

# ANAO and AusAID Strategic Partnership Agreement

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## Introduction

1. The Australian Government takes a strategic whole of government approach to enhancing good governance in the Asia-Pacific region as an integral part of meeting development challenges, reducing poverty, and protecting Australia's national interests. AusAID and the Australian National Audit Office (ANAO) are natural partners in this endeavour, sharing a common interest in assisting developing country partners to improve their public sector administration.
2. The purpose of this agreement is to recognise these shared strategic goals, establish the principles of this partnership and outline the measures to be taken to support enhanced cooperation between the ANAO and AusAID. This Strategic Partnership is designed to advance the Government's policy of promoting growth, stability and prosperity in the Asia Pacific region.
3. The agreement will take effect from the date of its signing by the two agencies and may be amended at any time as agreed between the two agencies.

## Partnership Principles

4. The Strategic Partnership will be governed by the following principles:
  - a) The relationship of the agencies will be one of partnership, valuing the contribution each agency can make to the achievement of common goals; and respecting each agency's responsibilities;
  - b) The partnership will be underpinned by mutual respect, professionalism, integrity, cooperation, the sharing of ideas and open communication in areas of shared strategic priority;
  - c) Agencies will work collaboratively to identify and agree shared strategic priorities for Australia's development assistance in the public sector: this will involve setting joint objectives and recognising the different skills and strengths of each agency;
  - d) AusAID, where appropriate, will provide resources to ANAO to support it to undertake development activities according to these jointly agreed strategic priorities and objectives;
  - e) Each agency will engage on issues of performance, accountability and risk by drawing the other's attention to matters likely to impact on joint policy or delivery of programs; and
  - f) Each agency will assist the other with building their capacity in particular areas of interest.

- g) AusAID understands and acknowledges that as the external auditor of the Australian Government public sector, the Australian National Audit Office's (ANAO) primary role is to assist the Auditor-General to provide an independent view of the performance and financial management of Australian Government agencies and entities.

### **Shared Strategic Priorities**

- 5. AusAID and the ANAO will work together to:
  - a) Contribute to improved public financial management and audit capacity in the Asia-Pacific region, particularly through capacity building of both regional and bilateral audit institutions;
  - b) Promote long-term engagement with the sector, building on existing relationships and linking technical assistance to broader development policy and programming priorities;
  - c) Facilitate shared learning among audit institutions and leaders in the region;
  - d) Improve the effectiveness of networks within the Asia-Pacific region; and
  - e) Encourage transparency, good governance and public sector administration in the Asia-Pacific region.

### **Agency Skills and Strengths**

- 6. Each Agency brings different skills and strengths to the Partnership.
- 7. AusAID's strengths lie in:
  - a) Providing development policy advice drawing on a deep knowledge and understanding of developing countries in the Asia-Pacific region and the long-term aspects of development;
  - b) Managing Australian development cooperation programs focussed on building effective governance, particularly through strengthening public administration in the Asia-Pacific region; and
  - c) Well-established networks and relationships with partner governments, civil society organisations, other donors, researchers and professional associations in developing countries.
- 8. ANAO's strengths lie in:
  - a) Well-established and respected networks with audit institutions throughout the region;
  - b) Extensive networks with staff, individual experts and professionals with highly specific technical skills, experience and capacity to provide accredited training;

- c) Contributing to the development of international Auditing Standards and professional practices in the Asia-Pacific region;
- d) Policy advice and lessons learned from Australia's experience both domestically and internationally.

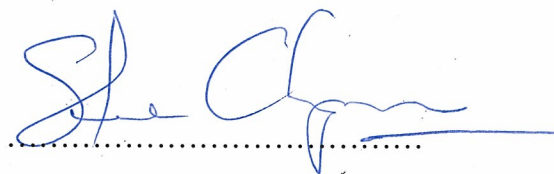
### **Governance Arrangements**

- 9. Each agency will assign responsibility for maintaining the Strategic Partnership to an appropriate senior executive officer.
- 10. ANAO and AusAID will meet annually at a senior executive level to review the Strategic Partnership and set priorities for cooperation and joint work. These formal cooperation arrangements will support engagement at all levels in areas of shared strategic interest.
- 11. Working level meetings will be initiated when necessary to take forward issue specific work.
- 12. Senior engagement on work priorities will provide opportunities for more strategic and efficient programming approaches. Record of Understandings will govern the actual operation of specific assistance programs being delivered by ANAO and AusAID.
- 13. Dialogue at a senior and operational level will identify opportunities for broader cooperation, including joint analysis in areas of shared interest and deepening staff links through exchanges or collaborative work processes.



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**Date:** 18. 3. 2009



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**Date:** 18 March 2009,