



Term-end Review of Office of Auditor General Somalia Peer Support Project 2021-2025

Terms of Reference



[DATE]

INTOSAI DEVELOPMENT INITIATIVE
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Information in brief	
Document	Terms of Reference
Assignment	Term-end Review of Office of Auditor General Somalia Peer Support Project 2021-2025
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Procurement Method	Competitive bidding among external consultants/firms

Acronyms:

AFROSAI-E: African Organisation of English-Speaking Supreme Audit Institutions

IDI: INTOSAI Development Initiative

MFAN: Ministry of Foreign Affairs Norway

OAGS: Office of Auditor General of Somalia

SAI: Supreme Audit Institution

1. Background

SAIs can play a key role in promoting good governance and curbing corruption in a country. Through their audits, they seek to provide objective information about major financial irregularities, lack of compliance with laws and regulations, and ways in which public sector entities can improve their service delivery to citizens. Yet several SAIs operating in *challenging contexts* struggle to conduct relevant audits and provide value and benefits for the Parliament, the Executive and the citizens.

INTOSAI Congress in 2013 endorsed an expansion of IDI's mandate to include bilateral support¹ from 2014 onwards. Following some initial small pilot activities, the IDI Board approved IDI's Bilateral Policy in March 2017. Since then, IDI has engaged in different bilateral support projects including providing support to SAI Somalia.

IDI provided focused support to OAGS during 2015-17. This included support to conduct a needs assessment and led to development and approval of the OAGS Strategic Plan 2017-20. In 2017 AFROSAI-E had also been participating in cooperation activities with OAGS. On this background, OAGS, AFROSAI-E and IDI signed a cooperation agreement in November 2017. The overall objective of the OAGS Peer-support project was to "Enable OAGS to successfully implement the strategic priorities in the period 2017-2020." This formulation reflected that support was SAI-led, with OAGS taking primary responsibility for development of the SAI, and IDI and AFROSAI-E undertaking a supportive and facilitative role. During implementation, experts from other SAIs were also brought in as in-kind support, but these other SAIs were not full organisational partners for project implementation.

This was followed with the OAGS Peer-support project phase 2 with the overall objective of the enabling OGS to successfully implement the strategic priorities for the period 2021-2022.

Funding for the current round of the project is being provided by Ministry of Foreign Affairs Norway (MFAN) for the period 2021-2025. This covers two years of OAGS Strategic Plan 2017-22 and two years of OAGS Strategic Plan 2023-2027. The expected result of the project are as follows.

The project expected impact is *an external audit function in Somalia which contributes to public confidence in government financial management and improved compliance with laws and regulations.*

The expected project outcomes are:

- i. Timely, relevant and high-quality audit reports in line with international standards
- ii. Strengthening Internal Governance for Efficient and Effective Audit Services
- iii. Strengthen external communication and stakeholder relations to ensure audit recommendations are implemented and reports have an impact on governance and accountability
- iv. Well qualified and professional staff and management
- v. Sufficient infrastructure and ICT capacity for efficient operations
- vi. Amend the old legal framework OAGS operates under

The planned main products and/or services of the Project (Outputs) are:

¹ The term bilateral support is used for cases where IDI provides support uniquely tailored to a specific SAI, as opposed to traditional IDI global and regional initiatives which support large numbers of SAIs to tackle a specific issue. (Support may also be provided in a partnership led by IDI, with others such as INTOSAI regional bodies and peer SAIs).

Related to outcome 1:

- a) Financial and compliance audit reports submitted to Parliament, President and Prime Minister
- b) Forensic audit report completed and issued, using new methodology
- c) Audit of ict-risks conducted and reported

Related to outcome 2:

- a) Operational plan set annually
- b) OAGS Performance report published annually
- c) OAGS principles for portfolio and project management set
- d) All staff code of ethics training conducted annually

Related to outcome 3:

- a) Sensitization meeting with key stakeholders held annually
- b) Documentary video of OAGS finalized and shared
- c) Summary audit report issued annually
- d) Annual professional seminar for all FMS OAGs

Related to outcome 4:

- a) HR policy and manual finalized and staff trained

Related to outcome 5:

- a) A-SEAT installed and ready to use
- b) All auditors got basic training in use of A-SEAT

Related to outcome 6:

- a) Federal Audit Act regulations set

In collaboration with peers from AFROSAI-E, SAI Malawi, SAI Uganda, and consultants funded by the European Union (EU) and the World Bank (WB), the project has achieved most of the anticipated output targets for 2023. OAGS delivered the mandatory annual financial report, to Parliament on June 30, 2023, meeting the deadline for the first time. The OAGS has also successfully met the plan to conduct an annual compliance audit for the financial year ending December 31, 2022. Furthermore, a forensic audit was conducted on the management of government revenues collected from work permit and visa extension services. Upon concluding the investigation, a forensic audit report was submitted to the Attorney General of Somalia. The case was then actively pursued, with court proceedings televised to reach a final verdict on the accused suspects involved in this scheme. The success of this Forensic audit became evident through significant increases in revenue collection in the months following the audit. The peers also provided support in strengthening audit quality through on-the-job support to selected staff in conducting Quality Assurance reviews at the individual audit engagement level.

OAGS also strengthened its engagement strategy with the Parliament, empowering Parliament to take an active role in overseeing the implementation of audits and scrutinizing audit reports for appropriate action. The ongoing efforts to strengthen engagement with the Executive, legislative bodies, and citizens will continue into 2024.

The new audit law impacts all aspects of the Office, including its structure, activities, and relationships with other government agencies and international institutions. The new law establishes an independent office that operates separately from various government agencies, with broader duties and responsibilities than the previous law including the implementation of financial, compliance and performance audits. In 2023, technical assistance was provided on translating the Law into English. The project will continue to support the transitional process in 2024, allowing the Office to seamlessly transition from the previous Law to the provisions in the new law. For details of the partnership and the project, please see key documents on the webpage [Bilateral Support to OAGS \(idi.no\)](https://idi.no/BilateralSupporttoOAGS).

2. Scope and Objectives of the Review

This is a term-end review, with a focus on the results achieved towards the completion of the project support period. This will incorporate elements of summative evaluation in the review design. This is in tune with the project being in operation since 2021 and the current phase ending in 2025.

The review is to be undertaken with the following objectives:

- i. To examine whether the project design meets the requirement of achieving the intended results.
- ii. To examine whether the project level outputs and outcomes are on track for achieving the intended project impact.
- iii. To provide recommendations for improving implementation of the project for the remainder of the project period and document lessons learned for the design and implementation of similar future projects.

This review is not a term-end review of the implementation of OAGS Strategic Plan 2023-2027.

3. Review Criteria and Questions

The final methodology for the review will require clarity on the review criteria², review questions, and judgment criteria³. Together, these constitute the review framework. A broad, draft set of possible review criteria and questions, is included below. This, along with the judgement criteria, should be finalised by the Reviewer in the Inception Phase, to focus on the most important issues to meet the review purpose. *In submitting their proposals, bidders are invited to propose an amended and focused review framework, to maximise the impact of the review within the available resources.*

Review Criteria	Possible Review Questions
Relevance	<ul style="list-style-type: none"> ✓ Was IDI's decision to continue with bilateral support to the OAGS for the current phase consistent with the selection principles in the IDI bilateral policy, and appropriate vis-à-vis availability of resources? ✓ Was the decision for IDI and AFROSAI-E to provide medium term support and act as capacity development providers appropriate for the circumstances in OAGS? ✓ How relevant is the design of the project to the needs of OAGS, and how involved was the OAGS and delivery partners in the design? ✓ How well has lessons learned from the previous support to OAGS been utilized for the design and implementation? ✓ To what extent is the project informed by an appropriate gender analysis, how relevant were recommendations of the analysis, how were they used and how might this be improved?

² The OECD-DAC defines five standard evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability. An additional cross-cutting criteria of partnerships has been added for this review, given the importance of partnerships in the delivery model.

³ Criteria set in relation to each review question, to determine if the assertion being tested is met.

Review Criteria	Possible Review Questions
	<ul style="list-style-type: none"> ✓ To what extent did the partners monitor the project pre-conditions and adjust plans where the pre-conditions did not hold during implementation?
Efficiency	<ul style="list-style-type: none"> ✓ Is the underlying theory of change (including pre-conditions) clear, and the design of the initiative including monitoring and reporting arrangements appropriate? ✓ Have the activities, deliverables and costs been consistent with plans and budgets? ✓ Will the results so far delivered enable the achievement of the final project objectives? ✓ Have risks to planned SAI outputs and contribution to outcomes been appropriately identified and managed? ✓ Have appropriate arrangements been followed to ensure quality of delivery? ✓ Were there instances of inefficient use of resources in project execution? ✓ How efficient have the chosen delivery mechanisms been (peer-peer support, mobilisation of resource persons, combination of in-country and remote assistance) compared to other feasible alternatives (e.g. use of consultants, use of IDI staff, increased country presence, long term advisors)? ✓ How well has support to new areas as ICT governance and tools been implemented? ✓ How efficient has the support been on gender issues? ✓ How well did the project adapt to the pandemic, and was able to leverage on digital tools and deliver support online? ✓ To what extent has the initiative utilised potential synergies with other IDI and AFROSAI-E initiatives and products? ✓ To what extent has the initiative utilised synergies with non-IDI and AFROSAI-E initiatives? ✓ To what extent have IDI's partners delivered on their responsibilities under the initiative? ✓ Has IDI been able to mobilise sufficient quality and quantity of support from partners? ✓ If there were contingency plans, were they utilized to address unforeseen challenges and disruptions to project work?
Effectiveness	<ul style="list-style-type: none"> ✓ To what extent have the deliverables contributed to the expected SAI outputs and outcomes, and what factors hindered or contributed to this? ✓ Were there any unexpected or unintended positive or negative outcomes of the project? ✓ What were the key success factors that contributed to the effectiveness of the project?
Sustainability	<ul style="list-style-type: none"> ✓ Have the main stakeholders of the OAGS been identified, and efforts to strengthen and harness this support been factored into the initiative? ✓ Is the method of support increasing the likelihood that changes to performance and capacity can be sustained? ✓ What has been the role and position of different stakeholders in the national context in sustaining the effective functioning of OAGS?
Partnerships	<ul style="list-style-type: none"> ✓ Are the governance arrangements for the partnership between OAGS, IDI and AFROSAI-E clear and is there room for improvement? ✓ Is the partnership between OAGS, IDI and AFROSAI-E leading to mutual learning regarding delivery of bilateral support to SAIs operating in challenged environments?

4. Review Methodology and Approach

To meet the review objectives, IDI suggests a desk-based review to examine the selection, design, implementation, and results of support. For IDI, the implicit theory of change underlying the approach in its Bilateral Policy is crucial, so it is essential that the review approach (re)formulates and tests the theory of change, including project pre-conditions. The IDI Bilateral Policy is currently being updated. However, the

existing version may be considered as relevant to the project period. A proposed theory of change to support the review should be developed as part of the inception report, for confirmation by IDI before its application.

A theory of change documents the causal chain from inputs to outcomes, with an explicit analysis of the assumptions underlying the theory. Different causal paths and major external factors influencing outcomes are identified. A theory-based review design tests the validity of these assumptions and the various links in the chain are analysed using a variety of methods, building up an argument as to whether the theory has been realized in practice. Evidence is built up as to whether change occurred through the expected mechanisms, to provide evidence as to whether the initiative contributed to change at the purpose level. The theory of change should be compatible with the roles and responsibilities of the project partners, to distinguish between the supportive and facilitative role of IDI and AFROSAI-E, and the implementation responsibility of OAGS.

The review will include an inception phase to develop and agree the approach to the review. This will include the theory of change, and selection of the review criteria and questions to ensure the review purpose is met. While a broad range of possible review questions are provided above, the inception report and discussions on this will be key to focusing on the most important matters to use the review resources effectively. IDI expects the review to commence with a set of initial virtual discussions with relevant IDI staff.

This review will be conducted primarily as a desk-based exercise, involving document review, teleconference/video conference with IDI staff, and semi-structured telephone/online interviews and follow-up documentation requests to donors, partners and OAGS. It should rely predominantly on documentation and evidence collected as part of the initiative. No physical country visits are anticipated.

A balance must be struck between quality and quantity of evidence, and cost, with sufficient evidence to draw meaningful conclusions.

5. Responsibilities

The review will be commissioned by the Strategic Support Unit (SSU) in IDI. The SSU will be responsible for contracting the reviewer and coordinating the review. The IDI review manager will be Shourjo Chatterjee: shourjo.chatterjee@idi.no.

The review will be supported by the Manager – bilateral support (Muhammad Wahyudi m.wahyudi@idi.no) and Deputy Director General (Ola Hoem: ola.hoem@idi.no). Together, they will be the focal point for providing information on the project, and evidence obtained during project implementation, as well as for liaison with the project partners and OAGS.

For discussions with country level stakeholders, IDI will provide details of relevant contact points.

Ola Hoem and Director General Einar Gørissen, together with the SSU, will be responsible for clearing the final review report.

The Reviewer will be responsible for proposing the design of the review (in the inception report), conducting the review, and preparing the draft and final reports.

6. Process, Timetables and Deliverables

Indicative key milestones in the evaluation are:

- i. Invitation to tender issued (03 April 2024)

- ii. Technical and financial proposals submitted to IDI (03 May 2024)
- iii. Preferred reviewer selected (10 May 2024)
- iv. Initial video conference between reviewer and IDI (15 May 2024)
- v. Inception report, including proposed review approach, submitted to IDI (31 May 2024)
- vi. Comments on inception report (7 June 2024)
- vii. Revised inception report to IDI (14 June 2024)
- viii. Draft report 1 to IDI (16 August 2024)
- ix. Comments on 1st draft report to reviewer (23 August 2024)
- x. Final report (max 30 pages including executive summary of max 4 pages) submitted to IDI, for sharing with key stakeholders (5 September 2024)

7. Budget

The maximum budget for this evaluation is 300 000 NOK.

8. Eligibility of Service Providers

Bidding is open to: firms, SAs and consultants operating on an individual basis. Current permanent employees of SAs in their individual capacity, IDI staff and organisations on sanctions lists shall not be eligible for bidding. SAs can submit bids and depute their employees on assignments.

All bidders shall make a 'No conflict of interest' declaration in their bids.

The proposed individual reviewers should be fluent in English. Necessary confirmation is required on this point in the bids.

9. Procurement Method

In accordance with IDI procurement policy for contracts of this value, a minimum of five service providers will be invited to tender.

Submission of Proposals

Interested service providers should submit a short technical and financial proposal, in English, by email to shourjo.chatterjee@idi.no with a copy ola.hoem@idi.no by 03 May 2024, 5 pm Oslo time. This should comprise:

- Proposed methodology and timetable for the assignment, including outline evaluation approach.
- Experience in designing and delivering project and project evaluations.
- Experience in evaluating capacity development initiatives in governance or public financial management.
- Declaration about no involvement in the design or delivery of OAGS Bilateral Support programme
- Understanding of IDI and capacity development of SAs in developing countries.
- Full CV of the proposed team leader and short CVs of any other proposed team members.
- A financial proposal for the work, on either an input basis or lump sum contract.

10. Selection of Service Provider

Selection will be made based on the best price and quality combination, according to the following evaluation matrix.

Criteria	Maximum Score
Methodology	
Proposed methodology for assignment including evaluation approach	30
CV	
Experience of individual/team in designing and delivering programme and project evaluation	15
Experience of individual/team in evaluating SAI capacity development initiatives	15
Experience of individual/team in integrating gender, diversity and/or inclusion considerations into the design and delivery of programmes, projects and/or evaluations	10
Individual/team understanding of IDI and capacity development of SAIs in developing countries	15
Language	
Fluency of proposed individual/team in English is essential. One team member being fluent in Somali is desirable.	5
Financial proposal	
Financial proposal (based on Norwegian Kroner equivalent at the time of evaluation)	10*
TOTAL	100

* The lowest price proposal considered eligible will be scored at 10, others will be scored according to the following formula:
score = lowest fee rate/(quoted fee rate) x 10. The assignment will be contracted in Norwegian kroner.

11. Reference Materials

- IDI Bilateral Support Policy: <https://www.idi.no/elibrary/bilateral-programmes/497-idi-bilateral-policy/file>
- IDI Annual Performance and Accountability Reports (Summary report on Bilateral Support included in each Appendix): <https://www.idi.no/our-resources/idi-reporting>
- IDI Operational Plans (Summary plan on Bilateral Support included in each Appendix): <https://www.idi.no/who-we-are-about/idi-strategic-plan-and-implementation/our-operational-plan>
- Grant agreement 2021-2025: <https://www.idi.no/elibrary/bilateral-programmes/1713-oag-somalia-grant-agreement-2021-2025/file>
- Other details on the OAGS Peer Support Project: <https://www.idi.no/bilateral-support/pap-app/somalia>