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Mr Gordon Kega - MBA, CPA
Auditor General of Papua New Guinea

The Auditor-General's Office (AGO) continues to strengthen its role in promoting accountability, transparency and sound public financial management across Papua New Guinea through stronger partnerships, stakeholder engagement and independent audit work.

As Auditor-General, I reaffirm the AGO's commitment to working with key stakeholders to strengthen accountability, transparency and responsible management of public resources, while promoting good governance and sound public financial management across Papua New Guinea.

The importance of collaboration and inclusive economic participation was highlighted during the Certified Practising Accountants (CPA) Regional Conference in Mt Hagen, where delegates heard that empowering Micro, Small and Medium Enterprises (MSMEs) and supporting the informal economy are critical to Papua New Guinea's economic growth. Stronger support for small businesses can contribute to poverty reduction, create sustainable employment opportunities and broaden participation in the national economy.

The conference also provided an important platform for discussions on the role of financial management, accountability and professional standards in supporting economic development. For the AGO, such stakeholder engagements provide opportunities to strengthen partnerships and promote greater awareness of the importance of responsible management of public funds.

Meanwhile, the AGO marked an important institutional milestone with the formal presentation of its 2023 Section 19 Report to the Governor-General, Grand Chief Sir Bob Dadae, at the Government House in Konedobu. The presentation highlights the Auditor General's constitutional and legislative responsibilities in reporting on public financial management and the use of public resources.

At the provincial level, the AGO's SIP Audit Division has also completed an audit engagement with the South Bougainville Provincial Government. The engagement examined key areas of public administration and financial management, including the management and accountability of public funds, development projects, procurement processes and government assets.

Together, these developments demonstrate the AGO's continuing efforts to strengthen accountability at both the national and sub-national levels. Through audit, reporting, stakeholder engagement and professional partnerships, the Office continues to support improved governance and responsible stewardship of public resources.

This edition of the AGO News Bulletin highlights these key engagements and milestones, providing an overview of the Office's ongoing work to strengthen public financial management and contribute to greater confidence in the management of public funds across Papua New Guinea.



Auditor-General Strengthens Stakeholder Ties to Improve Public Financial Management



Auditor-General Gordon Kega called for stronger collaboration among government agencies, regulators, professional bodies and the private sector to improve financial governance and ensure responsible management of public funds at a stakeholder engagement in Mt Hagen recently.

Auditor-General Gordon Kega has reaffirmed the Auditor-General's Office's commitment to strengthening partnerships with key stakeholders to enhance accountability, transparency and public financial management across Papua New Guinea.

Speaking at a stakeholder engagement in Mt Hagen recently, Mr Kega told representatives from government agencies, professional accounting bodies, regulatory authorities and the private sector that stronger collaboration was critical to improving financial governance and ensuring public funds were managed responsibly.

"Our collective responsibility is to strengthen accountability systems and build public confidence through sound financial management," Mr Kega said. "By working together, we can improve compliance, promote transparency and ensure public resources deliver meaningful services to our people."

Mr Kega said the Auditor-General's Office could not achieve its constitutional mandate alone and called on finance professionals, auditors, public administrators and oversight institutions to build stronger working relationships. He said greater cooperation would improve financial reporting, strengthen governance systems and encourage greater compliance with public finance laws and regulations.

He also stressed the importance of maintaining high professional and ethical standards across both the public and private sectors, noting that accountability and transparency remain fundamental to effective service delivery and national development.

Participants welcomed the engagement, describing it as an important platform for exchanging ideas, strengthening institutional partnerships and addressing common challenges affecting public financial management.

They pledged their continued support in working alongside the Auditor-General's Office to promote integrity, accountability and good governance throughout Papua New Guinea.

The stakeholder engagement forms part of the Auditor-General's Office's ongoing efforts to foster closer collaboration with key institutions and professional bodies as it works to strengthen public sector accountability and improve financial management practices nationwide.



CPA Conference Highlights MSMEs as Key to PNG's Economic Future



Deputy Auditor-General Thomas Holland called on accountants to uphold accountability, transparency and ethical leadership to strengthen investor confidence and safeguard public resources.

Empowering Micro, Small and Medium Enterprises (MSMEs) and the informal economy is critical to driving Papua New Guinea's economic growth, reducing poverty and creating sustainable employment opportunities, delegates heard during the Certified Practising Accountants (CPA) Regional Conference in Mt. Hagen recently.

Held under the theme "Empowering MSMEs and the Informal Economy," the conference brought together government leaders, accountants, business executives and development partners to explore practical solutions for strengthening the country's largest economic sector. Speakers agreed that while Papua New Guinea is rich in natural resources, long-term economic growth will depend on building resilient local businesses, improving financial management and creating an enabling environment for entrepreneurs. They called for stronger partnerships between government, the private sector and development agencies to reduce barriers facing start-up businesses and improve access to finance, markets and technology.

Digital transformation featured prominently throughout the conference, with industry representatives highlighting how mobile technology, digital payments and improved internet connectivity are opening new opportunities for MSMEs. They said digital platforms allow small businesses to reach wider markets, build financial records and improve their creditworthiness, particularly for rural entrepreneurs who have traditionally been excluded from the formal financial system.

Speaking on behalf of the Auditor-General, Deputy Auditor General Thomas Holland urged accountants to continue promoting accountability, transparency and ethical leadership, stressing that sound financial management is fundamental to building investor confidence and ensuring public resources are used effectively.

He said accountants have a vital role in supporting business growth while strengthening governance across both the public and private sectors.

Government officials also outlined reforms aimed at strengthening local-level governance and improving service delivery through better planning, data management and coordination across all levels of government. They emphasised that empowering communities and supporting grassroots businesses are essential to achieving inclusive economic development.

Conference presenters concluded that unlocking the full potential of MSMEs and the informal economy will require practical policies, responsible leadership and greater investment in technology, financial literacy and business development.

They said empowering local entrepreneurs will not only create jobs but also strengthen communities and contribute to Papua New Guinea's long-term economic prosperity.



Key Milestone Achieved with Presentation of 2023 Section 19 Report



Auditor-General Gordon Kega formally presents the AGO's 2023 Section 19 Report to Governor-General Grand Chief Sir Bob Dadae at the Governor-General's residence in Konedobu recently.

The Auditor-General's Office (AGO) marked a significant milestone recently with the formal presentation of the 2023 Section 19 Report to the Governor-General, Grand Chief Sir Bob Dadae, at the Governor-General's residence in Konedobu.

This event underscores the AGO's ongoing commitment to transparency and accountability, as the report serves as a vital instrument for assessing national progress and pinpointing areas for improvement.

Despite facing considerable challenges from the COVID-19 pandemic and the disruptions caused by the 2022 National General Election, the AGO remained steadfast in its mission to provide independent oversight throughout 2023.

The report highlights the office's resilience and dedication to fostering good governance, which is crucial

for Papua New Guinea's broader efforts toward national recovery.

The AGO reaffirmed its core objectives of promoting transparency, accountability, and sound governance across the country.

Through the continued delivery of independent audits and the publication of key reports like the 2023 Section 19 Report, the office plays a critical role in ensuring government accountability and the responsible management of public resources for the benefit of all citizens.



SIP audit division engages south bougainville provincial government on audit observations



SIP Audit Division and South Bougainville Provincial Government officials during the audit engagement meeting. The meeting provided an opportunity for the audit team to present its observations and for provincial officials to provide responses and supporting information.

The Auditor-General's Office (AGO), through its SIP Audit Division, has completed an audit engagement with the South Bougainville Provincial Government, with discussions focusing on the management and accountability of public funds, development projects, procurement processes and government assets.

The engagement provided an opportunity for the audit team to explain the audit process and present key observations identified during the audit. The team explained that the audit examined financial records, bank accounts, procurement documentation, project records and other supporting evidence to determine whether public resources were properly planned, spent, recorded and accounted for.

A significant part of the discussions focused on development projects and the challenges faced in physically inspecting selected projects. The audit team noted that accessibility and logistical challenges affected some project inspections, while some projects remained incomplete or were still in progress.

The team stressed the importance of maintaining proper project documentation, including project locations, costs, scope of work, photographs and evidence of completion, to support accountability and future verification.

The audit team also highlighted observations relating to financial compliance, procurement and asset management. These included the need for proper procurement records, compliance with financial instructions and thresholds, authorised signatures for payments, project registers and updated asset registers. The team encouraged the provincial administration to maintain complete and reliable records to strengthen financial management and accountability.

The South Bougainville Provincial Government was given the opportunity to respond to the audit observations and provide additional information and supporting documents. The audit team explained that management responses would be reviewed and incorporated, where appropriate, into the final audit report.

The engagement demonstrated the importance of cooperation between auditors and public sector management in addressing identified issues and improving the management of public resources.