



NAC Strategic Change Project 2020 - 2025

Project Document

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1. Background

South Sudan is currently in a deep economic, political, security and humanitarian crisis. The Revitalized Peace Agreement (R-ARCSS) of September 2018 provides for a number of steps to be taken to improve the situation, hereunder how to strengthen public financial management and the National Audit Chamber (NAC). The NAC is a key oversight institution and has a crucial role in promoting better governance in South Sudan through various audits of public funds and institutions. The R-ARCSS contains provisions for a new audit act and requires NAC to submit pending audit reports within 6 months after the start of the transition period.

NAC has developed a Strategic Plan (SP) for 2019-2024 that clearly aims to meet the obligations of the R-ARCSS and for it to generally contribute to better public financial management through relevant and high-quality audits. This includes expanding the audit coverage of both Central Government as well as parastatals, the states and local government. Implementation of the R-ARCSS is expected to be highly challenging. Nevertheless, its provisions for stronger oversight and expectations of NAC are likely to be relevant in South Sudan for the next years irrespectively of how the status and commitment to the agreement develops.

The Government of South Sudan funds the NAC with about 170 staff and operational funds annually. However, NAC operates in a highly unpredictable and challenging environment. Both government funds for salaries and audit operations as well as political support for a strong audit office are unpredictable. For NAC to successfully implement the strategic plan, both financial and technical support are needed. The scale of support will be adopted to available funding and NAC's opportunities for enacting strategic change during the years. The implementation of the strategic plan is expected to enable NAC in the future to be less vulnerable and dependent on external support.

NAC, AFROSAI-E and IDI has had a bilateral cooperation since 2017, where peers from SAI Kenya, Norway and Uganda have played an important role in addition to IDI and AFROSAI-E staff. There has been a good cooperative spirit and reasonable progress in the challenging situation 2017-2019. On this background, the parties have agreed to enter a second phase of the Peer-support project – the "NAC Strategic Change project 2020-2024". This was formalized in a Cooperation agreement signed in August 2019.

While the Norwegian embassy is expected to be the main financial donors for the project, other donors are invited to also contribute to the project in new areas, enabling a concerted and flexible support for NAC in the implementation of their strategic plan.



PICTURE 1 LAUNCH OF THE NAC STRATEGIC PLAN IN JUNE 2019 IN JUBA



PICTURE 2 PROJECT PLANNING TEAM IN JUBA IN JUNE 2019

2. Result framework

The overall objective of the project is *to enable NAC to successfully implement its strategic plan*. The result framework is therefore based on NAC’s strategic plan 2019 - 2024. Figure 1 gives an overview of the Strategic plan.

FIGURE 1 OVERVIEW OF NAC'S STRATEGIC PLAN 2019 - 2024



In line with NAC’s mission, the **potential impact** of the project is greater compliance with laws and regulations and stronger public financial management in South Sudan, which ultimately leads to better government services and improvements of the living conditions of citizens. The project shall as such contribute to Sustainable Development Goal 16 (Peace, Justice and Strong Institutions) especially, by building a more effective, accountable and inclusive Supreme Audit Institution in South Sudan.

NAC's strategic outcomes are also **the outcomes of the project** as NAC is the main implementing partner. The outcomes include follow-up of audit findings by the Executive, Public Accounts Committee and media, which further is expected to contribute to financial statements being issued on time and greater compliance with rules and regulations in South Sudan.

NAC's strategic outputs and focus area objectives are the **project main outputs**. The focus areas are the capacities NAC wants to strengthen in the period (level 1), to enable it to deliver the strategic outputs (level 2).

Expected results for **project deliverables** have been developed to capture the products and support delivered *predominantly under the peer-providers' control*. There will in the annual project plan also be set specific project deliverables depending on NAC's priorities in its operational plan, and available project resources.

Performance indicators are presented in detail in appendix 1. They will be measured by the use of NAC's indicators and system for monitoring and evaluation. When reporting, the indicators will be supplemented by a qualitative assessment of the link between project deliverables, outputs, outcomes and impact. In this assessment it will then be taken into account the actual project outputs committed to annually and their potential impact on NAC's performance.

Annual progress of strategic outputs and focus areas are to be presented in NAC's annual report of its own performance (the NAC Annual Activity Report) and will be used for assessing performance of the project. A more detailed assessment of performance is expected in NAC's mid-term and end-term reviews, which also will be supported and used for measuring project progress.

Whether NAC will achieve its intended results, depend on a number of conditions which the project will have limited influence over. The general **pre-requisites** for these results to be achieved are shown in appendix 3.

3. Implementation strategy and project components

The overall implementation strategy is to align and organize the project in alignment with NAC’s own strategic plans and priorities. This means the project components are NAC’s own strategic outputs and focus areas, supplemented by a project management component:

1. NAC Strategic outputs
2. Strengthen NAC Independence
3. Enhance the Quality and Impact of Audit services
4. Strengthen Internal Governance System and Structures
5. Human Resources developed and Staff Welfare improved
6. Strengthen Advocacy and Stakeholders Engagement
7. Project management and coordination of other partners and projects

Flexibility is another key characteristic of the implementation strategy. Scale of support in each component must be flexible, given NAC’s unstable environment. This means the resources for support should be adjusted on a regular basis, depending on NAC’s opportunities and implementation capacity. This will be done by agreeing on project deliverables each year when settling the annual plan, and adjust these if needed quarterly in line with progress and needs. Support can also be increased or scaled-down depending on NAC’s needs and opportunities for funding during the strategic planning period.

Active use of relevant peer resources is also a core characteristic of the implementation strategy. This means use of each of the partners most relevant experiences and support possibilities, such as OAG Kenya’s recent experiences in implementation of a new audit act or automation of the audit process. In addition peer SAIs with similar challenges as NAC will be considered for exchange and joint work. This includes the SAI of Somalia where IDI and AFROSAI-E also has a bilateral support project. SAI Somalia may be a useful partner for NAC in how to advice the Accountant General to produce financial statements or how to include stakeholders in annual events.

The next chapters present main project plans of each component. For details, please see the Implementation plan and the annual plan for agreed project outputs and deliverables.

Component 1: NAC Strategic outputs

On-the-job support to NAC’s work to achieve the strategic outputs will have a high priority as these are core operations of NAC and where value and benefits to the society can directly be realized. Support will depend on specific audit assignments prioritized by NAC each year. The audits listed in the R-ARCSS have a high priority for support. Backlog audits will be done if financial statements are available.

NAC Strategic outputs	Expected output	Years	Project deliverables
1. Annual Financial and Compliance Audit report issued for Central Government including recommendations	Annual audit of Central government Ministries and agencies. Audit of the Petroleum sector in particular.	2020 - 2024	Workshops during the audit cycle - planning, data collection and reporting - and regular online guidance. Printing of reports.

NAC Strategic outputs	Expected output	Years	Project deliverables
for compliance with key rules and regulations			
2. Audit reports of the Central Bank and government owned companies issued annually	Annual audit of Central Bank and government owned companies.	2021-2024	Workshops during the audit cycle - planning, data collection and reporting - and regular online guidance. Printing of reports.
3. Audit report covering the States and Local Government including recommendations for issuing of financial statements and compliance with key rules and regulations	Annual audit of States and Local governments.	2022-2024	Sensitization of states and local governments to prepare for audits. Workshops during the audit cycle - planning, data collection and reporting - and regular online guidance. Support to cover transport costs. Printing of reports.
4. Performance audit reports issued for the main sectors	Performance audit Juba University incl FY 2018-19 Performance audits in other main areas	2021-2024	Workshops during the audit cycle - planning, data collection and reporting - and regular online guidance. Printing of reports.
7. Annual NAC Activity (Performance) report	NAC Activity report annually printed and shared widely	2021-2024	Advice for contents, design, printing and distribution, mainly through online contact.
8. Annual seminar for the PAC presenting the main audit findings and status of previous year's recommendations	PAC annual seminar	2021-2024	Advice for programme and presentations, and financial support for seminar.

Component 2: Strengthen NAC Independence

Building the independence is critical for the long-term performance of NAC. A peer team will seek to give advice to drafts of legislation and regulations, as well as stakeholder presentations. This will be sought aligned with the work already done by the SAI and in cooperation with UNMISS. Support is planned as a part of IDI's SAI Independence programme.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
1.1 A reviewed Audit Act submitted to the Presidency, Parliament & Constitutional Review Commission and enacted.	Revised audit act in line with ISSAI 10 submitted for enactment. Text for the new Constitution taking into account ISSAI 1 submitted to the Constitutional review.	2020	Advice on how to revise the Constitution and audit act in line with ISSAI 1 and 10 in the South Sudan context, through online contact and in one dedicated workshop.
1.2 Support for NAC financial and Administrative Independence among key stakeholders achieved.	Advocacy plan for enhanced independence and key stakeholders engaged in line with the plan	2021-2024	Advice on advocacy plan and consultations with key stakeholders, through online contact and in workshops and seminars with selected stakeholders.
1.3 Rules & Regulation for the NAC Act established	Revised rules and regulations in line with new audit act.	2021-2024	Advice on how to revise rules and regulations, through online contact and in dedicated workshops.
1.4 External audit of NAC operative	External auditor engaged 2021-2024 and audit of NAC funds 2020	2022-2024	Advice on financial statements and audit engagement. Financial support for audit fee.
1.5 Sufficient NAC annual budgets to enable implementation of the SP sourced.	Resource mobilization strategy with specific plans and key stakeholders engaged in line with the strategy	2020-2024	Advice on the resource mobilization strategy and consultations with key stakeholders, through online contact and in workshops and seminars with selected stakeholders.

Component 3: Enhance the Quality and Impact of Audit services

The key objective in this area is implementation of the Financial and Compliance audit manuals, enabling greater audit coverage and quality. Training material of AFROSAI-E will be used and customized. Most of the support will be on-the-job training of actual audits, especially for clearing the audit backlog and technical challenging audits. Advice to management's quality control will be prioritized, as well as annual audit planning and roll-out of electronic audit processes. Support to quality and impact of audit services is assumed as a relevant area of peer support, as peers are already engaged in advising the NAC in roll-out of new audit manuals.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
2.1 Annual Overall Audit Plan (AAP) developed and are communicated with the auditees.	Annual Audit Plan	2021-24	Advice for planning structure, process and contents. Workshop for audit managers one day and all staff a second day.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
2.2 NAC annual overall audit plans (AAP) are implemented	Audit plan execution quarterly status reports	2021-24	Advice for quarterly status report of audits and way forward
2.3 AFROSAI-E Financial and Compliance Audit Manuals and Audit flow tool customized and implemented, including quality control practices	All NAC auditors trained in main processes of the FAM and CAM, including use of Auditflow	2020-24	Monthly 2-days training in audit procedures for most auditors, in line with NAC training plan and in collaboration with NAC's own trainers. Advice for customization, server setting and routines, basic training of managers, auditors and ict-staff in managing Auditflow.
2.4 AFROSAI-E Performance Audit Manual (PAM) and Audit flow tool customized and implemented, including quality control practices	PAM in use and with an electronic support tool	2021-22	Advice to adoption of the PAM procedures regularly online, and 1 workshop to assess how it works and adjust
2.5 Available guidelines for audit of selected areas adopted and in use, including forensic audits, audit of environmental risks, procurements, IFMIS, petroleum, corporate governance.	On-the-job advice to challenging parts of the PAM and quality control of selected audits	2021-24	Advice on relevant guidelines, and training related to adoption of guidelines in audits.
2.7 NAC holds its own Internal Technical update and shares experiences systematically.	Annual NAC Technical update - a professional seminar for NAC auditors	2021-24	Advice for programme and contents. Financial and professional contribution in the event.
2.9 Enhancing the Quality Control Unit by coaching the staff & External Quality Assurance peer-review annually.	Quality control systems and skills enhanced among all managers, related to both FA, CA and PA	2021-24	Annual quality control seminar for managers in NAC, with a customized programme linked to ongoing audits and emerging challenges as well as a training plan. Contribute to quality assurance of audits, using the regional system.

Component 4: Strengthen Internal Governance System and Structures

The area of strategic management and internal governance is assumed to be fundamental for NAC to succeed in implementing the strategic plan. Strategic Management for SAIs involves policies, strategies and techniques intended to direct SAI top management and staff's attention and behavior towards the continuous and holistic improvement of SAI performance in line with strategic outcomes and outputs. It

does so by also explicitly factoring in the broader governance and political economy environment in which the SAI operates and the expectations of the key SAI stakeholders.

Support in this area includes a training programme and professional advice for the SAI leadership team to establish systems and practices for implementation of the strategic and operational plans, and good coordination with partners.

ICT is by NAC treated as an integrated part of internal governance. Support to revise ICT-strategies and assist in proper management of ICT-projects, including prioritizing needs, procurements, training and implementation is prioritized. ICT-investments require proper ICT-management. As staff in the ICT-area is difficult to recruit in Juba, a special salary contribution is budgeted for to enable NAC to recruit a person for this. It is assumed that government funds will over time be able to cover the costs.

As NAC wants to strengthen its own financial management, support to external audit of NAC and strengthening the financial management system and routines is also included.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
3.1 Annual operational planning (AOP), monitoring and reporting system implemented	Planning, monitoring and follow-up systems gradually improving in NAC	2021-2024	Advice regularly for planning, monitoring and reporting, both online and through regular country visits. Advice and contribution for an annual planning and budgeting seminar for all managers
3.2 Leadership and Management's skills strengthened	NAC Management Development Programme (MDP) attended by NAC leadership each year	2021-2024	Advice for annual management development programme. Delivery of components for a customized programme, most likely in partnership with SAIs in the region. Two leadership seminars per year as a minimum.
3.4 ICT-strategy reviewed and implemented	Updated ICT-strategy and plan ICT-strategy implementation evaluated and adjusted annually, to ensure good utilization and have updated and feasible plans for procurements.	2020-2024	Advice for ict-strategy and plans, such as for selecting robust systems in line with ict-management capacity and needs. Procurement of consultant if needed to consider local needs and compare with other government entities. Advice for compiling lessons learned of use and procurement of ICT.
3.5 ICT-unit established	ICT-department key staffing in place and prepared to manage ICT equipment	2020-24	Provide trainings and advice for NAC ict-staff. Advice for hiring of 1-3 ICT-managers. Financial support to salary compensation if impossible to recruit with ordinary salaries.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
3.6 All staff have sufficient ICT-hardware and software to do their job efficiently	Basic ICT equipment in use for office wide functions	2020-24	Advice for procurement and updating of key office-wide ict-equipment. Financial support for actual procurement of 1st priority basic ict-equipment such as videoconference, server, network facilities, etc. Training of ict-department staff in roll-out and use of basic ict-software. Training of trainers and support to office-wide trainings. Advice for procurement of Microsoft or google office solutions, such as for e-mail, calendar, archiving, key programs. Financial support for procurement if not covered by government operational funds. Assistance to training in key systems and programs.
3.7 ICT archive policy developed and implemented	ICT archive policy established and staff trained in its use	2021-24	Advice for the policy and developing a training for all staff in archiving. Advice for regular follow-up of the policy.
3.8 Internet in place in NAC for all staff	Internet accessible for all auditors and key staff	2020-24	Advice for procurement. Financial support for procurement if not covered by government operational funds.
3.9 Organizational Structure reviewed, approved and implemented	NAC organizational structure implementation prepared and executed	2022	Advice for planning, initiation and sequencing of the implementation of new organizational structure.
3.10 Assets and Financial management system improved	Assets management system established	2021-22	Advice for a workable financial and asset management system

Component 5: Human Resources developed and Staff Welfare improved

Support in the HR area is about:

- Use of regional resources for HR-management, such as competency framework, HR-policies, recruitment practices developed by AFROSAI-E
- Develop and implement professional development programme. This may be linked to the African professionalization initiative in AFROSAI-E or the IDI professionalization programme.
- Coordinated, systematic and selective training of staff. This will be delivered by replicating some of SAI Kenya's ongoing trainings in Juba.

NAC has in its new HR-policy actions to raise gender and support to this will be done as a part of support to focus area 4. Gender and equal rights will also be sought integrated in both audits and internal governance support.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
4.1 Human Resource Policy and Strategy Reviewed and Implemented	HR-strategy and policy revised	2021-24	Advice for general HR-management, including challenging parts of the HR-policy, gender and diversity actions.
4.2 Annual Training plan for audit and non-audit staff in place and implemented	Training needs assessed and training plan format set. Trainings implemented and NAC staff increased skills as per the training plan	2021-24	Advice for training needs assessment and planning of trainings. Advice for and responsibility for selected trainings. Several trainings expected to be replications of ongoing trainings in OAG Kenya.
4.3 Performance appraisal system developed and implemented.	Performance Appraisal templates and routines clear for HR-department and staff	2022	Advice for performance appraisal system
4.4 Establish senior management retention and succession plans.	Retention and succession policy and plan set	2022	Advice for the retention policy and plan, as well as succession. Financial support for event.
4.7 A Professional Development programme established	Professional development programme developed and implemented.	2022-24	Advice for a professional development programme, liaise with regional initiatives and national opportunities. Professional development for 2-5 staff in customized IDI or AFROSAI-E professional development programme, or private sector based.

Component 6: Strengthen Advocacy and Stakeholders Engagement

NAC has a develop stakeholder engagement strategy which forms the core for the support in this area. Peer-support will use of the existing resources for stakeholder engagement, customized to the national context. Financial support will be provided to assist NAC in actively engaging stakeholders for a specific purpose, such as new legal framework. Advice for press conferences and release of audit reports will also be done.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
5.2 Public Relation (PR) and communication function in place	NAC staff aware and informed about PR and communication principles, channels and routines	2021	Advice for programme and content of the workshop.

NAC Strategic objective	Expected output - tentatively	Years	Project deliverables - tentatively
5.3 NAC Website renewed and regularly updated	NAC new website developed and launched. NAC website maintained and operative.	2020-24	Advice for procuring and designing a new webpage. Advice for contents and financial support for fee.
5.5 PAC is assisted by NAC to be able to monitor implementation of audit findings and recommendations.	PAC is sensitized about NAC and trained on handling AG's report	2021-24	Advice for annual PAC training. Financial support for event.
5.6 Regular dialogue with the Anti-Corruption Commission and the Prosecutor General established	Anti-corruption and the Prosecutor General is sensitized about NAC and experiences shared annually	2021-24	Advice for annual experience sharing and update. Financial support for event.

Component 7: Project management and coordination of other partners and projects

To ensure smooth coordination of activities, each partner will appoint a person that serves as the focal point for the project execution. The NAC focal point is expected to oversee project implementation in the office, and enable close contact between peers and NAC staff and units involved in project activities.

The peers will form a core project team to manage the project on a daily basis. This team will coordinate teams responsible for support in the various areas.

Quality of project deliverables are to be embedded in the project work, such as by use of ToRs and reports for all activities, and regular discussion of lessons learned. Project management also involves ensuring interlinkages between different components and adjustment of plans taking into account progress, opportunities and risks.

The project's annual cycle will be based on NAC's own strategic and operational management cycle. Appendix II presents the project cycle at the start of the agreement. This may be adjusted if appropriate.

NAC has identified several projects that seem necessary for the successful implementation of the Strategic plan for 2019-2024. Both ongoing and planned projects are listed in the table in appendix II. The project will support NAC to develop funding proposals to the NAC Investment project and the NAC Social welfare project, and other projects developed in the External support plan.

The peers will assist NAC in establishing regular dialogue with development partners and in mobilizing support for supplementary projects to the NAC SCP. The involves the following:

- Partnership with the UNDP GEMS capacity development project and potential benefit should be explored
- NAC's agreement with the AfDB is ongoing and will be aligned with the project activities. The plan for utilizing these funds will be clarified in the same annual plan as for the Strategic Change project, to avoid overlap. The agreement with AfDB is sought continued for the SP period.

Funding of AFROSAI-E trainings and similar seems as a practical purpose for utilizing AfDB funds in particular. Technical assistance can also be considered for these funds.

- Dialogue with the WB to source operational costs for audits in particular
- NAC will seek project funds directly from donors, enabling such an arrangement during the strategic planning period

For coordination between projects, the following mechanisms are planned

- NAC Strategic plan and implementation matrix guides scope and timing of external support
- NAC Operational plan set every year guides scope, budget and timing of all external support
- Joint Annual meeting for all main partners to review achievements and set main plans
- Quarterly meetings for all main partners to adjust plans and coordinate
- Annual NAC Activity report can be used as a basis for project reports

4. Theory of change

The most extensive research carried out on major improvements of SAI performance is carried out by Noussi (2012).¹ She concludes that *SAI leadership and national elite alliances for SAI reform* are the ultimate conditions for the effective institutionalization of SAIs as accountability arrangements. According to her, SAIs will develop, consolidate and endure if SAI leadership is advocating for reform and if national elite groups are brought into a situation where they lose less by accepting reform than by resisting reform.

This means that the empowerment of SAI leadership, to believe in reforms, to engage in learning processes and to build alliances with partners and create a momentum for change (“change space”) can be regarded as essential for strengthening the most challenged SAIs. Support to strategic management of NAC is therefore regarded as a key priority to achieve change. Furthermore, a support to stakeholder engagement enabling NAC management to advocate for reform and take part in a team of reformers is prioritized.

In addition to creating alliances, the SAI could carry out audits strategically which show the value and benefit of the SAI. This could enhance the SAI as a part of a solution to a national problem of poor service delivery or misuse of funds. A support strategy is therefore to strengthen professional and organizational capacities of NAC where these can lead to audits raising the profile of the SAI and enhancing the prospects for reform.

At the same time, it must be recognized that in unsafe and unpromising environments as South Sudan, it may be challenging to achieve tangible performance improvement in the short and medium term. In a paper on good-enough governance, Grindle (2005)² argues that the ambitions of reforms must be adopted to the existing state characteristics and the support to reform. Although SAIs in weak and conflict-ridden states often have the greatest needs for improvement, weaker states often provide more difficult environments in which to introduce reforms and there is very limited capacity to handle implementation challenges.

One approach to handle such implementation challenges is to recognize that reforms will be messy in practice and look for opportunities. According to research by the Overseas Development Institute (ODI) on reforms in fragile contexts³, strengthening capacity and systems for public financial management in such contexts is possible, but is messy in practice. The actions which deliver genuine change tend not to be pre-planned, but responses to local problems and opportunities. Reforms need to be relevant to those problems and adapted based on experience, and must fit within the available space for reform and

¹ Noussi, K. (2012): *How Public Accountability Is Institutionalized: The Case of External Public Auditing in Global Perspective Applying a Mixed-Methods Approach*.

² M. S. Grindle 2005 *Good Enough Governance Revisited*, A Report for DFID with reference to the Governance Target Strategy Paper, 2001, Harvard University.

³ T. Williamson (ODI) 2015 *Change in challenging contexts How does it happen?*

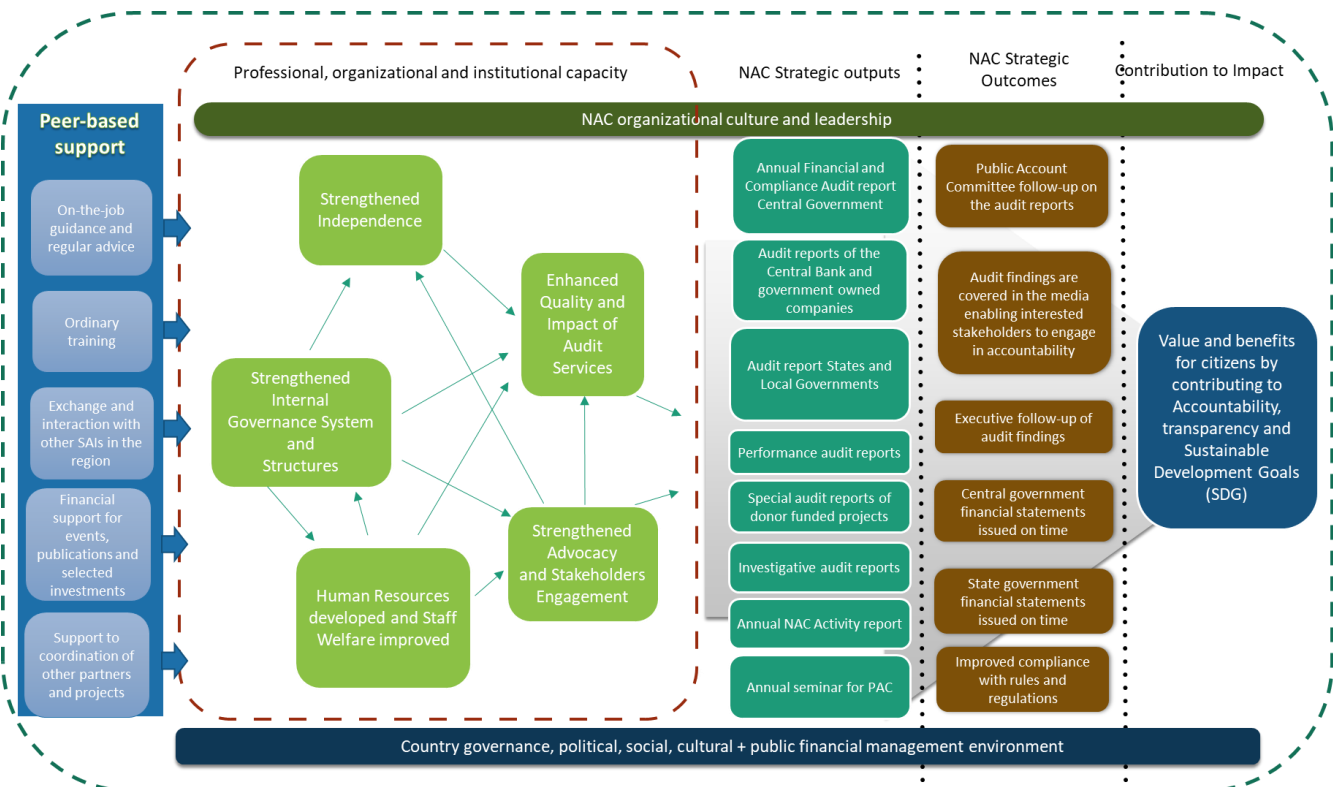
capacity. The project has therefore flexible resources enabling extra efforts in areas where opportunities arise.

Sustainable change is dependent on improvements of a number of interrelated processes in the SAI. The SAI Performance Measurement Framework (SAI PMF) represents one framework of what elements in a SAI are key for performance. SAI PMF is a performance measurement tool that examines holistically both the internal processes of the SAI’s audit and non-audit functions in relation to its legal foundation and environment. An important element of the SAI PMF assessment is also that it identifies root causes of SAI performance and linkages between performance in different areas. SAI PMF is not meant to be a theory of change for SAIs, but it suggests that sustainable performance can only take root if all domains of the framework are managed. The implication is that when facilitating change of SAIs, it may be critical to work holistically with all the domains of the SAI PMF framework. The NAC Strategic plan address many of the same areas as the SAI PMF framework, and is therefore assumed to take into account the SAI as a holistic system. The project therefore includes support to all main capacity elements of the SAI.

Error! Reference source not found. shows an illustration of the theory of change underlying the project design. Peer-based project deliverables are expected to enable NAC to:

- meet its focus area goal formulations for professional, organizational and institutional capacity,
- produce its strategic outputs, and,
- have an effect on the strategic outcomes defined for NAC’s work, and finally,
- contribute to greater public financial management, accountability, transparency and achievement of Sustainable Development Goals in South Sudan

FIGURE 2 THEORY OF CHANGE ILLUSTRATION



The question is then how support should be carried out to facilitate improvements in NAC’s identified focus areas and strategic outputs. Table 1 presents some success factors in capacity development identified in various research. These principles are likely to be relevant also for working with NAC.

TABLE 1 LESSONS LEARNED OF CAPACITY DEVELOPMENT (CD) IN GENERAL AND FRAGILE STATES SPECIFICALLY. SOURCE: VARIOUS RESEARCH AND EVALUATIONS⁴

Desirable for effective capacity development in general	Special concerns for capacity development in fragile states
<ul style="list-style-type: none"> • Local leadership and the partner’s capacity to dedicate time and commitment to a CD process is essential. • Local ownership of CD includes ownership of program approach, design and pace of implementation. • A strategy of long-term engagement, but with ‘quick wins’ early in the life of the capacity development process. • Capacity assessments and context analysis are important for prioritizing interventions. • Adaptation of the intervention to the local context. • Need to consider sustainability and reinforcement of endogenous capacity. • Risk analysis and mitigation. • Flexibility in programme design and budget to enable opportunities to be seized and unforeseeable challenges to be addressed. • Synchronicity between program and political cycles is important. Pay attention to the political dimension of sequencing activities and outputs. • Coordination and collaboration among partners. 	<ul style="list-style-type: none"> • Limited capacity to build on. Often not simply rebuilding, but creating new capacities. • Pressure to restore, start or upgrade services quickly. • Little "margin of error" (e.g. lack of trust and social capital, institutional resilience, etc.). • Hyper-politicized environment. • More urgent need for synchronicity between program and political cycle (e.g. elections, phase in peace agreement, foreseeable political development) • Limited external capacities have higher influence (e.g. poor and insecure road infrastructure, non-existing PFM system across government). • The needs assessment should be light and focused. • Contextual analysis is a must (e.g. political economic, conflict analysis) to support programming and implementation. • Longer timeframe for capacity development. • Management of expectations, as improvement in capacity development is commonly overestimated. • Favor simple, direct approaches over large, complex strategies. • Political savvy and diplomatic skills are important for capacity developers.

Based on these lessons learned, the following principles have been used to specifically design the support NAC as a SAI:

1. **Be SAI-led and integrated with the SAI’s own management systems:** This means all project deliverables should be grounded in the strategic plan, and the project managed integrated with the SAI’s own plans and management systems.
2. **Have a holistic and change oriented intervention strategy:** This means prioritizing support activities that are necessary to enable change and are informed by the SAI’s context, absorption capacity and opportunities.

⁴ D. Brinkerhoff (2007): *Capacity Development in Fragile States*, Discussion paper No 58D, Ecdpm

3. **Ensure long-term and predictable support:** Ensure as much as possible comprehensive support for the five-year period.
4. **Be characterized by presence and continuity of support:** Enable regular contact, country presence and interaction, for the necessary trust and understanding, as well as progress.
5. **Competent advisors and project managers:** Include partners that ensure all technical advisors and peers have relevant experience, enough time, context understanding and strong professional and personal qualifications.
6. **Be characterized by flexibility and continuous learning:** This means having funding arrangements that allows for change of plans when needed and project procedures prioritizing learning regularly.
7. **Have in-built mechanisms for synergies with existing global, regional and national programmes and resources:** Guidelines, best practices and manuals are already developed through IDI, AFROSAI-E and various other INTOSAI resources – these should be utilized in addition to ongoing trainings and programmes.
8. **Strong national coordination mechanisms:** Establish or take part in active coordination through a national coordination group.
9. **Enable and support the SAI to lead by example in accountability, transparency, gender and inclusiveness:** SAIs are expected to lead by example. NAC has clear plans to strengthen its own management systems and integrity, and this will be supported.

5. Prerequisites and risk assessment

The project has a high risk-profile due to the unstable situation and complex environment in South Sudan. There prerequisites for succeeding in this project are similar as the presumptions identified for NAC set in its strategic plan:

1. A stable and peaceful South Sudan that enjoys a vibrant and sustainable economy with a governance structure that fosters transparency and accountability.
2. Total political 'will' to implement the policy of zero tolerance to corruption and other malpractice.
3. Continued support and commitment to an independent Auditor General free from political interference.
4. Reasonable level of financial supports from the Government of South Sudan to salaries of NAC staff and operations as audits.
5. Continued financial and program assistance from Development Partners to aid in implementation of the Strategic Plan.
6. NAC continue to participate in international bodies, such as INTOSAI and AFROSAI-E.
7. An effective Public Accounts Committee in the South Sudan Legislature.
8. A culture of trust and co-operation amongst all nation-building institutions.

A fundamental pre-requisite of the project is also security in South Sudan for advisors, and a relatively stable South Sudan which allows collection of audit evidence in key central government Ministries in Juba, states and local governments and presence in the audit office by NAC staff regularly.

For risk management, the table in show the most important risks and related control measures. The Partners will in the annual meeting each year update this and set specific responsibilities for mitigating actions.

Risk factor	Risk sub-factors	Control measures
NAC's general capacity very reduced	<ul style="list-style-type: none"> - Lack of salaries hinders job attendance, derail motivation or lead to turnover of NAC staff - Lack of operational funds makes audits not possible to execute - Covid-19 restrictions and measures 	<ul style="list-style-type: none"> - Support to NAC and presenting its funding needs to government in the annual budget process - Mobilize additional donor funds for audit operations and critical investments - Support NAC in developing projects and coordination of partners - Adjust support enabling NAC to cope with covid-19, such as prioritize support to use ict-tools for online communication
Delays in implementation of planned activities	<ul style="list-style-type: none"> - Audit data not available as expected - Staff not available as assumed - Ambitions of activities not adapted to the competency levels of staff involved - Lack of funds or cars for fieldwork 	<ul style="list-style-type: none"> - Strong project management routines, including regular meetings - Joint process for setting and agreeing on project activities and ambition levels - Flexibility and annual adjustment of plans - Regular communication on phone and e-mail

Risk factor	Risk sub-factors	Control measures
	<ul style="list-style-type: none"> - NAC ability to follow-up and implement project activities - Electricity break-down and unstable internet - 	
Covid-19	<ul style="list-style-type: none"> - Limited ability to travel for both NAC and advisors, due to health risk and restrictions - Lockdown of NAC office, reducing ability to operate 	<ul style="list-style-type: none"> - Expedite support to ict-systems and electronic communication - Organize hybrid workshops, where peers take part online and NAC champions lead in Juba
Relevance and quality of advices	<ul style="list-style-type: none"> - The complex South Sudan situation - Communication challenges between advisors and NAC staff 	<ul style="list-style-type: none"> - Emphasizing personal qualifications of resource persons - Training resource persons in sensitivity as well as the country specific PFM-system, such as through project kick-off seminar - Seek to adapt the guidance material to the context - Annual survey to NAC staff and regular dialogue with NAC on how to ensure relevance and quality of advices
Activities not coordinated both within the project and with other supporters of NAC	<ul style="list-style-type: none"> - Several providers of peers involved - Lack of information sharing systems in the SAI - Lack of information sharing between DPs 	<ul style="list-style-type: none"> - Active use of mechanisms for internal coordination: Joint steering committee, annual meeting, regular phone meetings - Invite other providers to NAC for the annual meeting
No impact	<ul style="list-style-type: none"> - Audit results not followed-up by Parliament or the Executive - Strengthening of the SAI meet significant resistance among influential elites - Independence of the SAI compromised 	<ul style="list-style-type: none"> - Sensitization of key stakeholders as a part of the project - Prioritize support to enabling audits to be completed and published
Little sustainability of the support	<ul style="list-style-type: none"> - Renewed war - Unexpected change of AG or managers of the SAI 	<p>Sustainability risks related to the overall national situation in South Sudan cannot be addressed, but sustainability is enhanced by:</p> <ul style="list-style-type: none"> - Involvement of a great number of NAC staff - Holistic approach in terms of both support to auditing, management quality control, reporting and dissemination – interlinked processes and systems

Risk factor	Risk sub-factors	Control measures
Credibility of the SAI undermined	<ul style="list-style-type: none"> - Political conflict in South Sudan where the SAI is discredited as linked to the current government - Staff of the SAI involved in corruption 	<ul style="list-style-type: none"> - Assessment of the risk in the annual meeting - Support to active use of the code of ethics as a part of the audit process - Creating awareness of the risk among the resource persons
Security for resource persons	<ul style="list-style-type: none"> - Insecurity in Juba especially, but also some risk at other venues 	<ul style="list-style-type: none"> - Regular assessment of which location is safe for meetings – plan for out-of-country if covid-19 prevails or security in South Sudan worsen - Creating awareness of the risk among the resource persons - Use of the IDI and AFROSAI-E routines for crisis management

6. Partners, roles and responsibilities

National Audit Chamber

The NAC will be in the driving seat in the implementation of activities and have the following key responsibilities:

- Integrate the project-related activities with the rest of the plans for the office, and ensure plans are linked to the NAC’s Strategic Plan for enhancing sustainability
- Actively monitor and follow-up on the execution of activities, milestones and expected outputs in the project
- Ensure the availability of adequate staff and their continuity in the areas covered through the project
- Seek project funds directly from donors, enabling such an arrangement during the strategic planning period

Peer partners

The table below summarize the roles of each peer-partner.

Component	IDI	OAGK	AFROSAI-E	Other peers
1. NAC Strategic outputs	Contribute	Main partner		OAGN Contribute
2. Strengthen NAC Independence	Main partner	Contribute	Contribute	
3. Enhance the Quality and Impact of Audit services	Contribute	Main partner	Contribute	
4. Strengthen Internal Governance System and Structures	Main partner	Contribute	Contribute	
5. Human Resources developed and Staff Welfare improved	Contribute	Contribute	Main partner	
6. Strengthen Advocacy and Stakeholders Engagement	Main partner	Contribute	Contribute	
7. Project management and coordination of other partners and projects	Lead	Contribute		

The IDI will be the lead peer partner and have the following key responsibilities:

- Project management, including financial management, quality control and reporting to financial donors for funds provided to IDI.
- Strategic management advice and training
- Mobilize, provide and coordinate peers and resource persons – maintain a dialogue with the SAIs providing in-kind support
- Logistical and financial support where this is provided

OAG Kenya will be a key provider of support to component 1 on audits and operations. It will also contribute in other components where possible, such as for HR, training and ICT. One staff will be recruited for the project, where he/she continues as employed in OAGK where salary costs are funded through the project. Other staff are provided in-kind for various deliverables. Number of staff and persondays are decided depending on annual needs and abilities of OAGK.

AFROSAI-E will provide technical support in line with its resources available for the whole region. This means it will contribute with staff to some selected and customized trainings, especially in the area of audit systems, HR and stakeholder engagement. The type of trainings and exact number of persondays and areas of contribution will be set in the annual plan.

OAG Norway will contribute resource persons to audits in the petroleum sector. These persons are provided as in-kind contribution. This support is done in synergy with OAGN's petroleum programme, including cooperation with OAG Uganda.

Other partners will be sought included in the project, especially as providers of resource persons in the areas of independence and quality assurance.

Teams

An overall principle for engaging persons in the project is to seek continuity of peers involved to allow for trust building and proper SAI and context understanding.

Teams will be established to organize advisors and enable autonomy and flexibility in the execution of the support. The following teams are planned:

- **Project core (PC) team:** Full-time employers and others with time to regularly engage in project work. Includes leaders of audit and strategic management team.
- **Strategic management (SM) peer team:** All peers mainly responsible for advice and training in all non-audit focus areas
- **Regularity audit (RA) peer team:** All peers mainly responsible for advice and training in financial and compliance audit focus areas. Sub-teams for central government, local/states government, performance audit and parastatals likely.
- **OAG Norway (OAGN) team:** Audit of Petroleum sector
- **Independence team:** Support to Focus area 1 independence related activities

Other partners

The project will seek synergies and regular collaboration with other partners supporting NAC. This includes especially:

- UNMISS support to a new legal framework for NAC and engagement with Parliament. Collaboration is primarily done through regular contact and coordination of technical support. Joint events and workshops are considered.
- UNDP's Governance & Economic Management Support (GEMS) Project, which has the National Audit Chamber as one potential beneficiary institution. Collaboration is to be clarified when the GEMS project has completed its assessment phase. Potential collaboration is especially related to technical advisors allocated to NAC in Juba.

7. Steering and evaluation

In line with the Cooperation agreement between NAC, IDI, AFROSAI-E and OAGKenya, a Steering committee is established where each of the partners are represented. The committee will be led by the NAC. It shall approve the annual project report and project plans, and meet at least once a year. The Steering committee will also receive quarterly project reports based on NAC's internal quarterly reports and can meet ad-hoc during the year and be consulted on arising issues.

An annual meeting with donors will sought to be held in conjunction with the annual meeting between the partners.

An external evaluation of the project will be carried out as a minimum at the end of the cooperation period, and should be considered after 2 years. Any evaluation should be timed with NAC's own planned mid-term and end-term reviews of its strategic plan.

8. Budget and funding

Budget

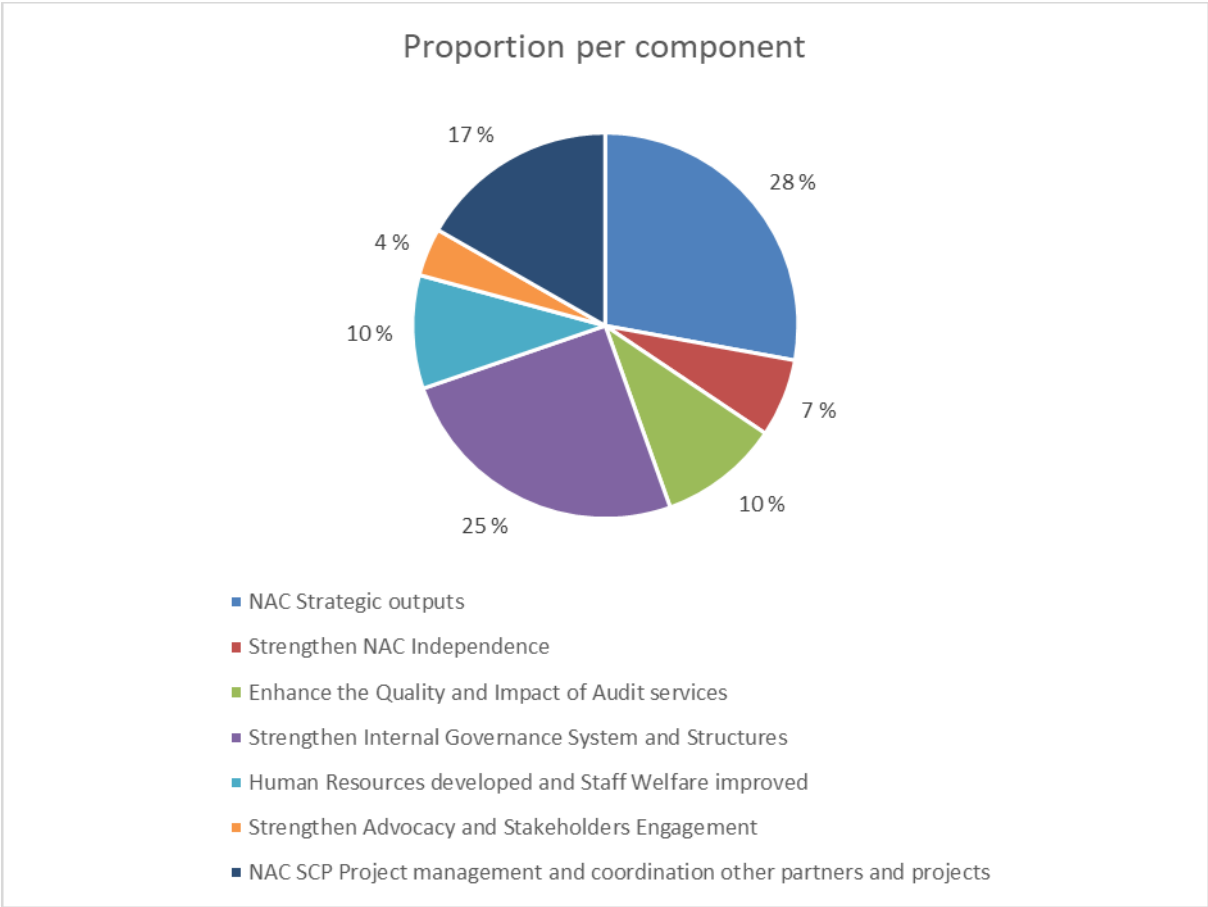
The implementation plan and budget is developed using the NAC implementation matrix for its strategic plan. The costs are set per activity which is clearly linked to the project outputs and outcomes. The implementation plan and budget must be adjusted annually.

Appendix IV shows the budget with detailed costs per partner and cost type, as well as expected revenues. In addition to the project financial costs, a significant contribution to the project will be in-kind provided resource persons from OAGK and other strong SAIs. While the direct costs of flights, accommodation and per diem will be covered by the project, the salary costs for these resource persons will be covered by their own budgets. The value of the in-kind contribution has been estimated and is shown in the project budget.

For the project in general, IDI is not able to use its own funding for the project, as the IDI Board has decided bilateral support projects should be funded by specific project grants. This is due to IDI's mandate of supporting all the developing country SAIs (about 140 SAIs), and a large amount of its core resources can therefore not be spent on one SAI.

Figure 3 shows the proportion of costs per component. This shows the components of strategic outputs and internal governance have the highest shares.

FIGURE 3 PROPORTION OF COSTS PER COMPONENT



Financial management

For funds managed by IDI, it’s policies for procurement must be complied with in the project work. IDI will clarify this policy and eventual other policies relevant to all involved in the project. IDI will in cooperation with the partners develop financial management routines for the use of funds it is responsible for, such as for procurements, per diems, travels and cost reimbursements. These will be adjusted if needed taking into account donor agreements and agreed project deliverables.

All partners are expected to provide key information required for reporting and evaluations to financial donors. All partners are also expected to adhere to financial conditions agreed with donors and a code of ethics in line with the INTOSAI standard code of ethics for SAIs. Any breach or high risk of breach of these conditions related to project work must be communicated to the other partners without delay.

Additional funding

Additional interested financial donors are invited to fund the project, enabling scaling up in some areas. New donors would be required to ensure a concerted, coordinated and flexible support for NAC in the implementation of their strategic plan. This means that if there are additional donors for the project, the partners will seek agreements that are linked to the same result framework and the same procedures for planning, reporting, performance review meetings and evaluation.

All partners can in principle be responsible for donor funds to the project. Among the peers, IDI will be the main responsible for mobilizing funds and financial management. Other than the expected funding to IDI, the preferred funding modality is direct funding to NAC, in line with the principle of support being SAI-led.

Appendix I: Performance indicators

Project deliverables indicators

Annually, the performance indicators below will be used for project deliverables. To assess quality of project work, identified lessons learned of each phase and external quality assurance of audits advised for will also be considered.

Expected Results	Project indicator no.	Indicator Definition	Source	Baseline (time)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
						2020	2021	2022	2023	2024	
Agreed upon support is implemented	1	Percentage of agreed project deliverables in the annual plan completed during the year	NAC Annual performance report / Annual project report	N/A	Target	N/A	70 %	75 %	80 %	85 %	
					Actual						
Wide-participation of SAI staff	2	a) Annual number of SAI staff taking part in project funded trainings b) Female participation rate	NAC Annual performance report / Annual project report	a) 39 b) 12 % (2019)	Target	N/A	a) 60 b) 15 %	a) 70 b) 20 %	a) 70 b) 25 %	a) 80 b) 25 %	Assumption: New recruitments in NAC within 2022.
					Actual						
Quality and relevant support	3	Average SAI staff satisfaction and perceived project quality, on a 1-5 scale	Annual anonymous survey to all staff	N/A	Target	N/A	3	3,5	4	4	
					Actual						
Active coordination with donors and partners	4	Number of joint NAC-partner meetings covering e.g. policy dialogue and coordination taking place annually	NAC Annual performance report / Annual project report	1 (2019)	Target	1	2	2	2	2	
					Actual						
Effective delivery of the project	5	Overall conclusion of the evaluation of the project (Scale: programme objectives fully / mostly / partly / not met)	Evaluation reports published on IDI website	N/A	Target	N/A	N/A	Partly	Mostly	N/A	Mid-term review expected early 2022 and evaluation in 2024.
					Actual						

Project output indicators

Outputs level 1: NAC Focus Areas indicators – NAC capacities

The globally established system for assessing SAIs is the SAI Performance Measurement Framework (SAI PMF). The table below shows selected indicators of SAI PMF to be used for assessing performance in the focus areas. Measure of these are expected related to NAC's mid-term or end-term reviews. As baselines do not exist, these will be developed in Q4 2020 in cooperation with NAC and the department responsible for the area. See the SAI PMF guideline for contents of each indicator and what the targets imply.⁵ In addition to the SAI PMF indicators, it will be considered to use the AFROSAI-E indicators linked to the ICBF – the Institutional Capacity Building Framework.

No	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
					2020	2021	2022	2023	2024	
1. Strengthen NAC Independence										
6	SAI-1: Independence of the SAI	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline			
				Actual						

⁵ Guideline available here: <http://www.idi.no/en/idi-cpd/sai-pmf>

No	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
					2020	2021	2022	2023	2024	
7	SAI-2: Mandate of the SAI	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline			
				Actual						
2. Enhance the Quality and Impact of Audit Services										
12	SAI-7: Overall Audit Planning	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
13	SAI-16: Compliance Audit Process	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
14	SAI-13: Performance Audit Process	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	

No	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
					2020	2021	2022	2023	2024	
				Actual						
3: Strengthen Internal Governance System and Structures										
8	Whether NAC annually a) sets an operational plan, b) conducts quarterly reporting and c) issues a SAI Performance report.	NAC Annual performance report / Annual project report	2019: a) Yes b) No c) No	Target	N / A	a) Yes b) Partly c) Yes	a-c) Yes	a-c) Yes	a-c) Yes	
				Actual						
9	SAI-3: Strategic Planning Cycle	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
10	SAI-6: Leadership and Internal Communication	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
11	SAI-21: Financial Management, Assets and Support Services	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
4: Human Resources developed and Staff Welfare improved										

No	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
					2020	2021	2022	2023	2024	
15	SAI-22: Human Resource Management	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
16	SAI-23: Professional Development and Training	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
5: Strengthen Advocacy and Stakeholders Engagement										
17	SAI-24: Communication with the Legislature, Executive and Judiciary	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	
				Actual						
18	SAI-25: Communication with the Media, Citizens and Civil Society Organizations	NAC Annual performance report / Annual project report	TBS	Target			Scoring 1 level higher than baseline		Scoring 1 level higher than baseline maintained	

No	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
					2020	2021	2022	2023	2024	
				Actual						

Outputs level 2: NAC Strategic outputs indicators

Expected strategic output	Project indicator no.	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
						2020	2021	2022	2023	2024	
Annual Financial and Compliance Audit reports issued for Central Government including recommendations for compliance with key rules and regulations	19	Whether NAC issues to the President and Parliament a) a compiled financial audit report b) a compiled compliance audit report	NAC Annual performance report / Annual project report	No (2019)	Target	N / A	a) no b) yes	a) no b) yes	a) no b) yes	a) yes b) yes	Targets based on NAC Strategic plan, revised. Financial audit depends on available financial statements.
					Actual						
Audit reports of the Central Bank and government owned companies issued annually.	20	Percentage of Central Bank and government owned companies where audit reports are issued annually, among the entities who have prepared financial statements.	NAC Annual performance report / Annual project report	100 % (2018)	Target	N / A	100 %	100 %	100 %	100 %	Targets based on NAC Strategic plan
					Actual						
Audit reports of the States	21	Percentage of States where an	NAC Annual performance	0 % (2019)	Target	N / A	N / A	10 %	20 %	30 %	Targets based on NAC

Expected strategic output	Project indicator no.	Indicator Definition	Source	Baseline (year)	Target / Actual	Targets and Actual Results (by calendar year)					Comments
						2020	2021	2022	2023	2024	
Governments, including recommendations for issuing of financial statements and compliance with key rules and regulations		annual audit report is issued	report / Annual project report		Actual						Strategic plan, and revised
Performance audit reports issued for the main sectors	22	Performance audit reports submitted to Parliament annually	NAC Annual performance report / Annual project report	0 (2019)	Target	3	2	2	2	2	Targets based on NAC Strategic plan, and revised
					Actual						
Annual NAC Activity (Performance) report	23	Whether the NAC Activity report is issued annually	NAC Annual performance report / Annual project report	No (2019)	Target	-	Yes	Yes	Yes	Yes	Targets based on NAC Strategic plan
					Actual						

Project outcome indicators

Selected NAC Strategic outcomes' indicators as per its approved 2019 to 2024 Strategic Plan.

Expected Results	Project indicator	Indicator Definition	Source	Baseline (year)	Target 2020-2024	Comments
Public Account Committee follow-up on the audit reports	24	Whether a Committee of the Legislature examines the Audit Report on the annual budget within six months of its availability, and publish a report with findings and recommendations	International Budget Partnership Open Budget Survey: Question 118 (2017 version)	Not (score D in 2017 Open Budget Survey)	Improved score during the period	
	25	The extent to which legislative scrutiny of the audited financial reports of central government is timely, significant and transparent. It also assesses whether the legislature issues recommendations and follows up on their implementation.	PEFA PI-31. Legislative scrutiny of audit reports	NA	Score D achieved during the period	Assuming PEFA conducted in South Sudan during the period
Executive follow-up of audit findings	26	Whether a formal, comprehensive, and timely response was made by the executive or the audited entity on audits for which follow-up was expected during the last three completed fiscal years	PEFA-2016 PI-30 dimension (iii)	NA	Score D achieved during the period	Assuming PEFA conducted in South Sudan during the period
Central government financial statement issued on time	27	Whether GOSS consolidated financial statement (FS) is issued annually.	NAC Annual audit reports	No (2019)	Achieved during the period	
Central Bank and government owned companies issue their financial statements on time.	28	Percentage of financial statements issued on time for the Central Bank and government owned companies	International Budget Partnership Open Budget Survey: Composite scores on Public Participation in the Budget Process	0 % (2019)	Improvement during the period	
States and Local governments financial statements issued on time	29	Percentage of states having issued financial statements (FS) annually.	Worldwide Governance Indicator (WGI) on Control of Corruption	0 % (2019)	30 % achieved during the period	NAC Strategic plan revised

Appendix II: Support projects

NAC has identified several projects that seem necessary for the successful implementation of the Strategic plan for 2019-2024. Both ongoing and planned projects are listed below.

Project title	Scope and expected results	Period	Budget	Financial donor	Implementing Partners
NAC Peer-support project	<ul style="list-style-type: none"> • Regularity audit systems, process and reports • Performance audit systems, processes and reports • Management systems • Stakeholder engagement • Regional training 	2017-2020	1,3 mill NOK per year	RNE and IDI	IDI, AFROSAI-E, SAI Kenya, SAI Norway
Non-oil revenue mobilization and accountability (NORMA)	<ul style="list-style-type: none"> • Regional events and training • Local trainings 	2018-2021		ADB	UNDP
NAC Strategic change project	<ul style="list-style-type: none"> • Technical guidance for all focus areas and selected strategic outputs where peer support is preferable • Strategic change management • Coordination of support projects • Audit capacity and related strategic outputs • Independence and legal framework 	2020-2024		Norwegian embassy Open for others to pool in; some potential ADB, WB, JAICA, DFID, EU	IDI, AFROSAI-E, SAI Kenya, SAI Norway
NAC Audit results project	<ul style="list-style-type: none"> • Performance for results approach • Operational costs of increased audit coverage and quality • Audit of donor-funded projects • Quality assurance 	2019-2024		WB? AdB?	Peers? WB? Private firm or consultants?
NAC Investments project	<ul style="list-style-type: none"> • NAC headquarter building and fittings • Electricity supply • Vehicles • Larger procurements, incl ICT-investments 	2019-2024		Mainly government funds DP partial funding: Asian or Arab DPs?	Peers? Private firm or consultants?
NAC Staff Welfare project	<ul style="list-style-type: none"> • Start funding for Staff Saving Cooperative Credit Society establishment • Medical insurance 	2019-2024		Mainly government funds	

Project title	Scope and expected results	Period	Budget	Financial donor	Implementing Partners
	<ul style="list-style-type: none"> Staff remuneration package 			DP partial funding	

Appendix III: Annual cycle Project governance

The table below shows main expected annual internal governance milestones of NAC, and how the project's governance mechanisms are intended to be timed. Donor relations milestones for the project are also shown. The annual cycle may be changed by the Partners, depending on how NAC organizes its internal governance and agreements with donors. The Peers will to a large extent seek to align the governance milestones of the project with NAC's own systems.

Quarter	NAC	Project	Donor relations
Q1 July - September	<ul style="list-style-type: none"> • Annual activity report developed (Q4 report). • Quarterly meeting to approve activity report and NAC financial statements. • External audit of NAC financial statements. 	<ul style="list-style-type: none"> • Peer in-country support* 	<ul style="list-style-type: none"> • Quarterly donor update – joint 1 hour meeting
Q2 October - December	<ul style="list-style-type: none"> • Q1 report and quarterly meeting 	<ul style="list-style-type: none"> • Annual meeting Steering Committee, incl approval of Project annual report and updated plan and budget** • Peer in-country support* 	<ul style="list-style-type: none"> • Annual donor performance and budget review meeting • IDI and AFROSAI-E annual planning
Q3 January - March	<ul style="list-style-type: none"> • Q2 report and quarterly meeting. 	<ul style="list-style-type: none"> • Peer in-country support* 	<ul style="list-style-type: none"> • Quarterly donor update – joint 1 hour meeting • OAGK deciding plans for the calendar year
Q4 April - June	<ul style="list-style-type: none"> • Q3 report and quarterly meeting. • NAC operational plan and budget developed. 	<ul style="list-style-type: none"> • Project plan and budget adjusted, in line with NAC's operational plan. • Peer in-country support* 	<ul style="list-style-type: none"> • Quarterly donor update – joint 1 hour meeting

*The project plans to establish monthly visits of 1-2 weeks in Juba, to ensure sufficient continuity and frequency of support, especially in the audit and strategic management areas. In addition comes regular contact online and various other activities inside and outside South Sudan.

** This meeting may be shifted to Q3 to be in line with IDI donor reporting.

Appendix IV: Budget

See separate file.

Appendix V: Gender analysis, conflict sensitivity analysis and baseline assessment

To be developed in October - December 2020, and inserted here.

Appendix VI: R-ARCSS requirements for NAC

Chp	Requirement	Status Sept 2020	Project support plans
4.14.5, page 58	Audit and report on all public funds and financial dealings to relevant institutions generally, and in particular to the Transitional National Legislative Assembly (TNLA) and the State Assembly	Ongoing	Component 1 plans - Central government audit peer team.
4.8.1.14.10	Review and audit all oil revenues since 2011	Stakeholder consultations planned and audit to be initiated (combined with 4.8.1.14.5).	Component 1 plans – OAGN petroleum team
4.8.1.3	Identify, check and record all loans and contracts collateralized or guaranteed against oil within six months	Not yet initiated. To be done when an ongoing President initiated audit of selected contracts is reported.	Component 1 plans – OAGN petroleum team
4.8.1.14.5	Carry out an urgent audit of the Petroleum Sector	Audit to be initiated (combined with 4.8.1.14.10)	Component 1 plans – OAGN petroleum team

Chp	Requirement	Status Sept 2020	Project support plans
4.14.1	Ensure that government finances are managed responsibly, budget execution is enforced in accordance with the law, all government transactions and regularly audited and published	Ongoing process	Component 1 plans – Central government audit peer team
4.14.6, page 58	The TNLA shall receive pending audit reports within six months of the start of the transition period	Reports are printed and will be submitted when Parliament meets	Component 6 plans – Support to seminar for PAC if required