



Pacific Association of Supreme Audit Institutions (PASAI)

Status of the Pacific Regional Audit Initiative (PRAI) - April 2014

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.

1. Strategic Plan Funding Meetings

The Executive Director, Eroni Vatuloka, met development partners and stakeholders in Suva, Fiji on 22–24 April 2014 to seek funding support for the *PASAI Strategic Plan 2014 – 2024*. The partners and stakeholders included the Australian Department of Foreign Affairs and Trade (DFAT), the European Union, the Indian Embassy, the Pacific Island Forum Secretariat, the South Korean Embassy and the United Nations Development Programme (UNDP). The discussions focused on what assistance could be sourced by SAs bilaterally or by PASAI regionally for the various activities under the new Strategic Plan.

The outcomes of the discussions were satisfactory and the partners have existing programmes that align with the Strategic Plan that could be accessed by PASAI members through bilateral assistance. For example, the Indian Embassy has training programmes for accounts, external audit and finance in various centres across India. These courses are fully funded by the Indian Government. Fiji has benefited from these programmes for a number of years. In addition, India also provides experts to SAs. For example, SAI Nauru's Director of Audit is funded under the programme.

PASAI's views bi-laterals as a key element to achieving the overall aims of the strategy and would appreciate updates from members on any agreements reached by individual SAs.

2. Capacity Building

Career Path Training – The Secretariat continues to follow up post-training action plans and accomplishment reports for the training we have delivered in the past twelve months. Although submission of these reports to the Secretariat is slow, support from the Heads of SAs and management in getting these plans finalised is encouraging.

SAI Performance Measurement Framework Training — The IDI led training for the SAI Performance Measurement Framework in Nadi, Fiji on 28 April to 2 May 2014. There were 25 participants, including 20 representatives from 17 SAs, seven of whom are Heads of SAs; two participants from development partners; and three participants from the PASAI Secretariat. The facilitators were Mr Horacio Saboia Vieira from the Brazilian Court of Accounts, Mr Arun Manuja from the World Bank, and Mr Allen Parker, Director of Audit of the Cook Islands Audit Office.

The training comprised of two parts: Part A focused on the users of the framework and Part B focused on training trainers to help others use the framework. At end of the week-long training, participants received certificates as assessors and trainers of the SAI Performance Measurement Framework. These participants will be added to the database of trainers maintained by the IDI.

The framework is designed to help SAs communicate their value and benefits externally, to give a high-level overview of SAI performance against the ISSAIs and other international good practices, and to help SAs manage, measure and monitor their performance over time. Heads of SAs are responsible for determining the type of assessment that is necessary: self-assessment, peer assessment or external assessment.

Participants' feedback suggested that the training was intense, but comprehensive. Overall, feedback from the participants noted the training to be relevant and useful.

We encourage all Heads of SAs and their staff to consider the application of the framework to their audit practice. It helps ask (and answer) the question of whether the SAI is effectively contributing valuably to accountability. Importantly it will help identify gaps which need to be addressed. The PASAI strategy is designed to work with individual SAs to assist in dealing with some gaps.

Full details of the SAI Performance Measurement Framework, including the initial Concept Note, presentation, and SAI PMF Pilot Version can be found at <http://www.idi.no/artikkel.aspx?MId1=102&AId=704>.



Participants, observers and facilitators from the PASAI community completed the SAI Performance Measurement Framework training in Nadi, Fiji, 28 April - 2 May, 2014.

Cooperative Performance Audit on Climate Change — Eight of the ten SAIs reports under the Cooperative Performance Audit on Climate Change are complete. The regional report will be finalised soon.

3. Cooperative Financial Audit on Foreign Aided Projects

The planning meeting for the first Cooperative Financial Audit (CFA) on Foreign Aided Projects was held in Tonga on 27 March 2014 to 2 April 2014. Twelve participants from six SAIs attended: Cook Islands, Fiji, Kiribati, Samoa, Tuvalu and Tonga. The planning meeting was jointly facilitated by the PASAI Technical Support Advisor and the IDI Program Manager. The following outcomes were achieved at the meeting:

- a) a risk-based approach to financial audits was demonstrated, which closely aligns with the International Standards of Supreme Audit Institutions (ISSAIs);
- b) capacity building of financial auditors was undertaken;
- c) high-quality training and expertise was provided;
- d) participants were encouraged to share knowledge through country presentations and participating in group activities.

The principles of the risk-based approach was new to most of the participants and the feedback received was that participants saw the value in this approach for conducting a more efficient and effective financial audit.



Photo: Tonga Minister of Finance Hon. Dr Aisake Valu Eke (seated 3rd left) officially opened the Cooperative Financial Audit (CFA) on Foreign Aid Projects planning meeting, A/Auditor General of the Tonga Audit Office (TAO), Kolopeau Tonga (seated 4th left), the IDI facilitator, Shofique Mohd (seated 2nd left) & the PASAI facilitator (seated 5th left), special guests, TAO staff and the meeting participants, Nuku'alofa, Tonga, 27 March 2014.

PASAI is grateful to the acting Auditor-General and his staff for their generous hospitality during the meeting.

The dates for the reporting meeting of this audit are 13–18 October 2014; however, a venue is yet to be confirmed. The relevant Heads of SAs and participants will be advised as soon as the location is known. PASAI is also grateful for the continued support of IDI in this program and we look forward to a successful reporting meeting.

If you have any queries about this programme, please contact the PASAI Technical Support Advisor agnes.aruwafu@pasai.org.

4. Sub-regional Audit Support (SAS) Programme — Round 4

PASAI is grateful to the Asian Development Bank for its continued support of Round 4 of the SAS Programme, which will commence as follows:

i.	Solomon Islands phase	2 June – 13 July 2014
ii.	Kiribati phase	4 August – 14 September 2014
iii.	Tuvalu phase	6 October – 16 November 2014.

A SAS committee meeting will be held on 26–27 May 2014 to confirm the programme's objectives. Details will be provided to each committee member soon.

The Asian Development Bank is finalising the appointment of two SAS consultants.

PASAI's Executive Director visited Tuvalu to evaluate the outcome of Round 3 of the SAS programme. He observed that the Tuvalu SAS secondee (Round 3) is now managing the audit and is aware of the audit process and audit issues. This is a positive result from the SAS programme.

If you have any questions or queries about Round 4 of the SAS programme, please contact the PASAI Technical Support Advisor agnes.aruwafu@pasai.org.

5. Cooperative Performance Audit on Public Debt

The overall topic for the Cooperative Performance Audit on Public Debt is to assess whether public debt management is effective and efficient to achieve long-term sustainability and financial stability. The planning meeting held in July 2013 in Nadi Fiji, enabled the participating SAs to develop specific audit objectives relevant to their issues and draft audit plans for public debt management.

The audit teams completed the fieldwork in their jurisdictions and a reporting meeting was held in Rarotonga, Cook Islands on 17–22 March 2014. The Technical Support Advisor will be developing the regional report of the audit when the reports from the participating SAs are tabled or made public.

If you have any queries about Cooperative Performance Audit on Public Debt, please contact the PASAI Technical Support Advisor agnes.aruwafu@pasai.org.

6. Public Financial Management Working Group

The Public Financial Management (PFM) Working Group had its third meeting in Suva, Fiji on 23 April 2014. The meeting was attended by PICPA; PASAI (Executive Director); USP; Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) or the German Society for International Cooperation; Australian DFAT; ADB; UNDP; PIFS; Fiji Ministry of Finance; and the Fiji Independent Commission Against Corruption (FICAC).

The meeting focused on (i) the training programs database (ii) strengthening training linkages across agencies, and (iii) linking with the Economic TA, Providers and Donors meeting. The database will show training opportunities and facilitate coordination of programmes in the region. From a partners' perspective, the database will help to avoid duplication of effort and facilitate training linkages. Linking with the Economic TA, Providers and Donors is vital to broaden the scope of the TA delivery to meet the requirements of the island states. It will also improve the coordination of assistance consistent with the *Paris Declaration on Aid Effectiveness*.

7. PASAI Calendar

In the next six months, PASAI has the following activities planned:

- 12-16 May – SAS Kiribati follow-up;
- 20-22 May – 8th ACAG/ PASAI WGEA meeting, Canberra, Australia;
- 26-27 May – SAS Committee meeting, Auckland, New Zealand;
- 2 June – 11 July — SAS 4th round, Solomon Islands;

- 21–25 July: IFRS/IPSAS workshop, Suva, Fiji;
- 4 August – 12 September: SAS Round 4, Kiribati phase;
- 18 August: 11th Governing Board meeting, Apia, Samoa;
- 19–22 August: 17th PASAI Congress, Apia, Samoa;
- 22–26 September: Tier 2 Training, Tarawa, Kiribati.

Other important dates for PASAI are as follows:

- 6 June: Economic TA and Donors meeting, Suva, Fiji;
- 23–27 June: Workshop for Marshall Islands MPs, Majuro, RMI (tbc);
- 23–27 June: UN Public Service Forum, Seoul, South Korea;
- 25–29 August: APIPA Congress, Pagopago, American Samoa;
- 8–12 September: INTOSAI Capacity Building Committee meeting, Lima, Peru;
- 16–17 September: INTOSAI-Donor Cooperation Steering Committee meeting, Paris, France;
- 18–21 September: Fiji Institute of Accountants (FIA) Technical Workshop, Warwick Hotel, Fiji.

For further information, please contact the PASAI Secretariat:

Email: enquiry@pasai.org
Telephone: +64 9 304 1275
Fax: +64 9 307 9324