

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. Governing Board meeting and PASAI Congress, Noumea, New Caledonia

The 7th meeting of the Governing Board and the 15th PASAI Congress were completed successfully in Noumea, New Caledonia in October 2012. The Secretariat, on behalf of PASAI, would like to convey our appreciation and *Merci* to Mr Francois Monti, Thierry Moutard and the team from the New Caledonia SAI for a job well done. We would also like to convey our sincere gratitude to the Government of New Caledonia for hosting some of the activities in the Congress program. Everyone was extremely impressed by the organisation of the congress program, activities and facilities.



Messieurs Thierry Moutard (left) and François Monti (right)

In addition, we would like to congratulate Mr Monti for taking over the chairmanship of PASAI during the Congress. PASAI looks forward to his sound leadership and guidance as the organisation continues its journey on raising standards of public auditing in the Pacific region. On the same note, PASAI would like to say *Malo* to the Auditor-General of Tonga, Mr Pohiva Tuionetoa the past Chairman for his leadership and wise counsel for the organisation over the past 12 months.

2. Capacity Building

Training - This month has been a quiet one without any training facilitated by the Secretariat. Preparations are in progress for the Tier 1 and Tier 4 training scheduled in March and April 2013 respectively. Tier 3 training materials are being finalised and will be submitted to the champion for review.

ISSAI Implementation Initiative – 3i Programme – The e-learning course on iCATs started on 22 October and finishes on 7 December 2012. There are 26 participants from eight SAs taking part in this first part of the ISSAI certification program.

E-learning course on Risk Based Approach to Financial Auditing – As part of its efforts to assist the SAs in the implementation of INTOSAI Auditing Standards (ISSAIs), IDI has launched another round of this course. This program aims to enhance awareness of the ISSAIs for financial audit. It has a particular emphasis on providing training to financial auditors in using tools for adopting a risk-based approach to financial audit. At the close of nominations, 18 participants from six SAs were submitted to the IDI. The program will run for six weeks from 5 November to 14 December 2012.

SMOG - The draft SMOG was considered by the PASAI Governing Board at its Noumea meeting. It was accepted by the Governing Board, which decided that Congress members be allowed time to go through it and provide comments during the SMOG Advisor's presentation on the last day of the Congress.

Prior to the presentation by the SMOG Advisor, the champion of the SMOG, Mr. Peter Achterstraat highlighted the significance of this initiative by PASAI and the need for all heads of SAs to have ownership of the SMOG. The presentation by the SMOG Advisor gave an overview of the proposed workshop to be held between 6 and 14 December in Nadi, Fiji. At the end of the presentation the Congress decided that the SMOG should be finalised after receiving comments from SAs, the Nadi SMOG Workshop and piloting it on one or two SAs. As it is, the SMOG would remain in draft until these requirements are met.

Work is now progressing on the second phase of the SMOG project, which is, the planning and preparation aspects of the Nadi Workshop. The SMOG Advisor has been liaising with the instructional team who will be assisting in the delivery of the workshop. Two of the members of the instructional team are original members of the SMOG working group. The team will meet in Nadi from 28 November to prepare for the workshop.

3. Co-operative Performance Audits

Managing Sustainable Fisheries – The public release of individual SA audit reports on the Sustainable Management of Tuna Fisheries is taking longer than expected. Both the Office of the National Auditor of the Federated States of Micronesia and the Office of the Auditor General of the Solomon Islands have released their performance audit reports and the Office of the Auditor-General of Fiji has issued its report to the Public Accounts Committee. The SAs of Tuvalu, Samoa and Kiribati are close to publically releasing their audit reports and the remaining SA reports are currently being finalised.

The slippage in the timely release of the individual audit reports has impacted on the development and release of the regional overview report to stakeholders.

4th Cooperative Performance Audit (CPA) on Climate Change Adaptation – In October 2012, the 15th PASAI congress approved the conduct of the 4th CPA on Climate Change Adaptation and Disaster Risk and Recovery. Again ten SAs are participating – Cook Islands, Federated States of Micronesia (FSM), the FSM State of Kosrae and the FSM State of Pohnpei, Fiji, Palau, Samoa, Solomon Islands, Tonga and Tuvalu.

The CPA approach agreed to by Congress is slightly different to previous audits as Congress approved an umbrella audit topic enabling individual SAs to develop audit objectives and lines of enquiry relevant to their specific jurisdictions. Audit teams have been carrying out this preliminary study work and will come together in Auckland, New Zealand in November to develop comprehensive audit work plans to take into the field in early 2013.

The audit is again a cooperative effort involving the INTOSAI Development Initiative, the Asian Development Bank and PASAI. The Regional Working Group on Environmental Auditing is again supporting this cooperative audit and specialist technical expertise on climate change adaptation and disaster risk management issues is being provided by the Secretariat of the Pacific Regional Environment Programme.

4. SAS Committee

The SAS Committee convened its fourth meeting in Noumea, New Caledonia on 3 October 2012. The agenda included confirming the Committee's September meeting communiqué for the Noumea Congress and revising the governance structure, in preparation for the third round of the SAS program. The meeting also confirmed a fifth meeting of the SAS Committee to be held in Nadi, Fiji on 17-18 December 2012.

5. Accountability and Transparency Report 2011

The Congress and Governing Board received and welcomed PASAI's second Accountability and Transparency Report, which was published in July 2012 and is now on the [website](http://www.pasai.org) (<http://www.pasai.org>).

The report was also welcomed by other NGOs and other organisations that have an interest in accountability and transparency in the Pacific. The report itself recommended that PASAI and those organisations should work together to achieve cross-cutting outcomes and promote uptake of the good practices identified in the report - such as the adoption of codes of ethics for civil servants and promoting greater access to information.

The Governing Board authorised further work to be done to develop an implementation strategy for the report, and this work is now being progressed. We will provide further updates in the new year.

6. PASAI Calendar

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

- 19-24 November – Co-operative performance audit (climate change adaptation) planning meeting, Auckland, New Zealand;
- 29-30 November – SMOG coordinators meeting, Nadi, Fiji;
- 3-5 December – 3i management workshop, Nadi, Fiji;
- 6-14 December, SMOG management workshop, Nadi, Fiji;
- 17-18 December, 5th SAS Committee meeting, Nadi, Fiji;
- 12-13 February 2013 – Eighth Governing Board meeting, Auckland, New Zealand;
- 21-22 February – Tier 1 *Fundamentals of Government Auditing* coordinators meeting, Nadi, Fiji;
- 25 Feb-8 March – Tier 1 *Fundamentals of Government Auditing* training, Nadi, Fiji;
- 4-5 April – *Tier 4 Management of Government Audits* coordinators meeting, Nadi, Fiji;
- 8-16 April – *Tier 4 Management of Government Audits* training, Nadi, Fiji;
- 29 Apr-4 May – Cooperative financial audit planning meeting, Nadi, Fiji.

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