



OFFICE OF THE NATIONAL PUBLIC AUDITOR

Press Release #2018-02

ONPA Releases Its Audit on the FSM Pacific Regional Oceanscape Program Project Funded by World Bank

This is to announce the issuance of our new audit on the Pacific Island Regional Oceanscape Program (PROP) Project. The Financing Agreement between the FSM Government and the World Bank requires a performance audit every two year over the 6-years life of the project. This first audit covered the period from March 2015 to September 2017. This audit assessed whether the implementation of the project complied with the approved terms and conditions of the Financing Agreement, and it was conducted in accordance with generally accepted government auditing standards issued by the US Comptroller General.

The audit focused primarily on the following three components of the Financing Agreement:

1. Component 1 on Sustainable Management of Oceanic Fisheries;
2. Component 2 on Sustainable Management of Coastal Fisheries; and
3. Component 3 on National Program Management, Monitoring and Evaluation.

The audit disclosed the following findings:

1. Component 1 was not implemented in full compliance with the terms and conditions of the financing agreement specifically on the DLI reporting requirements and on the monitoring, control and surveillance activities.
2. The FSM Department of R&D and NORMA have approximately 1 year and 2 months under the terms of this Project to fully implement Component 2 as defined in the Financing Agreement. A contractor was hired to help develop a coastal fishery management planning process and both of the implementing entities are confident that the plan would be achieved by the due date.
3. Component 3 on National Program Management, Monitoring and Evaluation was not implemented in full compliance in four specific areas: (i) Project Operation Manual was still in its draft form; (ii) delay in executing agreement between the Forum Fisheries Agency and FSM Government; (iii) delay in recruitment of the key personnel to provide supports to FFA's component part of the PROP as agreed with FSM; and (iv) delay in the recruitment of the FSM Project Coordinator.

To view the full report, click on the link here [Audit Report](#). Printed copies are also available at the ONPA Office in Palikir, Pohnpei.

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Office of the National Public Auditor
P.O Box PS-05
Palikir Pohnpei, FM 96941
Phone: 691.320.2862/2863; Fax: 691.320.5482
Hotline: 691.3206768; Website: www.fsmopa.fm