



Pacific Association of Supreme Audit Institutions (PASAI)

Status of the Pacific Regional Audit Initiative (PRAI) - July 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 SAIs 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. SAI Cook Islands — Strategic Planning Workshop

Robert Buchanan and Eroni Vatuloka facilitated a SAI Cook Islands strategic planning workshop in Rarotonga on 15–16 July 2014. The SAI has never had a strategic plan before and had only been planning activities on yearly basis, based on the government's development plans.

The program included presentations on the PASAI Strategic Plan 2014–2024, the SAI Performance Measurement Framework (PMF) including results of a self-assessment conducted for the workshop and the SAI Business Plan, which aligns with the country's National Sustainable Development Plan. The objective of the workshop was to develop a five-year strategic plan that aligns with the PASAI strategy and incorporates future directions based on opportunities for improvements arising from the SAI PMF assessment. The first day involved a SWOT analysis and all staff of the SAI attended; while the second day of the workshop was for senior management to draft the plan.

The SAI was comfortable aligning its plan with the PASAI Strategic Plan 2014–2024 and used the SAI PMF self-assessment as a base.

This was one of the first cooperative initiatives for the Secretariat and a SAI under the new PASAI Strategic Plan 2014–24. The approach and results will be assessed as to their effectiveness in forwarding our recently adopted strategy.

2. Tonga's Public Financial Management Reform Roadmap

PASAI has been involved with Tonga's PFM Reform Roadmap through its collaborative work with Public Financial Technical Assistance Centre (PFTAC) and Philippine Institute of Chartered Public Accountants (PICPA). The Executive Director met with the Director of PICPA to discuss the roll-out of the Tonga PFM Roadmap Awareness Training Program. It is the first that PASAI will be involved in as part of its work under the PASAI Strategic Plan 2014–24. An awareness training program is scheduled to be conducted in Nukualofa, Tonga in August and the Executive Director will be working with the Auditor-General, Mr Pohiva Tuionetoa on a presentation for senior government officials.

3. Public Financial Technical Assistance Centre Annual meeting

The Executive Director participated in the PFTAC Steering Committee meeting in Nadi, Fiji on 14 July 2014. The meeting was attended by 60 participants from countries served by PFTAC in the Pacific region, as well as development partners. The meeting focused on a review of PFTAC's achievements in last financial year (May 2013–April 2014) and the activities planned for the next financial year 2014/ 2015.

The meeting enabled development partners to comment on the past year's activities and how the activities of 2015 can best be coordinated and improved. The measurement of performance is based on a Results Based Management (RBM) Framework. The participants had stressed that it is essential these activities aligned to the Public Expenditure and Financial Accountability (PEFA) indicators. This suggests that perhaps SAI's strategic plans, apart from aligning with PASAI's Strategic Plan, could also incorporate issues identified from PEFA assessments. In undertaking its activities, PFTAC as well as PASAI will also ensure the requirements of PEFA are part of any programmes objectives.

4. Capacity building

IDI Global Programme on Specialised Audits — Information Technology Audits

The INTOSAI Development Initiatives (IDI) is conducting a global programme on Information Technology (IT) audits. The programme is offered in English and activities will span across 2014–2016. The programme was circulated to PASAI members to nominate participants for the first activity.

The first activity is an e-learning course that started on 2 June 2014. Ten participants from Fiji, Pohnpei State of Federated States of Micronesia, Samoa, and Tuvalu have signed up to take part. We will keep you up-to-date with how the participants found the program when it concludes at the end of July.

INTOSAI Database for Experts

The INTOSAI Database for Experts helps members and regional groups identify professionals from different SAIs with expertise in specific auditing fields. SAIs can contact these experts for knowledge sharing to help strengthening the capacities of SAIs.

The INTOSAI Capacity Building Committee chaired by SAI Peru, is encouraging members of the INTOSAI community to register more experts.

As a member of INTOSAI, the PASAI Secretariat has circulated the information about the database to our members to encourage you to register experts who are working with your SAI.

Career Path Training

Last month the PASAI Secretariat has resumed career path training. When the annual plan is approved by the Governing Board in August 2014, we will release a calendar of available training.

The Secretariat continues to follow up post-training action plans and accomplishment reports for the training we have delivered over the past two years.

ISSAI Implementation Initiative

The ISSAI Implementation Initiative is another global program facilitated by IDI. Five facilitators from PASAI successfully completed the second phase of the facilitator's certification program on implementing compliance audit ISSAIs. This e-learning course finished on 14 June 2014.

5. Solomon Islands kick off Round 4 of SAS

Sub-regional Audit Support (SAS) Program has started its fourth round with the continued support of the Asian Development Bank. Round 4 started in the Solomon Islands on 2 June 2014. The timelines for the programme are as follows:

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| a. Solomon Islands phase | 2 June – 11 July 2014 |
| b. Kiribati phase | 1 September – 10 October 2014 |
| c. Tuvalu phase | 10 November – 19 December 2014 |

A published report from the Asian Development Bank's consultants from Round 3 of the program, will be tabled at the 17th PASAI Congress.

6. International Financial Reporting Standards and International Public Sector Accounting Standards Workshop



PASAI organised an accounting standards workshop which was held in Suva, Fiji on 21–26 July 2014. The objectives of the workshop were:

- to update participants on the International Financial Reporting Standards (IFRS) and equivalent International Public Sector Accounting Standards (IPSAS) that are used by Pacific governments and its entities
- to increase the capacity of public sector accountants and auditors
- to establish and encourage a network of people involved in preparing and auditing financial statements.

The workshop was facilitated by the University of South Pacific. For the first time, public sector (Ministry of Finance) accountants attended the workshop, in collaboration with the Pacific Financial Technical Assistance Centre (PFTAC).

7. Cooperative Financial Audit — Foreign Aid

The cooperative financial audit on foreign aid projects is based on risk-based approach to financial audits. Twelve participants from Cook Islands, Fiji, Kiribati, Samoa, Tuvalu, and Tonga are currently in the field undertaking the audits.

The audit teams will convene for a reporting meeting on 13–18 October 2014 where draft reports will be finalised. The venue is yet to be confirmed. PASAI acknowledges the continued support of IDI for this program.

PASAI will be conducting a number of in-country workshops on risk-based approach to financial audits in 2014/15. If your SAI requires this training, contact Agnes Aruwafu, PASAI's Technical Support Advisor at agnes.aruwafu@pasai.org.

8. PASAI Calendar

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

- 18 August: 11th Governing Board meeting, Apia, Samoa
- 19–22 August: 17th PASAI Congress, Apia, Samoa
- 1-5 September: Risk-based audit training, Nukualofa, Tonga
- 1 September – 10 October: SAS Round 4, Kiribati phase
- 22–26 September: Tier 2 Training, Tarawa, Kiribati (tbc)
- 13–17 October: CFA — Foreign Aid, reporting meeting (venue tbc)
- 3–7 November: Tier 1 Training, Port Moresby, Papua New Guinea (tbc)
- 10 November – 19 December: SAS Round 4, Tuvalu phase

Other important dates for PASAI are:

- 25–29 August: APIPA Congress, Pago Pago, 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
- November: Financial Audit Manual – Technical Update, Pretoria, South Africa (tbc)
- November: IDI Staff Meeting – Oslo, Norway (tbc).

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