



OFFICE OF THE NATIONAL PUBLIC AUDITOR

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Audit Report Reveals Key Findings on the Small Islands Food and Water Project (SIFWaP) Use of Donor Funds.

Office of the National Public Auditor Highlights Strengths and Recommends Improvements for Project Implementation.

Pohnpei, FSM-The Office of the National Public Auditor (ONPA) has released its audit report on the Small Islands Food and Water Project (SIFWaP), covering the financial years ending September 30, 2023, and September 30, 2024.

The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The audit provides independent assurance on the use and management of donor funds provided by the International Fund for Agricultural Development (IFAD).

Key Findings

- **Total project expenditures:**
 - **FY2023: USD 7,259.56**
 - **FY2024: USD 72,966.71**
- **No material misstatements** were identified in the financial statements.
- **Control weaknesses** were noted in procurement practices and compliance with the Project Implementation Manual.
- **Recommendations** were made to strengthen the oversight role to ensure adherence to procurement procedures and project implementation guidelines.

Quote from the Public Auditor

"This audit supports accountability and transparency in the management of donor funds," said Public Auditor Mr. Haiser Hainrick. "We commend the efforts of the implementing agency while also highlighting areas where improvements are needed."

Next Steps

The audit report has been shared with SIFWaP management. A Management Letter and a Report to Those Charged with Governance were also issued to support continuous improvement and governance accountability.

About the Office of the National Public Auditor

The Office of the National Public Auditor serves as the independent audit institution for the Federated States of Micronesia. It promotes transparency, accountability, and good governance through financial and performance audits of national programs and donor-funded projects.

Accessing the Report

A digital copy of the Report No. 2025-05 is available on the ONPA's official website, Facebook, Instagram and LinkedIn page, or you can directly access the report by clicking [HERE](#)

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Article XII, Section 3 of the F.S.M Constitution and Title 55, Chapter 5 of the FSM Code authorized the Public Auditor to direct a broad, comprehensive program of auditing within the National Government