Mid-term Review of Support to SAI, South Sudan: NAC Strategic Change Project 2020-2025

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List of acronyms

AFROSAI-E	English speaking sub-group of the African branch of the International Organization of Supreme Audit Institutions
IDI	INTOSAI Development Initiative
NAC	National Audit Chamber of South Sudan
OAGK	Office of the Auditor General, Kenya
SCP	Strategic Change Project 2020-2025
TNLA	Transitional National Legislative Assembly
GOSS	Government of South Sudan

Executive summary

This mid-term review shows that the strategic change project (SCP) of NAC, IDI, OAG Kenya and AFROSAI-E has significantly contributed to improvements for NAC South Sudan in certain areas. Our findings suggest that the contributions of the project overall are relevant and effective, but challenges posed by external factors create potential for further improvements to the project design. South Sudan's current political environment makes it a challenging location for a supreme audit institution, which affects th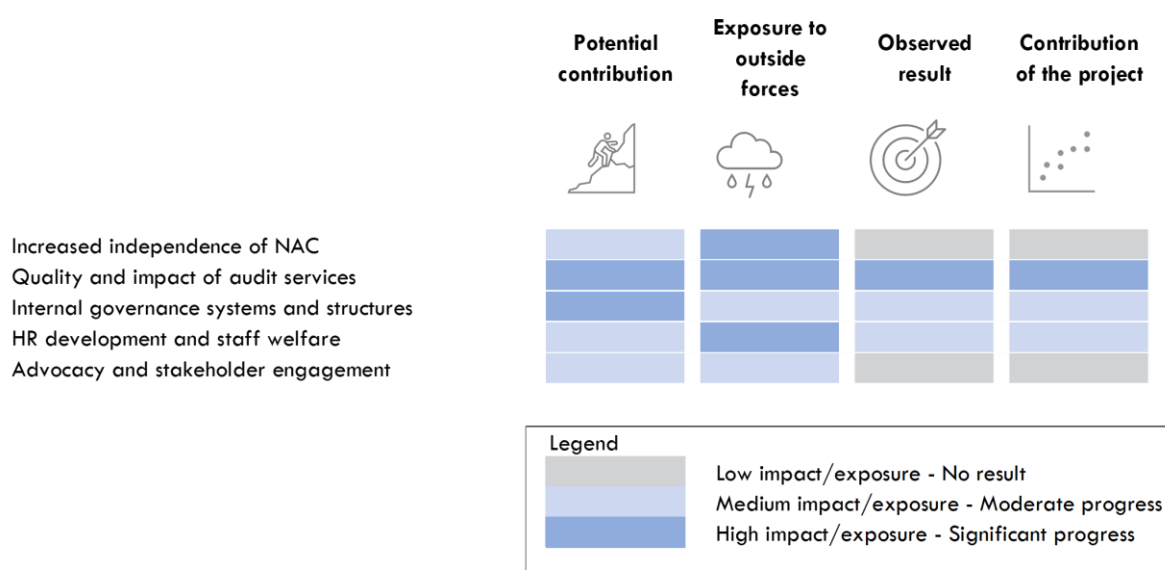e expected results and possible impact of SCP. We thus argue that it is important to assess outputs and outcomes within existing constraints.

NAC South Sudan's lack of administrative and financial autonomy reduces possibilities for achieving institutional improvements and capacity-building, at least in the short-run. Nevertheless, since SAIs are such key institutions in well-functioning economies and for development, keeping NAC South Sudan operational is important. Even small improvements in South Sudan's institutions can cause large societal impact, and it is not unimaginable that the most effective form of support of SCP is contributing to the continuity of the institution so that South Sudan has an operational NAC in future scenarios where political conditions improve. Our findings suggest that SCP so far has performed at a satisfactory level given the challenges imposed by the context in which it operates, in terms of both initiated processes and achieved outcomes. A summary of our assessments is given in the figure below, where we use a three-level scale – "not satisfactory", "satisfactory", and "highly satisfactory".

Summary of mid-term review

Relevance: Do objectives and design respond to needs, policies, and priorities of NAC and stakeholders? — **Satisfactory**

Effectiveness: To what extent has the project deliverables achieved it stated objectives and outcomes? — **Satisfactory**

Efficiency: Have the SCP delivered results in an economic and timely way? — **Satisfactory**

Sustainability: Are outputs and outcomes sustainable in the longer term? — **Satisfactory**

Partnerships: Has the initiative utilized potential synergies between IDI, OAGK, and AFROSAI-E? — **Highly satisfactory**

	Potential contribution	Exposure to outside forces	Observed result	Contribution of the project
Increased independence of NAC	Medium	High	Low	Low
Quality and impact of audit services	High	Medium	Medium	Medium
Internal governance systems and structures	High	Medium	Low	Low
HR development and staff welfare	Medium	High	Low	Low
Advocacy and stakeholder engagement	Medium	Medium	Low	Low

Legend
- Low impact/exposure - No result
- Medium impact/exposure - Moderate progress
- High impact/exposure - Significant progress

Source: Oslo Economics

The interim results suggest that the project has contributed to increasing the quality and impact of audit services, while having medium impacts on the development of the HR-function and staff welfare as well as internal governance systems and structures. Related to the independence of NAC and its advocacy and stakeholder engagement, interim results suggest low or no significant progress so far.

We find that SCP has resulted in significant progress over several areas of NAC operations. The benefits of the project are most evident in the enhanced auditing capacity of the staff, the shift towards using digital tools for work, and the general sharing of knowledge between peers at OAGK and NAC staff. Efforts have been made across all areas that were identified in the theory of change, but clear progress is yet to be yielded in areas such as staff welfare, independence for NAC, and stakeholder engagement. Our recommendations for improving the project design, management, and coordination for the remainder of the project is summarized in the table below.

Summary of recommendations

Provide support to ensure continuity of NAC South Sudan	Due to the crucial assumption of NAC being financially independent and sufficiently funded, it could be argued that the project should provide more direct financial support so that NAC South Sudan has the capacity to conduct its activities. This could help ensuring that operations of NAC South Sudan can continue, and such measures are already implemented in other countries with challenging conditions, such as Somalia. However, when considering for instance funding wages, policymakers must keep in mind potential long-term impacts on South Sudan's ability to build stable, independent, and well-functioning institutions. Thus, in addition to assessing what policy measures might be efficient today, one must consider what is dynamically efficient.
Reduce the extent of support within certain components to increase the level of support in prioritized areas	Our findings suggest that the interim results of SCP are limited to certain areas. Furthermore, NAC South Sudan is constrained by both lack of administrative and financial autonomy. Thus, we recommend that IDI consider reducing the resources allocated to certain components while increasing the level of support in prioritized areas. In order to both i) make it more likely that NAC South Sudan can keep operations going, and ii) make support more aligned with NAC South Sudan's capacity to absorb and implement, as well as iii) reduce the possibilities of unintended and adverse effects on the institution since having fewer components also might contribute to mitigate the risk of doing harm.
Further utilize the project's flexible design and improve communication between partners	South Sudan's external conditions can change rapidly, and since the optimal support measures to a large degree depend on these factors, a flexible design is beneficial. Thus, the project should aim to maintain a project design where the coordinated contributions from its partners are responding to the shifting conditions in which the project operates. This requires a highly functional system for communication between NAC, IDI, and the other partners, and the project coordination team is hence important. Bi-weekly meetings addressing needs for change is likely beneficial, and furthermore, one could consider having more frequent steering committee meetings to ensure that NAC are informed and can give inputs on possible adjustments.
Consider using long-term advisors	Developing staff capacity is a major challenge for NAC. Staff turnover is high and staff presence is low due to financial constraints and absent salaries. Moreover, competent staff will often leave NAC, as job opportunities with better financial security get available elsewhere. To enable sustainability of outputs and outcomes, it can hence be useful to recruit competent long-term advisors from other SAIs to help developing the capacity of NAC staff for a period. This can complement and improve the effectiveness of short-term advisors that are already mobilized.
Gathering more inputs from NAC when deciding project activities	We find that the effectiveness of SCP can be improved if the choice of project components and activities are more demand-side driven rather than driven by the supply and external assessments made by IDI, AFROSAI-E and OAGK. This can be achieved if NAC South Sudan (in addition to the development of the strategic plan which the SCP is based on) frequently assess and systematically monitor its needs and then reach out to its partners to obtain the necessary assistance in the areas in which NAC believes the greatest difference can be achieved.

Source: Oslo Economics

1. Introduction

The NAC Strategic Change Project 2020–2025 is a partnership between IDI, OAG Kenya, and AFROSAI-E, providing support to NAC South Sudan. In this report, we conduct a mid-term review of the project, with a focus on the interim results achieved and examinations of selection, design, and implementation.

1.1 Mandate and scope of this review

The NAC Strategic Change Project (SCP) is a partnership between IDI, OAG Kenya and AFROSAI-E aiming to help NAC South Sudan successfully implement its strategic plan (IDI, 2020). The goal of the strategic plan is to contribute to better public financial management through relevant and high-quality audits (NAC, 2019).

The overall objective of this review is to assess whether the project design meets the requirements of achieving the project outputs and outcomes, and whether the project deliverables are on track for achieving the project objectives. Consequently, we will provide recommendations for improving the project design and ongoing management and coordination for the remaining project period.

1.2 Data collection

We have conducted interviews with representatives from IDI, covering the areas of:

- Project management
- Stakeholder engagement

In NAC we have conducted both individual and group in-depth interviews. The interviewees represent the following areas:

- NAC management
- Performance audits
- Special audits
- HR
- ICT

To cover the partners in SCP we have conducted 4 interviews, with representatives of:

- Norwegian Embassy in Juba
- AFROSAI-E
- OAG Kenya
- OAG Norway

Furthermore, an important part of our data sources is from in-depth studies of all available documentation related to the project. This documentation has provided us with insight into the design and stated objectives of the project, as well as conducted activities and accompanying results. In total, we have reviewed more than 80 documents, including:

- Key project documents (approximately 20 documents)
  - Annual reports
  - Financial reports
  - Annual plans
  - NAC strategy documents
- Other project documents
  - External reports and research
  - Documents from external projects
  - News articles
  - Meeting and workshop agendas
  - Workshop presentations
  - Transcripts from meetings
  - Reports on resources and financials
  - Emails
  - Draft and feedback on reports and work

1.3 Delimitations

The purpose of the review is to assess the interim results and provide recommendations to improve the project design for the reminder of the project period. Given the thorough assessment of SCP in light of IDI policies in the project reports and project evaluation of the former peer-based support project, we have chosen to delimit this aspect in the review. Additionally, as this is a mid-term review, the focus is on the aspects and results that are possible to measure in the shorter term; activities conducted and strategic outputs. Longer term results and outcomes needs to be covered in the end evaluation.

1.4 Report structure

The report structure is as follows:

- In chapter 2 we present the background and context of the project, and provide a brief introduction of SCP
- In chapter 3 we present the methodological approach and framework used in the review
- In chapter 4 we utilize the methodological framework, and present findings and results of the review
- In chapter 5 we conclude and provide recommendations based on the findings and results

2. NAC Strategic Change Project 2020–2025

The overall goal of the NAC Strategic Change Project 2020–2025 (SCP) is to help NAC South Sudan to successfully implement its strategic plan, which aims to contribute to better public financial management through relevant and high-quality audits.

2.1 Background

South Sudan has experienced challenging conditions, with economic, social, humanitarian, political and security issues. The Revitalized Peace Agreement (R-ARCSS) of September 2018 was a step in the right direction, covering several steps to improve the situation. Strengthening public financial management is one of the focus areas of the agreement, and the agreement covers actions to be made to help strengthen the National Audit Chamber (IDI, 2022).

NAC, previously Supreme Audit Institution (SAI), was established in 2006. The agency is mandated to ensure public accountability of government bodies and institutions and provide independent assurance to the President and the Legislative Assembly on the probity of public financial management of the Executive, Judiciary, States, and Local Governments, independent commissions, and all public institutions in the Republic of South Sudan (NAC, 2019). In 2012, NAC was admitted to INTOSAI, AFROSAI and AFROSAI-E. INTOSAI is an umbrella organization for the external government audit community, whereas AFROSAI and AFROSAI-E respectively are the African branch of the organization and the English-speaking subgroup of the African branch. NAC is funded by the government of South Sudan, with about 170 staffs and operational funds. However, given South Sudan's challenging situation, governmental funds for salaries and audits, as well as their political support for a strong audit office, is unpredictable. Consequently, NAC is dependent on both financial and technical support to reach its strategic goals (IDI, 2022).

2.1.1 INTOSAI Development Initiative (IDI)

IDI is an integral part of the INTOSAI community and is mandated to support SAIs in developing countries to sustainably enhance their performance and capacity. Their objective is to ensure that the most challenged SAIs with substantial needs for capacity development are assisted and improving their performance (IDI, 2022). Capacity development is the process through which individuals, organizations and societies obtain, strengthen, and maintain the capabilities to set and achieve their own development objectives over time

(UNDP, 2010). Support is provided from IDI by taking on different roles:

- **Broker role** – short term: Supporting SAIs in managing their capacity development, and prepare the way for additional support
- **Capacity maintenance and lifeline support** – short and medium term: Providing support on a limited scale to SAIs operating in particularly unstable and unpromising environments, as a means of maintaining competence within the SAI until the situation improves
- **Specialized capacity development provider** – short and medium term: Supporting the implementation of specific strategic priorities of the SAI where IDI has comparative competencies

The IDI Board makes the strategic decision on the volume of bilateral work as well as what types of bilateral support are to be provided. The roles are partly overlapping, and a hybrid of roles could be relevant in specific bilateral programmes (IDI, 2017).

2.1.2 Peer-support project 2017-2020

From 2017 to 2020 NAC South Sudan was involved in a bilateral cooperation consisting of NAC South Sudan, IDI and AFROSAI-E, with support of peers from SAI Kenya, Norway and Uganda. The goal of the cooperation was to help NAC South Sudan implement selected strategic priorities (IDI, 2020). Albeit operating in a difficult situation and not being able to deliver on all its objectives, this project was concluded to be helpful and providing important support to NAC (Professional Management, 2020).

2.2 Objectives and design of SCP

In August 2019, an agreement to continue with a second phase of the peer-support project was signed. Named "NAC Strategic Change project 2020-2025", this is a collaboration between NAC, IDI, SAI Kenya and AFROSAI-E, lasting from 2020 to 2025. Funding is obtained from the Norwegian Embassy in Juba, while SAI Norway contributes with resource persons and cooperation partners. The overall objective of the project is to help NAC successfully implement its strategic plan. This plan is closely related to the steps from R-ARCSS and aims to meet the obligations of the agreement, which covers:

- Audit and report on all public funds and financials to relevant institutions in general, and the TNLA and the State Assembly in particular
- Review and audit of all oil revenues since 2011

- Identify, check, and record all loans and contracts collateralized or guaranteed against oil within six months
- Audit of the petroleum sector
- Ensure that government finances are managed responsibly, budget execution is enforced in accordance with the law, all government transactions are regularly audited and published

- TNLA receive pending audits reports within six months of the start of the transition period

In general, the strategic plan constitutes to creating greater compliance with laws and regulations and improve the public financial management, which ultimately leads to better government services and improved living conditions for the South-Sudanese people. Figure 1 illustrates the strategic plan (IDI, 2020).

Figure 1: NAC Strategic Plan

Vision	To be recognized as a Centre of Audit Excellence by stakeholders	Mission statement	To audit and report to the President and Parliament on the proper accounting and use of public resources to enhance effective accountability

Strategic outcomes
- Public Account Committee follow-up on the audit reports
- Audit findings are covered in the media, enabling interested stakeholders engage in accountability
- Executive follow-up of audit findings
- Central government financial statements issued on time
- State government financial statements issued on time
- Improved compliance with rules and regulations

Strategic outputs
- Annual financial and compliance audit report issued for central government including recommendations for compliance with key rules and regulations
- Audit reports of the central bank and government owned companies issued annually
- Audit report covering the states and local government, including recommendations for issuing of financial statements and compliance with key rules and regulations
- Performance audit reports issued for the main sectors
- Special audit reports in selected areas
- Annual NAC Activity report
- Annual seminar for the PAC presenting the main audit findings and status of previous year's recommendations

Focus areas

Strengthen NAC independence	Enhance the quality and impact of audit services	Strengthen internal governance system and structures	HR developed and staff welfare improved	Strengthen advocacy and stakeholder engagement

Values
- Shared vision • Integrity • Team work • Inspirational leadership • Making a difference
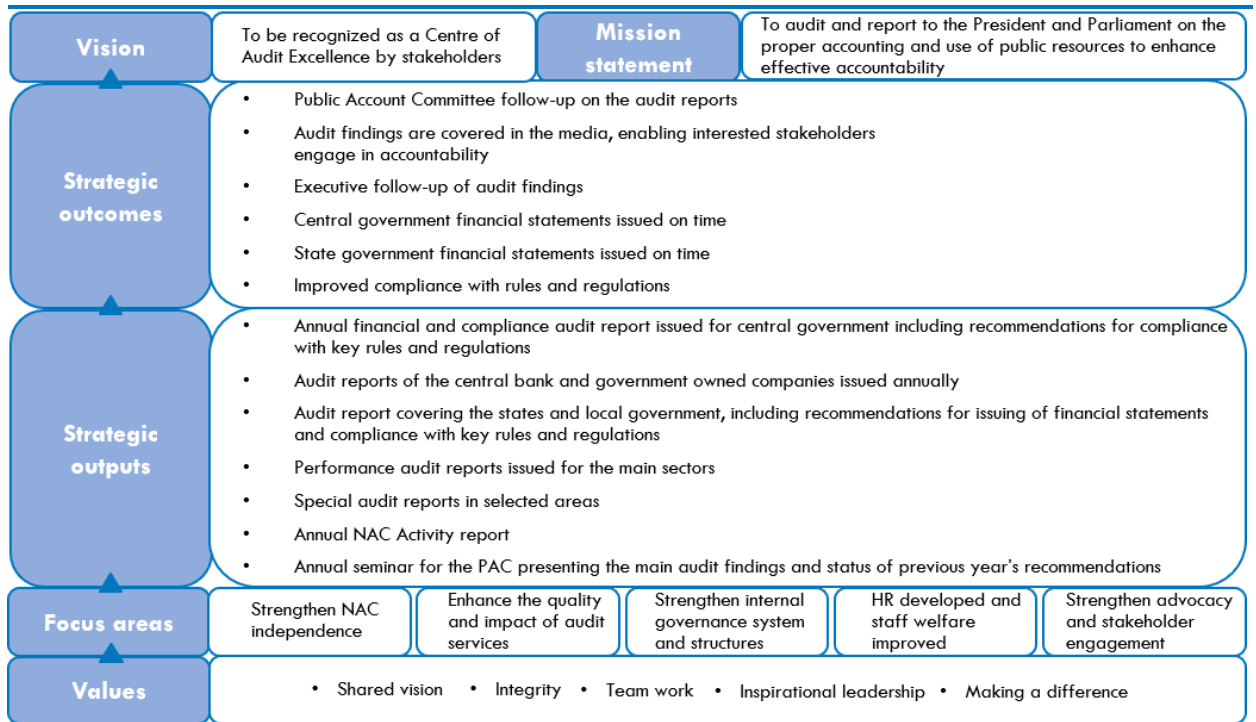
Illustration: Oslo Economics

The strategic plan is aiming to strengthen certain focus areas, defined as the project components:

- Execution of prioritized audits and reporting
- NAC independence
- Quality and impact of audit services
- Governance systems and structure
- HR development and staff welfare
- Advocacy and stakeholder engagement
- Project management and coordination of other partners and projects

Multiple indicators were measured using the SAI PMF framework at baseline in 2020. This is a framework for holistic and evidence-based evaluation of SAI performance (IDI , 2021). An advantage of using these indicators is that they are standardized and used to assess the performance of SAIs all over the world. Collaboratively, these indicators are believed to cover the project components. The scores at baseline are summarized in Table 2-1.

Improving each component is believed to create outcomes and outputs that eventually help NAC to be recognized as a Centre of Audit Excellence by its stakeholders.

Strategic outputs are defined as results that to a large extent are under the control of NAC South Sudan's processes, whereas strategic outcomes are results that NAC South Sudan can substantially contribute to but is not in control off (IDI, 2020).

The main outputs are audit reports of the agencies and their public financial management, whereas the outcomes include follow-up of audit findings by the Executive, Public Accounts Committee, and media, which again are expected to contribute to reports being issued on time and in compliance with rules and regulations (IDI, 2020).

The stakeholders in this support initiative are the IDI Board, IDI management and IDI staff, NAC South Sudan and their accompanying stakeholders, regional

bodies of INTOSAI and SAIs partnering with IDI in the initiative, development partners and INTOSAI committees, as well as the South-Sudanese people affected by public spending (IDI, 2020).

Table 2-1: Baseline indicators SAI PMF

Indicator	Score
NAC Independence	
NAC Independence	3
Mandate of NAC	4
Quality and impact of audit services	
Overall audit planning	3
Performance audit process	1
Compliance audit process	0
Governance systems and structure	
Strategic planning cycle	2
Leadership and internal communication	1
Financial management, assets, support services	0
HR development and staff welfare	
HR management	2
Professional development and training	1
Advocacy and stakeholder engagement	
Communication with Legislature, Judiciary and Executive	3
Communication with media, citizens, and civil society organizations	0

Source: 2020 Final Scores SAI PMF. Scores range from 0-4 where 4 is best.

2.3 Context

Both the overall functioning of NAC South Sudan and the possibilities of achieving results in SCP hinges on some fundamental preconditions. For instance, it is essential that the institution is operating in a relatively peaceful environment where audits are expected and requested by the National Assembly. Furthermore, NAC needs to have sufficient funding for all activities and administrative autonomy. In our review it is hence necessary to assess to what extent the preconditions hold, and if not, what measures have been taken.

In the review it is important to distinguish between what is within and outside the control of IDI and SCP, i.e. internal and external factors respectively. If SCP can contribute to for instance fulfillments of important preconditions, this could potentially be the most effective measure for support. It is therefore within the scope of our review to consider whether today's conditions in South Sudan make it beneficial for IDI to adjust the design of the support project. On the other hand, if some conditions are completely determined by external factors, the assessments should be limited to

what IDI and other partners can achieve within the existing constraints.

2.3.1 Operational environment

The environment in which NAC operate is an essential factor that affects the performance of the institution. During the project period there have been fundamental external factors that have hindered NAC's operations and thus the results of SCP.

Covid-19 represents one of such external factors. The pandemic has limited travels and the possibility to work in person. Consequently, the ability of SCP to provide support has been limited, as well as NAC's ability to perform its mandate. Measures have been taken to provide support remotely, however the limitations imposed by lockdowns must be addressed when assessing the project thus far.

The political instability in South Sudan during the project period also needs to be addressed as a fundamental external factor affecting the project outcomes. This covers limitations to provide support to NAC because of the security and wellbeing of peer-team members. In addition, the political instability is reducing the political will and priorities of the government for essential audits. As NAC is dependent on funding from the government to operate, and the existence of actual financial statements to have something to audit, the political instability is creating a barrier for NAC to perform its mandate.

2.3.2 Financial constraints

The financial constraints of NAC South Sudan are closely related to the political instability and essential for the functioning of the institution. The government of South Sudan is the main funder of NAC's operations, paying wages and funding operational costs (NAC, 2019). However, the lack of and long delays of payments is an external factor that is severely constraining NAC's operations.

Most severe is the lack of wages for the staff at NAC. Lack of payments and delayed payments are reducing both the ability and motivation for the staff to perform their work. If employees are not paid their promised wages, the staff cannot afford to come into work and must use their labor elsewhere to make a living.

Additionally, the financial constraints are affecting the staff's ability to perform their work when they are at the office or in the field. For instance, lack of funds for fuel and cars are constraining staff's mobility, preventing them from completing their work.

2.3.3 Administrative autonomy

Given their role as auditors of the public sector, SAIs are prone to external political pressure. This is

particularly the case for NAC that, due to the legal framework governing their role, operate under a limited degree of autonomy from the Executive.

INTOSAI has specified three conditions that all need to be met for the SAI to be deemed sufficiently independent (INTOSAI, 2019):

- Organizational independence
    - This concerns the independence of staff and SAI members, supreme authority of the AG in all staff-related matters, and non-interference on auditors by external sources.
- Functional independence
    - This implies that the audit powers of NAC are stated in the Constitution. At least in general terms, NAC should be free to set up its own audit plan and be free to draft reports intended for publication.
- Financial independence
    - This implies that NAC directly apply for required funding to the Parliament, and freely dispose of the appropriated budget during the financial year.

Regarding the *organizational* and *functional* independence there exist a legal framework in South Sudan that gives NAC independence in some areas of their mandate. However, the framework needs updating, which is an ongoing process. NAC have contributed to the revision of the acts, albeit the current progress is currently outside of NAC control. Accordingly, NAC's independence on this aspect can be deemed as an external factor.

The financial independence of NAC is closely related to the overarching financial constraints of the institution. Given the poor conditions, the financial independence of NAC is also deemed as an external factor and must be put into consideration as we progress.

2.4 Project activities and costs

IDI and the partnership are providing support to NAC South Sudan in the form of *capacity maintenance and lifeline support*, and *specialized capacity development provision*. This is mainly a peer-based support, where

IDI provides ordinary and on-the-job training, advice, exchanges and interaction with other SAIs in the region. Support is provided through physical and hybrid workshops and through online guidance. IDI also provides financial support for events and selected investments, and support to help coordinate for other projects and partners (NAC, 2022).

In this section we summarize the activities completed and initiated in the project thus far, with accompanying costs (IDI, 2021). The costs are direct costs associated with conducting the activities, thus excluding project funded and in-house costs related to staffing.

2.4.1 Component 1: Execution of prioritized audits and reporting (NAC Strategic outputs)

This component has a high priority as this is a part of NAC's core operations and represents their strategic outputs.

Five peer teams consisting of individuals from OAGN and OAGK, in addition to IDI staff, have been established to support NAC in conducting and reporting on high-quality audits. One of these teams were a central government audit peer team of resources from OAGK and IDI, put together to support NAC on the IMF Funds audit report. In addition, the teams are developing NAC staff's use of audit manuals and process quality control.

Since the beginning of SCP until the end of 2021, the most important activities conducted are:

- General audit training for all auditors initiated
- On-the-job support report provided for the IMF RCF I audit
- On-the-job support to petroleum sector audit initiated
- On-the-job support to Roads-sector performance audit initiated
- Performance audit general training conducted

The costs related to this component were approximately 88 000 NOK in 2020, and 98 000 NOK in 2021. A summary of indicators for expected strategic outputs and the current progress is listed in Table 2-2.

Table 2-2: Strategic outputs

Strategic output	Indicator	Expected result in 2021	Actual result in 2021
Annual Financial and Compliance Audit reports issued for Central Government including recommendations for compliance with key rules and regulations	NAC issues to the President and Parliament: a) A compiled financial audit report b) A compiled compliance audit report	a) No b) Yes	a) No b) No
Audit reports of the Central Bank and government owned companies issued annually	Percentage of Central Bank and government owned companies where audit reports are issued annually, among the entities who have prepared financial statements	100%	? (0% in 2020)
Audit reports of the States Governments, including recommendations for issuing financial statements and compliance with key rules and regulations	Percentage of States where annual audit report is issued	N/A	0%
Performance audit reports issued for the main sectors	Performance audit reports submitted to Parliament annually	2	0
Annual NAC Activity (Performance) report	Whether the NAC Activity report is issued annually	Yes	No

Expected results based on NAC Strategic Plan, and revised

Regarding prioritized audits, NAC has so far during the project period published two audit reports: a report on received IMF funds and a petroleum revenue report. The special report, covering the IMF funds, were initially not included in the project result framework, but is according to IMF "marking an important step towards greater fiscal transparency and accountability in the use of public resources" (IMF, 2021).

The main deviations from the planned activities during the project period were:
- Implementation of compliance audit backlogs
- Financial audits not commenced due to absence of financial statements from MoF
- Audit of states and local government not initiated
- Audit of government-owned companies with peer support not initiated

2.4.2 Component 2: Strengthen NAC independence

Establishing a legal framework that grants independence to NAC as per international standards for SAIs is crucial for the long-term performance of NAC. This covers both financial and organizational independence, as well as availability of audit data. The SAI PMF baseline scores indicate that NAC independence is relatively good; NAC Independence (3) and NAC Mandate (4). However, there are gaps in the legal framework that need to be managed.

A peer team of IDI-staff has been established to advice on drafts of legislation and regulations, as well as stakeholder presentations. This is strongly related to the main process in this component which is a review of the Audit Act.

The draft revised act has been submitted, discussed, and validated by the National Constitutional Review Committee, and a final draft have been presented to the Ministry of Justice and Constitutional Development. On May 25th, 2022, the bill was submitted to the Ministry of Justice, where it will be forwarded to the Council of Ministers and tabled to the Assembly. According to our informants, this process will happen within a reasonable time, not exceeding two to three months. Consequently, it is expected that the bill may be approved within 2022.

The cost of this component is limited due to the slow process of the bill. In 2021 there are no costs registered on this component. In 2020 approximately 88 000 NOK, 9% of costs, are registered on this component.

2.4.3 Component 3: Enhance the quality and impact of audit services

This component concerns the overall audit management and capacities in NAC. This covers the use of an actual audit plan, general audit training of staff, quality assurance routines, and implementation of audit manuals. A dedicated team has been established to

coordinate the audit related support and enable successful strengthening of general audit capacities. As per April 2022, the audit advisor from OAG Kenya supposed to lead the team has yet to be appointed.

The main activities conducted in this component are:

- Advice for updating annual audit plan structure and content
- Backlog audit plan developed
- Annual audit plan 2021-22 revised and approved by AG
- Compliance and Performance audit general trainings held for NAC audit teams
- Preparation for introduction of electronic audit tool "A-SEAT" conducted
- Compliance audit manual set and printed, and basic staff training done
- Performance audit manual implemented in on-going Road sector audit

The costs of this component in 2020 and 2021 are 332 644 NOK and 87 273 NOK respectively. The relatively large cost in 2020 is related to general compliance and financial audit training.

2.4.4 Component 4: Strengthen internal governance systems and structures

Support in this component includes training and professional advice for the NAC leadership team to help establish systems and practices for implementation of SP, as well as good coordination with NAC's partners. NAC also treats ICT as an integrated part of internal governance. Consequently, support to revise ICT-strategies and assist in proper management of ICT-projects is prioritized.

A strategic management peer team and an ICT peer team have been established to provide support in this focus area.

The main activities carried out in this area are:

- Review and implementation of ICT strategy
- Establishment of ICT unit[1]
- Guidance to ICT strategy and policy
- Procurement of key ICT related investments
  - Internet modems
  - 15 smart phones for selected NAC staff
  - 20 laptops
  - 20 MS Office 365 licenses
  - Videoconference tools
  - Official emails
- Training of staff and management in MS Office 365
- Advice for NAC to apply for INTOSAI PFAC grant

- Advice to improving NAC operational plan and management information system

The main deviations from planned activities were:

- NAC strategic management seminar not conducted
- Workshops with support to NAC overall strategic management systems and activity report not conducted
- Round 2 of ICT investments postponed
- Installation of selected videoconference tools at NAC not conducted

The financial resources used within this component in 2020 and 2021 are 136 971 NOK and 472 999 NOK respectively. The increased cost of 2021 is related to the procurement of ICT equipment.

2.4.5 Component 5: HR development and staff welfare improvements

Strengthening NAC HR is fundamental for successful implementation of the strategic plan. There is a professional development of staff, particularly in areas like ICT and specialized audits. The planned support to HR includes:

- Use and customization 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 and the IDI professionalization programme (PESA-P).
- Coordinated, systematic and selective training of staff. This will be delivered by replicating some of SAI Kenya's.
- Ongoing trainings in Juba.

NAC also has included in its HR strategy actions to raise gender issues. Gender and equal rights are sought to be integrated in both audits and internal governance support.

The main activities conducted within this component are:

- Gender, diversity, and inclusion analysis done, with baseline indicators
- HR priority areas for 2021 support agreed upon with NAC HR team
- 8 NAC staff enrolled for PESA-P training and supported by audit peers
- Guidance to NAC HR planning and policy
- Draft professional development plan developed

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[1] It should be noted that this is not a dedicated ICT unit as most members are audit staff whose priority is audit.

- NAC participation in regional HR-workshop including gender issues and professional development planning

The main deviations from planned activities were:

- Other professional development opportunities not undertaken
- Performance appraisal system not developed yet

The resources used within this component for 2020 and 2021 are 68 486 NOK and 61 333 NOK respectively.

2.4.6 Component 6: Strengthen advocacy and stakeholder engagement

This component concerns peer-support that use existing resources for stakeholder engagement. In addition, financial support will be provided to assist NAC in actively engaging stakeholder for specific purposes, as well as advice for press conferences and release of audit reports. NAC's stakeholder strategy lays basis for the support, and has the following objectives:

- Enhance internal communication in NAC
- Improve auditee understanding of NAC mandate
- Gain media and civil society organization support in achieving NAC mandate
- Develop a clear and consistent brand of NAC
- Improve relations with PAC to enable greater oversight
- Maintain good relationships with cooperating partners

The main activity carried out for this component was the development and update of the NAC website.

The main deviations from planned activities were that stakeholder engagement workshops and sensitization of Parliament and Executive have not been carried out yet. Only 8 249 NOK has been spent on this component since the beginning of SCP.

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

Project management covers:

- Regular planning, monitoring, and reporting of project activities
- Establishing, informing, coordinating, building knowledge, and inspiring all peer teams, and ensure quality and interlinkages and synergies between supported areas are handled
- Handling logistical issues, such as travels and procurements

- Making the project visible, such as through website articles and social media

Coordination with other partners and projects involves:

- Dialogue with NAC on outstanding support needs, and assist NAC in presenting these to potential partners
- Representation in PFM coordination group for development partners in South Sudan

A project coordination team consisting of representatives of the four partners has met regularly to oversee and ensure good timing and progress of support, monitor and follow-up on quality of support provided and ensure synergies across areas of peer support.

The main activities conducted within this component are:

- Mobilizing peer team members, and preparing these on the tasks
- Establishing a joint project online area (Microsoft Teams) for efficient and open communication for all involved in the project
- Drafted a project handbook, to compile all main routines in the project, as recommended in the evaluation of previous project.
- Kick off meetings with all peer teams were held including bi-monthly peer updates
- Project baseline indicators were set through a SAI PMF assessment with NAC and support from IDI.
- Set up MS Project for the NAC SCP to monitor and track project activities, milestones, resource usage and budgets.
- Continuous communication of events and good developments to all partners
- Monitoring and update of tasks in the project Teams area.
- 1 working visit to Juba in October 2021 to meet with NAC staff and monitor ICT implementation and other project investments.
- Logistical support to procurements and events
- Taking part in PFM coordination meetings regularly
- Giving feedback to WB plans for support to NAC
- Assisting NAC in organizing a semi-annual meeting with all partners, held in September

The costs related to this component for 2020 and 2021 are 264 159 NOK and 43 769 NOK respectively. The higher cost in 2020 reflects labour from IDI in the project establishment.

3. Methodological approach and review framework

This mid-term review is conducted by assessing the following review criteria: relevance, effectiveness, efficiency, sustainability, and partnerships. These criteria address not only the strategic support project's outcomes, but also its design and sustainability. When assessing the extent to which the deliverables can contribute to expected outputs and outcomes, we borrow from the contribution analysis literature.

3.1 Review framework

Figure 2 illustrates the project's theory of change and explains how the project's causal chain of events and underlying assumptions, turns inputs into desired outputs. Furthermore, the figure highlights the roles and responsibilities of the bilateral partners. As this is a mid-term review, the most central aspects are the resources and activities that are initiated and their accompanied assumptions and outputs that are

possible to assess in the short-term, as well as the underlying preconditions for the model. The preconditions for the theory of change are identical to the preconditions for NAC set in their strategic plan (NAC, 2019). In addition to these preconditions, the model is based on fundamental assumptions about the political and social environment in South Sudan, mainly that NAC is operating in a relatively peaceful environment, where audits are expected and requested by the National Assembly.

In the review, the preconditions in the NAC South Sudan Strategic plan, shown in Figure 2, need to be assessed, to conclude whether they are adhered to or not. If all the preconditions hold, it is assumed that the theory of change can explain how the peer-based support and assumptions in SCP contribute to the desired outputs and outcomes. However, the environment in South Sudan is challenging, explained in section 2.3, and this creates an unstable foundation for development. This is taken into account in the assessment of the preconditions.

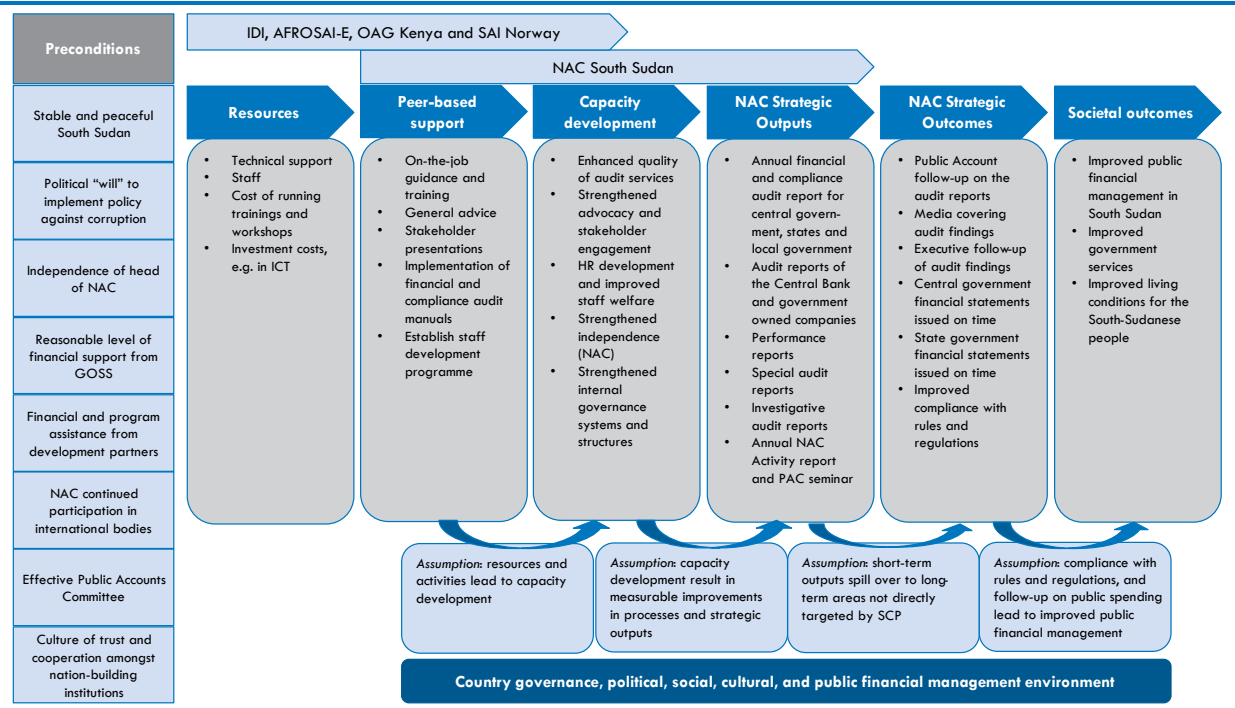**Figure 2: SCP results chain and theory of change**

Illustration: Oslo Economics

3.2 Review methodology

3.2.1 Review criteria

This mid-term review is based on IDI's proposed criteria and review questions of the original ToR, i.e. assessments of relevance, effectiveness, efficiency, sustainability, and partnerships. The final set of review questions, shown in the evaluation matrix in Appendix A, are based on discussions with IDI during the development of the inception report.

Relevance is assessed by examining whether the project thus far has responded to the stakeholders' interests.

Effectiveness is reviewed by analyzing whether the project deliverables so far have achieved, or are on track to achieve, their stated objectives and outputs. The determined theory of change of the project is an important baseline in this assessment.

Efficiency is assessed by considering how well resources are being used and by analyzing whether the project has delivered results in an economic and timely way.

Sustainability is assessed in light of the previously reviewed objectives, and by looking deeper into whether the outcomes and output are likely to be sustainable in a longer term.

Lastly, **partnerships** are reviewed by assessing if the cooperation agreement of the project partners is clear and project implementation enables mutual learning and collaboration. In addition, we assess each cooperation partner's contribution given their respective commitments, opportunities, and resources.

3.2.2 Attribution of results

In order to assess to what extent the deliverables are able to contribute to the expected SAI outputs and outcomes, we borrow from the contribution analysis literature (Box 1). Contribution analysis builds on a project's theory of change, and on any other assumptions regarding the preconditions as well as other parties relevant for achieving the project's stated goals. In other words, it states clearly what the necessary conditions were to allow for the planned activities and resources to lead to the agreement's outputs and expected outcomes (effectiveness).

Box 1 – Contribution analysis

Contribution analysis states that a reasonable causal claim regarding the attribution of outcomes to the cooperation agreement can be made when the following conditions are met (Mayne, 2008, p. 1):

1. The project was based on a reasoned theory of change: the assumptions behind the program are sound, plausible, and agreed
2. Activities of the project were conducted.
3. The theory of change is verified by evidence: the chain of expected results is observed.
4. Other factors influencing SAI South-Sudan were assessed and were either shown not to have made a significant contribution or, if they did, the relative contribution was recognized.

Source: Oslo Economics and Mayne, J., 2008. Contribution analysis: an approach to exploring cause and effect, Amsterdam: ILAC Brief.

3.2.3 Review scorecard

To evaluate the cooperation agreement's performance in each of the five stated criteria, we use a three-level scale. For the case of relevance, efficiency, sustainability, and partnerships, the lowest score is "Not satisfactory"; the intermediate score is "Satisfactory", and the high score is "Highly Satisfactory". For each review criteria, our evaluation is based on individual assessments of several project-specific review questions, shown in the evaluation matrix of Appendix A.

The assessments of effectiveness follow a similar scale, but which we apply to four dimensions, as shown in section 4.2:

1. The degree of impact that can be expected from the cooperation's activities (Low/Medium/High).
2. The level of exposure to external factors (Low/Medium/High).
3. The observed result/outcome (No progress, Moderate progress/Significant progress)
4. The contribution of the support provided by the partners (IDI/OAGK/AFROSAI-E/OAGN) towards achieving the observed result/outcome (No contribution, Moderate contribution, High contribution)

4. Review findings and results

Our assessment of SCP's relevance, effectiveness, efficiency, sustainability, and partnerships, shows that it has significantly contributed to improvements for NAC in certain areas. Our findings suggest that the contributions of the project overall are relevant and effective, but challenges posed by external factors create potential for further improving its design.

Developing the inception report, we specified a series of review questions based on the project's stated objectives and discussions with IDI. These questions are presented in the form of an evaluation matrix, shown in Appendix A, and were split along five blocks, each referring to a specific review criterion:

- Relevance
- Effectiveness
- Efficiency
- Sustainability
- Partnerships

In this section, we address these questions, and provide a summary for each criterion. Our assessments of each review criteria are based on individual assessments of a list of related sub-questions. These individual assessments are all taken into account in our overall conclusions regarding each criterion.

4.1 Do the SCP's objectives and design respond to the needs, policies, and priorities of NAC and its stakeholders?

The first review question refers to our assessment of **relevance**. This criterion relates to whether the SCP has been developed and implemented in terms of the principles of the IDI Bilateral Policy, but also whether the SCP's objectives and design respond to the needs, policies and priorities of NAC and its stakeholders. This involves looking at differences or trade-offs between different policies and needs. As shown in Table 4-1, our overall assessment is that the project relevance is satisfactory. This follows from separate assessments of sub-questions within the criteria, as described in the following.

Table 4-1: Overall assessment of relevance

	Assessment
How relevant is the design of the initiative to the needs of NAC, and how involved was the NAC and delivery partners in the design?	**Satisfactory**
How well has lessons learned from the previous support to NAC been utilized for the design and implementation?	**Satisfactory**
To what extent did the partners monitor the project preconditions and adjust plans where necessary preconditions did not hold during implementation?	**Not Satisfactory**
Is the underlying theory of change (including preconditions) clear, and the design of the initiative appropriate?	**Satisfactory**
Overall assessment of relevance	**Satisfactory**

The strategic change project is designed to assist NAC towards achieving the objectives in its overarching strategic plan. This implies that all needs of NAC and its stakeholders cannot be addressed by IDI in this project. However, certain challenges and needs might have severe consequences, and leaving them unattended can hence put progress along other dimensions of the project in jeopardy. Trade-offs occur in every decision regarding allocation of resources towards solving challenges relevant for the project, and the scope and urgencies of these challenges vary over time. These variations can be caused by both internal and external factors from NAC's perspective. Arguably, external factors are causing the majority of the volatility in NAC's operating environment. Political instability, devaluation of currency, and absent salary payments are examples of such factors which affects the context of SCP, described in section 2.3. Assessing relevance of the project requires analyzing changes in this context, to continuously assess the extent to which the project design should be adjusted to remain relevant.

Even though exogenous factors cannot be changed, the intention of the project design is to contribute to mitigate their negative effects. For instance, IDI helps to mitigate limitations due to financial constraints by providing ICT equipment and covering expenses related to necessary capacity-building. However, financial constraints in terms of unpaid salaries, for NAC as an organization and as a group of people, might be more severe than the lack of proper ICT equipment. In an assessment of relevance, one must

consider the trade-offs between these types of challenges when allocating resources.

Simultaneously, there are limitations to the scope of measures from which IDI has mandate to take action to mitigate the challenges that NAC are facing due to financial constraints. Both IDI and the partners of SCP have policies that limits this scope, intending to secure efficiency and sustainability of their support across all projects in which they are stakeholders. For instance, these policies prevent IDI from paying salaries directly, as that would be subsidizing government expenses (IDI, 2017). In our understanding, it is still possible to make local adjustments that might deviate from these policies, providing the context requires it.

In particular, NAC management and employees have voiced concerns related to issues regarding unpaid salaries. High staff turnover, lack of motivation, and absence of drivers are some of the consequences that negatively affects the operations at NAC. Staff are experiencing mobility issues, which limits data collection in the field. Furthermore, the staff might need to maintain other sources of income, reducing the capacity to work at NAC. Arguably, salaries are such a fundamental feature of any professional organization that failing to provide them will severely harm all other operations. This might be an argument for altering the project design to mitigate the effects of this challenge. However, before considering such measures, one should explore whether there exist other institutions with a more appropriate set-up and mandate to support NAC's salaries and other costs. Furthermore, providing direct financial support to NAC could be associated with risk considering that NAC's score on financial management was 0 in the SAI PMF, shown in section 2.2.

The policies and mandate of IDI are also a part of the context of the project and must be considered when assessing relevance. In other words, we can assess relevance *given the limitations imposed by IDI's policies and mandate*. This is the approach that has been used in planning and implementing the project up until this point. One of the recommendations in the wake of the previous support project by IDI was that efforts should be made to implement Microsoft Teams in order to enhance the quality of work at NAC. The interviewees from NAC have clearly expressed a need for capacity-building in the organization, in terms of better knowledge, improved audit manuals, improved ICT equipment and skills, and more. The project addresses these needs. To emphasize, the Auditor General stated,

> *"The program is filling gaps, especially in high tech areas like audit management and audit programs."*

Tellingly, the Deputy Auditor General expressed:

> *"The program is definitely useful. It is one of the lifelines that has kept NAC alive. Support from the project helped maneuvering challenges from COVID-19 and others."*

This indicates that the project design indeed responds to the needs of SAI South Sudan and lessons learned from earlier projects, albeit certain needs remain unmet. We will discuss the implications of this in the proceeding chapters.

The objectives and strategies of the project's partners also affects the context in which the project is designed, and by implication its relevance. We briefly discussed IDI's policies earlier, which is also related to this. As for the Norwegian Embassy, the projects they fund need to fit the country's priorities and strategic objectives, which demands a "big picture perspective" on their decision-making. For instance, the interviewees at the Norwegian Embassy in Juba highlighted that Norway's policy is to not support the GOSS directly, but support state-building through organizations like IDI. In our understanding, all partners in the cooperation have been involved and working well together in designing the project plan. This indicates that the project design responds to the strategies and policies of its stakeholders.

The theory of change lays the fundament upon which the strategic change project is designed. Based on a set of preconditions and assumptions, the intervention and its corresponding activities will lead to a set of outputs and outcomes that help NAC fulfill a set of needs. The relevance of the intervention hinges on whether this theory of change holds, and whether the intervention indeed responds to the identified needs. As previously discussed, some of the preconditions for the theory of change do not hold in today's situation. The precondition of NAC receiving reasonable funding from GOSS stands out in this regard. This might indicate a need for reviewing the theory of change without this precondition, and whether that has implications in terms of the preferred project design.

We find that the project design responds well to the needs, policies, and priorities of NAC and its stakeholders all together. The project contributes to necessary capacity-building for NAC, which in turn enables outputs and outcomes which are important for

the institution. However, the main challenge is the failing precondition of sufficient funding from GOSS, and in particular the absence of salaries over several months. We argue that the need for salaries being paid is so pressing, and the resulting challenges so severe, that there might be a potential for increasing the relevance of SCP by implementing measures addressing this issue. Our overall assessment is nevertheless that considering the broad context of needs, policies and priorities for NAC and its stakeholders, the objectives and project design respond in a satisfactory manner.

4.2 To what extent has the project deliverables achieved stated objectives and outcomes?

The proceeding questions are related to the **effectiveness** of the Strategic Change project and address NAC's capacity developments within the areas highlighted in the project's theory of change.

SCP has taken place in a complex and challenging context. Political instability, high staff turnover, lack of funding and administrative autonomy are examples of key factors that have had a significant bearing on NAC's outcomes the past years. A challenge in an assessment of effectiveness of SCP is to distinguish the effects of the project efforts and effects of external factors contributing to the observed outcomes. In other words, were achievements (or failures) in each area the result of successful (or unsuccessful) project activities, or were they due to external factors that enabled (or impeded) it?

Inspired by the contribution analysis literature, we address this by applying a four-step approach. Within each highlighted area, we address whether the project's activities were conducted as planned, whether these resulted in measurable improvements in NAC's operations, and discuss the role external factors may have had on the expected outcomes. We combine this with an assessment of the degree of progress that could have been realistically expected.

The theory of change assumes that activities related to each focus areas lead to internal development of NAC, resulting in strategic outputs which in turn lead to higher level of strategic outcomes. Following this result chain, we will assess the effectiveness within the project's focus areas. Figure 3 summarizes the findings and assessments made in this section using a simple scoring system that allows us to account for the varying degree of potential for impact and exposure to external factors within each objective. The third and fourth columns help us disentangle the magnitude of the effects from external factors on the observed result. Up to this point, we find that the strategic change project has contributed to moderate progress in the overall functioning of NAC. The lack of potential progress in the project, we argue, is mainly due to challenges and constraints inflicted by outside forces. We observe positive results from the intervention across several areas, as discussed in the following, in our view directly related to the project activities. Further, we find that the potential impact from this project is significant. In sum, we argue that given the challenging circumstances in which the project operates, the project is on track for meeting the final objectives that can realistically be achieved.

Figure 3: Summary of findings in effectiveness
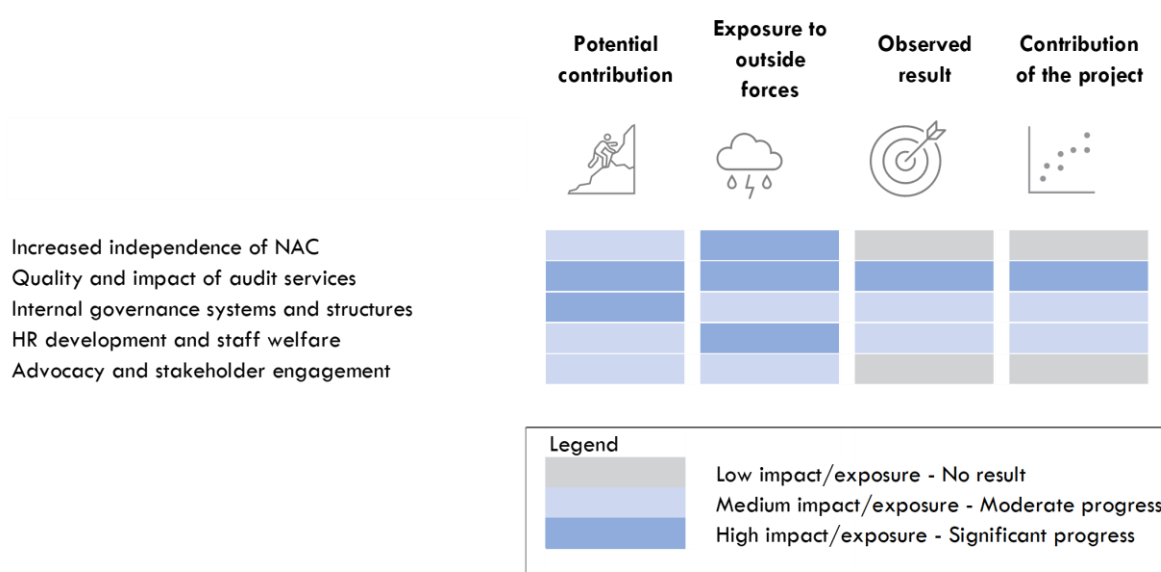
Source: Oslo Economics

Increased independence of NAC (NAC SP Focus area 1)

The theory of change defines strengthened independence as an area of capacity development that will lead to the realization of the project's planned outputs and outcome. As a public accountability institution, it is imperative that NAC functions as a de facto independent institution. As one of the Deputy Generals put it,

> *"The main objective for the strategic change project is for NAC to be independent and reliable, robust and resilient, with strong oversight over institutions in South Sudan."*

There has been a continuous legal process over the course of SCP, pushing an amendment bill to The Southern Sudan Audit Chamber Act from 2011. This act may grant NAC the power to recruit staff themselves, without needing approval from the President and a two thirds majority in the Parliament. If realized, the bill will, at least in theory, significantly strengthen the autonomy and independence of NAC. IDI has assisted NAC in formulating suggestions related to the revision of this act, and assigned staff who are experts on SAI independence to share their knowledge with NAC. According to informants, this has helped NAC in its capacity-building and taking necessary steps towards becoming an independent institution, although there are external factors slowing the process.

More needs to be done to secure independence for NAC, both financially and legally. Our assessment is that the contributions from IDI in this process have been meaningful and positive, even though significant improvement is needed for NAC to become a truly independent institution.

Quality and impact of audit services (NAC SP Focus area 2)

Providing quality audit services is the main purpose of NAC as an institution. Increased audit coverage and delivery of audit reports as well as enhancing the quality of audit services are integral parts of the strategic plan and its theory of change, and therefore also critical to help achieve the desired outcomes and outputs. In this section we will assess the effectiveness related to audit services, both considering coverage and quality.

Execution of prioritized audits and reporting in public

A range of activities has been conducted during the project to build the capacity for NAC to execute its prioritized audits and reporting in public. These

activities are summarized in Chapter 2. As shown in the strategic outputs of Table 2-2 in Chapter 2, there are several deviations between expected and actual results.

Regarding the deliverables, NAC have published two audit reports since the project beginning: the IMF report and the petroleum revenue report. In addition, NAC have outsourced an audit of the Central Bank, funded by the Norwegian Embassy, while also performing and printing four performance audits.

Our overall understanding is that these two reports would not be published, at least not with the same level of quality, had it not been for the support from peers and IDI, in terms of quality assurance and capacity-building through workshops and training. For instance, the peer team has enabled NAC staff to develop a proper understanding of IMF transfers, which were essential when conducting the IMF report.

On the other hand, interviewees and document studies indicate that there are barriers to further achievement in the prioritized audits. The main concern is NAC's ability and capacity to receive support. For instance, staff trained and qualified to conduct performance audits were used for compliance and financial audits in the IMF audit. Consequently, the capacity to conduct other prioritized audits were reduced, and these audits were not conducted. This also affects the peer-teams provided by the project partners. If other audits are not conducted, these teams are redundant.

In addition, audits of public institutions often get delayed due to lack of cooperation from official institutions, in terms of signing agreements and sending necessary documents. A significant challenge is that the Ministry of Finance has not been producing financial statements, which leaves NAC unable to start the auditing process. This increases the risk of not achieving the stated objectives of the support project. This, however, is of course outside the control of NAC, IDI, and the other partners.

However, further improvements are likely possible if one considers existing constraints when determining activities. For instance, lack of financial statements does not hinder NAC in conducting and reporting other audits, such as compliance audits. According to informants, this has been a key advice to NAC since 2020. As shown in Table 2-2, a compiled compliance audit report was expected in 2021, but not completed.

Quality of audit services

Multiple activities have been conducted during the project to support NAC's quality of audit services. Peer-to-peer guidance, workshops, providing manuals,

and training in digital skills are examples of such activities.

The development and implementation of audit manuals have made a meaningful contribution according to the audit managers. This has hence been an important contribution of the SCP, and NAC has now manuals for compliance audits and financial audits. The manuals are helping a lot, and the quality of their work has improved as a result. The audit managers are stating that they due to the implementation these manuals to a lesser extent are lagging other countries in quality.

The Auditor General, the Deputy Auditor Generals and the audit managers all highlight workshops and peer-to-peer guidance as important contributions to the quality of audit services at all levels of the organization. The audit managers have highly appreciated the opportunity to attend workshops with peers through the project and have experienced progress in terms of ability to do their work as a result. Workshops in South Africa, Kenya, and Uganda have resulted in improvements and customization of audit methodologies. The project has also helped them to implement the lessons learned from workshop topics in their work.

The training in online work has also made significant contributions to the quality of audit services. This has added value by allowing the staff to use online working papers, available to staff, peers in other countries, and IDI. As a results, the quality assurance process has become easier, enhancing the quality of the audit services.

The interviews have revealed hinders that the staff are experiencing in terms of the quality of audit services. Absent salaries and lack of adequate ICT equipment are among these hinders, as addressed in other parts of the report. The lack of ICT infrastructure for NAC has likely limited the effectiveness of ICT-related support. This is to a large extent caused by external factors. However, as discussed in the section related to relevance, one could argue that this can make it fruitful to adjust to the support design.

Significant differences in knowledge and expertise across the NAC staff can also hinder the quality of audit services. If some auditors do not possess the skills needed to contribute to the processes of developing audit reports at a given level of quality, this might hinder NAC staff in fulfilling their potential.

Another concern voiced by the audit managers is a lack of mobility. Transportation is needed to conduct data collection in the field, but NAC has, according to interviewees, no available funds for fuel or wages for drivers. Such site visits are important in many audits. Therefore, lack of mobility represents a significant

hinder towards progress and the finalization of several audit projects. Furthermore, the audit managers want more quality assurance on their work from supervisors at NAC.

In sum, we consider the project's effectiveness both related to coverage and quality of audits to be significant, and that the results are on track for meeting the final objectives, when factoring in the external issues. In the first years of the project period, partners have been flexible, and in spite of covid-19 restrictions and NAC's challenging situation, activities have been implemented.

Internal governance systems and structures (NAC SP Focus area 3)

Strengthening the internal governance systems has been an important focus area in the strategic change project. In particular, significant investments from the project funds have been made in ICT development. Through the project, NAC has been supported with procurement of computers, telephones with monthly data bundles, and improved internet at the offices of NAC. Furthermore, supplementing the SCP, the ICT peer team has included a peer from SAI Kenya (the ICT director). AFROSAI-E staff has also regularly been consulted and given advice.

This capacity-building has caused major improvements in the day-to-day work at NAC. The most important contribution is the digitalization of work. SCP has utilized the benefits of Microsoft Teams for all peers and key NAC staff, and NAC has rolled out Microsoft Teams on its own tenant for both overall management of the office as well as audits. This allows for efficient sharing of information and knowledge between NAC staff, IDI, peers, and other project stakeholders. This strategy is based on recommendations after earlier projects. Audit reports are now expected to be written on digital working papers, allowing the audit teams to share it with supervisors and peers in other countries more easily. Similarly, communication has improved throughout the organization. For instance, the management is now able to reach auditors in the field. Communication with IDI, peers, and other external collaborators and stakeholders have become easier and better. Overall, our understanding is that the capacity-building within internal governance systems have enhanced the quality of work conducted at NAC.

The improvements related to ICT have not benefitted all staff. There is not enough equipment for all the auditors, so many are unable to conduct their work digitally. There are differences in the level of skill between staff as well, resulting in gaps between the extent to which the auditors and other staff are able to take part in the digitalization. In our view, a step-by-step approach might be reasonable, as it provides

an opportunity to assess the effectiveness also before making further investments.

Interviewees from all levels at NAC have, to varying degrees, voiced dissatisfaction with some elements regarding procurement of ICT equipment, albeit they recognize the importance of the support that has been given. In their understanding, they have not received adequate equipment according to the specifications they sent at the beginning of the process. They also explain that the number of computers they received turned out to be lower than initially planned. Some frustration has also been raised regarding the pace of the process, as NAC staff were expecting the equipment to come sooner.

However, it is important to notice that the procurement processes in South Sudan is not entirely straightforward. This concerns both the process and the availability of equipment of satisfactory quality. In addition, the non-existence of ICT governing structures necessitates a cautious approach to the implementation of ICT tools and equipment.

The appointment of an ICT manager or an ICT leader group is an important part of the capacity-building within internal government systems and structures, as explained by both NAC staff and IDI. When planning for this, it was the assumption that NAC independence would develop to an extent that allow them to hire necessary staff. This level of independence is yet to be achieved, which hinders the process of appointing an ICT manager. For the Auditor General, this has been a significant disappointment regarding the development of SCP.

The Auditor General and the ICT staff have expressed a desire that the website should be managed locally from NAC, in order to control the input from there. While the website is online and can be managed from the headquarters, the technical experience within NAC is a barrier. Some training in handling the website have been initiated, but further technical advice and knowledge sharing is needed for NAC to be able to update the webpage alone.

We understand that capacity-building in the ICT division is the most important part related to enhancing the governance systems and structures. Further, our assessment is that significant progress has been made in this area, providing meaningful impact throughout the organization. Meanwhile, there appears to be a gap between expected and actual outcomes, explained by both internal and external factors. Internally, there might be room for improvement in the communication between IDI and NAC during the procurement process, to better understand each other's expectations, constraints, and objectives. The absence of a common understanding of

the situation appears to harm the motivation to work towards the common objectives for the SCP.

In total, we assess that capacity-building within internal governance and structures has been satisfactory, given the context in which NAC and IDI operates. As opposed to before, the audit reports are now written on digital working papers, which grants easier access for people within NAC, IDI, and peers from partner organizations. Combined with more computers and telephones with data bundles, this has been an effective measure with high impact. We find that the project is on route to achieve its objectives in this area.

HR development and staff welfare (NAC SP Focus area 4)

The development of HR since the project initiation has been slow, and there have been significant challenges both regarding staff training and staff welfare. The HR and administrative staff explain that financial conditions, office accommodation, and the non-independency of NAC as factors that hinders them in operating optimally.

However, the project has improved their knowledge, as they have strengthened and maintained the welfare of the staff, the importance of training, and adequate facilities. It is in trying to use their knowledge to implement concrete measures, they face hinders due to the aforementioned conditions. A workshop has been arranged with AFROSAI-E, aiming to develop a strategic plan for HR. Similarly, the HR staff have had challenges creating such a plan due to a lack of necessary ICT equipment.

Recruitment has been increasingly difficult the past years. The Auditor General highlights the problem of NAC being unable to secure personnel. Previously, the institution was able to identify potential permanent or interim employees, for instance from OAGK, and incentivize them to work for NAC. These options are not available for them anymore, which they find challenging.

Another area where we see potential for improvement is in the internal communication and flow of information at NAC. It appears difficult for HR to communicate their concerns to the management, as they do not conduct staff meetings. Similarly, the support staff rarely receive updates on the ongoing activities in the organization.

There clearly exist hindering factors to the HR development, some of which NAC cannot solve themselves. We nevertheless find that the project's activities have been contributing positively to the HR development and staff welfare at NAC, especially resulting from staff training and knowledge

improvements. In terms of staff training, significant progress has been made, increasing the capacity of the staff to do quality work.

Advocacy and stakeholder engagement (NAC SP Focus area 5)

Increased advocacy and stakeholder engagement is part of the capacity-building step in the project's theory of change. From interviews with NAC management and IDI representatives, we understand that this has improved moderately during the project period.

The project has invested significant resources into development of the NAC website, with satisfying results. The webpage is functioning and providing stakeholders across the world easy access to the work that has been published by NAC, which is likely to improve the reputation of NAC, as relevant information regarding their work and published reports is more readily available. The development of the website is an important contribution of SCP to the stakeholder engagement at NAC and must be regarded as a success. However, a precondition for ensuring the sustainability of these results, is that NAC allocates staff to be trained to manage the website going forward.

There was also developed a relations strategy through the previous peer support project. The project has offered support to engaging various stakeholders, such as the parliament, media, and the civil society. However, NAC have not been able to execute on this support.

In general, engagement from local stakeholders has been low, except from some media distribution of results from their audit reports. For non-local stakeholders, access to reports from the website is an important factor, which has been enabled during the project. We conclude that the results in this focus area are somewhat behind schedule in terms of meeting the final objectives. However, the stakeholder strategy and website provide possibilities for swift improvements. We thus find that there is potential for increased impact, and we have not observed external factors providing significant hinders to further development.

Box 2: Principles of "Do no harm"

OECDs report "Do No Harm – International support for state-building" (OECD, 2010) examines the ways in which donor interventions in fragile situations can "do no harm" or positively contribute to processes of statebuilding. The report focuses on five central statebuilding dimensions: (i) the endogenous political processes that drive statebuilding, (ii) the legitimacy of the state in society, (iii) the relations between state and society, (iv) the expectations society has of the state, and (v) the capacities of the state to perform basic functions.

Doing no harm essentially means that donor intervention does not undermine statebuilding processes. Harm can be done if interventions exacerbate rather than mitigate conditions for violent conflict, weaken rather than strengthen the state as a site of decision making and policy formation, or if aid is delivered in a way that disincentivizes the states to consolidate their revenue base. By not understanding state history and power dynamics, donor actions can disrupt the political settlement that underpins the state, weakening the incentives for powerful elites to "buy in" to statebuilding processes and increasing their incentives to "opt out". Donors are often faced with a strategic dilemma: the task of providing aid that reconciles with both their government's strategic objectives and the in-country statebuilding objectives. Historically, the former often trump the latter, which can make it difficult to avoid "doing harm" to statebuilding. Understanding such dilemmas is an important step in assessing the impact of donor intervention on statebuilding.

Source: OECD: Do No Harm - International support for statebuilding

4.3 Have the SCP delivered results in an economic and timely way?

In this section, we present our assessments of questions related to the **efficiency** criteria. The efficiency of the project points to the use of resources, and whether input is converted to output in a cost-effective manner, as compared to feasible alternatives in the context. In this assessment we include questions regarding how well the strategic change project has been managed.

Inputs from interviews indicate that activities, deliverables, and costs to a large extent have been consistent with plans and budget, albeit the COVID-19 pandemic has provided serious challenges in achieving the desired progress. We argue that if expectations

were adjusted due to the pandemic and the breach of other assumptions, the project has delivered satisfactory results in an economic and timely way.

For the question related to identification and management of risks to outputs, there are several factors of risk that have affected the project. The COVID-19 pandemic is one of these. We are under the impression that this risk has been managed efficiently throughout the project, especially by shifting towards digital operations. This has mitigated the negative effects of the pandemic, although these effects remain significant. For instance, meetings and workshops with peers from AFROSAI-E that would otherwise take place in South Sudan, have been performed virtually. NAC staff explain that this leads to a loss of the motivational impact of workshops. On another note, we find that appropriate measures have been taken to look after the health of NAC staff. This also relates to the sub-question of how well the project has adapted to the pandemic.

Further, the theory of change indicates that risks of financial constraints and lack of independence were identified, as assumptions on which the project was based concerned these areas. Judging by the challenges NAC and its staff are experiencing related to these risk factors, we suggest there is potential for managing them in a more efficient way. However, the attempt and measures taken to identify and finding solutions to the issues indicates that the aspect is satisfactory.

To enable a flexible design and possibilities of making adjustments based on results in the project, it is essential that results are reported to IDI and monitored. Today, the project coordination team meets regularly and through these meetings monitor implementation. However, informed decisions and adjustments hinges on NAC prioritizing strategic and operational management, including systematic monitoring. Regarding methods for monitoring and reporting, the evaluation in 2020 also pointed out,

> *"One of the expected outputs of the Peer-support Project was 'System for monitoring, reporting and quality control developed and implemented in NAC'. As this work has not started yet it should be prioritized in the proposed second phase of the Peer-support project."[2]*

Regarding the sub-question about delivery mechanisms, a method of peer-to-peer cooperation and training consisting of workshops and other activities has been applied. This model seems to have worked efficiently. We find that NAC staff are happy with the benefits from workshops and the support in implementing new audit manuals. Comparing this approach with other feasible alternatives will always be associated with a level of uncertainty. Nevertheless, we find that using workshops and courses is mitigating risk to efficiency, as it is "scalable". This is also reflected in the level of activities and costs of the project, shown in section 2.4. One can evaluate the benefit of a workshop before planning the next one. Costs related to increasing staff, temporarily or on a long term, might be harder to limit during the project. On the other hand, there might be more uncertainty related to whether the benefits from workshops are lasting. Also, as the competence level between NAC staff varies greatly, conducting workshops that are beneficial for everyone is difficult. More extensive use of IDI staff of increasing country presence might also strengthen IDI's ability to monitor the efficiency of the project and adjust its design thereafter. In sum, we assess that the efficiency of the chosen delivery mechanism is satisfactory.

Table 4-2: Overall assessment of efficiency

	Assessment
Have the activities, deliverables and costs been consistent with plans and budgets?	**Highly Satisfactory**
Have risks to planned SAI outputs and contribution to outcomes been appropriately identified and managed?	**Satisfactory**
Have methods for monitoring and reporting arrangements been implemented appropriately?	**Satisfactory**
How efficient have the chosen delivery mechanism been compared to other feasible alternatives (e.g. use of consultants, use of IDI staff, increased country presence, long term advisors)?	**Satisfactory**
How well has support within IDI governance and tools been implemented?	**Satisfactory**
How well has the project adapted to the ongoing pandemic, e.g. to leverage in digital tools and deliver support online?	**Satisfactory**
Overall assessment of efficiency	**Satisfactory**

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[2] According to NAC, at the time of the evaluation this had already commenced. One quality control training has been conducted and an MIS system for monitoring has been developed.

4.4 Are outputs and outcomes sustainable in the longer term?

The sub-questions related to **sustainability** consider the extent to which the net benefits of the strategic change project continue or are likely to continue.

The method of support is an important point of discussion regarding the sustainability of the project. This is substantiated by the level of concern NAC staff has raised about the method's implications in terms of financial and operational constraints. As discussed, the absence of salaries is clearly a source of dissatisfaction, and one of the consequences is high staff turnover. The management's ability to mitigate this problem is limited by their inability to recruit personnel independently.

The staff explain that auditors who get recruited and gain experience at NAC, become more attractive in the labor market after few years, and often move on to work for other employers that pay significantly more. This is a clear risk for the sustainability of the project benefits. Providing resources for capacity-building will not be sustainable in the long run, if the institution continuously gets drained of this capacity. It might hence be viable to make efforts to mitigate this turnover or to a larger extent make knowledge-sharing activities a priority. Another problem is absence of existing staff, as they need to tend to other sources of income or cannot afford to attend work due to the lack of salaries.

As previously mentioned, financial support to salary payments is an alternative that is advocated for by NAC staff. However, an argument can be made that such a measure is not sustainable either. NAC will not operate sustainably as an institution if it is not able to pay salaries without financial support from organizations like IDI or other main supporters, and there is no indication that NAC will be able to do so in the foreseeable future. This represents a trade-off that needs to be assessed thoroughly if any design changes that deviates from policy is to be made. Outcomes in the long term might not be sustainable if there are needs for external support – however, the short-term effects of financial support to prevent staff turnover and absence might catalyze a positive trend of building the capacity of NAC, which again might yield sustainable progress. This is also the basis of the theory of change. IDI or other main supporters correcting the broken assumption of adequate financial resources, at least for a given period, might therefore be necessary to achieve the objectives of the strategic change project.

Other changes in performance and capacity, however, we find likely to be sustainable. The increased adaptation of digital tools in the organization, shifting to digital working papers, and publishing of online reports, we find likely to be sustained over time. This also follows from the fact that possibilities of information- and knowledge-sharing are improved by an increased use of digital tools.

Table 4-3: Overall assessment of sustainability

	Assessment
Have the main supporters of NAC been identified, and efforts to strengthen and harness this support been factored into the initiative?	**Satisfactory**
Is the method of support increasing the likelihood that changes to performance and capacity can be sustained?	**Satisfactory**
Overall assessment of sustainability	**Satisfactory**

4.5 Has the initiative utilized potential synergies between the partners?

The partners of the Strategic Change Project have had different responsibilities over the course of the project. IDI has coordinated the efforts, while OAGK and AFROSAI-E have contributed with expertise in different ways, including facilitating peer-to-peer training, seconding personnel, and more.

Regarding the project management and coordination of other partners and projects, a list of conducted activities can be found in 2.4.7. These activities are not directly linked to any expected outputs or outcomes; however they are facilitating to help the activities in other areas produce certain outputs.

From interviews our impression is that the project management and coordination between partners is satisfactory. IDI has managed to create an environment in which the ability and willingness to communicate between partners and peer-groups are improved.

NAC staff explain that the workshops conducted with peers have been helpful and have attributed a lot to the overall progress in the strategic change project. It seems evident that the OAGK has delivered on its responsibilities under the project, and that the synergies of this collaboration have been utilized to a large extent. Of course, the COVID-19 pandemic has hindered full utilization, as some workshops have been conducted digitally.

The government arrangements for the partnership between NAC, IDI, OAGK and AFROSAI-E appear to have caused some difficulties in certain areas. We

have discussed the financial support in previous chapters and will leave that matter out of this discussion. The process of recruiting an advisor from Kenya has been a source of frustration for the NAC management, due to delays and other challenges with coordination and finances. In addition, our understanding is that NAC management feel uninformed in the process, albeit having participated in the interviews and selection of the final candidate. This may indicate a potential for improving communication between IDI and NAC.

Our findings suggest that all supporting partners have a clear understanding of their respective responsibilities and mandates. Furthermore, it appears to be clear to both IDI, OAGK, and AFROSAI-E what can be expected from the other partners. Given the challenges of NAC South Sudan, this mutual understanding between partners is essential since some specific challenges for instance are outside the scope of support of AFROSAI-E and OAGK.

However, from interviews with certain staff at NAC, a concern about ownership and inclusion in the project is highlighted. One source of dissatisfaction has been the policies related to allowances, as they require more autonomy in terms of budget allocations. NAC staff have a wish to control minor expenditures themselves, such as spending on transport. The same applies for accommodation and food on travels. Several have experienced difficulties with hotel bookings handled by IDI on travels. Some informants stress that every organization should apply its own travel policy, to avoid application of discriminatory policies. Our understanding is that it appears to be a potential for improving the communication between the partners on this matter.

One low-cost solution to the dissatisfaction could be to provide a small budget post of which NAC have control themselves, specifically meant for expenditures such as fuel and accommodation on travels. As we understand each partner's mandates, providing a budget of this sort is outside the possible scope of support from OAGK and AFROSAI-E. Furthermore, providing direct financial support and covering costs is associated with other challenges and risks, discussed in section 4.1. If this also is unviable due to IDI policies, improvements to the governance arrangements might be made by understanding each other's needs and constraints and find ways to improve communication in the procurement processes.

If knowledge and input from NAC staff is not sufficiently included in decision processes, this can create distrust and lack of motivation to adapt to potential changes. In addition, NAC staff certainly

know the environment in which they operate best. Consequently, decisions about support can become more efficient and fitting if NAC are consistently able to communicate their opinions. A feeling of being heard and included will also potentially increase the motivation to adapt and the willingness to contribute to decisions. Bi-weekly project coordination meetings is likely beneficial, and furthermore, one could consider having more frequent steering committee meetings.

A part of the challenges could potentially have been avoided if the NAC Strategic Management seminar had not been postponed due to covid-19. Here the overall project design and arrangements were supposed to be presented to all NAC staff. Consequently, more NAC staff would potentially have been informed and had ownership to the project. As the restrictions have been lifted, it should be possible to complete the seminar.

In terms of mutual learning regarding the delivery of bilateral support to SAIs in challenged environments, we observe that the partnership of the strategic change project is indeed leading to this. The context in which NAC operate is challenging, and improved learning will be achieved from both the success and failures of managing a project under these conditions. The results can also be compared to the projects that the partners have in other countries where the circumstances are different, which will provide further insight on this subject.

Table 4-4: Overall assessment of partnerships

Sub-question	Assessment
To what extent have IDI's partners delivered on their responsibilities under the initiative?	**Highly Satisfactory**
To what extent has the initiative utilized synergies with other initiatives (at the country and regional level)?	**Satisfactory**
Are the governance arrangements for the partnership between NAC, IDI, OAGK and AFROSAI-E clear and is there room for improvements in the future?	**Highly satisfactory**
Is the partnership between NAC, IDI, OAGK and AFROSAI-E leading to mutual learning regarding delivery of bilateral support to SAIs in challenged environments?	**Satisfactory**
Overall assessment of partnerships	**Highly satisfactory**

5. Conclusions and recommendations

South Sudan's current political environment makes it a challenging location for a supreme audit institution, which affects the expected results and possible impact of the strategic change project. We argue that it is important to assess outputs and outcomes within existing constraints. Since SAIs are key institutions in well-functioning economies and important for countries' development, the Strategic change project's contributions to keeping NAC South Sudan operational could be of great importance.

5.1 Conclusions

NAC South Sudan's lack of administrative and financial autonomy reduces possibilities for achieving institutional improvements and capacity-building, at least in the short-run. Nevertheless, even small improvements in South Sudan's institutions can cause large societal impact, and it is not unimaginable that the most effective form of support of SCP is contributing to continuity of the institution so that South Sudan has an operational NAC in future scenarios where political conditions improve.

Given the political context and challenges related to the funding of NAC South Sudan, one could furthermore argue that the project partners should have different expectations in South Sudan than in countries with better conditions. One could also discuss whether it could be effective to reduce the number of components of the support project (or reduce the resources spent within each component) and make it more in line with the capacity NAC South Sudan has of absorbing the support.

We find that the SCP has resulted in significant progress over several areas of NAC operations. The benefits of the project are most evident in the enhanced auditing capacity of the staff, the shift towards using digital tools for work, and the general sharing of knowledge between peers at OAGK and NAC staff. In addition, the support from the project have contributed significantly to the production and publication of multiple audit reports, which hopefully will have an impact on public funds management in the country.

Efforts have been made across all areas that were identified in the theory of change, but clear progress is yet to be yielded in areas such as staff welfare, independence for NAC, and stakeholder engagement.

We find that the context in which the project operates provides severe challenges that hinders the achievement of the identified objectives. We have discussed several factors that have particularly negative impacts on the project development. The lack of financial resources to NAC is the most pressing, especially as it leads to NAC staff being unpaid for long periods of time. This affects both the ability and motivation to do work. Other factors are lack of NAC independency and mandate to recruit staff, consequences of political instability, and the COVID-19 pandemic.

Our interviews have also revealed sources of dissatisfaction among NAC staff that to a larger extent can be regarded as internal factors in the project. Throughout the organization, the ICT equipment procurement process is perceived as slow and frustrating. Frustrations related to the management of minor expenditures such as hotel accommodation and fuel are also expressed clearly. These are policy issues, and we suggest that discussing them openly before moving forward might contribute to remove some sources of dissatisfaction and increase understanding, which in turn can increase motivation for the NAC staff. Related to this, the project coordination team has an important role.

As shown in Figure 4, our findings suggest that the strategic change project has performed at a satisfactory level given the challenges imposed by the context in which it operates, in terms of both initiated processes and achieved outcomes.

Figure 4: Assessments of review criteria

Relevance: Do objectives and design respond to needs, policies, and priorities of NAC and stakeholders?	**Satisfactory**
Effectiveness: To what extent has the project deliverables achieved it stated objectives and outcomes?	**Satisfactory**
Efficiency: Have the SCP delivered results in an economic and timely way?	**Satisfactory**
Sustainability: Are outputs and outcomes sustainable in the longer term?	**Satisfactory**
Partnerships: Has the initiative utilized potential synergies between IDI, OAGK, and AFROSAI-E?	**Highly satisfactory**

Source: Oslo Economics

5.2 Recommendations

Recommendation 1: Provide support to ensure continuity of NAC South Sudan

As pointed out above, the possibilities of achieving objectives in the strategic change project hinges on a set of assumptions and preconditions. Some of these preconditions are not met, which lead to difficulties in achieving the objectives of the project.

Due to the crucial assumption of NAC being financially independent and sufficiently funded, it could be argued that IDI should provide more direct financial support so that NAC South Sudan has the capacity to conduct activities. An alternative is that IDI through the component on project coordination seek to broker other partners in this regard. This could help ensuring that operations of NAC South Sudan can continue, and such measures are already implemented in other countries with challenging political conditions, such as Somalia.[3]

However, when considering for instance funding wages, policymakers must keep in mind potential long-term impacts on South Sudan's ability to build stable, independent, and well-functioning institutions. Thus, in addition to assessing what policy measures might be efficient today, one must consider what is dynamically efficient. For instance, if IDI provide or guarantee salaries for NAC staff, this might be an efficient policy today because no results can possibly be achieved if NAC does not have funding or necessary resources to complete audits. However, dynamically this might be inefficient since it potentially reduces the long-term incentives for securing funding for NAC and ensuring future payment of staff. This is related to the objective of "do no harm", mentioned in Box 2. Given that IDI cannot continue funding NAC on a permanent basis, measures of paying salaries should not be implemented without a clear strategy of how and when to discontinue such a measure.

Recommendation 2: Reduce the extent of support within certain components to increase the level of support in prioritized areas

Our findings suggest that the interim results of the strategic change project are limited to certain areas. Furthermore, NAC South Sudan are constrained by both lack of administrative and financial autonomy. Thus, we recommend that IDI consider reducing the resources allocated to certain components of the support project while increasing the level of support in prioritized areas, to both i) make it more likely that NAC South Sudan can keep operations going, ii) make support more aligned with NAC South Sudan's capacity to absorb and implement, and iii) reduce the

possibilities of unintended and adverse effects on the institution.

An important principle of IDI's support is "do no harm". Doing no harm essentially means that the intervention does not undermine state-building principles, as described in Box 2. A possible way of doing harm is by providing support in a way that disincentivizes the government of South Sudan to consolidate its revenue base and fund NAC, because IDI is "picking up the bill". Another risk of inadvertently doing harm is by implementing measures that exacerbate political conflicts rather than mitigating them. Our understanding is that the main risk is associated with the former, concerning the sustainability of financial support. One can argue that higher volatility in the political situation is associated with higher risk of doing harm, as the effects in terms of state-building will come with a higher level of uncertainty. In our understanding, this calls for a cautious approach when designing any state-building project in South Sudan, including the SCP. By concentrating support in the areas where it is most effective and needed, one might both reduce the risk of doing harm and increase the project's impact.

Recommendation 3: Further utilize the project's flexible design and improve communication between partners

South Sudan's external conditions can change rapidly, and since the optimal support measures to a large degree depend on these factors, a flexible design is beneficial. Thus, IDI should work to maintain a project design where the coordinated contributions from its partners are responding to the shifting conditions in which the project operates. This requires a highly functional system for communication between NAC, IDI, and the other partners. As circumstances change, the needs of NAC change, and these changes must be communicated efficiently. IDI, NAC, and the other partners will then be able to discuss potential measures that both respond to NAC's needs given the shifting circumstances and comply with the mandates and strategic objectives of the funding organizations. This is a dynamic process that requires a level of flexibility from all project participants. The project participants should seek to maintain a flexible design, by continuously looking for ways to improve activities and communicate effectively. Bi-weekly meetings addressing needs for change is likely beneficial, and furthermore, one could consider having more frequent steering committee meetings to ensure that NAC are informed and can give inputs on possible adjustments.

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[3] IMF Emergency funding has previously been utilized for salary arrears. According to interviewees of this report, this seems however not enough to ensure regular payment of salaries and keeping up with the inflation.

Recommendation 4: Consider using long-term advisors

As previously discussed, we find that developing staff capacity is a major challenge for NAC. Staff turnover is high and staff presence is low due to financial constraints and absent salaries. Competent staff will often leave, as job opportunities with better financial security get available elsewhere. This problem could be mitigated by recruiting competent long-term advisors from other SAIs to help developing the capacity of NAC staff for a period. This measure has been considered and efforts have been made for a secondment of an OAGK staff member to support NAC.

Providing support through long-term advisors might be an effective way to develop the capacity of NAC. This can complement and improve the effectiveness of already mobilized short-term advisors by facilitating for continuity in the inclusion of advisors. Using the network of peer SAIs and the support from AFROSAI-E can enable NAC to do this in a cost-effective way. A precondition for the effectiveness of such an arrangement is that the long-term advisors contribute to building the capacity of NAC staff. The focus must be on helping NAC staff improve, rather than only completing audits. One can argue that this is a form of peer-to-peer training that leads to more sustainable results, as the NAC staff is given the opportunity to learn from peers that are present over a longer period. In such a setup, each individual at NAC can receive advice that suits their specific needs and level of competence, which might be more effective in terms of lifting the overall capacity of NAC. Furthermore, this measure might prove to be a cost-effective way to develop capacity for NAC, thereby ensuring its continued operations until the challenging circumstances of today improve. Any continued efforts to increase the use of long-term advisors should be based on a common understanding between the project partners. Particularly important is it that NAC management finds such an arrangement beneficial.

Recommendation 5: Gather more inputs from NAC South Sudan when determining project components and activities

Any implementation of changes to the project design should be carefully considered and aligned with NAC South Sudan's needs. We will argue that the effectiveness of SCP can be improved if the choice of project components and activities are more demand-side driven rather than driven by the supply and external assessments made by IDI, AFROSAI-E and OAGK. Because NAC South Sudan has the best insight into the specific needs of the institution, one could argue that increased involvement of NAC when planning activities could be useful. This can be achieved if NAC South Sudan (in addition to the development of the strategic plan which the SCP is based on) frequently assess and systematically monitor its needs and then reach out to its partners to obtain the necessary assistance in the areas in which NAC believes the greatest difference can be achieved.

Similarly, increasing the scope of NAC's mandate in some operational areas might improve the project's effectiveness. For instance, managing minor expenditures remotely, like transport or accommodation, might cause some friction in operations. Hence, one might argue that increased autonomy for NAC in this area will come with certain efficiency gains, as less people are involved, and decisions can be made faster. On the other hand, less rigidity in procedures can come with a risk of increased costs. This risk should be assessed and discussed between all project partners before any design changes. Nevertheless, we argue that increased autonomy for NAC in managing minor expenditures can likely lead to efficiency gains and increased motivation and sense of project ownership for NAC. We therefore recommend that possibilities to increase NAC autonomy and ownership are considered by the project partners, and that the resulting course of action is based on a common understanding.

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Appendix A   Evaluation matrix

Do the SCP's objectives and design respond to the needs, policies, and priorities of NAC and its stakeholders?	Criterion: Relevance
Sub questions	**Data sources and information**	**Review methodology**

Sub questions	Data sources and information	Review methodology

• How relevant is the design of the initiative to the needs of NAC, and how involved was the NAC and delivery partners in the design?
• How well has lessons learned from the previous support to NAC been utilized for the design and implementation?
• To what extent did the partners monitor the project pre-conditions and adjust plans where necessary preconditions did not hold during implementation?
• Is the underlying theory of change (including preconditions) clear, and the design of the initiative appropriate?
	• Interviews with IDI staff
	• Interviews with NAC staff
	• Interviews with AFROSAI-E and OAGK
	• SCP documents 2020-2021
	• Project report NAC Peer-support project 2017-2020
	• Evaluation report NAC Peer-support project (2020) and IDI tracker of implementation of recommendations by end of 2021
	• Gender, Diversity, Inclusion analysis done (Q4 2020)
	• Inputs from interviews and reports regarding:
	  – decisions and design considering IDI Bilateral Policy
	  – utilization and implementation of lessons learned
	  – monitoring of preconditions and plans
	  – gender analysis at baseline
	• Reporting on gender indicators
	• Reporting on adjusted plans to Steering Committee
	• Project coordination team minutes showing adjustment of plans
		Qualitative assessment of project documents and interview responses

To what extent has the project deliverables achieved its stated objectives and outcomes?			Criterion: Effectiveness
Sub questions	**Data sources**	**Indicators**	**Review methodology**

Sub questions	Data sources	Indicators	Review methodology
• To what extent have the deliverables contributed to enhanced quality and impact of audit services, and what factors hindered or contributed to this? • To what extent have the deliverables strengthened advocacy and stakeholder engagement, and what factors hindered or contributed to this? • To what extent have the deliverables improved HR development and staff welfare, and what factors hindered or contributed to this? • To what extent have the deliverables strengthened NAC independence, and what factors hindered or contributed to this? • To what extent have the deliverables strengthened internal governance systems and structures, and what factors hindered or contributed to this? • Are the results delivered till now keeping the project on track for meeting the final objectives?	• Project report 2021 • Reports of activities • Interviews with IDI staff • Interviews with NAC staff • Interviews with AFROSAI-E and OAGK • Interviews with external stakeholders • Baseline measurements • External reports, e.g., in media, about audit quality	• Qualitative and quantitative data regarding outputs • Test of theory of change • Baseline indicators	Qualitative assessment of project documents and interview responses Contribution analysis will be applied at this stage, and we will assess whether the necessary conditions to make reasonable causal claims hold (Box 1)

Are SCP on track to deliver the stated objectives and outcomes in an economic and timely way?			Criterion: Efficiency
Sub questions	**Data sources**	**Indicators**	**Review methodology**
• Have the activities, deliverables and costs been consistent with plans and budgets? • Have risks to planned SAI outputs and contribution to outcomes been appropriately identified and managed? • Have methods for monitoring and reporting arrangements been implemented appropriately? • How efficient have the chosen delivery mechanism been compared to other feasible alternatives (e.g. use of consultants, use of IDI staff, increased country presence, long term advisors)? • How agile have the partners been to address changing circumstances and requests from NAC? • How well has support within ICT governance and tools been implemented? • How well has the project adopted to the ongoing pandemic, e.g. to leverage on digital tools and deliver support online?	• Interviews with IDI staff • Interviews with NAC staff • Interviews with AFROSAI-E and OAGK • SCP documents 2020-2021	• Qualitative and quantitative data related to: – adaption to the pandemic – utilized synergies – partners delivering on responsibilities – mobility of support – support on gender issues • Cost of support	Qualitative assessment of project documents and interview responses

Are outputs and outcomes sustainable in the longer term?		Criterion: Sustainability
Sub questions	**Data sources and information**	**Review methodology**
• Have the main supporters of the NAC been identified, and efforts to strengthen and harness this support been factored into the initiative? • Is the method of support increasing the likelihood that changes to performance and capacity can be sustained?	• Interviews with IDI staff • Interviews with NAC staff • Interviews with AFROSAI-E and OAGK • Reports from similar projects • Reports and documents from external stakeholders (e.g. media reports)	Qualitative assessment of project documents and interview responses

To what extent has the initiative utilized potential synergies between IDI, OAGK and AFROSAI-E?		Criterion: Partnerships
Sub questions	**Data sources and information**	**Review methodology**
• To what extent have IDI's partners delivered on their responsibilities under the initiative? • To what extent has the initiative utilized synergies with other initiatives (at the country and regional level)? • Are the governance arrangements for the partnership between NAC, IDI, OAGK and AFROSAI-E clear and is there room for improvements in the future? • Is the partnership between NAC, IDI, OAGK and AFROSAI-E leading to mutual learning regarding delivery of bilateral support to SAIs in challenged environments?	• Interviews with IDI staff • Interviews with NAC staff • Interviews with AFROSAI-E and OAGK • SCP documents 2020-2021 • Information from interviews and project documents related to governance arrangements clarity and mutual learning in the partnerships	Qualitative assessment of project documents and interview responses

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