

### 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. Advocacy work in the Cook Islands

While at the cooperative performance audit (public debt) reporting meeting in Rarotonga, the Cook Islands on 17-21 March 2014, the Executive Director held meetings with the following to discuss PASAI and the work that it is doing in the region:

- Hon. Mark Brown, Minister for Finance;
- Richard Neves, Finance Secretary;
- Public Accounts Committee (PAC);
- Terry Hagan, Chair of the Public Expenditure and Review Committee and Audit (PERCA);
- Russell Thomas, Public Service Commissioner.

The meetings discussed the achievements of PASAI to date and what it proposes to do in the future under the new Strategic Plan. The Executive Director emphasized the integrated nature of the strategy where the focus will be promoting and enhancing effective accountability and financial management in Pacific island countries through strengthened public financial reporting, public audit and legislative oversight.

The information was well received by all and the Public Accounts Committee suggested a workshop for members on how to read and understand the audited financial reports of government. The government officials look forward to working with PASAI to strengthen public financial management in the island state.

PASAI appreciates the impressive organisation of the meetings by the Director of Audit, Allen Parker and his staff.

### 2. Cooperative Performance Audit – Public Debt

The overall topic for this cooperative performance audit is to assess whether public debt management is effective and efficient to achieve long term sustainability and financial stability. The planning meeting held in Nadi, Fiji in July 2013 enabled participating SAs to develop their specific audit objectives relevant to their country and draft their audit plans. 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 Cook Islands Minister of Finance, Hon. Mark Brown (sitting – centre) with the PASAI coordinators and participants of the Cooperative Performance Audit – Public Debt, Rarotonga, Cook Islands, 17 March 2014 .

The Minister of Finance, Hon. Mark Brown in opening the meeting highlighted that public debt management is important because of unplanned build-up of public debt could result from: poor revenue forecasting; weak or incomplete expenditure planning practices and/or poor budget execution controls to name a few. He stressed that it is therefore important to ensure that revenue forecasts are reasonable and not based on risky assumptions just to allow larger budgets; that reasonable contingency accounts, or reserves are established within the main spending funds to handle unexpected events; and regular rigorous budget review focused on all aspects of Ministry of Finance recurrent operations.

The objective of the meeting was to review and refine the draft audit reports with assistance provided by IDI Programme Manager (Md. Shofiquil Islam), PASAI Executive Director (Eroni Vatuloka) and Technical Support Advisor (Mrs Agnes Aruwafu). The audit teams were provided review points and report writing tips to assist them finalise their reports and sign-off by their Heads of SAI. Once these audit reports have been made public, a regional report on the cooperative audit will be released.

If you would like more information please contact the Technical Support Advisor at [agnes.aruwafu@pasai.org](mailto:agnes.aruwafu@pasai.org).

### 3. Capacity Building

*Career Path Training* – The Secretariat continued to follow up post training action plans and accomplishment reports for the trainings that we have delivered in the past 12 months. Although the submission of reports to the Secretariat is slow, we have been reassured by the support of the Heads of SAIs and management in receiving these plans.

*Cooperative Performance Audit on Climate Change* – Only 2 of the 10 SAI reports are outstanding. The regional report will be finalised soon.

### 4. Sub-regional Audit Support (SAS) Program– Round 4

PASAI is grateful for the Asian Development Bank in supporting the fourth round of the SAS program. PASAI has confirmed the tentative program for the SAS team to be in-country 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 in Auckland, New Zealand on 26-27 May 2014 to confirm the detail program and objectives. The meeting papers will be circulated to participating Heads of SAI by 9 May 2014.

Should you have any questions or queries please contact the Technical Support Advisor at [agnes.aruwafu@pasai.org](mailto:agnes.aruwafu@pasai.org)

### 5. Electronic Working Papers

One of the improvements in the SAIs is the use of electronic working papers through the use of computerised auditing tools. The Fiji Office of the Auditor General (OAG) has kindly shared its request for proposal documents with SAIs Guam and Tonga. The Fiji OAG is living the PASAI motto "*Pacific Auditors Working Together*".



Cook Islands senior auditor showing the SAI's electronic working papers to participants of the Cooperative Performance Audit – Public Debt, Rarotonga, Cook Islands, 20 March 2014 .

The PASAI Technical Support Advisor will continue to provide support to SAs to review the implementation of these tools and assess their benefits, effectiveness and encourage the alignment of a uniform high standard for an audit approach.

If you require any assistance please contact the Technical Support Advisor at [agnes.aruwafu@pasai.org](mailto:agnes.aruwafu@pasai.org).

## 6. PASAI Calendar

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

- 14-17 April – SAS Tuvalu follow-up;
- 28 April—2 May — SAI PMF Workshop, Nadi, Fiji;
- 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;
- 14-18 July - IFRS/IPSAS workshop, Suva, Fiji (tbc);
- 21-25 July - Strategic Planning workshop, Nadi, Fiji (tbc);
- 4 August - 12 September - SAS 4th round, Kiribati;
- 18 August - 11th Governing Board meeting, Apia, Samoa;
- 19-22 August – 17th PASAI Congress, Apia, Samoa;
- 1-6 September – CFA Foreign Aid reporting meeting, Nadi, Fiji (tbc);
- 22-26 September – Tier 2 Training, Tarawa, Kiribati (tbc).

Other important dates for PASAI are as follows:

- 23 May – 3rd PFM working group meeting, Suva Fiji;
- 25-29 August – APIPA Congress, Pagopago, American Samoa;
- 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:

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