Towards a Council of Pacific Parliamentary Public Accounts Committees

Report of Stakeholder Meeting in Suva on 18 March 2013

Background

On 18 March 2013 the Centre for Democratic Institutions (CDI) and the World Bank Institute (WBI), with support from the United Nations Development Program Pacific Centre (UNDP), convened a meeting of stakeholders from Pacific parliaments and their development partners to discuss the possible establishment of a self-directed learning network for members and staff of Public Accounts Committees (PACs).

The meeting was conducted at the UNDP Fiji Multi-country office in Suva and was attended by representatives of the following organisations:

- the parliaments (in particular, the PACs) of Tonga, Kiribati and Tuvalu
- the Auditors-General of the Solomon Islands and Vanuatu (who are also secretaries to the PACs in their jurisdictions)
- the Commonwealth Parliamentary Association (CPA)
- the Pacific Parliamentary Partnerships Program, managed by the Australian Commonwealth Parliament
- the Commonwealth Secretariat’s Commonwealth Pacific Governance Facility (CPGF)
- the Pacific Islands Forum Secretariat (PIFS)
- the Pacific Association of Supreme Audit Institutions (PASAI)
- CDI, WBI and UNDP.

A list of meeting participants is at Attachment A.

The meeting was facilitated by Grant Harrison (CDI Deputy Director), Professor Peter Loney (CDI Associate and Convenor of the Legislative Leadership and Governance Group at Alfred Deakin Research Institute) and Mitch O’Brien (WBI Governance Specialist).

Context

Parliaments around the world commonly appoint committees of elected members to help scrutinise the expenditure of public money by governments and their agencies. In parliaments based on Westminster traditions, such committees are typically called public accounts committees. While the duties and scope of such committees can vary, their core responsibilities are to review and report to parliament on the financial accounts of government and its agencies, and to review and report to parliament on reports from Auditors-General. Without such committees, the capacity of parliaments to hold governments to account for their management and performance would be much reduced.

In the Pacific, parliaments have struggled to establish themselves as effective and influential institutions of government: they have not yet fulfilled their potential as legislatures, as overseers of Executive performance or as forums for public representation. While most Pacific parliaments have

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1 A representative from the PNG Parliament’s PAC was also expected to participate but was unable to attend because of unexpected sittings of the PNG Parliament.
2 The CPA was represented at the meeting by an officer from the NZ Parliament.
appointed PACs to help scrutinise Executive governments, few PACs have been able perform this function well or consistently.

Over the last decade a number of development partners (including those listed above) have provided training and advisory support for members and staff of PACs – through a mix of in-country training programs, multi-country residential training programs, study tours and technical assistance. Such support is greatly valued by recipients and the demand for such assistance is likely to continue for some time. However, international experience suggests there is more that can be done to support the emergence of an effective scrutiny capacity in parliaments. In other areas of the world, regional associations of PACs have been established to help PAC members and staff share information and experience. The most successful of these associations have become self-directed communities of practice, providing forums for problem solving and network learning.³

The Australasian Council of Public Accounts Committees has sought to engage with Pacific PACs and, in recent years, has invited some Pacific representatives to participate in its biennial conference (the next being held in Sydney in April 2013). While grateful for the opportunity, a number of participants have reported that such meetings focus on the interests and priorities of PACs in the parliaments of Australia and New Zealand, which are different from the needs and circumstances of Pacific parliaments.⁴

Establishing a network (or association) focussing on the particular needs of Pacific parliaments may help provide a platform for Pacific PACs to share local knowledge and experience; to develop work practices which are adapted to their circumstances; and to determine their own learning priorities.

These issues are explored further in two background papers which were distributed to participants before the meeting: ‘Toward a Council of Pacific Public Accounts Committees’ prepared by Peter Loney for CDI and ‘Discussion Note: The Pacific and PAC Network Learning’ prepared by Mitch O’Brien, Riccardo Pelizzo and Nima Fallah for WBI. Copies of these papers are available from CDI.⁵

**Purpose and Agenda**

The purpose of the meeting was to allow interested parties to:

1. discuss the concept of a Pacific-wide network of PACs; in particular, to consider what such a network could do and what value it could add;
2. consider the contribution that various stakeholders could make to the establishment and operation such a network; and
3. contingent upon endorsement of the concept, map the steps required to set-up such a network.

A copy of the agenda for the meeting is at Attachment B.

A summary of the main observations made by participants during the meeting is at Attachment C.

**Summary of Outcomes**

The outcomes of the meeting were:

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³ Such association exist in Canada, Australia and New Zealand, in four regions of Africa and in Asia.

⁴ One meeting participant (an Auditor-General) remarked that ‘I feel out of place at ACPAC – its agenda does reflect our context’.

⁵ Contact cd@anu.edu.au for copies
**Endorsement of concept**

Participants at the meeting agreed unanimously that the establishment of a Pacific network of PACs would make a valuable contribution to improving the capacity of parliaments to hold governments to account for their use of public money. Such a network would contribute to better public administration and greater public confidence in the institutions of government.

It was felt that the network should work as a community of practice, with a clear focus on knowledge sharing and peer-to-peer learning.

While different views were expressed about network membership, there was consensus around the notion that core membership should comprise the members of parliamentary PACs (or committees with similar responsibilities) and the staff of such committees. It was accepted also that network events should be open to Auditors-General from Pacific countries, and other invited accountability and capacity building partners. ⁶

However, some notes of caution were expressed about the early design and start-up phases, with some participants stressing the importance of:

a) ensuring that a greater number of Pacific PACs than were represented at this meeting are invited to share in the development of the network – to encourage engagement and ownership;

b) recognising the absorptive capacity of key participants (Pacific parliaments, PACs and Auditors-General), all of which are chronically under-resourced;

c) allowing the network to evolve in a progressive way – starting with a limited scope and allowing it to evolve at its own pace, rather than starting with an ambitious scope and complicated structure. It was felt that a measured approach was more likely to be achievable and sustainable.

**Contribution of Stakeholders**

Participants from all of the international and regional organisations represented at the meeting indicated that their organisations were supportive of the concept of a network of Pacific PACs and were likely to be able to provide some form of assistance to the network.

As well as providing immediate assistance to the working group, CDI and WBI indicated that they would be able to provide advisory, training and some financial support for the second planning meeting and, potentially, for future network events and activities.

UNDP indicated that it would be able to provide some financial support to enable participation by representatives from Tuvalu and Kiribati in the second planning meeting and, potentially, in future network events and activities.

The Australian Parliament’s Pacific Parliamentary Partnerships program indicated that it would be able to provide some financial support to enable participation by representatives from some Pacific parliaments in the second planning meeting and, potentially, in future network events and activities.

⁶ See Attachment C, Summary of Discussion for more details on the possible aim, membership and activities of such a network.
The CPGF and PASAI representatives indicated that their organisations may be able to provide technical and training assistance in support of network events but may not be able to provide financial assistance.

Participants representing the NZ Parliament (and through them the CPA) and PIFS were confident that their organisations were supportive of the concept but were not in a position to confirm the type of support that might be provided.

**Next Steps in Implementation**

It was agreed that, while CDI and WBI had taken the initiative to arrange this initial planning meeting, it was important that Pacific PACs themselves should lead the next phase of development. Accordingly, it was resolved that a working group comprising the following participants should be convened to consider next steps in the process:

- Aisake Eke (Chairman of the PAC of Tonga) as chairman of the working group; and
- Tangariki Reete (Chair of the PAC of Kiribati), Lily Favaae (Clerk of the Parliament and Secretary of the PAC of Tuvalu), John Path (Auditor-General and Secretary of the PAC of Vanuatu) and Edward Ronia (Auditor-General and Secretary of the PAC of Solomon Islands) as members of the working group.

It was suggested that, in the coming weeks, the working group should liaise via email to consider further the issues raised at the meeting and arrange a second planning meeting, involving a broader representation from Pacific PACs.

There was discussion about the possibility that this second planning meeting could take place in May 2013 and (in response to an offer from the Speaker of the Vanuatu Parliament, conveyed by Mr Path) be held in Port Vila, Vanuatu.

It was suggested also that the working group should seek writing confirmation from development partners about the nature and extent of the contribution (especially financial contribution) that each partner is prepared to make to the establishment and operation of the Pacific PAC network.

Mr Harrison, Professor Loney and Mr O’Brien offered to provide technical and liaison assistance in support of the working group and the second planning meeting. This could involve helping the working group prepare an agenda and background papers for the meeting.7

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[Report prepared by Grant Harrison, Peter Loney and Mitch O’Brien
25 March 2013]

7 It was suggested that background papers outlining possible options for management structures and secretariat arrangements for the network would be useful.
Meeting Participants

Pacific parliamentary representatives

Hon Aisake Eke, Chair, Finance and Public Accounts Committees, Parliament of Tonga
Hon Tangariki Reete, Chair, Public Accounts Committee, Parliament of Kiribati
Ms Lily Faavae, Clerk, Parliament of Tuvalu
Mr John Path, Auditor General of Vanuatu and Secretary of the Public Accounts Committee of the Vanuatu Parliament
Mr Edward Ronia, Auditor General of Solomon Islands and Secretary of the Public Accounts Committee of the Solomon Islands Parliament

Representatives of international organisations

Mr Eroni Valulaku, Executive Director, Pacific Association of Supreme Audit Institutions (PASAI)
Mr Robert Buchanan, Legal Advisor, PASAI
Mr Andres Lomp, Director International and Community Relations Office, Parliament of Australia
Ms Janice Spalding, Acting Director, Commonwealth Pacific Governance Facility, Commonwealth Secretariat
Mr Brian Lenga, Governance Analyst, UNDP
Mr Tony Prescott, Anti-Corruption Specialist, UNDP
Mr James Picker, Secretary Select Committee on Finance and Expenditure, Parliament of New Zealand (representing the Commonwealth Parliamentary Association)
Ms Linda Kaua, Economic Reform Officer, Pacific Islands Forum Secretariat (representing Mr Raymond Prasad, Economic Adviser, PIFS)

Facilitators

Mr Grant Harrison, Deputy Director, Centre for Democratic Institutions
Professor Peter Loney, CDI Associate and Convenor Legislative Leadership and Governance Group, Alfred Deakin Research Institute
Mr Mitchell O’Brien, Governance Specialist, World Bank Institute
# Meeting Agenda

<table>
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<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>9:00</td>
<td><strong>Welcome by Grant Harrison, Deputy Director, CDI</strong></td>
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<tr>
<td>9:10</td>
<td><strong>Introduction of Participants</strong></td>
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<td>9:30</td>
<td><strong>Why are we here? Grant Harrison CDI</strong></td>
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<tr>
<td>10:00</td>
<td><strong>The importance of PACs to good governance</strong></td>
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<td>10:30</td>
<td><strong>Morning Tea</strong></td>
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<td>11:00</td>
<td><strong>The Pacific Region PACs Current roles and future development – Regional PAC/AG representatives</strong></td>
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<td><strong>PACs and Anti-corruption – Tony Prescott, UNDP</strong></td>
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<td>12:00</td>
<td><strong>Regional associations of PACs – Peter Loney</strong></td>
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<td>12:30</td>
<td><strong>Lunch</strong></td>
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<td>13:30</td>
<td><strong>ARAPAC a regional association case study – Mitch O’Brien</strong></td>
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<td><strong>PASAI and Pacific Cooperation – Eroni Valulaku</strong></td>
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<td>14:00</td>
<td><strong>Stakeholder discussion on CoPPAC – the way forward</strong></td>
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<td>15:00</td>
<td><strong>Afternoon Tea</strong></td>
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<td>15:30</td>
<td><strong>Adoption of Stakeholder Plan</strong></td>
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<td>16:30</td>
<td><strong>Close</strong></td>
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Summary of Discussions

Importance of PACs to Good Government

This introductory session tested whether PACs were worth the investment by asking participants ‘why is it important to have effective PACs?’ The responses from participants included:

PAC’s contribute to public accountability
- by demanding that agencies explain the way in which public money is spent
- by demanding that agencies be accountable for results
- by deterring mal-administration and misuse of authority, thereby reducing corruption risk
- by offering parliamentary support to the work of Auditors-General

PAC’s increase public confidence in the integrity of public administration
- by encouraging transparency
- by driving greater efficiency and effectiveness

PAC’s promote good public sector practice
- by ‘spotlighting’ good practice and encouraging all agencies to reach these benchmarks (which, in turn, encourages agencies to welcome PAC scrutiny)
- national level PACs can model good accountability practice for sub-national level PACs

PACs are a key link in the accountability chain and promote good governance

Challenges facing Pacific PACs

Each Pacific participant was invited to outline the major challenges facing PACs in their jurisdiction.

The comments included:

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<tr>
<th>Country</th>
<th>Challenges/Sub-Points</th>
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<tr>
<td>Tuvalu</td>
<td>Speaker has considerable control over PAC agenda. Chair has to seek Speaker’s approval to meet</td>
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<td>Changes to PAC duties and powers have been prepared but not yet agreed by Parliament</td>
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<td>It is very costly for MPs to travel to Funafuti for PAC meetings</td>
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<td>Kiribati</td>
<td>Appointments to PAC are used as political rewards, which can limit the scrutiny impact of the PAC</td>
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<td>Lengthy delays in reviewing reports from the Auditor-General has created a backlog in PAC work</td>
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<td>It is very costly for MPs to travel to Tarawa for PAC meetings</td>
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<td>MPs are not confident in their roles</td>
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<td>Solomon Islands</td>
<td>MPs are interested in considering estimates but less aware of the importance of reviewing audit reports</td>
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<td>MPs are reluctant to review audit reports on National Development Fund (a pool of discretionary funding managed by MPs)</td>
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<td>Tonga</td>
<td>Minimal understanding among MPs (and government agencies) about Executive accountability to Parliament</td>
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<td>Need to encourage a ‘paradigm shift’ in thinking about good governance and accountability</td>
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Experience of Other PAC Networks

Peter Loney summarised the international experience of regional associations of PACs as follows:

"The Canadian Council of Public Accounts Committees (CCPAC) [which was established in 1979] was the first regional association of PACs. It brings together the National Public Accounts Committee of Canada, the Canadian provincial Public Accounts Committees, and the Public Accounts Committee of the Bahamas. It was established to:

(a) facilitate the exchange of information, opinion and experience relating to Public Accounts Committees and to discuss matters of mutual interest to the membership.

(b) improve the quality and performance of Public Accounts Committees in Canada to ensure that taxpayers are getting value for money.

(c) work with Auditors General so as to improve the effectiveness of both the Auditors and the Public Accounts Committees.

(d) work with individuals and organizations knowledgeable about matters of concern to Public Accounts Committees.

(e) educate the elected Members, the media and the general public as to the purposes and activities of Public Accounts Committees.

CCPAC’s membership is open to legislators who are members of all Canadian Public Accounts Committees or of similar legislative committees scrutinizing public spending and post expenditure accounts committees. Reflecting the close relationship of PACs with Audit Offices, CCPAC’s annual conferences are also open to Auditors General from member jurisdictions. One of the features of CCPAC is its commitment to publications on issues of importance, and useful information for PAC members and staffs. Included among CCPAC’s publications is the PAC Handbook which “contains lists of members and staff of Canadian public accounts committees, Auditors General, Comptrollers General and their counterparts in the United Kingdom and Australia. The handbook also lists the standing orders pertaining to each public accounts committee, CCPAC conference dates and locations, CCPAC Constitution, and summaries of conference proceedings”. Other publications have included Guidelines for Public Accounts Committees in Canada (1989); Comparative Jurisdictional Implementation Survey (1991); and Attributes of Effectiveness (2010)."
Since CCPAC established, a number of other regional associations, broadly modeled on it, have followed. The Australasian Council of Public Accounts Committees (ACPAC) was established in the early 1990’s. For purposes of membership, ACPAC defines ‘Australasia’ as Australia (including the Federal, States and Territories), New Zealand, Papua New Guinea, and Fiji. ACPAC also provides for Associate Membership for countries outside the Australasian region who are invited to ACPAC conferences, and a number of jurisdictions attend regularly as participating observers. In common with its Canadian fore-runner, ACPAC includes as participants in its conferences the Auditors General of all member Parliaments, thus again emphasising the intrinsic relationship between PACs and Auditors. ACPAC’s focus has been on conferences rather than publication, with its biennial plenary conference providing a forum for the presentation of papers about issues affecting accountability and, in particular, the work of PACs. ACPAC’S Biennial Conferences have attempted to look forward at the issues that PACs may have to deal with, and in recent years conference themes have included Commercial Confidentiality – Striking the Right Balance; Current Challenges Facing Public Accounts Committees; and Emerging Issues For Public Accounts and Like Committees. ACPAC has not confined conference participation to members, and representatives of the professions, academics and organisations such as CDI, WBI and CPA have provided presentations to the Conferences.

The need for PACs in emerging democracies and developing nations to be able to focus on the particular issues and challenges confronting them has given rise to a move to establish associations of PACs in that are regionally relevant to them. In the last 10 years, in particular, PACs in discrete regions have been encouraged, and supported by World Bank Institute and Commonwealth Parliamentary Association to create new associations. This has resulted in the emergence of

- Association of Public Accounts Committees (South Africa)
- Southern Africa Development Community Organisation of Public Accounts Committees (SADCPAC)
- East Africa Association of Public Accounts Committees (EAAPAC)
- West Africa Association of Public Accounts Committees (WAAPAC)
- Asian Region Association of Public Accounts Committees (ARAPAC)

Each of these associations has adopted constitutions, the aims of which in many ways mirror those of the Canadian association – information sharing; improving performance; working with the Auditor General; addressing common issues and educating members and the public about the work of public accounts committees.‘

(extract from ‘Toward a CoPPAC: Stakeholders’ Briefing Note’)

Mitch O’Brien expanded on this presentation by noting recent steps towards the formation of a Caribbean network of PACs and a Pan-African association, which will draw together the separate African associations noted above. Mr O’Brien also emphasised that the optimal value of such associations is achieved when they go beyond being a mechanism for annual or biennial conferences and become communities of professional practice with a specific focus on network learning and knowledge transfer.
‘[while different associations have different approaches, some of the common] techniques for strengthening learning networks and the capacity of the members of the networks include:

- Institutional and organizational support to network secretariats to assist them in stewarding learning networks and communities
  - for instance: network working groups focused on specific topics, or network organizational issues such as communication strategies.
- Facilitating learning between networks
- Knowledge exchange activities within the network
- Peer exchange/assist
- Structured learning
- Integrating networking and community strengthening elements as part of traditional knowledge exchange and structured learning activities
  - for instance: surfacing common topics of interest/concern during knowledge exchange activities; and helping to design community learning responses to build and share experience on the topic through the network, and independent of formal training events.
- Action-orientated planning
  - for instance: convening PAC Members, Committee Clerks and other parliamentary institutions, to collaboratively develop approaches to performance challenges
- Participatory knowledge capture techniques
  - for instance: using Wikispaces during knowledge exchange and structured training activities, to create a shared memory and understanding as to technical content and experience shared.’

‘[International experience indicates that success and sustainability of the network is influenced by such factors as:]

- size (number, knowledge, skill and commitment of members)
- purpose or objective (clarity of focus on achievement of a mutual goal)
- degree of formality (informal ↔ formal) in organisational structure and learning opportunities
- leadership (the degree of sustained leadership by members, for instance if the CoP is based on distributed leadership in which multiple core members serve as leaders)
- self-organizing vs. sponsored

Considering these factors can help founding members develop a clear vision as to what kind of learning network should be shaped.’

(extracts from ‘Discussion Note: the Pacific & PAC Network Learning’)

**What Value Could a Network Add?**

Participants were encouraged to consider what value a network of Pacific PACs could offer – these are some of the responses:

Provide information and knowledge to MPs and staff
- on roles and responsibilities of PACs
- on interpreting financial data and analysing public sector performance

Be a focal point for capacity building initiatives
- increase the intensity of Pacific-focussed capacity building engagement
- increase the opportunities for peer-to-peer knowledge sharing (practitioner exchange and support)
- foster the emergence of regional expertise

Set standards and benchmarks
- for PAC work practices (helping document and promote handbooks, templates and strategies for overcoming common problems)
- for agency involvement in (responsiveness to) to the work of PACs

Be an advocacy platform
- promoting accountability and anti-corruption
- correcting the misconception that PACs are anti-government (to promote constructive engagement between parliament and executive)
- encouraging not only government agency compliance but a focus on performance and results
- drive PAC and parliamentary reform (convince Speaker and others that PAC reform is desirable)
- promote accountability role of sub-national legislatures (where they exist)

Consolidate working relationship between Auditors-General and PACs (fostering a productive and ‘inter-dependent’ relationship)

Mapping the Aim, Scope & Activities of a Network

Participants described the possible aim, membership and activities of a network in the following way:

| Network Aim (what change will the network produce) | The aim of the network is to improve the capacity of parliaments in the Pacific to hold governments to account for their use of public money. In doing so the network will contribute to better public administration and greater public confidence in the institutions of government. |
| Network Membership (who will be part of the network) | The network will be a community of practice comprising members of parliamentary PACs (or committees with similar responsibilities) and the staff of such committees. Network events will be open to Auditors-General from Pacific countries, and other invited accountability and capacity building partners. |
| Network Activities | The network will provide information and knowledge sharing opportunities, including at regular meetings or conferences, with a focus on:  
  - peer-to-peer knowledge transfer and skills development (potentially evolving to peer-exchange and peer-assist support) |
- discussion of common challenges
- development of work practices, including publication of templates for review and reporting
- practical research on PAC mandate, powers and membership, with a view to setting Pacific benchmarks
- advocacy for accountability, transparency and anti-corruption issues.

These activities will be directed at:
- strengthening the understanding and capacity of PAC members and staff
- strengthening connections between PACs and Auditors-General
- strengthening the accountability performance of parliaments