



promote public accountability for the benefit of our society...

THE STATE OF ERITREA
OFFICE OF THE AUDITOR GENERAL

2021 Annual Performance Report



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Chapter 1: About the Office of the Auditor General

The Office of the Auditor General (OAG) was established in May 1992 by Proclamation No. 37/1993 and Legal Notice No. 14/1993 Article 2/25. During its commencement, the office had very limited resources in terms of both human and material. Since its establishment the management has been working in strengthening the office and several initiatives have been going on to date.

The Mandate of the OAG

The mandate of the OAG as spelled out in Proclamation No. 37/1993 and Article 2/25 of Legal Notice No. 14/1993, includes “to audit or cause to be audited all Government institutions, parastatals, and State-owned Enterprises.” In addition to Para-statals and State Owner Enterprise, the OAG currently has 177 budgetary audit clients. With the current capacity of the OAG, providing audit services to each client on annual basis is impossible. To minimize the risk, the OAG prioritizes its audit client based on the significance of annual budget, results of previous audits, and operational complexity of the clients. Accordingly, the clients are categorized as big, medium, and small entities. The OAG strives to provide audit services annually to the big clients, while a rotational approach is used to cover the medium and small entities.

Until the OAG can reach the required capacity, Parastatals and State-owned Enterprises are being audited by the Audit Services Corporation (ASC), which provides its professional audit services on fee basis and works autonomously under the general supervisory control of the Auditor General.

To discharge its mandate to the full satisfaction of its stakeholders, the OAG needs to increase its human and material capacity by a minimum of three-fold. To achieve this target, it needs to build its capacity by increasing the number of its auditors and improve its technical and organizational capacity. The National Resources Coordination Center and the National Institute for Higher Education and Research have been supporting the OAG by supplying fresh graduates yearly. The OAG has also been working closely with the Ministry of National Development for additional link with development partners to strengthen its technical capacity.

In addition to its mandate for audit service, the OAG is also mandated with certification and supervision of private auditors and accountants and provide advisory services to the Ministry of Finance, where necessary.

Mission, Vision, and Core Values

The following are the Vision, Mission, and Core Values of the OAG:

- **Vision Statement:** To be an independent, transparent, and effective audit institution that promotes public accountability for the benefit of our society.
- **Mission Statement:** To provide reasonable assurance in the management of public resources by our independent and objective public sector audit services.

Core Values, Beliefs, and Guiding Principles

Integrity, Professionalism, Teamwork, Transparency, Innovation, and Continuous Development.”	
Integrity:	The OAG staff members should be honest in performing their professional services and should have high personal discipline.
Professionalism:	To provide consistently high-quality audit services, staff members are expected to maintain and develop high professional competence and expertise.
Teamwork:	The OAG believes that cooperation among the staff members and collaboration with clients are vital indicators of success.
Transparency:	The OAG should be transparent in its work. Regular communications should be made to the relevant stakeholders in the form of reports and briefings.
Innovation and Continuous development:	Innovation and Continuous development: The OAG will have to steer and encourage the staff creativity in audit methodologies, processes and procedures, and other institutional factors to fulfil its mission.

The OAG has introduced mandatory Continuous Professional Development, with a special attention to the development of female colleagues. This will demonstrate to our stakeholders that the OAG is striving to develop staff knowledge for better audit services.









Chapter 2: Purpose of the 2021 annual report & highlights

The 2021 Annual Performance Report serves two purposes.

- The first purpose of this report is to address the transparency and accountability requirement expected from our Office. By preparing this report, the OAG is demonstrating and promoting accountability through leading by example. In addition, the OAG also demonstrates the efficient use of its resources in discharging its mandate.
- The other purpose of preparing this report is to pursue a support from internal and external stakeholders. By informing our key stakeholders about our achievements and shortcomings in the implementation of our objectives, we strive to secure their support in our quest in improving the effectiveness of our audit services.

Starting 2019, the OAG has been preparing annual performance report and share with relevant stakeholders. -The OAG report is prepared to inform stakeholders readers on the status of achievement of the detailed annual operational plans which integrate both the audit and non-audit functions of the OAG. The annual operational plan of 2021 is a one-year derivative of the five-year strategic plan of the OAG which runs from 2019-2023.

OAG highlights of year 2021

Highlights under each strategic goal					Budget & Expenditure	Capacity Development	Lessons learnt
							
To enhance the independence of the OAG	Organization and Management Capacity	enhance the competency and productivity of human resources	quality of audit services to increase the value of the OAG	Communication and Stakeholder Management			
Preparing all the necessary preconditions for enhancing OAG independence.	Established three working groups Develop strategic plan for Finance and Administration Division Development of policies and guidelines Improved internal control and management information systems	26 new employees were added to the OAG workforce Female representation at 35%. Gender strategy and policy finalized	Enhance the Performance Audit and strengthened the IT support function Establishment of Quality Assurance Review Unit 26 Financial, 1 Performance, and 1 investigative audit that cover 84 budget years were finalized making the coverage 60%.	Upgraded the Communication Policy and strategy Distributed service satisfaction survey for audit clients. Developed template and guideline for annual reports	OAG received a total of ERN 7.027 million from the Government The total amount of the budget spent was ERN 5.28 million. Property management improving annually	3 In-house Training Programs received: 10 Regional Training Programs participated	In 2021, we initiated a pilot project to prepare team leaders by starting practical coaching by assigning experienced auditors in a role of team leading. The positive outcome of the pilot project was a good lesson to be continued in the coming years.

Chapter 3: Key achievements under each strategic goal

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Goal 1: To enhance the independence of the OAG

In practice, the OAG does not have an issue that compromise its basic independence. This is demonstrated by its independence in deciding on the approach, methodology, reporting mechanisms of its audits. It has also unrestricted access to documents in conducting audits. However, to secure its independence through Audit Act in accordance with the requirement of Lima declaration, the OAG revisited and updated the draft Audit Legislation which describes all the pre-requisites for independent Supreme Audit Institution (SAI) in accordance with INTOSAI-P 10. The Draft Audit Legislation was submitted to the concerned authorities for approval. Approval of the Draft Audit Legislation is beyond the scope of the OAG. However, the OAG should prepare all the necessary preconditions for enhancing its independence.

Goal 2: To strengthen the organization and management capacity of the OAG

A quality audit with a positive impact on public financial management is dependent on the strength of institutional capacity. This can be attained by cultivating an internal culture that appreciates quality and devoted staff members and standardize the work practice within the OAG. With this principle, the OAG has put several objectives and activities in its strategic plan of 2019-2023.

The 2021 Annual Operational Plan was approved early in January. Based on the activities identified, the OAG conducted its mandate with the supervision of Monitoring & evaluation sub-committee.

The following are the performance result of the annual deliverables:

- Establishment of three working groups. The technical committee, which was established in 2017, is composed of 14 members from the three levels. The committee oversees Customizing manuals, and drafting policies, guidelines, and templates. In 2021, the technical committee customized and implemented AFROSAI-E Performance Audit Manual, prepared a template for Investigative Audit report
- OAG Team, that was established in 2018 as part of the Accelerated Peer Support Program (PAP-APP) initiative, is mandated to monitor the implementation of the strategic objectives of the OAG. The committee also standardized the template for annual reports. All the documents were approved by the Auditor General.
- Develop strategic plan for Finance and Administration Division: The development of a strategic plan for the Administration and Finance Division that cover three years is finalized. However, its approval is awaiting the implementation matrix which detail the activities to be carried during the three years.

Policies and Guidelines

In 2021, the OAG developed and implemented several policies and guidelines. Currently, the following policies and guidelines are implemented or ready to be implemented in the OAG:

Policies	Guidelines
<ul style="list-style-type: none">• Quality Assurance review policy• Communication policy• IS Security Policy• Training policy and management development program• Risk management policy• Gender policy	<ul style="list-style-type: none">• Employee Performance Appraisal Guideline• Change management guideline• Audit Supervision and review guideline• Audit Follow-up guideline• Delegation of Authority guideline• Planning guideline• Monitoring and evaluation guideline• Annual report guideline• ISSAIs 130 based Ethical Standards

To contribute to the enhancement of OAG's performance, the provisions of necessary tools and equipment including securing power supply, deployment of sufficient IT Equipment. Our solar energy covers the majority of the OAG's power requirement, with a significant saving of an estimated energy cost of over 50%. The batteries of the solar energy require replacement as it is over 5 years old.

The following activities were implemented in 2021.

- To design a Management Information and Enterprise Resource Planning systems (MIS and ERP) for the OAG support divisions: The design of a Management Information System that facilitates the flow of information among the OAG organs was planned to be implemented. The system was completed in the 3rd quarter of 2021 and took two more months for testing and acceptance. The system is approved by all users and will be used starting January 2022. It currently hosts the two Audit Departments, the Finance and Administration, the HRD and the IT Divisions, as well as Library, Stores, and the secretary of the Auditor General.
- To enhance the IT support function: An IT strategy plan aligned with the overall strategy of the OAG was prepared.
Design ISSAIs based internal control system: The OAG have several, including, Financial Management Directive, Property Management Guideline, Ethical Standards, IS Security Policy, Delegation Policy, and other important internal control components in its governance structure. However, the documents are not systematically framed to fulfil the requirement of accountability and transparency according to ISSAI 20. To address the gap, the technical team attempted to prepare a framework, however, it was not successful. Thus the task was deferred to 2022.
- Strengthen the LAN to be used for information and equipment sharing: The OAG obtained additional space on the ground floor to be utilized by the Performance Audit and Quality Assurance Review teams. Additional internet connections and a telephone extension were extended to these offices. In addition, another room that has been in use by auditors enrolled in

the Professional Education for SAI Auditors Program (PESA-P) was fitted out by additional eight internet sockets.

- Website update: The OAG website “oageritrea.org” that was launched in 2020 needed upgrading. Accordingly, all necessary updates and debugs was made to the website leading to improved efficiency.
- Increase number of laptops distributed to OAG staff: Including the 5 laptops provided to the Audit Service Corporation, in 2021 the OAG distributed 61 laptops to the audit departments and corporate services divisions.

Our Financial resources is obtained from the Ministry of Finance and National Development. We obtain our human resource from the Resources Coordination Center (RCC), a body mandated with equitable distribution of professionals to Government institutions. The day-to-day management of these resources is the responsibility of the OAG management.

Goal 3: To enhance the competency and productivity of human resources

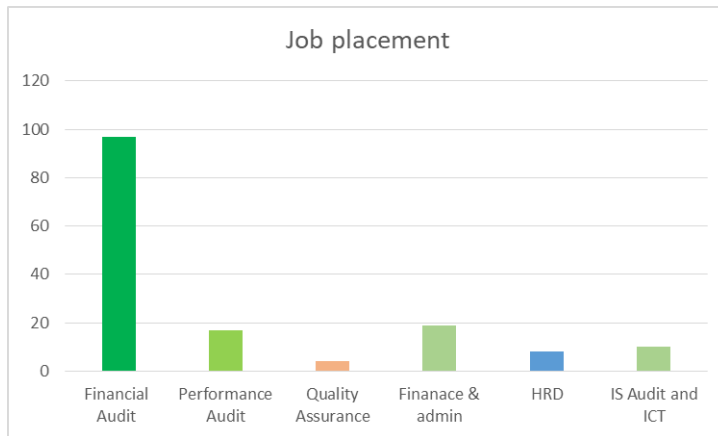
The number and competency of audit staff does not match with the mandate of the OAG. As a result, the OAG has been suffering with a considerable audit back-log. To address this issue, the OAG included a five-year goal that focus on the development of employees in its strategic plan. The OAG has been working to produce and retain skilled manpower by including objectives and activities in its strategic plan. In the past three years, the number, skill, and competency of the OAG employees have been improving gradually. The staff turnover has reduced significantly that averaged at 2.6% per annum.

To upgrade and retain the human resource of the OAG

Request additional staff and increase budget accordingly: The OAG has been working closely with the Resource Coordination Center to increase the number of audit staff by requesting additional new graduates annually. Accordingly, 22 new graduates and another 4 civil servants in total 26 new employees were added to the OAG workforce. A five days induction course was delivered to all these additional staff members who joined the office in September and October 2021. The budget for 2021 was adjusted by the salary of these additional employees.

The OAG is organized in to two audit departments and three supporting divisions. With the addition of the new recruits who came this year, the total number of OAG employees has reached 155.

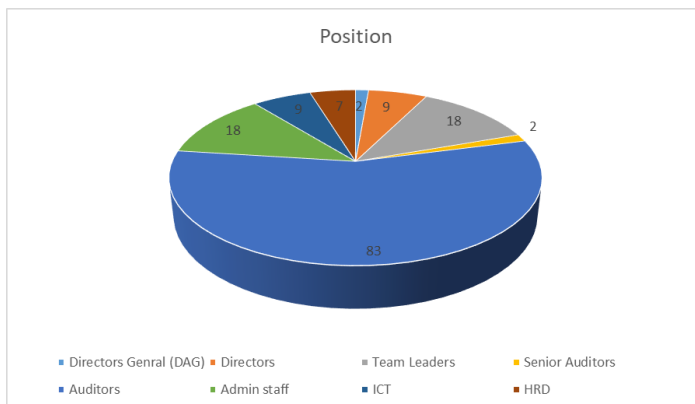
Update the job description of the OAG: The OAG completed the updated the Job description in 2020 to respond to the structural and operational change made during the past three decades. In 2021, the job description for storekeeper, communication officer, and Network Administrator were added.



Out of the total number of employees, 111 are auditors actively working in the teams. The Audit Department of Revenue, Economy, and Defense (R.E.D) has 47 Auditors, while The Social Services, Administrative, and local Government Audit Department (SALG) has 43 Audit staff. The remaining 17 and 4 auditors are in the Performance Audit and Quality Assurance Review teams respectively. There are also other 6 auditors, all qualified by the ACCA, currently seconded in other private audit firms and parastatals. The remaining 38 are working in the corporate divisions.

In 2021, the OAG received 22 new graduates and 4 civil servants transferred from other government institutions. All the 26 recruits who joined the office attended the five days induction course organized in October.

There are two Directors General each with three audit directors. Each director supervises 3-4 audit teams which are composed of about 4 auditors each, excluding the team leader. Currently there are 13 financial audit teams, three performance audit and two QAR teams.

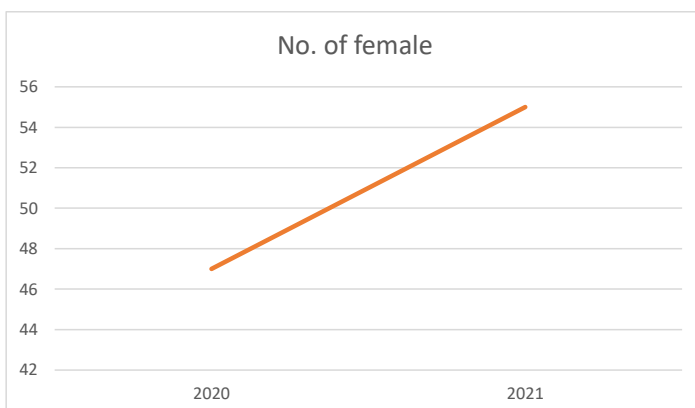


To improve the staff development and training policies

The OAG is working to develop several policies and guidelines to motivate staff. Due to the changes that happened in the HR Division, most of the work started were not completed.

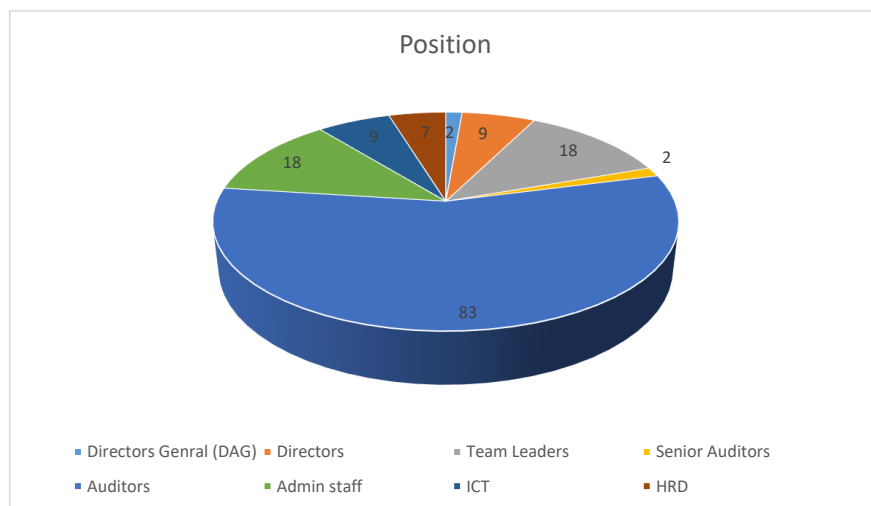
Gender activities

Out of the total OAG's workforce, 55 are female colleagues making the female representation at 35%. Compared to 2020, there is 1% increase in the overall number of female colleagues.



In 2021, the OAG prepared a gender policy and strategy document which commenced implementation in March. There are four main objectives identified in the strategy document which was designed to be implemented in three years from 2021 to 2023. The following are the status of the activities in 2021:

- Objective 1: To raise awareness among male and female staff members of the OAG. The aim of this objective is to stimulate gender consciousness among OAG staff by organizing short training session. The OAG has been working with UNDP office in Asmara to secure a gender expert who can deliver the training. Due to UNDP's internal procedures, the provision of the expert is delayed. However, we displayed the "Gender Responsive SAIs" short video prepared by the AFROSAL-E for April, August and November, each with a one-week display, on the OAG signage for the public.
- Objective 2: To support OAG members who are mothers and parents. Establishment of day care is one of the strategic priorities of our gender action plan. To achieve this objective, we sacrificed our training room to ensure comfort and adequacy of space. We have already bought baby beds but other accessories are pending until we are able to obtain funds.
- Objective 3: To implement positive action with the aim of fostering greater gender equality. One of the alarming issues in the OAG is the declining figure of female in management position, where it reached to only one. To address this issue, the management included female staff promotion scheme. Accordingly, three female colleagues are already promoted to team leader position after a hands-on intensive coaching accompanied by pilot audits. The positive result has encouraged the OAG to continue with the scheme to be implemented in 2022.



Goal 4: To enhance the quality of audit services to increase the value of the OAG

The OAG has been working closely with the AFROSAI-E to improve the quality of its audit services. The OAG has fully adopted the International Standards for Supreme Audit Institutions (ISSAIs). Performance audit function was established with the support of AFROSAI-E in 2018. In 2021 the following additional activities were performed:

Enhance the Performance Audit function

The Performance Audit (PA) Unit which was established in 2018 was reinforced by equipping the staff with training and tools.

- Increase the number of auditors: In 2021, the OAG further strengthened the unit in terms of human and material resources. It increased the number of staff to 17 by additional new graduates. These new auditors were immediately enrolled in the AFROSAI-E e-learning program and are taking the three modules PA package online. The training was accompanied by a pilot project in Asmara Clean Water Supply and Semenawi Mibrak branch of Inland Revenue Tax Assessment System.
- Supply of tools: The AFROSAI-E Performance Audit Manual which was customized towards the end of 2020 was implemented in 2021. Additional seven laptop computers were also supplied to the units. Currently, over 80% of the auditors are equipped with laptops.
- Organizational Restructuring: The auditors are relatively new to Performance Auditing. As a result, there were only two team leaders with five auditors each. Currently, new team leaders are under training to increase the number of teams by deploying between 3-4 auditors in each team.

Establishment of Quality Assurance Review Unit

In 2021, the management pulled resources from the two Audit Departments to establish a Quality Assurance Review Unit. The members of the team are Financial Auditors with no experience in quality assurance review. Upon its establishment in August 2021, the two QAR certified senior auditors delivered three days theoretical training, accompanied by a practical review of 5 audit files.

Strengthen IT support function by hiring additional staff, provision of training

In 2020 The IT to Auditor ratio of the OAG was 1 IT expert to over 40 auditors which was too low for the standard. To narrow the gap the management requested and obtained additional 5 IT experts. Thus the current the ratio is 1 IT expert to 20 Auditors.

Provide continuous training on audit working papers

Proper understanding in the purpose and application of audit working papers is still unsolved challenge among our auditors. Thus, a continuous training on the audit working papers is one of the strategies in boosting the competence of our auditors. The plan was not achieved due to COVID 19 and the associated regulation in social distancing. Nevertheless, the OAG was able to make a four days' workshop for 40 senior and middle management.

Audit Coverage

In the year 2021, the audit departments had a plan to undertake a financial audit for 40 entities that cover a total of 135 budget years. In addition, 6 investigative audits that were requested by our stakeholders and 1 performance audit were added making the total planned entities to 47.

However, only 26 Financial, 1 Performance, and 2 investigative audit that cover 93 budget years were finalized making the coverage 62%. The audit coverage for 2020 was over 76%. Thus, compared to 2020 our audit coverage in 2021 has fallen by 14%.

There were two main reasons of this shortfall. First, most of the senior auditors and team leaders have been studying in the Professional Education for SAI Auditors program (PESA-P) slashing 2-3 working hours per day to use the internet connectivity. The second reason was the hands-on coaching program the management introduced to groom potential team leaders that consume so much time in review and coaching of pilot projects.

Out of the 26 Financial audits, 22 have unqualified opinion and 4 qualified. There was no qualified audit opinion issued in 2021 which is a positive development in the overall quality of financial management among our audit clients. Our audit findings have revealed uncollected revenue and receivables of over ERN 4 billion. Similarly, there are unsettled suspense account over the age of three months, some which are 7 years old. There were no material findings in the government expenditure. The reported findings are associated with lack of proper documentation of supporting documents.

The management of property and consumables are areas that need attention by management. In most of the organizations we audited, the overall property management and record keeping system was below standard.

Goal 5: Communication and stakeholder management

Maintaining constructive and sustainable relationship with all relevant stakeholders is a paramount importance in the achievement of the OAG's strategic objectives. In achieving this goal a strategic plan with detailed activities was prepared and implemented. As part of the strategy, the following activities were implemented in 2021:

To upgrade OAG Communication Policy: In collaboration with AFROSAI-E, the OAG updated its communication policy which was drafted in 2011. The detailed action plan was also linked with the stakeholders' engagement strategic activities of the OAG.

Management of key stakeholders: Based on the Stakeholders' Engagement strategy approved in December 2018, the OAG has been implementing several activities in engaging both internal and external stakeholders.

Internal Stakeholders: Although several social activities were planned to target our internal stakeholders, due to the regulation on social distancing all planned activities were cancelled. However, there was one general meeting in August. During the meeting, staff members requested OAG management to intensify the OAG's efforts in training and higher education.

Clients' satisfaction survey: Based on stakeholders' feedback guideline, we distributed service satisfaction survey for our audit clients. The questionnaire covered three important stages of audit and the view of audit clients about the conduct of our auditors. Part one collects information about the audit planning, part two covers audit execution, and part three regarding the audit reports. Finally, part four was about the general evaluation of audit teams that assesses their expertise, professionalism, objectivity, and independence. Except the limited recommendation on the timing of audit commencement, the other part reveal that our audit clients are satisfied by the work of the OAG.

Digital signage: Our digital signage had intensive display of information and marketing videos shared by AFROSAI-E, on Culture Value Assessment and Gender Responsive SAI's. The signage have also been running during working hours sharing information on OAG activities and updates of COVID 19.

Prepare template and guideline for preparing annual reports: There has been inconsistency in the reports of the OAG. This inconsistency was creating a problem in the compilation of annual reports. To alleviate this problem, the OAG prepared a template and guideline for the preparation of support service divisions' annual report.

Redesign annual reports: Inconsistency in the format and content of annual reports has been complicating the process of compiling the OAG Audit and Performance Reports. In addressing this challenge, the OAG prepared a template and guideline for the preparation of "Annual Audit Reports" in 2020. In 2021 a reporting template for Corporate Services was prepared and implemented.

To engage with the media and other stakeholders to increase the awareness of the public

Get media coverage in Eritrean TV, radio, and newspaper: As part of its stakeholder engagement activities, the OAG is working with the Ministry of Information to gain media coverage on the OAG activities through the available media outlets. Due to limitation of training events associated with COVID 19 lockdown, in 2021 the appearance of OAG in media was limited to the interviews made with the Auditor General. The Eritrean TV (EriTV) made two interviews with the Auditor General on the overall efforts of the OAG in improving Public Financial Management. In addition, the annual magazine of the Eritrean Police also conducted extensive interview about the role of the OAG in preventing corruption and fraud. Finally, the

Radio Numa also interviewed and aired three weekly interviews that aimed at the role of the OAG in leading by example in areas of accountability and transparency.

Social Responsibility

Although Social responsibility is not a new activity in the OAG, the engagement has never been systematized. In 2021, the social activity organizers, in consultation with the Auditor General, substituted the planned social activities by shifting to the following two social responsibility initiatives:

1. Blood Donation: On the request of the Association of Eritrean Blood Donors, the OAG staff members who qualify the minimum requirement of body weight, age, and medical check-up, donated a unit of blood each.
2. Afforestation program: In May 2021, the OAG staff members planted 1,500 trees that cover about two acres. The activities which include formation of canals, preparation of holes, and the actual planting of the trees took 5 days. In October, the staff members revisited the site to substitute for the dead trees and water the area, which took another day.

Chapter 4: Finance budget & expenditure

Budget & Expenditure

The primary source of financing for the OAG is the budget obtained from the government through the Ministry of Finance and National development. The OAG's budget was approved in January 2021. Most of the budget received was for recurrent activities and salary. The budget also include limited amount for capital expenditure such as for procurement of IT materials, renovation, and maintenance of building, and other similar activities. In 2021, our office received a total of ERN 7.027 Million from the Government. There was no additional budget received from our development partners.

The Finance and Administration Division of the OAG is responsible for the management of all financial resources. In utilizing the budget and additional fund, the OAG follows the Financial Regulations of the Ministry of Finance, regardless of its source. During the year 2021, our Office has submitted the financial reports to the Ministry of Finance and National development in accordance to the government financial reporting framework.

The total amount of the budget spent was ERN 5.28 million. The indicative budget approved for procurement of office equipment and machinery was not utilized due to procurement restrictions. The major component of the OAG expenditure was salary of staff which amounted to ERN 4.1 million. The remaining amount of the budget was utilized for non-personal contractual services such as office rent and utilities.

Property management in the OAG is improving annually. The OAG made reforms in the management of fixed and consumable assets. Towards the end of 2021, the inventory count was completed with updated property register.

The OAG is a budgetary unit that obtain its annual budgets from the government of the State of Eritrea. However, it also looks for additional fund to support. In addition, for a successful implementation of its strategic plan assistance from stakeholders, including development partners is imperative. To this end, the OAG has prepared a draft project proposal for funding for the years 2021-2023.

Equipment and facilities

Training rooms: The training room with a capacity of accommodating over 35 people at a time was surrendered to be used as a day care facility. The original space identified for the daycare is located in ground floor which is too cold, a health risk for infants. Thus, the management decided to sacrifice the training room until a suitable space is found for the daycare. In the meantime, the meeting room with a capacity of 70-100 is used for all training events.

IT infrastructure: The OAG is equipped with sufficient servers, Routers and Layer 3 Switches all interconnected with the two floors of the OAG via a Local Area Network. In 2021 additional network cables were pulled expanding the network to the ground floor currently in use by the Performance audit and QAR teams.

Laptops, desktop, copiers, and printers: In 2021, The Office of the Auditor General received 40 Laptop computers that were ordered in 2020. All the new and additional old computers, in total 56 laptops, were distributed among the OAG staff members. The office of the top management, including the office of their secretaries, Finance and Administration office and its units, the HRD and the IT divisions are all equipped with Desktop computers, printers, and laptop computers.

Clean Energy: Due to continuous loss of electricity, power shedding has been a significant issue hindering operations of the OAG. In addressing this issue, the OAG established a solar energy, sufficient to power the office at least during working hours. However, the batteries, which were connected in 2016 are now worn-out in need of replacement. Towards the end of 2020, the OAG ordered a better quality of batteries which are expected to last another 5-6 years. The batteries were received in 2021 and replacement is scheduled to take place in the first quarter of 2022.

Chapter 5: Trainings, seminars and events

COVID 19 and the associated lockdown/ social distancing has created uncertainty in scheduling face to face training events and seminars. Consequently, the training events of 2021 were also confined to virtual trainings organized by the AFROSAI-E with limited number of inhouse workshops.

In 2021, the following seminars and training events were conducted:

In-house Training Programs:

- Induction Course: A five days induction course was delivered to 27 new staff members who joined the OAG in 2021. The topics covered in the course include FAM, CAM, ethical standards, OAG strategic plan, and professional disposition.
- Quality Assurance Review Techniques training: With the establishment of a permanent Quality Assurance Review (QAR) Unit, the OAG's former certified Quality Assurance Reviewers delivered a three days induction course to the new QAR members. The induction course was accompanied by a pilot review for 6 audit files.
- Audit working papers workshop: In having a common application of the working paper, 40 audit staff including the Directors General, Directors, and team leaders discussed the application of understanding the entity (UE) in a workshop setting organized for four half days.

Regional Training Programs

Due to COVID-19 and the associated travel restrictions, all regional training programs were delivered virtually. The OAG staff members participated in following virtual training were

- Information System Management: An IT management system training that aimed at SAIs technical and management staff was delivered virtually from 19 to 23 April. The workshop was organized by AFROSAI-E and 4 staff members from the information systems division participated in the workshop.
- Governing Board Meeting: The 2021 strategic review and 17th Governing Board meeting was held from 17-18 May, virtually. The Auditor General attended the strategic review and the HR sub-committee meeting. During the meeting SAI Eritrea was reassigned to the Risk and Governance subcommittee from its previous role in the HR subcommittee.
- Performance Audit: This three-module course is estimated to take at 9-12 months to complete. The training was started in July 2021. 7 new PA staff members attended the second module training which was delivered virtually from 14 to 18 June 2021.
- Performance auditing in the Oil and Gas Industry: A performance audit in oil and gas industry workshop was organized by Netherland Court of Audit (NCA) on 18 June. 8 staff members from the performance audit units participated in the workshop.
- Culture Value Assessment (CVA): The AFROSAI-E HR manager conducted a culture value assessment in the OAG by collecting survey feedback online from 21 to 28 June. The findings of the assessment was presented to OAG management team in November.
- A UN/ INTOSAI Secretariat Symposium: Symposium on working during and after the pandemic "Building on the experience of SAIs for strengthening effective institutions" was organized jointly by the UN/ INTOSAI Secretariat from 23 to 30 June. 10 OAG management staff attended the virtual meeting.
- Extractive industries workshop: The annual extractive industries workshop was held from June 29 to July 1. 10 Performance Audit staff members attended the virtual workshop.

- SEAT training of the trainers: In connection with the AFROSAI-E initiative to automate the audit management process in SAls, a training of trainers in the implementation of A-SEAT audit management software was delivered virtually from 16 to 20 August. Two IT staff and two audit staff attended the training.
- IT self-assessment workshop: An Information Technology self-assessment workshop was conducted from 2 to 3 September. The workshop was attended by 19 OAG staff members from all OAG organs.
- Working group on information systems audit and management (WIGISAM): Three IS Audit and ICT Division staff members attended a workshop organized by WIGISAM from 13 to 17 September.

Technical Update and Refresher Courses: The 2021 Technical update and refresher courses on Regularity Audit, HR and Performance Audit was organized from 3 to 12 November. 10 top and middle management staff in the Technical update, 26 audit staff in the regularity Audit, 5 in the performance audit, and 8 for the HR attended the workshop. Due to limitation of resources, the virtual workshop was attended from three locations, including the UNDP office and Ministry of Health conference rooms.

Other online activities

The AFROSAI-E technical managers delivered several online consultation and review for various requests from the OAG. The consultation and review workshops and meetings was organized by PAP-APP Manager. As a result, the OAG was able to get the following consultation and review services from the Technical managers:

- Gender strategy document: In developing OAG Gender Policy and Strategy, the HR Technical Manager provided review and feedback services.
- Internal Control Framework: The OAG attempted to develop Internal Control Framework which is based on ISSAI 20. The executive manager of AFROSAI-E provided a one day workshop guiding the technical committee of the OAG on the overall approach of preparing the document.
- Communication Policy: The OAG revised its Communication Policy which was prepared in 2011. The communication Manager of the AFROSAI-E reviewed the document and provided two feedback sessions which facilitated the finalization of the document.

International contributions

The OAG is a member of INTOSAI, AFROSAI, and AFROSAI-E. The OAG has fully paid the membership fee for the INTOSAI and AFROSAI-E, while the fee for the AFROSAI is not yet finalized due to banking arrangements and poor communication process from the side of AFROSAI secretariat.

The Auditor General of Eritrea was member of the HR sub-committee of the AFROSAI-E. Following the Governing Board meeting that took place in May 2021, Eritrea's sub-committee membership is changed to Governance and risk management.

Chapter 6: Challenges and lessons learnt

Challenges

2021 was marked with limitation of budget and geographical movement due to COVID 19. Our plan to audit regional offices was cancelled due to travel restrictions. Several training events were cancelled due to the associated measures of lockdown and social distancing. To alleviate this challenge, the OAG conducted limited training activities through online platforms.

The limitation of additional budget for our capacity building initiatives has also affected our plans negatively. The initiative we started to establish the daycare was limited to the basics only. Our inability to cover cost of internet connectivity affected our means of communication. The call for proposal from INTOSAI for grant under the "SAI Continuity during COVID-19" contributed limited amount of money. The SAFROSAI-E also contributed additional fund and both the funds were used to cover our internet connectivity to certain extent.

Similarly, because the regulation of social distancing, our planned activity to organize a seminar with our audit clients was also cancelled. As part of our effort to reach and listen to our audit clients, a survey was distributed to collect information on their opinion to our audit engagements.

Lessons learnt

In 2021, the OAG initiated a pilot project to prepare team leaders by starting practical coaching by assigning experienced auditors in a role of team leading. Under a close supervision of audit directors, the OAG was able to produce reasonable number of team leaders. The positive outcome of the pilot project was a good lesson to be continued in the coming years.