDI's Global Leadership Symposium was hosted by the Comptroller & Auditor General of India in Shimla, India from 17 to 21 November 2015. The symposium was the inaugural meeting of participants in IDI's SAI Leadership Development Program to identify the traits of SAI leaders. Thirty-eight delegates, including current and potential SAI leaders from different INTOSAI regions, shared knowledge and experience on what it takes to be an effective SAI leader. PASAI was represented at the Global Leadership Symposium by Mr Camillo Afele, Comptroller and Auditor General of Samoa; Mrs Doris Flores Brooks, Public Auditor — Guam; Mr Tiofilusi Tiueti, Chief Executive, of the PASAI Secretariat; Ms Grace Afatia Mulitalo (Samoa); and Ms Clariza Mae Roque (Guam) represented PASAI.

The symposium agreed on the competencies and qualities required of a SAI leader. Participants shared experiences and challenges about how these competencies and qualities can be developed and recognized given diversities in cultures, environments and levels of SAI development. These leadership qualities were built into a leadership 'tree' as root (basis), stem (growth), or leaf (testament) qualities. Women heads of SAIs shared their experiences in the SAI Women leaders' session. Doris gave an inspirational presentation on her experiences, challenges and development to become Guam's first woman Public Auditor.

The symposium also provided a good opportunity to network with colleagues about the leadership programs they offer their members. This is an important area for PASAI to consider developing for our members.

The SAI Young Leaders Programme was also launched in a session at the symposium. The program works on the premise of 'transforming tomorrow' by nurturing potential future leaders today. The young SAI leaders who attended the symposium expressed their hopes and aspirations for their future as leaders. SAI Netherlands shared the new initiatives of the Young EUROSAs (YES) Programme, a forum for young people in leadership positions in their SAIs. PASAI participants agreed that YES is an excellent initiative that PASAI should pursue.

After the symposium, a two-day planning meeting was held to develop the SAI Young Leaders Programme, taking into account the experiences and issues gathered from the symposium. This planning meeting was only attended by select participants from regional bodies and IDI. The meeting agreed on the principles, outputs and outcomes for IDI to develop a SAI Young Leaders Programme for INTOSAI members to 'change hearts and minds'. The program is expected to start in 2016 with the first group of about 25 young leaders selected internationally through a rigorous selection process. This group will be mentored and exposed to a variety of international and national experiences using different learning and work experience modalities. The program will be designed and delivered in English and it will be open for participants from all

(developing) SAls in the INTOSAI community. It is expected that the first group of young leaders will complete the program in 2017. The program is expected to run regularly and it may be expanding to regional and SAI levels.



L-R : Mrs Doris Flores Brooks, Public Auditor — Guam; Ms Clariza Mae Roque (Guam); Mr Tiofilusi Tiueti, PASAI Secretariat Chief Executive; Ms Grace Afatia Mulitalo (Samoa); and Mr Camillo Afele, Comptroller and Auditor General of Samoa.

We're moving

From Monday, 14 December 2015, the PASAI Secretariat will operate from its new location:

Suite 7, Level 2, Heards Building
168 Parnell Road
Parnell
Auckland 1052
New Zealand



ADB Consultant Mr Mukesh Arya (seated) with SAS audit team and staff of the Solomon Islands Office of the Auditor General

Sub-Regional Audit Support Program — Round 5

Round 5, the final phase, of the SAS program continues with the ADB consultant working in the Solomon Islands to assist the audit team to audit the financial statements of the Solomon Islands Postal Corporation for the financial year ended 30 June 2014.

The final phase of Round 5 will be held Tuvalu between 24 November and 17 December 2015.

PASAI Secretariat will evaluate the program for Solomon Islands and Tuvalu in 2016 after the audit reports have been issued to assess the outcomes of the program and to ensure that the audits align with ISSAIs.

The final SAS Committee meeting will be held in Auckland, New Zealand on 9–10 February 2015 and the ADB Consultant will present their final report on the SAS program.

The SAS program has been a successful capacity building program with lessons learned being shared with the PASAI members to improve the quality of audits in the Pacific region.

IDI REGIONAL MEETING

The ISSAI Implementation Initiative, or the 3i Programme Phase 1, was delivered to 15 PASAI member SAIs between 2012 to 2014. A number of tools were developed as a part of the program: ISSAI Compliance Assessment Tools (iCATs), ISSAI Implementation Handbooks, certification programs, and 3i cooperative audits. Valuable lessons have been learned. Support for ISSAI implementation will be a long-term initiative for the IDI and across the regions. Based on the lessons learned and the 3i evaluation results, IDI invited representatives from the region to discuss elements of 3i Phase 2. This meeting was held in Paro, Bhutan, from 23–27 November 2015, co-

hosted by SAI Bhutan. PASAI was represented by Agnes Aruwafu, Director of Technical Support.

3i Phase 2 is relevant to PASAI members because it will assist in achieving PASAI's Strategic Priority 3 to carry out high-quality audits aligned with ISSAIs. PASAI has ISSAI-certified facilitators who will contribute to achieving this strategic priority for the PASAI region under 3i Phase 2.

The group discussed different elements of 3i Phase 2, its products, and started to draft general guidance on mapping the three audit streams to existing SAI practices using ISSAI 100 as the premise. The group also discussed the INTOSAI Competency Framework for Auditors and determined some approaches that could be used in for 3i Phase 2.



Regional Group attending meeting from IDI, SAI Bangladesh, Brazil, Bhutan, AFROSAI-E and PASAI.

CALENDAR

Tier 4 Training Tonga. 8–11 Dec 2015

Communicating effectively training Tonga, 1–5 February 2016

SAS program Round 5 Tuvalu phase (final) 24 Nov to 17 Dec 2015

PASAI/IDI COOPERATIVE PROCUREMENT AUDIT

Public sector procurement is one of the largest expenditures incurred by any government and is key to effective and efficient delivery of public services. The IDI and the PASAI Secretariat launched a joint training initiative on Audit of Public Procurement in Auckland, New Zealand on 9–20 November 2015. This training was the first activity undertaken as part of the IDI-PASAI 3i Cooperative Audit Programme. Seven facilitators helped to deliver the workshop, including a subject matter expert from the New Zealand Audit Office and representatives from SAI Maldives, SAI Cook Islands, SAI Samoa, the PASAI Secretariat and IDI.

There was significant interest in this training. The pilot workshop was attended by 27 participants from 10 PASAI member countries: Cook Islands, Fiji, FSM National, FSM Pohnpei, Guam, Republic of Marshall Islands, PNG, Samoa, Solomon Islands and Tonga. Participants shared their experiences of procurement in each country.

The overall cooperative audit aims to support SAIs move towards completing ISSAI-compliant audits. The program is a part of the ISSAI Implementation Initiative, or 3i Programme, which will span two years. Audit teams from participating SAIs will be supported throughout this program in various ways:

- workshop on audit of procurement and compliance audit methodology based on Level 3 and 4 compliance audit ISSAIs (completed in Auckland 9–20 November 15)
- Audit Planning Meeting — online support will help SAI teams develop ISSAI-compliant audit plans
- support during audits — SAI teams will be supported as they conduct their audits through a web-based community or onsite support
- Audit Review Meeting — SAI teams will be supported to finalise their audit reports as per ISSAI requirements in a face-to-face to be (nominally) held in September 2016
- quality assurance — IDI and PASAI will put a quality assurance mechanism in place to ensure that the audits under this program have been conducted as per ISSAIs. The timing and approach for this mechanism will be advised in due course.

An online Community of Practice has been established for participants and facilitators to liaise throughout the program.

If your SAI is interested to find out more about this program, please contact Agnes Aruwafu, PASAI Secretariat's Director of Technical Support, at agnes.aruwafu@pasai.org.



Accounting standards training

PASAI has continued our collaboration with the Pacific Financial Technical Assistance Centre (PFTAC), facilitating a workshop on strengthening public financial management (PFM) systems through accounting and auditing reforms. Twenty-nine participants took part in the workshop: 15 auditors and 14 accountants from Cook Islands, Fiji, Marshall Islands, Papua New Guinea, Samoa, Solomon Islands and Tonga. These countries have already developed PFM reforms, but the reforms are at different stages of development. The workshop facilitators were lecturers from the University of the South Pacific, PFTAC's PFM Advisor and PASAI's Director of Practice Development.

The main objectives of this workshop were to:

- enhance understanding of the roles of accountants and auditors in light of challenges, growing demands, and risks in public financial management
- develop capacity in understanding financial reporting frameworks
- enhance knowledge of International Public Sector Accounting Standards (IPSAS) and ISSAIs to plan for the right reforms in government accounting and auditing systems
- strengthen the partnerships between accountants and auditors in planning and implementing reforms.

We have slightly changed the approach to this workshop from updating knowledge of IPSAS to stressing the importance of applying this knowledge to improving PFM. Although this is the second workshop where both accountants and auditors have participated, it was the first time that accountants and auditors from the same country have been able to discuss how they can collaborate and coordinate activities to strengthen their countries' PFMs based on adopting IPSAS accrual as the basis for financial reporting.

The workshop discussed the following:

- PFM and fiscal reporting frameworks
- results of recent Public Expenditure and Financial Accountability (PEFA) assessments of Pacific Island Countries relevant to financial reporting and auditing
- accounting frameworks — the prerequisites, relevance and implications of adopting IPSAS accrual
- risk-based approaches to financial auditing
- ten specific IPSAS based on the issues identified from the PEFA assessments
- designing a medium-term accounting reform strategy
- overview of the ISSAI framework
- overview of INTOSAI SAI Performance Measurement Framework.

Despite changes in the approach, feedback from participants was positive and encouraging. They embraced the approach of bringing together accountants and auditors to share knowledge and experience on similar issues. This approach reinforced the importance of strengthening strategic alliances among key stakeholders in PFM.

Participants are keen for a follow-up workshop on the plans they develop from this workshop, and PASAI and PFTAC will consider this approach. We acknowledge the assistance of our development partners, the Government of Australia, New Zealand and the International Monetary Fund (IMF) in supporting this work.