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## Advocating Accountability and Transparency in the Solomon Islands

A series of workshops on accountability and transparency was conducted by the Solomon Islands Office of the Auditor-General (SIOAG) in collaboration with the Pacific Association of Supreme Audit Institutions (PASAI) in Honiara from 11 - 14 September 2017.

Separate workshops were held for the members of the Public Accounts Committee (PAC) and the Public Expenditure Committee (PEC) on the 11th and 12th of September, senior officials of government entities on the 13th of September, and stakeholders on the 14th of September. The Speaker of Parliament Hon. Ajilon Jasper Nasiu in opening the PAC/PEC workshop stressed the importance of continuous improvement of the capacity of Members of Parliament in holding the executive government accountable in the use of public funds, in order to contribute to better public administration and greater public confidence in the institutions of the Solomon Islands government.





Ms Karyn Murray (front row, right) with the facilitators and leader of the independent MPs, Hon Sikua (back row, right)

The purpose of the workshops was to raise awareness of PASAI and the work it does in the region, especially in providing support to public sector audit institutions such as the SIOAG to improve accountability and transparency in the island states. The objectives of the workshops included the following:

- (a) to create awareness on the work of PASAI in the Pacific region especially in advocating transparency and accountability;
- (b) to build the capacity of the Members of Parliament to better understand their role in providing financial oversight of public expenditure as well as to better understand the specific role of the PAC and PEC within the processes of Parliament;
- (c) to raise awareness on the role of SIOAG and how audit entities can be involved in improving the audit process;
- (d) to discuss how to achieve greater audit impact by engaging audit entities throughout the audit process;
- (e) to introduce a proposed Auditor General's Bill 2017.

The training and awareness was conducted by the Solomon Islands Auditor-General, Peter Lokay and his senior staff, and assisted by PASAI consultants Eroni Vatuloka and Aisake Eke.

The Solomon Islands is the sixth country in the Pacific region that has hosted these series of transparency and accountability workshops. The workshops are part of PASAI's advocacy programme to develop strong partnerships with regional organisations and audit institutions to enhance accountability and transparency in the region.

The Australian High Commission Counsellor for Justice and Governance in Honiara, Ms Karyn Murray in closing the legislature committees workshop hoped that the training would enhance the work of the SIOAG and assist Parliament in the evaluation of government programmes and organisations. It is anticipated that there would be an impact in good governance, transparency and accountability, improving operational efficiency and boosting the trust and confidence on the SIOAG and the government.

The SIOAG and PASAI acknowledged the kind financial assistance of the Solomon Islands government, the Australia Department of Foreign Affairs and Trade (DFAT) and the New Zealand Ministry of Foreign Affairs and Trade (MFAT) in supporting the three workshops.

## IDI Workshop with INTOSAI Regions in Norway

The INTOSAI Development Initiative (IDI) and INTOSAI regions met in Oslo, Norway from 4 – 6 September, 2017 to discuss and agree on topics of mutual interest. This meeting has been held on an annual basis since 2014. All seven regions of INTOSAI were represented. PASAI was represented by its Chief Executive.

The workshop fostered strong co-operation between IDI and regions through sharing of experiences on various thematic areas and providing valuable feedback from the regions to IDI. The sharing by regions of their journey in relation to the Strategic Management model or Strategic Plan and INTOSAI Framework on Regional Professionalism, demonstrated the great progress that the regions had made in co-operation with IDI and the INTOSAI Capacity Building Committee (CBC). PASAI shared its experience on auditing preparedness for implementation of SDGs, one of the main areas covered in the workshop. In addition, similar

experiences were shared by SAI Brazil from the OLACEF region. Other main areas covered were on professionalisation, quality assurance of global public goods, and INTOSAI global survey results. There were some constructive ideas shared on strengthening engagement of INTOSAI and its other organs such as IDI, CBC, Professional Standards Committee (PSC), Knowledge Sharing Committee (KSC), with regions. The regions also provided their suggestions and advice to IDI. Bilateral meetings were held by IDI, and INTOSAI Donor Cooperation (IDC) Secretariat respectively with each region. These bilateral meetings with IDI provided useful updates on the progress of IDI programmes with PASAI, while the meeting with IDC improved awareness on a global call for proposals on the respective tiers and other roles of the IDC Secretariat that would assist the region.

The next meeting will be held in June 2018 in Oslo, Norway.



Photo top: IDI workshop with INTOSAI regions participants in Oslo, Norway

Photo right: PASAI Chief Executive presenting at the workshop.





Ms Clariza Mae Roque (left) and Mrs Sinaroseta Palamo-Iosefo at the YES Conference.

## Euro Sai Young Leaders Conference – YES Conference

PASAI was invited to the EUROSAI Young Leaders' Conference, called the 'YES Conference' held in Tallinn, Estonia from the 11 – 14 September 2017 and was represented by Ms Clariza Mae Roque of Guam's Office of Public Accountability and Mrs Sinaroseta Palamo-Iosefo, PASAI's Director of Practice Development.

The YES Conference is EUROSAI's programme which aims to develop young leaders within their member SAIs. The programme is held every two years with this year's conference being the third one. The main theme of this Conference was "Updates Available". The theme symbolised the fact that auditors need to be constantly updated with the changes taking place in the public sector as well as society. The conference provided a forum for young auditors from various EUROSAI member SAIs to share ideas, success stories and not-so-successful practices and find ways to improve their work and update their auditing functions. Some of the topics that participants discussed were:

- Transparency and accountability in EU governance – SAIs as intermediaries
- Challenges faced by auditors in a "big data world"
- Using geographic information systems (GIS) in audits
- Data analysis in performance audits
- Including citizens in data collection
- Cyber Security and data

PASAI endeavours to develop young auditors in their member SAIs and through its participation in the EUROSAI YES Conference, it has gained insights on a different approach to developing young leaders. Young auditors are heavily involved in the ground work for conducting audits. Hence establishing a forum for young auditors provides an opportunity for them to share experiences and challenges in their line of work, generate ideas on possible solutions to the challenges identified and to contribute to organizational planning and decision making.

The PASAI Secretariat will consider the lessons learnt and experiences gained from this conference in determining the appropriate approach to develop young auditors in the Pacific region.

# IDI SAI Fighting Corruption Programme Audit Planning Meeting in Bangkok, Thailand.

The INTOSAI DEVELOPMENT INITIATIVE (IDI) and the Auditor-General of Thailand, welcomed the representatives from eleven Supreme Audit Institutions (SAIs) to Thailand for the IDI SAI Fighting Corruption Programme Audit Planning Meeting in Bangkok, which was held from the 14 – 22 September 2017. In attendance were 30 participants from 11 SAIs, representatives from IDI, and four supporting mentors.

The Thailand Auditor-General was honoured to have their SAI be the host country for the 'IDI Global Programme on SAI Fighting Corruption: Audit Planning Meeting'. Speaking during the official opening of the programme, the Auditor-General of Thailand, Pisit Leelavachiropas, highlighted the important role that Supreme Audit Institutions played in fighting corruption and acknowledged that the work of the SAIs is vital in the fight against corruption. Such co-operative audits can strengthen the SAIs capacity to perform the audit function within their jurisdiction in fighting corruption.

SAIs that attended the planning meeting included, the audit offices of Thailand, China, Malaysia, Afghanistan, Pakistan, Maldives, Samoa, Solomon Islands, Fiji, Nepal and Vanuatu. The representing SAIs conducted a peer review of each other's draft audit plan. Each participant was assigned to work in groups with individuals from other SAI offices and was assigned to review one particular audit plan using the criteria prepared by the mentors. In total there were eight areas peer reviewed: (1) Background information on the subject matter; (2) Selection of the Audit Topic; (3) Pre-Study; (4) Informational Analysis – Stakeholder Analysis, SWOT Analysis, and Risk Analysis; (5) Audit objective, audit scope, and audit questions; (6) Audit Design Matrix; (7) Detailed Work Schedule; and (8) Resources needed for the audit.

The seven day planning meeting was conducted by IDI Capacity Development Manager, Alain R, Memvuh and was supported by mentors from different SAIs, namely Dr Suthi Suntharanurak (Thailand) Chandra Kanta (Nepal), and Ms Llewelyn Terlaje (Guam). A very supportive team from the Thailand Audit Office assisted the participants and mentors with logistics and administrative support during the course of the planning meeting.

The purpose of the planning meeting was to interact with other SAI teams, share experiences, learn good practices from others, and finalise the audit plans through presentations and conducting peer review procedures with the assistance of the mentors. With

the aim of finalising the audit plans at the meeting, once SAI teams receive approval of their plans, they can start their audits, right after the completion of the final modules of the eLearning course in mid-November.

The four participating PASAI teams have acknowledged IDI and the host country of this programme for being part of this stimulating and informative discussion session, which was enhancing for capacity development. The participating SAIs gained deep insight of various performance audit techniques and knowledge shared by different participating SAIs who have more experience in the field of Performance Auditing. Together with the ten participating SAIs Team, SAI Vanuatu also expressed their commitment to be part of this Institutional framework for fighting corruption audit, even though this was their first participation in conducting a performance audit. The SAIs acknowledged IDI for the implementation of this programme and assistance in strengthening their Performance Audit development.

The Deputy Auditor-General of the Thailand Audit Office, Mr Prajuck Boonyoung, in his remarks about the IDI SAI Fighting Corruption Programme Audit Planning Meeting, acknowledged the active participation of mentors and participants during the course of the meeting. He expressed his hope that the planning meeting has enhanced the capacity of each SAI's team in the finalisation of each individual audit plan document and expanded the knowledge and experience shared among the participating SAI Teams.



Back, from left to right – (back row): Ivan Tone (Samoa), Nunia Michael (Fiji), Norris Mitchell (Samoa). Front from left to right – (front row): Judith lauma (Vanuatu), Unaisi Namositava (Fiji), Wendy Ngodoro (Solomon Islands), Deputy Auditor General Prajuck Boonyoung (Thailand), Llewelyn Terlaje (Mentor - Guam), Elsie Willy (Vanuatu), Ben Arilasi (Solomon Islands)

The eleven participating SAIs acknowledged the kind financial assistance from the INTOSAI DEVELOPMENT INITIATIVE (IDI), the host country of this IDI Global Programme on SAI Fighting Corruption, the Auditor-General of Thailand, Mr Pisit Leelavachiropas and the eleven Supreme Audit Institution offices who supported the planning meeting.

## INTOSAI CBC Meeting in Washington DC, USA

PASAI was represented at the INTOSAI Capacity Building Committee (CBC) meeting in Washington DC, USA from 18 – 20 September 2017 by the Chief Executive, Mr Tiofilusi Tiueti, Director of Practice Development, Mrs Sinaroseta Palamo-Iosefo and Director of Audit for Fiji's Office of the Auditor-General, Mr Moshin S Ali.

The first day of the meeting involved parallel sessions on updates from various CBC work streams. These updates were on the following:

- Co-operative audit - led by SAI Peru
- SAI PMF - led by IDI
- IntoSAINT - led by SAI Mexico
- Peer review - led by SAI Slovakia
- Task Force on INTOSAI Auditor Professionalisation – led by SAI South Africa
- SAIs in Fragile Situations – led by SAI Sweden

PASAI presented its journey on implementing SAI PMF, discussing the benefits and challenges of the regional approach, together with the overall update on SAI PMF provided by IDI. The work streams also shared the new online dashboard reporting mechanism that they will use to report on the progress of their respective projects and achievements in line with INTOSAI's strategic plan. This is hosted on the CBC Secretariat website – [www.intosaicbc.org](http://www.intosaicbc.org)

The CBC annual meeting was held on the second day. Meeting delegates discussed INTOSAI's strategy for capacity development with the main objectives being:



- To confirm the central role of CBC regarding capacity development post XXII INCOSAI;
- To give content to the practical implications of the 2017-2022 Strategic Plan for the CBC;
- To identify principal contributions by relevant role players and
- To seek opportunities to link-up, integrate and streamline efforts by all concerned.

On the last day, deliberations focussed on the regional forum for capacity development and supporting SAIs in fragile situations. AFROSAI-E region presented its efforts and approach on the application of the principles of the framework for regional professionalism. Mr David Goldsworthy, Consultant, Development Action and Ms Yusador Gaye, Auditor-General of Liberia presented on lessons learned on how to support SAIs in a fragile situation.



Photo above: PASAI delegates - (l to r): Tiofilusi Tiueti, Sinaroseta Palamo-Iosefo, Moshin Ali

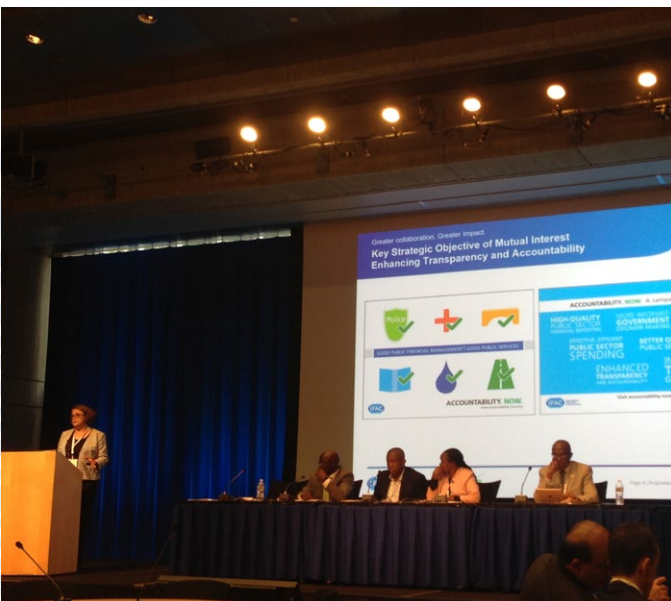
Photo left: PASAI Director of Practice Development, Mrs. Sinaroseta Palamo-Iosefo, sharing PASAI's experience on SAI PMF assessment at the meetings.

## INTOSAI CBC Meeting in Washington DC, USA (cont.)

Finally, Mr Sharif Sharifi, Auditor-General of Afghanistan presented on how SAIs can better contribute to building effective states, particularly in a fragile situation. The CBC Steering Committee, which PASAI is a member of, also met on the same day.

Overall, the meeting was successful in providing the INTOSAI community with an update on the progress of CBC's projects. It also strengthened the collaboration with other INTOSAI Committees such as the Professional Standards Committee (PSC) and the Knowledge Sharing Committee (KSC). It also provided an opportunity for knowledge sharing and establishing networks and partnerships with SAIs and regions who have common interests.

More than 100 delegates from the INTOSAI community and its development partners attended the meeting, hosted by the World Bank.



# 10th Meeting of the INTOSAI-Donor Steering Committee Meeting in Washington D.C.



The 10th Meeting of the INTOSAI-Donor Steering Committee (IDSC) Meeting was held contiguous with the INTOSAI Capacity Building Committee (CBC) Annual Meeting, from 20 – 21 September, 2017. For the first time, a theme was set for the meeting: **‘Improving the Coordination of Support to SAIs’**.

Manuela Ferro, Vice President, Operations Policy and Country Services, of the World Bank Group welcomed the delegation to the meeting. After the opening remarks by the Chairs, Mr. Kimi Makwetu, Chair CBC and Auditor-General of South Africa provided an update on the Communication of CBC Steering Committee resolutions.

The INTOSAI Donor Secretariat (IDS) presented a progress report on the implementation of the Global Call for Proposal (GCP) strategy relating to Tier1, Tier 2, INTOSAI Capability Statements and funding sources, which was discussed and noted during the meeting. This was followed by presentations and discussions on the benefits, impact and lessons learned from previous matched projects. Then a discussion took place on the way forward under Tier 2, sharing reflections from the synergy session on:

- lessons learned on how to support SAIs in a fragile situation; and
- how SAIs could better contribute to building effective states, particularly in fragile situations

The discussion was based on a draft CBC paper on supporting SAIs in fragile situations and also on the conclusion from the CBC-IDSC Synergy session on supporting SAIs

in fragile situations. There was some good dialogue and ideas proposed on ways to mobilise and deliver effective support for Tier 2 SAIs.

The delegates also considered ways to improve co-ordination with support to SAIs by disseminating good practice examples, lessons learned and recommendations. Then they discussed practical ways to improve co-ordination of support. The IDS also presented on their Communications strategy and the progress on enhancing communications, showcasing selected communication pieces including success stories. Selected Steering Committee members shared their experience in reaching out to target audiences.

Information was presented at the meeting on the closure of the SAI Capacity Development Fund (CDF) and lessons learned. With the existing projects, reporting will continue on their outcomes until they are completed and closed.

The meeting concluded with deliberations on the draft outline and terms of reference for the nature, scope and manner of review/evaluation of the Co-operation; and also its Draft 2018 work plan which was approved with some amendments.

On the GCP, PASAI expressed interest for its members to participate under the Tier 1 given that the Tier 2 list is conclusive. At the margin of the meeting, PASAI also met with various donors, institutions, and development partners to discuss possibilities of providing resources for PASAI programmes. These dialogues are ongoing.





## Meeting of the Task Force on INTOSAI Auditor Professionalization (TFIAP)

The INTOSAI Task Force on auditor professionalisation (TFIAP) held its first meeting in Washington DC, USA on the 22nd of September 2017. As a member of TFIAP, PASAI was represented at the meeting by its Director of Practice Development, Mrs Sinaroseta Palamo-Iosefo. The task force further deliberated on the strategic document which guides its efforts on developing enabling mechanisms to provide SAIs with a basic methodology to design a process to allow its staff to develop, grow and maintain competencies as professional public sector auditors.

The thinking and rationale behind developing professional staff is structured around the following draft process flow. This process flow describes ten steps that the SAI will most likely take when planning professional development initiatives for its staff.

1. Determine a SAI strategy for professional development
2. Confirm the SAI competency requirements related to the proposed professional development initiatives
3. Understand the gap between current and proposed competencies (gap analysis)
4. Decide on approach to address competency gaps
5. Address enabling environment for proposed professional development initiative
6. Design professional development programme
7. Implement / deliver professional development programme
8. Assess competencies that were developed as part of the professional development programme
9. Implement an initiative to ensure that the assessed competencies are kept current / maintained
10. Evaluate the professional development initiative

Figure A: Design of a Professional Development Programme depicts the process flow for design of a professional development programme as envisaged in step 6 above.

**Figure A: Design of a Professional Development Programme**



The Task Force has a mandate from the INTOSAI to carry out the necessary research and foundation work for professionalisation of public sector auditors. Accordingly, the Task Force will report on the progress of this initiative between now and the next INCOSAI in 2019.



# TECHNICAL SUPPORT UPDATE #09 2017

This is a *new section* which commenced in January 2017 and alerts our members to (i) changes in International Standards of Supreme Audit Institutions (ISSAIs) due to updates or amendments to International Standards of Auditing (ISAs) or changes in professional standards which will affect the Generally Accepted Auditing Standards (GAGAS) and (ii) any other relevant issues or matters of interest that may impact on SAI member's ability to fulfill their audit mandates.

This update is not meant to be exhaustive and reading this update is not a substitute for reading and fully understanding the requirements of ISSAIs or GAGAS. This update also does not address the responsibilities of the auditor that may exist in law, regulation or national standards, which may contain requirements in addition to those established by these standards.

## Code of Ethics

Over the years PASAI during workshops or meetings there will always be some discussions around Code of Ethics and ethical behaviour of auditors and still to this day implementation and application of a code of ethics seems to be a real challenge! Recently a Director of Audit could not understand why their audit staff were 'slow' in getting the audit completed which caused delays in reviewing any completed work. We discussed the many factors which may cause the 'slow pace' of the auditors and finally we were able to determine the key reason for these delays which related to the 'bad attitude' or 'lack of enthusiasm' by the auditor. This was either due to lack of understanding, lack of motivation or sometimes a personality clash with their supervisor or manager. This is the reality and many supervisors struggle to overcome these challenges. Therefore, to assist this Director of Audit a possible solution is to emphasise and remind all auditors and all staff of the Code of Ethics.

The ISSAI 30 Code of Ethics contains values and principles for SAIs and the staff working for them with a set of values and principles on which to base behaviour. It provides guidance on the five following fundamental values and how to embed these values into daily work:

- (a) Integrity
- (b) Independence and objectivity
- (c) Competence
- (d) Professional behaviour
- (e) Confidentiality and transparency

In our own daily lives some of these values we also try to uphold (ie: integrity) and auditors need to be reminded that there is no difference in upholding these values while working in the SAI and in your own private lives. I see the values of the Code of Ethics akin to each of us striving to uphold values of being a good person in society! But working in a SAI, no matter what level or position you hold, should be regarded as a privilege, to be able serve the public and earn the trust of stakeholders (citizens, legislative, auditees and others). Therefore establishing and sustaining ethical behaviour is a key component to enhance trust and a good reputation of the SAI.

By upholding ethical behaviour also benefits the SAI because all staff will try ensure to work each day according to these values. These values may help eliminate or reduce lack of enthusiasm, bad attitudes and lack of motivation especially if the SAI develops and embeds these codes into the SAI in a way that is inclusive and transparent by creating an ethical culture demonstrated by the tone at the top.



## TECHNICAL SUPPORT UPDATE #09 2017

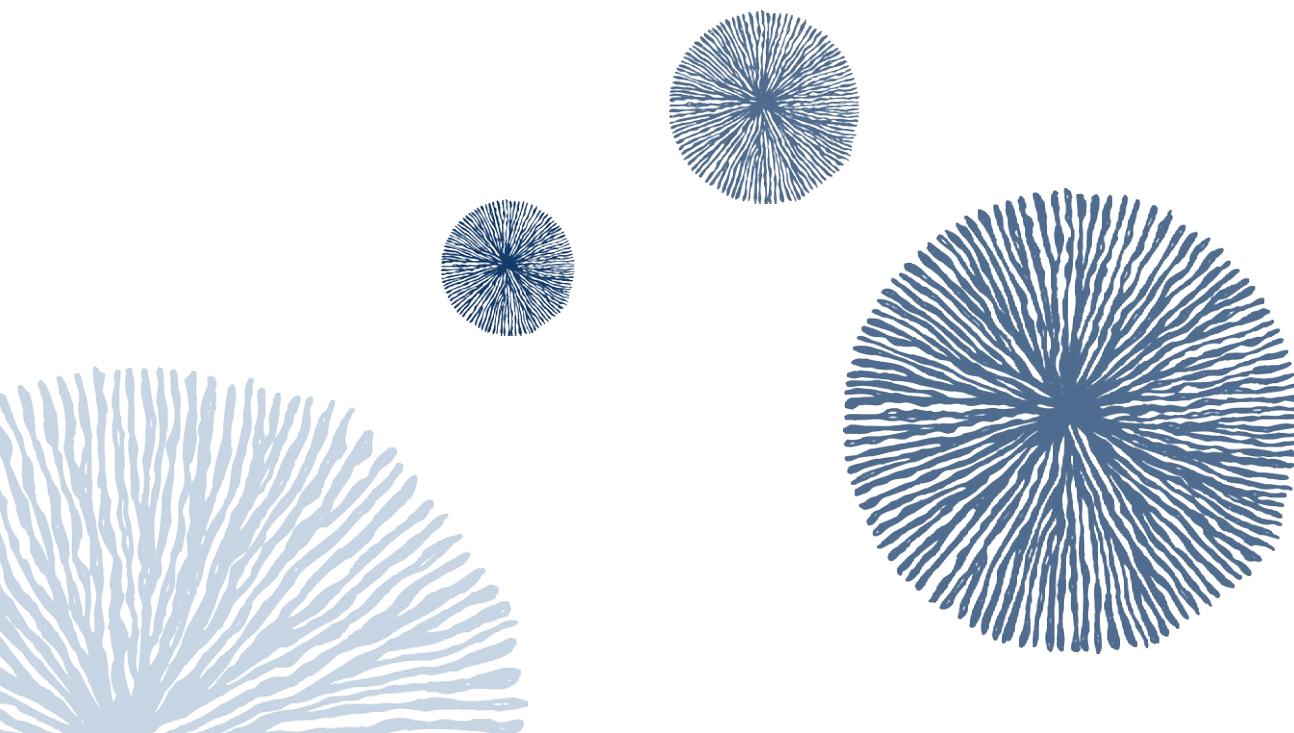
In many jurisdictions SAIs are relying on Code of Ethics or Code of Professional Conduct from various sources or organisations which may be confusing. Following is an example of a list of these sources:

- INTOSAI – ISSAI 30 Code of Ethics
- GAO Code of Ethics
- AICPA Code of Professional Conduct
- AGA Code of Ethics
- Government Public Service (within each country) – Code of Ethics for all public servants
- APESB APES 110 Code of Ethics for Professional Accountants
- IESBA (part of IFAC) Code of Ethics for Professional Accountants

However it is highly recommended that due to national differences of culture, language, and legal and social systems, it is the responsibility of each SAI to develop its own Code of Ethics, which best fits its own environment. To be effective, all staff should be constantly reminded of the Code of Ethics so that it becomes second nature, to reflect the tone at the top or leadership. The SAIS code of ethics may be in a variety of forms or formats such as – posters, policies, procedures, monthly training, newsletters, and emails. The INTOSAI Code of Ethics or ISSAI30 can provide guidance for SAIs when developing their own Code of Ethics but each SAI has the responsibility to ensure that all its auditors acquaint themselves with the values and principles contained in Code of Ethics and act accordingly.

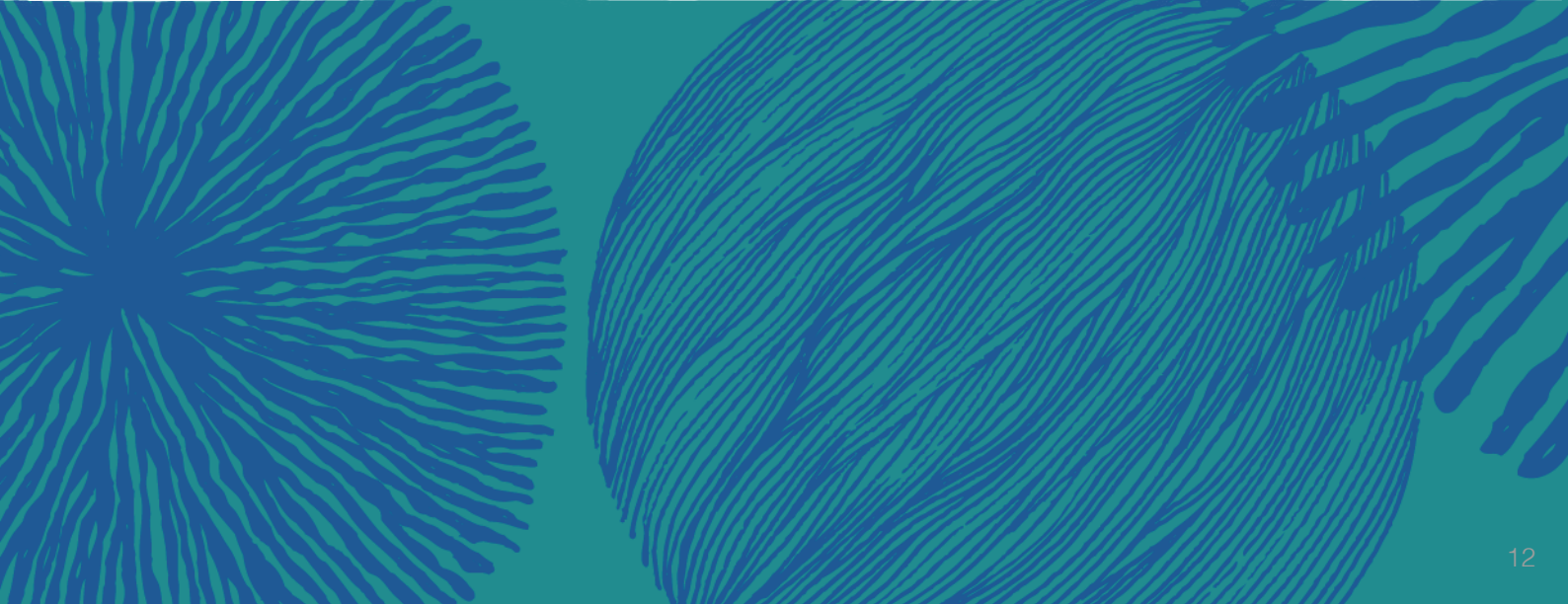
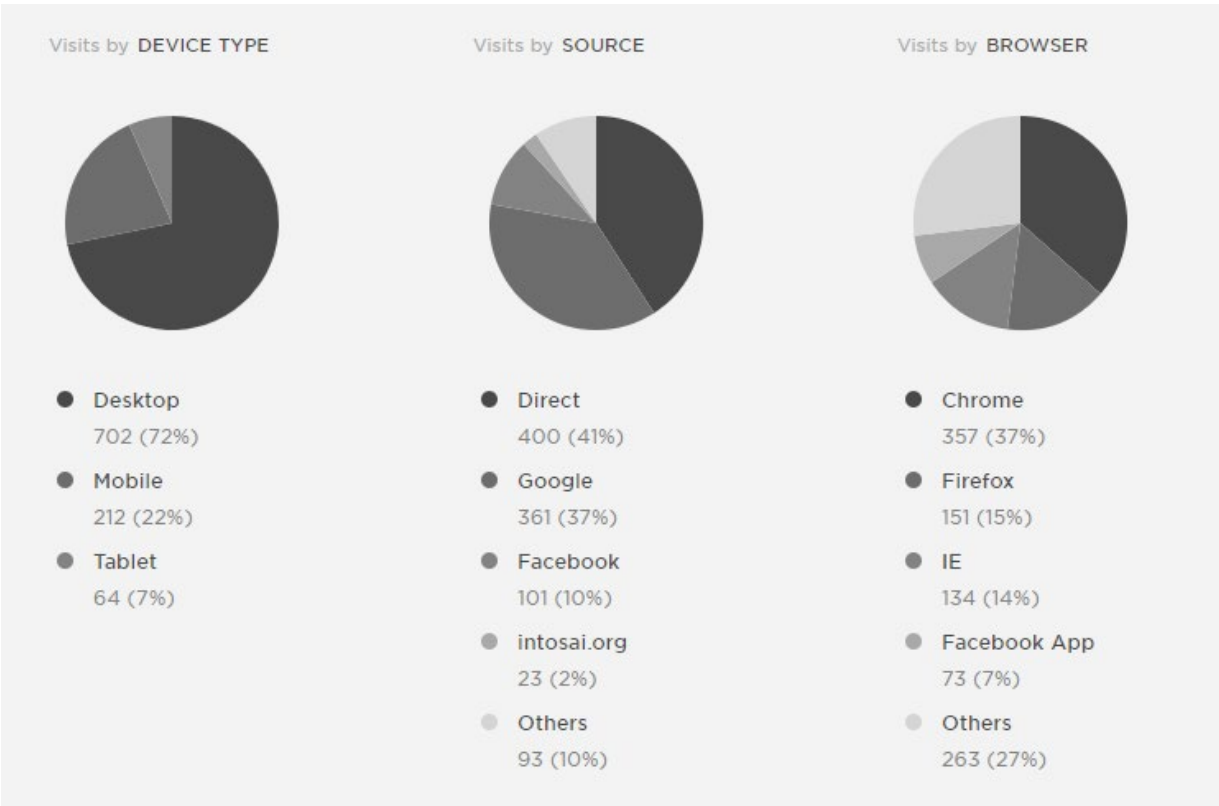
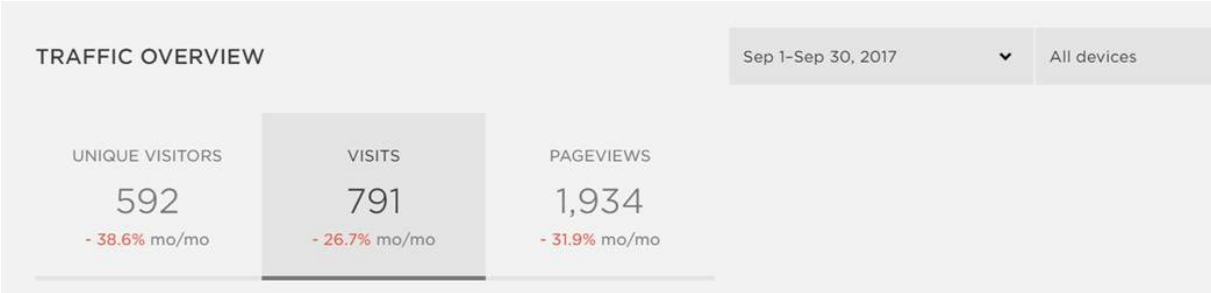
It is understood that no code can address all ethical circumstances that occurs in real life, however auditors and staff within a SAI should apply professional judgement at all times to circumstances they encounter.

Finally, in relation to the Director of Audit and her problem with audit staff, it is hoped that as auditors are reminded of these values, their duty and the importance of their role in the SAI, that they will realise their value in society and how much they are contributing to ‘making a difference in the lives of citizens’, and work more efficiently and effectively.



# PASAI Website Statistics and Traffic

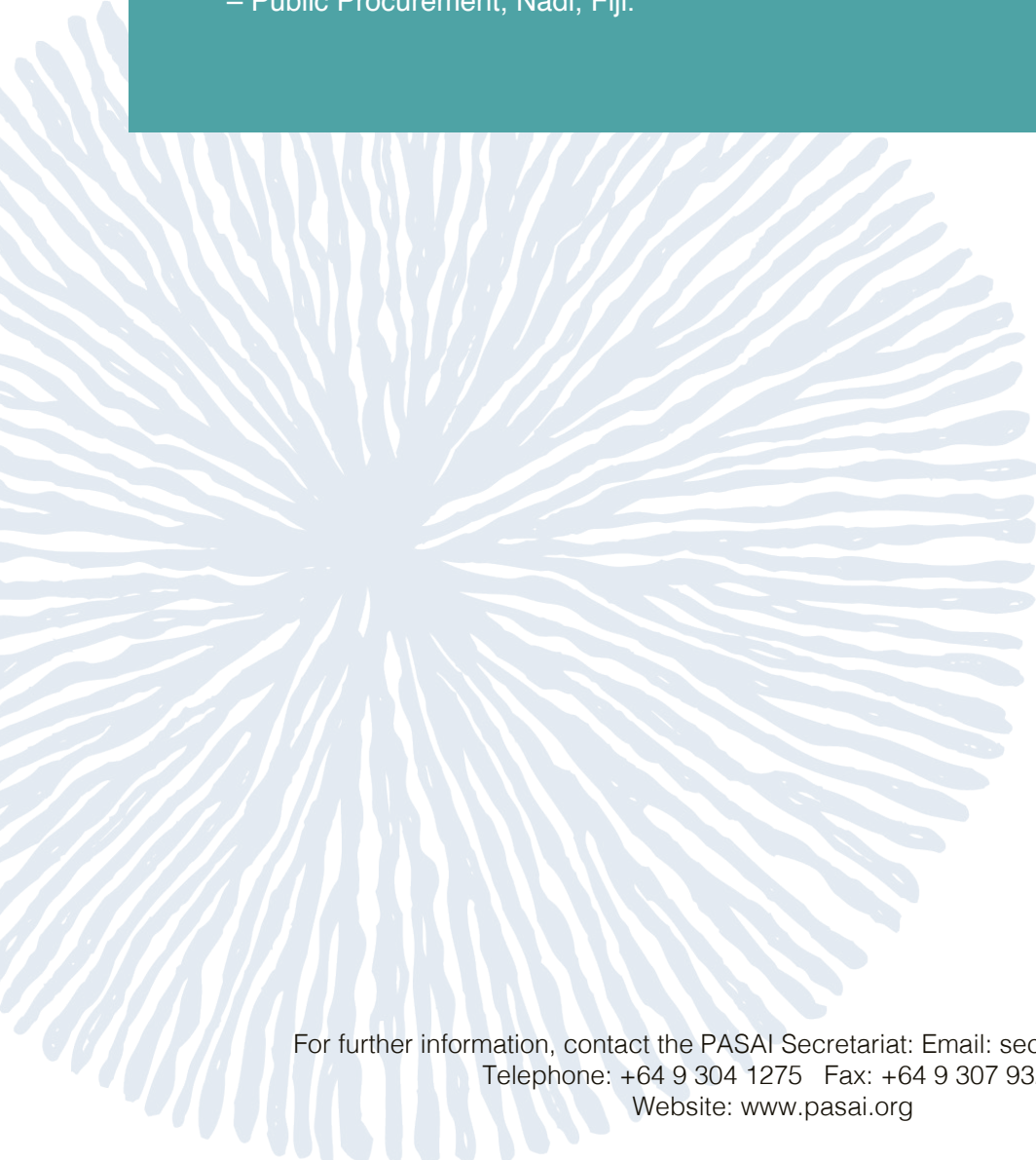
Here are the statistics/website traffic numbers for the month of SEPTEMBER 2017:



# PASAI CALENDAR

## THE NEXT SIX MONTHS

- **2 – 6 October:** SAI PMF Phase II Performance Analysis meeting, Majuro, Marshall Islands.
- **27 November – 1 December 2017:** PASAI/IDI 6th CPA SDG preparedness – joint planning workshop, Suva, Fiji.
- **4 – 8 December:** IDI/PASAI QA Review meeting Co-operative Compliance Audit – Public Procurement, Nadi, Fiji.
- **22 – 26 January:** Effective Communications workshop for SAI Samoa, Apia, Samoa.
- **22 – 23 February:** 18th Governing Board Meeting, Auckland, New Zealand.



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