



ANNEX C1: Twinning Fiche

Project title: Strategic Partnership of the Office of the Comptroller and Auditor General in Bangladesh with (a) Supreme Audit Institution(s) in the European Union

Beneficiary administration: Office of the Comptroller and Auditor General - Bangladesh

Twining Reference: BD 24 NDICI FI 02 25

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EU funded project

TWINNING TOOL

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Acronyms

AMMS	Audit Management and Monitoring System
BPL	Beneficiary Project Leader
CAG	The Comptroller and Auditor General of Bangladesh
CGA	Controller General of Accounts
CL	Component Leader (in the Twinning Project)
ERD	Economic Relations Division, Ministry of Finance, Bangladesh
EU	European Union
EUD	Delegation of the EU to Bangladesh, based in Dhaka
GG	Global Gateway – EU Investment infrastructure strategy
iBAS++	Integrated Budget and Accounting System
GFS	Government Finance Statistics
IDI	INTOSAI Development Initiative
IFMIS	Integrated Financial Management Information System
IFRS	International Financial Reporting Standards
INTOSAI	International Organisation of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
MIP 21-27	Multi-Annual Indicative Programme 2021-2027 EU-Bangladesh
MS	Member State (meant as ‘of the European Union’, i.e. one of the 27)
OCAG	Office of the Comptroller and Auditor General, Bangladesh
PEFA	Public Expenditure and Financial Accountability
PEFA PI	PEFA Performance Indicator
PESA	Professional Education for SAI Auditors
PFM	Public Finance Management
PL	Project Leader (in the Twinning Project)
PSC	Project Steering Committee (of the Twinning Project)
RTA	Resident Twinning Advisor (in the Twinning Project)
SAI	Supreme Audit Institution
STE	Short Term Experts (in the Twinning Project)

Glossary

Beneficiary administration	The Beneficiary administration responsible for the technical implementation of the project in the Partner Country, i.e. OCAG
Beneficiary country	Bangladesh
BPL	Person at OCAG appointed by OCAG that operates at the appropriate political level and directs the implementation of the Twinning Project on the side of the Beneficiary and formally signs all work plan(s) and/or any updates of these.
CL	MS expert responsible for a specific component/mandatory result/output in the Twinning Project.
CL counterpart	A Beneficiary administration member of staff who is the permanent interlocutor of the Member State Component Leader coordinating the activities focussed on the achievement of a specific mandatory result/output.
MS PL	A high ranking MS official or assimilated agent who directs the implementation of the Twinning project and formally signs all work plan(s) and/or any updates of these.
RTA	Resident Twinning Adviser being an official or assimilated agent from a Member State public or semi-public administration or accepted mandated body seconded to the Beneficiary country on a full-time basis in the framework of a Twinning project to coordinate the day-to-day activities of the project.
RTA counterpart	A Beneficiary administration official designated as the counterpart of RTA to facilitate communication and exchange of information between the partners.

1. Basic Information

1.1. Programme

NDICI Global Europe / ACT-62628 / Support Measures - Cooperation Facility for Bangladesh – Twinning: Strategic Partnership of Bangladesh's Supreme Audit Institution (SAI) with EU SAI(s).

The EU Delegation will manage the Twinning project in direct management through the signature of a grant contract.

1.2. Twinning Sector

Finance, Internal Market and Economic Criteria (FI).

1.3. EU funded budget

Maximum EUR 2 000 000

1.4. Sustainable Development Goals (SDGs)

SDG 16, Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels, is the pertinent reference for this proposal. SAI Bangladesh, through performance auditing, financial auditing, compliance auditing and special investigations will contribute to indicator Target 16.5 Substantially reduce corruption and bribery in all their forms, Target 16.6 Develop effective, accountable and transparent institutions at all levels and Target, 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels and 16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance.

SDG 5 - Gender equality

SDG 8 - Decent work and economic growth

SDG 10 - Reduced inequalities

SDG 13 - Combating climate change

SDG 17 - Strengthen the means of implementation and revitalise the global partnership for sustainable development

2. Objectives

2.1 Overall Objective

The overall objective is to improve the Office of the Comptroller and Auditor General's (OCAG) oversight of public receipt and spending in Bangladesh¹. Consequentially, this will enhance Public Finance Management (PFM) in Bangladesh and fight against corruption and predicate fraud, and accountability and performance in the collection, allocation and utilisation of public resources specifically.

¹ [Bangladesh - OCAG website](#).

2.2 Specific objectives

The purpose of the Twinning grant is to improve monitoring and reporting of reforms as to develop capacity in public finance management, in line with the specific objectives as set in section 3.1 of the Action Document:

1. *To enhance the financial, performance and IT audits;*
2. *To promote where possible the cross-cutting objectives regarding (i) environment and climate change, (ii) human rights approach, (iii) gender balance and (iv) income inequality.*

2.3 Elements targeted in strategic documents

The Perspective Plan of Bangladesh 2021 – 2041² outlines strategies for strengthening governance and identifies that “*emphasis has to be on strengthening core governance institutions like **Comptroller and Auditor General**, Public Accounts Committee, Bangladesh Bank, Public Service Commission, Securities and Exchange Commission, courts, local government bodies.*”³ The Perspective Plan also identifies, under Strengthening of Environmental Co-ordination and Environmental Institutions that strengthening environmental concerns in planning and budgeting, requires progress on green PFM including on accounting, procurement and auditing⁴. The OCAg plays a central role, through audit scrutiny and making constructive recommendations to the responsible parties, on improving PFM throughout the range of public sector operations.

The OCAg Strategic Plan 2021 - 2025⁵ identifies four broad outcome stage objectives; Increased SAI credibility with Parliament and other stakeholders, better resource allocation, prudent management decisions taken by policy makers and improved public financial management resulting in beneficial change to the public sector. These outcomes will emerge from a strengthened OCAg with capability to perform financial, compliance and performance auditing that recommends improved practices, and follows up to ensure implementation, across institutions of Budgetary Central Government, Local Government, Statutory Public Authorities and Public Enterprises.

The EU **Multi-Annual Indicative Programme 2021-2027**⁶ for Bangladesh focuses on three priority areas which are (i) Human Capital Development, (ii) Green Inclusive Development, and (iii) Inclusive Governance. The MIP aims to strengthen cooperation in key areas and enhance education, employment opportunities, energy efficiency, environmental protection, gender equality, access to justice, public services, and migration management. Improvements in Financial Auditing within an increasingly sophisticated IT environment in Bangladesh is an integral component of digital transformation within the OCAg. This will also, in line with the theory of change set out in the OCAg Strategic Plan 2021-2025, demand better governance and improved transparency as enablers for inclusion, improved public service and better financial and fiscal

² [Vision 2021-2041](#) - General Economics Division Bangladesh Planning Commission Ministry of Planning Government of the People's Republic of Bangladesh March 2020.

³ [Vision 2021-2041](#) – see Page 18.

⁴ [Vision 2021-2041](#) – see Page 206.

⁵ [OCAg Strategic Plan 2021 – 2025](#).

⁶ [Multi-annual Indicative Programme 2021-2027 EU-Bangladesh](#).

management, building on the already longstanding support of the EU to the implementation of the GoB PFM Reform Strategy⁷.

Specific objective 3 of the third priority area of the MIP⁸ is public service delivery and financial / fiscal management improvement through digital governance, which specifically highlights Public Expenditure and Financial Accountability (PEFA) Pillars 1 to 7. Pillar 7 External Audit and Scrutiny (specifically indicators 30 and 31) assesses and measures improvement in the performance of the Supreme Audit Institution and Parliamentary Scrutiny of Audit Reports.⁹ A strong SAI, through reporting and making recommendations, positively influences all Pillars of the PEFA Assessment. The seven PEFA Pillars are I. Budget Reliability; II. Transparency of public finances; III. Management of assets and liabilities; IV. Policy-based fiscal strategy and budgeting; V. Predictability and control in budget execution; VI. Accounting and reporting; VII. External scrutiny and audit. Financial auditing particularly influences improvements in Pillar 6 (VI) Financial Accounting and Reporting. Bangladesh's latest PEFA-assessment is from 2021.¹⁰

The **EU's Global Gateway** promotes smart, clean and secure investments in quality infrastructure and it connects goods, people and services around the world in a sustainable way. One of the key principles is good governance and transparency. Another key principle is "green and clean"; projects will live up to the European Green Deal oath to "do no harm" and ensure the use of environmental impact assessments and strategic environmental assessments. One of the main investment priorities is digitalisation. It is here that OCAg's endeavour to build capacity on IT audits fits perfectly.

3. Description

3.1 Background and justification

OCAg is the Supreme Audit Institution of Bangladesh.¹¹ The Comptroller and Auditor General (CAG) of Bangladesh was first statutorily recognised on 28th February 1972 by a Presidential Order¹². The Comptroller and Auditor General of Bangladesh is recognized as a constitutional position and his conditions of service and the scope of his functions have been set out in Part-VIII of the constitution.¹³

In terms of the Mexico Declaration (INTOSAI P10)¹⁴ the CAG has a wide and independent mandate to conduct audit *"The public accounts of the Republic and of all courts of law and all authorities and officers of the Government shall be audited and reported on by the Auditor General and for that purpose he or any person authorized by him in that behalf shall have access to all records, books, vouchers, documents, cash, stamps, securities, stores or other government property in the possession*

⁷ [Multi-annual Indicative Programme 2021-2027 \(EU-Bangladesh\)](#) – see Page 7.

⁸ [Multi-annual Indicative Programme 2021-2027 \(EU-Bangladesh\)](#) - see Page 32.

⁹ [PEFA 2016](#) Framework for assessing public financial management Second Edition October 2019 – see Pages 79 to 83.

¹⁰ [PEFA 2021](#).

¹¹ [Comptroller and Auditor General of Bangladesh](#) Website.

¹² Presidential Order 15/72.

¹³ [Constitution of Bangladesh](#) 16 December 1972 – see Article 127 to 132.

¹⁴ [INTOSAI - The Mexico Declaration on SAI Independence](#).

of any person in the service of the Republic”.¹⁵ The constitutional or legislative position of the CAG will not be affected by the Twinning project.

There are seventeen Audit Directorates within the Office of the Comptroller and Auditor General of Bangladesh.¹⁶ Audits conducted by these Directorates cover all aspects of receipts and payments of Budgetary Central Government, Local Government, Extra Budgetary Organisations and Public Enterprises.

Since the late 1990s the Government of Bangladesh has made significant advances in Public Financial Management by developing its budgeting frameworks with the introduction of Medium Term Budget Frameworks (MTBF) for all of Budgetary Central Government, improved Debt Management and strengthening of macro-fiscal frameworks, developments and reforms in domestic revenue mobilisation and also in financial accounting and reporting. Of particular note in respect of financial accounting and reporting (and by extension, Financial Auditing) is the development of iBAS++ – the home-grown IFMIS¹⁷ of the Government of Bangladesh within the Controller General of Accounts (CGA) who has the responsibility to prepare the Finance Accounts of the government. This system has developed iteratively since 2004 and is a focal point for accounting and financial reporting reforms which has seen a GFSM 2014¹⁸ compliant chart of accounts and IPSAS-Cash compliant budgetary central government accounts reported in recent years.

In respect of Performance Auditing, the Government of Bangladesh has developed a rich, policy based performance management framework that links the SDGs to national policy and strategy through perspective plans to resource allocation in the annual budget speech and the MTBF. The performance management framework is set out in the OCAG Performance Audit Guidelines (May 2023).¹⁹ The OCAG’s future approach to Performance Auditing is rooted within this framework.

The Government of Bangladesh operates within an increasingly sophisticated IT environment and the OCAG identified more than forty mission-critical IT systems within Government. The development of IT systems is implemented by outsourced skills typically (but not always) acquired through development project interventions. A similar approach to IT auditing would be most likely to succeed as mature skills and professionalism in IT already exist in Bangladesh. Capacity in IT auditing is crucial in data driven approaches in both Financial and Performance Auditing.

The CAG therefore operates in an increasingly sophisticated PFM, Performance and IT environment and would benefit from ongoing technical support from a SAI under a Twinning arrangement to upgrade the skills necessary to both manage and conduct financial audits in this evolving PFM environment.

¹⁵ Article 128(1) of the Constitution of Bangladesh 16 December 1972.

¹⁶ Civil Audit Directorate; Revenue Audit Directorate; Commercial Audit Directorate; Works Audit Directorate; Transport Audit Directorate; Foreign Aided Projects Audit Directorate; Posts, Telecommunication, Science, Information, And Technology Audit Directorate; Defence Audit Directorate; Health Audit Directorate; Education Audit Directorate; Agriculture And Environment Audit Directorate; Local Government And Rural Development Audit Directorate; Social Security Audit Directorate; Power And Energy Audit Directorate; IT And Public Services Audit Directorate; Constitutional Bodies Audit Directorate; Mission Audit Directorate.

¹⁷ Information Technology Management Information System (IFMIS) is the more usual term internationally. Bangladesh has however developed its own system, called iBAS++.

¹⁸ [Government Finance Statistics Manual 2014](#).

¹⁹ [Performance Audit Guidelines 2023](#) – see Chapter 3 Page 20.

3.2 Ongoing reforms

The current PFM Reform Action Plan in Bangladesh covers the period 2024 - 2028²⁰.

The OCAg is covered in Section C-11 of the Plan and of particular relevance in respect of Financial Auditing is line 52 which refers to improved timeliness and disclosure of audit reports and strengthening citizen engagement. There is a further reference to decreasing the time delay of financial audit report submission to the Parliament.²¹

3.3 Linked activities

There has been a history of reforms in the SAI of Bangladesh with a range of donor involvement. These are set out in the table below:

Table 1: History of PFM Reform in OCAg Bangladesh

Project	Donor	Time Range	Brief Notes
Financial Management Reform Programme (FMRP)	United Kingdom (DFID)	2003 – 2009	Developed Entity (Ministry) Wide Audit concepts; Manuals revised; Pilot Audits; Professionalisation Programme
Strengthening Comptrollership and Oversight of Public Expenditure (SCOPE) Project	Canada (CIDA)	2008 - 2015	Audit management software, information management and IT, auditing in an IT environment, Computer Assisted Audit Techniques and Electronic Working Papers, and arranging for external IT training and certification
Strengthening the OCAg SPEMP-B ²²	World Bank	2012-2016	Professionalisation Programme; Various Manuals
Support for PFM Reform – Programme 2021-2024	EUD	2021 - 2024	Guidelines, Model Audits in PA, FA, CA and IT; Professionalisation Programme; Communications Strategy

It is understood on completion of this Twinning Fiche Proposal, that there are no other donors with formal plans for a successor project.

3.4 List of applicable Union acquis/standards/norms

- *International Standards for Supreme Audit Institutions (ISSAI)*;
- INTOSAI code of ethics.

²⁰ [PFM Action Plan 2024 – 2028](#).

²¹ [PFM Action Plan 2024 – 2028](#) - see Page 27.

²² [Bangladesh - Strengthening Public Expenditure Management Program](#).

3.5 Components and results per component

Component 1: Financial Audit

Result 1.1: Institutionalise the financial audit of the Financial Statements of the Budgetary Central Government

Result 1.2: Institutionalise the financial audit of the Financial Statements of Statutory Public Authorities

Result 1.3: Integration of Financial Audit with AMMS 2.0

Component 2: Performance Audit

Result 2.1: Continue the Institutionalisation of Policy Level Performance Auditing

Result 2.2: Integration of Performance Audits with AMMS 2.0

Component 3: IT Audit

Result 3.1: Development of OCAG IT Audit (Co-Sourcing) Strategy

Result 3.2: Execution of Co-Sourced IT Audits (Model Audits)

3.6 Means/input from the EU Member State Partner Administration(s)

The project will be implemented in the form of a Twinning contract between the EU Delegation (on behalf of the Beneficiary country) and EU Member State(s).

The implementation of the project requires one Project Leader (PL) with responsibility for the overall supervision and coordination of project activities. One Resident Twinning Adviser (RTA) will support the PL, who will work on-site with the beneficiary administration, and who will be responsible for the management and implementation of the project activities. The RTA will work directly with OCAG. In addition to the RTA, the Twinning project will fund a project assistant who will be performing general project duties. Until the RTA can select and hire an assistant, the beneficiary administration will make a member of its staff available to support the RTA in daily tasks. The implementation of the project will also require three Component Leaders (CLs) and a pool of short-term experts (STEs) within the limits of the budget. It is essential that the team has sufficiently broad expertise to cover all areas included in the project description.

Proposals submitted by Member State shall be concise and focussed on the strategy and methodology and an indicative timetable underpinning this, the administrative model suggested the quality of the expertise to be mobilised and clearly show the administrative structure and capacity of the Member State entity/ies to ensure achievement of overall and specific objectives and mandatory results/outputs. Proposals shall be detailed enough to respond adequately to the Twinning fiche, but are not expected to contain a fully elaborated project. They shall contain enough detail about the strategy and methodology. They shall indicate the sequencing and mention key activities during the implementation of the project to ensure the achievement of overall and specific objectives and mandatory results/outputs.

The Twinning partners will further develop the set of proposed activities when drafting the initial work plan and successive rolling work plan every three months, keeping in mind that the EU SAI(s) will

decide on the final list of activities with OCAG. The components should be inter-linked and need to be sequenced accordingly.

The partners will implement the Twinning project in close co-operation aiming to achieve the mandatory results in sustainable manner.

The interested Member State(s) shall include in their proposal the CVs of the designated PL and the RTA, as well as the CVs of the potentially designated component CLs.

3.6.1 Profile and tasks of the Member State Project Leader (MS PL)

The MS PL will be responsible for the overall planning, supervision and implementation of the Member States' inputs in this Twinning project.

The MS PL will, in cooperation with the OCAG appointed PL, be responsible for the organisation and functioning of the project's Steering Committee, which includes the RTA and representatives of the leadership of OCAG, ERD and the EU Delegation.

Qualifications, experience and skills required:

- At least a professional accounting or auditing qualification and/or ISACA/CISA²³ qualification or in the absence of a qualification, an equivalent professional experience of eight years in state audit related matters (i.e. in addition to that required in the next point below);
- At least three years of specific experience in financial audit, performance audit or IT audit co-sourcing experience as part of the overall professional experience;
- At least three years managerial experience;
- Very good command of English equivalent to C1 level, both orally and written;
- Strong computer literacy and knowledge of IT audits;
- Overall excellent communication skills.

The following experience and skills will be considered as assets:

- Comparative knowledge of national audit institutions;
- Experience in managing, or assisting in the management, of at least one (1) project in building the capacity of supreme audit institutions;
- Affinity with the Bangladesh culture, including oral and written communication;
- Experience with EU Twinning rules and procedures.

Tasks:

- Together with the beneficiary country's PL, overall management and coordination of the Twinning project;
- Ensure timely and effective implementation of the project and achievements of results;
- Ensure efficient use of the project resources and inputs;
- He/she will, together with the beneficiary PL, be responsible for the modification of the project work plan as deemed necessary during the tenure of the project;
- Co-chair the regular Project Steering Committee (PSC) meetings with the beneficiary country Project Leader;
- Communicate with the beneficiaries and the EUD;
- Responsible for interim and final reports together with the beneficiary country's PL;
- Participation in communication and visibility activities is expected.

Except in special circumstances, working on weekends will not be allowed.

²³ Certified Information Systems Auditor from the Information Systems Audit and Control Association.

3.6.2 Profile and tasks of the Resident Twinning Advisor (RTA)

One RTA will be appointed and will reside in Bangladesh for the duration of the project. He/she is expected to work within the OCAG premises under the supervision of the Member State Project Leader (MS PL) and the OAG (beneficiary country) Project Leader.

Qualifications, experience and skills required

- At least a professional accounting or auditing qualification and/or ISACA/CISA qualification or in the absence of a qualification, an equivalent professional experience of eight years in the field of audits (i.e. in addition to that required in the next point below);
- At least three years of relevant professional experience working in the field of audits;
- At least three years of Financial Auditing, Performance Auditing or Co-Sourcing Auditing experience in a SAI as part of the overall professional experience;
- Very good command of English equivalent to C1 level, both orally and written;
- Strong computer literacy and IT audits;
- Overall excellent communication skills.

The following experience and skills will be considered as assets:

- Additional experience in auditing;
- Previous experience in project management;
- Experience in organising and conducting trainings;
- Affinity with the Bangladesh culture, including oral and written communication;
- Experience with EU Twinning rules and procedures.

Tasks:

The RTA is expected to carry out the following tasks during his/her full-time assignment:

- Draft the work plan in close cooperation with all relevant actors and based on the expected results of the project;
- Ensure timely implementation of the Twinning project at the OCAG;
- Support and advice the representatives of the beneficiary administration;
- Organise all project activities, such as workshops, study visits, trainings and short term expertise;
- Together with the MS Project Leader and the OCAG Project Leader, mobilise and supervise the short-term experts;
- Coordinate all project activities and experts' inputs at OCAG including experts' reports;
- Prepare regular project monitoring meetings / briefings;
- Regularly update the work plan and transmit project updates to the PSC under the authority of the Member State and the OCAG Project Leaders;
- Draft the interim progress reports to be finalised by the Project Leaders;
- The RTA should ensure continuous effective coordination on the overall implementation of project activities with regular updates.

Except in special circumstances, working on weekends will not be allowed.

3.6.3 Profile and tasks of Component Leaders (CL)

The CL are experts from the EU Member State(s) responsible for a specific component / mandatory result / output in a Twinning project.

Qualifications, experience and skills required:

- At least a professional accounting or auditing qualification and/or ISACA/CISA qualification or in the absence of a qualification, an equivalent professional experience of eight years in state audit related matters (i.e. in addition to that required in the next point below);
- At least three years of relevant professional experience in state audit related matters;
- At least three years of relevant experience in the issues dealt with by the specific component they will be in charge of as part of the overall professional experience;
- Very good command of English equivalent to C1 level, both oral and written;
- Overall excellent communication skills.

The following qualifications will be considered as assets:

- Experience with EU Twinning rules and procedures.

Except in special circumstances, working on weekends will not be allowed.

3.6.4 Profile and tasks of other Short-Term Experts

The project will require specialist expertise from a number of short-term experts (STE) in order to perform specific tasks / activities, providing the necessary skills and experience according to the expected results mentioned in the Twinning fiche.

The STEs will work under the overall guidance of the Member State PL and under the supervision of the RTA. The expected experts' outputs / deliverables shall be established when creating the twinning work plan that will include the drafting of STEs' Terms of Reference.

Qualifications, experience and skills required:

- At least a professional accounting or auditing qualification (CA, ACCA, CIPFA, PESA, CPA or alike) and/or ISACA/CISA qualification or in the absence of a qualification, an equivalent professional experience of eight years in public sector audit administrations (i.e. in addition to that required in the next point below);
- At least three years of relevant professional experience in the respective field;
- Very good command of English equivalent to C1 level, both orally and written;
- Overall excellent communication skills.

4. Budget

The maximum budget available for the Grant is EUR 2 000 000.

5. Implementation Arrangements

5.1 Implementing Agency responsible for tendering, contracting and accounting

Contact person

EU Delegation to Bangladesh

Plot 7, Road 84

Gulshan-2, Dhaka 1212 (Bangladesh)

For the attention of the Head of Finance, Contracts and Audit Section

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5.2 Institutional framework

The Twinning project will support one beneficiary organisation, the OCAG, which will ensure the effective and efficient implementation of the project and the achievement of results. The OCAG is headed by the Comptroller and Auditor General (CAG) who is assisted by three Deputy Auditors-General, one in charge of the overall administration and the other two in charge of the accounts & reports and procedures. There are seventeen Audit Directorates and one training institute. All these outfits will benefit from the Twinning project.

5.3 Counterparts in the Beneficiary administration

The Project Leader (PL), Resident Twinning Advisor (RTA) and Component Leader (CL) counterparts will be staff of the Beneficiary administration(s) and will be actively involved in the management and coordination of the project.

5.3.1 Contact person

Mr. Pranab Sarker

Director (Research and Development)

5.3.2 PL counterpart

Mr. Md. Shariful Islam, Deputy Comptroller and Auditor General (Senior)

5.3.3 RTA counterpart

Mr. Pranab Sarker

Director (Research and Development)

6. Duration of the project

The execution period of the Twinning project is 39 months, with 36 months of implementation.

7. Management and reporting

7.1 Language

The official language of the project is the one used as contract language under the instrument (English). All formal communications regarding the project, including interim and final reports, shall be produced in the language of the contract.

7.2 Project Steering Committee

A project steering committee (PSC) shall oversee the implementation of the project. The main duties of the PSC include verification of the progress and achievements vis-à-vis the mandatory results/outputs chain (from mandatory results/outputs per component to impact), ensuring good coordination among the actors, finalising the interim reports and discussing the updated work plan. Other details concerning the establishment and functioning of the PSC are described in the Twinning Manual.

7.3 Reporting

All reports shall have a narrative section and a financial section. They shall include as a minimum the information detailed in section 5.5.2 (interim reports) and 5.5.3 (final report) of the Twinning Manual. Reports need to go beyond activities and inputs. Two types of reports are foreseen in the framework of Twinning: interim quarterly reports and final report. An interim quarterly report shall be presented for discussion at each meeting of the PSC. The narrative part shall primarily take stock of the progress and achievements vis-à-vis the mandatory results and provide precise recommendations and corrective measures to be decided by in order to ensure further progress.

8. Sustainability

The Twinning project objectives and activities respond and contribute to the 2021-25 Strategic Plan of the OCAG (issued in 2021), and the annual operational plan. The project will enhance the skills and efficiency of the OCAG and support further reforms and dynamic development within the organisation.

9. Crosscutting issues

Environmental protection and climate change

The European Union attaches great importance to the protection of the environment and climate change, as noted in the priorities of the European Commission President, such as A Green Deal for Europe, as mirrored in EU's Global Gateway. Likewise, the Government of Bangladesh attaches great importance on fighting climate change and conserving the environment. This project is expected to have a neutral to positive impact on climate change and the environment. The project's operation will ensure that environmental efficiency measures are respected and resources and recycling methods are efficiently used (e.g. paper recycling, recycling of printer toner etc.). SMART Bangladesh initiatives to create e-Government is also highly supporting paperless and online processes within the organisation. Furthermore, it is expected that all flights related to this project are offset against their CO² emissions.

Human rights approach

All OCAG activities under this action will be values driven, integrating the key principles (participation, non-discrimination, accountability and transparency) of the human rights approach.

Gender balance and empowerment of women and girls

Promoting a (gender) diverse workplace will be a strong element in strengthening the institutional capacity of the OCAG. This project will work to address the promotion of equal opportunities at the workplace, mainly by promoting women where possible to higher positions within the organisation.

Reduction of income inequality

The European Union has a strong focus on income inequality. In Bangladesh, income inequality is growing since consumer price inflation has been high while wages have not increased much, so there is loss of purchasing power that hurts the poor most. The Household Income Survey of the Bangladesh Bureau of Statistics shows that 18.7% of the population lived below the upper poverty line according to the Cost of Basic Needs method in 2022, where rural poverty was significantly higher (at 20.5%) than urban poverty (14.7%). The rate of people living below the lower poverty line was 5.6% (rural 6.5% and urban 3.8%). The Multidimensional Poverty Index of 2019 (UNICEF and Oxford University) shows that 36% of the population is poor regarding education, health, living standard. The Gini coefficient is 0.499 in 2022 (rural 0.446 and urban 0.539). In comparison with 2016, it has slightly improved.

See expected results: In every Steering Committee meeting there will be an agenda item on these cross-cutting issues, and discussion if and how they have been addressed. Moreover, every audit report will contain a paragraph explaining how the report addresses (i) environment and climate change, (ii) human rights approach, (iii) gender balance and (iv) income inequality in Bangladesh. Cross-cutting issues may also be discussed in other activities under this project.

10. Conditionality and sequencing

The project includes the following key condition:

Capacity building requires sustained ownership and strategic commitment from OCAG and significant investment in terms of resources and expertise. OCAG is committed to appoint adequate, qualified and competent staff to participate in the project implementation, as well as allocate working space and facilities for staff engaged under the Twinning grant contract.

11. Indicators for performance measurement

- Please see the Logical framework in Annex 1.

12. Facilities available

The beneficiary administration will make available the necessary infrastructure for Member State(s)'s experts to carry out their tasks. The beneficiary will provide equipped office space for the RTA, the RTA assistant and the short-term experts. The beneficiary is expected to set up an office unit dedicated to the implementation of the project and to make available, free of charge, meeting rooms and training spaces for the implementation of project activities, as well as conference facilities, unless it is justified to use other rented premises.

ANNEXES TO PROJECT FICHE

1. The Logical framework as per Annex 1.

ANNEX 1 Logical framework

Overall objective	Indicators	Baseline	Target data	Sources of verification	Risks	Assumptions (external to project)
<i>Improve the Office of the Comptroller and Auditor General's (OCAG) oversight of public receipt and spending in Bangladesh</i>	Status of audit coverage – BCG & SPA	Specialised audits in 2024: 0	Specialised audits in 2027: 10	Website OCAG Annual Activity Report OCAG	<ul style="list-style-type: none"> • Limited access to revenue data • Limited access to Government IT systems. • Non/timely availability of F/S 	
Specific objective	Indicators	Baseline	Target data	Sources of verification	Risks	Assumptions (external to project)
<i>1. Enhance Financial, performance and IT audits</i>	1.1 Number of skilled auditors	Financial auditors in 2024: 20 Performance auditors in 2024: 20 IT auditors in 2024: 20	Financial auditors in 2027: 100 Performance auditors in 2027: 100 IT auditors in 2027: 100	Audit HRM report Annual Activity Report OCAG	<ul style="list-style-type: none"> • Frequent transfer of OCAG staff 	
<i>2. Promote where possible the cross-cutting objectives regarding (i) environment and climate change, (ii) human rights approach, (iii) gender balance and (iv) income inequality</i>	<i>2.1 PSC meetings with agenda point and a discussion</i>	Number of PSC meetings in 2024 with agenda points on environment and climate change: human rights approach: gender balance: income inequality: 0	Number of PSC meetings in 2025-2027 with agenda points on environment and climate change: human rights approach: gender balance: income inequality: 12	Minutes PSC		
	<i>2.2 OCAG's reports that describe or promote actions that have been or will be conducive for the environment, that enforce human rights, that bring more balance in gender and that advocate against extreme income inequality</i>	Number of OCAG reports in 2024: 0	Number of OCAG reports in 2027: 25	Annual report	<ul style="list-style-type: none"> • Lack of measurement criteria and indicators of cross-cutting issues • Limited skills of auditors 	

Component 1: To enhance financial auditing capacity						
1.1: Institutionalise the financial audit of the Financial Statements of the Budgetary Central Government	1.1.1 Number of financial audits	Financial audits in 2024: 0	Financial audits in 2027: 5	Annual report	<ul style="list-style-type: none"> Limited access to revenue data Limited access to Government IT systems Non / timely availability of F/S 	
1.2: Institutionalise the financial audit of the Financial Statements of Statutory Public Authorities	1.2.1 Number of events regarding financial audits: 0	Financial audit events in 2024: 15	Financial audit events in 2027:	Annual report	<ul style="list-style-type: none"> Non / timely availability of F/S 	
1.3: Integration of Financial Audit with AMMS 2.0	1.3.1 Number of exchanges of the Financial Audit through AMMS 2.0	Financial audits processed through AMMS 2.0 in 2024: 0	Financial audits processed through AMMS 2.0 in 2027: 20	Annual report	<ul style="list-style-type: none"> Extension contract with vendor may not be signed on time 	
Component 2: To enhance performance auditing capacity						
2.1: Continue the Institutionalisation of Policy Level Performance Auditing	2.1.1 Number of performance audits	Performance audits in 2024: 0	Performance audits in 2027: 5	Annual report	<ul style="list-style-type: none"> Unavailability of required/quality data Capacity constraint of OCAG auditor 	
2.2: Integration of Performance Audits with AMMS 2.0	2.2.1 Number of exchanges of the Performance Audit through AMMS 2.0	Performance audits processed through AMMS 2.0 in 2024: 0	Performance audits processed through AMMS 2.0 in 2027: 5	Annual report	<ul style="list-style-type: none"> Extension contract with vendor may not be signed on time 	
Component 3: To enhance IT auditing capacity						
3.1: Development of OCAG IT Audit Co-Sourcing Strategy	3.1.1 Number of non-co-sourced audit IT audits	Non co-sourced IT audits in 2024: 0	Non co-sourced IT audits in 2027: 3	Annual Activity Report OCAG website	<ul style="list-style-type: none"> Capacity constraint of OCAG auditor 	
3.2: Execution of Co-Sourced IT Audits (Model Audits)	3.2.1 Number of co-sourced IT audits	Co-sourced IT audits in 2024:0	Co-sourced IT audits in 2027: 3	Annual report	<ul style="list-style-type: none"> Limited access to Government IT systems Skilled co-source may not be available / selected 	