



Pacific Association of Supreme Audit Institutions (PASAI)

Status of the Pacific Regional Audit Initiative (PRAI) - June 2011

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.

14th PASAI Congress, Nukualofa, Tonga – 2-5 August 2011

The PASAI Secretariat has circulated the Programme for the 14th PASAI Congress and a Business Session agenda to all participants. In addition, we have sent the members of the Governing Board the agenda for the Board's meeting in Tonga, to be held before the Congress. The relevant papers and presentations for the Board meeting and Congress will be circulated to participants on 22 July 2011.

On 27 May, the Secretariat requested Heads of SAs complete a survey on adopting the 2010 Johannesburg Accords and key developments in SAs. These papers will be covered in the roundtable discussions during the Congress. The roundtable discussion is always an important part of the Congress and aligning PASAI, as a region with the broader INTOSAI movement, is important. We encourage you to complete the survey. To date, only four SAs have returned the completed survey. Heads of SAs are requested to complete and send these to the Secretariat by 8 July. Please contact Executive Director, Eroni Vatuloka, if you require any assistance.

All SAs are expected to be represented at the Congress. Registrations of about 50 members, development partners, and stakeholders have been received to date. Unfortunately, two of the development partners, the Asian Development Bank (ADB) and the World Bank, will not be participating at the Congress.

Capacity Building

Three PASAI manuals (Human Resources Management, Reporting Guidelines, and Quality Assurance Guidelines) are being reviewed by the Communications Advisor/Editor and we aim for them to be ready for the Governing Board to approve and the Congress to endorse in Tonga in August. We are also trying to get another two manuals (Performance Audit and Tier 2 Intermediate Government Auditing training material) ready in time for the two meetings.

Four other manual and training materials are still being produced. The Financial Audit manual is being reviewed by technical experts of the New Zealand Office of the Auditor-General. Tier 3 Supervisory Roles training material is being re-worked after the pilot training evaluations of the participants noted some improvements would be worthwhile.

Two sets of training materials, Tier 1 Fundamentals of Government Auditing and Tier 4 Management of Audits, are being prepared for pilot training and evaluation in July and November 2011 respectively.

Cooperative performance audit

All SAs participating in the co-operative performance audit on access to safe drinking water have sent out to auditees and stakeholders their reports for comment. A few of the SAs have received the reports back and are finalising them for tabling in their legislatures or making them public. The next step in the process will be to draft the regional report.

SAs that need support with the audit should contact Mr Allen Parker at the PASAI Secretariat.

The INTOSAI Development Initiative (IDI) has confirmed funding of the third co-operative performance audit on sustainable fisheries. ADB will fund the co-operative performance audit advisor for this audit. The planning meeting will be held at Novotel Nadi, Fiji, on 22-26 August 2011. PASAI extends its appreciation to IDI and ADB for their continued support of the co-operative performance audit program.

Sub-regional Audit Support (SAS) program

The SAS Coordinator and Expert prepared for the second round of the program in a meeting held at the Secretariat in Auckland, New Zealand, on 13-17 June 2011. The meeting was also attended by the 2009/10 SAS Expert, Ms Beulah Daunakamakama.

After the meeting, the SAS Coordinator and Expert travelled to Kiribati to start the second round of the audits. The Kiribati audit program will involve four weeks of fieldwork for each client and a mid-point review of the secondees and the clients. If necessary, further specialised training will be carried out at this time. The final week will be used for reviews and report writing.

The secondees and local staff who are taking part in the SAS program have completed self-assessment forms. These will be processed and used to structure and plan the competency development program, and to measure skills improvements.

A one-day workshop was held on Friday 24 June 2011 for 30 staff of the Kiribati National Audit Office and secondees. The workshop covered a refresh of the audit process, audit supervision, file review, report writing, and bank reconciliation.

Accountability and transparency project

The 2011 accountability and transparency project started in June with the appointment of Ms Aolele Sua Aloese as the consultant who will run the project. The objective of the project is to determine the status of accountability and transparency in the Pacific region and provide a basis for improving these in the future. The focus is establishing accountability and transparency mechanisms that exist in the Pacific region and measuring against the Pacific Forum Eight Principles of Accountability, the Mexico Declaration on SAI Independence, relevant INTOSAI guidelines, and other benchmarks.

The wider scope of the study is designed to overcome some of the inherent limitations of our study that was carried out in 2009. The 2009 study approach of gathering information only from SAIs and the use of the Mexico Declaration (which sets out principles of independence of SAIs) as the primary reference point for good practice in accountability narrowed the focus to issues around the role of the SAIs. Moreover, the lack of views from other governance institutions from the region weakened the completeness of the 2009 results.

Therefore, the 2011 study will take a wider approach of gathering information and will be based on a wider range of good practice principles and legislative practices. It will involve:

- consulting good governance partners;
- considering opportunities for linking this work with other governance initiatives in the Pacific region;
- focusing on all or some of the matters of concern identified in the 2009 report – that is, mandate, independence, and parliamentary scrutiny; and
- maximising opportunities to identify good practice on these matters.

Ms Aolele Sua Aloese will be providing details of the project in her presentation during the Congress.

Secretariat

The Secretariat will prepare for the audit of its accounts later in July 2011. Ms Sarah Lineham of the New Zealand Office of the Auditor-General is helping with finalising the accounts and preparing documents for the audit.

PASAI, in collaboration with ADB, has re-engaged its three consultants – Legal Advisor, Mr Robert Buchanan; Capacity Building Expert, Ms Linda Weeks; and Performance Audit Advisor, Ms Claire Kelly. The three consultants have signed contracts directly with the ADB. We appreciate re-engaging these three after a competitive process. It will ensure good continuity and continuation of our programmes already underway.

PASAI Calendar

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

- 22 June - 2 September – SAS Kiribati phase audits;
- 11-22 July – Tier 1 Fundamentals of government auditing, pilot training, Nadi, Fiji;
- 1 August - Governing Board meeting, Nukualofa, Tonga;
- 2-5 August – 14th PASAI Congress, Nukualofa, Tonga;
- 22-26 August – Co-operative Performance Audit – Sustainable fisheries, planning meeting, Novotel Nadi, Fiji; and
- 19 September - 25 November – SAS Nauru phase audits.

For further information, please contact the PASAI Secretariat.

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