Toward A CoPPAC

Stakeholders’ Briefing Note

Objective
To support the emergence of a professional organization of Members and staff of Public Accounts Committees and Legislative Auditors in the Pacific Region to discuss matters of mutual interest relating to financial accountability and to promote relevant activities including a self-directed learning network for members and staff. For purposes of this document, this organization has been tentatively titled Council of Pacific Public Accounts Committees (CoPPAC) and will be referred to by this acronym throughout.

Background
A 2003 report by the World Bank Institute and Commonwealth Parliamentary Association on PACs internationally identified capacity building and information exchange as main priorities for action. The report was workshoped by a Study Group convened by the CPA which included among its recommendations that

- Parliaments should regard the PAC as their pre-eminent committee.
- Specially structured training should be provided to PAC members.
- PACs in smaller and developing Parliaments needed improved access to information technology, and
- Research should be undertaken into establishing a basis for making international comparisons of PAC performance.

This high level statement of the importance of PACs coupled with the understanding that, if effective, they can play a significant role in ensuring the delivery of services to the community, has led in turn to a growing recognition that PAC members should be assisted to develop the capacities that they require.

Throughout the Pacific there are a number of legislatures that feature Public Accounts Committees (PAC) as a part of their financial scrutiny mechanisms in holding Executive government to account. In recent years there has been a strong effort by a number of organisations to improve the functioning of these committees. Centre for Democratic Institutions, Commonwealth Parliamentary Association, United Nations Development Project (Pacific Multi Country Office) and Legislative Leadership and Governance Group are among those organisations that have actively supported capacity building opportunities for Public Accounts Committees in the Pacific region. Support for building these committees has included in-country training, seminars and workshops; participation in programs such as the Summer Residency Program for Public Accounts Committees held in Australia annually and study missions to other Parliaments. This support for PACs has come from an increased recognition over the last decade that they can play a central role in promoting
good governance, improving financial management practices and curbing of corruption in developing countries. Among the Pacific region PACs that have been assisted in recent years are;

- Kiribati
- Nauru
- Papua New Guinea including the Autonomous Region of Bougainville
- Samoa
- Solomon Islands
- Tonga
- Tuvalu
- Vanuatu

A number of encouraging outcomes have resulted from this assistance, with examples of progress including

1. Tongan PAC

Following their first attendance at the Summer Residency Program, the Tongan Parliament for the first time constituted a Public Accounts Committee called the Standing Committee on Finance and Public Accounts. It was given responsibility to oversight all matters pertaining to the:

- Collection of all public income;
- Proper expending of all public monies;
- Annual Estimates
- Accounts of the receipts and expenditure of all Government ministries or bodies including the financial accounts;
- All reports of the Auditor General (including reports of the result of efficiency or management audits);
- All accounts and expenditure of the Legislative Assembly (including how village grants and constituency allowances are expended and accounted for); and
- Any other matter in connection with annual estimates and public accounts.

There were 11 members of this Committee including the Auditor General who does not have any voting rights. Following the Tongan reform process the requirement for a Public Accounts Committee was included in the Constitution. It has now become an active committee that has also been given an Estimates function. In recent months the Tongan Parliament introduced a new Public accounts Committee Bill which will formalize the functions and powers of the Committee.

2. Tuvalu PAC

- Is moving to have established specific legislation covering the role, powers and functions of the PAC
- Is seeking the support of the Parliament for an appropriately resourced
secretariat specific to the PAC

3. Kiribati PAC
   - Introduced a system of scheduling of PAC reports to the Parliament;
   - Changed the rules of Procedure to provide for Government response to PAC reports
   - Formed a Committee to review the progress of SOEs accounts submitted to the Auditor General in order to reduce the backlog with a resultant dramatic improvement.

The emphasis on training for PACs has been growing. In the Pacific Region CDI, CPA, UNDP, LLGG, and others, have been providing training support for PACs. Internationally, WBI and CPA regularly provide seminars on the work of PACs, often collaboratively. The Canadian Parliamentary Centre is also involved in training, particularly in Africa and, in South Africa, the Association of Public accounts Committees (APAC) has made a major focus of its activities the development of training opportunities that will improve the effectiveness of the national, provincial and municipal PACs.

Until relatively recently it was unusual for PACs to seek to understand how like committees in other jurisdictions carried out their role. Little information about PACs was gathered and shared and there was no attempt to establish good practice benchmarks that would be useful for PACs regardless of their jurisdiction. In the last thirty years, however, there has been an emerging, trend toward improving information through sharing information and raising the performance of PACs. Since the advent of the Canadian Council of Public Accounts Committees in 1979, regional associations have grown. Australasia was first to follow with ACPAC, and there are now associations in Southern and East Africa, and most recently in Asia with the formation of ARAPAC. Through such regional associations emerging democracies can be involved in programs which look at the latest trends, discuss their problems and challenges and contribute to the growing body of knowledge about PACs.

**Associations of Public Accounts Committees**

While PACs come in all shapes and sizes ranging from the Tuvalu PAC which has only three members to the PAC of the National Assembly of Nigeria which can have up to forty members, and can differ in their powers, functions and procedures, their focus is common. In spite of this, it has not been usual for PACs in one jurisdiction to seek to understand how like committees in other places carried out their role. Little information was gathered and shared about PACs and until very recent years there was no attempt to establish good practice benchmarks that may be useful for PACs regardless of the jurisdiction in which they were working. Over the last thirty years, however, there has been an emerging, trend toward improving information through sharing information and raising the performance of PACs.
In 1979 The Canadian Council of Public Accounts Committees (CCPAC) was established as the first regional association of Public accounts Committees globally. CCPAC 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 with the aims of:

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

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

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

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

(e) To 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”. This is regularly updated. 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 the World Bank and Commonwealth Parliamentary Association have provided presentations to the Conferences.

This 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 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 (SADCOCPAC)
- 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.

Most of the Pacific jurisdictions mentioned above are now attending the biennial conference of the Australasian council of Public Accounts Committees (ACPAC) as observer jurisdictions. This is giving them the opportunity to develop further by participating in presentations and discussions relevant to PAC work, and through on-going interaction with other PACs. However, the agenda of ACPAC reflects the interests, objectives and challenges that are most relevant to the longer standing, more developed PACs in Australia and New Zealand, and while these issues may also face the Pacific PACs their more early stage of development gives them a different perspective. This is not generally provided for in ACPAC conferences.

**A Pacific Region Association of Public Accounts Committees**

Given the renewed focus on Public Accounts Committees as a major financial scrutiny mechanism, the support provided to the Pacific region PACs in recent years, their attendance at ACPAC and the need to be able to discuss issues of mutual relevance with
one another in a forum not dominated by larger, more developed jurisdictions, the time seems to be right to move toward the formation of a Pacific region association of PACs.

It is recommended that such an association should be open to all member nations of the Pacific Islands Forum - Cook Islands, Federated States of Micronesia, (Fiji), Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. While not all of these jurisdiction are Westminster model, or Commonwealth member jurisdictions, should not preclude their involvement as they all have common development issues. The recently formed ARAPAC provides a model here. It is the first of the PAC associations to be formed that has a non-Commonwealth majority in its member countries, and includes non-Westminster model legislatures including Indonesia and Vietnam. It is finding common ground in its meetings and training activities and is spreading the good governance agenda across its members.

**Why Have A CoPPAC?**

- The opportunity for pacific region PACs to meet and discuss common issues specific to them.
- Networking with fellow PAC members, Auditors-General, and others with a mutual interest in public accountability
- Exposure to new and different ideas and practices
- A support mechanism for member jurisdictions
- A driver for better practice

**What is needed to form a viable CoPPAC?**

- A Host country to provide logistical (and financial) support. This could be rotated through member jurisdictions.
- A secretariat to co-ordinate the content of the Conference, call for papers, expert presenters etc – not necessarily a standing structure. Could be rotated or “outsourced” – in South Africa, for example, the APAC secretariat is housed in, and resourced by the AG’s office.
- An organising committee (much could be done by electronic means, email, video conferencing.) This committee would have responsibility for initial draft constitution.
- Initial and on-going support of interested stakeholder orgs – WBI, CPA, UNDP, PASAI, etc. Not just in words, but active support for both infrastructure and activities.
- Belief and commitment.
The Path Forward

1. Potential CoPPAC Members Planning Meeting
Following this stakeholders/donors meeting, CDI, on behalf of participating stakeholders, is prepared to convene a meeting of potential members of CoPPAC (ie: member jurisdictions of the Pacific Islands Forum). It would be expected that two representatives from each PAC (including the Chair) should be invited to take part. This meeting should also include Pacific Island Auditors-General. As has been the case with the setting up of the more recent associations – ARAPAC, EAAPAC etc, this could be done in conjunction with a PAC training workshop to add value to the meeting. This would then be a three day meeting with two days of training activity and one day devoted to discussions on establishing CoPPAC including addressing key questions and identifying issues related to the aims and structure (membership, voting, functions, secretariat, fees etc.) of CoPPAC and the creation of a small Constitutional working group to put together a draft Constitution. It is anticipated that most of the work of this group will be able to be done electronically and by telephone or video conferencing, reducing to a minimum the need for it to hold physical meetings.

It is expected that participating jurisdictions will have discussed the concept of a CoPPAC with their Parliaments and have received their support to attend the meeting and be involved in the formation discussions. This is key to the future success of CoPPAC, as this meeting must ensure that the potential members are fully committed to a regional association, and have a clear understanding of the type of network that would best suit their needs.

In order to progress this meeting, a number of things are required

- A host jurisdiction to provide the venue for the meeting.
- An interim “secretariat” for administration and co-ordination. CDI is prepared to carry out this role.
- Stakeholder support to provide fares, accommodation and meals for participants..
- Stakeholder support, particularly to design and deliver the concurrent training activity.
- Invitations to all potential member PACs and Legislatures including a briefing paper on the concept and need for A CoPPAC that can be used to ensure local discussion prior to the meeting allowing participants to attend with the full support of their legislature.
- It is recommended that this meeting take place as soon as practicable after the Stakeholders meeting. This would provide the Constitutional working group with sufficient time to prepare a draft Constitution prior to an inaugural CoPPAC meeting.
2. **CoPPAC Inaugural Meeting**

At this meeting the draft constitution recommended by the working group will be presented to the attending jurisdictions for ratification as the founding constitution of the new association. Auditors General should be included as a part of the participating jurisdiction delegations. Following adoption of the constitution the first executive would be elected and the location of the secretariat and first meeting determined. As with the Planning Meeting, it would add value to this meeting to back it on to some form of PAC training activity that could be sponsored by one, or a combination, of the participating stakeholders. Again, CDI is prepared to carry out the administration and co-ordination of this meeting on behalf of participating stakeholders.

In order to progress this meeting, a number of things are required:

- A host jurisdiction to provide the venue for the meeting – possibly Solomon Islands, Tonga or Vanuatu. Not necessarily same venue as Planning Meeting.
- Stakeholder support to provide fares, accommodation and meals for participants.
- Stakeholder support to design and deliver the concurrent training activity.
- Invitations to all potential member PACs and Legislatures including the draft Constitution to ensure local discussion prior to the meeting allowing participating jurisdictions to vote on ratification with the full support of their legislature. The material sent should also include a form for seeking amendment to the draft Constitution so that these can be circulated prior to the meeting, nomination for office forms and a form indicating the support of their legislature to host the first Conference meeting of CoPPAC.

It is important to the creation of this association that potential members have had discussions with their legislature to ensure support, prior to attending this meeting so that they can vote on ratification, office bearers and other proposals at the meeting.

**What Should You Bring To The Meeting?**

The Stakeholders’ Meeting is being convened on the basis that strengthened PACs will add to good governance in the Pacific and to ascertain the level of stakeholder interest in the formation of a pacific region association of Public Accounts Committees. It will also seek to determine what commitment each interested stakeholder is prepared to make to realising this. The intended outcome of the meeting is the production of an agreed plan to form a CoPPAC. It is therefore desirable that participating Stakeholders are able to enter the discussions on this plan with a specific indication of how they could contribute to the establishment and on-going support of the organisation.

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