



Pacific Association of Supreme Audit Institutions (PASAI)

Status of the Pacific Regional Audit Initiative (PRAI) - June 2013

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. Guam Governing Board meeting and Congress goes Green

The 16th PASAI Congress to be held at the Sheraton Laguna Guam Resort in Tamuning, Guam on 10-13 September 2013 will be going 'green'. That means delegates to the Governing Board meeting and Congress will be sent e-copies of all documents before the two meetings. Delegates therefore will be required to bring their laptops or tablets to use at the meetings or to print their own material, if they wish.

The PASAI Secretariat will be on hand to provide any assistance to any delegate where necessary.

2. Advocacy on Transparency and Accountability

The Executive Director, Mr Eroni Vatuloka accompanied a UNDP Mission to Kiribati as PASAI builds on its advocacy work in the region. Apart from working closely with the Anti-corruption Specialist, Mr Tony Prescott, Mr Vatuloka provided guidance to the Auditor-General on possible UNDP assistance to the Kiribati National Audit Office (KNAO). These may include legislative review, an exchange program with another SAI, and funding of specific KNAO audits. Details of the work in Kiribati will be discussed at the 9th Governing Board to be held in Guam.

3. Capacity Building

Career Path Training – The Secretariat continues to follow up participants of previous training regarding submission of signed post training action plans. We encourage Auditors-general to support participants in the sign off of the plans. The Secretariat has also taken steps to encourage participants as well as SAs to take full advantage of the lesson learnt by implementing the plan. Again the Secretariat is happy to provide advice on any implementation issues.

Certification Program – The SAs and their staff who will participate in the certification program for the Practising International Public Sector Administrator (PIPSA) designation offered by the Institute of Public Administration Australia (IPAA) – NSW Division need to submit their applications directly to IPAA. All costs for the program will be paid by the SAI or staff participating, whichever the head of the SAI decides.

ISSAI Implementation Project – We encourage SAs to complete their submission of the 3 iCATs returns. Unfortunately most SAs have not submitted any of the 3 iCATs (ISSAI Compliance Assessment Tools) they were required to complete and submit by end of June 2013. The Secretariat had received responses from SAs identifying the need for more time to complete these assessments because it is an extensive and time consuming activity. The Capacity Building Advisor will continue to follow up with SAs on the completion of these assessments.

Accounting standards training - The accounting standards training that will be held in Suva, Fiji on 15 – 19 July 2013, will be attended by 25 participants from 13 SAs in the region. The SAs include American Samoa, Cook Islands, FSM Pohnpei, FSM Yap, Fiji, Kiribati, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. The University of the South Pacific (USP) will coordinate the program on behalf of PASAI. Should you require further information please contact Technical Support Advisor, Mrs Agnes Aruwafu on agnes.aruwafu@pasai.org.

4. Co-operative Performance Audits

4th CPA Auditing Climate Change Adaptation (CCA) and Disaster Risk and Recovery (DRR) - The ten SAs participating in the 4th cooperative audit – Cook Islands, Federated States of Micronesia (FSM), the FSM States of Kosrae and Pohnpei, Fiji, Palau, Samoa, Solomon Islands, Tonga and Tuvalu met on 17-22 June 2013 to

finalise their individual audit reports. In addition, audit teams identified a range of cross-jurisdictional issues to form the basis of the regional overview report. It was agreed that the majority of audit reports would be finalised and released by the end of September 2013 and that the regional overview report would then be drafted for the consideration of the Governing Board in early 2014.



Participants and trainers of the 4th CPA Auditing Climate Change Adaptation (CCA) and Disaster Risk and Recovery (DRR)

The Asian Development Bank, the INTOSAI Development Initiative and PASAI supported the reporting meeting for this 4th CPA. Invaluable assistance was provided by the Victorian Auditor-General's Office under the ACAG/PASAI twinning program. We appreciated the work of Mr Chris Sheard and Ms Catherine Sandercock at the meeting.

5th CPA Audit of Public Debt - The planning meeting of the 5th CPA of Public Debt will be held in Nadi, Fiji on 22-26 July 2013. Nine SAIs, Cook Islands, Fiji, Federated States of Micronesia (FSM) National Office, FSM Kosrae, FSM Pohnpei, Guam, Palau, Marshall Islands and Samoa will participate in the meeting. Participants are requested to prepare their country reports for the meeting as that will facilitate effective running of the program and completion of plans for the audit.

5. Strategic Management and Operational Guidelines (SMOG)

The draft SMOG Assistance Mission Report on the interventions in the five participating SAIs has been produced. This brings to an end Phase III of the SMOG Project which included providing assistance to five SAIs under this program.

The SMOG Advisor is finalising the guidelines following an independent review and will work with the Communications Advisor to have it printed for the Guam Congress.

6. Financial Audit Manual

PASAI has received excellent feedback and comments from members of the Group of Reviewers drawn from SAIs in the region. Revised guidance notes are being prepared and will be ready for quality review by our Communications Advisor in August.

The first edition of PASAI Financial Audit Manual, which integrates the AFROSAI-E manual and Guidance Notes, will be distributed (CD format) to all heads of SAI at the upcoming 16th PASAI Congress in Guam in September 2013.

The Financial Audit Manual will then be made available as an online reference on the PASAI website and will be refined and updated regularly by the PASAI Secretariat in line with annual updates of the AFROSAI-E manual and inputs from SAI members.

7. Technical Support

If you have any technical questions or require on-site technical support for audit related activities, please contact our Technical Support Advisor at agnes.aruwafu@pasai.org.

8. PASAI Calendar

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

- 15-19 July – International Financial Reporting Standards (IFRS)/International Accounting Standards (IAS) workshop, Suva, Fiji;
- 22-26 July – 5th CPA Public Debt planning meeting, Nadi, Fiji;
- 5-6 August – SAS consultants induction and planning meeting, Auckland, New Zealand;
- 9 August - 25 September – SAS third round, Tuvalu phase;
- 9 September – 9th PASAI Governing Board meeting, Guam;
- 10-13 September – 16th PASAI Congress, Guam;
- 16-20 September – APIPA Congress, Saipan, Commonwealth of Northern Mariana Islands;
- 14 October - 27 November - SAS third round, Kiribati phase;
- 21-25 October, XXI INCOSAI, Beijing, China.
- 1 November – Communications training coordinators' meeting, Honiara, Solomon Islands;
- 4-8 November – Communications training, Honiara, Solomon Islands; and
- 25-29 November – 5th CPA Public Debt – reporting meeting, Rarotonga, Cook Islands.

For further information, please contact the PASAI Secretariat:

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