EVALUATION OF THE SUPPORT TO THE SAI OF SOMALIA

FOR INTOSAI DEVELOPMENT INITIATIVE

FINAL REPORT | 06 FEBRUARY 2021

**Finance
Performance
Oversight**

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Abbreviations

AFROSAI-E	:	Organization of Supreme Audit Institutions of English-speaking African countries
AG	:	Auditor General
ARABOSAI	:	Arab Organization of Supreme Audit Institutions
CAM	:	Compliance Audit Manual
EU	:	European Union
FAM	:	Financial Audit Manual
FMS	:	Federal Member States
IDI	:	INTOSAI Development Initiative
INTOSAI	:	International Organisation for Supreme Audit Institutions
ISSAI	:	International Standards for Supreme Audit Institutions
NMFA	:	Norwegian Ministry of Foreign Affairs
NOE	:	Norwegian Embassy
OAGS	:	Office of the Auditor General Somalia
OECD-DAC	:	Development Assistance Committee of the Organisation of Economic Cooperation and Development
PA	:	Performance audit
PAP-APP		Accelerated Peer-support Partnership programme
SAI	:	Supreme Audit Institution
SAI PMF	:	Supreme Audit Institution Performance Measurement Framework
TOR	:	Terms of Reference
USAID	:	United States Agency for International Development
WB	:	World Bank

Quality Assurance

1. FPO World has been commissioned by IDI to carry out the evaluation of the Project *"Peer Support to Somalia 2018-2020"*

2. On behalf of FPO World, this final report was prepared by Ferdinand Pot (PhD, CPC).

3. The draft final report and the incorporation of comments by IDI on the draft final report have been quality assured externally by Mr. Martin Sinclair. Mr. Sinclair had wide experience in capacity building to Supreme Audit Institutions in developing countries. He is familiar with IDI as he represented the UK National Audit Office on the IDI Board for several years until 2015. However, he has had no involvement in the approval or design of this Programme in either his previous or current occupation.

4. The objective of the quality assurance review was to ensure that:

   - The final report is consistent with the approach described in the Inception Report;
   - There is a valid link between the findings/evidence, conclusions and recommendations;
   - The report is written clearly and with correct use of English language;
   - The comments of the Client are adequately reflected in the report without compromising the independence of the evaluator.

6. All significant matters raised during the quality assurance process have been addressed in this version of the Final Report

Prepared by: Martin Sinclair, independent expert

Date: 28 January 2021

Executive summary

This evaluation report covers the project *"Peer Support to the OAGS 2018-20"* that provided bilateral assistance by IDI in partnership with AFROSAI-E to the Office of the Auditor General of Somalia (OAGS). The OAGS Project was among the first projects under IDI's Bilateral Policy adopted in March 2017. The objective of the Policy is to ensure that the most challenged SAIs with substantial need for capacity development are assisted and are improving their performance.

Based on a Cooperation Agreement between the OAGS, IDI and AFROSAI-E and a Funding Agreement with the Norwegian Government to the amount of 5.1 million NOK, the Project was aligned to support the OAGS's Strategic Plan 2017- 20, especially strategic goals 1, 2 and 6:

- Goal 1: Timely, relevant and high-quality audit reports in line with international standards;
- Goal 2: Strengthening internal governance for efficient and effective Audit Services;
- Goal 6: Amend the old legal framework OAGS currently operates under.

During project implementation, this support was broadened to also include the other strategic goals of the OAGS relating to communication, human resource management and IT infrastructure. This ensured a holistic approach to the development of the OAGS.

From 2015 onwards, IDI had established cooperation with the OAGS. However, due to a less than effective relationship with the former Auditor General (AG), little progress was achieved through to mid--2017. The cooperation improved significantly under the leadership of the current AG who was appointed in August 2017. The high level of confidence and trust between IDI and the AG in each other's objectives and activities has ensured that the Project has generally been implemented smoothly and without significant issues.

In summary, the Project's objectives are mostly met. The IDI-OAGS Project scores reasonably well on each of the six OECD-DAC evaluation criteria. The Project has made a good contribution to the strengthening of the external audit function in Somalia. Its contribution has been recognised particularly with regard to the introduction and training on ISSAI-based financial and compliance audit manuals, the introduction of a strategic and annual planning and control cycle and various human resource management tools. The improvement in the performance of the OAGS is evidenced by its ability to audit the Government's annual budget execution report in a timely manner for the first time in 2019 and its willingness to report openly on challenging topics involving corruption and malpractice with regard to donor-funds. The Project has also contributed to the drafting a new Audit Law. If enacted, following approval by the President of Somalia, the OAGS will achieve a higher degree of independence from the Executive. Once the Act is in place the OAGS will be in a stronger position to make recommendations for the improvement of public financial management by the Somali government in the coming years.

The evaluation has arrived at this positive overall conclusion by a standard methodology consisting of document review and interviews. The interviews were done remotely due to the travel restrictions relating to the COVID pandemic. The methodology has also made use of two questionnaires with open and closed questions that were filled by the OAGS management.

Guided by the six OECD-DAC criteria, the evaluation has arrived at the following more detailed conclusions.

Relevance: The Project was highly relevant in the context of Somalian societal needs and the specific requirements of the OAGS. The Project's design reflects a logical and consistent sequence between input, outputs and outcomes and is fully aligned with the OAGS Strategic Plan.

Coherence: IDI's engagement with the OAGS complied with the conditions stated in IDI's Bilateral Policy. In deciding to proceed with the OAGS Project, IDI made a strong case which met all of the requirements identified in the Policy. The identification of AFROSAI-E as the main delivery partner for IDI was well founded in the light of its capacity, regional network and successful delivery record; the long history of collaboration between IDI and AFROSAI-E; and the preferences of the OAGS.

Efficiency : The Project's performance against the 'efficiency' criterion was mixed. It performed well in respect of the quality of its work and on the management of risk. It was less successful in securing delivery of all the expected outputs and in managing budgets and costs in line with the original plan.

There were a number of significant risks within the initial project design arising out of IDI's decision to support a SAI in one of the most fragile and least secure countries in the world. These risks have not materialised or their impact on the outcome and impact of the project was mitigated to an acceptable level. Especially, IDI's decision to work primarily remotely and organise field workshops in neighbouring countries worked out well. Although the OAGS senior management would have preferred a higher presence of the advisors on the ground, overall the IDI approach proved to be effective. The quality of the project's outputs was perceived by the OAGS to be high across all activities. The Project also made a very positive contribution in promoting donor coordination at both the strategic and operational level.

One risk inherent in the project design - the low allocation to personnel costs of the implementing partners IDI and AFROSAI-E and high reliance on in-kind support from resource persons from peer SAIs.- was not sufficiently mitigated. During the Project, this has led to significant overspending on IDI personnel costs in the first year of implementation (2018). The overspending reflected partly the positive momentum in project implementation in 2018, but also poor control of IDI's personnel costs and the absence of controls or ceilings on the number of staff working days spent on the Project. The overspending by IDI staff was also a response on the limited availability of the resource persons. The principle of engaging experienced peers from other African SAIs to assist SAI capacity building is well established in both IDI and AFROSAI-E's work. However, the quantity and quality of the inputs received from the resource persons are difficult to manage due to the informality of the arrangements put in place by IDI.

Together with IDI staff costs, the main cost driver for the Project were the field workshops and classroom training. Although costs were controlled by using IDI procurement for travel and accommodation and AFROSAI-Es terms and conditions for subsistence allowances, these events organised for significant numbers of OAGS staff in Kenya and Ethiopia, were relatively expensive. The Project would have gained in efficiency by the organisation of these events in the secured airport area. Although this option was considered feasible in terms of safety, it was not selected as it would have jeopardized the involvement of the resource persons from other SAIs,

Effectiveness: Overall the Project the project performed well against the 'effectiveness criterion. Although out of the nine outcome indicators, only two targets were fully achieved, very significant progress was made on six other targets and the margin by which the targets were not met were small. On performance audit and the audit of IT risks the planned activities were postponed by agreement of all parties because they were not prioritized given the circumstances currently faced by the OAGS. For some achievements, notably in the audit capacity and the drafting of the audit bill, consultancy provided by the EU was also instrumental. However, for most outputs, credit should be given to the staff of the OAGS. Given the emphasis on ownership among IDI Project's design principles, the importance of the contributions of the OAGS staff is further proof that the Project's approach has been effective.

Impact and Sustainability: In order to achieve impact, the OAGS needs to ensure that the progress made in the recent years will be sustained. The Project's efforts to institutionalize a holistic strategic and annual planning and control cycle is expected to have a positive effect on sustainability. As a deliberate choice the Project aimed to involve a great number of staff in the Project's activities including the most talented key agents and champions in most areas. This very broad approach increased significantly the Project's costs. it remains to be seen how well the new skills developed through the Project are embedded and utilised compared to an approach with a more strongly targeted focus on the most important change agents in the OAGS.

The full conclusions of the evaluation are set out at Section 7.1.

On the basis of the conclusions, the evaluation suggests a number of ways to improve project design and implementation. These recommendations focus on improving several aspects of the management of personnel costs, shortcomings in the accountability mechanisms, the need for strengthened policy guidance in the Bilateral Policy and the design of a possible second term of the IDI-OAGS Project for the years 2021-2023. With regard to the latter, it is advised to focus the Project's efforts on deepening the results achieved in the period 2018-2020 at the OAGS at the Federal Government level rather than broadening the scope to other areas such as the SAIs of the Federal Member States of Somalia. Although, the OAGS has made progress in the last years, the progress is still fragile and consolidation of the existing capacity building efforts seems necessary to assure sustainability.

Our recommendations are set out in full at section 7.2.

1. Introduction

1.1   About the evaluation

This evaluation report covers the project *"Peer Support to the OAGS 2018-20"*, hereafter named the IDI-OAGS Project, that provided bilateral assistance to the Office of the Auditor General of Somalia (OAGS) by IDI in partnership with AFROSAI-E.

The IDI-OAGS Project was among the first projects under IDI's Bilateral Policy, adopted in March 2017. This Policy allows IDI to provide bilateral support to individual Supreme Audit Institutions (SAIs). The objective of is to ensure that the most challenged SAIs with substantial need for capacity development have access to technical assistance to support their efforts to improve performance.

Following prior cooperation between IDI and the OAGS in the period 2015-17, the IDI-OAGS Project was established with funding of 5.1 million NOK. The total budget was increased to 7.2 million by an addendum agreement in late 2019. The largest share was provided by the Norwegian Ministry of Foreign Affairs (NMFA). The overall objective of the Project was to "enable the OAGS to successfully implement the priorities of the OAGS Strategic Plan 2017- 20", especially strategic goals 1, 2 and 6:

- Goal 1: Timely, relevant and high-quality audit reports in line with international standards;
- Goal 2: Strengthening internal governance for efficient and effective Audit Services;
- Goal 6: Amend the old legal framework OAGS currently operates under.

The Project was implemented by IDI in cooperation with the regional organization AFROSAI-E based on a cooperation agreement signed in November 2017. In the implementation of the Project, IDI and AFROSAI-E planned to take a supportive and facilitative role leaving primary responsibility for the development of the SAI to the leadership of the OAGS. For project implementation, IDI and AFROSAI-E engaged resource persons from the SAIs of Botswana, Ethiopia, Uganda and Turkey.

1.2   Objective of the evaluation

In line with the Terms of Reference, the evaluation serves two objectives. The first objective focuses on 'accountability'. The evaluation is expected to assess and report on how effectively the support provided by IDI and AFROSAI-E contributed to the defined outcomes, outputs and indicators of goal achievement in the OAGS Strategic Plan 2017-20. The second objective focuses on learning. The evaluation should provide inputs to strengthen the future selection, design and implementation of bilateral support by IDI and AFROSAI-E.

A crucial aspect underlying the Project is IDI's Bilateral Policy of 2017. Based on the findings of the OAGS Project, the evaluation will derive insights in the working of this policy. However, more general conclusions on the Bilateral Policy cannot be derived from the case of the OAGS project alone and will remain beyond the scope of this evaluation.

1.3   Methodology of the evaluation

Scope

This evaluation covers only the IDI Peer Project supporting the OAGS in the period 2018 – 2020. Prior to the commencement of this project, in 2016 and 2017, IDI was engaged with the OAGS in the development of the OAGS Strategic Plan 2017 - 2020. The process by which this strategy was prepared and its contents are outside the scope of the evaluation.

The OECD-DAC criteria are applied for this evaluation. As the evaluation was carried out while the Project was in its final phase of implementation, the evaluation will not examine in substance the longer-term impact and sustainability of changes brought about through the Project. The evaluation does, however, examine whether the approach used is expected to contribute to impact and sustainability.

Evaluation criteria

The evaluation is based on the six OECD-DAC criteria.[1]

> **Relevance** inquires whether 'the intervention is doing the right thing' and is suited to the priorities and policies of the OAGS and the Somalian context in which it operates.
>
> **Coherence** seeks to establish how well the intervention fits with other interventions in Somalia and to what degree there are synergies, complementarities or overlaps. Internal coherence addresses the alignment of the intervention with IDI's own strategy and policies. In this regard, the consistency with the Bilateral Policy needs to be addressed. External coherence considers the consistency of the intervention with other actors' interventions in the same context. This includes complementarity, harmonization and co-ordination with others.
>
> **Efficiency** measures how well resources are being used and the extent to which the intervention delivers results in an economic and timely way. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the process that delivers most 'value for money' has been adopted. Other issues that need to be considered under the efficiency criterion are (-) the implementation of the intervention in terms of timely delivery of the programmed outputs and in line with the budget (on time and on budget), and (-) the communication between the main stakeholders of the project including IDI, AFROSAI-E, peer SAIs and the OAGS.
>
> **Effectiveness** refers to the extent to which the results of the intervention meet the original objectives. In other words, effectiveness measures whether the Project's objectives have been achieved, or are likely to be achieved in the near future.
>
> **Impact** measures whether the Project has generated significant positive or negative, intended or unintended, higher-level effects.[2]
>
> **Sustainability** refers to the extent to which the net benefits of the intervention continue, or are likely to continue. It would typically include an examination of the financial and institutional capacities of the systems needed to sustain net benefits over time.[3]

Our evidence base

The findings and conclusions in this report are based on evidence collected in four main ways as follows:

(i)   Review of all documents relevant to the design and implementation of the Project. In addition, reports on the wider political and public finance management context in Somalia have informed the background in which the Project has been carried out. Annex 1 lists the documents reviewed.

(ii)   Semi-structured interviews with fifteen people involved in the Project. Annex 2 shows the list of interviewees.

(iii)   Participant-observer in the Semi-Annual Meeting With Development Partners, October 2020.

(iv)   Two questionnaires were used to obtain the views of the OAGS leadership. One questionnaire included a survey-like closed questions. Another questionnaire included open questions.

1.4   Structure of the Report

The chapters in this report are focussed around the evaluation criteria. The assessment of each evaluation criterion is broken down in a number of detailed evaluation questions that are answered in this report. The final chapter draws together our conclusions and suggests recommendations for the consideration of IDI in a potential follow up project to support the OAGS.

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[1] Better Criteria for Better Evaluation Revised Evaluation Criteria Definitions and Principles for Use, OECD/DAC Network on Development Evaluation,2019, www.oecd.org/dac/evaluation
[2] As stated in the ToR, the timing of this evaluation does not allow the identification of such impact yet. However, the evaluation will review whether the Project can be expected to generate higher- level impact such as on improved accountability in Somalia.
[3] As stated in the ToR, for this evaluation, the evaluation will not examine the sustainability of change and impact of the work of the OAGS in itself, but it does examine whether the approach used is expected to contribute to sustainability.

2. Relevance

The assessment of the relevance of the IDD Peer Project is guided by the following four review questions:

    i.   Was the design of the Project clear and logical?
    ii.   To what extent was the Project responding to the needs to the OAGS, the wider PFM context and how involved was the OAGS and delivery partners in the design?
   iii.   Were the assumptions underlying the Project realistic?
   iv.   To what extent have adjustments of the initial design of the Project supported its continuous relevance?

2.1 Clarity and logic of the Project's design

The following sections on the results framework and the implementation principles define the Project's design.

Results framework

The results framework of the OAGS Project has been formally described in the Funding agreement between IDI and the Norwegian Ministry of Finance and the Cooperation Agreement between the OAGS, IDI and AFROSAI-E. Based on these documents, the evaluator has prepared a schematic summary of the results framework as depicted in Figure 1.

The results framework demonstrates a clear link between inputs activities, outputs, outcomes and the intended impact. Key elements in the design are:

- The intended impact is to achieve improvements in the financial management of the Somali government (GoS) by strengthening of the external audit function in Somalia.
- Alignment of the project objectives with the strategic goals stipulated in the OAGS Strategy and its performance indicators;
- Alignment of project activities with the annual OAGS workplans;
- Two peer teams that focus on respectively strategic goal 1 (audit) and strategic goals 2 (internal governance) and 6 (legislation);
- Flexibility to engage on other strategic goals 3, 4 and 5 if such is requested by the OAGS;[4]
- Involvement of experts from IDI, AFROSAI-E and resource persons from peer SAIs from Uganda, Ethiopia, Botswana.[5]
- A budget of 5.1 million NOK (around 0,5 million Euro) that is mostly (67 %) allocated to fund project activities that involve OAGS staff.[6]

Overall, it is concluded that the project design is clear and logical. Nevertheless, in order for the design to deliver on the outcomes and impact, some assumptions were made regarding a number of critical issues in the Project design. These will be discussed in section 2.3.

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[4] Strategic goal 3 is *"strengthen external communication and stakeholder relations to ensure audit recommendations are implemented and reports have an impact on governance and accountability"*; Strategic Goal 4 is *"well-qualified and professional staff and management"*, and strategic Goal 5 is *"sufficient infrastructure and ict capacity for efficient operations"*.
[5] In 2020, resource persons from the SAI of Turkey also joined the project to assist in IT audit.
[6] The second largest allocation is to IDI personnel costs: 20%.

Figure 1 Design of the OAGS Project

Inputs

Breakdown between actors

Total Budget:
NOK 5.115.171

Breakdown in costs

■ IDI ■ OAGS ■ AFROSAI-E ■ indirect ■

■ personnel costs ■ travel costs
■ activity costs ■ procurement

Activities

Audit Peer Team
I. Guide and train online/phone and conduct workshops for:
- Customization of FA and CA manuals,
- Execution of pilot-audits;
- Overall annual planning and quality control;
- Use of Audit flow or other CAATs;
- IT-audits and IFMIS training.
II. Assist in translation of manuals and working papers;
III. Performance audit customization and team adjustments considered in 2019, based on experiences;
IV. Ensure coordination and advise on relevant regional trainings, material and activities.

Internal Governance and Independence Peer Team
I. Guide and train online/phone and conduct workshops for:
- Establishing performance management systems, incl operational plan, internal reporting and monitoring, and SAI Performance report;
- Develop remuneration system;
- Develop organization system and job descriptions;
- Professional development plan and programme.
II. Guide and train online/phone and conduct workshops for:
- Updating the legal framework and sensitization of key stakeholders;
- Communication planning and routines.
III. Bring in INTOSAI high-profile and respected persons if necessary, to sensitize stakeholders in Somalia about independence;
IV. Advise on relevant regional trainings;
V. Advise on other objectives of strategic goal 2-5 based on request and capacity.

Planned outputs

1.1 ISSAI based audit manual for regularity audit (financial and compliance) customized, introduced and applied

1.2 Performance audit manual customized, introduced and applied

1.3 Strengthened SFMIS knowledge and ICT-audit capacity

1.4 Quality assurance carried out

2.1 An improved system for overall annual audit planning established

2.2 Strengthened Performance Management

2.3 Quality control system customized, introduced and applied

2.4 Strong change management and a new organizational structure implemented in OAGS

2.5 Strengthened integrity internally

2.6 Improved conditions of service and staff remuneration

6.1 A finalized legal framework submitted to the President for approval

6.2 Legal framework implemented

Intended outcome

Goal 1: Timely, relevant and high-quality audit report in line with international standards

Goal 2: Strengthening Internal Governance for Efficient and Effective Audit Services

Goal 6: Amend the old legal framework OAGS currently operates under

To enable OAGS to successfully implement the strategic priorities in the period 2017-2020 and to enable the OAGS to audit and provide recommendations for improvement of the government institutions, the Office of the President, the Parliament and the Office of the Prime Minister.

Intended impact

Estblishment of an external audit function in Somalia which contributes to public confidence in government financial management and improved compliance with laws and regulations

Principles of implementation

IDI's Bilateral Policy (see also Section 3.1) states a number of design principles for bilateral projects. Table 1 below lists these principles and assesses to which extent they were applied in the design and implementation of the OAGS Project.:

Table 1 Application of IDI's project design principles in the OAGS Project

Design principles	Application in OAGS Peer Support Project
Partner-driven process towards ISSAI compliance	Applied in design and implementation: The Project was set up following an invitation by the OAGS to support the implementation of its Strategic Plan 2017-2020 (that included clear reference to its ambition to comply with the ISSAIs).
Holistic and change oriented approach using the SAI Strategic Management Framework	Applied as the OAGS Strategic Plan is based on the SAI Strategic Management Framework, a 'Status and Needs Report' based on the SAI-PMF framework was prepared in 2017 to inform the Project and a partial SAI-PMF assessment is planned by the end of the Project. While the holistic approach is less apparent in the design of Project (given the focus on only 3 of the strategic goals), during implementation, the Project also covered the other 3 strategic goals (especially strategic goals 4 on human resources).
Peer-to-peer support by experienced resource persons	Applied in the design of the Project but not maintained during implementation. The design included two Peer-team of 4 advisors for 3 years with a composition that included two selected advisors from a regional SAI with relevant experiences, one AFROSAI-E and one IDI staff member. During implementation, the constitution of the Peer teams included mostly IDI and AFROSAI staff members (especially in case project implementation is analysed in terms of inputs). Three resource persons of peer SAIs were engaged in 2018 but two of them did not continue their engagement in 2019. Two additional resource persons from SAI Turkey were engaged in 2020 but due to the pandemic their actual engagement was delayed until the last month of Project implementation.
Presence and continuity	Partially applied as during project implementation, presence was only sought via short term missions in Kenya and Ethiopia and frequent remote contact, but field presence in Somalia was limited to a couple of days. On the one hand, the security conditions in Somalia provide a legitimate justification to limit field presence. On the other hand, other donors demonstrate that, within certain limitations, field presence is possible. The approach in the OAGS Project reflects the approach towards field presence in IDI's Bilateral Policy Although it states that long-term deployments can be considered, the general rule for IDI is the use of short-term resource persons and frequent contact through e-mail and phone.
Partnerships and active coordination with INTOSAI regions and development partners	Applied in design and implementation: IDI cooperated with AFROSAI-E and was active in the coordination with other development partners such as the European Union (EU), the World Bank (WB) and the African Development Bank (AfDb)
Flexibility and continuous learning	Applied in design and implementation: The Cooperation Agreement focused on supporting three strategic goals, but included flexibility to shift resources to other strategic priorities. The Project design recognized the need to customize the manuals and other IDI / AFROSAI-E tools to the Somali context. The design included annual workplans that were updated on an annual basis.
Management of risks	Applied in design and implementation: The Cooperation Agreement includes a risk matrix including mitigating measures. The Annual Project Reports include a chapter on the effectiveness of the mitigation measures.

2.2 Relevance in light of the needs to the OAGS and the wider PFM context

Relevance to Somalia's PFM context

The Project's intended impact is to establish an external audit function which contributes to public confidence in government financial management and improved compliance with laws and regulations in Somalia. The need for improving public governance is reflected in the Somali National Development Plan (SNDP) 2017 – 2019. Although the Plan has a strong focus on economic development (tackling poverty and creating a conducive environment to revive Somalia's traditional economic sectors), it notes that economic development needs to be underpinned by strong governance and transparent and accountable public administration.

The direct mechanism by which the external audit function performed by the OAGS is supporting good governance is through making recommendations to improve the regularity of public spending and recommendations to increase the efficiency and effectiveness of government policies. Indirectly, the external audit function supports good governance as representatives of the Executive will comply with the financial regulations as they realize that an independent auditor is around to scrutinize them.

This role of Supreme Audit Institutions (SAIs) in promoting good governance and accountability was shown prominently in the United Nations (UN) General Assembly Resolutions of December 2011 and December 2014. The ongoing relevance of the establishment of an independent Supreme Audit Institutions and the need for an appropriate legal framework was re-iterated by World Bank (2020).[7]

The Somali PFM Road Map 2016 – 2020 focuses on strengthening the PFM systems of the Executive. However, it recognizes that "strengthening the role of the Auditor General" is an area of high priority as it will contribute to better accountability, the development of modern accounting standards and sound financial reporting and it is expected *"to buttress the fight against fraud and corruption in the executive branch"* .

Relevance to the OAGS

The relevance of the Project to the OAGS is evidenced by the fact that the Project was fully aligned with the OAGS Strategic Plan 2017-2020. A caveat to make is that the OAGS Strategic Plan was developed in close cooperation with IDI.

The Project was initiated by a request from the OAGS on the 18th of May 2017. This request was submitted shortly after the dismissal of the Auditor General on the 4th of May 2017 and before the appointment of the current Auditor General Mohamed M Ali in August 2017.

The OAGS specifically listed the following areas for support:

- To train the team for any type of audits;
- On job training, as to go other countries of Africa in order to get much practices;
- To be members of Regional Groups;
- Scholarship and other important trainings.

Following the request from the OAGS, IDI requested documentation from the OAGS including the Strategic Plan. This Strategic Plan for 2017-2020 was 'clearly developed by Somalis and not a consultants' job'. It included 'quite relevant strategic priorities' but the plan lacked 'specific targets or a result framework'.

Following the request, IDI approved a planning phase to prepare a complete project proposal for approval by its Board. During the Planning Phase, the Strategic Plan 2017 – 2020 was amended with the support of IDI into a mature document that reflects international best practice.

2.3   Realism of the assumptions underlying the Project

The Project's design included a list of five prerequisites that needed to be in place for the Project to be successful in achieving its outcome objectives and intended impact. In addition to these five assumptions, the evaluator has derived five additional assumptions from the Theory of Change that underlies the Project.[8] Table 2 re-iterates the various assumptions are re-iterated and an ex-post assessment of the realism of the assumptions is given.

Table 2 Assessment of the realism of the assumptions

Assumption	Rational	Assessment
Delivery on impact		
The OAGS has a reasonable degree of independence from the Executive.	If the assumption is not met, the OAGS cannot be expected to address financial malfeasance by the Executive	<u>Largely met:</u> Although the current legislation does not fulfil most requirements for independence as per the ISSAIs, the leadership style of the Auditor General allows the OAGS to act with a reasonable degree of independence from the Executive

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[7] Somalia: Public Expenditure Management Assessment, June 2020
[8] The Theory of Change was prepared and approved as part of the evaluation's Inception Report.

Parliament deliberates on the OAGS reports and holds the Executive accountable.	If the assumption is not met, the recommendations are not implemented.	Not met: The Parliament does not yet use the OAGS reports to hold the Executive accountable.
The OAGS's reports and recommendations give value added to improved functioning of the Executive.	If the assumption is not met, implementation of the recommendations would not improve PFM in Somalia	Partly met. No information is yet available on the follow up on audit recommendations to improve the Executive's control systems. However, a forensic audit of the OAGS in the Ministry of Health has resulted in the prosecution of corrupt government officials.
Delivery on outcomes		
Other DPs are willing to engage with the OAGS and provide financial assistance to achieve the other strategic goals on communication (goal 3), human resource management (goal 4) and the infrastructure (goal 5).	If the assumption is not met, progress in the prioritized strategic goals 1 and 2 will not be sustainable as the OAGS does not develop in a holistic manner.	Met. In 2019, both the EU and the WB started complementary technical assistance projects in the OAGS. The WB also allocated funds for material investments in the OAGS infrastructure and office facilities.
The assumption that Somalia will be relatively stable so that, as a minimum, audit evidence in key Ministries in Mogadishu can be collected.	If the assumption is not met, goal 1 cannot be achieved as no audit report on the basis of the ISSAIs can be prepared.	Met: In 2019, the OAGS could finalize the audit of the consolidated Financial Statements of the year 2018.
The assumption that the OAGS is allocated a sufficient and predictable budget from the budget of the Government to cover its recurrent expenditures.	If the assumption is not met, progress in goal 1 and 2 will not be sustainable as the OAGS cannot cover staff salaries and office running costs.	Partially met: The OAGS has received an allocation of US $1.78 million for 2019, the budget is considered inadequate for the OAGS to have adequate staffing in view of its audit mandate.[9]
The assumption that the Government of Somalia is supportive of a more independent OAGS.	If the assumption is not met, strategic goal 6 will not be achieved.	Partially met: Although the draft Audit Bill has been approved by the both (lower and higher) Chambers of the Parliament, the approval process has taken much longer than anticipated (nearly 2 years) resulting in delays in project outputs.
Delivery on outputs		
The assumption that the OAGS has the capacity to offer counterbalance against the peer advisors and to take genuine ownership.	If this assumption is not met, the ownership will exist on paper, but it will not be sustainable as the actual work is prepared by the advisors.	Partially met: Over time, the confidence and capacity of the OAGS staff has increased giving increasing counterbalance to the advisors.
The assumption that the team of advisors can make themselves sufficiently available given that project steering is based on outputs and not on inputs	If this condition is not met, the quality of the outputs may be at risk.	Partially met: The advisors from the peer SAIs are not compensated for remote activities. Advisors from AFROSAI-E and IDI struggle with balancing their inputs against other responsibilities
The assumption that the lack of ongoing field presence of the peer teams can be compensated by frequent contact through remote contact and physical workshops outside the country.	If this assumption is not met, the effectiveness of the project design is undermined by lack of trust from the Somalian recipients of the support and lack of contextual knowledge by the advisers.	Partially met: Although the Project has been praised for being always accessible and easily reachable, the support on the ground by the EU-advisors have been more important in achieving the project results relating to actual financial and compliance audits (see Section 5.2).

2.4   Relevance of adjustment to the design during implementation

Three kinds of adjustments to the original Project design were observed during the implementation:

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[9] Source: OAGS Performance Report 2019

- Revisions in the results framework
- Addendum to the contract
- Additional outcome indicator on gender

Revisions in the results framework

The Peer Support Project has largely worked in line with the original results framework. However, the Project has shifted its attention from objectives included in the results framework towards priorities that were not foreseen in the Project's design. Most notable is the de-prioritisation of support to the objectives relating to performance audit and IT audit under strategic goal 1. Instead, project resources were invested in strategic goal 4 relating to the human resource management by the OAGS.

These revisions have contributed to the relevance of the Project. Given that Somalia does not have a long tradition in financial reporting[10] and that corruption is prevalent[11], the Project's priority given to financial and compliance audit is sensible and, at this stage, performance audit need not be prioritised. The electronic delivery of services in Somalia is so immature as to justify the decision to de-prioritize IT audit.[12]

In contrast, the priority given to human resource management has strengthened the holistic approach of the Project and mitigates the risk to the sustainability of capacity building investments as an adequate HRM system should ideally reduce staff turnover.

Addendum to the contract

In October 2019, an addendum for an additional budget of 2.7 million NOK was approved. The first tranche, amounting to 1.6 million NOK, was disbursed upon signing of the addendum in 2019 and the second tranche (1.1 million NOK) was scheduled to be disbursed during 2020.

The additional funds was deemed necessary for two reasons. First, in 2018 there was a significant overspending on IDI's personnel costs (see Section 4.1). This overspending reflected partly the positive momentum in project implementation as the activities were implemented faster than anticipated and the OAGS was able to absorb that support. Partly, the overspending reflected poor budgeting relating to IDI's personnel costs. Second, the IDI Board has decided in 2019 that IDI's core funding should not be used to fund bilateral projects leaving a revenue gap in the budget (see Section 3.1).

Due to the COVID-19 global pandemic and the associated travel restrictions, the organisation of field workshops and class-room trainings was no longer feasible. Although the momentum of the Project was maintained and a joint work continued in 2020 through online contact, the additional budget set aside for 2020 has not been fully used (see Section 4.1).

Additional outcome indicator on gender

Norway strives to be a strong global voice for gender equality and the empowerment of women and girls. In line with Sustainable Development Goal 5, gender equality and women's empowerment is mainstreamed into Norway's development cooperation and humanitarian assistance.

As the design of the Project was based on the OAGS Strategic Plan 2017-2020 and gender equality is not included as a priority item in that document, IDI was requested by the NOE to develop an additional result indicator on gender at the start of the Project.

At the start of the Project, the results framework was updated with the additional indicator and target:

Table 3 Additional gender indicator and target

Indicator	Target
Percentage of female representation in the project organized events'	% equal to or higher than the proportion of female employees in OAGS

The additional indicator has raised the awareness on gender equality and the target was almost met during project implementation. In 2019, 30 % of the participants in main project activities were women, broadly in line with the proportion of women in the SAI which is about 33 %.

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[10] In 2019, the Ministry of Finance prepared a consolidated financial report for the Federal Government for the first time.
[11] Somalia's rank in the Corruption Perception Index in 2019 is 180 out of 180 countries (Transparency International)..
[12] Somalia ranks as the third lowest country in the E-Government Development Index (United Nations).

3. Coherence

The assessment of the coherence of the Project is guided by the following four review questions:

   i. Was IDI's engagement with the OAGS and to act as a specialized capacity development provider consistent with IDI's bilateral policy?
   ii. Were the selected delivery partners appropriate to support the implementation of the Project? Did IDI consider the availability of the resources of the peer partners prior to engaging their resource persons?
   iii. Were the governance arrangements for the partnership between the Project's stakeholders clear and easy to implement?
   iv. Was the OAGS Project appropriately coordinated and/or harmonized with other donor-funded projects?

3.1 Consistency with IDI's Bilateral Policy

The OAGS Project was among the first projects under IDI's Bilateral Policy. The Policy includes a number of principles and preconditions to guide the decision to provide bilateral support and sets out the modalities on how to provide support. Below, the OAGS Project is compared to these aspects of the Policy.

Conditions to provide bilateral support

Following the Policy, IDI will assess all requests or options for bilateral support using four conditions. These conditions and the evaluator's assessment of the extent to which the conditions applied in 2017 (when the Project was designed) are set out below.[13]

1. The SAI has major challenges and there is a need for bilateral support in areas where IDI has competencies and comparative advantages.

   Without question, the OAGS was and continues to be a SAI facing major challenges. The OAGS struggles to complete and report basic audits and lacks core internal systems. These challenges are not likely to be met by the participation of the OAGS in any regional or global programme of IDI and the OAGS requires more focused support. IDI and its delivery partner AFROSAI-E, have the competence and a comparative advantage by being able to engage peers from better performing SAIs in the region.[14]

2. The SAI does not receive extensive support and there are no other INTOSAI community providers (SAIs or regional organizations) able to deliver the support needed.

   Prior to 2018, the OAGS has received some support from other Development Partners (DPs), for example USAID and DFID, but the leadership of the OAGS was not actively engaged with them. The change in leadership that took place in 2017 increased the reputation of the OAGS among providers of development support. While in early 2018, IDI was the only provider of support, in the course of 2018 and 2019, the European Union (EU) and the World Bank (WB) became actively engaged with the OAGS.

3. IDI has the capacity to provide support and proper working arrangements can be established;

   IDI has been given financial capacity as it has received separate funding from the Norwegian government. IDI worked with the OAGS in the period 2015-2017 and it agreed a 'Cooperation Agreement', which included proper working arrangements, in 2017.

4. The SAI demonstrates a willingness and continued commitment to strengthen its performance and operate according to the principles of transparency and accountability.

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[13] IDI has prepared an extensive position memo on 31 May 2017 in which it assessed the OAGS request for bilateral support against the four conditions.

[14] The assessment here is aligned with the definition of 'comparative advantage' as used in the Bilateral Policy by referring to the ability to engage resource persons. The judgement here does not imply that resource persons from other SAIs are better qualified than an eternal consultant.

The OAGS has adopted a Strategic Plan that reflects the OAGS's commitment to the ISSAIs and to building systems that ensure quality and integrity. Although the commitment is formally in place, it is recognized that the change in leadership in 2017 has also reflected this commitment in action.

Specific conditions to act as 'specialized capacity development support'

Under the Bilateral Policy, IDI distinguishes three roles may (i) conduct a *broker role,* (ii) provide *capacity maintenance and lifeline support,* or (iii) provide *specialized capacity development support.*

In the OAGS Project, IDI has acted as a provider of 'specialized capacity development support'. The Policy states that this role can be chosen where IDI can support the implementation of specific strategic priorities of the SAI and has particular competence and comparative advantages. This will be in areas. typically, where IDI has carried out a '*regional or global program*' and has '*access to a network of strong resource persons*'.

The OAGS Project focused on audit quality, internal governance and legal reform. In these areas, IDI has carried out the regional / global programs.[15]. IDI and its partner AFROSAI-E have also access to the staff of SAIs worldwide and in particular in English-speaking Africa. Although the access to a network of peer resources constitutes a comparative advantage, it is noted that during the implementation of the Project in the OAGS, IDI and AFROSAI-E have made limited use of this resource. The Peer-Support Project foresaw the engagement of resource persons from SAI Uganda, SAI Ethiopia and SAI Botswana. In implementation, only one peer colleague from Uganda was engaged during the project period.[16] By the end of 2020, SAI Turkey got also actively engaged. .

Conditions on Funding arrangements

IDI's own resources are split between core funds and earmarked funds. the core funds are generally used to run the IDI operations, the earmarked funds are dedicated to specific projects.

The Bilateral Policy allows IDI to seek external funds to fund bilateral projects on the condition that the funding arrangement would not deviate from IDI's own capacity development approach and principles. The Policy also allows IDI to use core funding for bilateral projects on the condition that this does not impair IDI's ability to carry out global and regional programmes.

For the OAGS Project, the majority of funding was provided from the Government of Norway (GON) via the Norwegian Embassy (NOE) to Kenya. The funding agreement allowed IDI to hold on to its capacity development approach and principles. The funding agreement also included a commitment from IDI to invest core resources in the Project (see Table 4).

Table 4 IDI's core funds invested in the OAGS Project: budget and actuals (in NOK)

	2018	2019	2020	Total
Budget	600,000	450,000	450,000	1,500,000
Actuals	815,795	0	0	815,795

Comparing the budget to actual expenditure, it appears that the investment of core funding into the Project in 2018 was 36 per cent higher than expected. This would amount to around 66 IDI staff working days.[17] Although this overspending could have affected 'IDI's ability to carry out global and regional programs', such direct link cannot be established as the overspending is relatively small (less than 1%) in relation IDI's total budget.

Nevertheless, the contribution out of IDI's core funding was reduced till zero in 2019. The Annual Report 2019 justifies this deviation from the budget by reference to a decision of the IDI Board that bilateral projects, such as the IDI-OAGS Project, should primarily seek funding through external sources. It is noted that this decision was taken unilaterally and not clearly discussed with the stakeholders in the OAGS Project (see Section 3.3).

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[15] It is noted that this condition is not selective in deciding whether IDI wants to be engaged in the role as 'specialized capacity development support' given that IDI has carried out global programs in all areas covered by the SAI-PMF and its work stream are comprehensive in covering most (if not all) potential needs from SAIs.
[16] The peer from Botswana left the SAI in 2019 and was not replaced. The peer from Ethiopia was less engaged as he was planned to support strategic objective 2 and in that area the Project organised fewer field workshops.
[17] Based on the cost rates for IDI staff included in the OAGS Project budget.

3.2   Appropriateness of the selection of delivery partners?

In accordance with the Bilateral Policy, IDI has sought partnerships with the appropriate INTOSAI regions. Given its regional location and local language, Somalia has membership of both ARABOSAI and AFROSAI-E. For the Peer-Support Project, IDI has sought collaboration AFROSAI-E. This reflected the preference of OAGS and the relative capabilities and ambitions of the two regional bodies.

In the Project's design, IDI also aimed to strengthen the relationship between the OAGS and one or more neighbouring SAI. This could enable a new long-term peer-cooperation for the OAGS after the completion of this project.

Cooperation was sought with the SAIs of Ethiopia, Uganda and Botswana. This cooperation was not focused on establishing an institutional cooperation between the OAGS and these SAIs, but was limited to the recruitment of 'resource persons' to participate in specific project activities. These resource persons were selected from AFROSAI-E's database on the basis of performance and demonstrated skills in one or more AFROSAI-E's regional training events. No selection process including a comparative assessment of curricula vitae (CV) against pre-established criteria was carried out.

In 2020, the Project has started cooperation with the SAI of Turkey. This cooperation came as a result of a process where IDI through the Accelerated Peer-support Partnership programme (PAP-APP) contacted a large number of SAIs worldwide on their interest to take part in peer support to the most challenged SAIs. SAI Turkey was then among the interested SAIs, and responded positive to IDI's proposal to be a peer-partner for the Somalia project. Based on the Project need to support the OAGS in IT-audit, criteria for the resource persons were laid down and proposed CVs of SAI Turkey's staff were assessed and two resource persons were selected. As a first engagement, the peers from SAI Turkey provided basic training in IT audit by the end of 2020.

3.3   Clarity of governance arrangements between stakeholders

There are five arrangements to be assessed:

- Steering Committee arrangements;
- Arrangements between IDI – Norwegian Embassy;
- Arrangements between IDI – OAGS;
- Arrangement between IDI – AFROSAI-E;
- Arrangements between IDI – resource persons.

Steering Committee

The Cooperation Agreement between the OAGS, IDI and AFROSAI-E sets out the results framework and established a Steering Committee involving representatives from the three parties. The SC was led by the Auditor General of OAGS and has met annually in February to approve the annual report of the previous year and the activity plans for the ongoing/coming year. Monitoring of the project is done as a part of the annual reporting and meeting. The Norwegian Embassy, the main donor to the Project, was not represented in the SC, but could attend its meetings as an observer.

Arrangements between IDI – Norwegian Embassy

IDI and the Government of Norway have a longstanding relationship in which the GoN supports IDI in various ways including the provision of core funding for the sustained operations of IDI[18] and earmarked funds for specific projects. The Peer Support Project in Somalia was supported by a funding agreement between IDI and the Norwegian Embassy (NOE) to Kenya as the successor of a previous project funded by Norwegian Agency for Development Cooperation (NORAD).

The funding agreement includes provision for an annual meeting between IDI and NOE. It was agreed to incorporate this 'meeting' into the Steering Committee meeting and only to hold a separate meeting at the

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[18] Allocated by the Norwegian Parliament via the Office of the Auditor General Norway.

request of one of the partners. In the event, as noted above, the NOE did not attend the Steering committee and no separate meetings were convened.

These longstanding relationships may be the reason for the limited specificity on accountability arrangements in the contract between IDI and NOE. First, the funding agreement is very much output-based and does not include expectations on a minimum amount of IDI working days to be spent on the Project. Second, the original funding agreement between the NOE and IDI included an IDI contribution by its core funding for 2018, 2019 and 2020. However, this contribution was unilaterally cut from the Project's budget in 2019 following an IDI's Board decision.[19] The budgetary impact of the decision was not adequately communicated to the NOE. Third, during the implementation of the Project several adjustments to the original results framework were decided (see Section 2.4). However, the changes were not reflected in a revised results framework. Finally, during the Project implementation there was a lack of clarity between the partners on the total amount that NOE has disbursed.

Overall, the NOE is satisfied with the value for money that IDI delivers in the Peer Support Project and IDI is pleased with the trust that the NOE places in IDI's management and the relatively light reporting requirements.

Arrangements between IDI - OAGS

The relationship between IDI and the OAGS started in 2015. Whereas the relationship was less effective under the leadership of the former AG, its effectiveness improved significantly after the appointment of the current AG. Both sides reflect a high level of appreciation and trust in each other's objectives and activities.

The Cooperation Agreement that underlies the Project includes the framework of cooperation between the three partners, including specific details on financial procedures, and during the Project, there were hardly any bottlenecks in this relation.

The OAGS has also received support from both the EU and the WB. From the point of view of the OAGS, the arrangements with IDI stand out in terms of the ownership it gives to the OAGS and the access to the international network of SAIs. On other aspects, the services offered by IDI appear similar as those offered by the other development partners. Table 5 provides the views of the OAGS.

Table 5 Responses from the OAGS leadership on the question "If you compare the support of IDI/AFROSAI-E with the support provided by the EU or the WB, how do you characterize the support of IDI/AFROSAI-E on the following issues"

	LESS	SAME	MORE
The amount of ownership and responsibility that IDI/AFROSAI-E gives to the OAGS in the design of new OAGS policies, manuals, tools, products, etc			■
The flexibility in the focus of the support that IDI/AFROSAI-E provides to the OAGS		■	
The opportunities to gain access to the international network of Supreme Audit Institutions offered by IDI/AFROSAI-E			■
The technical quality of the advices of IDI/AFROSAI-E		■	
The amount of trust & confidence in the working relationship between the OAGS and IDI/AFROSAI-E		■	
The attention given to the coordination of the activity of IDI/AFROSAI-E with the OAGS and other donors		■	

Arrangement between IDI – AFROSAI-E

IDI and AFROSAI-E have a longstanding relationship of cooperation. In the Peer Support Project, it was agreed that IDI would take the leadership as it has a longstanding relationship with the GON and a back-

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[19] The precise interpretation of the Board decision is not clear. Allegedly, the Board does not prohibit the allocation of core funds to bilateral projects, but insists that bilateral projects should be funded by the project's own resources to a maximum extent.

office that is more experienced with the various administrative responsibilities linked to the project ownership.

The principles of the cooperation between, on the one hand, the delivery partners (IDI and AFROSAI-E) and, on the other hand, the OAGS, was formalised in the Cooperation Agreement. This included that an AFROSAI-E staff member would participate in the two Peer Support Teams.

The financial conditions for AFROSAI-E's participation were agreed by email. There was no formal document that specified the details of the cooperation between the IDI and AFROSAI-E in terms of the expected working days and/or the share of available funds that would accrue to each partner. The agreement only included the cost reimbursement for the physical participation of AFROSAI-E's staff in project activities in the field. Work done by AFROSAI-E's staff from the home base is considered to be a contribution-in-kind of AFROSAI-E. AFROSAI-E has not set conditions for AFROSAI-E's participation in bilateral projects and accepts that contributions in kind are given provided solely on the basis that it can be demonstrated that the support was effective in strengthening a member of AFROSAI.

In sum, both partners have a common understanding of the arrangements and are generally satisfied with them. However, as a result of the extensive amount of home-based work that is done by AFROSAI-E's staff in the course of the IDI-OAGS Project, AFROSAI-E would welcome a better financial recognition of that effort.

Arrangements between IDI – resource persons

From the commencement of the Project, IDI has engaged three staff from AFROSAI-E members respectively the SAI's of Botswana, Uganda and Ethiopia. In a later stage, two additional staff members from the SAI of Turkey were engaged. The arrangements between IDI and these peer resource persons are laid down in agreements between IDI and the respective SAIs setting out their mutual expectations. This includes the expectation that the SAI will release the resource person to the project for around 20-40 days a year. The IDI agreed to fund the international travel, accommodation and meals of the resource persons in return for the resource person's participation in project events such as class-room training and workshops that take place 'in the field'. In addition, as stated in the agreement, IDI has an expectation that these resource persons should be responsive to any remote requests for assistance by the OAGS.

Importantly, the mutual agreement does not involve a payment to the 'peer-SAI' that is employing the resource person. Nevertheless, it is assumed that the peer-SAI will continue to pay the resource person his/her regular salary and will take the engagement of the resource person into account when deciding on his/her work load. The contributions of these peer-SAIs are considered to be 'in-kind' contributions. For the Project, such contributions in-kind are 'low cost' resources and increase the efficiency of the Project. However, as the agreements are phrased as letters of intent, they are not binding. The availability of the resource persons and the quantity and quality of the inputs are therefore difficult to manage.

3.4   Quality of donor coordination

The ownership for donor coordination resides with the Director General of Planning and Performance of the OAGS. Donor coordination has become more important since the appointment of the current Auditor General (AG) in May 2017 as the OAGS demonstrated to be more open to international support under his leadership.

From early to mid-2018, IDI was the only provider of international support to the OAGS. Then IDI was joined by the World Bank[20] followed by the European Union since early 2019.[21] IDI, through the OAGS Project, has been instrumental in attracting the support of the EU and the WB by advising on the expert profiles and drafting their terms of references. IDI advised the OAGS on the Peer Support framework which integrates the support of the various long term advisors (LTA), the peers (IDI, AFROSAI-E and the bilateral SAI's) and donors that provide financial support. Figure 2 shows the model.
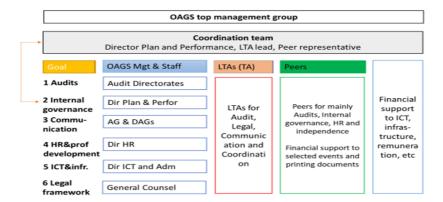
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[20] The WB has supported OAGS by the Capacity Injection Project focusing on the HR and organizational needs. It also provided support via the PFM project that focused on the finalization of the Federal Audit Bill and its regulations..
[21] The EU Support was part of a complementary measure to the budget support provided via a State and Resilience Building Contract (SRBC). The result of the complementary measure was formulated as "Enhanced oversight capacity of the Office of the Auditor General, with particular focus on the delivery of annual compliance audit of the federal budget and including facilitated implementation of the new legal framework"

At strategic level, donor coordination is also supported by semi-annual meetings between the OAGS and international development partners since 2019.

At operational level, the IDI-AFROSAI-E Peer Support Project was required to coordinate with the EU Project especially on strategic goal 1 (audit) and strategic goal 6 (legislation). Both EU LTA's noted that close coordination occurred in practice and emphasized the synergy between their efforts on the ground and the remote advices of the IDI-AFROSAI-E Peer Support Project.

Figure 2 OAGS Support framework

	OAGS top management group			
	Coordination team Director Plan and Performance, LTA lead, Peer representative			
Goal	**OAGS Mgt & Staff**	**LTAs (TA)**	**Peers**	
1 Audits	Audit Directorates	LTAs for Audit, Legal, Communication and Coordination	Peers for mainly Audits, Internal governance, HR and independence Financial support to selected events and printing documents	Financial support to ICT, infrastructure, remuneration, etc
2 Internal governance	Dir Plan & Perfor			
3 Communication	AG & DAGs			
4 HR&prof development	Dir HR			
5 ICT&infr.	Dir ICT and Adm			
6 Legal framework	General Counsel			

4. Efficiency

The assessment of the efficiency of the Project is guided by the following review questions:

i. Was Project delivery consistent with workplans in terms of activities, milestones and budgets?
ii. Were appropriate arrangements followed to ensure quality of delivery?
iii. Could the outputs have been delivered more cheaply by making more efficient use of the inputs?
iv. Were risks to successful project delivery identified and were appropriate design measures taken?
v. How efficient were the chosen delivery mechanisms compared to other feasible alternatives?

4.1 Alignment between workplans and delivery

Below, the alignment between workplans and delivery is done in terms inputs, activities and outputs.

Analysis in terms of inputs

During the implementation of the IDI-OAGS Project, the budget has been revised various times. In the Project's Performance Reports, the deviation between outturns and budget is consistently calculated against the latest budget revision. Good practice in project management, however, also requires comparison to original budget included in the approved Funding Agreement.

Table 6 compares the original budget with the outturn of the Project for the period covering 2018 and 2019.

Table 6 Comparison of budget versus actual 2018 and 2019 (in 1,000 NOK)

Expenses	Budget			Outturns			Deviation[22]	
	2018	2019	Sum	2018	2019	Sum	NOK	%
Project expenses - grant recipient (IDI)	571.1	257.7	828.8	1,031.1	519.9	1551.0	722.2	70%
Project expenses - cooperation partners (AFROSAI-E, OAGS)	1,977.1	1,026.4	3,003.5	1,918.4	1,237.5	3,155.9	152.4	8%
Overhead costs	100.5	48.3	148.8	216.2	74.6	290.8	142.0	66%
Total	**2,648.7**	**1,332.5**	**3,981.2**	**3,165.8**	**1,824.5**	**4,990.3**	**1,009.1**	**32%**

Overall, the project overspent by almost a third over first two years. Table 7 provides a breakdown of the overspending by IDI. It shows that the overspend is mainly attributable to IDI staff time as personnel costs have been overspent with 389% while activity costs were underspent. The overspending reflects partly the positive momentum in project implementation as the activities were implemented faster than anticipated and the OAGS was able to absorb that support in 2018. However, the overspending also reflects poor budgeting relating to IDI's personnel costs and the absence of controls or ceilings on the number of staff days spent during the project's implementation.

Table 7 Breakdown of overspending in 2018 and 2019 by IDI

Expenses	Budget			Outturns			Deviation	
	2018	2019	Sum	2018	2019	Sum	NOK	%
Personnel costs	179,172	88,164	267.336	813.878	493.126	1.307.004	1.039.668	389%
Travel costs	145,992	51,508	197.500	145.284	75.933	221.217	23.717	12%
Activity costs[23]	245,927	118,026	363.953	274.103	25.459	299.562	-64.391	-18%
Operating costs	0	0	0	1.350	0	1350	1350	n.a.
Total	571,091	257,698	828.789	1.234.615	594.518	1.829.133	1.000.344	121%

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[22] Positive reflects overspending, negative reflects underspending
[23] Activity costs include accomodation, meals and conference costs

The overspending was addressed by securing additional funds from NOE which was included in a budget amendment approved in November 2019 (see Section 2.4). Including the budget amendment, there was no overspend in 2019 and, due to COVID pandemic and the delay in activity implementation, an underspending in 2020 of 49 % and for both years as a whole this means 27 % underspending (see Table 8).

Table 8 Comparison of budget versus actual 2019 and 2020 after contract amendment (in 000 NOK)

	Budget			Actuals			Deviation	
Expenses	2019	2020	Sum	2019	2020	Sum	NOK	%
Project expenses - grant recipient (IDI)	491	870,3	1361,3	512,4	675,5	1187,8	173,5	-12,7%
Project expenses - cooperation partners (AFROSAI-E, OAGS)	1275	1194,5	2469,5	1237,5	279,9	1517,4	952,1	-38,6%
Overheads	84,1	84,1	168,2	74,6	136,9	211,5	-43,3	25,8%
Total expenses	1850,1	2148,9	3999	1824,5	1092,3	2916,8	1082,2	-27,1%

Analysis in terms of activities

The planned project activities are set out in the activity plan 2018-2020 and the annual OAGS Peer Support Plans. The former constituted the basis for the project budget and the approval by the NOE. The latter plans are annual working plan of the OAGS that incorporate the efforts of the all development partners in support of the implementation of the OAGS strategy.

Original activity plan 2018 - 2020

The original activity plan 2018 – 2020 is not a good yardstick to measure alignment between workplan and delivery as it was adjusted significantly overtime to be in alignment with the annual workplans of the OAGS. Already for the first year of implementation (2018), a comparison between the original activity plan and the 2018 work plan shows a significant variation.[24] Although such a significant adjustment in the first year of implementation raises questions on the initial design, in principle the project can be commended to be flexible and adjust the original activity plan with the actual state of play and (new) requests of the OAGS. Nevertheless, as a source document to demonstrate accountability, the original activity plan has little value.

OAGS annual peer support plans and reports

The OAGS annual workplans provide a detailed schedule of activities planned for the upcoming year and the role played by the OAGS, IDI/AFROSAI-E and other DPs. Unfortunately, no performance reporting has been conducted at the same level of detail which inhibits a rigorous comparison between planning and delivery at activity level. While the activity plans are detailed and numbered, the reports are aggregated and do not refer to the activity numbers in the planning documents. An illustration is given in Annex 5 for project activities scheduled for 2018.

Analysis in terms of outputs

For the analysis of the planning and delivery in outputs, the OAGS Peer Team Plans and the OAGS Peer Support Reports are used. Table 10 and 11 summarize the results. Table 9 focuses on the support given to the strategic goals that were prioritised in the original plan. Table 10 focuses on the strategic goals 3, 4 and 5 in which the Project decided to engage after its commencement.

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[24] From Table 9, it can be concluded that from the 41 activities scheduled in the original plan for 2018, 12 activities (29%) were removed and 3 activities (7%) were scheduled to a later deadline in 2018. Only 62% of activities in the original plan was re-iterated in the OAGS Peer Support Plan.

Table 9 Delivery on outputs in the domain of Strategic Goal 1, 2, and 6

Fully delivered	Partially delivered	Not delivered
Strategic goal 1: Timely, relevant and high-quality audit reports in line with international standards		
Customized and translated Financial and Compliance Audit manuals and staff trained in the methodology		
	Financial and compliance audit reports based on methodology in line with international standards[25]	
Annual audit plan		
		Customized and translated Performance Audit manual and staff trained in the methodology[26]
		Audit reports including ICT-risks audited[27]
Quality assurance report and plan for addressing findings		
Strategic goal 2: Strengthening internal governance for efficient and effective audit services		
	Quality review procedures set in the new audit manuals and managers trained[28]	
Operational plan, monitoring system and annual report		
	New organizational structure developed and implemented[29]	
Code of ethics established, and staff awareness strengthened		
		Improved conditions of service and staff remuneration[30]
Strategic goal 6: Amend the old legal framework OAGS currently operates under		
Federal Audit bill to be submitted to Parliament		

Table 10 Delivery on outputs in the domain of Strategic Goal 3, 4 and 5

Fully delivered	Partially delivered	Not delivered
Strategic goal 3: Strengthen external communication and stakeholder relations to ensure audit recommendations are implemented and reports have an impact on governance and accountability		
		Communication plan[31]
	Communication material as brochure, video, etc.[32]	
Strategic goal 4: Well qualified and professional staff and management		
HR-staff trained in key HR-concepts and routines		
	HR policy developed[33]	

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[25] The Quality Assurance Report shows that compliance with the ISSAI-based manual in the actual implementation of audits is still partial.
[26] Introduction of Performance audit was not prioritised in the Annual Workplans.
[27] Introduction of IT audit was not prioritised in the Annual Workplans.
[28] Quality review procedures included in the manuals, but no tailored training to managers was given.
[29] A draft of the organisational structure was prepared but implementation is delayed until the new Audit Law is endorsed.
[30] No activities in this area were done due to the delay in the adoption of the new Audit Law.
[31] This has been taken up by the World Bank who deployed a specialised consultant in this area.
[32] Except for funding a stakeholder engagement meeting, no specific outputs were finalised.
[33] Draft developed in English. Finalization awaiting new act.

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Job descriptions			
		Competency matrix[34]	
	Training plan[35]		
	Plan and program for Professional Development[36]		
Strategic goal 5: Sufficient infrastructure and ICT capacity for efficient operations			
		ICT-assessment and ICT-plan	
	Audit flow customized		

The Table shows that the Project achieved a success percentage of 50 % in output delivery in the domains of strategic goals 1,2 and 6 that were the original focus of the Project: six fully achieved outputs out of a total of a planned twelve outputs. In the strategic goals 3, 4 and 5 that were originally not considered as focal areas, the output delivery rate is significantly lower (20 %): two fully achieved outputs out of a total of ten planned outputs.

4.2   Quality of Project delivery

To assess the overall quality of the delivery of the OAGS Project, the quality of the Project's five main delivery methods are assessed separately. The Project made use of the following five methods:

i.   Advice and on-the-job training using remote communication tools (Zoom/Teams) on various technical issues;
ii.   Physical workshops and class-room training;
iii.   Participation in regional programs / training;
iv.   Provision of templates and good practice principles for technical products;
v.   Additional funding for activities and products organised by the OAGS for which not sufficient own resources are available.

Remote technical advice and on-the-job training

The general rule for IDI in providing bilateral support is the use of short-term field missions and frequent contact by e-mail and phone, In the case of Somalia, due to concerns on safety and security, the advisory Peer Teams provided their advice partially remotely. With the exception of two missions at the airport area of Mogadishu, no short-term field missions to the premises of the OAGS have taken place.

In combination with the physical workshops and class-room training, remote advice and on-the-job training were used to support the OAGS in applying the technical templates or good practice principles for product contents. An example in which the Project provided intensive remote technical advice was the preparation of the annual planning and control cycle (annual operational plan, quarterly monitoring reports and the performance report).

The quality of the remote advice was assessed highly positively by the senior management of the OAGS. Table 11 shows its appreciation on various quality components.

Table 11 Response of the OAGS leadership on the question "How do you appreciate the quality of the remote advice (via video-call) given by IDI/AFROSAI-E peer support team?"

	Rating (1 = low, 5 = high)				
Relevance: Were the responses helpful and addressing the issue raised by the OAGS?	1	2	3	4	5
Timeliness: Were the responses given in a timely manner?	1	2	3	4	5
Technical adequacy: Were the responses reflecting technically correct?	1	2	3	4	5

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[34] In progress, but no intermediate outputs were observed
[35] A draft was prepared in 2020. but not completed.
[36] A draft was prepared in 2020, but not completed.

Client-friendly: Was it easy to connect with the advisors?	1	2	3	**4**	5
Clarity: Were the answers clear and easy to understand?	1	2	3	**4**	5

Although the OAGS confirmed that *"the quality of the remote advice and on-the-job training on technical issues provided by the IDI/AFROSAI-E peer support team is good"*, it was also aware that the IDI / AFROSAI-E support differed from the field presence of the consultants from the EU and WB. The OAGS leadership believed that in person meetings are more effective.[37]

Physical workshops and class-room trainings

The Project provided 11 workshops and/or classroom trainings on various topics. Except for one workshop, the Project did not measure the quality of the workshops through measuring the satisfaction of participants.[38] The evaluator has surveyed the OAGS leadership on their perception on the quality of the work workshops/trainings. Without exception, all field workshops/training were assessed to be highly useful and of good quality. In addition, the OAGS leadership was questioned on the appreciation of the various aspects of quality.

Table 12 Response of the OAGS leadership team on the question "How do you appreciate the workshops/ trainings on the various quality aspects?"

	Rating (1 = low, 5 = high)				
Topics: Were the topics of the trainings / workshops well-chosen and address the priorities of the OAGS?	1	2	3	4	**5**
Learning materials: Were the learning materials appropriate and tailored to the needs of the OAGS staff?	1	2	3	4	**5**
Trainers / facilitators: Were the trainers/facilitators qualified and able to explain the subject matter in a clear manner?	1	2	3	4	**5**
Logistics: Were travel and accommodation well-arranged?	1	2	3	**4**	5
Duration: Were the workshops / trainings sufficiently long to allow absorption of the learning materials?	1	2	3	4	**5**
Applicability: Were you able to apply the lessons from the workshop / training on the job in the OAGS?	1	2	3	**4**	5

A special feature of the IDI delivery method is to engage experienced practitioners from peer SAIs in the field workshops/trainings. For the OAGS project, three resource persons of the SAIs of Botswana, Ethiopia and Uganda were engaged. The OAGS leadership valued their presence but did not believe it added to the effectiveness of the training (see Table 13).

Table 13 Response of the OAGS leadership team on the question "How do you appreciate the contribution in the workshops / trainings of the EXPERIENCED PEERS from other SAIs"?

No value added at all.	Limited value added	Moderate value added	High value added.	No opinion
The presence of PEERS from other SAIs did not contribute to the effectiveness of the training	**The presence of PEERS from other SAIs was appreciated, but it did not increase the effectiveness of the training**	The presence of PEERS from other SAIs made the trainings significantly more effective	The presence of PEERS from other SAIs was a key success factor for the effectiveness of the training	We do not have sufficient experience with PEERS from other SAIs to have an opinion

Participation in regional programs / trainings

The Project offered selected OAGS staff two opportunities to participate in a regional training organised by AFROSAI-E: (1) Regularity Audit Refreshers / Technical update 2019 (Cape Town) and the Annual HR

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[37] See OAGS' responses on question 1 and 5 of the open questionnaire (annex 3) and question III in the closed questionnaire (annex 4).
[38] The Human Resource capacity building workshop achieved a satisfaction rate of 93.6 %.

Workshop 2019 (Kigali). Overall, the participation in these trainings was appreciated, but the applicability in the OAGS was not considered to be too significant (see Table 14).

Table 14 Response of the OAGS leadership team on the question "How do you appreciate the offer of the Project to participate in regional (AFROSAI-E) programs?"

	Rating (1 = low, 5 = high)				
Topics: Were the topics of the regional programs / trainings well-chosen and address the priorities of the OAGS?	1	2	3	4	5
Logistics: Were travel and accommodation well-arranged?	1	2	3	4	5
Applicability in the OAGS: Were you able to apply the lessons from the regional programs / trainings on the job in the OAGS?	1	2	3	4	5

Provision of templates for technical products

During Project implementation, IDI and AFROSAI-E have provided the OAGS with templates on various SAI work domains. These templates constitute a basis on which the OAGS could prepare its own policies, tools and guidelines by customizing them to its own context. Table 15 shows that the quality and applicability of these technical templates, without one exemption, have been highly appreciated.

Table 15 Response of the OAGS leadership team on the question "How do you appreciate the quality of the technical TEMPLATES offered by the IDI / AFROSAI-E Project"

	Rating (1 = low, 5 = high)				
Audit manuals	1	2	3	4	5
Working papers	1	2	3	4	5
Audit plan	1	2	3	4	5
Annual planning and control cycle documents	1	2	3	4	5
Job descriptions	1	2	3	4	5
Professional development plan	1	2	3	4	5

Financial support to fund OAGS activities

The Project funded various activities on the request of the OAGS. This funding included the salary payment for the Special Assistant to the AG and the stakeholder engagement workshop that took place in August 2018 in Mogadishu. Table 16 provides the appreciation of the OAGS of the financial support

Table 16 Response of the OAGS leadership to the question "How helpful is PROJECT in providing additional funding for activities organised by the OAGS"

	Rating				
Flexibility: Is the project flexible in considering which expenditures can be covered by the project	1 (very strict)	2	3	4	5 (very flexible)
Bureaucracy: Does the OAGS need to comply with a lot of administrative procedures in order to get the expenses paid by the project?	1 (a lot of bureau-cracy)	2	3	4	5 (no bureau-cracy)
Timeliness: Does the project provide the funding in a timely manner?	1 (much delay)	2	3	4	5 (no delay)

4.3   Efficiency in the use of the inputs

Table 17 shows the four largest cost items in the delivery of the OAGS Project. Together, these items account for 85 % of the Project's expenses.

Table 17 Main expenditure items (in NOK) in the implementation of the Project (2018-2020)

	2018	2019	2020	Total	As % of total
Total Project	3,165,795	1,832,041	1,218,603	6,216,439	100%
1. Personnel costs IDI	813,878	493,126	802,434	2,109,438	33,9%
2. Activity costs IDI and AFROSAI-E	414,573	43,090	5,012	462,675	7,4%
3. Travel costs OAGS	398,893	496,966	2,442	898,301	14,5%
4. Activity costs OAGS	1,126,580	570,521	80,050	1,777,151	28,6%
Total 4 cost items	2,753,924	1,603,703	889,938	5,247,565	84,4%
Share of 4 cost items in total Project costs	87%	88%	73%	84.4%	

See below for an examination of whether cost reductions in the four cost categories could have been achieved.

Personnel costs IDI

The personnel costs of IDI amount 26 % of total expenditure. Table 18 shows the breakdown of the working days between the Strategic Goals and Project Management up to 31 December 2020.

Table 18 Breakdown of IDI's personnel costs in working days

	2018	2019	2020	Total 2018-2020
Working days Goal 1 Audit	87.0	18.3	30.7	136.0
Working days Goal 2+6 Governance and Independence	114.0	14.9	24.2	153,1
Project management	-[39]	65.4	31.1	96,5
Total	201	98.6	86.0	385,6

Table 18 shows that in 2019 project management took up two-third of IDI's working days and relatively few working days were directly attributed to the Strategic Goals.

Another conclusion that can be derived from the total IDI personnel cost and is that the average internal fee rate per working day is around 5470 NOK.[40] This is 1,350 NOK (25%) above IDI's standard fee rate of 4,120 NOK and suggests that additional overhead costs are incorporated in the personnel costs charged to the Project.

The standard fee rate of 4,120 NOK incorporated in the IDI budget for 2019 is low in the market of international consultancy (see also Section 4.5) and it does not reflect the full cost of IDI-staff including pension, social security, office space and other overheads.[41] A significant cost reduction in the applied fee rate seems therefore not plausible. Similarly, a cost reduction by lowering the volume of the man days seems not plausible given that the volume per year is less than one full time equivalent per year.

Activity costs IDI and AFROSAI-E

In 2018, 15 % of the annual expenses were spent on activity costs by IDI and AFROSAI-E. In 2019, this budget line accounted only for 2.5 % of total expenses which reflects the lower number of missions and workshops in 2019 as compared to 2018.

Travel and activity costs OAGS

More than half of the project costs are related to field workshops and classroom training. These workshops were carried out outside of Somalia in Nairobi and Addis Ababa. Travel costs to bring the OAGS staff to the

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[39] Not available as projectmanagement was incorporated in Goal 1, 2 and 6.
[40] Based on the division of the total personnel costs charged tot he project and the total number of workng days.
[41] The standard rate per working day is around 480 US Dollar. This standard rate is broken down in salary cost per man-day of 360 US Dollar and a contribution to the overhead costs 120 US Dollar.

workshop locations accounted for 18 % of total project costs and accommodation expenses accounted for 34 % of total project costs. Table 19 provides an overview of the costs per workshop.

Table 19 Composition of expenses to workshops and meetings

	Subject	Dates	Location	Nr of participants
i.	Audit Planning Workshop	26 Feb - 2 March 2018	Nairobi	20
ii.	Data Collection Workshop	6- 12 April 2018	Nairobi	27
iii.	Audit Reporting workshop	20 – 28 May, 2018	Nairobi	8
iv.	HR capacity building workshop	27 – 31 May, 2018	Nairobi	5
v.	Management Development Program	12-17 August 2018	Nairobi	9 (OAGS 16 (S. Sudan)
vi.	Audit Planning workshop	1-6 September 2018	Nairobi	8
vii.	Audit Customisation Workshop	9-13 December 2018	Nairobi	8 (OAGS) 11 (FMS)[42]
viii.	Lesson Learnt and Audit training Workshop	8- 12 July 2019	Addis Ababa	20 (OAGS) 5 (FMS)
ix.	CA training and audit manual customisation Workshop	2-6 December 2019	Addis Ababa	15 (OAGS) 8 (FMS)
Total number of OAGS and FMS staff that participated in international workshops				144

IDI's accounting records could not provide a cost record per workshop. Based on the total expenses on travel and activity costs (see Table 17), it is calculated that, on average, it costed 18,579 NOK (2,154 USD) per participant to participate in an international field workshop. This is a significant amount. Four potential ways to achieve efficiency gains are considered below.

A first option to achieve cost savings via cheaper flights and/or accommodation arrangements seems not plausible. The Cooperation Agreement included the routines for booking of flights, hotel and conference facilities. It was agreed that IDI booked the flights on the basis of economy class and the accommodation/conference facilities were purchased using IDI's competitive procurement procedures. For per diems, the AFROSAI-E subsistence policy applied.[43]

A second option is to reduce the number of field workshops or replacing them by remote 'webinars' seems also not advised. In response to the question which type of support is mostly appreciated by the OAGS staff, the field workshops and classroom trainings scored highest (see Table 20).

Table 20 Response of the OAGS leadership to the question "What methods of support are most useful to the OAGS? Please, rank the various types of support in terms of the preferred method of support (Nr 1 is the most preferred method , nr 5 is least preferred method)[44]

Rank	Implementation delivery mode
1	Physical workshops and class-room trainings
2	Participation in regional programs / trainings
3	Additional funding for activities organised by the OAGS for which not sufficient own resources are available
4	Provision of ready-made templates
5	Remote advice and on-the-job training on technical issues

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[42] The Project did also allow participants from the supreme audit institutions of the Somalian Federal Member States (FMS)

[43] This means the OAGS participants will not be entitled to per diems other than any meals not provided.

[44] It is noted that the ranking only presents a relative preference. It does not disqualify the effectiveness of the lower ranked delivery modes. The OAGS leadership indicated that all delivery modes are appreciate and effective: *"We believe that all the above-mentioned modalities are effective as each one of them played a critical role in advancing our Strategic Plan over the last three years."*

A third option is to deliver the field workshops/trainings in Somalia and not abroad in Kenya or Ethiopia. This will reduce significantly the costs of the Program. Crucially, this will depend on the security conditions in Somalia and whether the safety of the participants can be guaranteed.

A fourth option is to make participation in international workshops less broadly available and to offer this opportunity only to a limited number of change agents.

4.4   Adequacy of risk assessment and mitigation measures

The Cooperation Agreement includes the results of the ex-ante risk assessment and the proposed mitigation measures. During implementation of the Project, the Steering Committee considered an actual assessment of the risks and discussed whether the mitigation measures were applied. Given the three-year duration of the Project, the annual meeting frequency of the Steering Committee allowed two moments to discuss the need for intensification or additional measures (February 2019 and February 2020).

Table 21 presents the risks and risk mitigation measures. The evaluator has categorized the risks into the five evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability. The last column shows the findings of the evaluator to what extent the mitigation measures were applied.

Table 21 Risk assessment and implementation of mitigation measures

Criteria	Risk factors	Mitigation measures	Evaluator's assessment of the application of risk mitigation measures
Risks tor efficiency	Delays in implementation of planned activities	Joint process for setting and agreeing on project activities and ambition levels	Fully observed
		Flexibility and annual adjustment of plans	Fully observed
		Regular communication on phone and e-mail	Fully observed
		Mobilize other DPs to support operational and infrastructure costs	Fully observed
	Relevance and quality of advice	Emphasizing personal qualifications of advisors	Partially observed. The Project was implemented by permanent IDI and AFROSAI-E staff. For resource persons, there was no elaborate selection procedure that evidenced the risk mitigation measure.
		Training advisors in sensitivity as well as the country specific PFM-system	No such training has been observed.
		Seek to adapt the guidance material to the context	Fully observed
		Regular dialogue with OAGS on how to ensure relevance and quality of advices	Fully observed
	Insecurity in Somalia especially, but also some risk at other venues	Regular assessment of which location is safe for meetings	Fully observed
		Creating awareness of the risk among the advisors	Fully observed
		Use of the IDI and AFROSAI-E routines for crisis management	Fully observed
	Activities not coordinated both within	Active use of mechanisms for internal coordination: Joint	Fully observed

		steering committee, annual meeting, regular phone meetings	
Risks to effectiveness	the project and with other supporters of OAGS	Invite other providers to OAGS for the annual meeting	Fully observed
Risk to impact	Credibility of the SAI undermined as audit reports issued proven to be incorrect	Support to active use of the audit manuals	Fully observed
		Creating awareness of the risk among the advisors	Fully observed
	Audit results not followed-up by Parliament or the Executive	Sensitization of key stakeholders as a part of the project	Partially observed. Three stakeholder engagement events were supported by the project financially and through advice on the program, but not through active participation during the meeting. Also, the the project did not directly engage with the Parliament to sensitize them on the role of SAIs and the OAGS.
	Strengthening of the SAI meet significant resistance among influential elites		
Risks to sustainability	Unexpected change of AG or managers of the SAI	Involvement of a great number of OAGS staff -	Fully observed
		Holistic approach in terms of both support to auditing, management quality control, reporting and dissemination – interlinked processes and systems	Fully observed

4.5 Comparison to alternative delivery mechanisms

The key methodological approach of the OAGS Project is rooted in the IDI service delivery model which follows a facilitation approach to empower SAIs to be able to manage their own capacity development. That model implies the use of (international) workshops for staff of the participating SAIs facilitated by more experienced colleagues (resource persons). During these workshops, the participants are expected to learn from the experiences from their peers from IDI / AFROSAI and from the resource persons invited by IDI. Based on these discussions and learning experiences, the participants return to their home SAI and are expected to apply the lessons learned to institutional reform (strategy and manuals), audit work and training of their colleagues. The Project made no use of "in-country" physical support from IDI-funded peers.

The evaluation question asks whether an alternative delivery method could be considered more cost-effective.[45] To answer this question, the IDI delivery model is plotted against a delivery method that is based on IDI-funded peers who work on-site to support the OAGS on ISSAI-based strategies, manuals, in-house training and pilot audits and IDI project management and quality control. Table 22 provides an estimate of such a delivery method. The calculation is based on the following assumptions:

- A team of two ISSAI-experienced peers (for audit and internal governance) is working on-site;
- Each peer is present on-site for three years for 100 working days per year;
- Pool for specialised short term peer expertise recruited from resource person network of IDI;
- IDI project management (two days a month for three years);
- Savings on workshop costs as they will be carried out in the OAGS office in Mogadishu.

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[45] Cost effective is defined as the balance between outputs and costs. A more cost effective delivery method could thus either deliver the same outputs for lower costs or deliver more outputs for the same costs.

Table 22 Costs of an alternative delivery method

Item	Number of working days	Cost per working day[46]	Total costs (n Euro)
Costs of audit expert	300	850	255,000
Costs of governance expert	300	850	255,000
Pool for specialised short term expertise	100	250	25,000
IDI Project management and Quality Control	72	500	36,000
Incidental costs for workshops, translation, etc)			50,000
Total costs of the programme			621,000

Including the budget amendment of November 2019, the total budget of the OAGS Project amounted NOK 7.8 million (about EUR 735,000). It can be concluded that an alternative delivery mechanism could potentially have been more efficient than the one applied by the OAGS Project. As efficiency requires a balance between costs and outputs, the lower costs of the alternative delivery method needs to be balanced with similar quality and quantity in the delivery of outputs. Given the preference of the OAGS for experts that are available on the ground and the relatively low value-added of resource persons from others SAIs in the field workshops/trainings, the evidence suggests that the alternative model could match the quality of the applied model in the OAGS Project provided that suitable long term experts can be recruited. .

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[46] Including fee, travel and per diem.

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5. Effectiveness

The assessment of the effectiveness of the Project is guided by the following review questions:

  i. To what extent have the expected outcomes of the OAGS Project been achieved? If the expected outcomes were not achieved, what were the bottlenecks hindering full achievement?

  ii. To what extent can improvements in the performance and capacity of OAGS be attributed to the Project deliverables? What is value added of IDI's bilateral project modality and partnership with AFROSAI-E in achieving results at outcome level?

5.1 Achievement of the Project's objectives

As described in Chapter 2, the design of the Project has aligned the Project objectives to three strategic goals of the OAGS as formulated in its Strategic Plan 2017-2021. The results framework in the Funding Agreement with the NOE and the Cooperation Agreement with the OAGS focused on the following three strategic goals:

- Strategic goal 1: Timely, relevant and high-quality audit reports in line with international standards

- Strategic goal 2 Strengthening Internal Governance for Efficient and Effective Audit Services

- Strategic goal 6: Amend the old legal framework OAGS currently operates under

Strategic goal 1: Timely, relevant and high-quality audit reports in line with international standards

Table 23 shows the performance of the Project in meeting the outcome targets relating to Strategic Goal 1.

Table 23 Actual achievement against planned targets for strategic goal 1

Outcomes	Target	Actual achievement
Audit of the Somalia government financial statement (consolidated accounts) 2015-19	Executed and reported: - FY16-17 in 2018; - FY 2018 in 2019; - FY 2019 in 2020.	FY 16-17 not achieved as no consolidated FS were prepared. FY 2018 achieved in 2019 FY 2019 to be assessed in 2020
Percentage of completed annual audits at MDA level using the new audit manuals	50 % in 2019	37% in 2019
Annual audits including audit of ICT risks	3 MDAs by 2020	Not achieved as support to IT audit was delayed
SAI PMF indicators SAI-9 to SAI-11 and SAI 15-17: Financial and compliance audit standards, process and results	Average score of 2 by 2020	To be assessed in 2020.

Sources: Performance Report OAGS Project 2019 and End-Term Review Report (2020)

Table 24 shows that the Project has been reasonably successful. A main achievement is the audit of the first consolidated Financial Statement of the Federal Government of Somalia 2018 that was completed and published in 2019. The audit got wide local and international media-coverage. The overall conclusion of the audit is that most of the entities audited were not complying with laws and regulations for effective management and accountability of public funds entrusted to them. The audit also concluded that $18 million from the European Union, Saudi Arabia and the United Nations did not pass through the treasury's account at the central bank, and that some of the money was kept in offshore accounts with weaker controls.

The audit of the consolidated Financial Statement of the Federal Government of Somalia 2019 was also published within a year after the end of the fiscal year on 21 November 2020.

Another achievement linked to the project efforts on improving the audit methodology is the successful publication of the compliance / forensic audit into the management of donor funds in the Ministry of Health conducted in 2020. The audit has brought to light extensive fraudulent practices by government officials and, consequently, legal action and imprisonments through the Ministry of Justice.

Evidence on the achievement of the other objectives need to be given by the Quality Assurance Assessment done by AFROSAI-E. The final results of this assessment are still outstanding.

Strategic goal 2 Strengthening Internal Governance for Efficient and Effective Audit Services

Table 26 shows the performance of the Project in meeting the outcome targets relating to Strategic Goal 2.

Table 24 Actual achievement against planned targets for strategic goal 2

Outcomes	Target	Actual achievement[47]	
Percentage of operational plan activities implemented	70 % annually	67 % in 2018 54 % in 2019; 91 activities were planned. 41 % were not done or ongoing, and will be considered for 2020. 4 % are cancelled.	
SAI PMF indicators SAI-3 to SAI-8:	Average score of 2 by 2020	Achieved:[48]	
		SAI-3 Strategic planning cycle	3
		SAI-4 Organizational control environment	2
		SAI-5 Outsourced audits	2
		SAI-6 Leadership and internal communication	2
		SAI-7 Overall audit planning	2
		SAI-8 Audit Coverage	2
Percentage of female representation in the project organized events.	% equal to or higher than the proportion of female employees in OAGS.	2018: Female rate staff: 29% Female participation rate in Project: 34.5 % 2019: Female rate staff: 33% Female participation rate in Project: 29.5 % 2020: Female rate staff: 35 % Female participation rate in Project: 40 %	

Sources: Performance Report OAGS Project 2019 and End-Term Review Report (2020)

Table 26 shows that, although not all targets for the strategic goals were fully achieved, the margin between the targets and the realisation is relatively small.

Strategic goal 6: Amend the old legal framework OAGS currently operates under

Table 27 shows the performance of the Project in meeting the outcome targets relating to Strategic Goal 6. It can be derived from the table that the targets for strategic goals were largely achieved and that the achievement of the new legal framework hinges on the approval of the President .

Table 25 Actual achievement against planned targets for strategic goal 6

Outcomes	Target	Actual achievement[49]	
New legal framework	Enacted	In progress: Federal Audit Bill drafted and approved by the two chambers of Parliament. Enactment still needs the approval of the President.	
SAI PMF indicators SAI-1 to SAI-2 on Independence and Mandate of the SAI	Average score of 2 by 2020.*	Achieved, but potential improvement is conditional on adoption of the Audit bill.	
		Indicator	**Total score**
		SAI-1 Independence of the SAI	2
		SAI-2 Mandate of the SAI	2

Sources: Performance Report OAGS Project 2019 and End-Term Review Report (2020)

5.2   Attribution of outcome results to the Project

As described before, the design of the Project emphasized alignment with the OAGS Strategic Plan which was reflected in adopting similar objectives and targets as those adopted by the OAGS. Also, as described in Section 3.4, the EU and the WB provide active support to the OAGS that partly overlap with the objectives

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[47] Derived from 2016 Q4 Performance Report, IDI powerpoint presentation on 3i Programme- ARABOSAI and own calculations. Note that the reviewers conclusions data
[48] It must be noted that these ratings are preliminary and were not yet confirmed by external quality assurance.
[49] Derived from 2016 Q4 Performance Report, IDI powerpoint presentation on 3i Programme- ARABOSAI and own calculations. Note that the reviewers conclusions data

of the IDI/AFROSAI Project. Attribution of successful delivery of outputs and outcomes to the IDI/AFROSAI-E project is, therefore, problematic without further evidence.

This evaluation has sought further evidence on the question of attribution by questioning the OAGS on this issue. Table 28 provides the perception of the OAGS leadership to what extent the progress in the areas that were supported by the IDI / AFROSAI Project can be attributed to it.

Table 26 Responses of the OAGS leadership to the question "Can you indicate what IDI/AFROSAI-E's contribution (in %) in comparison to the contribution others?"

	OAGS own staff	IDI / AFROSAI	European Union	World Bank	Others	Total
Goal 1 Timely, relevant and high-quality audit reports in line with international standards						
Customized manuals for FA and CA	40 %	50 %	10 %	0 %	0 %	100 %
General increase of methodological expertise on FA and CA	40 %	20 %	30 %	10 %	0 %	100 %
Audit reports of the OAGS on the Financial Statements 2019 and 2020	70 %	10 %	20 %	0 %	0 %	100 %
Forensic/compliance audit report of the Ministry of Health 2020	70 %	10 %	20 %	0 %	0 %	100 %
Annual audit plan	70 %	20 %	10 %	0 %	0 %	100 %
Goal 2 Strengthening internal governance for efficient and effective Audit Services						
Annual planning and control cycle (OAGS annual operational plan, quarterly reporting and the SAI Performance report)	50 %	40 %	10 %	0 %	0 %	100 %
Integration of quality control and quality assurance in the audit process	60 %	10 %	20 %	10 %	0 %	100 %
Awareness on integrity and ethics	90 %	10 %	0 %	0 %	0 %	100 %
Goal 3 Strengthen external communication and stakeholder relations to ensure audit recommendations are implemented						
Communication Policy	60 %	0 %	0 %	40 %	0 %	100 %
Engagement with stakeholders	50 %	30 %	10 %	10 %	0 %	100 %
Goal 4 Well-qualified and professional staff and management						
Human resource policy	20 %	75 %	5 %	0 %	0 %	100 %
Professional Development Plan	20 %	80 %	0 %	0 %	0 %	100 %
Job descriptions	10 %	90 %	0 %	0 %	0 %	100 %
Goal 5 Sufficient infrastructure and ICT capacity for efficient operations						
ICT Policy	100 %	0 %	0 %	0 %	0 %	100 %
IT audit	10 %	10 %	0 %	0 %	80 %	100 %
Audit Flow / Audit Management Software	10 %	90 %	0 %	0 %	0 %	100 %
Goal 6 Amend the old legal framework OAGS currently operates under						
New Audit Bill	70 %	10 %	20 %	0 %	0 %	100 %
Engagement with key decision-makers on the Audit Bill	70 %	10 %	10 %	10 %	0 %	100 %

From Table 28, the following conclusions can be inferred:

- The most significant contribution of the Project relates to the development of customized manuals for financial and compliance audit (FAM and CAM) and the development of templates for the management of the Annual planning and control cycle (OAGS annual operational plan, quarterly reporting and the SAI Performance report).

- The OAGS has taken ownership for most of the outputs with the notable exception of the outputs in the Human Resource domain and in the development of IT audit and the preparatory work on the possible adoption of the audit management software 'Audit Flow'. In these latter areas, the output development was nearly completely led by the IDI/AFROSAI-E's advisers.

- The relative contribution of IDI/AFROSAI-E's advisers to tasks that were also covered by the EU consulting team (preparation of audit reports and the draft Audit Law) was perceived to be lower than the relative contribution of the EU consultants who operated in the field.

6. Impact and Sustainability

As observed in Chapter 5 on effectiveness, the Project has made some notable progress on the various outcome objectives that relate to the performance of the OAGS. However, the effect of this increased performance on the country and its citizens can only be expected to be noticeable some years after the closure of the Project. Furthermore, such beneficial effect will only be noticeable in the circumstances that the increased performance of the OAGS will be sustained in the coming years.

As both impact and sustainability are clearly interlinked and the evidence to assess both criteria is not yet available, this chapter analyses impact and sustainability in combination. The assessment of the impact of the Project is guided by the following review questions:

    i.   Can the Project be expected to have an impact beyond the performance of the OAGS?
    ii.   Are the improvements in OAGS performance expected to be sustainable in the coming years?

6.1 Can the Project be expected to have an impact beyond the performance of the OAGS?

Generally, the OAGS and its audit reports can have a wider impact on society through three channels: Government, Parliament and media.

Impact through Government

Impact through the Executive Government can be achieved in case the Government accepts and implements the OAGS recommendations to strengthen financial management and to reduce misuse of public funds. Impact through this channel requires that the OAGS recommendations are of good quality and that the OAGS is perceived by the Executive as a professional and independent source of information that delivers value added to the management of government's activities.

The Project has supported to create the conditions for the OAGS to be perceived as a professional body. First, the Project has guided the OAGS with drafting and applying ISSAI-based FA and CA manuals. If consistently applied, it will allow the OAGS to refer to international audit standards. Second, the Project has worked on a professional development programme. If adopted, operationalised and funded, this programme can potentially increase the number of auditors with an international audit certification. Third, the Project has put in place a strategic and annual planning cycle which will help to manage the OAGS in a professional manner. Potentially, this can contribute to a status of the OAGS as a role model for the public administration.

The Project has also supported to create the conditions for the OAGS to be perceived as an independent body by drafting a new Audit Law. Adoption of the Law will provide more independence to the Auditor General.

Evidence that this pathway to impact provides opportunities for the OAGS is reflected by the results of the compliance / forensic audit into the management of donor funds in the Ministry of Health conducted in 2020. The audit has brought to light extensive fraudulent practices by government officials and, consequently, legal action and imprisonments through the Ministry of Justice.

Impact through Parliament

Impact through the Parliament can be achieved in case the OAGS' recommendations are not immediately implemented by the Executive and their implementation need the support of the Parliament as the body to which the Government is accountable.

In the current context of Somalia this channel for achieving impact is not yet effective. The Parliament is not yet making use of the OAGS reports for its legislative role. For example, the milestone OAGS report on the consolidated financial statement of the Federal Government of Somalia of the fiscal year 2018, published in November 2019, is not yet examined by the Parliament.

The IDI / AFROSAI-E Project has not put much effort in creating the conditions for the OAGS to effectively make use of this channel. Except for the funding of two stakeholder engagement conferences / workshops, no activities were allocated in this direction.

Impact through media

Impact through the media can be achieved in case the media can increase the awareness of the Somali citizens on the OAGS's reports and (critical) findings. Such citizen awareness will indirectly influence the Executive and Legislative branches of the government to take action on OAGS' recommendations.

Key conditions for such an indirect channel to achieve impact is the ability of the OAGS to prepare reports that are relevant and understandable for the Somali media and that the Somali media is sufficient independent from the Executive to publish news that is critical of its performance. Unfortunately, the latter condition appears not to be fulfilled. Given the country's ranking in terms of press freedom, this channel may possibly not be effective to the OAGS.[50]

The IDI / AFROSAI-E Project has put some effort in creating the conditions for the OAGS to effectively make use of this channel. On the positive side, the Project has supported the OAGS in the preparation of an annual Audit Plan. The Audit Plan is potentially the most important tool for the selection of the most relevant topics. Also, the Project has supported the drafting of FA and CA reports through a workshop and remote on the job training and it supported engagement of the media through the stakeholder seminars and release of reports.

On the other hand, the Project was not involved in the preparation of a communication policy or strategy as it was agreed that this activity was going to be supported by the World Bank Project. This decision makes sense in terms of donor coordination. Unfortunately, the quality of the current draft communication policy is disappointing.

In line with the prioritization of the OAGS, the Project has also postponed support to the development of performance audit capacity which type of audit is generally more appealing for media publications. However, as concluded in Section 2.4, this decision has increased the relevance of the Project given the indications that corruption and mismanagement of funds is widespread.

6.2   Are the improvements in OAGS performance expected to be sustainable?

Sustainability of the outputs implies that the positive results achieved will be maintained in the future. Risk factors for the sustainability of the Project's outputs are either internal or external to the OAGS. Below, it will be reviewed how the Project has managed the risks in each of them.

Internal risks to sustainability

The main internal risks to sustainability identified in the Cooperation Agreement's risk matrix is *'unexpected change of the AG or managers of the SAI'*. In other words, turnover of qualified staff will risk that the learning experienced by the OAGS staff that participated in the Project will disappear in case the staff are leaving the office.

Staff turnover is a natural phenomenon and cannot be avoided. The mitigation measure to minimize the risk applied by the Project has been (1) to involve a great number of OAGS staff and (2) to apply a holistic approach in terms of support to auditing, management quality control, reporting and dissemination – interlinked processes and systems.

The rational of the first mitigation measure is to involve higher number of staff so that, in case that some trained staff leave the OAGS, sufficient other staff that has joined the training will remain. Although there is a certain logic to this approach, there is reason to question the efficiency and effectiveness. By bringing on board a large number of staff to international workshops, the attention of the capacity building gets diluted over too many participants and it significantly increases the costs (see Section 4.3).

Alternative measures to limit the risks to internal sustainability by undesirable staff turnover were not applied by the Project. First, the Project did not identify 'drivers of change' - crucial staff members that have the competences and standing to ensure that the change is progressive – and focused its attention on these staff members. Especially in the absence of operational independence and salary reforms, the special

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[50] Somalia ranks 163 out of 180 countries in the 2020 world ranking for press freedom published by Reports without Borders (https://rsf.org/en/ranking_table?sort=asc&order=Ranking)

attention of an international Project can prove to be an important perk to reward key staff for their commitment. Second, the Project has also not made use of 'retention agreements' that oblige staff members to repay the investment in their skills in case they decide to leave the OAGS within a certain period following the training. Finally, the Project has also not applied an explicit 'train the trainer' approach in which a selection of OAGS staff is singled out and trained to build capacity among the OAGS staff.

A second element of the approach to mitigate the risk to internal sustainability was the application of a *'holistic approach in terms of support to auditing, management quality control, reporting and dissemination – interlinked processes and systems'*. Indeed, progress in one area of OAGS (technical audit quality) is less sustainable if other domains of the OAGS performance, such a human resource management and communication, do not keep up. Within the constraints of the Project's budget, a holistic approach to OAGS performance has indeed been observed. The Project has greatly contributed to the setup of the strategic and annual planning and control cycle reflecting such a holistic approach.

Finally, one critical observation in relation to the sustainability of the support is made. As described in section 4.2, the Project has funded the salary for the Special Assistant to the AG. Generally, the funding of regular government staff by donors is not recommended given the obvious risks for the sustainability as soon as the project funding has dried up.

External risks to sustainability

The Cooperation Agreement states that external risks to sustainability related to the overall national situation in Somalia cannot be addressed by the Project. Such risks refer to increased armed conflict, violence and political instability, but also pressure on the leadership of the OAGS fulminating in the extreme case that the AG will be dismissed. Indeed, the IDI / AFROSAI-E Project has little options to mitigate against this type of risks to sustainability. Possibly, the positive efforts of the Project to involve Federal Member States in some of the Project's activities can be regarded as a potential risk mitigation strategy as harmonisation and cooperation are instruments that enhance mutual understanding and reduce conflict.

7. Conclusions and recommendations

7.1 Conclusions

The evaluation was based on the six OECD-DAC criteria. Our conclusions on each criterion are as follows:

On relevance

The Project is highly relevant in the context of Somalian societal needs and the specific requirements of the OAGS. The Project's design reflects a logical and consistent sequence between input, outputs and outcomes and is fully aligned with the OAGS Strategic Plan. This, together with interview evidence, suggests a high degree of ownership from the OAGS.

There were a number of significant risks within the initial project design arising out of IDI's decision to support the most challenged SAIs (Bilateral Policy), the particular project approach of IDI and the specific circumstances of the SAI in Somalia. These risks have not materialised or their impact on the outcome and impact of the project was mitigated to an acceptable level. The main risks were:

- The alignment of the Project's design with the OAGS Strategic Plan could not assume OAGS ownership on the Project given that the Strategic Plan was prepared with ample support from IDI. However, the ownership of the OAGS of the Strategic Plan has been consistently high and has been reflected in an annual planning and control cycle around the 6 strategic goals.

- The prioritization of strategic goals 1, 2 and 6 over goals 3, 4 and 5 had a risk to neglect the holistic nature of the functioning of a SAI. However, the Project's prioritisation of three goals above three others was applied with high level of flexibility during the implementation of the Project. Although this flexibility has reduced the value of the original results framework, it has increased the relevance of the Project.

- The peer support teams were not embedded in the OAGS in Somalia, and were expected to provide their advice remotely or via workshops at external locations. This could limit the mutual understanding and trust between the advisors and the OAGS staff. In practice, the approach including field workshops and remote advice worked relatively well. Nevertheless, the OAGS senior management would have preferred a richer mix of on the ground advice. Although, the absence of advisors on the ground was mitigated by very regular contact with Somali counter parties and close coordination with advisors from other donors that were active on the ground, the Project could have been more effective with a greater presence of Project staff on the ground.

One risk inherent in the project design was not sufficiently mitigated. This risk was apparent in the low allocation to personnel costs of the implementing partners IDI and AFROSAI-E and high reliance on in-kind support from resource persons from peer SAIs. During the Project, overspending on IDI personnel costs was significant (see also efficiency) and the availability of resource persons from peer SAI's was a problem throughout the project. This reflected the lack of a binding contractual relationship with the peer SAIs to free up the necessary time for resource persons (see also coherence).

On coherence

IDI's engagement with the OAGS complied with the conditions stated in IDI's Bilateral Policy. The Policy is widely drawn, reflecting the varied circumstances of the most challenged SAIs, and offers a wide degree of judgement around the decision to offer support. In deciding to proceed with the OAGS Project, IDI made a strong case which met all of the requirements identified in the Policy.

The identification of AFROSAI-E as the main delivery partner for IDI was well founded in the light of its capacity, regional network and successful delivery record; the long history of collaboration between IDI and AFROSAI-E; and the preferences of the OAGS. The cooperation arrangements between IDI and AFROSAI-E were clear and have not given rise to any issues during the project implementation. However, the

recognition of in-kind support done by IDI and AFROSAI-E seems unequal and, therefore, not sustainable in the longer term if the two organisations act in partnership on more bilateral projects.

As highlighted above the engagement of resource persons from peer-SAIs was problematic. The principle of engaging experienced peers from other African SAIs to assist SAI capacity building is well established in both IDI and AFROSAI-E's work. In the OAGS Project this approach offered potential value-added and comparative advantage which would enhance the technical support by offered by IDI and AFROSAI-E. However, the quantity and quality of the inputs received from the resource persons are difficult to manage due to the informality of the arrangements put in place by IDI. In the absence of any enforceable contract between IDI and the peer SAIs or direct remuneration for the inputs of the peers, the quantity of inputs that can be expected from the resource persons is highly dependent on the goodwill of those persons and more particularly their employers.

The relation between IDI and the main funder, the Norwegian Government, is characterised by flexibility and it leaves ample freedom to manoeuvre for IDI's project management. Such flexibility reduces administrative burden and transaction costs, but it can reduce the respect for proper accountability purposes. Some important project decisions relating to budget re-allocations, re-prioritization of activities and amendments to the results framework were taken by the Steering Committee and communicated afterwards to the NOE. Although it had a formal observer status, the NOE was not part of the Steering Committee.

Finally, the Project has made a very positive contribution in promoting donor coordination at both the strategic and operational level. Strategically, the Project has pushed for the use of integrated planning documents by the OAGS and semi-annual meetings with all donors. Operationally, the Project's peers have closely cooperated with the experts seconded by other donors.

On efficiency

The Project's performance against the 'efficiency' criterion was mixed. It performed well in respect of the quality of its work and on the management of risk. It was less successful in securing delivery of all the expected outputs and in managing budgets and costs in line with the original plan.

The quality of the Project outputs was perceived by the OAGS to be high across all activities. Also, the personnel costs attributed to the Project were relatively low as a result of a relatively low standard fee rate and a moderate number of expert working days that were charged to the project.

In practice the remote advice and external workshops worked well and were appreciated but OAGS senior management would have preferred a richer mix of on the ground advice to be wholly effective. The use of resource persons from peer SAIs is a key component of IDI's delivery methodology. The OAGS' assessment of their impact is lukewarm. The presence of resource persons was welcomed but they were not sufficiently integrated into the project to contribute consistently and were not perceived as crucial to the effectiveness of the workshops and training. This was a lost opportunity to maximise the value their practical expertise and experience could bring.

A proper risk management framework was established in which risks were identified and the implementation of mitigation measures was monitored by an annual Steering Committee meeting. Although the annual frequency of the SC meeting is too low for adequate risk management, there was more regular informal coordination between SC members throughout the Project.

On delivery against the original Project's workplan containing a total of 22 outputs, one third were fully delivered, one third partially delivered and one third not delivered. At the activity level a rigorous comparison between planning and delivery is not possible because the Project did not report its performance at the same level of detail as set out in the annual workplans.

The budget for the project was overspent significantly in the first year of implementation (2018). The overspending reflected partly the positive momentum in project implementation in 2018, but also poor control of IDI's personnel costs and the absence of controls or ceilings on the number of staff working days spent on the Project. As noted above this budget overspend was covered by drawing on IDI core funds and by the agreement to provide additional funding by the main donor, the Norwegian government.

Other than staff costs the main cost driver for the Project was the workshops and classroom training held in Kenya and Ethiopia. The cost of providing these events for significant numbers of OAGS staff was relatively expensive but the use of IDI procurement for travel and accommodation and AFROSAI-Es terms and conditions for travel and subsistence ensured good cost control. Although concerns about security in

Somalia are valid and do not allow westerners to travel freely in the capital and the country, the secured airport area provides opportunities to organise events. This would have resulted in significant efficiency gains in 2018 and 2019. It is noted that COVID pandemic provides additional hurdles to travel towards the country since March 2020.

On effectiveness

The Project the project performed well overall against the 'effectiveness criterion. Although out of the nine outcome indicators, only two targets were fully achieved, very significant progress was made on six other targets and the margin by which the targets were not met were small. On performance audit and the audit of IT risks the planned activities were shelved by agreement of all parties because they were not relevant to the circumstances currently faced by the OAGS. As a result this target is still far off.

Given the design decision of the Project to align with the OAGS Strategic Plan 2017-2021 and the overlap with the support provided by the EU and the WB, this success in achieving the outcome objectives cannot be solely attributed to the IDI / AFROSAI-E Project. Based on the perception of the OAGS leadership, however, the Project made the most significant contribution to the development of customized manuals for financial and compliance audit (FAM and CAM) and the development of templates for the management of the Annual planning and control cycle (OAGS annual operational plan, quarterly reporting and the SAI Performance report).

For many other outputs, most of the credit should be given to the staff of the OAGS. Given the emphasis on ownership among the Project's design principles, the importance of the contributions of the OAGS staff shows that the Project's approach has been effective. A significant exception to this pattern is in the area of Human Resources, where the Project appears to have developed the outputs itself with much less ownership and engagement from OAGS staff. This may have consequences for the long-term sustainability of this work.

Finally, it is concluded that for the outputs in which there was overlap with the EU Project (preparation of audit reports and drafting legislation), the relative contribution of IDI/AFROSAI-E's advisers was perceived to be smaller than the contribution made by the EU's advisers. Their field presence is likely to have played a role in the perception of the OAGS leadership.

On impact and sustainability

There is clear evidence of improvement in the performance of the OAGS evidenced by its ability to audit the Government's consolidated financial statement in a timely manner in 2019 and its willingness to report openly on challenging topics involving corruption and malpractice with regard to donor-funds. The Project has assisted the OAGS in creating the conditions where the Executive Government will take its findings more seriously and consider its recommendations. Given the current lack of interest in OAGS reports expressed by the Parliament and the lack of freedom for the media, the channel via the Government seems currently the best option for the OAGS to achieve impact.

In order to achieve impact via adoption of the recommendations by Government entities, the OAGS needs to ensure that the progress made in the recent years will be sustained. Whereas external risks to sustainability are out of the control of IDI and AFROSAI-E, the mitigation of the internal risks to sustainability can be controlled. The Project's efforts to institutionalize a holistic strategic and annual planning and control cycle is expected to have a positive effect on sustainability. The expectations of the Project's efforts to involve a large number of staff in the Project's activities are lower. An alternative approach that focused on increasing and retaining skills of a smaller group of change agents in the OAGS could have provided advantages in terms of prospects for sustainability and it would have reduced the Project's costs of transporting and hosting a larger group of OAGS staff.

7.2 Recommendations

Overall, the IDI-OAGS Project scores reasonably well on each of the evaluation criteria. Although impact and sustainability cannot yet be established at the current stage, the Project has made a good contribution to the strengthening of the external audit function in Somalia and by so doing, creating the conditions to achieve improvements in the financial management of the Somali government.

Notwithstanding the good performance, the evaluation identifies room for improvement in some aspects of the project design and implementation. These suggestions can benefit any further peer support project in Somalia, but also the implementation of other bilateral projects in IDI's current and future portfolio.

A first set of recommendations focuses on the management of personnel costs in bilateral projects. Weaknesses observed in the IDI-OAGS Project include: underestimation in the Project's project plan both in terms of charge-out rate and number of planned working days, lack of transparency regarding the expected and delivered inputs in working days from partners that are expected to deliver in-kind contributions and lack of controls during project implementation in terms of time registration and ceilings. Addressing these weaknesses requires an effort on multiple aspects:

    i.   IDI should make a realistic calculation of its charge out rate for different staff levels. Unless that is done and applied to the budgeting and accounting of bilateral programs, they are cross-subsidized by IDI's core funds and the real costs of bilateral projects remain fuzzy.

    ii.   The expected inputs of resource persons need to be clearly agreed beforehand and formalised in an enforceable contract with the peer SAI rather than a letter of intent. Such formalisation serves (-) the project manager of the bilateral project who can better manage these inputs; (-) the resource person who is not expected to work 'double shifts'; (-) the peer SAI who can plan for replacement and (-) the taxpayers in the peer SAIs country as it gets transparent how much public funds are invested in peer-cooperation, and (-) transparency on the real costs of the bilateral project.

    iii.   During project implementation, personnel costs in terms of working days need to be monitored and budgets should only be exceeded where there is formal authorisation;

A second set of recommendations aims to improve the accountability of the Project. The following suggestions should be considered:

    iv.   Changes in the results framework should be formally reflected in an amended results framework agreed by the recipient SAI and approved by the funding organisation;

    v.   The budget performance table should include the original budget, approved amendments to the original budget and outturns. Deviations of the outturns should be calculated against the original and amended budget;

    vi.   The accountability on activities should be improved as it is at this level that the Project is fully in control and accountable (as outputs are a collaborative effort with the OAGS and/or other donors). This requires that the performance report is comparable to the activity plan at the same level of detail.

    vii.   Field workshops are the most cost intensive activity of the Project. Nevertheless, accountability on these events in terms of costs and quality is limited. It is recommended that activity reports provide information on actual costs against budgets and that quantitative and qualitative feedback retrieved from written evaluation forms filled by participants is included.

A third set of recommendations focuses on the Bilateral Policy and the need for strengthened policy guidance in a number of areas, as follows:

    viii.   Clarity on the use of core funds for bilateral projects. The Policy still includes core funding as a possible source for funding for bilateral projects, but this is at odds with decision of the IDI Board block the use of core funding for Years 2 and 3 of the project. A precise interpretation of the Board's decision in the policy will increase transparency.

    ix.   Clarity on the charge-out rate for IDI staff that are engaged in bilateral projects. Such rates need to be updated on an annual basis reflecting actual costs. As stated above, unless that is done IDI's core funds are still used to run bilateral projects;

    x.   Add an assessment of the absorption capacity of the recipient SAI to the factors underpinning a decision whether or not to provide bilateral support. This would support the interpretation of the current condition that refers to the 'extensiveness' of the support given by other donors.

    xi.   The payment of regular staff of the supported SAI. Generally, such funding is controversial among development partners given the medium-term sustainability risks. If IDI wants to make use of this option, it is recommended to be explicit about it in the Bilateral Policy.

A final set of recommendations apply to the design of a follow up of the IDI-OAGS Project for the years 2021-2023.

xii. The OAGS indicates that 'on the ground' advisers provided by other donor projects offer a higher degree of effectiveness in supporting the SAI's capacity building efforts. IDI should consider ways to be more visible in Mogadishu to the extent that security considerations and COVID travel restrictions allow. Regarding safety concerns, IDI should align itself with other international donors. In case IDI staff are not available for a more prominent presence in country, IDI should consider to recruit such expertise from peer SAIs or, possibly, the market. Project management will reside in IDI's office in Oslo.

xiii. Given the appreciation of the Client for workshops as learning approach, consideration should be given to organising more regular workshops in the relative secure airport area of Mogadishu to make efficiency gains. Again, as above, provided that COVID-related travel restrictions are eased and safety can be guaranteed.

xiv. If the Project wants to make use of resource persons, their contribution needs to be more fully integrated into project delivery. A key condition hereto is, as discussed above, formalisation of the relation between IDI, the resource person and the 'peer SAI.

xv. Given the results of the Quality Assurance assessment done at the end of 2020 which suggests that the consistent application of the new manuals cannot yet be assumed, the focus of the Project's efforts should be on deepening the results achieved in the period 2018-2020 at the OAGS at the Federal Government level rather than broadening the scope to the SAIs of the Federal Member States.

xvi. More attention should be given to increasing the impact of OAGS' audit work. Critical review of the current communication practices of the OAGS with all stakeholders (Executive, Parliament, media and NGOs) would be necessary followed up by concrete actions of the Project to engage these stakeholders with the role and outputs of the OAGS

Annex 1 List of documents

The following documents at Programme level have been reviewed:

- Addendum number 1 to agreement between the Norwegian Ministry of Foreign Affairs and INTOSAI Development Initiative (IDIi), SOM-17/0004 concerning Peer Support to the Office of the Auditor General in Somalia
- Assessment of request for bilateral support Bilateral support to OAG Somalia IDI position memo, 31 May 2017
- Bilateral Policy - IDI: 29th March 2017
- Conclusion of Planning phase, Bilateral support to OAG Somalia, IDI: 9 November 2017
- Cooperation agreement OAGS Peer-support project 2018-2020, Office of Auditor General of Somalia (OAGS), AFROSAI-E and the INTOSAI Development Initiative (IDI)
- Financial Governance Report Somalia, July 2020
- Grant Agreement between the Norwegian Ministry of Foreign Affairs and INTOSAI Development Initiative regarding SOM-17/0004 Peer Support to the Office of the Audit General in Somalia
- National Development Plan 2017 - 2019 Federal Government Of Somalia
- OAGS Peer Support Project - Budget, various years
- OAGS Peer Support Project - Audit Peer-team plan 2018
- OAGS Peer Support Project - Independence and Internal Governance Peer-team plan 2018
- OAGS Peer Support Project - Plan 2019
- OAGS Peer Support Project - Plan 2020
- OAGS Peer Support Project -Report 2018
- OAGS Peer Support Project -Report 2019
- OAG Somalia, End-Term Review Report, Version 1 by 19 October 2020
- Report 2018 OAGS Peer-support project 2018-2020
- Report 2019 OAGS Peer support project 2018-2020
- Semi-Annual Meeting With Development Partners, Tuesday, 20th October 2020
- Somalia: Public Expenditure Management Assessment, June 2020
- Statement of Commitment, Bilateral Cooperation 2015 – 2016 between the Office of Auditor General of Somalia (OAGS) and the INTOSAI Development Initiative (IDI)
- SAI Status and Needs Report, Office of Auditor General of Somalia (OAGS), September 2017

Annex 2 List of Interviews

The following programme stakeholders interviewed:

Organization	Name	Job title
IDI	Einar Gørrissen,	Director General;
	Mr Ola Hoem,	Deputy Director General
	Jostein Furelid Tellnes,	Project Manager and leader of the Internal Governance Team
	George Phiri (IDI);	Leader of Audit peer team
OAGS	Mohamed M. Ali,	Auditor General
	Mukhtar Mohamed Abukar	Director of Planning / Main counterpart
	Maxamed Cabdi Cabdulaahi	
	Kowsar Osman	
	Faiza Abdulle Farah	
	Sadaq Ahmed	
	Abdale Mohamed Ahmed	
AFROSAI-E:	Wynand Wentzel.	Executive Officer
SAI Botswana	Boitumelo Mogaleemeng	Resource person in audit peer team
SAI Uganda	William Walugembe	Resource person audit peer team
Embassy of Norway	Gunvor W. Skancke	Project Manager
European Union	Stephen.Emasu	Long Term Advisor of the OAGS
	Bill Kosar,	Long Term Advisor of the OAGS
World Bank	Galleyr Macalin	Long Term Advisor of the OAGS
Financial Governance Committee	Fiona Davies	consultant
	Edward Hegder	consultant

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Annex 3 OAGS'answers to 'open' questionnaire

Annex 4 OAGS'answers to 'closed' questionnaire

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Annex 5 Activities: Planned versus Report in 2018

Planning*			Reporting**
Nr	Activity	Time	In 2018, the following key activities were carried out through the peer-support project:
1.1.1	Planning audits of the annual financial statements 2015-17 in combination with training	Feb-18	- On-the job training for execution of the annual financial audits and development of new audit manuals in Somali in line with the ISSAIs - Establishing a cooperation with the Federal Member states audit offices through a meeting in Mogadishu and a joint audit manual workshop
1.1.2	Data collection audits of the annual financial statements 2015-17 in combination with training	Apr-18	
1.1.3	Reporting audits of the annual financial statements 2015-17 in combination with training	Jun-18	
1.1.4	Planning of 2018 audits and conduction of selected compliance audits	Dec-18	
1.1.5	Cancelled: OAGS Training in regularity audit (financial and compliance) Cancelled: Basic methodology training by the trained trainers	Apr-18	
1.1.6	Customize the AFROSAI-E template manual(s) and working papers for regularity audit (financial and compliance) in combination with training of OAGS auditors.	Dec-18	
1.1.7	Translate, print and make electronically available customized manual(s) for RA and working papers to Somali	Dec-18	
1.1.8	Summarize experiences of audits done in 2018 and develop training material for continuous and wide use in the OAGS (and FMS OAGs if requested)	Dec-18	
2.1.1	Develop the systematic process for overall annual audit planning in relation to the customization of new audit manuals.	Dec 18	- A staff retreat in Mogadishu including code of ethics training, sharing and discussion of HR principles and the ICT-policy, as well as audit related topics as annual planning and materiality assessment. - Representation in the annual technical update and top management meeting (Governing Board) for all AFROSAI-E members (the English-speaking Supreme Audit Institutions in Africa)
2.2.1	Develop and implement annual operational plan including performance measurement linked to the strategic plan	Jun	
2.2.2	Develop internal reports and the SAI Performance report	Dec	
2.2.3	2018 Annual meeting with top management of FMS OAGs	Jun	
2.2.6	Annual OAGS top management representation in regional meetings	Dec	
4.1.1	AFROSAI-E HR-training	Jun	- Training in HR-competency and development of job descriptions and a competency framework for working systematically on staffing and training for the next years - a management development programme for nine managers covering areas as organizational culture, strategic management, internal reporting and communication
4.1.3	Revise and strengthen HR-staffing	Sep	
4.2.2	Revised Job description	Dec	

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5.1.1	Participation in regional AFROSAI-E training courses in ICT-management	Dec	
6.1.1	Revise the draft Legal framework, incl ensuring it provides SAI with a broad and clear mandate and independence and is harmonized with legal framework of regions.	Dec	- Creating understanding of the International Standards for Supreme Audit Institutions (ISSAIs) and development of the Federal Audit Bill - a stakeholder sensitization seminar in Mogadishu for members of the Parliament, key ministries and government entities, civil society and religious leaders
6.1.2	- Engage a technical advisor related to strategic goal 6 to support for objective 6.1	Dec	
	- Develop a communication strategy/plan for the legal amendments	Dec	
6.1.3	Sensitize regional Ags about new legal framework and discuss harmonization	Dec	
6.1.4	Sensitization and briefing of the contents of the new legal framework for members of Parliament	Dec	

* Source: OAGS Peer Support Plan 2018
** Source: 2018 Report Peer Support Project.