

PUBLIC ACCOUNTS COMMITTEE

[Verbatim Report of Meeting]

HELD IN THE

COMMITTEE ROOM (EAST WING)

ON

THURSDAY, 26TH APRIL, 2018

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS HELD AT THE BIG COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON THURSDAY, 26TH APRIL, 2018 AT 9.55 A.M.

Interviewee/Submittee: Ministry of Foreign Affairs.

In Attendance:

- | | | | |
|----|--------------------|---|---|
| 1. | Ms. A. Moceica | - | Deputy Secretary |
| 2. | Mr. J. Tuima | - | Director Finance |
| 3. | Ms. N. Bali | - | Principal Assistant Secretary & Senior Accounts Officer |
| 4. | Ms. A. Moceinakete | - | Senior Accounts Officer |

Ministry of Economy

- | | | | |
|----|------------------|---|----------------------------|
| 1. | Mr. M. Rahat | - | Principal Accounts Officer |
| 2. | Ms. A. Waqanisau | - | Principal Accounts Officer |

Office of the Auditor General

- | | | | |
|----|--------------|---|-------------------|
| 1. | Mr. M. Ali | - | Director of Audit |
| 2. | Mr. N. Kumar | - | Audit Manager |
| 3. | Mr. E. Sami | - | Auditor |

DEPUTY CHAIRPERSON.- Honourable Members, resource personnel from the Ministry of Economy (MOE), the Office of the Auditor-General (OAG) and in particular from the Ministry of Foreign Affairs; I welcome you all to the meeting of the Public Accounts Committee dated 26th April, 2018 and we are here to discuss on the Audit Report of the Ministry of Foreign Affairs. My apologies, I was engaged somewhere that is of importance, so it took a bit of time there as I expected but I would like to apologise, if Members had to wait for a while. I believe they are represented by a team of five resource personnel from the Ministry of Foreign Affairs.

I would like to request the designated speaker who is leading the team to introduce your names and your positions and perhaps, provide us with a brief background of the Ministry. We also note that compared to the previous two years, the audit issues have greatly reduced for the Ministry. On that note, I would like to thank the various initiatives that was taken by the Ministry to reduce the audit issues and perhaps, at the Committee level, we would love to know the attributable reasons that led to the positive changes within the Ministry. Without further ado, I would like to give the opportunity to the Ministry to lead us from here. Thank you.

MS. A. MOCEICA.- Thank you, Deputy Chairperson and Honourable Members of the Committee, a very good morning to you all. Firstly, please allow me to table the apologies of our Permanent Secretary who is currently on duty travel. I will briefly introduce my team members.

(Introduction of Ministry Officials)

Honourable Members, your letter on 9th March, 2018 requested the Ministry to present to you today the evidence that we have undertaken, the actions we promised to take, when we appeared for the 2014 and 2015 Qualified Audit Reports. I thank you, Deputy Chairperson, for recognising our efforts

and again, may I restate to this august Committee that the Ministry's Audit Report for the period in question was an unqualified report.

Honourable Members of the Committee, it has been 20 months, from 31st July, 2017 to 31st March this year. Very briefly, our Foreign Services and Officer Service Regulations is currently under review with the Office of the Solicitor-General and we hope to have that finalised in this fiscal year.

We have also put in place policies and Standard Operating Procedures to address the recurring issues, a few are still work in progress, as the processes are in progress under the direction of the MOE. This will be explained in detail as we address the 10 specific queries that we have been asked to respond to.

Honourable Members of the Committee, your letter on 9th March, 2018 also wants us to be prepared with the gender analysis of our staffing. I wish to just briefly talk about that now, Honourable Members, that out of our staff strength of 133 members here at the Headquarters and in Missions, we have in post 74 here at the Headquarters, four at our Protocol Office in Nadi and 55 in our Missions.

Out of the 74 at Headquarters, 43 or 58 percent are made up of women. In our Nadi Office, two out of four are women. In the Missions, 15 or 28 percent are women.

In terms of women in Senior Management, at Headquarters, this account for the Deputy Secretary, Directors and Principals, that would be our senior management and out of the total of 17, seven or 41 percent are women. At our Missions we have two women Heads of Missions, accounting for the 13.33 percent.

With your permission, Honourable Members, we will move now to the 10 specific issues and I will have the Director Finance speak on the specifics. Thank you, Sir.

MR. J. TUIMA.- Thank you, Deputy Chairperson and Honourable Members of the Committee. If I may just take us through the 10 issues that require clarification from our end as per your letter on 9th March, Issue No. 1 - Unreconciled Variance in Overseas Missions Bank Reconciliations; we have provided our comments on that particular issue and we would like to highlight that we have undertaken a new method of postings since mid-2016.

One of the major contributing factors for this issue is firstly, the accumulated savings in our Missions that had been accumulated over the years and also our Overseas Missions having more than one bank account. Previously, we had one GL Account to Missions having more than one bank account. Obviously, it will be difficult to reconcile the GL into those Missions' bank accounts so what we have done is, having one GL Account to one bank account.

Most of our Overseas Missions have more than one bank account, which is purely for the recreation of currency in their host countries. So we have opened one GL Account to one Mission's bank account for the use of reconciling that account. That basically is the action we have taken to address Issue No. 1. Thank you.

HON. A.M. RADRODRO.- Deputy Chairperson, a supplementary question. I thank the Director for the responses that has been given, knowing that this is an ongoing issue as highlighted in the 2014 Audit Report and I think also in the 2015 and 2016 Reports. All those years, the Committee was assured that the Ministry would take reasonable steps from that time, but we note that still, those actions are yet to be taken to address these variances in the policy.

We understand from previous explanations in Committee Meetings the difficulties in terms of trying to get everything on time. We also noted the absence of qualified people at the respective agencies, but what you are saying is that you are only working trying to relate from this end, failing to address and putting the right Accounts people in the respective agencies. What is the plan of the Ministry, are you going to put a qualified accounts clerk rather than expecting the respective staff who are not qualified to be actually given the task to conduct this verification exercise? It will be an exercise in futility as the Committee notes that this has been ongoing and is still appearing in the Audit Report. Are there any plans to put in qualified Accounts staff in respective Missions abroad?

MS. A. MOCEICA.- Thank you, Honourable Member, I will respond to that. We have completed our Strategic Workforce Plan and these are some of the weaknesses in our systems that we have identified. We have started with one of the missions, an Accounts Officer has gone in as one of diplomats as Second Secretary.

We also looking at the Vienna Convention on Diplomatic Relations, the other category for administrative technical staff so we are looking at filling those in our Missions with people who can do accounts.

We have also started deploying staff as part of the discussions we had in the last Committee Meeting, deploying our staff to the Missions to do internal audit before the reports come in. So that is what we have started to do in the last three to four months, Honourable Member. Thank you.

HON. A.M. RADRODRO.- For the last three years, you have been coming to the Committee, you have not taken steps to ...

MS. A. MOCEICA.- We have in the last year ever since I came on board and with the new PS, we have got a new Strategic Workforce Plan, Honourable Member.

HON. A.M. RADRODRO.- Internal Audit for MOE, any comments on this audit issue? It is an ongoing audit issue but how can they improve on this?

MOE REP.- Thank you, Honourable Member.

Deputy Chairperson, the Internal Audit Unit actually conducted an audit in the last quarter of the last financial year, 2016 -2017. This was one of the issues too that we have noted, not on these cash accounts but on the irregularity in the recording of revenue which is somewhat similar to the system that the Ministry is currently using. However, at the moment the Ministry and the FMIS are currently in discussion on how best we can actually account and improve on the processes that the Ministry should take, going forward. Thank you.

HON. RATU N.T. LALABALAVU.- Honourable Deputy Chairperson, just a question to the Ministry of Foreign Affairs and also to the OAG; this has been a recurring problem, do your foresee begging of some sort of standard allowance to take care of the difference in the values of money in various Embassies abroad as against our dollar? This is to ensure that, that becomes the acceptance.

And I also pose that question to the OAG. There have been acceptable allowance, figure or variance percentage to take care of this kind of problems, otherwise it will appear all the time.

MR. J. TUIMA.- Thank you, Honourable Member. The additional measure is that, we are working very closely with our colleagues from the MOE where we already had a series of discussions

in extending the FMIS into the Missions. We have had fruitful discussions with MOE and they have indicated that it can be done, to extend the FMIS into the Missions and we are just awaiting the review that they are conducting on FMIS before we move the proposed extension of FMIS into the Missions as forward. I hope that with that, it will address the issue that had been raised in the Report.

AUDIT REP.- Thank you, Deputy Chairperson. I think just to provide a comment on the question posed by the Honourable Member, there are a couple of issues that we have to be mindful of in this situation. The bank accounts are maintained offshore and then we have got this FMIS system which is maintained here in Fiji. If you look at our Table, there is a variance of close to \$2.4 million, so for us to say that that variance is because of foreign exchange gain or losses, I think it is not the case. It is just that the reconciliation which is prepared by the Missions is not agreeing with what is there in the General Ledger at the MOE.

I think to roll out FMIS into the Missions is a solution, however, before that, the reconciliation which are done by the Missions and the reconciliations which are being verified and posted into the FMIS should be taken care of first, because getting a system is a solution but before that there are some other work to be done.

What we have noted is mostly the reconciliations are prepared by the Missions but for it to be verified here locally and then to make sure that the correct posting has been done, I think that needs to be taken care of. I think FMIS would need to play a bigger role in getting these things sorted out because ideally the custodian of the FMIS and the GL is with MOE. So they need to make sure that they work with the Ministry because if you look at the Table 8.3, ideally all the Missions have got this issue. So it is something that needs to be addressed. While we have been doing the current audit, I think this issue is still open and needs to be addressed, Deputy Chairperson.

DEPUTY CHAIRPERSON.- The last time we had a discussion with the Ministry of Foreign Affairs, there were two very important issues that was raised, one is the resource personnel who are stationed in Overseas Missions and the challenge for the Ministry is for them to have diplomatic skills, while at the same time they need to have very good knowledge in accounting. For a specialised skillset like this, it is understandable and it is very hard to get people. So my question to the Ministry; what is the current update in terms of recruitment in order to solve this problem?

The second issue that is a very pertinent issue and we did experience that whilst we were in conferences in certain overseas countries and when we meet the Head of Missions, they said that there is no integrated system when it comes to reporting. However still, they email their invoices, et cetera, to the Head Office because of the absence of a system which is a continual problem with almost all the Missions overseas.

So the other question will be directed to the MOE; what are some strategies that are being planned or will be implemented to ensure that a Ministry like the Ministry of Foreign Affairs, in terms of financial reporting from Overseas Missions to the Head Office here, in order to solve this issue? Perhaps, the first can be answered by the Ministry and the second one by the MOE. Thank you, that is in terms of recruitment.

MS. A. MOCEICA.- Thank you, Deputy Chairperson. In terms of just the resourcing I spoke about earlier, we have just completed our Strategic Workforce Plan and we are starting to deploy Accounts personnel. You rightful state that we need diplomats and we are a very small country that we cannot afford big diplomatic missions. So this is something that we are currently addressing through the current Strategic Workforce Plan.

Also in the last six months, we have started to give monthly feedback to the Head of Missions and PS's Skyped calls with them every month as part of their performance talks, is really the anomalies, the late accounts acquittals being sent, so we are doing what we can in terms of the HR aspect but in terms of the roll out as my Director of Finance spoke to earlier, it is discussions in progress with the MOE. Thank you, Sir.

MOE REP.- Firstly, as also mentioned by OAG, one issue is the system but, of course, before the system the other thing is for the reconciliation part which the Ministry has to submit to us. If you look at our current status in terms of reconciliation, I think for this they have not submitted mostly the reconciliations for this account from November until now, the Foreign Missions' Accounts. If they do not reconcile the accounts, then they are not able to get the acquittals on time, of course, we are not able to sort out the variances as mentioned earlier.

As far as the FMIS system is concerned, at the moment, all Ministries and Departments are using the system in Fiji and no one is using it abroad. We had a discussion with our consultants but at the moment, the way the FMIS was set up, it can only be used locally.

We are currently reviewing the FMIS system and there is a plan soon that we will be implementing a new system which we will try to have it in such a way that we are able to use it worldwide so that, at least, like when the PSs and other Ministers are away, they can approve everything online. We do not have to wait for the person. I think that will assist Foreign Missions too, with the ability to use the system there.

However, before going on to that level to get that system, something still needs to be done in terms of the manual reconciliations and the resource person to be there or other option would be like, while they may be trying to get the resource person, if they have some accounting staff who can go and help the Missions there, they can help reconcile and we are able to get the variance down while in the meantime, they can work on recruiting the accounting person to their Mission. Thank you.

DEPUTY CHAIRPERSON.- From what the OAG mentioned that this is an issue in almost all the Missions and obviously, we cannot conclude that the people who we are sending there have that lack of capacity. Probably, there can be other reasons as well in terms of reporting, et cetera. So according to the OAG since this is a pertinent issue in almost all the Embassies, would you consider that this is because of the lack of understanding when it comes to reporting, et cetera? Do you think the officers stationed in the Missions have a problem with giving proper reconciliations? This \$2.4 million is a lot of money.

AUDIT REP.- Thank you, Deputy Chairperson. I think we are not saying that it is the people who are not capable of doing reconciliation but it is more to do with the system which they are currently working on.

DEPUTY CHAIRPERSON.- It has to do with the system?

AUDIT REP.- Yes, just for the Committee's information, for this financial year the Auditor-General is now travelling to the Missions. We have covered two Missions already, we have done our audit.

HON. A.M. RADRODRO.- (Inaudible)

AUDIT REP.- 17. So what we have done is, under the new leadership that we have got in our office, we are now starting to cover the Missions and also the Trade Missions that we have got.

From the two that we have visited, we found that the officers are able to perform reconciliations and they are able to do that. It is just getting what they have in their Foreign Missions and what is been there with the FMIS. Deputy Chairperson, you would also recall that we had this similar issue with the Immigration Department.

DEPUTY CHAIRPERSON.- Yes.

AUDIT REP.- So it is just the system, how it has been integrated and under what platform they are working and under what platform the reporting is being done, it is not taking place.

As I have said, they have been reconciling at their end and then take their reconciliations just to see what is in FMIS and see where the variances are and then work towards resolving the variance. Someone has to do that. I think what is currently happening is, the reconciliations are done by the Missions and postings are done in the FMIS but no one is checking the variance. No one is working towards finding the variance, but just to answer your question, I think the Missions are able to do their accounting functions.

DEPUTY CHAIRPERSON.- Yes, because from what we saw when we visited certain Missions, they were quite up to par with their work so I think it has to do with the whole reporting system maybe. Yes. Madam?

MS. A. MOCEICA.- Thank you, Honourable Member. What the MOE stated earlier in terms of some of the acquittals that have not come in, those are the performance reports, conversations I referred to earlier that the Permanent Secretary is having with the key Heads of Mission, and at the end of this month we are deploying staff from our Ministry to go into the Missions and actually help them with those actual reconciliations, collation of records and to bring them back, so we are rectifying it.

DEPUTY CHAIRPERSON.- Honourable Radrodro?

HON. A.M. RADRODRO.- Deputy Chairperson, just a supplementary question; from this listing some Missions are not listed, so that means their records are all in order, OAG, like Mission in South Africa or Ethiopia in 2016?

AUDIT REP.- Thank you, Honourable Member. I think the Ethiopian Mission opened recently, so it is a new Mission. They have started fresh and this Missions has been in existence for quite a number of years and the variances have accumulated over the years.

HON. A.M. RADRODRO.- And South Africa?

AUDIT REP.- Closed.

HON. A.M. RADRODRO.- So they would not be appearing here, like for Fiji Consulate in Sydney where money was transferred but still appearing in the books of the Ministry?

AUDIT REP.- Yes, Honourable Member. I think that is another thing that the Ministry would be working on because the Consulate in Sydney fall under the Ministry of Industry and Trade, but the balances are still appearing under the Head of the Ministry of Foreign Affairs. That is something that FMIS needs to, I guess, transfer that to the current Head of the Ministry of Industry and Trade.

DEPUTY CHAIRPERSON.- When will this be transferred, MOE, otherwise it will appear on their books and it is not a good reflection?

MOE REP.- Can I come back on that, Sir?

DEPUTY CHAIRPERSON.- Thank you.

HON. A.M. RADRODRO.-the time the Ministry came about here to explain the logistical difficulties regarding what is done at the Embassies and the postings are done locally. So currently, who is doing all these reconciliations in the respective Missions?

MR. J. TUIMA.- Thank you, Honourable Member. From the Mission level, they have a dedicated officer who handles the finance of the Missions. It differs from Mission to Mission, so in some Missions they are handled by the diplomats themselves while for some are handled by the locally engaged officers.

MS. A. MOCEICA.- Honourable Member, it is still the diplomat's role to oversight that and clear that, it is not the locally engaged staff's role so whether it is the First Secretary or the Second Secretary, it is one of the Diplomats that will sign off on it. Thank you.

DEPUTY CHAIRPERSON.- We will move on to the second issue.

MR. J. TUIMA.- Thank you Honourable, Deputy Chairperson.

Issue No. 2 - Revenues Collected by Overseas Missions; we have different views on this particular issue. We have had discussions with MOE and they are agreeing to the approach that we are currently using in terms of realising revenue earned at the Missions and the method of posting that we are currently using is reflecting in the revenue earned in the Missions.

For us, the current practice for revenue, Sir, in the Missions the equivalent sum is deducted from Headquarters before disbursing their remittance for the following month. That revenue is credited into the relevant agencies' revenue account, for example, Immigration and Justice. That is the current practice we are undertaking in terms of realising revenue in the Missions.

DEPUTY CHAIRPERSON.- Thank you. I think in our earlier discussions, we did cover a lot of supplementary issues on this Audit issue, so we will not be asking any questions in that regard.

HON. A.M. RADRODRO.- A question to the OAG on their recommendation, can you just elaborate on that and probably after that, the Ministry can comment on the possibility of that recommendation?

AUDIT REP.- Thank you. Our second recommendation is to formalise the administrative fees to be charged by the Missions. I think what we are saying is what the individual Missions should be charging for a particular service. I think as for any other fees and charges, it has to be approved by the MOE, so that is what we are saying, just to formalise and get the MOE to approve, for example, the Embassy in Washington, that is the amount that they can charge for a particular service.

MOE REP.- Thank you, Honourable Member. Deputy Chairperson, the issue on the charging of additional fees for services rendered by the Mission in respect of revenue that are collected for the other agencies, we have already discussed this with the Ministry when we conducted the audit and they have to put up a request to the MOE on the revision of fees and it needs to be standardised so that all the

Missions across are actually applying the same fee when they charge the service that they are actually using. Thank you.

DEPUTY CHAIRPERSON.- We need a response from the Ministry.

MR. J. TUIMA.- Thank you, Honourable Member. The current approval that the Ministry is using was way back in 2003, that was the approval granted for Overseas Mission to charge administrative fees for conducting counsellor services. We are having a discussions with our counterparts in the MOE on the need to review that because the approval way back in 2003 was not pegging into a certain amount. We would like to revise that approval to peg certain percentage or amount into the fees charged for administration costs in the Missions. Thank you.

DEPUTY CHAIRPERSON.- Thank you, we will move on to the next issue.

MR. J. TUIMA.- Issue No. 3 - Significant amount of unretired accountable advance; this was an issue that was also discussed at length in our previous appearance before the Committee and we have taken a drastic step in addressing this particular issue. Internally, we have addressed this issue by deducting salaries from those officers concerned, just to ensure that these accountable advances are retired. And for those that are not in the Ministry we have issued a Memo to them informing them of their unretired accountable advance and I am happy to mention that most of them have been recovered todate. Thank you.

HON. A.M. RADRODRO.- Just a confirmation from the Ministry; out of all that have been tabulated here, how much has been recovered or retired todate?

MR. J. TUIMA.- I think out of the total amount that was unrecoverable in the report, we are only left with \$18,000 to recover from the unretired accountable advance.

HON. A.M. RADRODRO.- In terms of the recommendations of the Auditor-General on your failure to recover on time, there is a recommendation there for disciplinary action, was there any disciplinary action taken on the respective people who did not do the job and allowing these accountable advances to continue appearing?

MR. J. TUIMA.- Thank you Honourable Member. I think the only action that was undertaken by the Ministry was recovering the accountable advance is by salary deductions.

(Inaudible)

MR. J. TUIMA.- We recover those accountable advances from staff, this is the action that was undertaken by the Ministry.

(Inaudible)

MR. J. TUIMA.- The measure that we have undertaken by the Ministry.

(Inaudible)

MR. J. TUIMA.- I think the measure that we have undertaken further to that is inviting MOE Officials to come and conduct training with regards to the retirement of accountable advance within the Ministry.

HON. A.M. RADRODRO.- (Inaudible)

MOE REP.- One thing as mentioned by the Officials of the Ministry of Foreign Affairs is that, we provided the trainings and we are working closely with them. Our Reconciliation Officers are working with them and again, I think the Finance Manual says that if they do not retire accountable advance on time, of course, we can charge interest for the late retirements.

HON. A.M. RADRODRO.- (Inaudible) ...training at the Ministry.

MR. M. RAHAT.- Normally, we conduct training in FMIS, meaning that they come over to FMIS and we provide training in terms of both, how to do reconciliations and in the system also so normally they come to FMIS. Of course, other issues that they have in terms of reconciliation, they always assist them. It depends on what their needs are we are always there to assist.

DEPUTY CHAIRPERSON.- I think this also has to do with the administration of our accountable advance that are not necessarily cases of fraud.

I take note of the comment that there are systems in place to improve that, so hopefully this does not reappear. If there is no other questions we will move on to the next one.

MR. J. TUIMA.- Thank you, Deputy Chairperson.

Variance in the Ministry's reconciliations and FMIS balance; this issue has been cleared and addressed with the OAG through an amended reconciliation.

DEPUTY CHAIRPERSON.- OAG, can you confirm that?

AUDIT REP.- Thank you, Honourable Member. I think, yes, we have followed up with the issue and we can confirm that this issue has been resolved.

DEPUTY CHAIRPERSON.- Thank you, we will move onto the next one.

MR. J. TUIMA.- Issue No. 5 - Anomalies noted for Overseas Travel; yes, we did note the issue and from the Ministry we have introduced a new system, a new template to be used for all travelling requests by Diplomats in the Missions, particularly the Heads of Missions. That will capture all the details right down to the per diem rates used and the source of those per diem rates, and that needs to be cleared and approved from the Permanent Secretary before they can proceed with those travels. Thank you.

DEPUTY CHAIRPERSON.- Thank you, we will move onto the next one.

MR. J. TUIMA.- Issue No. 6 - No Bonding Policy; the Ministry has an approved training policy in place that incorporates the Bonding Policy and that, we hope, will address that issue.

DEPUTY CHAIRPERSON.- Yes, I was having a look at Appendix 3, that is, the Ministry of Foreign Affairs' Training Policy, I think it is quite precise in terms of training requirements, et cetera. So we will take note of that and we hope that this revised policy is a good guideline for training as of now. We will move onto the next one.

MR. J. TUIMA.- Thank you, Deputy Chairperson.

Issue No. 7 - Capital Purchase Expenditure Allocation Understated; the Ministry admits that it was an overlook on our part as we were trying to post all the Mission's expenditure into the GL system prior to the closing of the 2016 accounts in July and the beginning of the financial year from August 2016.

What we have undertaken is closely monitoring our capital expenditure transactions, taking into consideration the requirements from the MOE, particularly the RIE tender approvals and waiver. But the issue here, Sir, is also on the delay in receiving the acquittals from the Missions and because of that delay, we had understated transaction of \$23,294.48.

DEPUTY CHAIRPERSON.- We will move onto the next one.

MR. J. TUIMA.- Issue No. 8 - Anomalies noted in Foreign Missions Monthly Acquittal Report; as earlier alluded to by my colleague from the OAG as well as from MOE, we still have a challenge in terms of the submissions coming in from the Missions, and we have developed measures to try and rectify that. We are grateful that it is providing positive feedback from our end in Headquarters.

What we have done is, thoroughly assess the acquittals submitted from the Missions, we send back the acquittals feedback report to the Missions on a monthly basis so as to provide an assessment on the acquittals provided by the Missions and we request the Head of Missions to respond back to those feedback reports, particularly if there are any anomalies noted from the acquittals submitted from the Missions. Thank you.

DEPUTY CHAIRPERSON.- OAG, this particular Audit issue, has it been improved?

AUDIT REP.- Thank you, Deputy Chairperson. Yes, I think as I have mentioned earlier, given the fact that now we are trying to go into the Missions ourselves and audit, I think we will begin to see some positive changes and we are also working very closely with the Ministry of Foreign Affairs in terms of providing our feedback on what are the things that they should be doing.

While our officers are auditing the Missions, we also try to educate them on how they should be providing acquittals and the reporting they are doing to the line Ministry. We are positive that going forward and while working closely with the Ministry, I think this should take care of this issue, Deputy Chairperson.

DEPUTY CHAIRPERSON.- Thank you.

HON. A.M. RADRODRO.- Deputy Chairperson, just a comment regarding the Foreign Missions' acquittals, hopefully, this sort of report also makes the Ministry aware of the need of respective Missions. For example, when we went to the London Mission they had a vehicle there that has not been in operation for more than three or five years and they have requested a replacement for that vehicle. I think to-date they are still waiting for that or probably you can update on whether that vehicle has now been replaced. So the need of the respective Missions in terms of submission of acquittals, the Ministry is fully aware of that rather than just looking at one side of things on the submission of acquittals and not attending to their needs.

MR. J. TUIMA.- Thank you, Honourable Member. I think one of the objectives of our acquittals feedback report is to retrieve those information from the Missions, as well in terms of areas of need, the priority areas from the Missions. Yes, we managed to identify the need area from the Missions by assessing their acquittal reports.

As for the London Missions, yes, we have noted the need in terms of their vehicle and we have already submitted our request to MOE which has the pool of vehicles. We hope to provide them with the replacement vehicle soon.

MOE REP.- Thank you, Honourable Member.

Deputy Chairperson, that would be for the Government Management Fleet Unit to actually look into that issue but we can come back to the Committee with a response on the progress of the request. Thank you.

DEPUTY CHAIRPERSON.- Thank you. I hope they have the vehicle now because the Honourable Prime Minister just went to London. We will move on to the next issue.

MR. J. TUIMA.- Thank you, Honourable Deputy Chairperson.

Issue No. 9 - Absence of Supporting Documents to verify Payment of Post Allowances; what the Ministry has done in terms of addressing this is, prior to them being posted into the Missions, we have all informations relating to those Diplomats kept at Headquarters. I think our Corporate Services Division has introduced a new filing system to properly keep informations relating to Diplomats with us here in Headquarters.

Moving forward, part of our 2018-2019 Budget submission to the MOE is for our new database system, to capture electronic copies of our files within the Ministry. We hope that that will be positively considered in the budget process. Thank you.

DEPUTY CHAIRPERSON.- Any questions, Honourable Members?

(There were no questions)

I think this is the last issue.

MR. J. TUIMA.- Thank you, Deputy Chairperson.

The last issue is also related to the Issue No. 5 - Anomalies noted for Overseas Travel. We have undertaken the same measures to address this through a new template that has been developed within the Ministry for Head of Missions to comply with before any approval is granted for their travel. Thank you.

HON. RATU N.T. LALABALAVU.- Thank you, Deputy Chairperson, . Just an observation, going back to the first issue that we addressed this morning - the cost of properly maintaining all these. Now that the OAG is going abroad as well, even the Officers from the MOE trying to address this issue of the big variance that you have, have we kind of analysed the cost factor, the effect of the cost against addressing this policing of the variance? Otherwise, it becomes an unnecessary cost for the Government. Thank you.

MS. A. MOCEICA.- Thank you, Honourable Member. What the Ministry has embarked on doing which we can provide to this Committee if so required is that, we are undertaking a 'return on investment' exercise for the existence of our Missions in the 17 locations.

Whilst developing the Strategic Plan and the Strategic Workforce Plan after the release of the National Development Plan late last year, we started the exercise and realised that we could not do a template of one-size-fits-all because the bilateral and the multilateral Missions served different functions. The bilateral Missions will look at the trade and the dollar value coming in whereas multilaterals is really how do you capture measuring our prominence or punching above our weight internationally. That is an exercise that has been underway for the last three to four months and if this Committee so requires, we can feed this back to our Permanent Secretary that our Report be tabled, but it is an exercise that is currently being undertaken inhouse. Thank you.

DEPUTY CHAIRPERSON.- Honourable Members, any questions?

(There were no questions)

I thank you, Deputy Secretary, and your team for your presentation. We do note and understand the challenges for a Ministry like you, especially when the Missions are based overseas and then you have that challenge of matching the financials there with the system in place in Fiji. This has been the main attributing reason, it is not the resource personnel, the resource personnel are very hard working, and probably has to do with the system.

We do take note of the comments from the MOE as well that there plans in place to further improve and rectify this problem and we do hope and note that the implementation of these plans will come as soon as possible so that the Audit issues are further reduced come the next financial year.

On that note, I thank you for your indulgence and your presence, as well as for the presentation that you have made and in answering the supplementary questions as we went along with the submission. I would like to thank you and hoping the best of future endeavours for your Ministry. I would like to request if you have some concluding words before we break off for tea.

MS. A. MOCEICA.- Thank you, Deputy Chairperson and thank you Honourable Members of the Committee. On behalf of the Office of the Permanent Secretary for Foreign Affairs, we thank you for the consolatory nature of the talks we have had. We thank you for the faith that you have in the systems we are putting in place. We thank you for giving us the time to come and explain the actions we are undertaking and we commit to continuing progress in the discussions that we are having with MOE in particular with regards to the FMIS, to correct some of the things that continue to come up in the audit queries.

DEPUTY CHAIRMAN.- Please, do join us for morning tea. Thank you.

The Committee adjourned at 10.52 a.m.