



Strengthening Public Financial Management at the Tonga PFM Symposium

Together with the Tonga Ministry of Finance and National Planning (MFNP) and Pacific Financial Technical Assistance Centre (PFTAC), PASAI held a Public Financial Management (PFM) Symposium in Tonga from 4 – 6 September 2018.

The theme of the Symposium was ‘Strengthening PFM for Better Service Delivery’, with the objective of bringing together key stakeholders to discuss, deliberate and assess the progress and status of Tonga’s Government in the implementation of the Tonga PFM Roadmap. The PFM Symposium was also developed to highlight the need to reactivate a regional PFM forum, with Pacific PFM institutions coming together more often to hold regular meetings and obtain updates on PFM issues.

Facilitated by ‘Ana Fakaloa Lemani from the Tonga Ministry of Finance and National Planning, and co-facilitated by Dr ‘Aisake Eke (Member of Parliament), Richard Neves (PFTAC), Viola Ulakai (Tonga Broadcasting Commission) and PASAI’s PFM Expert, Mr Eroni Vatuloka with assistance from PASAI Director Technical Support Mrs A’eau Agnes Aruwafu, the Symposium was attended by over 60 participants representing government ministries, Parliament, public enterprises, faith-based and civil society organisations, media entities and development partners.

Inside this Newsletter

- Strengthening Public Financial Management at the Tonga PFM
- Samoa’s professionalization and capacity-building story
- Scoping visit for SAI Papua New Guinea
- Internal Audit in the Pacific
- 2018 Meetings of the INTOSAI Capacity Building Committee and INTOSAI-Donor Steering Committee
- Secretariat Team Meeting
- Communications updates
- PASAI Calendar



Throughout the first two days, critical questions were posed to each of these groups and speakers which provoked lively discussions, most particularly about the importance of understanding the PFM framework, how it can enhance the ability for Government to provide more efficient and effective service delivery, and its results in achieving transparency and accountability of government. These valuable inputs were then incorporated into the update of the Tonga PFM roadmap and how it could be implemented more effectively and efficiently, taking into account the challenges and issues highlighted over the previous two days.

In his opening remarks, the Australian High Commissioner to Tonga HE Andrew Ford emphasised the importance of Public Financial Management (PFM) to achieve efficient and effective allocation of public services. This was followed by the opening address of the keynote speaker Hon Mateni Tapueluelu, Acting Minister for Finance and National Planning, who stated: *“We need to speak with one clear voice and everyone is responsible.”*

This became a recurring theme throughout the three days, underlining the need for all delegates to work together, collaborate, communicate and coordinate to achieve the outcomes of the Roadmap and improve the government service delivery to the people of Tonga.

Further, in a great lesson for all Pacific nations with similar Roadmaps, it was recognised during the Symposium that the Roadmap is a living document and should be reviewed and updated on a regular basis, to suit the context of the day and lead to where the government wants to be in the future. These lessons learned can be used across all other Pacific countries that have PFM Roadmaps in place.

Lord Fakafanua, the Speaker of Tonga Legislative Assembly, summed it up in closing the Symposium: *“This is an ideal platform for stakeholders to share strategies involved in PFM reform initiatives. This symposium is a testament and commitment to move forward”*.

That way forward will be the responsibility of all stakeholders, and it is hoped implementation will result in positive outcomes for the citizens of Tonga.

PASAI would like to thank and acknowledge the excellent coordination by the Tonga Office of the Auditor-General (TOAG), the ongoing support of Australia DFAT and NZ MFAT, and the great collaborative working relationship with the Tonga Ministry of Finance and National Planning including PFTAC in delivering this Symposium.





Samoa's professionalization and capacity-building story

By Fuimaono Mata'afa Papalii C.G. Afele

CONTROLLER & AUDITOR-GENERAL

SAMOA AUDIT OFFICE

October 2018

This week, two of my staff departed from Samoa to undertake a Master's of Auditing in Nanjing Audit University in the People's Republic of China. Fa'amaile Latu (Auditor in the Information Technology Audit (ITA) Unit) and Afulilo Tuitama (Senior Auditor in the Communications & Stakeholder Relationships (CSR) Unit) are the 4th and 5th Nominees from SAI Samoa since this program started with China's National Audit Office (CNAO) and Nanjing Audit University (NAU).



Fa'amaile Latu



Afulilo Tuitama

The initiative with CNAO and NAU all began when SAI Samoa hosted and chaired the PASAI Congress and Governing Board in Samoa in 2014. The Representative of the Auditor-General of CNAO invited PASAI members to attend an audit Seminar hosted by CNAO in October 2014. I took the PASAI Delegation to China as Chairman of PASAI, and managed to discuss scholarship opportunities for staff of SAIs of the Pacific to undertake Master's of Auditing at Nanjing Audit University. In 2016, CNAO wrote to Pacific SAIs about the commencement of the Master of Auditing Program and during 2016 SAI Samoa sent its first nominee, Ms Annie Leitupo. SAI Fiji also sent two nominees.

The Master of Auditing in China is not the only postgraduate qualification that staff of SAI Samoa are pursuing as of today. In SAI Samoa this 'Master's Professionalization program' was triggered and inspired by one of the themes promoted by INTOSAI for the 2016 INCOSAI. Professionalization was also an important theme that our own former Secretary General and Controller and Auditor General of New Zealand, Ms Lyn Provost, spoke so eloquently and extensively on in the 2015 PASAI Congress in Vanuatu.

As Accountants and Auditors, we have been trained to ensure that the tone at the top remains intact before we can expect good results from other parts of our organisations. The pursuit of Master's degrees as a long-term goal foreseen and envisioned in the Strategic Plan of SAI Samoa before July 2014 was an attempt to raise the qualifications and professionalization of the Leadership and Staff of SAI Samoa to be the same as the Controller and Auditor General. When the international emphasis and significance of professionalization came by way of an INCOSAI theme and a Paper by our own former Secretary General, it really gave the Master's Professionalization program of SAI Samoa extra strength and motivation.

As of now, we have nine staff doing Master's via online/flexible/distance learning in Australia including the Deputy Controller and Auditor-General, Ms Violet Roebeck Fasavalu (below with her fellow scholars). Ms Indori Va'a, who was a Principal Auditor with our Special Audit Unit, just graduated this year from Auckland University of Technology with a Master's of Professional Accounting, and our former Director for Communications & Stakeholder Relationships, Ms Sita Leota, is now doing a Master's Degree under a Fulbright Foreign Student Scholarship at Brandeis University in Boston, U.S.A.





Indori Va'a



Sita Leota

And now we're starting to see the results. In June 2018 we welcomed back our first nominee and graduate of the Program, Annie Leitupo, and I believe that SAI Fiji has also welcomed its own two original nominees back to its workforce. Two other SAI Samoa Staff, Malili Chou Lee and Frances Iosefa are completing this year their first year of the two year course.



Annie Leitupo



Frances Iosefa



Malili Chou Lee

In due course, this program could enable us to identify a potential successor to the position of SAI Head or Controller and Auditor General. Graduates of the professionalization program may be recommended to the Executive Government and Parliament to continue and sustain SAI Samoa and its reforms when my tenure or term with the Audit Office is completed.

A full report on all Samoa's capacity-building and succession-planning strategies and activities is [available here](#) and on [Samoa's website](#).

Scoping visit for SAI Papua New Guinea

Making sure the program fits: bespoke access to IDI/
PASAI's SPMR program for PNG
By Sina Palamo-Iosefo

Planning and providing support in response to SAI's development needs is not always as straight-forward as identifying the training or the type of technical support to be delivered based on the SAI's request. Sometimes critical factors or events affecting the success of any capacity development intervention need to be considered as well, when determining how to best support the SAIs.

The events surrounding and leading to the absence of the Head of SAI for PNG are rare in the PASAI region, but the Secretariat needed to consider the possible impact (if any) of the uncertainty surrounding the Head of SAI position on the support that it plans to offer to the SAI. This was one of those occasions where the SAI's request for support in developing its strategic plan did not follow the normal blueprints.

Developing a strategic plan requires stability of SAI leadership and its ability to make necessary and relevant strategic decisions that determine the long term future of the SAI and its daily operations. Leadership is crucial to setting the direction of the SAI and the right tone for the new strategic period. Additionally, SAI management and those who will be involved in developing and monitoring the implementation of the SAI's strategic plan through its annual operations should have the confidence and determination to ensure SAI operations are conducted in alignment with its organizational plans.





Given the absence of a Head of SAI in PNG and the volatile environment in which it operates, PASAI's Director of Practice Development, Mrs Palamo-Iosefo, conducted a 2-day scoping visit with SAI PNG to co-create a solution for the SAI's request for Strategy, Performance Measurement and Reporting (SPMR) training. The SAI was presented with an overview of the Strategy, Performance Measurement and Reporting (SPMR) program, an IDI-led program currently implemented in the PASAI region. The presentation covered the various activities and duration of the program, the implementation strategy, SAI commitments needed and benefits to the SAI of the approach to strategic management introduced through this program.

Meetings with the following divisions and their senior staff were then held to gain their insights on the program presented and provide further information on their role in its implementation.

1. National Government Division
2. Provincial and Local Government Division
3. Statutory Bodies Division
4. Performance Audit Division
5. Corporate Services Division (including Technical Services, Chief Financial Officer and IT Manager)
6. Human Resources Unit (one of the Units under Corporate Services Division)
7. Forensic Audit Unit (reports directly to the Auditor General)
8. Projects (reports directly to the Auditor General)
9. SAI PMF assessment team
10. Executive Officer and Technical Advisor

Afterwards, a wrap-up meeting was held with the Acting Auditor General to provide him with his staff's feedback on the SPMR program and also to obtain his thoughts on the program and the impact the uncertain circumstances the SAI is currently in may have on the SAI's participation in the program.





SPMR workshop in
April 2018

Given the meetings held with various divisions, management and the Acting Auditor General, there was a general appreciation by all divisions of the proposed training which would give them a structured and systematic process to guide the development of an effective strategic plan, while ensuring that the divisional plans and other key organizational plans are in alignment with the SAI's strategic plan. There was strong support for the SAI to participate in the SPMR program and adopt the SPMR approach to revise its current Corporate Plan and obtain a final Corporate/Strategic Plan. Furthermore, there was general agreement that, despite the uncertainties regarding the Head of SAI's position, the SAI's participation in the SPMR program would not be adversely affected.

This short but critical visit provided the Secretariat with important insights into how the SAI operates and some pertinent and intangible challenges affecting the SAI's capability and capacity. Coupled with available resources and knowledge of relevant programs implemented in PASAI, these insights assisted us in determining the most effective and economical manner in which we can support SAI PNG and respond to its development needs.

Consequently, SAI PNG will join the other 11 SAIs currently participating in the SPMR program in the second workshop in Cook Islands in November 2018. Additional sessions will be conducted for SAI PNG strategic planning team prior to the main workshop to cover areas that, due to unforeseen circumstances surrounding the Head of SAI and other management staff, they missed out on in the first event in April 2018. With IDI's active support and the enthusiastic response and commitment of the SAI staff, PASAI has been able to adapt its usual approach to fit around some unusual circumstances. We look forward to welcoming SAI PNG into PASAI's SPMR family later in the year.

Internal Audit in the Pacific

In the INTOSAI Global Survey 2017, statistics showed that 29% of member SAIs have an internal audit function. PASAI keeps in touch with Sue Morrison, a former PASAI Consultant engaged in 2016, to update our members and the Pacific Region of the work of the important Internal Audit network. Sue reports:

At the recent Tonga PFM Symposium, a representative from Tongan Internal Audit gave a presentation to the attendees about her work promoting sound public Financial Management. At this Symposium, PASAI connected Internal Audit Tonga with me as a Technical Advisor in the Pacific Region, and I'm glad to share these regional insights on Internal Audit.

The Heads of Internal Audit of the respective Ministries of Finance and Economics from Papua New Guinea, Solomon Islands, Vanuatu, Tuvalu, Fiji Samoa and now Tonga, are in regular contact to promote their countries' PFM roadmap and support each other as they undertake their roles. Although there are many thousands of kilometres of ocean between them, the network across the Pacific is building in strength and capability.



First Audit Committee Meeting for Tuvalu Feb 2018

Tuvalu has recently had technical assistance funded by GIZ and DFAT to establish and support the Head of Internal Audit in conducting audits and investigations, fulfilling the legislated mandate and providing a key role in improving public financial management. A recent audit required the Head of Internal Audit, Mr Manatu Siose, to work closely with the Office of the Auditor General to ensure that the work done harmonised with previous reviews conducted by that office.

It has been my pleasure also to provide assistance to the public sector internal auditors in Fiji and PNG through PFTAC funded projects. In May 2018, I facilitated the networking of Internal Auditors from the Pacific at the annual SOPAC Conference of the Institute of Internal Auditors. I have also been negotiating with the IIA (Australia) and IIA (New Zealand) for professional development opportunities for internal auditors in the Pacific, and will continue to update PASAI members as events arise.



SOPAC Conference Melbourne May 2018

2018 Meetings of the INTOSAI Capacity Building Committee and INTOSAI-Donor Steering Committee, Convention Centre, Regency Hotel, Kuwait, 3-6 September 2018.

Represented by Chief Executive, Tiofilusi Tiueti, PASAI attended 2018 Meetings of the INTOSAI Capacity Building Committee and INTOSAI-Donor Steering Committee held in Kuwait from 3 to 6 September 2018, as a member of both committees. SAI Fiji also attended the INTOSAI Capacity Building Committee (CBC) meeting and was represented by Ms. Finau Nagera, Director of Audit. These meetings provided the opportunity for PASAI to strengthen its global network and enhancing its relation with various INTOSAI bodies.



A. INTOSAI Capacity Building Committee (CBC) meeting (3 – 5 September 2018)

The CBC Annual Meeting continued to emphasise its overall theme ‘Widening the Circle’. It highlighted the importance of ‘inspiring and encouraging one another’ to: pursue the long term goal of INTOSAI; support ‘Agenda 2030’, in particular SDGs 16 and 17; overcome challenges highlighted by Global SAI Stocktaking Report; build on strengths of SAI’s performance; and further enhance collaboration with key partners and stakeholders.

Jens Wandel, Special Adviser to the UN Secretary-General on Reforms, and guest speaker to the meeting, shared a thought-provoking commentary on ‘Capacity Development: Constraints, Accelerators and Scaling’ - that in order to build capacity, it is not enough to understand the need, it is essential to identify the opportunities.

PASAI was grateful of the opportunity to share its point-of-view and experience and also learned from the findings of other delegates at the meeting. During the Regional Forum for Capacity Development session, PASAI shared its perspective on Quality Control and Quality Assurance systems within the region. Though quite varied among its members, there are priority areas that are included in future PASAI programs to support the relevant SAIs.

After the theme of ‘Putting our people first’, theme 2 of the meeting was ‘Forward together’, in which peer-to-peer cooperation was identified as a key success factor for SAI capacity development. PASAI led one of the five cases for the theme discussion in a café style session which was a synergy session between the CBC and the INTOSAI-Donor Cooperation, sharing the twinning arrangements between SAI New Zealand and SAI Cook Islands, and SAI Samoa. The consolidated notes from the theme discussions on peer-to-peer cooperation can be accessed on this link: <https://www.intosaicbc.org/peer-to-peer-cooperation/>.

More information on the CBC meeting including presentations and can be accessed on this link <https://www.intosaicbc.org/post-meeting-documentation/>



Ms Finau Nagera of SAI Fiji, Guest Speaker Jens Wandel, and PASAI's Chief Executive Tiofilusi Tiueti

B. 11th INTOSAI-Donor Steering Committee meeting (6 September 2018)

PASAI also participated at the 11th INTOSAI-Donor Steering Committee meeting held on 6 September 2018. The progress of the Global Call for Proposals (GCP) was presented by the INTOSAI-Donor Secretariat highlighting, among other things, the improvements in the submission numbers for GCP Tier 1 and Tier 2.

GCP Tier 1 and Tier 2 remains the top priority of the IDS strategy in the year ahead, and PASAI continued to express interests in responding to the GCP both from the region and from member SAIs. IDS highlighted an area it is considering for the future, in providing assistance to guide the preparation of concept notes for the region and SAIs.

The meeting also discussed other strategic matters and operational activities that had been actioned during the period. These include, among other matters, the review of the Cooperation and discussion on partnership, and the way forward especially on the proposed changes to the delivery mechanisms and governance of the Cooperation. The meeting also agreed to integrate the functions of the Secretariat fully into IDI and appreciated the importance of the communication strategy in spreading the IDC principles as well as raising awareness around key IDC Initiatives.

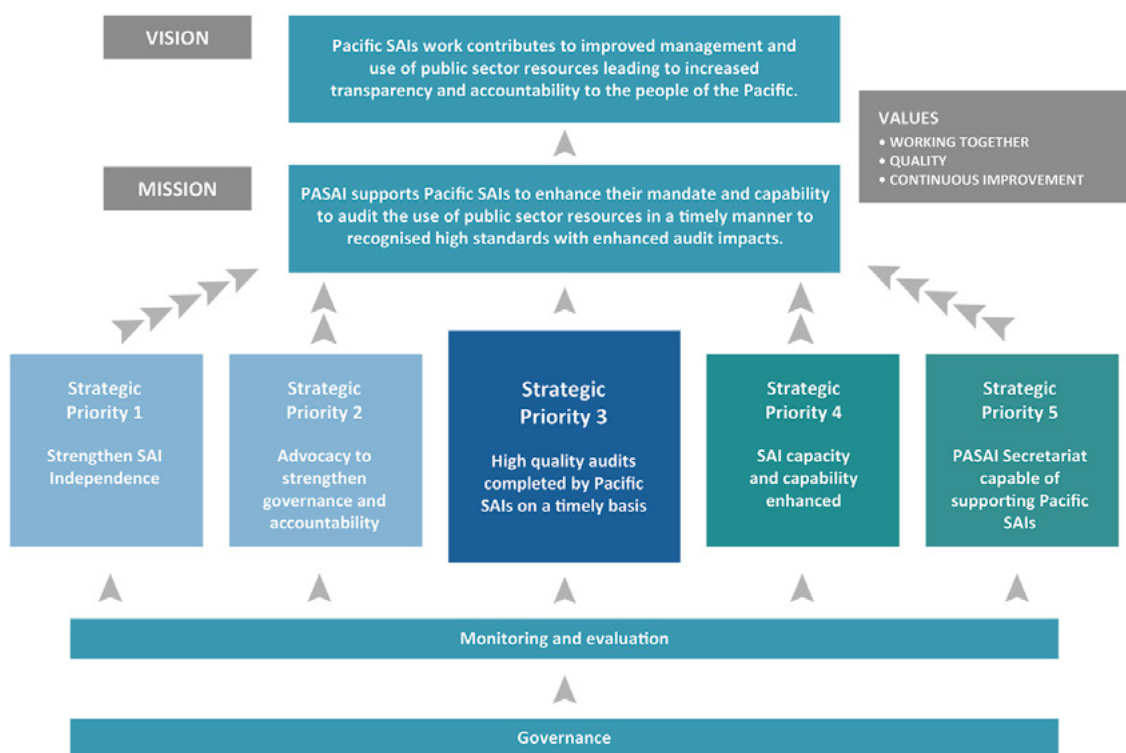
A summary of the meeting can be accessed in this link <https://intosaidonor.org/news/summary-of-the-11th-intosai-donor-cooperation-steering-committee-meeting/>





Secretariat Team Meeting

The second week in September saw PASAI's Secretariat gathering in the Auckland office to plan the second half of PASAI's Strategic Plan for 2014 – 2024.



The Auckland-based team members of Chief Executive Tiofilusi Tiueti, Director Program Development, Sina Palamo-Iosefo, Office Coordinator, Natalie Price and Communications Advisor, Jill Marshall were joined by Director of Technical Support, Agnes Tuiai-Aruwafu and consultant Eroni Vatuloka for four days' exploration of the five strategic priorities, especially the support to be delivered to the SAIs to assist them in each of these areas and channels to keep stakeholders involved and informed.

Following hot on the heels of August's Congress meeting in Australia, the Secretariat team focussed on ways to 'embrace the digital future' and using innovative methods and projects to provide bespoke and pertinent training and technical support (for instance, as in Sina Palamo-Iosefo's article about her PNG scoping visit), alongside the programs to be co-delivered with IDI and other development partners.

Noteable successes from the first half of the strategic plan were discussed with a view to expanding on these into the future. These included the ACAG twinning arrangements, the PMF Symposium in Tonga that topped off a program carried out over several years with a broad audience of stakeholders, the training in the cooperative performance audit in preparedness for implementation of SDGs, and the peer-to-peer support project known as 'FASTS' designed to aide SAI Nauru to clear backlogs and complete their Financial Statements of Government.

The team were joined by Greg Schollum and Sarah Markley of PASAI's Secretary-General's office, for a progress update and to begin the process of building a business case for presentation at the next Governing Board meeting on the location of the PASAI Secretariat, as agreed at the Congress in August 2018. With Greg and Sarah present, it was also an opportunity to note areas that could be finessed, such as ways to provide needs-driven and SAI-specific programs and support rather than broad-brush

regional events, and creating an end-to-end program design process with aligned communications to connect with all relevant parties for maximum impact.

Greg and Sarah were not the only visitors to the meeting. Robert Buchanan, PASAI Secretariat's Legal Consultant, attended during one afternoon to report particularly on independence initiatives around the region and even across regions, including the suggestion to update PASAI's Independence Resource Kit which is used increasingly by SAIs around the globe in their own pathways to SAI independence. This requires legal updates as well as a re-configuring of the Kit on the PASAI website, and will be a work-in-progress as more SAIs travel this route and legislation changes.

Overall it was a busy and highly productive meeting which covered all five Strategic Priorities and various 'cross-cutting' themes which underpin them all, such as communications, strategic direction and people management. There was even some pre-planning for PASAI's 10th anniversary in 2020, and SPASAI's 50th in 2023. Some of the initiatives proposed over the four days moved into action immediately, while others take the long-term view and will be reaping results in the later years of the Strategic Plan.

Says Tiofilusi Tiueti, Chief Executive of PASAI: 'I'm always very impressed by how much people can achieve when they meet with a shared vision in mind, and can contribute openly, fully and across all areas of the organisation. During the four days we learned, planned and organised a great deal, but we also laughed a lot and enjoyed our frank and insightful exchanges, even when it was about what hadn't gone so well. I look forward to seeing the next five years of the Strategic Plan rolling out; I believe PASAI will be well-supported by both the Plan and the Secretariat into the future. Thank you to the whole team for their commitment and contributions.'

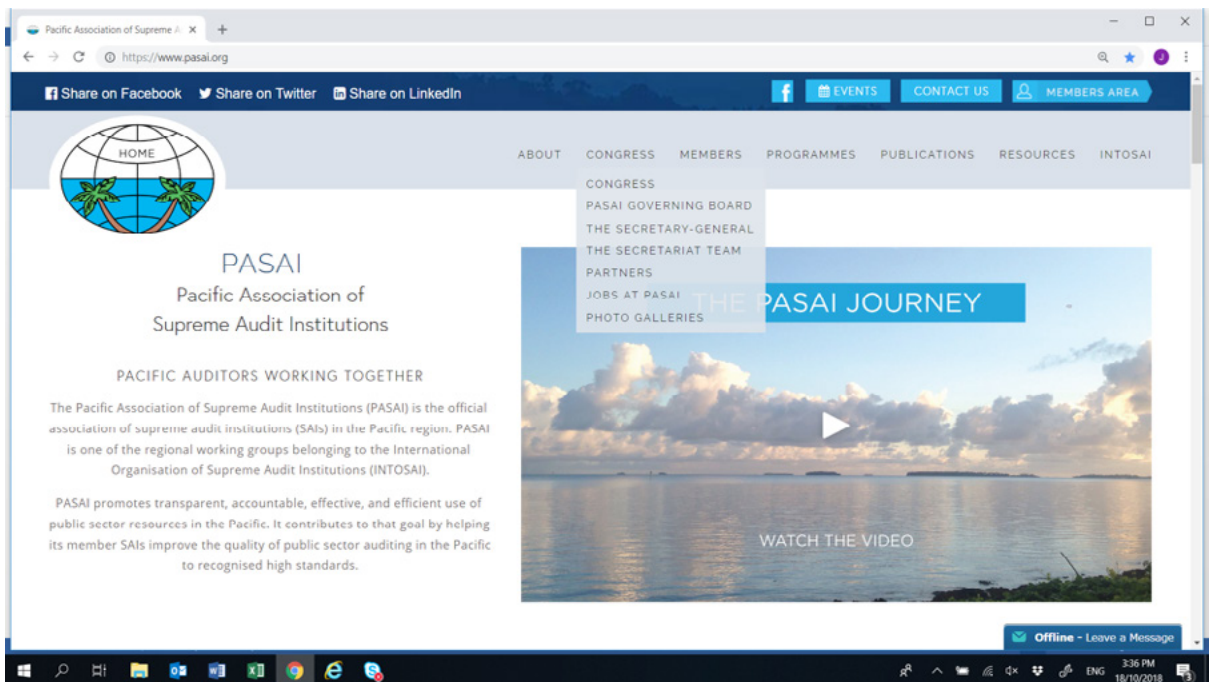


Communications updates - websites

During September there were further changes to the PASAI website, as part of the overall communications strategy of providing clear information readily to an audience that ranges from interested members of the public and staff from our SAIs, to governments, development partners and media outlets.

Home page and navigation

Taking on board the message of PASAI's 21st Congress about enabling people to find, access and drill into information and data as easily as possible, one of the key activities on the website has been to simplify the navigation and consolidate the information contained into audience-focussed funnels. In this way, links take the reader where they need to go, instead of being presented with a large menu from which to select. This continues the process of making the site's homepage more visual, clean and engaging.



Members Site

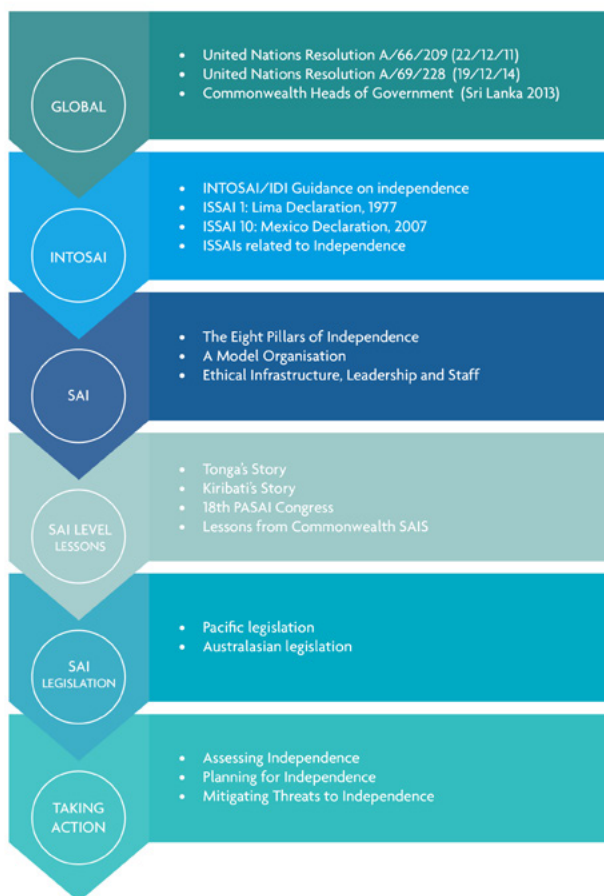
For some time, there has been a mysterious and password-protected tab on the home page entitled 'Members Site', which hasn't contained much information and has not been accessible to members. The Secretariat has been looking at ways to develop this as a service to members while still ensuring that all relevant information remains available to anybody who wishes to access it on the main website, in the interests of transparency and accountability. It is now thought that this 'Members Site' should be the repository of training materials and programs for SAIs, and the fore-runner of the e-learning platform and database that will be rolled out in the near future. Once this is populated soon, SAI Heads will be informed of the password to share as required.



Independence Resource Kit

As mentioned in the article about the Secretariat's team meeting, it was felt that an update to the Independence Resource Kit would be advisable to help the region's SAIs navigate their way through a complex stockpile of information and resources. The website element of this has now been completed, with a streamlined process of accessing the key data and tools, and a more visual presentation to target key areas and inform a broader readership. A project to update the core information will be underway soon, but in the meantime, if anyone has comments or suggestions on the Kit or would like to contribute their own stories of independence, please contact jill.marshall@pasai.org.

Independence Resource Kit



SAI websites

As with the report on Samoa's Capability and Professionalization Programs, which is displayed on both the PASAI and the SAI Samoa website, the Secretariat is very keen to ensure that SAIs have access to information that relates to them and can be used to update their communications, including websites and social media channels.

If you would like any reports, images, newsletters or media releases for your website that have been generated by the Secretariat and pertain to your SAI, please let Jill know at jill.marshall@pasai.org. She can also help with thoughts on your website and information channels, including with the writing and editing of key materials, to help keep your website updated.

If you require more fundamental web design services, the PASAI

site has been developed using the services of Katie Gannon, who can be contacted on info@katiegannon.com if your SAI wishes to work with her directly.

PASAI CALENDAR

- **Oct 29 – 2 Nov** : PASAI M&E, PNG SAI support (ADB Support in accordance with MOA)
- **Nov 8 - 10**: PAC support to review audit reports, Nauru
- **Nov 8 - 10**: IDI/PASAI Resource Team Preparation for Sub-Regional QA Workshop, Vanuatu
- **Nov 12 – 16** : IDI/PASAI Sub-Regional QA Workshop, Vanuatu
- **Nov 15 – 16** : INTOSAI Governing Board meeting, Moscow
- **Nov 19 – 22** : FASTS program M&E II, Nauru SAI support (ADB Support in accordance with MOA)
- **Nov 19 - 23**: Technical support to strengthen independence, PG SAI (ADB/IDI support)
- **Nov 21 - 23** : SPMR Catch-up workshop for PNG, Rarotonga
- **Nov 26 – 30** : SPMR Program II, Operational Planning Workshop, Rarotonga



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(If you no longer wish to receive this newsletter, please email secretariat@pasai.org)

