



# Pacific Association of Supreme Audit Institutions (PASAI)

Status of the Pacific Regional Audit Initiative (PRAI) - September 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.

## 1. Performance measurement framework

The Secretary-General's team, the PASAI Legal Advisor, and the Secretariat team met at the PASAI Secretariat in Auckland, New Zealand on 23 September to work on operationalising the performance measurement framework approved at the last PASAI Congress. One of the important features of the framework is an annual survey of clients and other stakeholder of Supreme Audit Institutions. The survey aims to provide an independent view of the work of SAs on whether they are providing their services competently and fulfilling their mandates professionally.

Work on the development of the survey has started. The group aims to complete an annual survey questionnaire by the end of 2011, for approval by the Governing Board in February 2012. The questionnaires will be circulated to SAs' clients and stakeholders by April 2012 and a report of the results will be provided in PASAI's annual report for 2011/12.

The performance framework is an important tool for the Governing Board and PASAI's development partners to assess how effective the implementation of the Pacific Regional Audit Initiative (PRAI) has been. Ultimately it is important to the Congress itself. Therefore, SAs will be asked to provide the necessary support to the Secretariat by providing information when requested and supporting the survey.

## 2. Capacity building

Three PASAI manuals (Human Resources Management, Reporting Guidelines, and Quality Assurance Guidelines) have been printed and are being circulated to SAs. The large SAs will receive three copies of each manual and the smaller SAs will receive two copies. The manuals also have CDs. Electronic copies of the manuals are also available from the PASAI website – [www.pasai.org](http://www.pasai.org).

The Financial Audit Manual is being reviewed by the New Zealand Office of the Auditor-General and is expected to be completed by the end of the year. The Performance Audit Manual and two training manuals (T2 *Intermediate government auditing* and Tier 3 *Supervisory roles*) are being prepared for editing.

In respect of the communications training and Tier 4 – *Management of government audits* pilot training, nominations have been rather slow. SA are requested to send their nominations early or risk missing the two training courses.

## 3. Co-operative performance audit

The second co-operative audit on access to safe drinking water has been completed and six of the 10 participating SAs have made their national reports public. The other four SAs are finalising arrangements to make their reports public. The regional report on the audit will be produced once all 10 national reports have been made public.

Most of the 12 participating SAs in the third co-operative performance audit on sustainable fisheries management have had their audit plans approved by their Head of SA and have started their fieldwork.

#### 4. Sub-regional audit support programme

The Kiribati phase of the second round of the sub-regional audit support (SAS) programme has been completed. The SAS team successfully completed fieldwork for two key audits, the Kiribati Provident Fund [2008/09] and the Kiribati Public Utilities Board [2008/09]. Reporting for these is underway.

The Nauru phase of the programme started when the SAS team was deployed to Nauru on 19 September. The team started with the audit of the 2008/09 accounts of the Nauru Utilities Authority on 26 September. Preparations are under way for a second audit which will be the 2009/10 accounts of the Nauru Utilities Authority. The completion of this audit will bring the authority up to date and allow the Nauru Audit Office to complete the 2010/11 accounts which are expected to be delivered in the next two months.

#### 5. Accountability and transparency project

To date, our project consultant, Aolele Sua Aloese, has completed the in-depth studies of Tonga [August], Samoa [September], and the Federated States of Micronesia [September]. The studies of Guam and Solomon Islands will be conducted in October and New Caledonia in November. The dates for in-depth study and appointments in Papua New Guinea are being considered.

In August, questionnaires were sent to the SAls of countries that are not included in the in-depth studies. We have seven completed questionnaires from SAls. SAls are reminded to quickly complete the surveys as they are essential in the completion of the 2011 accountability and transparency project. SAls facing difficulties in completing the questionnaires should contact Aolele Aloese on [aolele.suaaloese@gmail.com](mailto:aolele.suaaloese@gmail.com) or Eroni Vatuloka on [eroni.vatuloka@pasai.org](mailto:eroni.vatuloka@pasai.org).

#### 6. Secretariat

Allen Parker of the PASAI Secretariat tendered a notice of termination of his secondment to PASAI on 28 September 2011. He takes up the position of Director of Audit of the Cook Islands in November 2011.

Allen has been the PASAI Capacity Building Advisor for the last 18 months. During that period he has provided advice and support to the SAls that participated in three co-operative performance audits – the completed solid waste audit, the water audit currently being finalised/ tabled in legislatures of participating SAls, and the sustainable fisheries audit that has just started. He has also been involved as a co-ordinator for the development of PASAI training materials, which are also being finalised. In addition, Allen played a key role in establishing the PASAI accounting system.

The good news is that Allen is keen to support PASAI in its future programmes where possible. He has developed considerable experience in capacity building under the PRAI and the work of the PASAI Secretariat, which will be very useful when Allen is called upon to assist.

On behalf of the Chairman of PASAI Pohiva Tuionetoa, Secretary-General Lyn Provost, and the Governing Board, we wish Allen all the best in his new role.

We also recognise Allen's appointment brings to an end the long service as Director of Audit of our colleague and friend, Paul Allsworth. Paul has long supported PASAI and was chair of the Transitional Working group when the major reorganisation of PASAI and adoption of the PRAI was made. His efforts were important and we are the recipients of his hard work today.

#### 7. PASAI Calendar

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

- 22 June – 2 September – SAS Kiribati phase audits;
- 19 September – 25 November – SAS Nauru phase audits;
- 2-11 November – Communications pilot training (registrations closed on 30 September); and
- 17-25 November – Pilot training, Tier 4 – *Management of government audits* (registrations closed on 7 October).

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