



Report 2023

OAGS Peer Support Project

Office of Auditor General of Somalia (OAGS),
AFROSAI-E and the INTOSAI Development
Initiative (IDI)

Peer-partners: SAI Uganda, SAI Malawi

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Joint report to the Project Steering Committee and the MFA Norway



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Summary

Project implementation progress and any major deviations as compared to the plans

In 2023, OAGS experienced significant changes, marked by two major events: an early-year leadership change and the year-end enactment of the new audit law (Law 14/2023). The leadership changes early in the year led to the postponement of signing the new Peer Support Project Cooperation Agreement until May 2023. The new cooperation agreement has four level of result framework which was built based on the new OAGS Strategic Plan 2023-2027. This framework encompasses outcomes, outputs, goals and objectives, and project deliverables. The OAGS Peer-support Project 2023 – 2024 focus on enabling the OAGS achieve its strategic output related to core audit and stakeholder engagement. The strategic outputs include delivery of annual financial and compliance audits, forensic audits and sharing of the audit results to key stakeholders. The delivery of these strategic outputs is expected to enable achievement of the strategic outcomes of OAGS, especially the Parliament playing an active role in follow-up of audit recommendations and improved implementation of audit by the executive.

Result level 1 (Outcomes): Despite the key challenges in political situation in Somalia and internal dynamic in 2023, the OAGS have been able to report and publicly share important audit findings and recommendations that can contribute to impact. However, the actual impact of this work relies on an improved political situation, an executive who clearly dedicated to improving public financial management and a more active Parliament. The OAGS has not yet met the target but made notable progress towards achieving the expected outcomes in 2023, particularly with Parliament actively involved in the follow-up implementation of audits and the improved implementation of audit recommendations. The office is actively working to enhance this aspect through engagement with executives, legislative bodies, and citizens. OAGS engaged with the BFC of Parliament, empowering them to take an active role in overseeing the implementation of audits and to rigorously scrutinize audit reports for appropriate action. The OAGS keep tracked and monitored the follow-up of audit recommendations and highlighted them in the annual audit report.

Result level 2 (Output): The OAGS has achieved most of the anticipated output targets set for 2023. OAGS delivered the annual audit reports, including the mandatory annual financial report, to Parliament on June 30, 2023, meeting the deadline for the first time. The OAGS has successfully met the plan to conduct an annual compliance audit for 15 MDAs during the fiscal 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. The OAGS has published most of the audit reports on the OAGS website and social media. Some selected report due to sensitive information such as report on government IT system or forensic audit report used in the court proceedings were not made publicly available.

The OAGS has not yet conducted any annual forum to engage with the MDAs and Parliament in 2023, however, some small forums have taken place during the year to engage with the MDAs and Parliament on the audit findings and follow up. The engagement between OAGS and MDAs as well as Parliament to enhance the impact of the audit will continue in 2024.

Result level 3 (Goals and objectives/capacities): The OAGS has made some progress during 2023 in meeting their goals and objectives in strengthening its capacities. The OAGS strengthened its internal governance systems and enhanced the staff professionalization. Another key achievement in 2023 was the enactment of the audit law which will strengthen the independence of the OAGS.

Support was provided to OAGS work in all goals/capacity areas of the strategic plan during 2023 with a different level of efforts. The support to capacities critical for the outputs are classified of “high” effort in the project. The project can also provide support to other strategic priorities of OAGS where peer support clearly adds value and there are resources available. Such areas are classified as “medium or low effort” in the planned areas of support. Regarding audits (Goal 1), support was provided in drafting the Annual Overall Audit Plan 2023, emphasizing a robust selection of subject matters based on risk assessment. Peers also actively participated in providing feedback on financial audit, compliance audit, and special audit reports. Additionally, on-the-job guidance was delivered on the forensic audit process to enable the auditors to conduct investigations and produce high-quality forensic audit reports. To enhance audit quality, peers also provided support on formulating the OAGS Quality Assurance policy and provided on-the-job support in conducting QA reviews at the individual audit engagement level. Support for auditor professionalization was reinforced through the PESA certification program, resulting in three OAGS auditors achieving certification. Key deviations in Goal 1 included the development of a customized forensic audit manual for OAGS, and the completion of IS audit and forensic audit carried over from 2022.

For strengthening internal governance for efficient and effective audit services (Goal 2), technical advice was provided to OAGS work on the planning, monitoring, and reporting of their performance. Technical support was also provided in developing internal policies, including the Planning and Performance policy, Internal Audit policy, and Public Properties Protection policy. Key deviation to the plans in goal 2 is the execution of change management workshop due to budget constraints. However, the project supported some senior management to participate in the AFROSAI-E Senior Leadership Development Programme as part of enhancing change management in OAGS.

Related to stakeholder engagements (Goal 3), technical advice was provided on developing OAGS communication policy and OAGS Stakeholder engagement strategy, and media handbook. Key deviation in Goal 3 includes the implementation of annual forums with MDAs on understanding the key audit findings. While there was an initial plan to organize the annual meeting as a conference and invite MDAs, limited resources hindered the realization of these activities in 2023.

For a well-qualified and professional staff and management objectives (Goal 4), technical advice and support on staff recruitment, technical advice on developing Gender Mainstreaming Strategy and Action

Plan, funding support for selected staff to participate in the AFROSAI-E regional training was provided. Key deviation is on the planned to support staff professionalization program. The project re-prioritizes the support on this area and focus on PESA certification. The non-audit staff certification program as part of professionalization is planned to be funded by the world bank project in 2024.

Related to goal 5, the level of support provided was limited, primarily involving the monitoring of S-SEAT implementation and coordination with AFROSAI-E to address associated challenges. However, at present, S-SEAT still experiences challenges in effectively aiding the audit process. The challenges stem from both staff readiness and the system.

Related to goal 6, technical support was provided on organizing the meeting with development partners, financial support on training on relevant and applicable national laws and regulations for OAGS staff, and technical support on the analysis and translation process of the Audit Law. The enactment of audit law in September 2023 requires the OAGS to implement some changes internally and therefore the support will continue in 2024 as part of the new audit law implementation. Related to Goal 7 on FMS collaboration, technical advice was provided on developing Collaboration Agreement Framework with FMS.

To understand the progress made in terms of capacity, the OAGS will employ the SAI PMF assessment as a primary indicator. The assessment, aimed at understanding whether they have met progress in meeting the capacity targets for selected SAI PMF indicators, is scheduled for end of 2024 and will be conducted as part of the AFROSAI-E Quality Assurance external review.

Results level 4 (Project deliverables): In 2023, the project successfully achieved its objectives in project deliverables and management. This included meeting targets for the implementation of Agreed upon support activities, engaging a wide participation of SAI staff, and receiving positive feedback on the quality and relevance of support provided.

Project execution risks update

The project risks were shared and discussed in a joint meeting with key OAGS staff in December 2023. In general, the political situation has continued to be challenging, especially the risks of insecurity. The standing travel advice strongly discourages travel to Mogadishu, and movement within the city remains limited, primarily within the airport compound area. While partners have limited control over these risks, they are committed to monitoring them closely and engaging in regular discussions to assess the need for adjustments to the project plans. Another risk occurred in 2023 was the sudden change in leadership. This shift impacted the project in terms of delaying the signing of the new cooperation agreement as well as office's priorities, resulting in the temporary halt of certain activities to facilitate support for the new AG during the onboarding process. For instance, the previous forensic audit and the planned completion of the IS audit in 2022 were among the activities paused during this transitional period. However, it is anticipated that the new audit law and its regulations will enhance the independence of OAGS and reduce the likelihood of such risks occurring in the future. Additionally, the project activities

were also put on hold as it took time to foster trust between the newly appointed AG and the partner, allowing these parties to collaborate and execute planned activities as originally intended.

Main lessons learned and implications for the cooperation agreement

Some lessons learned from the previous 2021 - 2022 phase are still relevant. However, in 2023, some new lessons learned were identified from the challenges the project faced during the implementation.

- For effective audit support, involving the peer team from the planning stage, not just at the end, is crucial. Prioritizing timely peer involvement and discussing it with the audit department enhances collaboration.
- Ensuring access to working papers for the peer team improves understanding, necessitating the establishment of mechanisms for document sharing and regular monitoring.
- Sensitizing peers and relevant staff on project support plans at the beginning of the project's addresses concerns about unclear support expectations, enhancing collaboration and clarity.
- Including IDI's budget revisions in June and October as main agenda items during project coordination meetings in these two months, with involvement from OAGS administrative and finance teams, minimizes confusion on the budget allocation and ensures effective coordination.
- Clear communication of logistic arrangements via OAGS's main contact point prevents confusion among OAGS staff, emphasizing the importance of ensuring understanding of travel arrangements.
- Acknowledging the significant impact of sudden AG appointment changes on staff well-being underscores the importance of prioritizing HR department support and empowering them to prioritize staff well-being during transitions.
- Building trust between the new AG and partners is crucial, requiring caution in any public statements to prevent negative perceptions. It is important to advocate for common interests and open communication between the three parties to foster trust and collaboration.
- Recognizing the crucial role of the AG assistant in facilitating a smooth transition for the newly appointed AG. It is important to have someone who is mentally prepared and have the capacity to assist the new AG in coordination and communication both with internal and external parties during the transition process.

These lessons learned are elaborated more details in Chapter 5.

1 Introduction

The Office of the Auditor General of the Federal Republic of Somalia (OAGS) has a crucial role in promoting and ensuring good governance in Somalia. The OAGS is responsible for auditing all the federal government institutions and the independent enterprises provided with a public private partnership. Since 2018, the OAGS has shown a commitment to actively contribute to the improvement of public financial management in Somalia. This dedication continued with the introduction of the OAGS's new strategic plan for the period 2023-2027. The plan outlines expected impact, key strategic outcomes, strategic outputs, and objectives or goals aimed at achieving these strategic outputs in the next 5 years period.

To successfully implement the strategic plan, external financial and technical support have been requested by OAGS. Worldwide experiences of SAI capacity development show that peer-to-peer cooperation can both ensure highly qualified and relevant advises, as well as ensure a trustful and sustainable relationship between SAI employees and advisors. The INTOSAI community including AFROSAI-E and IDI have resources and experiences in almost all areas of SAI development. On this background, OAGS, AFROSAI-E, and IDI have agreed to cooperate to provide support to OAGS.

The OAGS, IDI and AFROSAI-E signed a new cooperation agreement 2023 – 2024, building on the previous cooperation agreement from 2021-2022. Funded by the Norwegian government, this agreement underwent a delay in signing until May 2023 due to a change in leadership within the OAGS early in the same year. The agreement incorporates an updated result framework aligned with the new OAGS Strategic Plan.

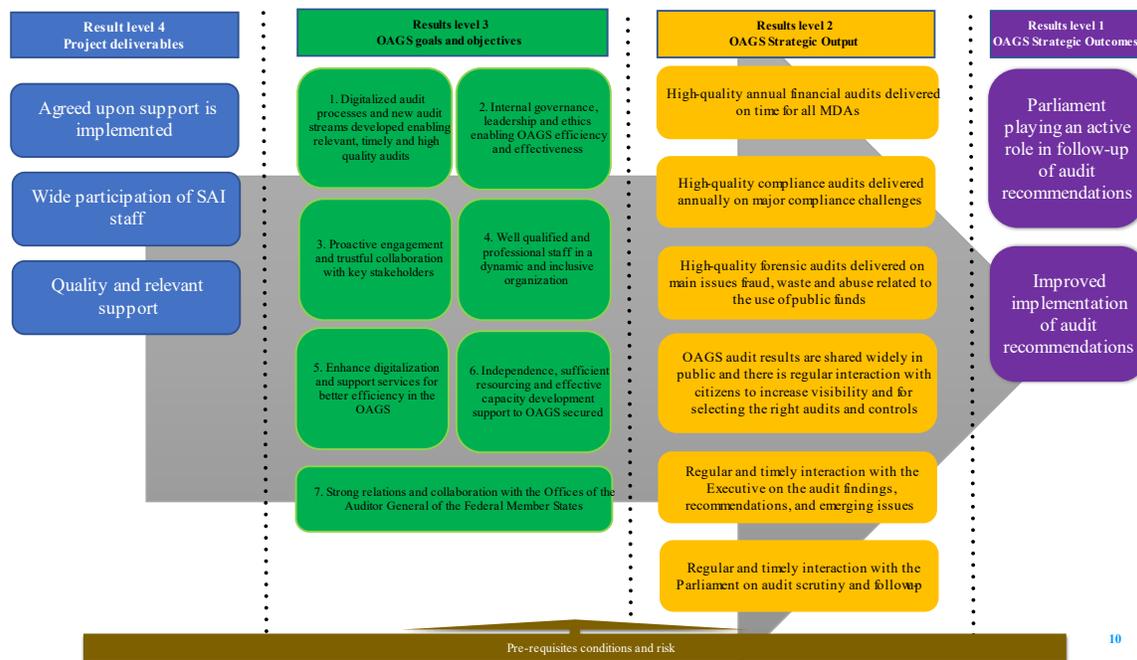
A combination of on-the-job guidance and trainings was provided by experienced staff in IDI and AFROSAI-E as well as peers from SAIs in the region. Financial support to some events and professional development courses of staff in OAGS were provided if not covered by other sources. OAGS has benefits from support by several development partners and embedded consultants. This document aims to provide overview of project objectives, implementation strategy, and indicate the progress and result of peers' support project 2023 at the 4 level of result framework (outcomes, output, goals, and project deliverables level). This report also include lesson learnt, update on risk management, and financial report.

2 Objectives

The overall objective of the OAGS Peer-support Project 2023 – 2024 is to “Enable OAGS to achieve its planned strategic outputs related to core audits and stakeholder engagement for the period 2023-2024.” The outputs include delivery of annual financial and compliance audits, forensic audits and sharing of the audit results to key stakeholders. The delivery of these strategic outputs is expected to enable achievement of the strategic outcomes of OAGS, especially the Parliament playing an active role in follow-up of audit recommendations and improved implementation of audit by the executive.

The project result framework has been set at four levels and directly link to the OAGS strategic plan 2023 – 2027. It should be noted that the project mainly has control over results at level 4. However, the results at level 1, 2 and 3 are there as the ultimate results and essential for the focus and priorities of support. Additionally, Results and risks are interconnected in a project, and managing risks is crucial to achieving desired results.

Figure 1. OAGS PSP Result Framework 2023 - 2024



The agreement has set up some preconditions for the results at all four levels include an active Public Accounts Committee in the Somalia National Assembly in using the audit reports and engaging in enabling a strong SAI. It is also crucial to have the executive with a will to act on audit findings and implement Public Financial Management reforms. A relatively stable Somalia is also essential to allow collection of audit evidence in key Ministries in Mogadishu and presence in the audit office by OAGS staff regularly. To allow the OAGS in achieving the result, there needs to be government support and commitment to increased capacity and a more independent OAGS and reasonable level of financial



allocation to OAGS operations from the Government of Somalia. The peer-support project is expected to provide support to selected objectives and areas within each goal, contributing to OAGS achieving the goals. This is set in the result framework of the Cooperation agreement.

3 Implementation strategy

Support to planning, execution, reporting and dissemination of key audits is a high priority of the peer support project. To enable OAGS to improve the quality of their audit, the support includes online and on the job guidance, and a combination of general training of both auditors and managers. The project also supports professionalization of the auditors through certification program. The engagement with Parliament, the executives, and citizens are considered crucial for the audit report to have an impact through follow up of audit recommendations. Therefore, the support also prioritize support on the OAGS engagement with the key stakeholders.

To ensure the various knowledge acquired in the audit process and through trainings are spread and institutionalized internally in OAGS, the project also includes support to management systems and a knowledge sharing workshop for all staff. The management support focuses on active use of an operational plan including overall annual audit plan and system for monitoring, reporting and quality control in OAGS.

Well-qualified staff are a fundamental condition for OAGS performance. The project support professional development capacities for selected staff in HR management areas. The project also includes support to OAGS participation at AFROSAI-E events. There are both annual AFROSAI-E events where OAGS participation is pertinent, but also specific trainings relevant for the selected audits, internal governance systems and HR.

Following the enactment of audit law in September 2023, the Peer-guidance to support the implementation of audit law is also a key for the project. This is done in close cooperation with other Development Partners.

The following principles are sought applied to ensure effective support to OAGS:

1. Peer-teams linked to the specific strategic output established as the key mechanism for support. Advisors mobilized need to have a strong professional record as well as communication skills. Advisors of each team should, if possible, be sourced mainly from SAIs in addition to AFROSAI-E and IDI to make coordination easier and enable a strong SAI-SAI relationship, and later possibly an institutional cooperation.
2. The peer-advisors should seek active coordination with other providers of support. To avoid conflictual advice and uncoordinated approach of consultants and peers, consultants shall be invited for all main peer-initiated activities.
3. Tailor-made use of peer-material and guidance, incl. customization of manuals and regional training. Some regional workshops and events may be relevant for OAGS participation without tailor-made approach but needs to be coordinated with other peer-support.
4. Translation of key material to ensure actual use over time by all staff in OAGS.



5. Mechanisms for frequent contact and continuity are established to enable sufficient context understanding of advisors, trust-building and relevant advises and training. Mechanisms of videoconferencing and regular telephone meetings will be sought.
6. The peer-partners will be flexible and seek continuous learning. This means the peer-partners shall be flexible in terms of the SAI priorities for support. Plans will be adjusted if required, reflecting commitment to continuous learning in partnerships and the evolving conditions facing the SAI. Still, it must be clear that agreements and plans should be used actively during implementation.

4 Progress and results

The project result framework has been set at four levels and directly link to the OAGS strategic plan 2023 – 2027.

- **Level 1 SAI outcome:** The effects of SAI output on the stakeholder. It is a specific, tangible desired changes in the SAI’s public sector environment, which are linked to the strategic issues faced by the SAI, or to broader sectoral or national priorities on PFM or governance. This includes utilization of the audit results by stakeholders.
- **Level 2 SAI output:** Key products of the SAI’s work. This includes audit results and sharing of the audit report.
- **Level 3 SAI capacities:** The “Goals and objectives” that are expected to lead to the SAI output. This includes organizational, professional and institutional attributes such as procedures, methodologies, skills, knowledge, structures, and ways of working that make the SAI effective both as an institution and as an organization.
- **Level 4 Project deliverables:** These are indicators of the products and support mechanisms developed and provided by the peer-project. They are predominantly under the peer-providers’ control.

4.1 Result level 1: OAGS outcomes and contribution to impact

Since 2019 the OAGS has annually submitted financial and compliance audit reports to the Parliament, Prime Minister and President. The OAGS has also engaged with the parliament to brief them on the mandate and response to the parliament queries regarding the audit report. However, the Parliament has not examined the audit reports and issued their conclusion and expected follow-up by government. The Executive normally responds to the OAGS during the audit process on how it is going to follow-up on audit recommendations. However, the Executive has not made public the steps it has taken to address audit recommendations made by OAGS. This puts the actual impact of the audit findings and recommendations at risk.

The OAGS has actively shared the audit reports in public to increase the chance for impact. For instance, by making a summary report and sharing infographics in many channels. Additionally, the engagement with parliament, executives, and citizens to enhance the audit impact will continue into 2024.

The table below shows the status of expected results by the end of 2023.

Expected Results	Indicator Definition	Baseline (year)	Target 2023-2024	Result 2023
Parliament playing an active role in follow-up of audit recommendations	Whether a Committee of the Legislature examines the Audit Report on the annual budget within six months of	No, a committee did not examine the Audit Report on the annual budget (2021 OBS)	The committee examines the audit report within six months of it being released then	No, a committee did not examine the Audit Report on the annual budget within six months of it being released then publish

Expected Results	Indicator Definition	Baseline (year)	Target 2023-2024	Result 2023
	its availability, and publish a report with findings and recommendations		publishes a report with its findings and recommendations	a report with its finding and recommendations.
Improved implementation of audit recommendations	Whether the executive reports to the public on the steps it has taken to address audit recommendations made by SAI	No, the executive did not report to the public on the steps it has taken to address audit recommendations made by SAI (2021 OBS)	The executive must report publicly on the steps it has taken to address all audit findings	No, the executive did not report to the public on the steps it has taken to address audit recommendations made by SAI

4.2 Results level 2: OAGS Output

Result level 2: The OAGS PSP has achieved most of the anticipated output targets set for 2023. Table 1 below provides a summary.

Expected Output	Indicator for whether the expected result is achieved	Target 2023	Result
I.High-quality financial audits delivered on time and for all MDAs	Whether the annual consolidated financial audit report is submitted by the 30 th of June deadline to Parliament	Met	Met
II.High-quality compliance audits delivered annually on major compliance challenges	Percentage of MDAs in which a compliance audit is completed per year, as compared to the OAGS annual audit plan target of MDA entities to be covered	100 %	100%
III.High-quality forensic audits delivered on main issues fraud, waste and abuse related to the use of public funds.	Percentage of forensic audit reports completed and submitted for further action during the year as compared to the planned number of such audits	100 %	100%
IV.OAGS audit results are shared widely in public and there is regular interaction with citizens to increase visibility and for selecting the right audits and controls	Whether all audit reports published are made available on the website and shared by OAGS in social media within 1 day of publication	Yes	Yes

V.Regular and timely interaction with the Executive on the audit findings, recommendations, and emerging issues	Number of annual forums with MDAs completed during the year on the audit findings, recommendations, and emerging issues commenced	2	0
VI.Regular and timely interaction with the Parliament on audit scrutiny and follow-up	Number of annual sensitization seminars are held by the OAGS for the Budget and Finance Committee commenced during the year	1	0

OAGS delivered the annual audit reports, including the mandatory annual financial report, to Parliament on June 30, 2023, meeting the deadline for the first time. The Office of the Auditor General of Somalia (OAGS) has successfully met the plan to conduct an annual compliance audit for 15 MDAs during the fiscal 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. The OAGS have examined key MDAs that provide these services at the Aden Adde International Airport (AAIA) in Mogadishu, Somalia. 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 audit became evident through significant increases in revenue collection in the months following the audit.

The OAGS has published most of the audit reports on the OAGS website and social media as well as shared infographics and summary of the report. Some selected report due to sensitive information such as report on government IT system or forensic audit report used in the court proceedings were not made publicly available.

The OAGS has not yet conducted any annual forum to engage with the MDAs and Parliament, however, some small forums have taken place during the year to engage with the MDAs and Parliament on the audit findings and follow up. The engagement between OAGS and MDAs as well as Parliament will continue in 2024.

4.3 Results level 3: OAGS goals and objectives (SAI capacities and outputs)

4.3.1 Goal 1: Digitalized audit processes and new audit streams developed enabling relevant, timely, and high quality audits

Resources allocated for support

Funding for resource person, workshop, on the job support, and professionalization. In 2023, the audit peer-team have consisted of:

- George Phiri, IDI (lead and overall involvement in support to goal 1)

- Nonhlanhla Ndaba, AFROSAI-E (overall involvement in support to goal 1)

In addition, dedicated peers for training and advice to forensic audit and financial and compliance audit have been mobilized and are ready to provide active support in 2023:

- Ivan Mukisa, OAG Uganda (forensic audit)
- Jasper Oketa, OAG Uganda (forensic audit)
- Harrison Makwenda, NAO Malawi (financial and compliance audit)

In addition to the peers mobilized in the project, OAGS has three consultants funded by EU and WB providing substantial training and advice for goal 1 activities.

Support provided

OAGS strategic objective	Peer-support planned 2023	Peer-support provided in 2023	Comments on progress and challenges
Risk and materiality based overall audit planning and monitoring	<ul style="list-style-type: none"> • Advice for developing the 2023 overall audit plan and funding for the annual audit workshop in Mogadishu • Online advice for monitoring and follow-up of implementation of approved Annual Overall Audit Plan 	<ul style="list-style-type: none"> • On the job support on developing 2023 annual overall audit plan 	<ul style="list-style-type: none"> • Allocation of resources in the annual audit plan is still a challenge in terms of quantity and staff capacity • The office still has not yet incorporated SAI budget and necessary financial resources for planned audits into AOAP development.
Timely production of high-quality financial audit reports by a dedicated financial audit function	<ul style="list-style-type: none"> • Advice and support for certification and professionalization of selected financial auditors • Online advice for the annual FA to be executed in 2023 (audit of FY 2022 accounts). Advice for planning, execution, reporting, follow up, S-SEAT working paper, and for selected entities based on request and need. 	<ul style="list-style-type: none"> • Funding support for staff participation in the PESA program • Provided feedback on financial audit management letter and audit report 	<ul style="list-style-type: none"> • Peers involvement was still limited at the reporting stage. There were some challenges with peer team access to working papers for the peer team to be able assess the quality of work. • Most staff still not meeting the passing grade for PESA. • S-SEAT has not yet fully utilised in FA
A compliance audit function able to provide timely and high-quality audit of a wide range of	<ul style="list-style-type: none"> • Online advise on the execution of 2023 compliance audits per OAGS Compliance Audit Manual as indicated in 	<ul style="list-style-type: none"> • Provided feedback on CA management letter and audit report 	<ul style="list-style-type: none"> • Similar to FA, the peers involvement was still limited at the reporting stage. There were some challenges with peer team access to working

OAGS strategic objective	Peer-support planned 2023	Peer-support provided in 2023	Comments on progress and challenges
compliance subject matters	overall audit planning, report and published		papers for the peer team to be able to assess the quality of work.
A strong specialized forensic audit function	<ul style="list-style-type: none"> Online collaboration for finalizing pilot forensic audit Advice and support for certification and professionalization of selected auditors in forensic audit Advise to customize OAGS Forensic Audit Manual, set and applied On the job support on conducting forensic audit: planning, execution and reporting of forensic audit in 2023 	<ul style="list-style-type: none"> On the job support on conducting forensic audit in 2023 	<ul style="list-style-type: none"> Finalization of forensic audit carried over from 2022 is put on hold due to internal dynamic in the organization Certification of forensic auditor is on hold due to budget constraints Forensic audit manual is not yet customized due to prioritisation on completing the 2023 forensic audit. This activity will be carried over in 2024.
Enable delivery of performance audits through development of a dedicated performance audit in-house function and outsourcing of selected audits	<ul style="list-style-type: none"> Online advise to develop Performance Audit Function in OAGS Online advise on recruiting LTA for Performance Audit Support on the execution of performance audit 2023 in collaboration with PA advisor 	<ul style="list-style-type: none"> Support on developing the ToR for WB PA advisor recruitment. Coordination with the SNAO and PA advisor on the execution of PA in 2023 	<ul style="list-style-type: none"> PA is currently ongoing with the main support from the World Bank PA advisor and SNAO
Strong audit quality control and line management direction and review of audit processes	<ul style="list-style-type: none"> Advise and support for quality control 2023 Online advise on systematic use of WPs for QC- in all audit work for Financial, Compliance, and forensic audit 2023 	<ul style="list-style-type: none"> QC support was provided in collaboration with advisors as part of the audit support 	<ul style="list-style-type: none"> Peer team access to audit working papers is still limited to allow them provide support to quality control process.
Independent quality assurance conducted annually for selected audits contributing to	<ul style="list-style-type: none"> Advise to conduct QA of selected audits in 2023 and support Quality Assurance 	<ul style="list-style-type: none"> Provided advise for finalization OAGS QA Policy 	<ul style="list-style-type: none"> QA staff have limited skills and experience in audit to be able to assess the audit quality. Support will continue in 2024.

OAGS strategic objective	Peer-support planned 2023	Peer-support provided in 2023	Comments on progress and challenges
active learning and improvement	training for selected staff. <ul style="list-style-type: none"> Advise for finalization OAGS QA Policy 	<ul style="list-style-type: none"> On the job support to conduct QA review on individual audit 	

Results and implications for support going forward

The table below shows the main results expected at the capacity level as per the Cooperation agreement 2023-2024. In 2023, the OAGS achieved progress in meeting their capacities target in various audit areas. Accomplishments during this period include formulating an annual overall audit plan based on risk, finalizing and publishing financial audit, compliance audits, and special audits report. Furthermore, the OAGS successfully concluded the forensic audit report and made progress in enhancing the quality control and assurance of their audit processes.

While notable progress was achieved in 2023, the assessment of the SAI PMF indicator will be done at the end of 2024. In 2024, peer support will be extended to further enhance the quality of financial and compliance audit processes. Continued assistance will be provided for forensic audits, enhancing quality control and assurance in audit processes, and supporting the professionalization of auditors.

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
3.1.1 Risk and materiality based overall audit planning and monitoring	SAI-7: Overall Audit Planning	2 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024
3.1.2 Timely production of high-quality financial audit reports by a dedicated financial audit function	SAI-10: Financial Audit Process	0 ¹ (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024
3.1.3 A compliance audit function able to provide timely and high-quality audit of a wide range of compliance subject matters	SAI-16: Compliance Audit Process	4 (2022)	Score maintained over the period	Progress has been made but the assessment will be done at the end of 2024
3.1.5 A strong specialized forensic audit function	OAGS Forensic Audit Manual Approved by AG	0 (2022)	Forensic Audit manual approved	Not met due to the limited resources and office priority to finalize the Forensic audit in 2023
	Number of OAGS staff received a	0 (2022)	At least 2 staff have forensic audit certification.	Not met due to budget constraints. This activity will be implemented in

¹ The SAI 10 PMF score for 2022 is not yet to be self assessed due to limited evidence

	forensic audit professional certification			2024 by seeking co funding support from the WB.
3.1.7 Strong audit quality control and line management direction and review of audit processes	SAI-9 (iii): Quality control in financial audit	0 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024
	SAI-15 (iii): Quality control in compliance audit	0 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024

Picture 1. Workshop for Quality assurance on individual audit engagement in Nairobi



Picture 2: on the job support for Forensic audit facilitated by peer support from SAI Uganda



4.3.2 Goal 2: Internal governance, leadership and ethics enabling OAGS efficiency and effectiveness

Resources allocated for support

Funding is provided for selected OAGS events in goal 2, and advice and training provided by the Strategic management peer-team consisting of Jostein Tellnes and Muhammad Wahyudi from IDI. Financial support is also provided to the AG Special Assistant position. This salary support is justified by the need to have a person in this position with strong language skills and a non-Somali passport which would be difficult to recruit in the local labour market and with the standard government salary. The position is key to enable progress and coordination in all OAGS areas. The Special Assistant to the AG has been proven to be critical during the transition period when the new AG was appointed. In addition to the project support to Goal 2, OAGS benefits from advice of EU-funded consultant for overall SAI governance and management.

Support provided

Most of the technical support in 2023 has been through discussions between the peer team and Planning directorate, addressing the strategic planning, operational planning, monitoring and reporting in particular.

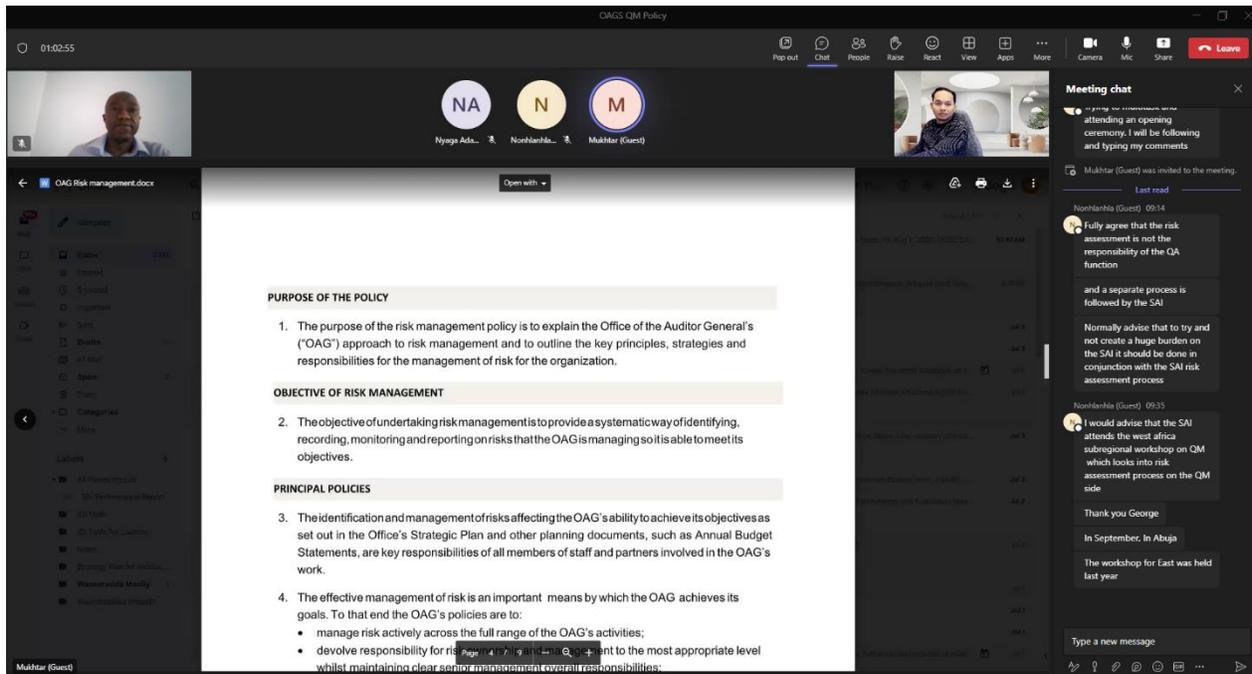
OAGS strategic objective	Peer-support planned 2023	Peer-support provided in 2023	Comments on progress and challenges
Strong overall performance and change management	<ul style="list-style-type: none"> • Advice for 2023 operational plan process and contents • Online advice for finalizing 2022 annual performance report. • Advice for Quarterly Monitoring Reports and semi-annual reports for internal monitoring by management in a timely manner 2023 • Fund salary of competent AG Special Assistant for stronger OAGS management and project implementation - 2023 • 2023 follow up of Management Development Programme - Top management training. • 2023 advise for OAGS planning and performance management policy. • Support staff participation at the M&E regional training in Pretoria • Advice for 2024 operational plan process and contents 	<ul style="list-style-type: none"> • Provided advice for 2023 operational plan process and contents. • Provided advice for finalizing 2022 annual performance report. • Provided advice for Quarterly Monitoring Reports and semi-annual reports for internal monitoring by management in a timely manner 2023. • Support funding salary of competent AG Special Assistant for stronger OAGS management and project implementation - 2023 • Provided advise for OAGS planning and performance management policy. • Funding support staff participation at the M&E regional training in Pretoria • Provided advice for 2024 operational plan process and contents 	<ul style="list-style-type: none"> • Budget limitations prevent the implementation of the Management Development Programme in 2023. • The periodic reporting process can be a challenge due to lack of information to understand the progress by the planning Dept. There is a need to strengthen the M&E framework by enhancing the current templates.
OAGS wide quality management and internal control framework established	<ul style="list-style-type: none"> • 2023 online advise on developing wide quality management and internal control framework. • 2023 online advise on Internal Audit Policy • 2023 online advise on SSU Policy • 2023 online advise on PPP Policy 	<ul style="list-style-type: none"> • Provided advise on developing support for the newly established IA Dept • Provided feedback on 2023 Internal Audit Policy • Provided feedback on 2023 SSU Policy • Provided feedback on PPP Policy 	<ul style="list-style-type: none"> • There is a need to establish peer support to the IA Dept as part of developing internal control framework.
Strengthened integrity internally	<ul style="list-style-type: none"> • Advise to conduct a review of OAGS adherence to the Code of Ethics to ensure it is in line with ISSAI 130 and to update the Code of Ethics for the office as a whole 	<ul style="list-style-type: none"> • Provided support on reviewing OAGS' Code of conduct based on five fundamental principles of ISSAI 130. 	

Results and implications for support going forward

The table below shows the main results expected as per the Cooperation agreement 2023 – 2024. In 2023, the OAGS has made progress in meeting their capacities in the internal governance areas. The OAGS were able to meet a notable result including producing quarterly and semi-annual reports highlighting key progress in relation to the Operational Plan, developed and approved policies and manual for relevant and important departments, revised and approved Annual Operational Plan for 2023, and developed 2023 SAI Performance Report and annual operational plan for 2024. Although some progress has been made in 2023, the SAI PMF indicator assessment will be done at the end of 2024. For the 2024 going forward, peer support will still be provided for strengthening the strategic management in OAGS and funding support for the AG special assistant as it has been crucial in overall coordination and follow-up of office activities.

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
3.2.1 Strong overall performance and change management. 3.2.2 OAGS wide quality management and internal control framework established. 3.2.3 Strengthened integrity internally	SAI-6 Leadership and internal communication	2 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024
	SAI-3: Strategic Planning Cycle	3 (2022)	Scores maintained or improve over the period	Progress has been made but the assessment will be done at the end of 2024
	SAI-4: Organizational Control Environment	1 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024

Picture 3 Peer team discussion on drafting OAGS Policy



4.3.3 Goal 3: Proactive engagement and trustful collaboration with key stakeholders

Resources allocated for support

Funding for key workshops and events, and advice and training by the Stakeholder engagement peer-team consisting of Zakiya Fareed from AFROSAI-E and Muhammad Wahyudi from IDI. In addition to the project support, OAGS benefits from a WB-funded on-site consultant for strategic communication support.

Support provided

OAGS strategic objective	Peer-support planned 2023	Peer-support provided in 2023	Comments on progress and challenges
Support to Parliament capacity to scrutinize audit reports	<ul style="list-style-type: none"> Advice to establish guideline and procedures regarding communication with the Parliament. Advice and funding for 2023 OAGS - regular sensitization seminar with the Parliament about OAGS roles and audit. 	<ul style="list-style-type: none"> Provided advice and support in developing procedures regarding communication with Parliament 	<ul style="list-style-type: none"> Advise on engagement with Parliament was provided. Although, the Annual seminar sensitization with the Parliament has not yet conducted in 2024, some small forums to engage with the Parliament on the audit report took place in 2024.
Active and supportive stakeholder relations	<ul style="list-style-type: none"> Advice for OAGS to establish communication plan as part of stakeholder engagement 	<ul style="list-style-type: none"> Provided advice on developing communication plan and 	<ul style="list-style-type: none"> Annual seminar with the MDAs has not yet implemented in 2023. The office was planning the

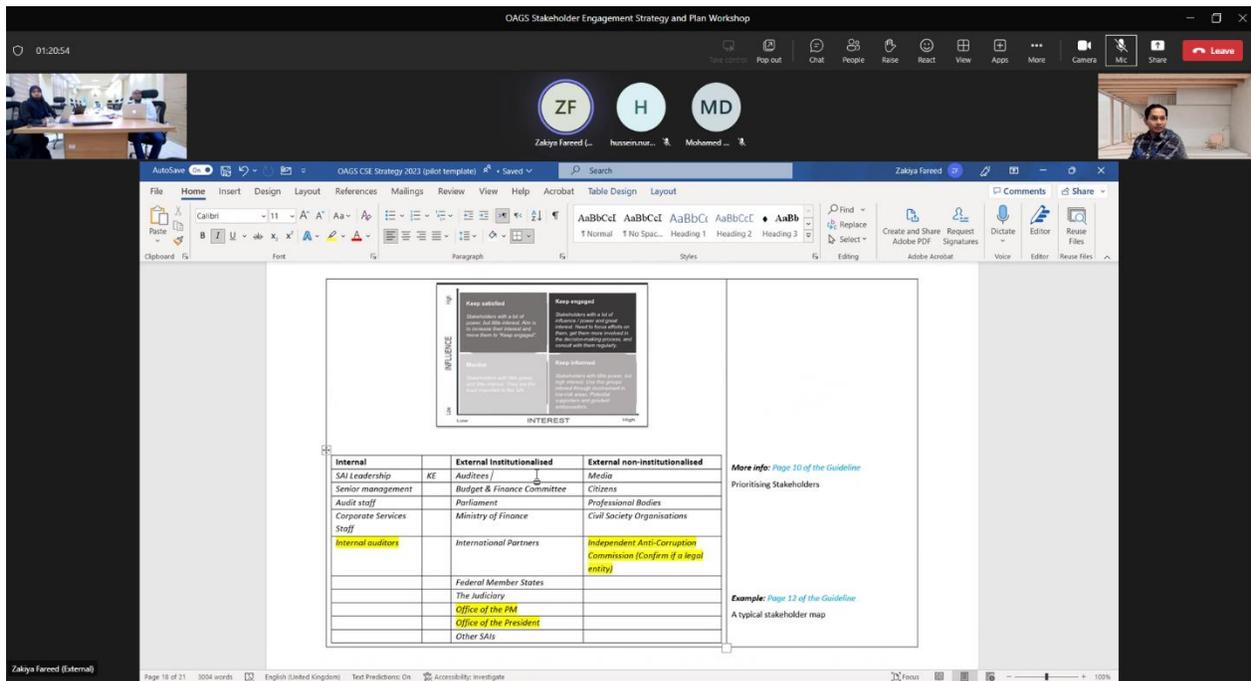
OAGS strategic objective	Peer-support planned 2023	Peer-support provided in 2023	Comments on progress and challenges
	strategy by including stakeholder mapping and prioritization <ul style="list-style-type: none"> Support for conducting Annual seminar with the Ministries, Departments and Agencies to share general reflections and understanding on the audit finding 2023 	stakeholder engagement strategy	seminar as a good governance conference which requires more resources.
Continuous improvement of OAGS report format and sharing channels	<ul style="list-style-type: none"> Advice for developing OAGS media handbook Advice for developing a mechanism for direct engagement with citizens, to get input on audit topics and feedback on audit reports 2023 	<ul style="list-style-type: none"> Provided advice on developing OAGS media handbook Mechanism for receiving public complaint or report any irregularities on the OAGS website has been established. 	<ul style="list-style-type: none"> The media handbook will be finalized in 2024.

Results and implications for support going forward

The table below shows the main results expected as per the Cooperation agreement 2023-2024. Although some progress has been made in 2023, the SAI PMF indicator will be assessed at the end of 2024. In the upcoming year, the project will support the office to enhance its engagement with stakeholders to improve the impact of audits. This engagement will also play a vital role in informing key stakeholders about the new audit law.

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
3.3.1 Support to Parliament capacity to scrutinize audit reports	SAI-25: Communication with the Media, Citizens and Civil Society Organizations	3 (2022)	Scores maintained or improve over the period	Progress has been made but the assessment will be done at the end of 2024
3.3.2 Active and supportive stakeholder relations		1 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024
3.3.3 Continuous improvement of OAGS report format and sharing channels	SAI-24: Communication with the Legislature, Executive and Judiciary			

Picture 4 Workshop on developing communication and stakeholder engagement strategy



4.3.4 Goal 4: Well qualified and professional staff in a dynamic and inclusive organization

Resources allocated for support

Funding for key workshops and events, and advice and training by the HR peer-team initially led by Marianna van Niekerk (former AFROSAI-E manager) and presently continued by Wilna Degenaar from AFROSAI-E.

Support provided

OAGS strategic objective	Peer-support planned 2023	Peer-support provided by 2023	Comments on progress and challenges
A stronger organization enabling OAGS to deliver on its mandate	<ul style="list-style-type: none"> 2023 Advice for process and implementation of the new audit act Advise for recruitment process of new auditor to improve OAGS capabilities to meet its mandate Advise to Develop and implement action plan for inclusivity and gender principles to be integrated in overall 	<ul style="list-style-type: none"> Provided advise for updating job profile following the enactment of the new audit law Provided advise for recruitment process Provided advise to Develop and implement action plan for inclusivity and gender principles 	<ul style="list-style-type: none"> The support for HR as part of the implementation of the new audit law will continue in 2024

OAGS strategic objective	Peer-support planned 2023	Peer-support provided by 2023	Comments on progress and challenges
	management practices and organizational development		
Strong overall HR-management of OAGS	<ul style="list-style-type: none"> Regular advice for managing overall implementation of the HR policy manual based on HR priority 2023. Guidance and advise on the training and professional development plan 2023 	<ul style="list-style-type: none"> Provided advise on implementation of HR Policy Provided support on the implementation of professional development plan 	<ul style="list-style-type: none"> The professional development plan implementation in terms of certification of non-audit staff will continue in 2024 and be supported by the WB project.
Training and professional development for all staff	<ul style="list-style-type: none"> Advice on participation and financial support for travel 2023. HR staff to participate in relevant HR training held by AFROSAI-E Support for staff participation in the AFROSAI E 1 year SLDP programme 	<ul style="list-style-type: none"> Provided support for staff participation in AFROSAI-E regional training Provided funding support for staff participation in the SLDP 	

Results and implications for support going forward

The table below shows the main results expected as per the Cooperation agreement 2023-2024. The expected results by the end of 2023 potentially be met. While the HR-policy is done, great effort is required to ensure its implementation and result achievement of SAI-22. For professional development, the execution of certifications² for key OAGS staff cannot be done in 2023 due to budget limitation. These activities will be supported by the WB Project in 2024. Moreover, the OAGS's participation in the PESA exam does not appear to have highly successful results. Nonetheless, through PESA, the staff gained exposure to its educational components, engaging in both digitized education and social learning, accessing additional resources, and contributing to an initial development portfolio. In 2024, the focus of support will be in the HR aspects of implementing the new audit law.

² Institute of Certified Public Accountants of Kenya (ICPAK) —for Auditors (3-year programme)
 Certified Fraud Examiner (CFE) by ACFE South Africa
 Certified Human Resource Management Kenya (CHRM) – for HR
 Kenyan School of Law – for the Lawyers
 Information Systems Audit & Control Association (ISACA) – for the IT Auditor
 Leadership Development – AFROSAI-E

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
3.4.2 Strong overall HR-management of OAGS 3.4.3 Training and professional development for all staff	SAI-22: Human Resource Management	2 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024
	SAI-23: Professional Development and Training	0 (2022)	Scores improve over the period	Progress has been made but the assessment will be done at the end of 2024

Picture 5 2023 AFROSAI-E Regional training



4.3.5 Goal 5: Enhance digitalization and support services for better efficiency in the OAGS

Resources allocated for support

Funding for this support was primarily for coordination with Fredrick Bobo from AFROSAI-E in relation to the S-SEAT implementation.

Support provided

Objective	Peer-support planned 2021-22	Peer-support provided by end of 2021 2022	Comments on progress and challenges
Digitalization of audit processes and increased use of software tools enhancing efficiency and quality	<ul style="list-style-type: none"> Advice and contribute to 2023 S-SEAT implementation and training for OAGS staff 	<ul style="list-style-type: none"> Coordinated support with AFROSAI-E on the S-SEAT implementation in SAI Somalia 	<ul style="list-style-type: none"> S-SEAT has not yet fully utilized in the audit process. The challenges came from both the system and the readiness of the staff to use the system. The OAGS has committed to utilise the system in FA, CA, and IS audit in 2024.

Results and implications for support going forward

The table below shows the main results expected as per the Cooperation agreement 2023 - 2024. Meeting the expected result of using S-SEAT for a complete audit seems challenging. Auditors faced difficulties in utilizing S-SEAT in the audit due to limited skills and technical challenges. AFROSAI-E will provide an update on the system in 2024 and continue offering support to address implementation challenges. The office plans to use S-SEAT for financial, compliance, and IT audits in 2024.

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
3.5.1 Digitalization of audit processes and increased use of software tools enhancing efficiency and quality	Whether the electronic tool “S-SEAT” is utilized in all audit processes	Not met (2022)	Met	Not met

4.3.6 Goal 6: Independence, sufficient resourcing and effective capacity development support to OAGS secured

Resources allocated for support

Funding for key workshops and events, and advice and training by the Independence peer-team consisting of Jostein Tellnes, Benjamin Castro and Muhammad Wahyudi from IDI, Gorden Kandoro from AFROSAI-E. In addition to the project support, OAGS benefits from a WB-funded on-site consultant for legal support.

Support provided

OAGS strategic objective	Peer-support planned 2023	Peer-support provided by end of 2023	Comments on progress and challenges
Secure independence and implement the new Audit Act	<ul style="list-style-type: none"> • 2023 Advice for the Audit Bill. Analysis of the current draft • Advice for process and contribute to sensitization and training of OAGS staff related to changes following the new audit act, if needed. • Advice for reviewing relevant OAGS policies, guidelines, procedures to ensure compliance with the new act. 	<ul style="list-style-type: none"> • Provided analysis of the audit bill draft and shared it with the OAGS • Provided advise on the development of transitional plan to implement the audit law 	<ul style="list-style-type: none"> • The support on the implementation of the audit law will continue in 2024
Secure sufficient funding and technical support to OAGS	<ul style="list-style-type: none"> • Advise for organising 2023 Annual Development Partners meeting 	<ul style="list-style-type: none"> • Provided advise and support on organizing Annual Development Partners meeting 2023 	<ul style="list-style-type: none"> • The OAGS can only organize one DPs meeting in 2023 due to internal dynamic in early year.
A strong legal competency in OAGS ensuring government contracts are reviewed and registered on time	<ul style="list-style-type: none"> • Advise and funding support on training on relevant and applicable national laws and regulations including PFM Law as well as global legal standards regulating public finance management for selected staff 	<ul style="list-style-type: none"> • Provided support on developing ToR for the staff training on applicable national laws and funding support to organise the training. 	

Results and implications for support going forward

The table below shows the main results expected as per the Cooperation agreement 2023 2024. In 2023 marked a significant milestone for OAGS in terms of securing their independence. The government finally enacted the new audit law in September 2023. With the new audit law, the result on SAI-1 indicator will most likely be met. The project will continue to provide support to implement the new audit law in 2024.

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
3.6.1 Secure independence and	SAI-1 Independence of the SAI	1 (2022)	Scores improve over the period	Progress has been made but the assessment will be

implement the new Audit Act				done at the end of 2024
	SAI-2 Mandate of the SAI	4 (2022)	Score maintained	Progress has been made but the assessment will be done at the end of 2024
3.6.2 Secure sufficient funding and technical support to OAGS	Number of meetings with Development Partners held	2 (2022)	At least 2 meetings annually (annual and midyear meetings with DP)	Not met, only 1 meeting was conducted due to change of leadership early in the year

Picture 6 Signing of the audit law in September 2023



4.3.7 Goal 7 FMS Collaboration

Resources allocated for support

Funding mainly for coordination and advice on engaging with FMS consisting of Muhammad Wahyudi and Goerge Phiri from IDI. In addition to the project support, OAGS benefits from EU-funded on-site advisor for Federal member states.

Support provided

OAGS strategic objective	Peer-support planned 2023	Peer-support provided by end of 2023	Comments on progress and challenges
<p>Contribute to harmonized audit processes and use of tools through trainings and capacity development support in selected areas</p>	<ul style="list-style-type: none"> • 2023 Online advise on developing a framework for collaboration and training, to clarify amongst others, the role of each partner, principles of collaboration and commitments • Advice for setting policy for how OAGS should support to FMS OAGS • Advice for the annual seminar between OAGS and FMS • Advice regarding holistic training in collaboration with FMS OAGs. Topic:Introduction of the audit process automation 	<ul style="list-style-type: none"> • Provided support on developing the ToR for collaboration with the FMS 	<ul style="list-style-type: none"> • This activity will continue in 2024. The peer support project has minimum role in the OAGS collaboration with FMS. The support will be mainly provided by EU advisor and with funding support from the WB.

Results and implications for support going forward

The table below shows the main results expected as per the Cooperation agreement 2023 2024. The peer support project has minimum role in the implementation of OAGS – FMS collaboration. The main provider of support will be the EU advisor and funding support from the WB. The activities related to FMS collaboration will continue in 2024.

OAGS goal and objective	Performance Indicator	Baseline (year)	Target (2023 – 2024)	Result 2023
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3.7.1 A framework for collaboration and exchange of experiences between OAGS and FMS OAGS developed	Framework for collaboration and training established	Not met	Met	Not met
3.7.2 Contribute to harmonized audit processes and use of tools through training and capacity development support in selected areas	Content for holistic audit training is developed (topic specific for the respective year)	Not met	Met	Not met

4.4 Results level 4: Project deliverables and management

4.4.1 Project coordination and management

Resources allocated for support

In IDI, two staff are contributing to the management of the project and handling logistics. In AFROSAI-E and peer partners, resources for overall project management and coordination are provided in-kind.

Activities

A project coordination team consisting of representatives of the three partners have met regularly (every second week usually) to:

- oversee and ensure good timing and progress of support
- monitor and follow-up on quality of support provided
- ensure synergies across areas of peer support and with support provided by consultants

Finding appropriate and efficient approaches to logistically organizing events, conducting procurements and enabling payments is a critical part for success in the project. This has been possible through online methods to a great extent but requires good communication and collaboration with OAGS staff on the round. The OAGS has assigned one staff as focal point on logistic matters.

4.4.2 Results and implications for the way forward

Expected Results	Indicator Definition	Source	Baseline (2022)	Target 2023	Result 2023
Agreed upon support is implemented	Percentage of agreed project deliverables in the annual plan completed during the year	Annual project report	80%	80%	83%

Expected Results	Indicator Definition	Source	Baseline (2022)	Target 2023	Result 2023
Wide participation of SAI staff	a) Cumulative number of SAI staff taking part in project funded trainings (minimum 1 full day activity) b) Female participation rate	Annual project report	a) 40 b) above 35 %	a) 50 b) above 35 %	a) 148 b) 26%
Quality and relevant support	Average SAI staff satisfaction and perceived project quality, on a 1-5 scale	Annual anonymous survey to all staff	3.65	4	4

* Of 59 planned activities in 2023, at the end of the year 49 were completed, 10 ongoing and/or delayed. The completed and ongoing constitute 83 %.

** Average score of Evaluation survey on quality of advice online and workshops conducted by the project

Regarding quality and relevance of support, this was measured through a satisfaction survey sent to all OAGS staff in January 2024. 21 responses were received in total. Most of the respondents have received support for more than 2 days. Most of the respondents have received support related to combination of audit capacity, stakeholder engagement, strategic management, and independence and legal framework.

In general, the majority of respondent give scores of 4 (“Agree”) or 5 (“Strongly agree”) on all areas. The respondent view that strongest quality of the support is especially in areas:

- It is easy to interact and consult with the peers and advisors
- The training and advice have increased my skills in important areas
- The training methods stimulated learning and interaction

When asked about what is working really well, the respondent expressed that project has effectively enhanced cooperation among staff and enhanced their knowledge through its flexible and adaptable approach, collaborative framework, and continuous improvement initiatives. Additionally, it has providing valuable support through the availability of peers, hands-on technical assistance, and accessible country management. The project's emphasis on training and professional development has further contributed to its success. The project's effectiveness is evident in its collaborative efforts during the annual audit



workshops and its provision of management support, making it a valuable asset in skill development and SAI operations.

However, the respondents also expressed that more effort should be done to enhance the project. These include improving resource allocation through proactive planning and flexible budget adjustments, tailoring training programs to address specific audit needs, and promoting knowledge-sharing initiatives among auditors. Exploring opportunities for more in-person meetings can further improve project effectiveness. Conducting evaluations to identify challenges and opportunities for continuity of the project and fostering real collaboration to yield tangible results in ongoing work, are also crucial steps for improvement.

5 Lessons learnt

The main lessons from previous cooperation agreement but still relevant includes:

- Flexible and active peer technical and financial support is critical to contribute to OAGS results due to uncertainty in Somalia. The results achieved by OAGS are very impressive and substantial, especially related to audits, and this seems partly due to flexible and active peer technical and financial support. However, key challenges still remain in the areas of delivering annual audit on time, S-SEAT actual use and benefits, new audit legal framework and audit staff professionalization.
- The support to strategic and operational plan and overall framework for support 2018-2022 have given a solid foundation for the development of OAGS in all key strategic goals. These plans guide the OAGS direction and making decisions on allocating its resources to attain strategic goals, and as control mechanism for guiding the implementation of the strategy and monitor progress.
- Change management support, as well as strong project management and coordination systems, routines and processes are critical to address the current challenges the office had. The peer support has been appreciated by OAGS in all areas, such as by trainings, sharing of resources, strategic advice, and coordination with Development Partners. However, progress varies and sometimes processes are slow. This could be due to different reasons, both related to OAGS and IDI, or OAGS and the peers providing support. It could be over ambitious plans, competencies, confidence, language, available time, various degree of support and commitment.
- Consultants on the ground supported by EU and WB have been necessary conditions for the successes OAGS – the audits reported, and the legal framework submitted would not possibly have succeed with the peer support project only. However, coordination with consultants can be a challenge in a similar manner as between peer partners.
- Financial support to events and the support to the AG personal assistant are essential to succeed in meeting the results. Due to security risk, not all activities are able to take place in Mogadishu. Some selected staff from OAGS needs to travel to nearby cities to participate in the workshop and trainings. Furthermore, the support to the AG personal assistant has enabled good communication and seems to make the project and peer support less dependent on own resources for coordination. The Special Assistant to the Auditor General is a key position enabling overall communication and coordination in the office.
- For workshops and trainings, a hybrid model where some are physically together, and others online can work well as long as connection and technical tools are good. Online workshops should be planned with the same quality criteria as physical workshops, including good breaks, a varied programme and a high degree of interaction. Online interventions require a bit more time than physical workshops and this needs to be considered for future interventions.
- OAGS collaboration with Audit Offices at the federal member states are critical to ensure transparency and accountability in Somalia. However, the budget to support these activities has not been sufficient as it usually involves covering the travel and accommodation for a large group of people. For the next cooperation agreement, it is suggested to mobilize funding from other sources to support the activities with FMS.

- The intervention should involve combination of staff with less coordinating role so they can focus on completing the activities and not burdened with managerial responsibilities.
- For the future work, it is important to clarify roles of resources person and AFROSA-E staff to understand each partner responsibility. As a peer advisor, these individuals are an active member of a peer team, proactive in suggesting customization and develops competency and understanding of what OAGS truly needs. However, as a peer trainer/facilitator, the individuals are mainly contributing to events and need much guidance on customization. For each key outputs, it is important to have at least one peer advisors.

However, in 2023, some new lessons learned were identified from the challenges the project faced during the implementation.

- Particularly support for the audit, it is crucial to involve the peer team starting in the planning process, not just during the end stage. Timely involvement of peers should be prioritized and discussed with the audit department.
- Access of working papers for the peer team to ensure better understanding. Therefore, need to establish mechanism for sharing document and regular monitoring and checkup.
- Some peers feels that they do not aware on the type of support they need to provide. Therefore, it is considered important to sensitize the peers and relevant staff on the plan for the project support at the beginning of the project.
- IDI has two budget revisions process occur in June and October. To ensure effective coordination and minimize confusion, it is important to prioritize and discuss these revisions as the main agenda during the project coordination meetings in June and October. Involving the administrative and finance teams in these discussions is essential. Additionally Quarterly monitoring reporting period will be used to update any changes on OAGS event and activities to avoid last-minute request.
- In terms of logistic arrangement, it is important to ensure that the OAGS staff are fully understood on their travel arrangement and the communication should be done via OAGS main contact point to avoid confusion on the staff travel.
- A sudden change of the new AG appointment has significant impact on staff well-being, as heightened tension and understanding about future outcomes were not sufficiently addressed. This highlights the importance of ensuring that all staff members are 'fine' with organizational changes and the overall direction of the process. Project should be prioritized the support to HR departments and empower them to be able to prioritize staff well-being during transitions.
- Building trust between the new AG and partners is important and should be developed immediately. Partners should be cautious in their public statements to prevent negative perceptions by other parties. It's important to advocate for the common's interests and open communication to avoid distrust.
- The AG assistant is crucial in supporting the AG during the onboarding process. It's critical that this individual is mentally prepared to facilitate a smooth transition for the newly appointed AG because the assistant plays a significant role in managing communication, coordinating schedules across



departments, and fostering relationships with external donors. Without this role, there is a risk of communication gaps and coordination challenges impacting an effective transition process.

6 Risk management

The project risks were updated in December 2023 by sharing the current risk register with key OAGS staff and request their feedback. In general, the political situation has continued to be challenging, and increased especially the risks of insecurity and lack of impact. The partners are to a little extent able to influence these risks but need to monitor them and regularly discuss if the project plans need to be adjust taking these risks into account.

Furthermore, there is still a need to manage the risks of:

- Limited impact
- Corruption and fraud related to project funds and activities
- Delays related to audit activities
- Incontinous SAI leadership
- Limited sustainability

Lack of coordination with other providers of support and the relevance and quality of advice has been less a risk in 2023, given the mechanism to coordinate advisors in the project as well as experience gained in the previous cooperation agreement. See details of risks in appendix I.

7 Integration of gender issues and empowerment of women

Gender is expected to be taken into consideration when selecting persons for the cooperation activities and when mobilizing advisors. The table below presents key number of participants in different activities. Staff are counted if they have been in direct contact with peers over a period for a dedicated activity, such as FA and QC training. Of the 138 total staff in OAGS, about 85 staff have during 2023 taken part in several days of capacity development support by peers. The percentage of females in the project organized events is expected to be equal to or higher than the proportion of female employees in OAGS. For OAGS staff involved in project activities, the female rate has decreased in 2023, while the female rate in larger project funded events is slightly over the SAI total rate.

Parameter	2018	2019	2020	2021	2022	2023	Comments
Number of SAI staff	96	88	103	107	110	138	
Female rate in SAI staff	29 %	33 %	36 %	36 %	38%	37%	
OAGS staff involved in activities with peers	35	34	15	44	15	21*	staff where the PSP have been working closely over time in many ways, not only for event.
OAGS Female rate in activities with peers	34,5%	29,5%	40 %	43 %	40 %	42%	
Participants in project funded events	111 (incl FMS)	56	64	90	63	85	
Female rate in project funded larger events	17 %	19,5%	30 %	32 %	17%	26%	

*Estimates based on manual calculation

Among the persons engaged in 2023 in the various peer teams (IDI, AFROSAI-E and peer-SAI staff), there were 3 females and 4 males.

The project is expected to ensure the intentions of the UN Security Council Resolution 1325 on women, peace and security (s/res/1325 (2000)) are understood and be implemented in a way that promotes the intentions of the resolution in the best possible way. In 2023, the intentions of this resolution have been addressed by enhancing gender equality in the project activities and integrating support to SAI gender actions in the support, especially related to Goal 4.

8 Financial report

The project costs and funding for the peer support project are shown in appendix II.

The total project costs in 2023 was 2,63 million NOK (250 thousand USD). There was an under spending of 15% from the budget set following the annual meeting in February 2023 and 9% from the last budget update in October 2023. The lower expenditure by IDI, AFROSAI-E, and the SAI Partner was due to fewer person-days used and the transition of some activities online, resulting in reduced expenses for flights and accommodations. Conversely, the OAGS experienced increased costs compared to the budget, primarily due to extra support for staff participation in the AFROSAI-E regional workshop and the reallocation of activities from Mogadishu to neighboring countries.

The remaining part of the Norwegian embassy project grant 1,9 million NOK (179 thousand USD) will be allocated for 2024-2025 activities.

Appendix I: Pre-requisites and Risk assessment

The project has a high risk-profile due to the unstable situation and complex environment in Somalia. There are several prerequisites for succeeding in this project.

OAGS outcomes pre-requisites:

1. An active Budget and Finance Committee in the Somalia Legislature, using audit reports and engaging in enabling a strong SAI.
2. An Executive with a will to act on audit findings and implement Public Financial Management reforms.

OAGS output and goals pre-requisites:

3. Recruitment of new audit staff in the different audit streams who met the job profile
4. Continuous support for professional development for staff
5. A relatively stable Somalia which allows collection of audit evidence in key Ministries in Mogadishu and presence in the audit office by OAGS staff regularly.
6. Government support and commitment to increased capacity and a more independent OAGS.
7. Reasonable level of financial allocation to OAGS operations from the Government of Somalia.
8. Financial assistance from Development Partners to new permanent staff, LTAs and infrastructure costs, including successful execution of that support.

Project inputs pre-requisites:

9. Funding available for the project
10. Well qualified project team members available from the partner organization and partner-SAIs for key project activities

The table below outlines updated key risks and corresponding control measures for risk management. The project involves high-risk elements, with concerns about potential deterioration in the political environment and escalating conflicts, which could adversely affect the OAGS and project implementation. Another significant risk pertains to the independence and potential political interference, despite the OAGS operating within a new legal framework aimed at strengthening independence. Gaps in the law, such as substantial executive discretion in the removal process and the absence of requirements regarding political affiliations during the selection process, pose a potential threat to OAGS

independence. This risk may impact the effective utilization of project support and hinder long-term efforts to implement the law across the broader government system in Somalia.

Risk	Long description	Likelihood	Impact	Control assessment	Control measures planned	Control measures done	Control measures on track	Trend	Residual risk
Limited impact	There is a risk that the project will have limited impact, due to e.g. lack of follow-up of audit results by the Parliament or Executive, or significant resistance among influential elites to strengthening the SAI	Medium	Medium	Partly control	a. Include sensitization of key stakeholders and goal 3 as a part of the project. b. Scale up support to OAGS' interaction with Parliament in line with OAGS priorities and opportunities.	a. Include sensitization of key stakeholders and goal 3 as a part of the project. b. Support to OAGS' interaction with Parliament in line with OAGS priorities and opportunities	Yes	No change	Medium

<p>Lack of coordination with other providers of support</p>	<p>There is a risk that activities are not coordinated, both within the project and with other supporters of OAGS, due to lack of information sharing systems within the SAI, and lack of information sharing between the development partners and peers.</p>	<p>Medium</p>	<p>Medium</p>	<p>Strong control</p>	<p>a. Ensure active use of mechanisms for coordination, especially the bi-annual Partner meetings for all partners of OAGS. b. Regular meetings for the technical providers of support with the OAGS management team, to ensure alignment of advices and training. c. OAGS annual plan and report showing what each partner is doing. d. Partners invite other partners for Steering committee meetings etc. e. Assist OAGS in implementing its Support Ecosystem principles.</p>	<p>a. Active use of mechanisms for coordination, especially the bi-annual Partner meetings for all partners of OAGS. b. Regular meetings for the technical providers of support with the OAGS management team, to ensure alignment of advices and training. c. Support with developing OAGS annual plan and report showing what each partner is doing. d. Invite other partners for Steering committee meetings etc. e. Assist OAGS in implementing its Support Ecosystem principles.</p>	<p>Yes</p>	<p>No change</p>	<p>Medium</p>
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<p>Corruption and fraud related to project funds and activities</p>	<p>Corruption is a deep-rooted and widespread problem in Somalia (CPI 180/180, 2022), affecting the effectiveness and efficiency of public institutions including OAGS. OAGS staff may face risks of bribery and fraud, as well as the risk of misuse of office assets for personal benefits. Such instances would mean a reputational risk for both the OAGS and the partners in the project. While most project funds are provided in-kind, there is a risk that funds are mismanaged through e.g. selection of suppliers/procurements in Somalia, causing reputational damage and the risk of freezing of project funds.</p>	<p>Medium</p>	<p>High</p>	<p>Partly control</p>	<p>a. Continuous implementation of the OAGS HR manual and Code of Ethics, including annual ethics seminar for staff. b. Strengthen internal control routines within OAGS, improve financial management policy and procedures, and provide procurement rules/procedures training for OAGS staff c. Facilitate sharing of experiences in SAI financial management and controls with other SAIs. d. Use of IDI Procurement policy for all procurements and ensure due diligence in the disbursement of project funds, e.g. in relation to invoice requirements and</p>	<p>a. Continuous implementation of the OAGS HR manual and Code of Ethics, including annual ethics seminar for staff. b. Provide procurement rules/procedures training for OAGS staff c. Use of IDI Procurement policy for all procurements and ensure due diligence in the disbursement of project funds, e.g. in relation to invoice requirements and documentation for payments.</p>	<p>Yes</p>	<p>No change</p>	<p>Medium</p>
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					documentation for payments.				
Delays related to audit activities	Delays in the implementation of planned activities: delays may be due to audit data not available as expected; staff not available as supposed; level of activities not adapted to the competency levels of	High	Medium	Partly control	a. Project coordination team established meeting bi-weekly and regular contact to manage and follow-up on project activities b. Annual project planning done in relation to OAGS	a. Project coordination team established meeting bi-weekly and regular contact to manage and follow-up on project activities b. Annual project planning done in relation to OAGS	Yes	No change	Medium

	staff involved, too ambitious				planning c. Be ready for flexibility and annual adjustment of plans.	planning c. Felxible and annual adjustment of plans.			
Political environment deterioration	The political environment could deteriorate, and conflict escalate, creating unfavorable conditions for the OAGS and project implementation. Political changes could have a damaging impact on the ability of the SAI to maneuver and carry out its mandate.	High	High	Poor control	a. Ensure regular dialogue with the partners on the political situation and implications for OAGS. b. Consider scaling down the project if the overall situation makes project implementation difficult.	a. Regular dialogue with the partners on the political situation and implications for OAGS.	Yes	No change	High

<p>Less relevant and effective advice</p>	<p>There is a risk that the external advice has limited relevance due to e.g. lack of in-depth knowledge of the political economy of Somalia, communication challenges between OAGS staff and peers (Project staff and peers only speak English, and several staff in OAGS has limited understanding of English) and non-systematic project management and coordination. Insufficient support may lead to sub-standard contents of audit reports which can undermine the reputation of the SAI.</p>	<p>Medium</p>	<p>Medium</p>	<p>Partly control</p>	<p>a. Emphasize personal qualifications of advisors b. Train advisors in country context, conflict sensitivity as well as the country-specific PFM system c. Utilize globally accepted standards and best practices as a basis for advice and training but adapt manuals and guidance material to the context. d. Keep a regular dialogue on how to ensure relevance and quality of support. e. Seek to establish English language training for OAGS staff.</p>	<p>a. Peers are from mid managerial level with good experience b. Utilize globally accepted standards and best practices as a basis for advice and training but adapt manuals and guidance material to the context. c. Keep a regular dialogue on how to ensure relevance and quality of support.</p>	<p>Yes</p>	<p>No change</p>	<p>Medium</p>
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<p>Independence and political interference</p>	<p>The OAGS operates within a new legal framework designed to enhance its independence. However, there are some gaps in the law, such as the substantial discretion granted to the Executive in the removal process and the absence of requirements regarding political affiliation or relationships with executives during the selection process, which could potentially compromise the OAGS's independence. This potential risk to independence may impact the OAGS's ability to effectively utilize the support provided through the project and hinder the long-term efforts to implement the act in the wider government system in Somalia.</p>	<p>High</p>	<p>High</p>	<p>Partly control</p>	<p>a. Clarify and strengthen legal provisions to implement the law to ensure that the regulations protects the OAGS from undue influence or interference, guaranteeing its independence. b. Enhance support to ensure transparency and accountability within the organization, such as external audits and reporting requirements. c. Foster a culture of independence within the organization that includes regular ethics training and professional development for staff. d. Continue advocacy efforts and work in a coordinated manner with development partners to uphold the independence of audit institutions.</p>	<p>a. OAGS is currently developing the regulations to implement the law to ensure that the regulations protects the OAGS from undue influence or interference, guaranteeing its independence. b. OAGS have established a reporting mechanism such as annual performance report and currently developing a mechanism to regulate external audit process. c. The office is conducting regular ethics training and implementing professional development plan for staff. d. Peer support to coordinate with other development partners to uphold the independence of audit institutions</p>	<p>Yes</p>	<p>Increased</p>	<p>High</p>
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<p>Incontinous SAI leadership</p>	<p>There is a risk that a sudden and unexpected change of AG could challenge the sustainability of project results. High staff turnover of OAGS staff poses another risk to project sustainability</p>	<p>Medium</p>	<p>High</p>	<p>Partly control</p>	<p>a. Involve a high number of OAGS staff in project activities, to ensure continuity and sustainability. b. Introduce a holistic approach as regards support to auditing, management quality control, reporting and dissemination – interlinked processes and systems. c. Implement the OAGS HR manual, which includes a mechanism of staff retainment</p>	<p>a. Involving a high number of OAGS staff in project activities, to ensure continuity and sustainability. b. A holistic approach as regards support to auditing, management quality control, reporting and dissemination – interlinked processes and systems. c. Implement the OAGS HR manual, which includes a mechanism of staff retainment</p>	<p>Yes</p>	<p>Increased</p>	<p>Medium</p>
<p>Security in the country</p>	<p>There is a risk that the security in situation in Somalia deteriorates, leading to security risks for OAGS staff and project advisers.</p>	<p>High</p>	<p>High</p>	<p>Partly control</p>	<p>a. Conduct regular security assessments of locations for meetings/workshops. b. Ensure all staff and advisors travelling are aware of the security risks and safety routines. c. Make use of the IDI and AFROSAI-E routines for crisis management.</p>	<p>a. Regular security assessments of locations for meetings/workshops. b. Ensure all staff and advisors travelling are aware of the security risks and safety routines. c. Make use of the IDI and AFROSAI-E routines for crisis management.</p>	<p>Yes</p>	<p>No change</p>	<p>Medium</p>

					d. Use online platform if security risk does not allow local and/or international travels.	d. Use online platform if security risk does not allow local and/or international travels.			
Limited sustainability	The audit law ensures security of tenure for the AG. However, the significant role of the executive in the removal process raises concerns about the stability of the position. Sudden changes in AG could jeopardize the sustainability of project results. Additionally, frequent staff changes with each new AG appointment pose a threat to the continuity of support.	Medium	Medium	Partly control	a. Involve a high number of OAGS staff in project activities, to ensure continuity and sustainability. b. Introduce a holistic approach as regards support to auditing, management quality control, reporting and dissemination – interlinked processes and systems. c. Implement the OAGS HR manual, which includes a mechanism of staff retainment d. Strengthen the	a. Involve a high number of OAGS staff in project activities, to ensure continuity and sustainability. b. holistic approach as regards support to auditing, management quality control, reporting and dissemination – interlinked processes and systems. c. Implement the OAGS HR manual, which includes a mechanism of staff retainment d. The office is currently developing	Yes	No change	Medium

					legal provisions to implement the law to ensure that the regulations protects the OAGS from undue influence or interference, guaranteeing its independence.	the regulations to implement the audit law with peer support.			
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Appendix II: Financial report 2023

See separate file

Appendix III: Implementation of evaluation findings and recommendations

See evaluation report [here](#) and article about main findings here: [Evaluation of IDI and AFROSAI-E's dedicated support to SAI Somalia 2018-2020](#)

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.3	Project partners	During project implementation, personnel costs in terms of working days need to be monitored and budgets should only be exceeded where there is formal authorisation.	Yes	Agree on monitoring. Exceeding and authorization needs to be considered in IDI in general.	IDI will improve routines for authorisation of responsible managers when personnel costs are expected to significantly exceed budgets. This is mainly planned done through the IDI 4-monthly monitoring system. The Bilateral Support unit will pilot use of Xledger for planned persondays per project and use of the system for monitoring.	IDI Director General Deputy Director Generals Bilateral Support manager	Q4 2021	MS Budget System for easier monitoring established. Monitoring routines of budget vs actual done monthly.	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.10	Bilateral Policy	Add an assessment of the absorption capacity of the recipient SAI to the factors underpinning a decision whether or not to provide bilateral support. This would support the interpretation of the current condition that refers to the 'extensiveness' of the support given by other donors.	Yes	Agree. This can be made more explicit in the bilateral policy.	This is to be considered when the bilateral policy is to be revised.	Bilateral Support manager	Q4 2021	In process. Bilateral policy not yet revised.	Open
5.11	Bilateral Policy	The payment of regular staff of the supported SAI. Generally, such funding is controversial among development partners given the medium-term sustainability risks. If IDI wants to make use of this option, it is recommended to be explicit about it in the Bilateral Policy.	Yes	Agree. The conditions for such type of support is good to clarify, given the risks.	This is to be considered when the bilateral policy is to be revised.	Bilateral Support manager	Q4 2021	In process. Bilateral policy not yet revised.	Open

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.12	Project design	The OAGS indicates that 'on the ground' advisers provided by other donor projects offer a higher degree of effectiveness in supporting the SAI's capacity building efforts. IDI should consider ways to be more visible in Mogadishu to the extent that security considerations and COVID travel restrictions allow. Regarding safety concerns, IDI should align itself with other international donors. In case IDI staff are not available for a more prominent presence in country, IDI should consider to recruit such expertise from peer SAIs or, possibly, the market. Project management will reside in IDI's office in Oslo.	Yes	Agree. The approach taken during 2018-20 was set by the IDI Board considering the security situation and IDI risk appetite and approach to staff safety.	In 2022 this seems still not an option to consider given the current security situation in Somalia. IDI has recruited one staff from peer SAI as a project manager for SAI Somalia and resides in Oslo.	Project manager	Q4 2022	Due to security reasons, it is still not feasible to have on the ground advisers. One new staff was recruited as a project manager for SAI Somalia residing in IDI office in Oslo.	Close

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.16	Phase 2 project design Somalia	More attention should be given to increasing the impact of OAGS' audit work. Critical review of the current communication practices of the OAGS with all stakeholders (Executive, Parliament, media and NGOs) would be necessary followed up by concrete actions of the Project to engage these stakeholders with the role and outputs of the OAGS	Yes	Review of communications work to contribute to impact fits with OAGS strategy. Greater engagement with stakeholders to facilitate impact needs to be considered as part of OAGS strategy.	In the phase 2 project design, prioritize resources to support to stakeholder engagement.	Project manager	Q2 2021	Done	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.5	Project management	The budget performance table should include the original budget, approved amendments to the original budget and outturns. Deviations of the outturns should be calculated against the original and amended budget;	Yes	This makes sense and should be done in future financial reports.	Review set-up of financial report and ensure this is captured.	Country project manager	Q2 2021	Done	Closed
5.6	Project management	The accountability on activities should be improved as it is at this level that the Project is fully in control and accountable (as outputs are a collaborative effort with the OAGS and/or other donors). This requires that the performance report is comparable to the activity plan at the same level of detail.	Partly	Partly agree. What matters in the project is that the SAI meets its objectives, and project activities are executed and possibly adjusted to enable this. It is still good to report the extent of	The extent of implementation of planned activities will be included in future reporting. Nevertheless, the main focus will remain on achieving the higher level project results and not whether planned activities are delivered.	Bilateral Support manager	Q1 2022	Done	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status	
5.7	Project management	Field workshops are the most cost intensive activity of the Project. Nevertheless, accountability on these events in terms of costs and quality is limited. It is recommended that activity reports provide information on actual costs against budgets and that quantitative and qualitative feedback retrieved from written evaluation forms filled by participants is included.	Partly	Field workshops are summed up by a report including lessons learned. Analyzing the costs of these events versus other activities could be done, but that seems most practical at an end of	implementation of activities, at an appropriate level (not too detailed).	A basic template evaluation form is to be developed for bilateral support, enabling customized use for various type of activities and concentrating on lessons learned.	Bilateral Support manager	Q2 2021	Template developed. To be used in 2022.	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
					<p>the year assessment if there are major deviations from budget. Otherwise it may not add that much value versus time to be spent on it.</p> <p>Regarding evaluation forms after activities, these should be used for all major activities.</p>				

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.8	Project funding	Clarity on the use of core funds for bilateral projects. The Policy still includes core funding as a possible source for funding for bilateral projects, but this is at odds with decision of the IDI Board block the use of core funding for Years 2 and 3 of the project. A precise interpretation of the Board's decision in the policy will increase transparency.	Yes	Agreed.	This will be considered for the revision of the Bilateral Policy.	Bilateral Support manager	Q4 2021	Done. The Board has clarified this and opened for some limited use of core funds.	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.13	Location workshops	Given the appreciation of the Client for workshops as learning approach, consideration should be given to organising more regular workshops in the relative secure airport area of Mogadishu to make efficiency gains. Again, as above, provided that COVID-related travel restrictions are eased and safety can be guaranteed.	Yes	Agreed. Workshops in Mogadishu airport can save both costs as well as time spent by OAGS staff for travel. The challenge is the unstable security situation and reluctance of some peers to travel to Mogadishu. This needs to be respected.	Workshops at Mogadishu airport area will be planned as the preferred option in the next phase of the project. When mobilizing resource persons, the SAI will be requested to find persons that are open to travel to Mogadishu as long as the IDI security assessment concludes it is safe.	Project manager	Q3 2021	Done	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.14	Peer persons engagement	If the Project wants to make use of resource persons, their contribution needs to be more fully integrated into project delivery. A key condition hereto is, as discussed above, formalisation of the relation between IDI, the resource person and the 'peer SAI.	Yes	Agreed. This has partly been done, but can be improved on going forward.	a) Mobilize greater peer resources and make clear agreements b) Have kick-off meetings with each peer team and make a contract c) Invite SAI Peer-partners for annual meetings, to keep them updated and have a dialogue	Project manager	Q2 2021	Done	Closed
5.15	Phase 2 project design Somalia	Given the results of the Quality Assurance assessment done at the end of 2020 which suggests that the consistent application of the new manuals cannot yet be assumed, the focus of the Project's efforts should be on deepening the results achieved in the period 2018-2020 at the OAGS at the Federal Government level rather than broadening the scope to the SAIs of the Federal Member States.	Partly	Deepening efforts for maintaining results 2018-2020 seems a good priority. At the same time the support to FMS OAGS is a new priority of OAGS. It could be supported through the	In the phase 2 project design, prioritize resources to maintaining the OAGS audit work supported in phase 1.	Project manager	Q2 2021	Done	Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
					project at a more lighter level, and seek synergies between FMS support and capacity development in OAGS.				

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.1	Project partners	IDI should make a realistic calculation of its charge out rate for different staff levels. Unless that is done and applied to the budgeting and accounting of bilateral programs, they are cross-subsidized by IDI's core funds and the real costs of bilateral projects remain fuzzy.	Yes	This could be done, but will add more time for administration in IDI. Most probably the overall criteria of not cross-subsidizing will be achieved anyway given how the indirect costs are calculated at the end of the year for the whole Bilateral Support unit.	No further actions	NA	NA		Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.2	Project partners	The expected inputs of resource persons need to be clearly agreed beforehand and formalised in an enforceable contract with the peer SAI rather than a letter of intent. Such formalisation serves: the project manager of the bilateral project who can better manage these inputs; the resource person who is not expected to work 'double shifts'; the peer SAI who can plan for replacement; the taxpayers in the peer SAI's country as it gets transparent how much public funds are invested in peer-cooperation; and transparency on the real costs of the bilateral project.	Yes	Agree. The current practice is to make an agreement with the peer SAI including expected competencies and person-days of the resource persons. These agreements are a good basis for release of resource persons for project activities, and for discussing with the SAI if the contribution is not as	No further actions	NA	NA		Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
				expected. However, the agreements can not be enforced as the resource persons are contributed in-kind.					
5.4	Project management	Changes in the results framework should be formally reflected in an amended results framework agreed by the recipient SAI and approved by the funding organisation;	Yes	Agree. This is a standard element of contracts and cooperation agreements.	No further actions	NA	NA		Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
5.9	Project management	Clarity on the charge-out rate for IDI staff that are engaged in bilateral projects. Such rates need to be updated on an annual basis reflecting actual costs. As stated above, unless that is done IDI's core funds are still used to run bilateral projects.	Yes	Partly agree.	No particular actions	NA	NA		Closed

No	Topic	Recommendation	Accepted - yes, partly or no	Response	Actions	Responsible	Completion target (quarter)	Progress update end of 2022	Status
					the new accounting system in IDI, more correct budget rates are easier to set. There is also a need to ensure consistency in the use of rates across the bilateral support projects. This is to be done when budgets are set.				