



FACTS ABOUT POVERTY

**767 MILLION PEOPLE LIVE
BELOW THE INTERNATIONAL
POVERTY LINE OF \$1.90 A
DAY**

United Nations

**IN LATIN AMERICA AROUND
165 MILLION PEOPLE ARE
POOR AND 70 MILLION LIVE
IN EXTREME POVERTY**

**POVERTY INCREASED IN 2016
IN LATIN AMERICA AND
REACHED 30.7% OF THE
POPULATION, A
PERCENTAGE SEEN
HOLDING STEADY IN 2017**

Economic Commission for Latin
America and the Caribbean (CEPAL)

FIGHTING POVERTY TOGETHER

IDI SUPPORTS SAI COSTA RICA AND NINE OTHER SAIS IN LATIN AMERICA THROUGH COOPERATIVE AUDITS OF POVERTY REDUCTION PROGRAMMES

Poverty remains one of the world's biggest challenges, impacting on people and communities across the globe. Poor people lack opportunities, are more vulnerable to diseases, violence and natural disasters. Their voices are barely heard; their needs are seldom considered.

Around 1.1 million people live in poverty in Costa Rica. While only 2% of the population live below the international poverty line, 20% are considered to live below the national poverty line. Most of the poor population in the country is situated within rural areas. The farther one goes from the metropolitan areas, the more poverty increases.

Recognizing the impact of poverty on the lives of citizens, the Government of Costa Rica launched "Bridge to Development (BTD)", a national strategy designed to care for families in extreme poverty. Its goal is to help up to 54,600 families living below the Costa Rican poverty line by 2018.

As a flagship national programme of such importance, citizens and Parliament have the right to know whether the programme delivers its objectives, and whether it is administered efficiently and effectively.

To answer this question, the Supreme Audit Institution (SAI) of Costa Rica, with IDI support, planned an audit to analyse the effectiveness and efficiency of BTD. The audit report found that the strategy of the programme to identify the families was effective and it is well focused. However, there is room for improvement on the achievement of the family intervention plan; on the mechanisms to enable the families to access the programme; and on the follow-up and evaluation procedures.

The SAI's audit report also found room for improvement when it comes to equity. Families living close to the capital city have easier access to the programme, while those in remote areas of the country have lower attendance and participation in the programme.

SAI COSTA RICA AND IDI WORK TOGETHER TO ASSESS "BRIDGE TO DEVELOPMENT"

“Bridge to Development is a national strategy to fight poverty in Costa Rica. It is a strategy defined to articulate all the government programs, projects and actions in a way that guarantees access to public goods, services and products for people in extreme poverty. It is expected to effectively fulfill the human rights of the poorest.”

Ms. Marta Acosta Zúñiga,
Auditor General
SAI of Costa Rica

Further, the responsible authorities designed a control mechanism that can verify the timeliness and quality of the service provided by the people working with the families, by tracing the accomplishments of the family group, and the visits received from the social worker.

Finally, a [technical article](#) about the audit was published in the INTOSAI Journal. It concluded that “with the collaboration and assistance of IDI mentors, this audit product also conforms to International Standards of Supreme Audit Institutions (ISSAIs)”. The audit was quality assured by an independent reviewer and was considered to have been carried out in accordance with the ISSAIs.

IDI COOPERATIVE PERFORMANCE AUDITS ON THE FIGHT AGAINST POVERTY

IDI support to SAIs in Latin America to audit government poverty reduction programmes extended beyond Costa Rica. IDI and 10 SAIs in Latin America agreed to work together to conduct cooperative performance audits on the fight against poverty.

Other participating SAIs included Brazil, Chile, Ecuador, Guatemala, El Salvador, Mexico, Nicaragua, Paraguay and Peru.

Participating SAIs choose audit topics based on the specific challenges and programmes related to the fight against poverty in their country. **These included social housing programmes, cash transfer systems, distribution of school materials, agricultural seed distribution, and anaemia prevention.** This variety enabled the SAIs in the region to analyse the theme from different perspectives and to prepare a compendium of the main findings related to the fight against poverty in Latin America.

The audit results and recommendations were positively received by Costa Rican government authorities responsible for the BTD strategy. They responded that changes and timely improvements would be made in the programme policy following the SAI's audit recommendations. Planned changes include:

- Establishing guidelines for the institutions taking part in the strategy
- Determining a specific schedule to process the family's applications that are not resolved yet.
- Defining and implementing a deadline for drawing up the plan of family intervention: it has to be three months after including the family in the strategy.



DEVELOPING AUDIT CAPACITY THROUGH COOPERATIVE AUDITS

The Cooperative Audits formed a part of IDI's ISSAI Implementation Initiative (3i) programme, and built on foundations already laid such as ISSAI assessment tools, implementation handbooks, and training provided to audit professionals.

Using IDI's cooperative audit support model, the auditors participated in an eLearning course about the audit theme and about performance audit methodology. The course was developed and mentored by resource persons from SAIs in the region (OLACEFS).

Following the process, the audit teams developed their audit plans and were invited by IDI to attend a meeting to discuss and peer review their plans, receive feedback from mentors and improve their plans, facilitated by IDI. The revised audit plans were approved by the head of each SAI and the audit teams then carried out the audits.

The draft reports were submitted to IDI, who invited the teams to an audit review meeting where reports were discussed and reviewed by auditors from peer SAIs, before finalisation by the SAIs. From the 10 participating SAIs, 9 revised reports were finalized by the audit teams, approved by the heads of SAIs and published.

The whole process was supported by mentors, under IDI's supervision, coordination and support. Team leaders and team members expressed that the participation in the IDI programme was an invaluable opportunity to effectively develop their capacities on conducting an ISSAI based performance audit. SAIs confirmed that the reports were well received by the government and that implementing the audit recommendations was improving the programmes and making a difference to the lives of citizens.