Training

19 workshops
- Leadership (2)
- SAI independence (4)
- SAI PMF (5)
- PMF refresher (1)
- HR Management (7)

10+ SAI-level coaching sessions
- PESA-P audit programme – SAIs Kiribati and Solomon Islands
- Development and implementation of Communications Strategies – SAIs Tuvalu and Vanuatu
- Leadership (2)
- HR Management (3)

Communications and reporting

117 social media posts

105 more followers (on Facebook, LinkedIn and Twitter)

3 blog posts

2 media releases
- reports to external stakeholders

1 newsletter

Other

- SAIs Papua New Guinea and Solomon Islands assisted with FSG audit backlog by consultant
- Participation in global programmes: IDI PESA-P and TAI audit
- PFTAC Steering Committee Meeting
- Presentations for UNODC webinar and CAROSAI XII Congress
- Regional representation at INTOSAI and IDI planning meetings
- Kiribati audit legislation review complete
- PEFA assessment Pillar 7 of
- Direct dialogue and provision of technical support to SAIs
## Programme delivery by SAI

### Melanesia

**Fiji**
- **SP3**
  - Performance audit workshop
  - PFM talanoa
  - SAI Head leadership programme

**Papua New Guinea**
- **SP3**
  - Technical assistance to update FSG audit
  - QC/QA mechanism progress
  - Strategic planning technical assistance
  - SAI Head leadership programme

**Solomon Islands**
- **SP3**
  - Technical assistance to update FSG audit
  - QC/QA mechanism progress
  - PFM refresher training
  - PFM talanoa
  - SAI Head leadership programme
  - HRM Programme
  - TAI Audit Programme
  - IDI PESA-P programme coaching

**Vanuatu**
- **SP1**
  - Independence workshop
  - Comms strategy, operational plan and process doc technical assistance
  - QC/QA mechanism progress
  - PFM refresher training
  - PFM talanoa
  - SAI Head leadership programme

**Micronesia**

**Chuuk**
- **SP4**
  - SAI PMF Domain B workshop
  - SAI Head leadership programme

**FSM National**
- **SP3**
  - QC/QA mechanism progress
  - PFM refresher training
  - SAI Head leadership programme

**Kiribati**
- **SP1**
  - Audit legislation technical assistance
  - PFM talanoa
  - IDI PESA-P programme coaching
  - Strategic planning technical assistance
  - SAI Head leadership programme

**Kosrae**
- **SP1**
  - Independence workshop
  - SAI Head leadership programme

**Marshall Islands**
- **SP4**
  - PFM talanoa
  - SAI Head leadership programme
  - HRM Programme

**Nauru**
- **SP2**
  - PEFA assessment Pillar 7
  - SAI Head leadership programme

**Northern Mariana Islands**
- **SP4**
  - Strategic planning technical assistance
  - PFM refresher training
  - SAI Head leadership programme

**Palau**
- **SP1**
  - Independence workshop
  - QC/QA mechanism progress
  - PFM refresher training
  - SAI Head leadership programme

**Pohnpei**
- **SP3**
  - QC/QA mechanism progress
  - SAI Head leadership programme

**Yap**
- **SP1**
  - Communications implementation plan guidance
  - QC/QA mechanism progress
  - Performance audit workshop
  - SAI Head leadership programme

**Polynesia**

**American Samoa**
- **SP4**
  - SAI Head leadership programme

**Cook Islands**
- **SP1**
  - Communications strategy coaching
  - SAI Head leadership programme

**Samoa**
- **SP1**
  - Communications strategy coaching
  - PFM refresher training
  - SAI Head leadership programme

**Tonga**
- **SP3**
  - QC/QA mechanism progress
  - PFM talanoa
  - SAI Head leadership programme

**Tuvalu**
- **SP1**
  - Independence workshop
  - Comms strategy, operational plan and process doc technical assistance
  - PFM talanoa
  - SAI Head leadership programme
  - HRM Programme
  - TAI Audit Programme
Programme activities and achievements

The Strategic Priorities (SPs) 1–4 outlined in the PASAI Strategic Plan 2014–2024 guide our programme of work.

SP1: Strengthened SAI independence and communications

Our first strategic priority is to strengthen SAI independence to enable SAIs to effectively deliver on their mandates. We do this by providing SAIs with resources, guidance and technical assistance (TA) on legal reform. We also work with SAIs to strengthen their communications function, enabling them to communicate the impact, value and benefits of their work to key stakeholders.

SAI Independence Programme

We conducted four workshops customised to SAIs FSM Kosrae, Palau, Tuvalu and Vanuatu.

This workshop was directed at senior SAI staff to increase the understanding of a SAI’s Performance Measurement Framework (PMF) scores on Domain A: Independence and Legal Framework, the assessment criteria and scoring mechanism. For SAIs who have had a Public Expenditure and Financial Accountability (PEFA) assessment, we also discuss these results.

The workshops are interactive, explore the local context and challenges to achieving or maintaining SAI independence. We also discuss opportunities to develop and document an independence strategy and the possibility of reviewing the SAI’s legal framework.

SAI-level support on independence

We liaised with SAIs to confirm their progress on independence initiatives, and their requirements for support in this area. SAIs Cook Islands, Fiji, FSM National, FSM Chuuk, FSM Pohnpei, FSM Yap, Marshall Islands, Nauru, Northern Mariana Islands, Palau, Samoa, and Solomon Islands are at different stages of their legislative reform, and indicated that they might seek the support of PASAI at a later stage. SAIs American Samoa, Guam, FSM Kosrae, Papua New Guinea, Tonga, Tuvalu, and Vanuatu indicated no support is required, as they have access to internal or other external support and resources.

Kiribati Audit Act review – TA legal support

Our consultant has reviewed the Kiribati Audit Act and related legislation and provided her legal views together with draft amendments. These documents were sent to the Kiribati Auditor-General for his consideration and input. This work was done remotely and a trip to SAI Kiribati is planned for August or September, pending confirmation from SAI Kiribati.

PASAI Communications Programme

This programme consists of a suite of workshops and coaching sessions in the following areas – Communications Strategy and Implementation, Report Writing, Interpersonal Communications, Leading Audit Teams, Using Multimedia Effectively, Dealing with the Media and Engagement with Stakeholders.

Summary of SAI-level support

<table>
<thead>
<tr>
<th>SAI</th>
<th>Programme activities this quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuvalu</td>
<td>We provided technical assistance to both SAIs during this quarter to develop their Communications Strategies, Operational Plans/Calendars and other policy and process documentation to build the capability of the SAI’s communications functions.</td>
</tr>
<tr>
<td>Vanuatu</td>
<td></td>
</tr>
<tr>
<td>Cook Islands</td>
<td>On our behalf, SAI New Zealand is supporting these SAIs under their existing twinning arrangements to revise and update their communications strategies, and has met with each SAI in online coaching sessions.</td>
</tr>
<tr>
<td>Samoa</td>
<td></td>
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</tbody>
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Stakeholder Engagement Workshop

We completed the procurement of a consultant to develop and deliver a virtual, regional workshop on Effective Stakeholder Engagement. The purpose of this workshop is to strengthen SAI capability to engage with its key stakeholders to demonstrate the relevance of its work and increase understanding of its performance audit reports by producing citizen-friendly reports. Following on from the UNDP–PASAI PFM closing event held on 26 and 27 May, this workshop focuses on how to effectively engage with stakeholders to communicate audit findings, recommendations, follow up and impact to all stakeholders including the Legislature, Executive, Judiciary and civil society organisations (CSOs) and citizens in particular. This work is in progress and workshops are scheduled for 19, 20 and 22 July.

SP2: Strengthened governance, transparency, accountability and integrity through advocacy

Our second strategic priority is to advocate for strengthened governance, transparency, accountability and integrity. We do this through our partnerships with regional organisations and by raising the visibility of related issues through our communications function.

Accountability and Transparency Study

We continue to work with our consultant to lead this project, with the support and oversight of our project team. During this quarter the project team worked together to draft a comprehensive survey aligned to the key focus areas of the study. The draft survey was circulated to staff at ANAO, SAIs New Zealand, Samoa and Papua New Guinea to pilot before it was sent out to the wider region. Feedback from the pilot has been incorporated into the final survey, which was sent out to participating SAIs on 26 May.

PASAI monthly blog series

We publish monthly blog posts on topical and technical areas of interest that are relevant to our member SAIs. In this quarter, we published blog posts on:

- The North Pacific US congressional model of governance (April 2022) – explains the political system of government in which twelve of the SAIs of the PASAI region operate.
- The role of PASAI (May 2022) – explores our role in supporting SAIs to improve accountability and good governance in the Pacific region.
- The mutual benefits of engaging civil society organisations (June 2022) – explores how SAIs and CSOs can work together to strengthen accountability and good governance.

Other international organisations have shared the blog posts on their communications channels increasing global digital coverage, visibility and uptake. For example, INTOSAI published a link to our June blog post on its CBC website. The International Journal of Government Auditing shared our link to the post on LinkedIn and Transparency International New Zealand did the same on Twitter.

PEFA-Assessment – Nauru

We have been working with the Pacific Financial Technical Assistance Centre from February 2022 to assess Pillar 7 of the PEFA assessment of Nauru. This pillar assesses two main areas of the public financial management framework of a country. These are (i) External Audit and (ii) Legislative scrutiny of audit reports. The PEFA assessment for Nauru is now completed and is in the final review and finalisation stage.

SP3: High quality audits on a timely basis

Our third strategic priority is focused on SAIs achieving high quality audits in a timely manner. Our programme of work aims to build SAI capability to ensure up-to-date Financial Statement of Government (FSG) or Whole of Government (WOG) reports are audited in line with international auditing standards and benchmarks. It is also to ensure financial, compliance and performance audits are conducted in accordance with international auditing standards in a timely manner.

Support institutional continuity of SAI with a focus to prevent a further backlog of FSG audits

Our ‘Financial Statement of Government (FSG) audit programme’ requires 20 SAIs to update us on the progress of their FSG audits and provides support to the SAIs with audit backlogs. We are providing a consultant to SAIs Papua New Guinea and Solomon Islands, while SAIs Nauru and Vanuatu have recruited independent consultants.

There is slow progress with resolving the audit backlog of the above four SAIs. This is due to delays in resolving management letter issues, audit adjustments and the subsequent signing of the accounts with the Departments or Ministries of Finance.

SAIs Cook Islands and Fiji are also falling behind with the 2020 FSG audits.

SAI level support for efficient and timely FSG audits in compliance with ISSAIs

In collaboration with the INTOSAI Development Initiative (IDI), we are delivering an 18-month programme to support eight SAIs to improve financial audit quality. Participating SAIs include Fiji, Kiribati, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu.
SAIs Fiji, Tuvalu and Tonga have completed their 2019 FSG audits and have uploaded the completed working papers to the PASAI Learning Platform. SAI Tonga has also completed the 2021 FSG audit and will upload its working papers after COVID-19 lockdown restrictions ease. The IDI/PASAI team will review the working papers to ensure compliance with ISSAs. The FSG audits for the remaining six SAIs are either in progress or have yet to start.

The Samoa 2021 FSG audit is at the final reporting stage. The Kiribati 2020 FSG audit and Papua New Guinea 2018 FSG audit are in progress. The Solomon Islands 2018 FSG audit is progressing well. The SAI held an exit meeting with Finance on 10 May and is awaiting a response to the management letter. The Vanuatu 2018 and 2019 FSG audits are on hold due to country-wide COVID-19 lockdowns but will progress once the lockdown is lifted.

Audit Issues Project
This project identifies common causes of audit issues and possible regional solutions to improve action on audit recommendations. Our consultant has collected data from 20 SAIs and has created a database of audit issues and has completed a causation assessment to identify why auditees do not implement audit recommendations. We are completing the final review of the report.

Enhancing Quality Control and Quality Assurance systems
Work on our programme to strengthen SAI Quality Control (QC) and Quality Assurance (QA) systems continues from FY2020–21. Nine SAIs are part of this programme – Guam, FSM National, FSM Pohnpei, FSM Yap, Palau, Papua New Guinea, Solomon Islands, Tonga and Vanuatu. These SAIs continue to work on establishing and operating QC/QA mechanisms.

Performance Audit Workshop
The Australasian Council of Auditors-General delivered a virtual workshop on Performance Audit from 20 to 24 June. Twenty participants (14 female, 6 male) from SAIs Fiji, FSM Yap and Tuvalu attended. The workshop covered the performance audit process, including understanding the key concepts and principles, selecting audit topics, audit approach, writing recommendations and reporting.

SP4: Enhanced SAI capacity and capability
Our fourth strategic priority is focused on building the capacity and capability of SAIs to undertake their mandates in a way that can be measured against the SAI PMF.

Leadership programme
Twenty-nine SAI Heads and established second-tier leaders identified as likely future SAI Heads (8 female, 21 male) from all 20 SAIs in PASAIs’ Polynesian, Melanesian and Micronesian subregional member groups are participating in this programme. Workshops and group coaching sessions are used to build SAI Leadership capability.

The eighth virtual workshop on 4 May focused on ‘Leadership from the Boardroom’ with a specific focus on oversight and accountability, entry points and rationale. It aimed to make auditors feel confident when engaging with and talking about public finance.

The other closing event was a hybrid virtual/in-person session on 27 May 2022 where we facilitated ‘talamoa’ on effective public finance management oversight for civil society organisations, parliaments and SAIs from Fiji, Kiribati, the Marshall Islands, Solomon Islands, Tonga, Tuvalu and Vanuatu. The event involved active participation from the Speaker of the Parliament of Tonga, the Head of SAI Solomon Islands and the Pacific Islands Association of Non-governmental Organisations.

Advocacy for SAI independence was a major feature in the talamoa sessions held between the groups in the weeks before the event. CSOs were made aware of the current situation with SAIs where most have no financial and organisational independence and why this matters for PFM.

Human Resource Management programme
In collaboration with SAI Sweden, we continued the delivery of our HRM programme to SAIs Marshall Islands, Solomon Islands and Tuvalu.

This programme will continue to December 2022, and this quarter included seven online workshops and three coaching sessions to support SAIs to develop their HR strategies and operational plans. Six SAI staff (3 female, 3 male) are participating.

Monitoring & Reporting Programme
We have selected a consultant who works for the Canadian Audit and Accountability Foundation.

SAIs in FSM National and FSM Pohnpei have confirmed their willingness and availability to work with the consultant on this project from the next quarter.

Regional report on SAI performance
A consultant has compiled and analysed the findings of the SAI PMF assessments of the twenty participating SAIs in the Pacific region. The consultant created summary profiles for each SAI and developed recommendations on key focus areas for future support and capability development. We have reviewed the final report and provided feedback to the consultant to incorporate before publication.

Public Finance Management
The Public Finance Management (PFM) refresher training we co-delivered with the United Nations Development Programme from 28 to 29 April 2022 was one of the closing events for the Strengthening of PFM and Governance in the Pacific Project, funded by the European Union. Forty-one staff (25 female, 16 male) attended from SAIs in FSM National, FSM Yap, the Northern Mariana Islands, Samoa, Solomon Islands and Vanuatu.

The online training covered how SAI’s audit work interacts with the frameworks, institutions and processes of the PFM system with a specific focus on oversight and accountability, entry points and rationale. It aimed to make auditors feel confident when engaging with and talking about public finance.

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The consultant completed a new strategic plan 2022–2026, an operational plan for 2022–23 and a monitoring and evaluation framework to track progress against the strategic plan.

We had online meetings with the consultant and Head of SAI to discuss plans and arrangements for the in-country strategic planning workshop.

From 31 May to 2 June 2022 our Chief Executive participated at the INTOSAI Regions Coordination Platform and IDI Strategic Planning Focus Group in Oslo, Norway. The objectives were to:

- develop a deeper and common understanding of INTOSAI’s goal 2 landscape (beyond what is in existing strategic and operational plans),
- identify and discuss SAI capacity development needs and priorities to be addressed in 2023 and beyond,
- identify sustainable capacity development support mechanisms,
- identify gaps and opportunities in capacity development support, and
- explore synergies and ways of working together.

Our Director Practice Development attended the Peer Advisory Team Workshop, also in Oslo, Norway, from 30 May to 3 June 2022. This was funded by IDI. The main objective of this workshop was to reach a deeper and common understanding on the approach for the HRM Component of the TOGETHER Initiative. Other objectives were to:

- review and refine the initial material,
- identify and discuss appropriate options for the TOGETHER Initiative to be relevant and adaptable to all SAIs,
- finalise the HRM Basic course design, and
- agree on the next steps for finalising the development of detailed material and finally to explore and discuss ways of involvement of peers in the delivery phase.

Our Director Practice Development met her SAI Sweden HRM collaborators in Stockholm and delivered a progress report at one of its Steering Committee meetings on 7 June. She also had the opportunity to meet with the Swedish International Development Agency.

Finally, on 30 June 2022, our Director North submitted testimony and participated in a public hearing on a bill related to enhancing the independence and autonomy of SAI Guam.

### Transparency, Accountability and Inclusiveness (TAI) Audit programme

This is an IDI-facilitated global cooperative compliance audit on the use of emergency funding in response to health and socio-economic crises caused by COVID-19.

IDI and PASAI are collaborating with SAIs Solomon Islands and Tuvalu to work on the TAI Audits. Solomon Islands is auditing ‘emergency public procurement supplies by Ministry of Health and Medical Services (MHMS)’. Tuvalu is auditing ‘COVID-19 socio-economic packages paid by the Ministry of Finance’.

SAI Solomon Islands’ audit team is drafting the audit findings and recommendations and will continue with drafting the audit report. A consultant working at the SAI will review the report before it is submitted to PASAI and IDI for a final review/feedback.

SAI Tuvalu’s audit team has finalised the audit report and has submitted it to Parliament.

### Professional Education for SAI Auditors Pilot (PESA-P) programme

PESA-P is a global, professional certification programme delivered by the IDI, covering the three audit streams – compliance, financial and performance audit. PASAI provides coaching support for participating SAIs with limited senior staff. This quarter, we reviewed their assignments on IDI’s Learning Management System.

In both SAI Kiribati and SAI Solomon Islands two of their three auditors in the programme have completed all required assignments. We’re working closely with the last two auditors to finish and upload the assignments.

### Regional and international meetings and collaboration

#### Meetings

We are committed to working with our regional and international partners. We attend and participate in regional and international meetings and forums.

On 8 April we attended the Asian Development Bank’s ‘Economic Impacts of the End of Compact Grant Assistance in the Freely Associated States’ presentation.

We also virtually attended the Pacific Financial Technical Assistance Centre Steering Committee Meeting on 24–25 May 2022.

#### International collaboration

We collaborate with regional and international organisations and SAIs to deliver capability development initiatives to the Pacific region.

On 17 May our Chief Executive delivered a presentation at the United Nations Office on Drugs and Crime webinar on Gender and Corruption – Public Integrity Practices.

We remotely delivered a presentation on small island challenges for SAIs at the CAROSAI XII Congress in Aruba on 18 May.

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- identify sustainable capacity development support mechanisms,
- identify gaps and opportunities in capacity development support, and
- explore synergies and ways of working together.

The Governing Board discussed the operational plan for the coming financial year. The plan and its proposed budget were both approved.

Agenda items also included an update on the status of the 23rd PASAI Congress, expected to take place predominantly in-person for the first time in four years, in Palau next February.