

PART IV – LESSONS LEARNT REPORT

The Project for Strengthening technical and functional skills of Supreme Audit Institutions (SAIs), National Parliaments and Civil Society for the control of public finances in the PALOP and Timor-Leste (Pro PALOP-TL SAI) was a EU-funded project directly managed by UNDP signed in December 2013 and will end in December 2017.

The project improved the effectiveness of external political, judicial and civilian control of public finances for a more efficient use of public resources in the ACP Portuguese Speaking Countries – Angola, Cabo Verde, Guinea Bissau, Mozambique, Sao Tome e Principe and Timor-Leste. The project closed in December 2017.

The project design is complex, but extremely innovative allowing to deliver effectively a high number of activities in support of SAI, Parliaments, CSO, and Ministries of Finances in order to enhance transparency and accountability in the use of public resources. The project has a holistic approach that puts forward south-south and triangular cooperation and peer learning (involving respectively Brazil and Portugal SAI and Parliament) as the main tools to develop the capacities of the critical actors within the Public Finance Management Systems.

The project's assessment in each beneficiary country was based in very comprehensive and inclusive *in situ* surveys carried out by the project experts, allowing to scope its interventions with regards to budget transparency and external control of Public Finances (audit, legislative oversight and public access to fiscal information). These surveys were complemented with relevant indicators of PEFA reports, Open Budget Surveys, UNECA Africa Governance Reports, Mo Ibrahim index and reports, World Bank Governance Reports, World Bank Legislative Budget Oversight Papers and studies, among others.

A very inclusive and bottom-up formulation process followed the desk review allowing to formulate and approve multi-year (3 years) results based Annual Work Plans (AWP) in 6 countries. 18 Annual Work Plans, 172 results per activity and more than 1,000 actions were delivered in 6 countries targeting more than 40 institutions along the 4-years implementation period (one year of o-cost extension).

The project's strategy allowed to strengthen good economic governance and to bolster the effectiveness of external political, judicial and civilian controls of public finances. It did so by strengthening the technical and functional skills of supreme audit institutions, parliaments, parliamentarians, civil society and the media allowing them to better address the prevention of corruption and mismanagement of public funds, and facilitate a more efficient and effective use of public resources. The project's multi-country intervention logic, grounded in the principles of mutual benefit, sovereignty, national ownership and equality, created conditions for participating institutions to develop synergies and dynamics through the exchange of experiences, joint learning, South-South and triangular cooperation that involve partners in 8 different countries – the 6 ACP Portuguese Speaking Countries, Brazil and Portugal.

The project was able to fulfil efficiently the role of knowledge broker by promoting access to best practices and up-to-the-edge knowledge through different types of learning events bringing together auditors and judges of the SAI, MPs and parliamentary staff (in particular from budget committees), relevant staff from Ministries of Finances, CSO members. A considerable number of these actions were delivered through south-south and triangular cooperation involving Brazil SAI (TCU), Portugal SAI and Parliament. For each learning event designed and delivered by the project there are a series of related audio-visual resources (most still in Portuguese, but all undergoing translation into English) in open source that can be uploaded in the project's Website and YouTube Channel. This material feeds into eLearning courses hosted by AGORA made available in Portuguese and English languages.

To deliver these trainings more efficiently and with high standards, the project established partnerships with expert institutions in the field of Public Finances. The project partnered, among others, with the following institutions: World Bank, International Budget Partnership, GIZ. In addition to the event-based partnerships, the project's established longer term and more systematic partnerships with organizations such as the OISC|CPLP (organization of SAI in the community of Portuguese speaking countries), Brazil Court of Auditors, Portugal Court of Auditors and Parliament. Finally, access to

database such as the AGORA Portuguese Portal and LegisPALOP (legislation database for PALOP) in Portuguese Language is secured by the project in a sustainable way.

The project supported access to good practices and knowledge in the area of external control, legislative oversight and public scrutiny of public funds. While addressing capacity needs in each of the countries, it also developed activities tailored to identify and meet the common needs of these countries.

The project's relevance and innovation in promoting south-south and triangular cooperation was captured as one of the three good practices under SDG 16 in the UNOSSC Publication on "*Good Practices in South-South and Triangular Cooperation for Sustainable Development*". The publication highlights the activities that illustrate the main characteristics of effective South-South and triangular cooperation; initiatives that involve and benefit a great number of people in two or more countries of the South; solutions that have addressed transnational development challenges that would be difficult to tackle singlehandedly.


The 2017 Edition of the Global Parliamentary Report, produced by the Inter-Parliamentary Union (IPU) and UNDP has selected the Pro PALOP-TL SAI approach and actions to showcase at global level how to best promote "cooperation between parliament and supreme audit institutions", so that legislatures can engage with SAIs to enhance control and oversight of public expenditure, and accelerate the delivery of SDG 5 and SDG 16.

Because of the way in which it was formulated and planned, with practically all the beneficiary organizations being consulted by the project coordinator as to their wishes and priorities and their inputs being used in the formulation of the annual work plans or PTAs, the project was strongly aligned with the priorities and strategies of the beneficiary organizations, practically from the very beginning. A clear sense of direction and a small, but very strong, team gave the project considerable flexibility in implementation, enabling it to respond and adapt to new needs and to take advantage of unexpected opportunities.


Alignment with beneficiaries' priorities and high implementation efficiency allowed the project to be effective – particularly in delivering or facilitating high-quality training and capacity building activities - and to earn the trust of beneficiary organizations. The beneficiaries' trust gave the project unparalleled access to State institutions that were traditionally very closed and reluctant to engage with donors and donor-funded projects. This allowed the project to involve them in certain actions, sometimes even in leadership roles. The project was also able to use the trust it earned from State institutions to facilitate contacts and overcome suspicions between them and civil society organizations (CSOs). A highly professional and very successful communication and visibility programme also made a substantive contribution to the achievement of project objectives.


All this resulted in a project with very high cost-effectiveness, which has made a successful investment in training and networking and, perhaps even more important, in motivation and confidence building among its beneficiary organisations in the various PALOP-TL countries. This has already yielded substantial benefits in terms of institutional capacity building in the various countries involved. Even more importantly, this investment has unlocked a huge potential in terms of further institutional capacity building, especially if the EU and the UNDP do not mess with what has turned out, so far, to be a very successful formula.


Against this background, the project's **critical success factors** could be summarized as follows:


 An **inclusive formulation process** mixing the use of independently verifiable reports and indicators, empirical observations resulting from discussions with the beneficiary and target groups. This process was closed by the design, negotiation and approval of operational and multi-year budgeted annual work plans (AWPs) that are results based – results based budgeting. The result was an inclusive process that enhanced ownership and a complex operational structure that allowed the executive to respond with adequate flexibility to the challenge posed by the paradox of having a PALOP-TL transversal logic of intervention and axed in the similarities of these countries, institutions and legal frameworks, but must simultaneously respond to specific national and institutional needs. This complex and intricated formulation delivered:


1. 26 integrated AWP (22 covering the actions benefiting the 6 beneficiary countries; and 4 covering the actions ensuring daily management, project assurance, follow-up and support, visibility and communications, monitoring and evaluation) fully aligned with the overarching activities and entry points of the project, within the budget headings thresholds covering a period of 4 years.
2. An average of 484 activity results (average of two per overarching activities) allowing to customize each one of the overarching activities (except M&E, Visibility and Communications, and Management that had their own specific set) to the national, institutional and human needs of the project's beneficiaries and target groups without detract from outputs and overarching activities composing the action and contract with the EU.
3. Not less than 1,900 actions to deliver the above activity results during the 4-years implementation period.


 The **standardization and systematization of the south-south and triangular cooperation facility** as the main tool to provide technical support and expertise, replacing efficiently and in a sustainable manner “traditional consultancies” to deliver the actions – in particular trainings and community of practices. This facility increased the sense of ownership and belonging of the beneficiaries, reduced the costs of transactions and mitigate the issues potentially hampering bilateral cooperation and north-south technical support cooperation. The systemic use of SStC does not replace the use of consultancies and recruited experts to deliver highly technical and specialized support.

 The **exposure of the beneficiaries and target groups to best practices using community of practices and other peer2peer learning approaches** revealed to be critical to approach more hermetic institutions and push for specific development and governance agendas. This approach allowed the executive to facilitate discussion of themes and domains normally “interdicted” to “outsiders”.

 **Partnering with internationally recognized institutions to deliver trainings and facilitate community of practices**, using SStC whenever possible, allowed the project executive to accredit the participants in these learning events with academic degrees and professional credentials with worldwide equivalence and impact their respective professional careers. In most cases, these learning events were used as the main baseline to design the project **eLearning Courses** allowing to share good practices from the beneficiary institutions with a wider global public in Portuguese and English languages ensuring the **scale-up and sustainability**.

 The **project systematic communication actions aiming to enhance the visibility** of its initiatives as part of the EU external actions was pivotal in ensuring that the project's agenda, approach and, in some cases, taxonomy is owed by the beneficiaries and incorporated in their documents and products.

 The **project's small and expert-based management unit centralizing the support to beneficiaries** and other relevant stakeholders, with the support and assurance provided at field level by UNDP country offices, was fundamental to ensure efficiency, good value for money and strong coordination of all actions simultaneously in all 6 beneficiary countries and by the more than 40 institutional actors. Without this very skilled management unit capacity to follow-up at central level, deploy technical support and expertise where and when is most needed, it would be very hard to achieve the level of efficiency and delivery achieved by the project.

 **UNDP business continuity and strong project support capacity** in all beneficiary countries and all over the world allowed to deliver simultaneously the project's actions, ensure due diligence and payments without major incidents. This very important managerial factor of success contributed to achieve 100% delivery by the end of the project implementation, notwithstanding the initial delays due to a longer inception phase than expected initially.

On the other hand, the critical **factors with potential to hamper the successful implementation** of the project are listed below.

Factors related with project design:

🤔 Impact-Outcome-Output ToC would benefit by focusing more the scope and clarifying the causality.

🤔 Targets for outcomes and outputs should be set annually to allow mid-term assessment of progress.

🤔 Indicators should be smart and quantiquitative, but not in excessive number without jeopardizing the measurement of each dimension/output.

🤔 The logframe would need to be reviewed on the basis of the findings of the inception phase and AWP formulation to refine the targets and indicators.

🤔 The overarching activity normally associated with the project management (where should be included the visibility & communications, the M&E and the project management, assurance & support overarching activities) would be better approached as a component and/or a managerial output to reflect correctly its dimension (programmatic and financial) against the other outputs.

Factors related with coordination among the different project's stakeholders:

🤔 Information asymmetry and insufficient clarity about reporting and accountability lines amongst different actors, in the specific case of a strategic partnership between the EU with an international organization such as the United Nations, could negatively affect communications, visibility, and ownership.

Factors related with the implementation of the activities and delivery:

🤔 Delays implementation of M&E plans could have a negative impact on the perception of the project and hamper the capacity of the executive to effectively address shortfalls assessed.

🤔 A project inception phase should be included with sufficient time and budget to allow for the design of inclusive and bottom-up formulation process of multi-year annual work plans that are owed by the beneficiaries.