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PRESS STATEMENT FOR IMMEDIATE RELEASE

TIPNG SCORECARD SHOWS AUDIT REPORTS MISSING

Friday 6 August 2021 Port Moresby - With the National Parliament reconvening on Tuesday 10th August following a 6-month suspension, Transparency International PNG (TIPNG) has taken the opportunity to highlight that the majority of public bodies have failed to submit annual financial statements, as required under the Public Finance (Management) (Amendment) Act (PFMAA) 2016. Many have failed to provide reports for multiple years. As the end of the term of the 10th Parliament approaches, TIPNG is calling on the Members of Parliament and the Department of Finance to support the Auditor General's Office (AGO) in making a commitment to ensuring public audit reports are submitted and tabled in Parliament, as a measure to improve the accountability of these entities in spending public funds.

TIPNG's "**ACCOUNTABILITY SCORECARD**" uses the last available report from the AGO to show which public bodies and statutory authorities have been accountable. Shockingly, only seven of these agencies have demonstrated some level of accountability since 2016, the rest of the 65 agencies have failed to report how they have spent billions of public funds provided to them via the budgetary process. This trend reflects a serious breakdown in financial management and represents a direct violation of the PFMAA 2016, Section 63 provision on Reports and Financial Statements.

"The Minister of Finance and the Auditor General's Office through recent announcements on the APEC Audit Report and the COVID-19 Audit Report, have articulated a greater appetite for more accountability in the use of public funds. While such efforts should be commended, the people of Papua New Guinea expect more from our government and Parliament in particular, as the ultimate mechanism responsible for oversight of how public funds are spent," said TIPNG Chair, Peter Aitsi in a media statement accompanying TIPNG's Accountability Scorecard.

"TIPNG calls on public bodies and statutory authorities to check their score on the Scorecard and work with the Department of Finance and the Auditor General's Office to ensure the provision of timely, accessible, and accurate public audit reports from all State agencies. As Papua New Guinea prepares for the 2022 National Elections, the Government must ensure that our public accounts are in order and made available to the public via department websites. This is critical if we are serious about keeping our officials accountable in their performance and responsibilities." Mr. Aitsi said.

To further ensure accountability in the public sector:

- Members of Parliament must ensure Accountability in the management of public finances through robust parliamentary debate and ensuring the work of committees is effective.
- Parliament must keep a regular meeting calendar for Parliament sessions, to ensure all public finance reports are tabled in a timely manner.
- The Auditor General's office must be provided adequate budgetary support to carry out its constitutional role
- All executives of government departments, agencies, and SOE's must be required to provide timely reports under the PFMAA and tabled in Parliament and mandated to make these reports available online so the information is accessible to the people of PNG.

At the 1st National Integrity Summit in May 2021, TIPNG in a European Union Funded report on PNG's National Integrity System found that there was a significant "integrity gap" between law and practice. In the National Integrity System Assessment Report TIPNG recommended that ensuring accountability through Parliament would help bridge the integrity gap.

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What is TIPNG?

TIPNG is a member of Transparency International a global anti-corruption movement committed to fighting corruption. TIPNG is an independent organization in PNG known as a Chapter of the international movement. The PNG chapter advocates against corruption and promotes transparency, good governance, honesty and accountability both in private and public sector dealings. TIPNG tries to assist strengthen the integrity systems of our country such as the police, the parliament, the public services and the judiciary.