



Addendum to Statement of Commitment

Bilateral Cooperation between the Office
of Auditor General of Somalia (OAGS)
and the INTOSAI Development Initiative
(IDI)

2017



1. BACKGROUND

On 14 July 2015 OAGS and IDI signed a Statement of Commitment which established a cooperation for 2015 and 2016. The main objective of the cooperation was to support OAGS to develop a new strategic plan based on iCATs and a SAI PMF assessment. OAGS staff were trained in iCATs and SAI PMF in 2015. The expected outcomes of the cooperation are:

- I. OAGS implements the Strategic Plan developed through the cooperation with the IDI.
- II. The Strategic Planning process using the IDI model is institutionalized in OAGS.
- III. OAGS performance is enhanced by implementing the Strategic Plan.

A draft iCAT report was produced by OAGS in early 2016, but a SAI PMF report or strategic plan were not completed with the support of IDI. Few activities took place in the project during 2016. OAGS has still developed a strategic plan for 2017-2020 without the direct support of IDI.

On 18th May 2017 IDI received a request from OAGS stating that OAGS wants to continue the collaboration, but as a new chapter with a new agreement. In a letter to OAGS on 6th June 2017 IDI responded positively to the request of OAGS.

OAGS and IDI have therefore agreed to develop this addendum to the Statement of Commitment of 14 July 2015.

2. OBJECTIVES

The overall objective of the IDI-OAGS cooperation in 2017 is to prepare for increased peer-based support to OAGS. The following are sub-objectives:

- 1) To establish a common understanding of the resources, challenges and opportunities of OAGS by completing the needs assessment started in the 2015-16 OAGS-IDI cooperation. This (especially selected SAI PMF indicators) can be used as a baseline for a cooperation and/or a result framework for the OAGS strategic plan.
- 2) Improve and finalize the OAGS strategic plan for 2017-2020.
- 3) Develop an operational plan for OAGS building on the strategic plan. The operational plan will show areas in need of human or financial support, and be used as a detailed plan for peer-based support to SAI Somalia.
- 4) Mobilize financial support for OAGS to participate in selected AFROSAI-E trainings
- 5) Explore whether IDI and/or other INTOSAI partners (especially AFROSAI-E) should be responsible for the support.
- 6) Establish financial requirements and willing financial donors of increased support to OAGS
- 7) To ensure good communication, understanding and trust between the SAI, IDI and other partners, and thereby enable a strong working relationship in a new cooperation.



3. RESULT FRAMEWORK

The expected outputs

The three expected outputs below are expected to be produced by OAGS with guidance of IDI, AFROSAI-E and other partners.

1) A SAI status report

This report is expected to provide a status of the SAI showing the systems and resources available as well as the specific improvements necessary. The report will be structured according to the domains defined by the SAI PMF. It will also include a description of the country governance and budgetary arrangements and previous capacity development support to the office. The report should be based on the already conducted iCAT review, the Abyrint 2015 analysis of OAGS, and selected SAI PMF indicators¹. The scope of the status report is the federal audit office. Brief information about the status and needs of the regional offices should be included, but is not expected to be covered in detail. The assessment should where relevant cover OAGS's latest audit activities. The assessment of the SAI PMF indicators are expected to be evidence-based. Document analysis is to be the main source of information, while interviews will be used for clarifications and for acquiring information and context not provided in written documents.

2) Finalize OAGS strategic plan 2017-2020

The OAGS draft strategic plan for 2017-2020 is quite extensive, but will be developed further by particularly looking into strategies for support and cooperation with the regions, performance indicators (result framework), and mechanisms for monitoring and implementation.

3) An OAGS operational plan including required external technical and financial support

Based on the strategic plan, the SAI status report and a feasibility analysis, an operational plan for OAGS will be outlined. For each of the activities it will be looked into to what extent external technical or financial support is required. Based on this, a plan for peer-based support as well as financial support to OAGS will be developed.

The expected outcomes

The expected outcomes of the Statement of Commitment of 14 July 2015 are adjusted to:

- I. OAGS institutionalizes and implements the Strategic Plan 2017-2020.
- II. OAGS performance is enhanced by implementation of the Strategic Plan.

¹ Indicators in domain A, B, C, D and F will be considered by OAGS. Scoring of A, B and C domain indicators will be based on the iCAT assessment. In domain C, indicators related to financial and compliance audit are relevant.



4. MILESTONES AND ACTIVITIES

Activities	When	Main responsible
Involvement of potential partners		
Invitation to AFROSAI-E and other partners to participate in the Planning phase activities	June	IDI
Agree with other partners how they should participate	End of June	OAGS
Meetings (telephone and physically) with partners	August	IDI
Develop SAI status report, strategic plan, operational plan and detailed plan for support		
IDI sends material to OAGS for the needs assessment analysis, incl SAI PMF indicator forms and previous analysis	June	IDI
OAGS appoints a team of representatives and submit names and passport copies for the workshops to IDI	Deadline: 15 th June	OAGS
OAGS-IDI Top level meeting in Nairobi: OAGS presents the contents of the strategic plan. Review of the previous work IDI has supported OAGS in doing. IDI proposes how OAGS can develop the SAI status report in July. A meeting with the WB or DFID is considered. AFROSAI-E is invited.	28. – 29. June	IDI
OAGS produces a draft SAI Status Report and send it to IDI and AFROSAI-E for inputs	July. Deadline: <u>31st July</u>	OAGS
Workshop in Nairobi or Addis Abeba: Review and complete SAI Status report, develop strategic and operational plan and plan for support	7-11 August	IDI/AFROSAI-E
Develop a Cooperation agreement 2018-2020		
Outline a Cooperation agreement	Early September	IDI/AFROSAI-E
Review of Cooperation agreement by OAGS and other partners. A workshop can be considered.	September	OAGS
IDI management decision on way forward of IDI involvement	October	IDI
IDI Board decision	November	IDI

5. PERIOD OF COOPERATION

The current Cooperation of the IDI with OAGS will be for 2017 with the possibility of further support based on the outcomes of the current Cooperation and requirements identified by the OAGS.

IDI underlines that IDI has not taken a final decision on providing long-term support. A cooperation will only be established when a new “Cooperation agreement” is signed.

6. FINANCES

The main costs are related to the workshops. The IDI can finance travel costs, food and accommodation for OAGS representatives to the workshops.



7. CERTIFICATES

IDI will issue certificates for those who participated in the SAI PMF and the ICAT trainings.

8. REPRESENTATIVES

OAGS: For conducting the SAI status report and being represented at the workshop, OAGS are requested to appoint five representatives in addition to the AG. The representatives are expected to have extensive experience in financial and compliance auditing (regularity auditing) as well as organisational and institutional issues.

IDI: Representatives will be Jostein F. Tellnes (manager bilateral cooperation, IDI) and experts in SAI PMF and strategic planning.

AFROSAI-E: To be clarified.

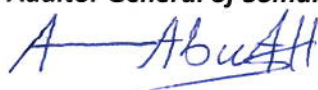

Other partners such as the WB and DFID will also be contacted to participate in activities.

9. STATEMENT OF COMMITMENTS

As partners in the Implementation of the IDI's Bilateral Cooperation with the OAGS, we agree to fulfil our commitments to the best of our ability to ensure that all activities are carried out successfully and the objectives are achieved.

Nothing in this Statement of Commitments shall be construed as giving rise to an international treaty or an agreement in public international law, nor shall it be enforceable under either the law of obligations or the law of contract in either Norway or in Somalia.

Date: 29 June 2017

<p>Office of the Auditor General of Somalia</p> <p>Signature: </p> <p>Name: Dr. Ali Abukar</p> <p>Position: Auditor General</p>	<p>INTOSAI Development Initiative (IDI)</p> <p>Signature: </p> <p>Name: Einar Gørrissen</p> <p>Position: Director General</p>
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