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Project title: Peer-to-Peer institutional support to the Office of the Auditor General in Zambia

Beneficiary administration: Office of the Auditor General in Zambia

Twinning Reference: ZM 17 EDF FI 01 20

Publication notice reference: EuropeAid/170332/DD/ACT/ZM

EU funded project

TWINNING TOOL

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Acronyms

AFROSAI-E	African Organisation of Supreme Audit Institutions
AG	Auditor General
CPs	Cooperating Partners
EU	European Union
EUD	European Union Delegation
FI	Finance, Internal market and economic criteria
IDI	INTOSAI Development Initiative
INTOSAI	International Organisation of Supreme Audit Institutions
IFMIS	Integrated Financial Management and Information System
ISSAI	International Standards of Supreme Audit Institutions
MIS	Management Information System
MISS	Management Information Systems Strategy
MoF	Ministry of Finance
MPSAs	Ministries, Provinces and other Spending Agencies
MS	Member State (meant as 'of the European Union')
OAG	Office of the Auditor General
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PFM-RP	Public Financial Management Reform Programme
PFM-RS	Public Financial Management Reform Strategy
PL	Project Leader
PAA	Public Audit Act
PSC	Project Steering Committee
RTA	Resident Twinning Advisor
SAI	Supreme Audit Institution
SI	Statutory Instrument
TSA	Treasury Single Account
ZMW	Zambian Kwacha (official currency)

1. Basic Information

1.1 Programme

Support to Effectiveness and Transparency in Management of Public resources (EFFECT) – FED/2017/039-020. The overall objective of the EFFECT programme is to contribute to the sustainable and inclusive economic growth through increased mobilisation and effective use of domestic resources. The specific objective is to improve accountability, transparency and effectiveness in management of public resources and increase domestic revenue mobilisation. The **expected results** are:

- Parliamentary budgetary oversight function is reinforced;
- **Oversight of public spending by the Office of the Auditor General is improved;**
- Operations of the Anti-Corruption Commission have improved and the fight against corruption is reinforced;
- Planning, budgeting and management of public resources is improved;
- The revenue base is enhanced through improved domestic revenue mobilisation.

This call for proposals corresponds to the second expected result of the programme, namely: Oversight of public spending by the Office of the Auditor General is improved.

This Twinning project will be managed through direct management.

For UK applicants: Please be aware that following the entry into force of the EU-UK Withdrawal Agreement¹ on 1 February 2020 and in particular Articles 127(6), 137 and 138, the references to natural or legal persons residing or established in a Member State of the European Union and to goods originating from an eligible country, as defined under Regulation (EU) No 236/2014² and Annex IV of the ACP-EU Partnership Agreement³, are to be understood as including natural or legal persons residing or established in, and to goods originating from, the United Kingdom⁴. Those persons and goods are therefore eligible under this call.

1.2 *Twinning Sector:* Finance, Internal Market and Economic Criteria (FI)

1.3 *EU funded budget:* € 2 000 000

1.4 *Sustainable Development Goals (SDGs) addressed:* 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.

¹ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

² Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.

³ Annex IV to the ACP-EU Partnership Agreement, as revised by Decision 1/2014 of the ACP-EU Council of Ministers (OJ L196/40, 3.7.2014).

⁴ Including the Overseas Countries and Territories having special relations with the United Kingdom, as laid down in Part Four and Annex II of the TFEU.

2. Objectives

2.1 Overall Objective(s)

The *overall objective* is: ***“To strengthen the capacity of the Supreme Audit Institution (SAI) of Zambia, thereby enhancing the accountability, transparency and effective management of public resources in Zambia”.***

2.2 Specific objective

The *specific objective* is: ***“To improve the management and technical capacity of the Office of the Auditor General (OAG) to plan and undertake audits as prescribed by the law and in line with international standards and best practices.”***

2.3 The elements targeted in strategic documents

The Office of the Auditor General is a government institution charged with the responsibility of providing audit services to ministries, provinces and other spending agencies (MPSAs) as well as private institutions which receive government subventions in any financial year.

The role of the OAG in ensuring prudent management and utilisation of public resources is well underscored in the Seventh National Development Plan (7NDP 2017-2021), which has prioritised enhancing domestic resource mobilisation, reforecasting of public spending and restoring budget credibility as contributions to the achievement of the country's "Vision 2030".

The specific key result areas for the OAG in the 7NDP are under the 5th Strategic Objective *“Creating a Conducive Governance Environment and a Diversified and Inclusive Economy”*. The key result areas are *“2 – Improved Transparency and Accountability”* and *“4 – Improved Service Delivery”*.

The **2017-2021 OAG Strategic Plan** has a five-year vision that aims to establish *“a dynamic audit institution that promotes transparency, accountability and prudent management of public resources.”*

Between 2017-2021, the OAG aims to achieve the four following objectives:

- i. To provide timely and value adding auditing services for enhanced accountability, transparency and integrity of government and the public sector for the benefit of society.
- ii. To effectively plan, execute, monitor and evaluate programmes and provide management information for timely decision making and attainment of set objectives.
- iii. To efficiently and effectively manage its human resources in order to achieve exceptional individual and organisational performance.
- iv. To efficiently and effectively provide financial and administrative services for organisational efficiency and attainment of set objectives.

The target of the **2018-2021 Human Resource Strategy** of the OAG is *“to enhance the institutional capacity of the OAG to attract, retain and adequately motivate staff”*. Furthermore, to be in line with the AFROSAI-E standards and guidelines, the so-called "B-strategy⁵" was adopted and incorporated in OAG's Human Resource strategy.

⁵ Buy (new talent by recruiting); borrow (partner with consultants); boost (move the right people to higher positions); build (capacity building); bind (retain staff with critical competences); and bounce (remove poor performers).

The new **2019-2022 PFM Reform Strategy** (PFM-RS)⁶ adopted an approach that prioritises the creation or reinforcement of foundations, and it encompasses the following seven components:

1. Integrated Planning and Budgeting.
2. Effective internal control for predictable budget execution.
3. Increasing effectiveness of Revenue Mobilisation.
4. Transparent reporting of financial and service delivery.
5. Effective external scrutiny of financial and service delivery performance.
6. Moving toward Fiscal Decentralisation.
7. Fighting Corruption.

PFM-RS prioritises measures that are designed to improve budget reliability and integrity, alongside measures to implement output based budgeting. Component 5 addresses the effective external scrutiny of financial and service delivery performance (encompassing the external review element).

For this component, as for all other components, the PFM-RS describes what might be considered as “best practice”, presents an assessment of the current situation/practice (i.e. “current situation”), as well as providing an outline of priority strategic reforms that would bring the “current situation” in to line with “best practice” (i.e. “strategic reform priorities”).

International best practices

All central government entities are audited annually covering revenue, expenditure and assets / liabilities. A full range of financial audits and some aspects of performance audit are performed. These generally adhere to auditing standards and focus on significant and systemic issues. Audit reports are submitted to the legislature within 4 months of the end of the period covered by the audit and in the case of financial statements from their receipt by the audit office.

Other government owned entities prepare annual financial statements that are verified by an independent audit (under the direct supervision of the Auditor General). These audited financial statements will subsequently be tabled by the responsible minister for scrutiny by the legislature.

Scrutiny of the audited reports is usually completed by the legislature within 3 months from receipt of the reports. In-depth hearings on key findings take place consistently with responsible officers from all audited entities, with particular attention being given to reports containing a qualified or adverse audit opinion. Based on these hearings, the parliament will document the actions that it considers essential for follow-up and correction, and will assign accountability for these actions to the executive. The executive regularly reports to parliament on the actions taken to address recommendations, until parliament decides that the issues have been adequately addressed. There is currently clear evidence of effective and timely follow up.

The Current Situation

External Audit: The PEFA (indicator PI-30) assesses the effectiveness of external audit against 4 dimensions as follows:

Indicator/Dimension	Score	Brief Explanation
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⁶ To the best of our knowledge, at the time of drafting this document, the PFM RS 2019-2022 had not been formally adopted by Government.

P1 – 30 External audit (M1)	D+	There has been a strong performance in audit coverage and adherence to standards. However, performance in submission of audit reports to the legislature, follow-up and supreme audit institution (SAI) independence, has been slightly weak.
30.1 Audit coverage and standards	A	Audits are undertaken in line with the ISSAIs as per the African Organisation of Supreme Audit Institutions – English Speaking (AFROSAI-E) Audit Manuals.
30.2 Submission of audit reports to the legislature	B	Audit reports are submitted within 6 months of receipt of financial statements from MoF.
30.3 External audit follow-up	C	There is a formal, comprehensive, and timely response made by the executive or audited entity. Although there is a formal follow-up process of writing responses on action taken, the action is not very effective as some issues remain unresolved.
30.4 Supreme Audit Institution independence	D	Revised legislation has formalised the arrangements for involving the legislature in the appointment of the Auditor-General and guaranteeing independence for operations. Budget approval remains as per the normal arrangements of the government. However, the absence of mandatory requirement for the appointment of the Auditor General to a substantive position led to possibility of the key constitutional office continued on acting arrangement for extended periods.

Source: Page 65-66 of the PEFA 2017 Report on the Evaluation of the Public Financial Management System of Zambia. PEFA 2017 covers the completed fiscal years 2013, 2014, and 2015.

Note: Since the last PEFA assessment which covered 2013, 2014 and 2015, the following institutional and regulatory changes have occurred:

1. The enactment of the Public Finance Management Act No. 1 in 2018 to improve transparency and accountability in public finance management in Zambia.
2. The substantive AG was appointed on 18th December 2019.
3. The oversight committee to address irregularities in Ministries was formed by the executive. The committee is headed by the Secretary to the Cabinet and the members comprise of, among others, the Secretary to the Treasury and the Controller of Internal Audit.

The audit process is favourably assessed by the PEFA 2017 in relation to the dimensions of completeness / coverage and timeliness. However, the assessments for the remaining dimensions (i.e. External audit follow up; Independence of the OAG) are less satisfactory. These dimensions are outside of the direct control of the OAG and need to be addressed by Government.

External audit follow-up: The report of the Auditor General is reviewed by the Public Accounts Committee (PAC) of the National Assembly by way of a series of public hearings. The PAC makes recommendations in relation to audit findings and these are included in the PAC's report. It is the responsibility of the Secretary to the Treasury (in the role of Chief Controlling Officer) to oversee a process of formal response to these recommendations. The Secretary to the Treasury requires controlling officers in spending entities to respond to the recommendations and a formal response is compiled and submitted to the PAC. However, the Auditor General's report highlights that while the responses are prepared, the rate at which issues raised are actually addressed is very poor.

The situation of the slow rate of addressing issues in the Auditor General's report must be addressed as a priority. There are many reasons for this lack of responsiveness including perhaps: a lack of strong leadership which requires controlling officers to address issues; a

lack of sanctions for non-action; weak capacity or a lack of understanding of the importance of addressing these issues; and the long delay between the end of the financial year and the issuance of the PAC report (18 months). These and other reasons are to be explored in order to identify priority actions that will address this weakness.

Autonomy of the Office of the Auditor General: Zambia's Amended Constitution (2016) enshrines autonomy for the appointment process of the Auditor General. Article 234 of the Amended Constitution requires that the State Audit Commission makes recommendations to the President on the appointment of the Auditor General. Article 249 requires appointment of the Auditor General by the President to be ratified by the National Assembly. The tenure of the Auditor General is secured to the age of sixty in the constitution. Removal of the Auditor General before this age requires the recommendation of a tribunal that has investigated the alleged misconduct or incompetence.

However, to date the Government has yet to issue the Statutory Instruments (SIs) required to operationalise the State Audit Commission (SAC) and Public Audit Acts, which are both key factors for the independence of the OAG. It should however be noted that the Constitution Amendment Bill No. 10 in Zambia, has proposed the revision of the following under the Office of the Auditor General:

- The Office of the Auditor General recommended the removal / deletion of the State Audit Commission. The recommendation to remove the State Audit Commission is based on the fact that countries that have introduced this have had a lot of challenges in the operations of the Office of the Auditor General.
- In view of the fact that the State Audit Commission Act No. 27 of 2016 was enacted but not operationalised, it was proposed that it be repealed and subsequent amendments be made to the Public Audit Act No. 29 of 2016 which has also not yet been enacted.

Therefore, the appointment of the Auditor General reads as follows in the Constitution:

"228. (1) There is an Auditor-General appointed by the President, subject to ratification by the National Assembly.

(2) The office of Auditor-General shall be decentralised to the Provinces and to districts progressively, as prescribed.

(3) The following shall be prescribed:

- (a) the qualifications of the Auditor-General;*
- (b) the operations and management of the office of the Auditor-General;*
- (c) the recruitment, supervision, grading, promotion and discipline of the staff of the Auditor-General; and*
- (d) the finances of the office of the Auditor-General.*

229. (1) The Auditor-General shall—

- (a) audit the accounts of— (i) State organs, State institutions, provincial administration and local authorities; and (ii) institutions financed from public funds;*
- (b) audit the accounts that relate to the stocks, shares and stores of the Government;*
- (c) conduct financial and value for money audits, including forensic audits and any other type of audit, in respect of a project that involves the use of public funds;*
- (d) ascertain that money appropriated by Parliament or raised by the Government and disbursed- (i) has been applied for the purpose for which it was appropriated or raised; (ii) was expended in conformity with the authority that governs it; and (iii) was expended economically, efficiently and effectively; and*

(e) recommend to the Director of Public Prosecutions or a law enforcement agency any matter within the competence of the Auditor-General, that may require to be prosecuted.

(2) The Auditor-General and any other officer authorised by the Auditor-General shall have access to all books, records, reports and other documents relating to any of the accounts referred to in clause (1).

(3) The Auditor-General shall not be subject to the direction or control of a person or an authority in the performance of the functions of that office.

230. Where the Auditor-General is absent from Zambia or is unable to perform the functions of office due to illness or other cause, the President shall appoint a person qualified to perform the functions of the Auditor-General until that appointment is revoked or until the Auditor-General returns to office.

231. (1) Subject to this Article, the Auditor-General shall hold office for a term of seven years or retire from office on attaining the age of sixty-five years, whichever is earlier.

(2) The Auditor-General may retire, with full benefits, on attaining the age of fifty-five years.

(3) The Auditor-General may be removed from office on the same grounds and procedure as apply to a judge, with the necessary modifications.

(4) The Auditor-General may resign from office by giving three months' notice in writing, to the President."

Strategic Reform Priorities

Reform Objective: To build on the good work of the Auditor General and the Public Accounts Committee by enhancing the knowledge and understanding of all controlling officers of their responsibilities and accountabilities as well as implementing and enforcing sanctions for not responding appropriately to PAC recommendations.

Priority will be given to reforms designed to improve the following:

- The discipline with which controlling officers in all spending entities address the recommendations of the Public Accounts Committee; and
- The timeliness of financial reporting to the National Assembly, including the audit of reports and subsequent review of the reports by the assembly;

The PFM-RS also establishes targets and indicators related to the OAG:

Component	KPI	Baseline	Target	Current situation
5. Effective external scrutiny of financial and service delivery performance	PEFA assessment of PI-30 External audit	D		
	PI-30.2 Submission of audit reports to the legislature	B	A by 2022	<p>Requires audit reports on the accounts of the republic to be submitted to parliament within 9 months after the end of a financial year. Target achieved. From the time the constitution was amended in January 2016, the OAG has been submitting to parliament on time.</p> <p>Other reports to be submitted to parliament, e.g. on performance audits and parastatal bodies and other statutory institutions, have no statutory deadlines.</p>
	PI-30.3 External audit follow-up	C	A by 2022	<p>The audit follow up mechanism on the report of the Auditor General on the accounts of the republic is in place.</p> <p>The office needs to put in place follow-up mechanisms on other reports such as performance audits.</p> <p>Requires effective follow-up and resolution of queries by the executive. The PFM Act No. 1 of 2018 and the Oversight Committee at Cabinet Office have already put in place measures to address follow-up issues.</p>
	PI-30.4 Supreme Audit Institution independence	D	A by 2022	<p>The OAG has operational independence as no one can direct the Auditor General in his operations.</p> <p>The appointment, tenure and removal of the Auditor General is enshrined in the constitution.</p> <p>The OAG's budget is prepared by the OAG. However, the ceilings are determined by the executive and thus there is limited financial autonomy.</p> <p>All staff of the OAG are civil servants and as such the Civil Service Commission determines recruitment, remuneration and promotions of the OAG thus there is no administrative autonomy.</p>

3. Description

3.1 Background and justification

Since the early 2000s, Zambia has embarked on the implementation of public financial management (PFM) reforms. Public expenditure and financial accountability (PEFA) reviews have been undertaken in 2005, 2008, 2012 and 2016 identifying important challenges in the areas of budget discipline and implementation, budget credibility and accessibility of fiscal information.

The Office of the Auditor General is the supreme audit institution of Zambia. By Section 250 of the constitution the Auditor General is required to:

- a) Audit the accounts of (i) State organs, State institutions, provincial administration and local authorities; and (ii) institutions financed from public funds;
- b) Audit the accounts that relate to the stocks, shares and stores of the Government;
- c) Conduct financial and value for money audits, including forensic audits and any other type of audit, in respect of a project that involves the use of public funds;
- d) Ascertain that money appropriated by Parliament or raised by the Government and disbursed - i) has been applied for the purpose for which it was appropriated or raised; (ii) was expended in conformity with the authority that governs it; and (iii) was expended economically, efficiently and effectively; and
- e) Recommend to the Director of Public Prosecutions or a law enforcement agency any matter within the competence of the Auditor-General that may require to be prosecuted.

The amendments to the constitution introduced in 2016 were aimed at enhancing the independence of the National Audit Office and expanding its scope of action. A new Public Audit Act (PAA) and State Audit Commission Act were also enacted in June 2016.

The OAG is headed by the Auditor General, who is assisted by the Deputy AG in charge of Corporate Services and the Deputy AG in charge of audits. The two deputies are appointed by the president, however, they are not ratified by the parliament.

The Audit Division consists of 6 directorates (i.e. Specialised Audits, Revenue Audits, Provincial Appropriation, Public debt & Investments Audits, Ministerial Appropriation Audits and Local Authorities Audit), while the Corporate Division consists of 3 directorates (i.e. Finance, Planning & Information, and Human Resource & Administration).

By 2018, the OAG consisted of 735 staff positions, out of which 550 were filled, 118 positions (mostly audit positions) were vacant and 67 positions were frozen. Later, during the year, MoF granted the reactivation of 39 of the frozen positions and recruitment could take place.

Due to high staff turnover and increased responsibilities at the OAG, as new legislation further extends the scope and coverage of its work, capacity building is currently an important issue for the organisation.

The 2018 Audit Plan included 308 audit assignments, out of which 273 were carried-out, representing an 88.6% execution rate. The most notable weaknesses in the audits were in the area of ministerial appropriations audits (72% level of achievement) and specialised audits (73% level of achievement). As for the financial situation of the OAG, there was a decrease in funding from 2017 (ZMW 90.24 million) to 2018 (ZMW 86.71 million), by ZWK 3.5 million. Of the expenditures 55% are personal remunerations. The budget is distributed between the various directorates and the ten provincial offices.

Based on the latest OAG Report, during the year 2019, the office was allocated a budget of ZMW 28.9 million for recurrent departmental charges to audit the Government of the Republic of Zambia (GRZ) accounts for the financial year ended 31st December 2018. By the end September 2019 only 61% of these funds had been released and thus *"The amounts appropriated were inadequate considering the expanded mandate that includes the audit of local authorities and the fact that all the audits were supposed to be finalised by 30th September 2019. According to the constitution, I am required to audit all the ministries, provinces, spending agencies, parastatals, other statutory bodies and local authorities annually. As a result of the budget constraint, it was not possible to comprehensively audit all clients."*⁷ As a result, the OAG has been unable to meet the desired audit coverage on the audit of revenue which is problematic as the audit of revenue is critical to the collection of domestic revenue in order to increase the revenue base for sustainable development.

3.2 Ongoing reforms

The OAG has been undergoing a restructuring programme that has brought on board new directorates and positions that have since added a new look to the institution. The reform process has been supported by various cooperating partners (CPs).

Due to the increased mandate of the OAG, further capacity building activities will be required. In addition, assistance to fully carrying out the annual overall audit plans in a timely manner is required.

The Management Information Systems Strategy (MISS) 2017-2021 outlines the necessity to improve the management and implementation of OAG's information technology initiatives. The increase in staff numbers due to restructuring as well as the larger scope of services provided by the OAG requires improvements to IT services and the effective implementation of an appropriate and accurate management information system (MIS). The OAG is pursuing assistance from CPs in this matter. The MIS unit at the OAG is currently using IFMIS, but it is evident that further developments are necessary. For example there is a need to develop an electronic database to follow-up on recommendations and outstanding issues, a need to develop a whistle blowing policy, as well as a need to automate an institutional performance management system in addition to a need to automate operations (e.g. fleet management, asset management, etc.).

The Integrated Financial Management and Information System (IFMIS) has been rolled out by the MoF within the framework of the 2013-2015 PFM Reform Strategy, however, the system does not yet cover all government entities and its use still requires improvements. IFMIS is used for the creation of purchase orders, and to record commitments of funds before payments are due in order to avoid payments arrears.

The MISS stresses as well that IFMIS with other e-Government initiatives require *"further development of services, processes and skills of users and managers"*⁸.

The 2016 PEFA describes the OAG as performing reasonably well, highlighting positive developments in terms of audit coverage and submission of audit reports. The OAG however still faces challenges in maintaining audit quality while increasing coverage and increasing the number of specialised audits.

The current need is therefore to support the Auditor General Office to further improve its performance and to meet its additional Constitutional and legal responsibilities in terms of enhancing its local government audit work, implementing the PAA, and enhancing its in-house training capacity.

⁷ Office of the Auditor General Main report on the Accounts of the Republic, 27/09/2019 http://www.ago.gov.zm/reports/Main/Main%20Report_27_09_2019.pdf

⁸ Management Information Systems Strategy (MISS) 2017-2021- Zambia.

3.3 *Linked activities*

Norway, the Netherlands and Sweden have supported OAG through the Restructuring Institutional Development Programme (RIDP) since 1997. Sweden has become involved as the Netherlands phased out its support. Both Norway and Sweden currently have a bilateral agreement with the Government of Zambia to support the OAG. The OAG also has institutional cooperation with the Norwegian SAI-OAG-N which provides technical assistance to its Zambian counterpart. This involves performance audit, IT audit, compliance audit/extractive industries, quality assurance and activities on management of information systems/IT.

In addition to the Norway / Netherlands (and later Sweden) support, with the lead of the EU, DFID and World Bank (and 7 other CPs), multi donor support has been also provided through the Public Expenditure Management and Financial Accountability Program (PEMFA) from 2006 onwards. This programme supported improvements to OAG infrastructure (e.g. office buildings, vehicles, and IT) while the support from Norway / Netherlands focused on institutional development, restructuring, capacity building and training. The European Union contributed a total of EUR 13 million to PEMFA programme which closed at the end of 2011.

The PFM Reform multi-donor programme (PFM-RP) managed by the World Bank, provided USD 196,000 for the:

- (i) Development and implementation of an audit management system;
- (ii) Development of the OAG Strategic Plan for the period from 2017 to 2021;
- (iii) Procurement of high specification laptops (5) and ACL software; and
- (iv) IT audit training of the IFMIS and the treasury single account (TSA).

Currently, the OAG is receiving support from Norway and this support is foreseen to continue until December 2020. This long-term support was justified by the fact that capacity development is not normally done in one programme covering a period of 3-5 years as experience shows that a minimum engagement of 10 years is required for sustainable results and impact.

In 2018, Sweden engaged to support the OAG financially with capacity building programmes until 2022 with a total grant of SEK 37 million (equivalent to approximately EUR 3.45 million for 4 years). The Restructuring and Institutional Development Project Phase Six (RIDP VI) is currently supporting the OAG to attain financial and administrative autonomy, and further enhance the scope and quality of its audits.

In addition to the Norwegian support until 2020 and Swedish support until 2022, Ireland is supporting the OAG Forensic Audit Unit since 2015.

3.4 *List of applicable Union Acquis/standards/norms*

- International Standards for Supreme Audit Institutions (ISSAIs);
- INTOSAI code of ethics;
- Test checks, inspections and examination of accounting, stores, projects and other records maintained by the public officers entrusted with handling public resources in line with the applicable laws, regulations and international best practices;
- Chapter 32 financial control.

3.5 *Components and results per component*

Component 1: Operationalisation of the revised mandate of the Auditor General under Article 250 (1) of the Constitution of Zambia (amendment) Act No. 2 of 2016.

Result 1.1: Strengthened capacity of the OAG to provide timely and value adding auditing services for enhanced accountability; procedures established for tracking and follow up of audit reports.

Result 1.2: Strengthened capacity of the OAG to sensitise various stakeholders, including MPs, the media, audits, civil society organisations and Cooperating Partners.

Component 2: Enhancing capacity of Local Authorities Audit Directorate (LAAD)

Result 2.1: LAAD staff capacities improved through staff induction and trainings.

Component 3: Staff capacity development and training through exchange of staff with European SAIs covering specialised audit tasks

Result 3.1: Strengthened capacity of the Auditor General to carry out special audits by applying international standards and best practices (i.e. for performance audits to examine the effectiveness with which public funds have been spent, forensic audits to establish fraud or other financial improprieties, environmental audits, public procurement audits to confirm whether procurements were done lawfully and effectively, extractive industry and contract audits).

Result 3.2: Enhanced skills and capacity of OAG staff so that the standards set by the International Organisation of Supreme Audit Institutions and other internationally recognised bodies approved by the Government are duly applied.

Component 4: Enhanced provision of administrative services and staff welfare in order to achieve exceptional individual and organisational performance.

Result 4.1: Improved individual and organisational performance.

Result 4.2: Enhanced awareness of staff on the revised code of ethics, roles of the audit committee and the integrity committee.

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

The project will be implemented through Twinning between the final beneficiary country and EU Member State(s) with the EU Delegation signing the Twinning grant agreement on behalf of GRZ. The implementation of the project requires one project leader (PL) with responsibility for the overall supervision and coordination of project activities. The PL will be supported by one Resident Twinning Adviser (RTA), 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 the OAG. 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 makes a member of its staff available to support the RTA in daily tasks. The implementation of the project will also require four 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. 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 and 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 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.

The Twinning project will be implemented by close co-operation between the partners aiming to achieve the mandatory results in sustainable manner.

The set of proposed activities will be further developed with the Twinning partners when drafting the initial work plan and successive rolling work plan every three months, keeping in mind that the final list of activities will be decided in cooperation with the Twinning partner. The components are closely inter-linked and need to be sequenced accordingly.

3.6.1 Profile and tasks of the PL

The MS Project Leader (PL) will be responsible for the overall planning and implementation of the Member States' inputs in this Twinning project.

The MS Project Leader (PL) will, in cooperation with the OAG 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 OAG, the National Authorising Office for the EDF and the EU Delegation.

*Qualifications, experience and skills **required**:*

- At least a Master's degree or equivalent in management, public administration, economics, law, accounting or another field related to the project **or** alternatively, a Bachelor's Degree or equivalent in management, public administration, economics, law, accounting or another field related to the project **and** an additional 2 years' of relevant experience in state audit related matters (i.e. in addition to that required below) **or** in the absence of a Bachelor's degree, an additional 5 years of relevant experience in state audit related matters (i.e. in addition to that required in the next point below);
- At least 3 years of relevant experience in state audit related matters as part of the overall professional experience;
- Proven contractual relation to a public administration or mandated body (see Twinning Manual 4.1.4.2);
- Very good command of English equivalent to C1 level⁹, both orally and written;
- Computer literacy.

The following experience and skills will be considered as **assets**:

- The Project Leader (PL) from the Member State (MS) should be a high-ranking public servant or equivalent staff.
- Comparative knowledge of national audit institutions;
- Certified as a public accountant (CPA), chartered accountant (CA), certified internal auditor (CIA), certified information systems auditor (CISA);
- Experience in managing, or assisting in the management, of at least one (1) project in building the capacity of supreme audit institutions;
- Experience with twinning rules and procedures.

⁹ Please refer to website <https://www.coe.int/en/web/common-european-framework-reference-languages/table-1-cefr-3.3-common-reference-levels-global-scale>. Level C1 is the second highest level of proficiency and is stated as: "Can understand a wide range of demanding, longer texts, and recognise implicit meaning. Can express him/herself fluently and spontaneously without much obvious searching for expressions. Can use language flexibly and effectively for social, academic and professional purposes. Can produce clear, well-structured, detailed text on complex subjects, showing controlled use of organisational patterns, connectors and cohesive devices."

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 life time of the project;
- Co-chair the regular Project Steering Committee meetings with the beneficiary country project leader;
- Communicate with the beneficiaries and the EUD;
- Responsible for interim and final reports together with beneficiary country's PL;
- Participation in communication and visibility activities is expected.

3.6.2 Profile and tasks of the RTA

One resident twinning advisor (RTA) will be appointed and will reside in Zambia for the duration of the project. He/she is expected to work within the OAG Zambia premises under the supervision of the Member State project leader and the OAG (beneficiary country) project leader.

*Qualifications, experience and skills **required***

- At least a Bachelor's degree or equivalent in management, public administration, law, economics, accounting or any other field related to the assignment **or** in the absence of a Bachelor's degree, an additional 3 years of professional experience in the field of audits (i.e. in addition to that required in the next point below);
- At least 5 years of relevant professional experience working in the field of audits;
- At least 3 years of specific experience in a supreme audit institution (SAI) as part of the overall professional experience;
- Very good command of English equivalent to C1 level, both orally and written;
- Computer literacy;
- Good communication skills.

The following experience and skills will be considered as **assets**:

- Additional experience will be considered as an asset;
- Previous experience in project management;
- Experience in organising and conducting trainings;
- Previous experience in EU funded project(s) or Twinning project(s).

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 OAG;
- Provide technical assistance and advice to the representatives of beneficiary administration;
- Organise all project activities, such as workshops, study visits, trainings and short term expertise, etc.;
- Together with the MS Project Leader and the OAG Project Leader, mobilise and supervise the short-term experts;
- Coordinate all project activities and experts' inputs at OAG including experts' reports;

- Prepare regular project monitoring meetings / briefings;
- Regularly update the work plan and transmit project updates to the Project Steering Committee under the authority of the Member State and the OAG Project Leaders;
- Draft the interim progress reports to be finalised by the Project Leaders;
- The RTA should ensure continuous coordination on the overall implementation of project activities with regular updates.

3.6.3 Profile and tasks of Component Leaders

The component leaders (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 Bachelor's degree or equivalent in management, public administration, economics, law, accounting or other field related to the assignment **or** in the absence of a Bachelor's degree, an additional 3 years of professional experience in state audit related matters (i.e. in addition to that required in the next point below);
- At least 5 years of relevant professional experience in state audit related matters);
- At least 3 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 experience¹⁰;
- Very good command of English equivalent to C1 level, both orally and written ;
- Good communication skills.

The following qualifications will be considered as **assets**:

- Experience with EU-funded and/or Twinning projects.

3.6.4 Profile and tasks of other short-term experts

Short term experts (STEs) are to be made available for the implementation of the Twinning project. The STEs will deliver their expertise under the overall responsibility of the Member State PL and the under the coordination and supervision of the RTA. STEs are expected to perform specific tasks / activities, and the expected experts' outputs / deliverables shall be established when creating the Twinning work plan which will include the drafting of STEs' Terms of Reference.

*Qualifications, experience and skills **required**:*

- At least a Bachelor's degree or equivalent university degree in economics, accounting, law or other fields related to the short term assignment **or** in the absence of a Bachelor's degree, an additional 3 years of professional experience in public administrations (i.e. in addition to that required in the next point below);
- At least 5 years of relevant professional experience in the respective field;
- Very good command of English equivalent to C1 level, both orally and written;
- Good communication skills.

4. Budget

The maximum EU contribution to the Twinning contract is € 2 000 000.

¹⁰ This can be included, in whole or in part, in the 5 years of relevant professional experience in public administrations requested in the point above;

5. Implementation Arrangements

5.1 *Implementing Agency responsible for tendering, contracting and accounting*

Contact person:

Mr Raniero Leto

Head of Finance, Contracts and Audits Section

European Union Delegation to the Republic of Zambia and COMESA

Tel: +260 211 250 711

Fax: +260 211 250 906

Email: DELEGATION-ZAMBIA-CALL-FOR-PROPOSALS@eeas.europa.eu

5.2 *Institutional framework*

The Twinning project will support one beneficiary organisation, the OAG, that will ensure the effective and efficient implementation of the project and the achievement of results. The OAG is headed by the Auditor General who is assisted by two Deputy Auditors General, one in charge of the Audit Division and the other in charge of the Corporate Services Division. Both Divisions will benefit from the Twinning project. There are nine directorates, of which six (6) are under the Audit Division and three (3) under the Corporate Services Division. The Specialised Audits Directorate, together with the Local Authorities Audit Directorate will receive special attention under the project. Depending on the results and needs, the Public Debts & Investment Audits Directorate may also be more involved in the implementation.

5.3 *Counterparts in the Beneficiary administration*

The Zambian Project Leader (PL)/RTA counterpart shall be a senior civil servant at decision-making level. S/he will act as the counterpart of the Member State PL. S/he will ensure the overall steering and coordination of the project from the Zambian side, including proper policy dialogue and political support. The PL's seniority will ensure her/his ability to mobilise the necessary staff in support of the efficient implementation of the project. S/he will furthermore co-chair the Project Steering Committee with the RTA.

5.3.1 *Contact person*

Mr Dick Chellah Sichembe

Auditor General

Office of the Auditor General

PO Box 50071

Haile Selassie Road, Longacres

Lusaka - Zambia

Tel.: +260 211 254615

Fax: +260 211 250349

E-mail: auditorg@ago.gov.zm

5.3.2 *PL counterpart*

Mrs. Clare Mwamba M. Mazimba

Deputy Auditor General, Corporate Services Division

Office of the Auditor General

PO Box 50071

Haile Selassie Road, Longacres

Lusaka – Zambia

5.3.3 RTA counterpart

Mr. David Siame
Director – Planning and Information
Office of the Auditor General
PO Box 50071
Haile Selassie Road, Longacres
Lusaka – Zambia

6. Duration of the project

The initial project duration will be 36 months.

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 via-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 discuss 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 via-à-vis the mandatory results and provide precise recommendations and corrective measures to be decided by in order to ensure the further progress.

8. Sustainability

The Twinning project objectives and activities respond and contribute to the 2017-2021 Strategic Plan of the OAG (issued in June 2017), as well as to the 2019-2022 PFM Reform Strategy (drafted in November 2018). The project will increase the skills and efficiency of the OAG Zambia and support further reforms and a dynamic development within the organisation.

9. Crosscutting issues

Civil society / stakeholder involvement

Civil society / stakeholder involvement is of great importance for the OAG in order to be able to communicate the audit results / audit reports in a transparent and effective way. Therefore, the project will facilitate civil society and stakeholder engagement with the OAG in an effective dialogue and provide them with the opportunity to monitor developments in the areas covered by the project.

Equal Opportunities and non-discrimination

Promoting a (gender) diverse workplace will be a strong element in strengthening the institutional capacity of the OAG. 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.

Environment 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*, which are mirrored in EU's new Africa Strategy. Likewise, the Government of Zambia 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 Zambia 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 off-set against their CO2 emissions.

10. Conditionality and sequencing

The project includes the following key condition:

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

11. Indicators for performance measurement

Please see the results framework.

12. Facilities available

The beneficiary will make available the necessary infrastructure for Member State(s)'s experts to carry out their tasks. The beneficiary should 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 Simplified Logical framework matrix as per Annex C1a (compulsory)
2. Indicative schedule (example)

ANNEX 1 - Logical Framework

Description	Indicators	Baseline	Target data	Sources of verification	Risks	Assumptions (external to project)
Overall Objective: Oversight of public spending by the Auditor General Office is improved	PEFA PI 30.1 - Audit coverage and standards	A in 2017	Maintaining score and further improving coverage	PEFA report Peer reviews within AFROSAI-E/INTOSAI SAI Performance measurement Framework		The OAG builds necessary capacity to undertake additional categories of audit Political support through sustained and increased budget allocations to cover OAG's own cost contribution
	PEFA PI-30.2 – Submission of audit reports to the legislature	B in 2017	Progress in score			
	PEFA PI 30.3 - External audit follow-up	C in 2017	Progress in score			
	2. Status of audit coverage due to the increase in specific audits	38 specialised audit out of 241 audits undertaken	60 specialised audit out of 300 of audits undertaken	OAG reports		
Specific (Project) Objective(s)	Indicators	Baseline	Target data	Sources of verification	Risks	Assumptions (external to project)
1. The revised mandate of the Auditor General in the Constitution of Zambia (amendment) Act No. 2 of 2016 is operational and stakeholders are sensitised	1.1. Number of sensitisation events for performance audits	0	2 annually	OAG Annual reports	Key Stakeholders and Institutions not cooperating fully	The standards (ISSAI, INTOSAI) are introduced at OAG
	1.2. Number of specialised audits	- 280 financial audits, - 27 IT, - 5 PA, - 1 EA,	By 2023: - 350 financial audits, - 40 IT, - 12 PA,			

		- 1 EI, - 2 Compliance audits, - 60 roads.	- 4 EA, - 3 EI, - 12 compliance audits, - 135 roads.			
2. Capacity of Local Authorities Audit Directorate (LAAD) is enhanced	2.1. Number of staff of the LAAD directorate trained out of total LAAD staff	None has been trained as of July 2019 in the proposed subjects	By 2023: - 74 LAAD staff trained in Legal Framework surrounding LG; - 74 LAAD staff trained in audit of Accrual Basis IPSAS Local Government Accounts; - 74 LAAD staff trained in Output Based Budgeting for Local Government - 74 LAAD staff trained in audit of Solid Waste Management - 74 LAAD staff trained audit of Urban and Regional Planning; - 74 LAAD staff trained in audit of fire management services in local government;	Project progress reports	Staff are not available for trainings Trained staff leave OAG	The LAAD audit staff is stable and institutional memory is in place for training packages, methods and reports

			- 74 LAAD staff trained in ICT for Local Government; - 74 LAAD staff trained in investigative audits.			
3. Staff capacity development and training, exchange of staff with European SAIs covering specialised audit tasks	3.1. Number of auditors with professional certification and trained to international standards in specialised audits (out of 313 total auditors): IT audit, performance audit (PA), environmental audit (EA), extractive industries (EI), procurement audit, roads/public works	Auditors trained in specialised audits: -25 IT, -20 PA, -20 EA -1 EI value chain -10 procurement -0 roads With certification: -2 IT -13 PA -20 EA -1 EI -0 procurement -0 roads	By 2023, auditors trained: - 100 IT, - 100 PA, - 30 EA, - 27 EI value chain, - 100 procurement, - 30 in road audits By 2023: -15 IT, -50 PA, -30 EA, -29 EI, -30 procurement -15 roads	OAG reports, project progress reports	Staff are not available for trainings Trained staff leave OAG	The audit methodologies are approved
4. The provision of administrative services and staff welfare in order in enhanced	4.1. OAG structure revised	Structure last revised in 2010	OAG structure reviewed by 2021	Revised organigram	Lack of Treasury Authority to revise structure	
	4.2. Status of Human Resource Information system (HRIS)	HRIS is developed and implemented	HRIS system upgraded by 2023 Migration of all policy files into the HRIS by 2023	Administrative Reports		

			Training on use of upgraded system conducted by 2023			
	4.3. Develop the Performance Management tool by 31st December 2021	The Office does not have a customized performance management tool. It is currently using the Civil Service performance appraisal tool	The OAG performance management tool developed by 2023			
	4.4. SAI Code of Ethics Revised	Code of Ethics has never been revised since its development in 2004	SAI Code of Ethics Revised by 2021			
	4.5. Number of sensitisation events on the revised code of ethics, the role of the integrity committee and the audit committee	0	1 per year			
Component Key Result Areas						
Component 1. Operationalization of the Revised mandate of the Auditor General under Article 250 (1) of the Constitution of Zambia (amendment) Act No. 2 of 2016						
<u>Result 1.1:</u> OAG is providing timely and value adding auditing services for enhanced accountability; procedures established for tracking and follow up of audit reports	<u>Indicator 1.1.1:</u> % of the total revenue and expenditure audited annually from 2022 onwards	85%	90% per annum	Audit Coverage Report	Key Stakeholders and Institutions not cooperating fully	

	<i>Indicator 1.1.2:</i> Percentage of audit recommendations implemented	47%	50% per annum	Administrative Report		
<i>Result 1.2:</i> OAG is sensitising various stakeholders, including MPs, the media, audits, civil society organisations and Cooperating Partners (CPs)	<i>Indicator 1.2.1:</i> Number of sensitisation events for performance audits	- MPs: 0 - Media: 0 - Audit Clients: 0 - CSOs: 0 - CPs : 0	- MPs : 1 per year - Media : 1 per year - Audit clients : 1 per year - CSOs : 1 per year -CPs : 1 per year	Sensitisation report	GRZ does not allocate sufficient resources to OAG	
	<i>Indicator 1.2.2:</i> Number of sensitisation events for specialised audits	- MPs : 2 - Media : 2 - Audit Clients : 1 - CSOs : 1 - CPs : 0	- MPs: 4 per year - Media: 4 per year - Audit clients: 3 per year - CSOs: 2 per year - CPs: 1 per year			
Component 2. Enhancing capacity of Local Government Audit Directorate						
<i>Result 2.1:</i> LAAD staff capacities increased through staff induction and trainings	<i>Indicator 2.1.1:</i> percentage of staff of the LAAD directorate trained out of total LAAD staff every year	0%	33% per year	Training Report	Trained staff leave OAG	
<i>Result 2.2:</i> Audit coverage on local Authorities increased	<i>Indicator 2.2:</i> Percentage increase of Local Authorities audited annually	50%	25% increase per year	Audit coverage report Audit Reports	Inadequate logistics to conduct all planned audits	

Component 3. Staff capacity development and training, exchange of staff with European SAIs covering specialised audit tasks						
<p><u>Result 3.1:</u> the Auditor-General carries out special audits, performance audit to examine the effectiveness with which public funds have been expended, forensic audit to establish fraud or other financial improprieties, environmental audit, public procurement audit to confirm whether procurements were done lawfully and effectively, extractive industry and contract audits by applying international standards and best practices</p>	<p><i>Indicator 3.1.1:</i> Number of procedural guidelines for the different types of audits reviewed and updated</p>	<p>- 1 review of the Compliance Audit Manual</p> <p>- 1 review of the Financial Audit Manual</p>	<p>-1 review of the Compliance audit manual by 2023/4</p> <p>-1 review of the Financial audit manual</p> <p>-1 review of the Performance audit manual</p> <p>-1 review of IT audit manual</p>	<p>Reviewed audit manuals</p>	<p>Staff are not motivated to learn and change</p> <p>Trained staff leave OAG</p>	
	<p><i>Indicator 3.1.2:</i> percentage of staff trained and mentored on the different types of audits</p>	<p>12%</p>	<p>100% of auditors</p>	<p>Training report</p>		
<p><u>Result 3.2:</u> Enhanced skills and capabilities of OAG staff to apply the standards set by the International Organisation of Supreme Audit Institutions and other internationally recognised bodies approved by the Government</p>	<p><i>Indicator 3.2.1:</i> Number of OAG staff trained and mentored on financial audit in line with INTOSAI standards on Audit Methodology</p>	<p>25%</p>	<p>100% of auditors by 2023/4</p>	<p>Training report</p>	<p>Staff are not motivated to learn and change</p> <p>Staff are continuing to utilise previous methods, rendered obsolete by developments under the Project</p>	

Component 4. To enhance the provision of administrative services and staff welfare in order to achieve exceptional individual and organizational performance						
<i>Result 4.1:</i> Improved individual and organizational performance	<i>Indicator 4.1.1:</i> % of staff-filled positions.	84%	100% at all times	Administrative Report	High staff turnover	
	<i>Indicator 4.1.2:</i> Job descriptions reviewed	Job descriptions last reviewed in 2004	All job descriptions reviewed by 2021			
	<i>Indicator 4.1.3:</i> Number of skill gaps identified annually	Currently, there is no tool to identify the number of skill gaps	100% of staff assessed on skill gaps			
	<i>Indicator 4.1.4:</i> % of staff trained to mitigate the skill gaps identified	0	100% of staff with skill gaps trained annually			
<i>Result 4.2:</i> Enhanced awareness of staff on the revised code of ethics, role of audit committee and integrity committee	<i>Indicator 4.2.1:</i> Percentage of staff sensitised on the revised code of ethics and the role of the integrity and audit committees annually	0%	100% of staff sensitised annually	Project reports		

OVERALL OBJECTIVE: Indicate the global strategic objective which goes beyond the immediate scope of the project but to which the project can contribute. The overall objective should be linked to the general sector reform in the Beneficiary country, as agreed in the framework of the definition of cooperation with the EU.

These are the changes in the political, social, economic and environmental global context which will stem from interventions of all relevant actors and stakeholders in the project. These require the involvement of third parties that were not direct beneficiaries of the intervention. Hence, changes are indirectly influenced by EU Intervention.

Specific PROJECT OBJECTIVE(S): Identify the specific objective(s) that shall be achieved through the implementation of the Twinning project. These are the effects on the political, social, economic and environmental areas targeted by EU intervention as well as changes in behaviour of Beneficiaries of EU intervention.

MANDATORY RESULTS/OUTPUTS: Describe each of the results that shall be achieved by the project, as outlined in the Twinning Fiche. Each mandatory result/output should correspond to a "project component". Please include one line per component.

INDICATORS: (with relevant baseline and target data): Provide an indication of how the achievement of each component of the mandatory results, from sub results per component to outcomes (specific objectives) and to impact (overall objective), will be measured. Make sure that the indicators define the following, as appropriate: 1. Value of measurement (Quantity or Quality); 2. Baseline and target (values and times); 3. Actors in charge of data collection and reporting; 4. Target Group; 5. Deadline for reporting; 6. Place. Baseline and target data, as indicated in the Twinning Fiche, to be mentioned in brackets next to each indicator. Indicators may be revised if deemed appropriate when drafting the initial work plan.

SOURCES OF VERIFICATION: For every component, specify the sources of information from which evidence can be obtained that the targets have been achieved: e.g. independent reports, surveys, Official Journal, Commission reports, etc.

ASSUMPTIONS: Specify the external conditions and/or third parties initiatives which can influence the implementation of the project to the point that only their fulfilment can guarantee its success. These are the necessary and positive conditions that allow for a successful cause-and-effect relationship between different levels of results.

ANNEX 2 - Indicative schedule (example)

Project Month	1	2	3	4	5	6	7	8	9	10	11	12
RTA and related activities												
RTA start date												
RTA assistant(s) selection(s)												
Horizontal activities												
Initial work plan preparations												
Steering Committees												
Communication and Visibility activities												
Mandatory results/outputs												
Component 1: Title												
Component 2: Title												
Component 3: Title												
Component N: Title												