



Good Financial Governance in Africa

Promoting transparent and responsible use of public finances in Africa

Reality check: External Auditing

Supreme audit institutions (SAIs) assess how governments manage their financial resources. Does government follow the relevant rules? Do investments provide “value for money”? Could schools, hospitals and other public services be financed as planned, and has the quality of delivered services improved? By auditing public spending, SAIs promote the accountability, effectiveness and transparency of public administration and contribute to the achievement of the Sustainable Development Goals (SDGs).

Serious challenges for auditors

SAIs often lack independence from the executive and have to work with constrained financial and human resources. The important role of these institutions is not always publicly recognised, and there is a lack of follow-up action on their recommendations.

Building up combined strength: Supporting AFROSAI, its members and its organs

The main partner of GIZ's Good Financial Governance (GFG) in Africa programme in the area of External Auditing is the African Organisation of Supreme Audit Institutions (AFROSAI), an Africa-wide network aimed at promoting the exchange of ideas and experiences among member SAIs. The programme supports AFROSAI and its subgroups for English- and French-speaking countries, its technical committees on Capacity Building, Human Resources, Finance and Audit, and its working groups

on Extractive Industries, IT Audit, and Environmental Audit by providing strategic, technical and organisational expertise and advisory services.

The AFROSAI General Secretariat, based in Yaoundé, Cameroon, has been assisted by GIZ in all aspects of its organisational development since 2014. The successful coordination of AFROSAI's organs is key in achieving the priorities the organisation has set in its Strategic Plan 2015–2020, developed with the support of the programme:

1. Capacity building of members
2. Knowledge management and sharing
3. AFROSAI, model organisation

The GFG in Africa programme supports AFROSAI in all three strategic priorities. It also interacts with AFROSAI organs to strengthen the effectiveness of the network as a whole.

An outstanding feature of the Strategic Plan is the explicit focus on gender equity as a topic to be dealt with in capacity building. AFROSAI has developed a Gender Strategy focusing on supporting women to rise to decision-making positions, the establishment of gender mainstreaming in SAIs, and gender as a topic or criterion in audits. The Women Leadership Academy (WLA), developed by AFROSAI and GIZ, has a unique human capacity development format that aims at strengthening women in their leadership skills, strategic thinking, and project and change management. During the course of the 2016 pilot edition the participants implemented a strategic reform project in each of their SAIs to address a relevant challenge. At the end of 2016, the implementation of the respective projects was evaluated. Participants delivered a presentation and answered questions posed by a jury.

For further information on AFROSAI, please visit www.afrosai.org.



African women leaders, from French- and English-speaking SAIs, met in Libreville, Gabon, in February 2016 for the launch of the AFROSAI-GIZ Women Leadership Academy. (Photo © GIZ)

Filling the toolbox: Useful products for members

The subgroup of AFROSAI for English-speaking countries (AFROSAI-E) was supported in developing a toolkit for collaboration between SAIs and the parliamentary public accounts committees (PACs). The toolkit contains practical information and guidance on how to improve this relationship, which is crucial to ensure that the recommendations of the audit reports are made known and implemented. Through technical



Representatives from the SAIs of the four bordering countries of Lake Chad – Supreme State Audit Office of Cameroon; Court of Accounts, Chad; Court of Accounts, Niger; Office of the Auditor-General for the Federation of Nigeria – along with the organisers.

cooperation, the programme supports the organisation in planning and implementing training events and workshops for the rollout of the toolkit and country-specific action plans to address individual SAIs' challenges.

The SAI-PAC tool is being translated into an e-learning module. This will make it easier for new countries to join the process and for already participating ones to broaden and consolidate its effects. SAIs from seven countries (Botswana, Ghana, Nigeria, Rwanda, South Africa, Sierra Leone and Tanzania) have each selected one major metropolitan area and are receiving guidance on how to conduct audits via distance mentoring and e-learning. The audits started in June 2016.

Furthermore, the GFG in Africa programme and AFROSAI-E are preparing a new campaign focusing on SAIs' public communication with media and citizens. Increasing public attention and participation can help to enhance the relevance and impact of the SAIs' work. As SAIs face very different environments, the project will not deliver a handbook, but rather a guided process for these institutions to develop a communication roadmap according to their individual needs.

Learning by doing: Joint environmental audit on Lake Chad

The programme has provided support to the landmark process of a joint environmental audit on the drying up of Lake Chad.

This audit was executed by the SAIs of the bordering countries – Chad, Cameroon, Niger and Nigeria – under the guidance of AFROSAI. The results, published in a Joint Environmental Audit Report, including a set of practical recommendations for policy-makers, were submitted to the Chadian and the Nigerian presidents, as well as to the Lake Chad Basin Commission. This is the first joint environmental audit in the region – an example of how SAIs can contribute to better management of global public goods.

Building on the experience of the Lake Chad audit, AFROSAI's Working Group on Environmental Auditing (WGEA) is planning to implement several other cooperative audits on major environmental challenges.

In 2015 and 2016, Illicit Financial Flows (IFFs) from Africa have been a major emerging issue for AFROSAI, which has been defining the roles that SAIs could play in combatting such outflows. With the support of the programme, AFROSAI is currently designing a coordinated audit on corruption as a driver of IFFs, making the network visible as a topic driver in international debates concerning the entire continent.

Auditing for the SDGs

SAIs have considerable potential to contribute to the implementation of the SDGs. They are key players when it comes to controlling the efficient and effective use of public funds. If funds are not used efficiently, public service delivery is hampered. In sub-Saharan Africa, in particular, the performance of government and administration is often insufficient. The potential of African SAIs to improve the performance of the public sector through audits and evaluations has, however, not been fully exploited in the context of the Millennium Development Goals (MDGs). The programme supports AFROSAI in developing approaches that will allow African SAIs to contribute to the achievement of the MDGs.

Building capacity: Advisory services and study tours

International conferences and study tours are part of the capacity-building activities within the area of External Auditing. The programme supported AFROSAI in advising the president of the SAI of Burkina Faso on ways to strengthen the institute's independence and extend its mandate.

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