EC Multiple FRAMEWORK CONTRACT BENEFICIARIES Programme

# Final Evaluation - Technical Assistance for Sub-National Capacity Building in Payroll and PFM (EUTAPP)

## for partner Country South Sudan

*2015/370804*

# *EVALUATION REPORT FINAL*

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# Final Evaluation Report

2015/379804

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# Glossary of acronyms

| | |
|---|---|
| **BSI** | Budget Support Initiative |
| **CB** | Capacity Building |
| **CBTF** | Capacity Building Trust Fund |
| **CES** | Central Equatoria State |
| **CTMC** | County Transfer Monitoring Committee |
| **DP** | Development Partner |
| **ED** | Executive Director |
| **EES** | Eastern Equatoria State |
| **EQ** | Evaluation Question |
| **ET** | Evaluation Team |
| **EU** | European Union |
| **EUD** | European Union Delegation |
| **EUR** | European Union Currency |
| **EUTAPP** | Technical assistance for sub-national capacity building in payroll and PFM |
| **FY** | Financial Year |
| **GATC** | Government Accountancy Training Centre |
| **GESS** | Girls Education South Sudan |
| **GRSS** | Government of Republic of South Sudan |
| **HoD** | Heads of Department |
| **HPF** | Health Pooled Fund |
| **HR** | Human Resource |
| **HRO** | Human Resource Officer |
| **HSSP** | Health Systems Strengthening Project |
| **IDCBP** | Institutional Development and Capacity Building Project |
| **JC** | Judgement Criteria |
| **JPA** | Joint Plan of Action |
| **LG** | Local Government |
| **LGB** | Local Government Board |
| **LGSDP** | Local Government Service Delivery Programme |
| **LGPFMM** | Local Government Public Finance Management Manual |
| **LOGOSEED** | Local Government and Service Delivery Project |
| **LKS** | Lakes State |
| **LSSAI** | Local Service Support Aid Instrument |
| **KPI** | Key Performance Indicators |
| **M&E** | Monitoring and Evaluation |
| **MoFEP** | Ministry of Finance and Economic Planning |
| **MoLPS** | Ministry of Labour, Public Service & Human Resources |
| **NBGS** | Northern Bar el Ghazal State |
| **OJT** | On-the-job training |
| **PEFA** | Public Expenditure and Financial Accountability Assessment |
| **PFM** | Public Finance Management |
| **QPR** | Quarterly Project Report |
| **QBPR** | Quarterly Budget Performance Report |
| **SBC** | State Building Contract |
| **SDF** | Service Delivery Framework |
| **SMoE** | State Ministry of Education |
| **SMoF** | State Ministry of Finance |
| **SMoH** | State Ministry of Health |

| | |
|---|---|
| **SMoLG** | State Ministry of Local Government |
| **SMoLPS&HRD** | State Ministry of Labour, Public Service and Human Resource Development |
| **SMT** | State Mentoring Team |
| **STMC** | State Transfer Monitoring Committee |
| **SSEPS** | Services for South Sudan Electronic Payroll System |
| **SSLA** | South Sudan Legislative Assembly |
| **SSP** | South Sudanese Pounds |
| **TL** | Team Leader |
| **ToR** | Terms of Reference |
| **TWG** | Technical Working Group |
| **UNDP** | United Nations Development Programme |
| **WB** | World Bank |
| **WS** | Warrap State |
| **WBGS** | Western Bar el Ghazal State |
| **WES** | Western Equatoria State |

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# Executive Summary

This report presents the results of the evaluation of the European Union Technical Assistance to PFM and Payroll (EU-TAPP) in South Sudan (August 2014 to February 2016). The EU-TAPP project is implemented by ECORYS (Netherlands), and aims at developing the capacity of States and Counties in PFM and Payroll management, in order to contribute to accountability and sustainable local economic development.

The Project is implemented in the ten States of South Sudan, but due to the on-going conflict the focus of the interventions was reduced mainly to the so-called 7 non conflict States (Western Equatoria, Eastern Equatoria, Central Equatoria, Warrap, Lakes, Northern Bar el Ghazal and Western Bar el Ghazal States) with each State having a team of two experts dealing with PFM and Payroll. The total budget of the project is EUR 4,495,575 with more than 65% of the total budget spent on technical assistance and the rest on incidental costs related to implementation.

The final evaluation was undertaken by an independent contractor (AECOM International Development Europe SL, Spain) and is based on the evaluation of the EU-TAPP interventions in principle in all States of South Sudan. The aims of the evaluation are:

1) To assess the relevance, effectiveness, efficiency, sustainability and impact of EU-TAPP to develop the capacity of local governments in performing PFM and Payroll management tasks as per the Local Government PFM Manual (2013);
2) To make lessons learned and recommendations for learning purposes and for a potential next phase of the project.

Twelve Evaluation Questions (EQs) framed the analysis of particular elements of the EU-TAPP: its relevance, effectiveness, efficiency as well as likely overall impact and sustainability. The detailed findings for each EQ is given in Annex 8.

The evaluation was managed by the European Union Delegation (EUD) in Juba, under the coordination of the relevant Programme Manager, with the assistance of a Reference Group consisting of members of the partner ministries namely the Ministry of Finance (MoF), the Local Government Board (LGB), the Ministry of Labour and Public Service (MoLPS), the Local Government Service Delivery Programme supported by the World Bank, and the Budget Support Initiative (BSI) supported by United Kingdom. The Evaluation Team (ET) commenced its work on 11th February 2016 in Juba with a briefing meeting at the EUD offices followed by consultations with the EU-TAPP Project Team and other key stakeholders in Juba. Fieldwork started on 22nd February and extended until 31 March. The final dissemination workshop with all relevant stakeholders was held on the 27th of April 2016 in Juba.

The fieldwork was fraught with many difficulties and included cancelled State visits due to security risks and breakdown of airplanes and vehicles amongst other things. The difficulties encountered by the ET in carrying out the fieldwork shows the challenges faced by the Government of the Republic of South Sudan (GRSS) and donor partners (DPs) in implementing State and County based projects. Brief notes from interviews with every State are presented in Annex 9.

**Design Relevance**

EU-TAPP was originally proposed as a supplementary capacity building intervention to a much larger budget support operation under a State building contract covering the health and education sectors, which would have required GRSS and EUD to set objectives and targets for a sector dialogue. However, this did not materialise and the post conflict EU-TAPP was designed with no strategic framework guiding it from EU side.

The EU-TAPP project fits well into the framework of enhancing the delivery of basic social and economic services, which was one of the key objectives in the South Sudan Development Plan (2011-2014) and the GRSS's Local Services Support Aid Instrument (LSSAI). The responsibility for delivering these services lies primarily with local governments, with State governments providing support and supervision, and national government setting the policy environment and providing funding. Strengthening the capacity of local governments to deliver services is, therefore, critical to South Sudan's long-term development and part of the key relevance of EU-TAPP interventions.

The ET found that the objectives of EU-TAPP are very relevant to the respective local institutions in the sense that the local stakeholders have important capacity needs in the areas that EU-TAPP aims to address. EU-TAPP in practice responds to the local context and is in coherence with national and international policy agreements that South Sudan is a part of and benefits from. EU-TAPP has also had a positive effect in particular with regards to how the interventions are positioned for achieving objectives regarding coordination and coherence within PFM. However, the ET didn't find any evidence of capacity building platforms at State level for sharing capacity building and training information State between projects/programmes as this only happened on a very selective basis in some States.

**Effectiveness**

EU-TAPP's main focus was on capacity building to States departments and Counties and started with the kick-off workshops and on-the-job training using the Local Government Public Financial Management Manual (LGPFMM) as the key reference document for training, coaching and mentoring. From the beginning EU-TAPP State teams mentored and coached Counties to implement single treasury account (cash accounting), whereby all transfers and funds coming to the County are centrally controlled by the accounting officer the Executive Director, through a general fund account, with the Heads of Department making requisitions for expenditure to be made from their department budgets. The focus of the State based teams training and mentoring activities was mainly on aspects of budget completion and reporting and to a lesser degree revenue management and accounting as per the LGPFMM.

Before the commencement of EU-TAPP, Counties were not producing Quarterly Budget Performance Reports (QBPRs) to the Council nor to the State. During the EU-TAPP interventions a number of Counties in the 7 non-conflict States started to produce QBPRs and submitting them to their respective State Council Transfer Monitoring Committees (CTMCs). However, this dropped drastically in most of the States after October 2015, probably due to the uncertainty created by splitting the 10 existing States into 28 States. Submission of budget reports to the States had initially improved with reporting processes and the ability of the State and Counties to monitor conditional transfers and needed follow up. Though the quality was enhanced over time, weaknesses do still persist regarding completeness and accuracy of data within the reports with e.g. incorrect coding of transfers and costs.

CTMCs had been established in principle in all the States but had only started in Western Bar el Ghazal, Eastern Equatoria and Western Equatoria before EU-TAPP commencement. Later, EU-TAPP and Health Services Support Programme (HSSP) assisted Central Equatoria State to set up its CTMC. The States of Northern Bar el Ghazal, Lakes and Warrap had not yet appointed their CTMCs. However, even in the States were CTMCs were already set up, it was difficult to determine the functionality of these CTMCs. The CTMCs had never met and had never received any QBPRs from the Counties. This has very much been facilitated by EU-TAPP. Working with other capacity building projects in a few States (notably HSSP and LOGSEED/ Cowater), the EU-TAPP State teams provided technical Assistance (TA) to the CTMCs. As of January 2016 all 10 States have set up CTMCs but only the 7 non conflict States had a degree of functionality in their CTMCs.

When EU-TAPP implementation began in August 2014 the Payroll system in place was SSEPS I, which was the primary system for payroll processing and reporting by State and County governments, managed in some States mainly by a State Ministry of Finance (SMoF) with State Ministry of Labour and Public Service (SMoLPS) oversight. Given EU-TAPP's limited implementation scope and technical resource limitations, its payroll management role has been focussed on reform readiness, working principally with Counties and selected States to update their payroll data for future migration to SSEPS II, and not on supplying hardware. Focus has been on the integrity of payroll data and the reform readiness of Counties and States governments for payroll management reforms. The main achievement of EU-TAPP was the assistance given to States to split the payroll between State and Counties.

It is challenging to measure the extent to which the capacities of the individual recipients have been substantively built and in what way this has influenced improvements in organisational capabilities. The EU-TAPP M&E system, however, does offer some clues. The aim of the M&E has been to capture both project activity progress as well wider results in terms of recipient organisational capabilities, but the latter indicators are a bit confused now due to the on-going redeployment of staff according to the new State structure.

Capacity building alone, without changes of funding availability, may not result in improved deliverables by the local governments – and all the local institutions supported are facing significant funding challenges especially after the creation of new states. EU-TAPP managed a degree of effectiveness in its delivery of inputs and outputs in relation to PFM and payroll management at State and County level, but only limited to a small part of the LGPFMM in relation to budget development and reporting and use of some financial forms.

**Efficiency**

EU-TAPP has generally delivered outputs in a timely and efficient manner in relation to planned inputs. There have been some delays initially in the inception phase, but the Project has been implemented within the foreseen 18 months. Several amendments have taken place over the 18 months' period. The additional implementation period now approved will allow organising a proper hand-over and exiting phase. The amendments have largely dealt with an increase in the incidental budget and a corresponding decrease in the fee budget. Difference between amendments 3 to 6 has meant an increase in incidental budget of 20%, bringing the total incidental budget of the Project to over 30% of the total budget, which is high by international standards. This in many ways reflects the confusion that exists around internal travel arrangements and transportation, as well as daily allowances for civil servants, all of which is excessively costly.

EU-TAPP is focused on supporting sub-national levels of government in South Sudan, and the ToR for the Project mention that the State based teams should work up to 70% of their time in the Counties; while the Core Team members in Juba should work up to 50% of their time in the States as a desirable level of effort. According to the analysis carried out of time sheets, the Core Team experts as well as the short-term experts spent approximately 14% of their working days in the field. The State-based training teams have spent 36% of their working days on duty travel to the Counties. Although part of the lack of mobility can be explained by insecurity and the seasonal rains making roads impassable, both figures seem low and especially the Core Team's support to State based teams seems unacceptably low.

Based on an assessment carried out by the State based teams of the existing capacity levels in Counties, and number of Counties in each State, a tailored work plan was designed on a quarterly basis to plan support activities. Besides county capacity, also security and logistical issues were considered in the work plan, and as a result, not each County was visited with the same frequency, but all Counties were visited at least once and some of them multiple times.

EU-TAPP developed a unified system of tracking performance and progress in PFM and payroll at State and Counties level. The M&E was to function as an early alert system so as to discover specific underperformance in States and Counties in the later phases. The EU-TAPP M&E tool (75 questions based on the Local Government PFM Manual) consists of an Excel based reporting format allowing for numerical scores on performance in PFM and payroll. This tool is complemented by the County Dashboards giving a brief overview of County staff in place for key functions and detailing status on various PFM related aspects of the Counties functions. The idea behind this M&E was to provide a narrative for motivation as well as key performance criteria, so that the performance data was easily accessible to officials and other stakeholders. The M&E system is still mainly used for upward reporting rather than local level learning, and a more simplified version should be developed to enhance its usability.

Creation of new States increasing the number from ten to twenty-eight has created confusion and excitement, and once fully implemented will lead to relocation and recruitment of new staff, hence the need for fresh technical assistance. Abrupt changes in the security situation in some States were unforeseen. This has influenced the efficiency of the Project and more time will be required to overcome the consequences of these unforeseen circumstances. Only the EU-TAPP project covers the whole country with PFM related capacity building, which has been, and will continue to be, a huge challenge.

**Sustainability and Impact**

Under EU-TAPP the 46 Counties that were targeted by the TA (out of a total of 79 Counties at the time of the intervention) have to some degree been trained on the LGPFMM. A total of 481 officials have received classroom training and 531 people received on-the-job training and coaching. This training has been targeted to specific staff of the administration and their respective duties. The classroom training and the on-the-job training were geared towards practically assisting the County administration to reach a higher level of performance. The ET couldn't properly measure the impact of this training in such a short time, but the majority of interviewed civil servants in States and Counties stated the usefulness of the training and mentoring received.

According to the EU-TAPP Team, capacity building interventions received varying reception at different times and in different States (from general resistance among some beneficiaries to more cooperation and enthusiasm in others). In addition, at the start in most of the Counties a few staff were hesitant and had fears that EU-TAPP State teams were working more as external auditors rather than facilitators. Most County staff lacked confidence in their work, and most of them were not aware of the on-going PFM reforms, hence they were initially hesitant to apply the new LG PFM Manual requirements. Generally, there was acceptance and cooperation, particularly from the lower cadres who had not benefited from previous trainings (in previous donor interventions only the Planning Officers and Controllers of Accounts had been targeted).

During the conduct of the CTMC meetings for Eastern Equatoria, Northern Bar el Ghazal, Warrap and Lakes States, the State based teams actively assisted the CTMC members to review and interpret the QBPRs and payroll reports for the 1st quarter 2015/16. This included a comparison of the transfer figures reported by various Counties against the transfer report made by the SMoF. While this doesn't show sustainability in the CTMCs work, it has been an important step in assisting the CTMCs in doing their work according to the ToRs. The lack of sustainability stems more from the fact that no allocation of funds at State level for CTMCs hampers the functioning and intended coordination role they are to play vis-à-vis Counties QBPRs and transferred received from the central GRSS.

Monthly county payroll reports have not been uploaded by the County payroll administrators as planned due to lack of the required infrastructural facilities (computers, power and internet). This would always force the County payroll managers to rely on their counterparts at the State level who at times are faced with the same challenges. The World Bank Bridging Phase project was to work with WES, WBG and EES to operationalize SSEPS II. The Bridging Phase project was completed at the end of 2015 and supported activities in CES, EES, and WBG and Warrap States.

The findings of the ET are that Counties are hardly equipped with tools like computers and hardly have electricity. This was sometimes addressed and improvised by making arrangements with Executive Directors to borrow a computer from other departments like Health and Water. High labour turnover and/or absenteeism of key County finance and planning staff affected the effective delivery of on-the-job training. The transfers of staff from Counties to even un-related departments (for example, from county to customs) disrupted the training sequence. Change of Executive Directors was also a challenge as it required that the EU-TAPP project had to be explained repeatedly. This situation with lack of tools, equipment and electricity combined with frequent transfers of staff means that very little can be considered to be sustainable in the short to medium term. This has to be addressed in the future.

**Main lessons learned and recommendations**

The key lessons are:

- The introduction of Payroll management issues into the overall EU-TAPP PFM work was an ambitious endeavour from the outset when taking into consideration the time frame of EU-TAPP and the reform readiness at State and County levels. Building the required capacities needs time, focus as well as willingness from GRSS side. Introducing SSEPS II has been a challenge for MoLPS and the equipment needed for this introduction has not been installed as required due to the conflict situation and various other issues. Trying to prepare the Counties for a split payroll when neither the equipment nor the preparedness is there is simply not feasible. A gradual step by step approach to dealing with core PFM related activities is the key lesson from EU-TAPP and that other aspects e.g. Payroll be dealt with by other more targeted interventions.
- The presence of State-based teams adds value to interventions and the direct contact, on-the-job training, coaching and mentoring is a very needed aspect of PFM reform in the current situation in South Sudan. The need for sophisticated PFM techniques is not an option at present. The LG PFM Manual is a good solid foundation whereupon to base the work of delivering PFM reform and training. There is a need to keep the LG PFM reform grounded and simple at this stage.
- A key lesson learned is that for any functioning PFM system to be able to perform better there is a need to have checks and balances between an elected council and the civil servants performing the tasks as per LG PFM Manual. At the moment civil servants are at the mercy of appointed Governors and District Commissioners – whether able or not – who often have little understanding of PFM processes and reform. It should be further mentioned that local council elections have never been held in South Sudan and that the current councillors have been appointed by the executive branch.

<u>The main recommendations are:</u>

1) Future EU-TAPP phase should focus on PFM as it relates to LG PFM Manual in basic terms (budgeting, accounting, monitoring, reporting) and only aspects of PFM on Payroll (not HR side), revenue management as possible, assets management and procurement when relevant.
2) In the future, CTMCs should be made part of the institutional set-up of the States and the functioning of these should be catered for through conditional recurrent transfers from MoFEP to SMoF.
3) In a possible future EU-TAPP phase, State-based teams should be working in clusters of 7 teams to cover 4 States each. A better mix of Core Team and State-based is needed by focusing more TA on State level. It is recommended that in the future a phased approach should be adopted. This would entail selecting a few States/Counties and concentrating on making sure that the reforms are successfully implemented in those States/Counties before proceeding to implement the reforms in more States.
4) GRSS must change the system of frequent redeployment/transfer of County staff and move towards a more sustainable funding of key PFM institutions and processes. Earmarked recurrent funding for CTMCs is needed.
5) There is need for more effective change management interventions to ensure the reforms being rolled out are owned by the political leaders and civil servants in the States and Counties. Government should conduct sensitisation awareness workshops for the County Commissioners and key civil servants in the Counties to educate them about their role in the accountability cycle.

# 1. Introduction

## *1.1 Evaluation Team and Methodology*

This report reflects the findings, lessons learned and recommendations of the Evaluation of the project *Technical assistance for sub-national capacity building in payroll and PFM (EU-TAPP)* (contract FED/2014/327-843) in South Sudan. The project was originally intended to be a complementary technical assistance support to a much larger State Building Contract of EUR 80 million funded by the EU. However, the later intervention was suspended in December 2013 because of the internal conflict.

EU-TAPP commenced in August 2014 but didn't get fully off the ground before December 2014 and was originally intended to be implemented over 18 months. An extension of 2 months was agreed in order to implement an exit strategy, but this was later reversed when the decision was taken to extend the programme into July 2016 with financing from the newly created EU Emergency Trust Fund – Horn of Africa Window. Pending this financing and the signing of a new contract, the current phase of the project ended in late February 2016. EU-TAPP aims at building the capacity of local governments to effectively perform their responsibilities regarding Public Finance Management (PFM) and Payroll and more specifically[1]:

1) Support to local governments (LGs) in meeting requirements of LG Public Financial Management Manual (LGPFMM): planning and budgeting; financial management/accounting; preparing and submitting quarterly budget performance reports/financial reporting;
2) Support at State level to analyse current payrolls, identify County staff, separate State and County staff payrolls;
3) Support to County Administration Departments to properly manage payroll: implement SSEPS II, construct County nominal rolls and payrolls; make salary payments whilst adhering to all procedures (including receiving the signed pay sheets);
4) Support the establishment and operation of County Transfer Monitoring Committee (CTMCs).

The Evaluation was managed by the European Union Delegation (EUD) in Juba under the coordination of the relevant Programme Manager with the assistance of a Reference Group consisting of members of the partner ministries, i.e. the Ministry of Finance (MoFEP), the Local Government Board (LGB), the Ministry of Labour and Public Service (MoLPS), the Local Government Service Delivery Programme (LGSDP) and the Budget Support Initiative (BSI) supported by UK.

The Evaluation Team (ET) commenced its work on 11th February 2016 in Juba with a briefing meeting at the EUD offices followed by consultations with the EU-TAPP Project Team and other key stakeholders in Juba. During the Inception phase the ET held meetings with the Ministry of Finance and Economic Planning (MoFEP), the Local Government Board (LGB) and the Ministry of Labour and Public Service (MoLPS), the World Bank, the LGSDP/LOGOSEED programme and the EUTAPP management team. The fieldwork phase commenced on the 22nd February with scheduled field visits to all 7 so-called non conflict States. The ET has been, throughout the planning and scheduling of the fieldwork, in close contact with the security group that advises AECOM consultants on security issues and the advisability of visiting various cities and Counties outside Juba. This meant that field visits to Western Bahr el Ghazal and Warrap States were curtailed due to serious security concerns and 3 representatives from each State were invited instead to travel to Juba for detailed discussion with the ET over a 2-day period in mid-March. A scheduled visit to Eastern Equatoria State – Torit – in mid-March had to be cancelled due to vehicle breakdown and non-issue of ticket to

[1] See full revised/updated Project Logframe and Intervention Logic in Annex 4

the Team Leader (TL) by UNHAS for air-ticket to Torit. This field visit was then carried out during the last week of March. The ET, in collaboration with LGB, identified key State and County representatives from the 3 conflict States (Unity, Jonglei and Upper Nile), who are temporarily based in Juba and held a meeting with these representatives from 21-23 March. Finally, a visit to Yei County in Central Equatoria State in early March was cancelled when the airplane carrying the team to Yei broke down in Juba before departure. The officials were later interviewed in Juba during the last week of March[2].

The difficulties encountered by the ET in carrying out the fieldwork shows the challenges faced by any Development Partner (DP) in implementing State and County-based projects. Not only do seasonal rains make roads impassable at times, but the unresolved internal conflict continues to create serious security concerns, and direct threats to the safety of personnel operating in the States/Counties. The recent decision to create 28, as opposed to the former 10 States, has also contributed to the confusion during the fieldwork as many State and County officials have already been moved to their new States. Hopefully, the recent developments in forming a national unity government will solve the security issues and start a process of gradual stability that can positively influence the building up of much needed capacities in all the 28 States. Furthermore, a virtually non-existing electricity grid at State, and especially County level, makes even simple Internet communication a challenge. All these factors have contributed to the challenges faced by the EU-TAPP Project Team, and should be kept in mind when judging the relative outcome of the project interventions.

The evaluation of EUTAPP was based primarily on documentary review, stakeholder meetings and fieldwork in 7 (former) non-conflict States and has used direct evaluation techniques as well as interviews, which are prepared by a thorough review of data, a review of project documentation including progress reports and quarterly project reports, and a review of the outputs of the State implementation teams and then triangulated with project recipients in the various States.

The ET was, furthermore, provided with all relevant data before and during the Inception phase through a Dropbox folder of all relevant EUTAPP project and other relevant documentation. In addition to studying the documentation, the team also interviewed key informants with relevant knowledge on parallel State interventions, as well as informants offering broader insights into the evolution of the decentralisation and PFM context in the country.

Fieldwork was planned to include group discussions with CTMC in all seven States to verify key aspects of institutional and staff capacity building initiatives and the likely impact and changes this has led to in the States/Counties in terms of PFM and payroll. However, for the reasons mentioned above, this could only be held in 5 States, but it has proven to be valuable feedback as to the activities that have taken place under the project.

The ET has included 12 overall Evaluation Questions (EQs) and completed short field visit notes from all 7 States and from the meetings with the 3 conflict States as well (see Annex 8 and 9 for more details) that follow the standard OECD DAC evaluation criteria of relevance, efficiency, effectiveness, sustainability and impact and the additional two areas of interest for the EU namely coherence and added value. The findings and conclusions of the evaluation have been drawn to large extent from the findings in these two annexes.

## *1.2 Background and Context*

The Transitional Constitution (2011) sets out the basic principles of decentralisation and the Local Government Act (LGA, 2009) provided for the devolution of functions to the 10 States, 79 county governments and their sub-structures at Payam (sub-county) and Boma (village cluster) levels. These measures give Counties wide ranging responsibilities for local planning and primary service delivery. County capacity is highly variable and generally weak in terms of taking charge of sector related responsibilities, and the transfer of resources from central government to States and further down to Counties to cater for service delivery is only gradually evolving. The Government of South Sudan

[2] See detailed table of field visits in Annex 3.

(GRSS) and ODI of UK have been working on a Local Services Support Aid Instrument (LSSAI) since 2011, under the guidance of the MoFEP. The overall aim is to provide a mechanism for development partners (DPs) to support the delivery of local services and community-driven development through the intergovernmental fiscal transfer system. At the moment 80% of the GRSS budget is used at national level while 15% is shared and used at State level and 5% of total are shared and utilised in principle by the Counties.

GRSS has a decentralised system of government with three levels: the national government, State governments, and local governments (Counties which are further divided into the payam and boma levels). At the beginning of the Project there was ten States (and a recently created Greater Pibor Administrative Area) and seventy-nine Counties. The mandate of Counties includes delivery of primary education, primary healthcare care, public health, water and sanitation, agricultural extension works, feeder roads etc. As part of this, Counties should support, manage and oversee the performance of Service Delivery Units (e.g. primary schools, primary health care units and centres, water technicians etc.).

**Box 1: Functional Assignment Between Levels of Government**

**Central government:**

- issues national policy and standards; budgeting and reporting guidelines; standard technical designs for infrastructure; allocates, publicizes and releases funds; responsibility for defence, monetary policy etc.
- Directly responsible for tertiary services

**States**:

- Directly responsible for secondary services (secondary schools, hospitals), as well as monitoring and supervising primary service delivery.
- Distribute guidelines and technical designs for infrastructure; release grants to Counties; supervise and support Counties; discuss and submit county budget performance reports

**Local governments** (Counties, payam and boma):

- designated as being responsible for primary service delivery

However, as in other countries, the division of responsibilities between the State and the local level is not very clearly defined through existing laws, e.g. 2011 Transitional Constitution does not include many specifics about the local level (Article 47 (c)) and primary and secondary service delivery is defined as a 'concurrent power' between the national, State and local levels by the 2009 LGA, which confuses the actual functional assignment of responsibility. Mechanisms for communication, reporting and oversight between the central government and States are just starting with efforts ongoing to strengthen these e.g. through EU-TAPP assistance.

Based on the above, at the time of the start of the internal conflict in December 2013 a system of coordinated policy framework for local service delivery was emerging. In mid-2014 the EUD and the GRSS agreed to implement the EU-TAPP as a needed follow-up to the LG PFM Manual (LGPFMM) roll out[3] carried out in a first phase (2012/13) and with support from Development Partners through the (now phased out) Capacity Building Trust Fund (CBTF). LG PFM training materials were developed and a first round of classroom-based training was carried out for all Counties as well as training of trainers for officers from the State governments.

The EU-TAPP is designed as a follow-up to this training on LGPFMM and was to cover the country as a whole through additional classroom-based training and State-based teams deployed to provide hands-on support, coaching and mentoring to Counties in preparing the financial management documentation specified in the LGPFMM. The EU-TAPP is also focusing on administrative accountability at State/County level and on strengthening reporting systems across government levels, as well as on improving the oversight exercised by higher levels on lower levels of government. The State governments were instructed to establish County Transfer Monitoring Committees (CTMCs)

[3] Rolled out LGPFMM provided Counties to comply with its provision, and to States in their role of support to and oversight of Counties and following the provisions therein.

back in 2013, and have been provided with model Terms of Reference[4], basically monitoring the use of the Government's transfers to States and Local Governments and reporting back to the national level State Transfer Monitoring Committee (STMC).

Reforms have also been undertaken in relation to payroll management, with the aim of making Counties responsible for managing a unified payroll for all staff working at the County level. This requires (i) progress to be made in consolidating the government of South Sudan's Electronic Payroll System (SSEPS); (ii) modalities for County payroll management compatible with SSEPS to be finalised and rolled out; (iii) County payrolls to be split from within the State payrolls. The MoLPS has been responsible for securing support for SSEPS roll-out and improvement. EU-TAPP is only one of a few other donor-financed[5] basic service delivery programmes that have been providing support to State and County administrations to proceed with splitting the payroll between State and County levels.

MoLPS has developed guidance on standard structures and human resources management at the County level, in the form of an interim Local Government Human Resources Manual and associated standard organisational and staffing structures for key Local Government Departments[6]. MoLPS expects this to lay the foundation for developing approaches to improve local government civil service effectiveness.

# 2. Overall Findings on EUTAPP

## *2.2 Findings on Relevance and Coherence*

Before the onset of the internal conflict, GRSS and the EU had signed a financing agreement of 13 December 2013 that envisaged EUR 80 millions of budget support under a State Building Contract, and EUR 5 millions of complementary support (now EU-TAPP). The State Building Contract (SBC) aimed through budget support to protect the gains made by South Sudan in the education and health sectors by paying the salaries of education and health workers inscribed in the government payroll system. Complementary support to the SBC in the form of technical assistance was expected to provide reasonable assurances that this ambitious budget support operation could be implemented according to sound financial management, and that the SSEPS, and associated monitoring and verification mechanisms were systematically used. However, due to the conflict the SBC was not initiated and though EU-TAPP was commenced it was not linked to any strategic document of the EU as the EUD had no overarching strategic document guiding its interventions with South Sudan at the time.

The EU-TAPP project fits well into the framework of enhancing the delivery of basic social and economic services, which was one of the key objectives in the South Sudan Development Plan (SSDP) from 2011-2014 and the LSSAI. The responsibility for delivering primary services lies with local governments, with State governments providing support and supervision, and national government setting the policy environment and providing funding but also having a huge hand in delivering other local services. Strengthening the capacity of local governments to deliver services is, therefore, critical to South Sudan's long-term development and part of the key relevance of EU-TAPP interventions. Furthermore, the geographical coverage of EU-TAPP is country-wide, focusing on all ten States of South Sudan (now 28) making it the only donor supported PFM initiative covering in

[4] Country Transfer Monitoring Committee: Model Terms of Reference, Ministry of Finance and Economic Planning, June 2013.

[5] Basically the four largest donor-financed sector programmes supporting basic health and education (DFID GESS, DFID-led Health Pooled Fund, USAID-financed Health System Strengthening Programme (now defunct) and WB-financed Health Rapid Results Programme) have provided for implementing teams to work alongside and strengthen administration and PFM capacity of the Counties' and States' structures.

[6] GRSS, Interim Local Government Human Resource Management Manual, Issued by Ministry of Public Service and Human Resource Development and Local Government Board, December 2014.

principle the whole country. The intervention logic is to support the implementation of the peace agreement through the facilitation of effective and sustainable service delivery in South Sudan.

In addition, EU-TAPP and other donor-financed programmes have adopted decision-making and reporting systems that to some degree align with the GRSS, and which these programmes have helped to develop further. Thus, for instance, the DFID-financed Girls' Education in South Sudan (GESS) uses the same decision-making and reporting systems for the GESS-financed secondary schools' capitation grants and the government-financed primary school capitation grants. Generally, the four largest donor-financed sector programmes supporting basic health and education (DFID GESS, DFID-led Health Pooled Fund, USAID-financed Health System Strengthening Programme (ended in October 2015) and WB-financed Health Rapid Results Programme) have provided for implementing teams to work alongside State civil servants and strengthen capacity of both State and Counties. This has to a limited degree been done in coordination with EU-TAPP in various States, but not consistently, and not as part of a wider capacity building platform coordinated and led by State ministries.

South Sudan's Interim Constitution stipulates the country's commitment to a "decentralised democratic multi-party system of governance", and contains extensive sections on human rights, the separation of powers, and a decentralised executive. The application of these principles has been hampered by a lack of capacity at all levels of government and the fact that to date no local elections have been held. It is within this overall framework that EU-TAPP interventions have to be understood.

Already early on during the Inception phase of EU-TAPP it became apparent that the original set of indicators linked to the outputs was ambitiously formulated. The EU-TAPP management team, in agreement with the Project Steering Committee, decided to reformulate the indicators to better reflect the realities on the ground. The revised indicators and the outcomes are given in Annex 4. This revision has created a more coherent set of project interventions and targets, though the aim of working with several aspects of the LGPFMM for capacity building purposes within an 18 months' implementation period remains an ambitious overall objective.

Finally, the project Steering Committee also doubles as the STMC (basically same members) thereby ensuring that the EU-TAPP QPRs were submitted to the same institution that in principle oversees the transfers to States/Counties, and thereby furthering coherence in the approach to managing and overseeing the Project from GRSS side. This has ensured a good degree of direct oversight with EU-TAPP capacity building efforts in the States/Counties and also in fielding State Monitoring Teams (SMTs) that are supposed to make short State visits to report on issues related to PFM reform and interact with State officials. It was also presupposed that LGB, as members of both the STMC and the Project Steering Committee, should be in a good position to support updates on the County QBPRs to CTMCs and also bring to the attention any discrepancies in reporting, so that this could be addressed by the STMCs.

## *2.3 Findings on Effectiveness*

EU-TAPP commenced in August 2014 with an inception phase that lasted until December 2014. This period was used by the Core Team for inception phase activities, such as establishing the project office within the compound of the LGB, organising stakeholder meetings, organising financial administration and logistics and conducting joint State assessment missions with government officials from LGB, MoFEP and MoPSHRD. In November 2014 the Team was further strengthened with the mobilisation of the State-based training teams in each of the 7 non-conflict States, composed of one regional trainer and one national trainer. After a two-week induction training in Juba in the second half of November, the teams were deployed to their respective States in December 2014.

The basic approach by EU-TAPP was capacity building to States and Counties departments and started with the kick-off workshops and OJT using the LGPFMM as the basis for the training. It was ensured that each County received copies of the LGPFMM for use and reference. One of the main activities initially was to mentor and coach Counties to implement a single treasury account (cash accounting). This was to ensure that all transfers and funds coming to the County are centrally controlled through the Executive Director (ED) with the Heads of Department (HoDs) making requisitions for expenditure to be made from their department budgets and the Executive Director (ED) authorising the County Controller of accounts to process payment and keep the ensuing records relating to the financial transactions. Counties in the 7 non-conflict States (with the exception of Lakes State) have started to implement a single treasury account system.

However, according to the field work findings, the full implementation of the system is still a major challenge. Counties in Lakes are slow to adopt a single treasury account system and in other Counties such as Terekeka in CES some sort of single treasury account is in place, but the ED is not in charge of the funds and bank accounts of the County, but it is instead the County Commissioner who has this authority.

Before 2014 no County in South Sudan was routinely producing Quarterly Budget Performance Reports (QBPRs) to the council nor to the State. During the EU-TAPP interventions a number of Counties in the 7 non-conflict States have started to produce QBPRs and submitting them to their respective State CTMCs (in 2014/15 4$^{th}$ quarter only 4 Counties out of 46 hadn't submitted their QBPRs to their respective council and CTMC). Submission of QBPRs to the States had initially improved with reporting processes and the ability of the State and Counties to monitor conditional transfers and needed follow up. Though the quality was enhanced over time, weaknesses do still persist regarding completeness and accuracy of data within the reports, with incorrect coding of transfers and costs. However, during the 1$^{st}$ and 2$^{nd}$ quarters of 2015/16 financial year the improvements dropped drastically in most of the States, probably due to the uncertainty created by the introduction of 28 States (2$^{nd}$ quarter of 2015/16 23 out 46 hadn't submitted their QBPRs).

As reported by the EU-TAPP State teams and through interviews by the ET during field visits, the reason why QBPRs are not timely produced yet by the Counties is often due to low motivation of the staff to produce them, due to the lack of computers, as well as the failure of the CTMCs to enforce the rule of "no report no transfers" (see Annex 8 and 9 for more details). Furthermore, the conflict in Western Equatoria State means that they are highly unlikely to produce and submit their 2015/16 QBPRs due to the deteriorating security situation in the State.

Another output from the coaching and mentoring of Counties is to stimulate the use of the correct financial forms in budget execution. Sustainable progress, however, has not been realised towards using forms prescribed in the LGPFMM, due in part to a lack of political will and commitment of County officials. There appears to be mostly a lack of institutional support for using financial forms, and also the fact that often forms are not available locally (e.g. budget control form out of stock).

Even though procurement features in the LGPFMM, and the need in future to have solid management of procurement is evident, no major intervention was carried out in this respect by the EU-TAPP State teams. Two main reasons have been given by the EU-TAPP management, namely that there was no County with procurement structures in place (no procurement unit or procurement officers), and that Counties do not practice procurement at all as they have no unconditional grants to make any meaningful procurements besides small stationary and fuel. Procurement is normally handled for Counties by the SMoF.

Local revenue collection remains a challenge as a core function of a County. In practice, local revenue collection is interfered with by the local political structures in many States. In spite of this, the EU-TAPP State teams have tried to ensure Counties start to implement proper procedures for the collection and recording of local revenue as Counties were coached on how to use finance form 15 in all cases for recording all local revenue collected. Counties have also been coached on posting local revenue collections from finance form 15 to other relevant forms (forms 67, 39 and 65). However, many Counties will not, according to the EU-TAPP State based teams, maintain books of account up to date on their own without the support of the capacity building provider.

At the start of EU-TAPP, CTMCs had been established on paper in all States but only nominally functioning in the States of WBGS, EES and WES. Soon after the commencement of the EU-TAPP, HSSP supported CES to set up its CTMC. The States of NBGS, Lakes and Warrap had not yet appointed their CTMCs. However, even in the States were CTMCs were operational, it was difficult to determine the functionality of these CTMCs since no CTMC had ever met to consider QBPRs from the Counties, yet this is the primary role of the CTMCs.

Working with other capacity building projects in some States (notably HSSP and LOGOSEED/ Cowater), the EU-TAPP State-based teams assisted CTMCs in focusing on the core of the work for CTMCs in receiving and analysing QBPRs. Before the announcement of the new 28 States, progress in the establishment and level of functionality of the CTMCs was progressing very well with support from EU-TAPP. The ET found that CTMCs might still exist on paper but haven't met for some time in most States, simply because of the creation of new states and related administrations.

When EU-TAPP implementation began in August 2014, SSEPS I was the primary system for payroll processing and reporting by State and County governments, managed in some States mainly by a SMoF with SMoLPS oversight. NBGS was not using SSEPS I. Previously, ITC equipment (servers, laptops, electrical generators) for State implementation of SSEPS II had been pre-positioned in 2013 and 28 Establishment Officers from States received SSEPS II training. Implementation was halted later that year and DAI, the project implementer, only returned in late April 2015 under a seven month "Bridging Phase" project funded through the World Bank's Institutional Development and Capacity Building Project (IDCBP)[7].

Given EU-TAPP's limited implementation scope, and technical resource limitations, its payroll management role has been focussed on reform readiness working principally with Counties and selected States to update their payroll data for future migration to SSEPS II. Focus has been on the integrity of payroll data and the reform readiness of Counties and States governments for payroll management reforms being implemented by MoLPS&HRD under SSEPS II. Originally EU-TAPP planned to concentrate its State support of SSEPS II on CES and WBGS. By July 2015 the Bridging Phase project was rolled out State-by-State to three States plus CES: WBGS, Warrap, and EES. LKS and NBGS were not covered and EU-TAPP mobilised a short-term State Payroll Advisor in August 2015 to assist these two States with their SSEPS II reform readiness. Insecurity prevented adding WES as another State for State payroll support beyond that provided by EU-TAPP State team in Yambio.

## 2.4 Findings on Efficiency

The project was originally intended to be implemented over an 18 months' period with a short Inception phase. The extended period agreed was in order to implement an exit strategy, but this was later reversed when the decision was taken to extend the programme into July 2016 with financing from the newly created EU Emergency Trust Fund – Horn of Africa Window. This financing was signed in late March 2016. However, the current phase of the project ended in late February 2016.

Several amendments have taken place over the 18 months' period. The additional implementation period now approved allows organising a proper hand-over and exiting phase. The incidental budget has increased from amendment 3 to 6 with more than 20% and a corresponding reduction in the fee budget has taken place so that the incidental budget has grown from EUR 1,150,900 to EUR 1,456,539 at the end of the Project.

The State based teams were to remain operational at the State and County level until the end of January/February 2016, and increase the round of visits to the Counties to follow up on the production of QBPRs, County budget implementation and CTMC reporting support. But as pointed out through the field work of the ET, and verification of the EU-TAPP reporting, it seems that many Counties have only been visited once and only a few have had multiple visits of the State based teams during the entire 1 year implementation period. EU-TAPP did organise State based lesson learned workshops and this was complemented with a final EU-TAPP Juba workshop in December 2015, to share experiences among the State-level teams and wider national stakeholders on the implementation of the EU-TAPP project and lessons learned.

[7] Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016

Overall quality of reporting has improved over the lifespan of the Project. Upon request from the Steering Committee after the first Quarterly Project Report (QPR) there was an effort to make the QPR more informative and also more performance-related in terms of focusing on key outputs and activities of the Project. It has been noted by the ET that consolidated reporting of expenditure versus Project budget is conducted separately and sent directly for verification to the EUD every six months as is normal procedure for the EU, but it is not shared with GRSS and it is not very transparent.

EU-TAPP developed a unified system of tracking performance and progress in PFM and payroll at State and Counties level. This system was designed to avoid discovering specific underperformance in States and Counties in the later phases of the project. Therefore, right from the start, EU-TAPP established a common performance monitoring system to ensure that issues could be addressed up front. This consists of a rather cumbersome list of 75 questions that is covered in the M&E, and seems to be used more for upward accountability rather than for downward purposes to Counties. The EU-TAPP M&E tool[8] consists of an Excel based reporting format allowing for numerical scores on performance in PFM and payroll. This tool is complemented by the County Dashboards, which provides a narrative of the scores by key performance criteria, so that the performance data is easily accessible to officials and other stakeholders. The Dashboards provide information on the availability of staff in the County as well as a snapshot on the most critical PFM indicators in the County using a "traffic light approach." In addition, a textbox provides a narrative summary of the status of PFM and Payroll in the respective County and the EU-TAPP support actions that were provided in the past period.

The M&E tool has proven to be very useful in measuring the performance and communicating progress in the QPRs as well as in several workshops but in general the Dashboards were found to be more useful for communicating the status and results to the national stakeholders (MoFEP, LGB etc).

EU-TAPP was focused on supporting sub-national levels of government in South Sudan, and the ToR for the Project mentions that the State-based teams should work up to 70% of their time in the Counties, and the Core Team members in Juba should work up to 50% of their time in the States as a desirable level of effort. According to the analysis carried out of time sheets, the core team of key experts as well as the short-term experts spent approximately 14% of their working days in the field. The State-based training teams have spent 36% of their working days on duty travel to the Counties (more details are given in Annex 8).

## *2.5 Findings on Impact and Sustainability*

As Stated in the EU-TAPP QPRs, most LG staff had inadequate skills and knowledge of the recently introduced LGPFMM from the outset of the Project. Especially the County staff had little knowledge and exposure to the LGPFMM when it came to the application and use of the financial forms, and all the necessary accounting documents were not consistently followed. Proper PFM systems were not in place, and no flow of information on financial matters was available with MOFEP. This can be attributed to a lack of proper systems and procedures at both State and County levels to interpret and implement the various policies in place, such as they are presented in the LGPFMM and LG Act. Much of this was verified by the ET through the interviews conducted at State level (see Annex 9 for details).

The County plans and budgets were often prepared in varying formats not consistent with the LGPFMM requirements, and were not being approved by the County legislative councils. Counties were not compiling and submitting budgets on time: financial forms were not being properly used. Recording transactions and the use of Charts of Accounts was non-existent. Most expenditure was above budgets and re-allocation done without following the procedures in the LGPFMM. A number of expenditures were on activities not in the approved budgets and figures were allocated without proper costing of activities. Annual plans were not related to the roles and responsibility of the departments as stipulated in the departmental guidelines. State and Counties had no approved budgets

[8] The M&E tool consists of 75 questions that relate to the Key indicators of the LGPFMM organised along the 4 results areas of the project answered with YES or NO. The consistent use of a quantified approach in the reporting formats allowed for comparison in performance among states/Counties and comparison over time. This was conducted quarterly.

since FY2011/12. Overall, the budgets were poorly documented and processed. Counties were in most cases assimilated into the State budgets.

According to EU-TAPP, a total of 481 officials have received classroom training and 531 people received On-the-Job Training (OJT) and Coaching in aspects of the LGPFMM in the targeted 46 Counties. The classroom training and the OJT were geared towards assisting the County administration reaching a higher level of performance, especially with budgeting and reporting. Based on an assessment of the existing capacity levels, and number of Counties in each State, a work plan was completed. Besides County capacity, also security and logistical issues were considered in the work plan, and as a result not each County was visited with the same frequency but all Counties were visited once. High staff turnover and/or absenteeism of key County finance and planning staff affected delivery of OJT. The change of Executive Directors and transfers of staff from Counties to even un-related departments disrupted the planned training.

The ET couldn't verify in detail the level of usefulness of the training and OJT activities conducted, but it found that in general training had generated a degree of knowledge and understanding of the weakness in PFM performance that needed to be addressed. The County staff who were trained are now more enthusiastic and interested in continuous improvement in their work. Generally, there was acceptance and cooperation especially from the lower cadres, who had not benefited from previous trainings as in the past this sort of training had been offered mainly to Planning Officers and Controllers of Accounts.

Furthermore, EU-TAPP assisted the CTMs and their secretariats in all 7 States to facilitate preparation of documentation for meetings and organising venues and logistics for members. Support was also given to split the payroll between States and Counties in all States but the monthly County payroll reports were not uploaded by the County payroll administrators as foreseen due to lack of the required equipment (computers, electricity and internet). The World Bank Bridging Phase project was to work with 4 States to operationalise SSEPS II. The Bridging Phase project was completed at the end of 2015. It seems to the ET that EU-TAPP worked within the limitations created by the conflict and the subsequent uncertainty as to who would address what at which point in terms of moving the Payroll administration from SSEPS I to II, and focused on splitting the payroll between State and Counties.

## *2.6 Findings on EU added value*

Working with other DPs supporting interventions with other Ministries at State level ensured a degree of common approach and coordination at the operational level. The Ministries have also provided counterparts that were used as a great resource in customising the trainings to the local needs. The HSSP supported establishment of the CTMC in some States/Counties, minimising duplication of activities. EU-TAPP was also able to work with LOGOSEED State based teams in Lakes State and EES in such a way that duplication was avoided and there was an agreement on a kind of approach to PFM training that ensured that EU-TAPP focused on the basic PFM issues on budgeting and financial reporting, and LOGOSEED on wider issues of e.g. procurement.

EU-TAPP, as well as other donor programmes/projects, initially tried to build LG PFM capacity building platforms (meetings between State ministries and donor projects) in some States but this was not consistently followed through and the State authorities didn't take the lead in this regard. This coordination and cooperation is needed to ensure sustainability of capacity building interventions to identify fast learners and devise ways of motivating them to train their peers within the County or across a number of Counties, and to avoid duplication of efforts, completing a workable division of labour. Organising short duration, frequent and well sequenced and coordinated capacity building sessions are more effective in ensuring that whatever is taught is put into practice.

# 3. Overall Assessment

## 3.1 Assessment on PFM and Payroll capacity building

*EU-TAPP was originally proposed as a supplementary capacity building intervention to a much larger sector budget support operation. However, this never materialised. The EU-TAPP project fits well into the framework of enhancing the delivery of basic social and economic services, which was one of the key objectives in the South Sudan Development Plan (2011-2014) and the GRSS's Local Services Support Aid Instrument.*

In terms of relevance and coherence there is no doubt that addressing the many issues relating to PFM (budget transfers/execution, accounting, reporting, revenue management, etc.) in States and Counties is of the utmost importance. To be able to increase service delivery in primary health and education – and hopefully in future more areas such as rural roads, agriculture, civil administration – accountability of public funds is of paramount.

From the observations made by the ET during fieldwork it can be deduced that EU-TAPP State-based teams were able to assist States mainly in budgeting and in producing budget calls to Counties. EU-TAPP was less able to support sufficiently any technical assistance to specially (i) SMoLG to compile a quarterly report for all Counties, (ii) SMoLPS&HRD to compile a monthly report for all Counties, (iii) SMoF to produce monthly schedule of releases to departments and Counties, (iv) SMoF to produce monthly budget performance and payroll reports and finally (5) SMoLPS&HRD to prepare monthly payroll reports.

The SSDP 2011-2013 was the plan for national development. The plan was coordinated by the MoFEP with inputs provided from working groups representing all agencies of the executive branch of government as well as the South Sudan Legislative Assembly. Donors and Development Partners were involved in the design of the process through dialogue and also providing inputs and technical assistance. The SSDP also had demonstrable buy-in from regional and decentralised authorities, and incorporated inputs form the private sector and civil society through working groups and various consultation events. The SSDP has furthermore been approved by South Sudan's executive. The SSDP focused on development in four pillars or clusters: (i) governance, (ii) economic development, (iii) social and (iv) human development, conflict prevention and security. The SSDP initially covered the period 2011 to 2013; however, due to the shutdown of oil production for more than a year since January 2012, the SSDP was extended to 2016. The conflict came at an unfortunate time in regard of the SSDP and curtailed implementation of the plan, but the GRSS continues to support the strategic approach of the SSDP.

The overall aim of the LSSAI is to gradually move service delivery from mostly donor supported NGOs towards putting the mandated government structures and systems at the centre of service delivery. This entails gradually building stronger governmental accountability institutions and service delivery systems as is the aim of EU-TAPP in terms of accountability systems strengthening. The on-going transfers mostly cover recurrent budget resources for provision of primary health and education services. The LSSAI is also over time looking at how community-driven capital infrastructure projects can be included in the grant transfer system as this is already being supported by the World Bank (LGSDP/LOGOSEED) through selected Counties/payams.

*The ET couldn't find any consistent capacity building platform envisaged as part of the LSSAI for sharing capacity building and training information at State level between projects/programmes – coordination happened on a very selective basis.*

GRSS formulated the Local Services Support Joint Plan of Action (JPA) which sets out the challenges identified in the SDFs, stipulates a number of policy commitments taken by the Government with a view to tackling these challenges, and outlines the priority actions proposed to address them and these have been signed by the concerned sector ministries. As part of the JPA, Government developed a Financing Framework that lays out a simple, coherent and transparent system for financing local service delivery. The concerned ministries budgeted for a set of increased and new transfers to Counties and facilities in the 2013/4 budget and issued a first set of Planning, Budgeting and

Reporting Guidelines for States and Local Governments that specified how these transfers should be budgeted for, utilised and reported on.

EU-TAPP fits into this overall SDF strategy of GRSS in supporting the building up of PFM capacities for budgeting and planning and reporting through county QBPRs and preparing State and Counties for splitting payroll for a future computerised SEPSS II and maintain nominal rolls for staff. The outcomes of EU-TAPP are definitely mutually reinforcing with other donor support and GRSS policies. However, the LSSAI is a mechanism under construction and hasn't reached the desired level of coordination and coherence that was originally driving the idea. Especially the foreseen coordination between State governments and DPs in relation to capacity building of PFM, HRM, etc hasn't happened as of yet.

The design of the Project focused primarily on PFM, and less attention was given to the payroll implementation other than practical elements such as splitting the payroll between State and Counties. As a result, the only significant activity that was carried out on payroll management was the splitting of the payroll between the States and the Counties. It was assumed that the States and Counties had the tools e.g. computers and the necessary networks to support the implementation of the SSEPS system delivered already from other sources. The project that had procured the equipment for the SSEPS II implementation did not, however, complete the installation and operationalisation of the system in targeted States. It was, therefore, not possible for EU-TAPP to provide more detailed capacity building to the staff managing the payrolls at the States and Counties since the SSEPS II system was not operational[9].

## *3.2Assessment on institutional anchorage and changes*

*First kick-off workshops and then on-the-job training using the LGPFM Manual as the key reference document for the training, coaching and mentoring. From the beginning EU-TAPP State teams have mentored and coached Counties to implement a single treasury account (cash accounting) system and use financial forms – with mixed outcomes. Most focus on budgeting and reporting and limited focus on other aspects of LGPFM.*

EU-TAPP provided technical assistance to Counties on budgeting as all Counties were able to produce and approve FY 2015/16 budget estimates in a format provided by LGPFMM, producing preparation call circular, QBPRs, and use of financial forms. However, technical assistance was only provided sparingly on e.g. producing payroll reports, Chart of Accounts codes, county revenue collection and recording, producing monthly/quarterly/annual accounts, procurement/contracts management and fixed assets and stores management.

There have been delays in issuing of budget ceilings to the Counties by the National and State Governments. The budget ceilings for the FY 2015/16 were received in October/November 2015, which was already 5 months into the implementation period. This delay resulted in the Counties producing the FY 2015/16 budgets late. Lack of approved budgets at the beginning of the financial year constrains the capacity of the Counties to provide services to the citizens.

Resistance to use financial forms by County officials was and is widespread. The use of the forms makes it easy to track Counties' receipts and use of funds and this could possibly also be explained by a lack of political will to enforce this aspect of the LGPFM more vigorously. In some instances, forms such as the budget control books are out of stock and this makes it easy for the County officials to claim that they don't have many of the financial forms. The State governments should ensure that the financial forms for use at the Counties are available at all times, so that any non-compliance can be monitored effectively and the use of forms enforced at the Counties.

[9] Equipment procured by the CBTF for SSEPS II implementation is still lying idle in some of the states. This is the case in Gbudwe State (part of former Western Equatoria State). The VSATs have also not been installed and there will be need to provide support to complete the installation of the equipment and also provide the necessary training for the operationalization of the SSEPS II system. In addition, the Payroll managers and Establishment Officers will also require training on basic IT.

The low level of education, and Arabic language background of some County officials, slows down their ability to absorb the technical assistance provided in English by the EU-TAPP State based teams. This also hampers their ability to later make reference to LGPFMM and other training materials provided to them, when they are faced with issues at work. In workshops, it may be necessary to have an English-Arabic interpreter to enable such officials to understand the presentations and training materials being delivered by the trainers.

The deteriorating security situation in the Counties has adversely affected the ability of the Project to provide OJT to County officials in a few States. The number of visits made by the EU-TAPP State teams to Counties after October 2015 reduced drastically due to the deteriorating security situation, and the initial confusion related to the creation of 28 States has also played a role. However, this doesn't explain that only 36% of the total time of State based teams have been spent at County level.

Another issue which hampered performance at County levels is that in some cases the Counties spent funds on items that were not included in their approved budget. This could be a result of political pressures and other outside influences. It clearly shows the need to provide training and awareness to the political leaders in the Counties, so that they may appreciate the value of transparency and accountability in the use of public funds in the future. The Counties have attributed the diversion of budgeted funds to the deteriorating security situation, whereby the funds are diverted to cater for the emergency situations.

There are also human resource challenges. A number of Counties lack qualified staff and in some cases the vacant positions have not been filled. There have also been instances where County staffs are transferred by the State government without notifying the Commissioner or County Executive Director. There have been cases where the only staff trained by the Project in a particular function has been transferred and a capacity gap created in the County.

There were cases where the State governments have delayed the transfer of funds to the Counties. For example, as at March 2016, Gbudwe State had not transferred the block grants for July, Sept and November 2015 to the Counties. These delays affect the Counties' ability to deliver services to the population.

*Before the commencement of EU-TAPP, Counties were not producing QBPRs to the council nor to the State (CTMC). This was the main focus of State based teams. However, submission dropped drastically in most of the States probably due to the uncertainty created by the introduction of 28 States after October 2015. The EU-TAPP State teams have assisted the CTMC secretariats from all the 7 States to write up the reports for the 3rd and 4ht quarters of FY 2014/15.*

The main institutional focus of the EU-TAPP assistance has been on the functionality of CTMCs including to a lesser degree the conflict States. CTMCs are not provided for in any of the South Sudan LG's law or regulations, and this makes it difficult for CTMCs to enforce laws and regulations of transfer of funds by States to Counties and submission of QBPRs by the Counties.

CTMCs are potentially instrumental in the improvement of transparency and accountability in the use of public funds, and need to be given the support to be institutionalised. EU-TAPP has provided technical support to the CTMCs in order to enhance their capacity to provide oversight to the Counties in the use of public funds. The ET found that most of the technical assistance was on (i) review of Counties' QBPRs, (ii) and in the review of the same but CTMCs members are still in the process of learning to review the reports, (iii) monitoring of the transfers of release to Counties, and (iv) prepare a report for each meeting of the CTMC in the format outlined in the CTMC ToR. EU-TAPP to a lesser degree managed to assist the CTMCs on (i) enforcing the rule of "no report – no transfers" to a county, (ii) guidance on authorisation of transfers to Counties, (iii) review of Counties' budgets. In Central Equatoria State, for example, the project provided support in the review of the quarterly reports submitted to the CTMC by the County governments. A number of Counties have implemented the follow up actions provided by the CTMCs and this has led to better transparency and accountability at the local government level.

CTMCs are not facilitated to provide feedback to Counties of the review of their budget performance reports. To be able to improve their performance Counties should be notified of the CTMCs' review findings, either in writing or through verbal discussions. The committee also does not have logistical support, e.g. motor vehicles, to use to move to Counties.

The States have to date not made any provision to cater for CTMC operational expenses in their budgets. A number of CTMCs have continued to depend on support from donor funded projects and ad hoc financing arrangements by the SMoF. The committees are currently reliant on projects such as EU-TAPP and LOGOSEED to finance their outreach activities. The lack of a budget for the CTMCs casts doubt on their ability to sustain their activities when the projects close. It is imperative that States make specific budget allocations to enable the CTMCs meet their operational costs in future, if the proposed GRSS system of intergovernmental transfer is to be consolidated and developed.

There is also a weak linkage in the information flow and follow up of actions and recommendations between the STMC and the CTMCs. The QBPRs, or a summary of findings in them, in principle compiled by LGB have never been presented to the STMC and have therefore never been discussed at central level. It is a crucial role of the STMC to be able to provide feedback to the CTMCs and State governments on how to deal with follow up actions needed in terms of the QBPRs. Furthermore, as discussed in Annex 8, there is little evidence that the two missions by MoFEP State Mentoring Teams[10] (STM) supported by EU-TAPP funding in terms of logistics came up with clear recommendation of their findings that were shared and acted upon by the concerned States/Counties. There is a need for a better feedback system in terms of sharing findings and recommendations within the various levels of GRSS when it comes to mentoring and supervision.

The GRSS does not share fully and comprehensibly with the CTMCs the information on the transfers it makes to the State Governments. This makes it difficult for the CTMCs to establish and monitor whether the State governments have transferred all the funds intended to be remitted to the Counties. This problem is made worse by the fact that most SMoFs do not consider the previous recommendations of the CTMCs when they are making their decisions to transfer funds to the Counties. The CTMC rule of – no reports, no funds – has, therefore, not been implemented by the State governments. . This lack of information makes it difficult for the State ministries to monitor the use of funds and also the Counties[11] to know exactly when the funds are received and they sometimes find it difficult to establish the right expenditure to apply the funds.

*EU-TAPP's payroll management role has been focussed on reform readiness working principally with Counties and selected States to update their payroll data for future migration to SSEPS II. (Integrity of payroll data/reform readiness/split the payroll between State and Counties). Monthly county payroll reports have not been uploaded by the County payroll administrators mainly lack of computers has hampered Payroll reporting and QBPRs as well.*

When it comes to payroll management the focus areas of the OJT training and workshops for State and County staff provided by EU-TAPP included (i) Organisation structures for State and Counties; recommended posts and staffing levels; (ii) Steps in the preparation of Nominal rolls, (iii) Introduction to the use of the South Sudan Electronic Payroll System (SSEPS 1), (iv) Steps in splitting of the State and County payrolls, (v) Overview of LG HRM Manual, especially on the subject of payroll management in the Counties.

Splitting the payroll has in some cases been unpopular with the political leadership at State level, who still want control of County personnel and payments. There is, therefore, a need to sensitise State political leadership of the need to decentralise some functions to Counties in the spirit of decentralisation.

Lack of computers and printers at both State and Counties makes it difficult for the County officials to timely produce documents like budget estimates and quarterly budget performance reports. The ET was informed that at times County officials use the EU-TAPP trainer's laptop, or hire from private individuals, to produce County QBPRs. Lack of computers makes it difficult for County staff to carry

[10] SMTs are to function as supervision and mentoring tool of central government ministries supporting and mentoring state ministries and CTMCs.

[11] State Ministry of Finance in Gbudwe state, for example, did not share information on transfers with Yambio County.

out their duties. It was also observed that the States and Counties don't have electricity and rely on small generators. It may be appropriate for the GRSS and DPs to consider providing alternative sources of power such as solar energy systems.

The GRSS should complement the efforts of the EU-TAPP by providing laptops or desktop computers, printers and solar power systems to selected financial management and establishment officers at State and County levels in order to enable them to perform their duties and produce, in a timely manner, important outputs such as budget estimates, quarterly budget performance reports, nominal rolls and financial reports, among others.

The CBTF programme procured Servers, VSAT equipment and generators for the implementation of SSEPS II in all the former ten States. The programme was, however, closed before the completion of the system installation, deployment and operationalisation. In Gbudwe State, for example, the equipment has not been installed and is still lying idle. The next interventions in the areas of payroll management should provide for installation, deployment and training on the SSEPS II in order to make it functional in all the States where the equipment had been procured. Consideration should also be given to the newly created States, which do not have the equipment on site. This will be outside any follow up of EU-TAPP.

*According to EU-TAPP own figures, 46 Counties have been trained on LGPFMM and a total of 481 officials have received classroom training and 531 people have received on-the-job training and coaching. General resistance among some beneficiaries at State level was experienced but there was also cooperation and enthusiasm with others. More acceptance and cooperation and enthusiasm was found in the lower cadres, who had not benefited from previous trainings. Only the Planning Officers and Controllers of Accounts were targeted by most donor interventions previously. Working with other capacity building projects in some States (notably HSSP and LOGSEED/ Cowater)*

The ET noted that the EU-TAPP capacity building strategy of using kick-off workshops followed by OJT achieved quick outputs at County level with the production of budget estimates in the recommended LG PFM format and quarterly budget performance reports. This mix of workshops followed by hands-on OJT and mentoring is considered a useful approach, which should be pursued in the future if the EU-TAPP PFM capacity building is considered for a second phase in the new 28 States. But the key to a sustained application of training acquired is that the State-based teams continuously follow up and ensure that knowledge and capacity building is also applied on the job and in accordance with the LGPFMM. This was not done under the present EU-TAPP.

There is need to simplify the training materials on PFM and Payroll being delivered to the County officials during the training sessions. In workshops, the use of English – Arabic interpreters will make it easier for the participants who do not speak and write well in English to understand the information being passed on to them. The materials should also be produced more in graphical/pictorial form, which will be easier for the trainees to understand. Quick reference guides and job aids should also be produced which breakdown the complex materials into short and simple messages. Finally, going forward the recruitment into the civil service should target candidates who can read and write fluently in the English language.

It was found by the ET that better results were obtained through collaboration with other projects and programmes. EU-TAPP worked closely with other projects including the World Bank funded LOGOSEED and the USAID funded Health Systems Strengthening Project (HSSP). The Project was able to co-finance some workshops with HSSP and thereby reducing costs and avoiding duplication of efforts. Some tools, e.g. the key performance indicators (KPI) information collection tool for the CTMCs were designed jointly by EUTAPP and HSSP projects and shared with LOGOSEED and other projects.

*High labour turnover and/or absenteeism of key County finance and planning staff affected effective delivery of on-the-job training. The transfers of staff from Counties to even un-related departments.*

*Change of Executive Directors was also a challenge as it necessitated explaining the EU-TAPP project repeatedly.*

The ET was informed by the EU-TAPP team that they were surprised by an overall lack of skills and qualified staff, especially at County level. Even basic skills e.g. knowledge of accounting, computer knowledge, knowledge of GRSS policies were often found wanting. There was therefore an effort to address the problem of lack of skills and qualified staff in some of the States. In Imatong State, for example, attempts were made to address the issue of low level of qualified staff by replacing the under-qualified staff with more qualified staff in some of the Counties. The frequent transfer of staff from Counties to other duty stations also had a very negative impact on the overall capacity building activities. There isa need for State/Counties to come up with a clear transfer policy so that the key County staff are given ample time in the Counties e.g a minimum number of years served in a given duty station, thereby avoiding the often detrimental effects of frequent transfers to new Counties/States.

There will be a need for increased investment in capacity building to bring the staff in all the States and Counties to an acceptable level of competence in PFM. While the ET didn't have a chance to assess exactly how many staff had been transferred to new duty stations the impact at the Counties visited in terms of the changes brought about by the creation of new States is evident. This will undoubtedly impact negatively on the effectiveness of the capacity building delivered. It is, therefore, necessary for the government, working with the DPs, to think about repeating the training, support the establishment and training of the new CTMCs, and to assist the new States and Counties to produce their nominal rolls and payrolls.

Creation of new States and Counties has presented the GRSS and DPs with a huge challenge to sustain e.g. the incremental EU-TAPP capacity building on PFM gains made in the former States and Counties. A good number of staff that had been trained in some States and Counties has been transferred to the newly created States and Counties. As a result, some of the States and local governments, which had attained a reasonable level of competence, have slid back to a situation of having insufficient and often reduced number of skilled staff.

## *3.3 Assessment on programme management and coordination*

*There have been some delays initially in the inception phase but the Project has been implemented within the foreseen 18 months. Project target indicators changed in agreement with the Project Steering Committee. Several amendments have taken place over the 18 months' period. Relatively high incidental budget of more than 30% of total budget costs.*

The Project commenced operations in August 2014 but the inception phase took longer than planned and most of the activities were only implemented after December 2014. The ET finds this perfectly normal in an environment in South Sudan that is not conducive for quick mobilisation of personnel, equipment, bank accounts and general administrative procedures. This reduced the effective implementation period by some few months. Following the arrival of the new EU-TAPP Team Leader in early 2015 the Logframe was revised in agreement with the Project Steering Committee. The revised output indicators have been found to be much more realistic by the ET during fieldwork, and better reflect realities on the ground.

Positive developments in getting Counties to prepare and submit QBPRs on time to CTMCs for verification and comments was on an upward track when the decision to create 28 States was taken. While the ambition of covering the whole country is noteworthy, it is also one that puts a lot of strain both financially and technically on a project like EU-TAPP when implementation is so relatively short and it has contributed to the relative costly Project administration.

The overall increase of the incidental budget during Project implementation reflects a reality in South Sudan, where DPs are faced with high demands for payment of per diem and travel costs for civil servants attending training and capacity building workshops. There is a need to have agreed rules set by the GRSS and DPs that clearly spell out the travel and daily allowances of civil servants based on their seniority as this was subject to some confusion during the field visits and the organisation of workshops in Juba and in the States.

The Project hired vehicles and used these in all the former seven non-conflict States from a Juba based transport company. This meant that in cases where the vehicles broke down, repairs and other support would be provided from Juba. This at times led to loss of time while waiting for the Juba based company to fix the mechanical problems. It was also noted that the funds used to hire vehicles over the period of the project would have been sufficient to procure vehicles for the project. Any future project interventions, especially if it is for a longer term than the EU-TAPP project was, should consider purchasing vehicles for use by the various State teams. This is a concern of the LGB but as per the rules of the EU these vehicles remain the property of the Project Implementer till the end of the Project and can be sold to highest bidder at market prices, or in an agreement made with the GRSS.

*The EU-TAPP M&E tool (75 questions based on the Local Government PFM Manual) which consists of an Excel based reporting format allowing for numerical scores on performance in PFM and payroll. Complemented by the County Dashboards.*

EU-TAPP developed a unified system of tracking performance and progress in PFM and payroll at State and Counties level. This system was designed to avoid discovering specific underperformance in States and Counties in the later phases of the project and to ensure that remedial measures could be taken as early as possible. This M&E tool was complemented by the County Dashboards which provides a narrative of the scores by key performance criteria, so that in principle the performance data is easily accessible to officials and other stakeholders. While the M&E tool provides an overview of the performance in the Counties it does not provide in-depth information on the current situation in the different Counties. The Dashboards provide information on the availability of staff in the County as well as a snapshot on the most critical PFM indicators in the County.

When it comes to the M&E system, it might be wise to make the data (KPI) better accessible and more relevant for the general public. The M&E tool should be re-modelled to around 25 questions (down from the 75 now) and only look at the most important and relevant KPIs. This would improve the wider application of the data to a larger audience. The EU-TAPP Team also found that making quarterly updates of the assessment tool was an exercise taking a significant amount of time of the State based teams and could be reduced. However, the streamlining of the M&E tool and its wider application is to increase its usability and also focusing more downward accountability than upward accountability.

*EU-TAPP core team of key experts as well as the short-term experts spent approximately 14% of their working days in the field. The State-based training teams have spent 36% of their working days on duty travel to the Counties.*

The National core team consisted of one National Level Training Specialist on PFM and one National Level Training Specialist on Payroll. A Payroll Specialist was also engaged for a limited period of time. The State based teams each had one Regional Advisor and one State Level National Training Specialist. The three conflict States (Upper Nile, Unity and Jonglei) were supported by one Regional Advisor based in Juba who made several visits to the conflict States.

According to the EU-TAPP's own analysis of timesheets, national core team spent far much less than 50% (actually 14%) of its time in the States while the State based teams spent less than 70% (actually 36%) of their time in the Counties. One of the reasons given was that the State based teams spent relatively less time in the field due to insecurity in many parts of the country, especially after October 2015. As well, it was argued that in some cases the condition of the roads did not allow the teams to visit the Counties, especially during the rainy season[12]. However, despite these explanations, the 14% of the core-team in the States is very low and puts a question mark as to the outreach of the core team based in Juba.

Furthermore, the ET observed that despite the EU-TAPP core team presence in the LGB compound, no attempt was made to deliver the much needed technical assistance to the LGB staff on e.g. the need to make reports on CTMCs work to STMCs and also receive and analyse county QBPRs in a

[12] This was the case in areas e.g. such as Tombura and Najero in the former Western Equatoria State

consolidated manner and improve the coordination and feedback mechanism between STMC and CTMC for the timely follow up of the agreed actions. LGB staff is under-resourced and overstretched in terms of coordination of DP and GRSS programmes and projects focusing on States/Counties.

The EU-TAPP State based teams didn't provide Counties with sufficient technical assistance in revenue collection, bookkeeping, preparation of monthly, quarterly and annual accounts, procurement and contracts management and fixed asset and stores management. Any new phase of EU-TAPP should focus interventions on strengthening these areas, which are key for Counties in living up to the LGPFMM. But it is crucial in the future that EU-TAPP gets a better and more realistic handle of the time spent mentoring and coaching and doing OJT. The lack of movement of the State based teams to often remote or very insecure Counties is more understandable, but this is not explained by insecurity and seasonal weather alone. Furthermore, the core team's lack of engagement with LGB in any meaningful TA is also a bit puzzling given the proximity and the shared objectives.

# 4. Conclusions, Lessons and Recommendations

## *4.1 Conclusions*

EU-TAPP fits into the ambitions of the GRSS to have more funds transferred to local government and to have this accompanied by accountability systems as outlined in the LSSAI. Despite the conflict that commenced in Decentralisation 2013 cancelling the SBC for budget support to education and health recurrent costs at county level, the EUD should be commended for taking a risky decision in implementing EU-TAPP even though only 7 of the 10 States could be covered by State based TA teams.

As outlined in the ToR for EU-TAPP, a decision was already taken then to have TA support fashioned on State based teams supported by roving (in principle) core national team of TA. There doesn't seem to have been a detailed analysis of this approach and its appropriateness and cost effectiveness. International comparisons are also hard to make but it has had the clear advantage of having TA support at hand at State and county levels, where budget constraints make it difficult to finance even the minor expenses in relation to equipment, supplies, travel, per diem and maintenance. Furthermore, it would seem from discussion with stakeholders in the States that the State based teams were appreciated for bringing in needed incentives and facilitation.

The capacity building provided by EU-TAPP placed a lot of emphasis on some core PFM areas like budgeting and reporting, and on strengthening of the CTMCs, and payroll management at both State and Country level. At County level, budgeting and preparation of budget performance reports has been covered well. The EU-TAPP team did not get sufficient time to provide Counties with more technical assistance in revenue collection, bookkeeping, preparation of annual accounts, procurement and contracts management and fixed asset and stores management, but this needs to be done in the future to cover all aspects of the LGPFMM.

With the total number of civil servants having been trained and mentored by EU-TAPP of between 600-700, it would seem that the Project is a costly undertaking with nearly EUR 5 million being spent in 18 months. What is self-evident is that all capacity building projects focusing on a nationwide audience at LG level will be costly. At the end of the day civil servants have been trained and capacities built by EU-TAPP. Hopefully this will benefit GRSS overall in the coming years despite the current insecurity and confusion regarding the future functioning of States and Counties.

CTMCs have increased performance on reviewing Counties' quarterly budget performance reports and monitoring transfers to Counties with the help of EU-TAPP. This is a crucial finding of the ET. It is recommended that CTMCs should be given a budget allocation for carrying out their activities by the State governments. GRSS could also earmark a small percentage of the central governments' transfer to be used for monitoring by the CTMC and institutionalise the functioning of CMTCs as this oversight mechanism will be crucial to support for ensuring accountability or transfers from State to Counties in future.

The establishment and operationalisation of the CTMCs was provided for in the State and County Planning and Budgeting Guidelines. It was not enshrined in the existing laws and regulations. In the near future, GRSS should consider revising the Local Government Act and regulations to provide for their establishment and operations. This will make it easier to enforce the recommendations coming out of the CTMCs. The funding for the CTMCs should also be spelt out in the revised laws and regulations.

CTMCs should ensure that all transfers for Counties from the State are not diverted and sent directly to Counties. The practice of 'unauthorised borrowing' of the funds and using them for un-budgeted activities should be discouraged. The transfers from the State to the Counties should also be made in a timely manner. Delayed remittance of funds from the State governments to the Counties adversely affects the ability of the Counties to provide the much needed services at the County level.

GRSS should seek to enhance the flow of information on the central governments transfers made to Counties. GRSS should share with the STMC and CTMCs the information on the transfers it makes to the State Governments. This will enable the CTMCs to make comparisons on the amounts received and transferred by the State governments to the Counties. The tracking tool developed by EU -TAPP could then be used to track the flow of funds from the MoFEP to the State Ministries of Finance and subsequently to the Counties and County departments. Any deviations between the amounts received transferred by each level of government should then be investigated and corrective action taken.

Furthermore, National and State Governments should put in place mechanisms for ensuring that the budget ceilings are provided to the Counties in a timely manner. This will enable the Counties to obtain approved budgets before the commencement of the financial year. The ET found that only one county[13] was able to get its budget for FY 2015/16 approved on 1st July.

Government should improve the functionality of the STMC by requiring LGB to prepare and submit reports from CTMCs for review by STMC. This will entail provision of Technical Assistance to the STMC and LGB to analyse the reports, draw out key actions to be followed up and conduct regular visits to the States to mentor the CTMCs. The State governments will also need to be put at task by the STMC and LGB to implement the recommendations of the CTMCs.

In order to ensure that there is a smooth implementation of recommendations from the CTMCs it is important for the Counties to have functional structures and effective supervision of the PFM and Payroll functions. All key positions in the departments should be filled and transfer of staff from one County to another County and from one department to another department within the County, should be managed well so that there are no capacity gaps created in the process of making the transfers. This is probably easier said than done now that the GRSS have more than doubled the number of States and Counties in a country faced by severe budget and human resource constraints.

The implementation of the peace agreement should result in a better political climate and improvement in the security situation throughout the country. This should enable the national and State based teams to spend more time in the field conducting OJT to the government officials. The Project should also ensure that emphasis is placed on the support of areas that are not easily accessible during the rainy season. Such areas should be covered as much as possible during the dry season.

At the time of the ET's visit to the States, the implementation of new State policy was underway which involved sharing of assets and human resources. The ten States supported by EU-TAPP are no longer in existence (split into many States and renamed with new administrations). While the ET was able to trace and interview the State and county staff trained by EU-TAPP, they will soon be scattered in the new States and Counties and the impact of EU-TAPP training will no longer be visible. It may be necessary in such a situation to repeat the training, support the establishment and training of the new CTMCs, assist the new 28 States and Counties to produce their nominal rolls and payrolls. DPs should put pressure on the GRSS to consider having in place more restrictive policies when it comes

[13] The budget for Tonj North county was approved on 1 July 2015.

to deployment and transfer of staff through a human resource policy. There should be a minimum requirement for staff to remain at least 4 years in post before any transfer can be considered.

## 4.2 Key Lessons Learned

As already mentioned earlier, the EU-TAPP core team held a national knowledge-sharing workshop in December 2015 to share with other donors, implementing partners, and stakeholders from MoFEP, LGB, and MoLPS the knowledge and lessons produced by EU-TAPP, particularly through its States teams, on both non-conflict and conflict-affected issues. Thereafter in January and February 2016 State-level knowledge sharing workshops were held in Torit, Juba, Rumbek, Wau, Kuajok, and Aweil for county and State officials. These workshops provided lessons learned on a range of issues from practical implementation problems to more general PFM/Payroll management challenges.

According to the workshop report, the national workshop highlighted the use of the LGPFMM as a common standard for PFM capacity building and increased reliance upon OJT versus instructor-led, classroom style training. The national workshop presented the knowledge products that had been produced by EU-TAPP such as the County Dashboards, State lessons learned, and quarterly results from updating the M&E tool, the grants tracking tool introduced in WES and the Warrap CTMC feedback mechanism. The workshop concluded with a panel discussion on the continuum of PFM knowledge and capacity provided through GATC, EU-TAPP, and LOGOSEED.

The below lessons learned are, therefore, a reflection of the ET's findings which try to complement the lessons already highlighted by EU-TAPP.

- The introduction of Payroll management issues into the overall EU-TAPP PFM work was an ambitious endeavour from the outset when taking into consideration the time frame of EU-TAPP and the reform readiness at State and County levels. Building the required capacities needs time, focus and willingness from GRSS side. Introducing SSEPS II has been a challenge for MoLPS and the needed equipment for introducing this has not been installed as required due to the conflict and various other issues. Trying to prepare the Counties for a split payroll when neither the equipment nor the preparedness is there is not feasible. A gradual step-by-step approach to dealing with core PFM related activities is the key lesson from EU-TAPP and that other aspects e.g. Payroll be dealt with by other more targeted interventions.
- The presence of State based teams facilitates the interventions and the direct contact, OJT coaching and mentoring that is a very needed aspect of PFM reform in the present situation in South Sudan. The need for sophisticated PFM techniques is not an option at present. The LGPFMM is a good solid foundation whereupon to base the work of delivering PFM reform and training. Many both national and international reformers place too much reliance on international standards and make faulty assumptions regarding the government's capacity for reform at this stage. This means that limitations of PFM diagnostic tools are not recognised, and that governments are not sufficiently in charge of the PFM reform process. There is not a need for fancy ICT based solutions now, but the need for human approaches, and simpler computer based systems.
- There might be a need to develop a metric that assesses the overall risk of the financial system, regardless of the sources of funds, and that it covers centralised as well as decentralised structures of government. This would ensure a better dynamic between national, State and County level transfers and the risks involved in terms of PFM.
- A key lesson learned is that for any functioning PFM system to be able to perform better there is a need to have checks and balances between an elected council and the civil servants performing the tasks as per LGPFMM. At the moment civil servants are dependant on appointed Governors and District Commissioners – whether able or not – who often have little understanding of PFM processes and reform. Ideally, the lack of accountability would be solved through properly-elected and representative decision-makers that would ensure more inclusive voice, greater accountability, and ensure overall legitimacy to decision-making. It is also important to note that even with properly elected representatives and systems for deliberation, local government bodies

would not be able to make collective decisions under the present system of parallel service delivery, decided and mandated by central ministries and supported by donors/NGOs. Essentially, under these arrangements, the likelihood of LGs emerging as drivers of local development and empowerment is still negligible.

- The EU-TAPP kick off workshops resulted in good cooperation and collaboration of the Counties and State officials which facilitated Project implementation and minimised resistance to reforms. The same approach could be applied to sensitise the political leadership so that they can understand and embrace the payroll and revenue collection reforms. The political will of County commissioners is crucial for the effective implementation of the LG PFM and payroll reforms.

## *4.3 Recommendations*

| Recommendation | Action/responsibility |
|---|---|
| Recommendation 1: Future EU-TAPP phase should focus on PFM as it relates to LGPFMM in basic terms (budgeting, accounting, monitoring, reporting) and only aspects of PFM on Payroll (not HR side), revenue management as possible, assets management and procurement when relevant. | MoFEP, SMoF, EU, County Executive Directors |
| Recommendation 2: In future CTMCs should be made part of the institutional set-up of the States and the functioning of these should be catered for through conditional recurrent transfers from MoFEP to SMoF. | GRSS, MoFED, SMoF |
| Recommendation 3: In possible future EU-TAPP phase State based teams should be working in clusters of 7 teams to cover 4 States each. Better mix of core team and State based is needed by focusing more TA on State level and the need for engaging with Counties should be based on analysis and not a fixed % of time. It is recommended that all States are covered but in a phased approach. This would entail selecting a few States/Counties and concentrating on making sure that the reforms are successfully implemented in those States/Counties before proceeding to implement the reforms in more States. | EU, GRSS, MoFEP |
| Recommendation 4: A new phase of EU-TAPP should also focus on supplying more TA directly to LGB and STMC – making feedback to CTMC reports and comments on various transfer issues a routine. | GRSS, MoFEP, LGB, EU |
| Recommendation 5: GRSS must change the system of frequent redeployment / transfer of County staff and move towards a more sustainable funding of key PFM institutions and processes. Earmarked recurrent funding for CTMCs is needed. This should be done by ensuring political buy-in at State and County level. | GRSS, MoFPED, LGB |
| Recommendation 6: There is a need for more effective change management interventions to ensure the reforms being rolled out are owned by the political leaders and civil servants in the States and Counties. The Government should conduct sensitisation awareness workshops for the County Commissioners and key civil servants in the Counties to educate them about their role in the accountability cycle. HR management to ensure that civil servants, including those who are trained by donors, are not the subject of arbitrary placement decisions and that some form of career progression, or career management, is in place. | GRSS and Development Partners |
| Recommendation 7: A new phase of EU-TAPP should put more emphasis on coordinating the capacity building approach from LG PFM with LOGOSEED and other DP funded programmes/projects in the spirit of the LSSAI. This would ensure that any support to CTMCs is more consistent and that coverage can be increased by sharing information and holding shared workshops, fieldtrips and sharing more physical resources. But also, need to streamline 'LG assessment frameworks' | DPs, GRSS, MoFEP, LGB |

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|---|---|
| including EU-TAPP, LOGOSEED Institutional Strengthening component, and now the LG Performance Assessment framework being rolled out by LOGOSEED | |
| Recommendation 8: Build on capacity building approach of adequately mixing 'kick-off workshops' and OJT but (i) ensure more time spent in the field; (ii) simplify training materials/develop pictorial supports; (iii) address the language barrier (English vs Arabic). In addition to OJT and workshops, the project can consider introducing and facilitating States/Counties staff and CTMC members exchange visits to enable the sharing of good practice and learning from each other. Lack of mechanisms for States and Counties to share experiences limits knowledge sharing and reform implementation. | Development Partners/States/Counties |
| Recommendation 9: The SMoF should be compelled to involve the CTMCs to consider their recommendations when making schedule of transfers to be made to the Counties. Currently the recommendations of the CTMCs are ignored by SMoF when making the transfers. | MoFEP, LGB, STMC, SMoFs, CTMCs |
| Recommendation 10: Counties should comply with the requirement to share summary budget information with the public. Information on the approved budgets should be shared with the media and displayed in public places e.g. in notice boards. This will improve accountability and transparency in the use of public funds at the County level. Need to build on the EU TAPP M&E system developed to track Counties' progress, adapting it to make it simpler so that it is less cumbersome to update, and a better basis to communicate about progress. | CTMC, SMoLG, SMoF, County Administration, CSOs, DPs. |
| Recommendation 11: The next interventions in the areas of payroll management should provide for installation, deployment and training on the SSEPS II in order to make it functional in all the States. | GRSS, SMoLPS, SMOLG, SMOF, Counties, DPs |
| Recommendation 12: The Government should provide laptops/desktop computers, printers and solar power systems to selected financial management and establishment officers at State and county levels to enable them perform their duties. | GRSS, DPs, States and Counties |

# List of annexes

# *Annex 1: Terms of Reference*

**SPECIFIC TERMS OF REFERENCE**
**Final evaluation of FED/2014/327-843, "Technical assistance for sub-national capacity building in payroll and PFM" (EUTAPP)**
**FWC BENEFICIARIES 2013 - LOT 11: Macro economy, Statistics and Public finance management**
**EuropeAid/132633/C/SER/multi**

# 1. BACKGROUND

## 1.1. EVALUATION MANDATE

Systematic and timely evaluation of its programmes and activities is an established priority[1] of the European Commission[2]. The focus of evaluations is on the assessment of achievements, the quality and the **results** of interventions in the context of an evolving cooperation policy with an increasing emphasis on **result-oriented approaches**[3]. Evaluations should provide an understanding of the cause and effects links between activities and results.

Evaluations should serve decision making, learning and management purposes.

This evaluation is being carried out under Decision FED/2013/024-812, "Support to Basic Service Delivery in South Sudan". The financing agreement foresees that an end of programme review will be conducted in order to assess progress against expected objectives and draw lessons for the design of any future budget support programmes.

## 1.2. PROGRAMME BACKGROUND

The financing agreement signed on 13 December 2013 envisaged 80 million euros of budget support under a State Building Contract (SBC) and 5 million euros of complimentary support. The State Building Contract aimed to protect the gains made by South Sudan in the education and health sectors by paying the salaries of education and health workers inscribed in the government payroll system. Complementary support to the State Building Contract in the form of technical assistance was expected to provide reasonable assurances that the latter is implemented according to sound financial management, and that the South Sudan Electronic Payroll System (EPS), and associated monitoring and verification mechanisms, are systematically used.

Following the outbreak of armed conflict in Juba and in the country in December 2013, the State Building Contract was suspended and never implemented; the funds were later de-committed. The complementary support was procured as a stand-alone technical assistance under contract FED/2014/327-843, "Technical assistance for sub-national capacity building in payroll and PFM" (EUTAPP). This evaluation will concern exclusively the latter contract, but nevertheless will seek to draw wider lessons.

An external rolling audit of the Electronic Payroll System was planned as a condition to the disbursement of the first tranche. The results of this audit, and subsequent measures to address any identified weaknesses, were to feed into the Commission’s assessment of progress in strengthening PFM, which was one of the general conditions to be assessed prior to the disbursement of both tranches. The external rolling audit was also aimed at identifying and prioritising issues to be addressed by the technical assistance complementary measure. It was

[1] EU Financial regulation (art 27); REGULATION (EC) No 1905/200; REGULATION (EC) No 1889/2006; REGULATION (EC) No 1638/2006; REGULATION (EC) No 1717/2006; COUNCIL REGULATION (EC) No 215/2008

[2] SEC(2007)213 "Responding to Strategic Needs: Reinforcing the use of evaluation"

[3] COM (2011) 637 final "Increasing the impact of EU Development Policy: an Agenda for Change"

carried out notwithstanding the suspension of the SBC and will form part of the baseline for the evaluation of the technical assistance. The focus of the technical assistance was also subsequently altered to address PFM more widely.

The complementary support's aim was to provide technical assistance to the beneficiary institutions that would have been the subject of a policy dialogue during the implementation of the State Building Contract. In particular, the technical assistance aimed to strengthen public financial management at central, state and local level. This latter objective was retained and should form the basis for the evaluation of the programme.

The purpose of the programme was to build the capacity of local governments to effectively perform their responsibilities regarding PFM and Payroll, and specifically to:

1. Support to LGs in meeting requirements of LG PFM Manual: planning and budgeting; financial management/accounting; preparing and submitting quarterly budget performance reports/financial reporting;
2. Support at State level to analyse current payrolls, identify county staff, separate state and county staff payrolls;
3. Support to County Administration Departments to properly manage payroll: implement SSEPS II, construct County nominal rolls and payrolls; make salary payments whilst adhering to all procedures (including receiving the signed pay sheets);
4. Support the establishment and operation of County Transfer Monitoring Committee (CTMCs).

The results to be achieved were the following:

- Result 1: Individual county/LG staff will be equipped with skills and knowledge in: (i) LG PFM including planning and budgeting, financial management/accounting and reporting; and (ii) producing an audit trail of payment of salaries (using the Electronic Payroll system);
- Result 2: All resources at the County level (local revenue and all transfers) will be properly used and accounted for, thus ensuring that the Counties are eligible to receive the second tranche of EU SBC, other aid resources as well as Government transfers;
- Result 3: The Counties and States are able to provide the required accountabilities for a satisfactory audit of the budget lines targeted by the EU SBC i.e. health and education conditional salary transfers to States and Counties;
- Result 4: Counties demonstrate progress in properly using and accounting for all resources (local revenue and all transfers) (according to indicators that are being defined as part of the LSS JPA monitoring framework) as a basis for increased funding by Government and/or other development partners.

The contract value is 4,495,575 euros, implemented by a contractor, ECORYS Nederland BV in consortium with VNG International. The programme started in August 2014 and will end in March 2016. Fieldwork at the county and state level will end in January 2016, but a core team will remain in Juba until end of March to compile lessons-learned and ensure a successful project exit and hand-over. The area of intervention is South Sudan. Teams of two state-based trainers have been deployed in the seven non-conflict states, to provide on-the-job training to 46 counties and at the state level. A roving TA was assigned to support counties and states in

Greater Upper Nile. The TA is managed by a core team based in Juba. See Figure 1. Project implementation design and coverage on page 8.

### 1.3. SECTOR BACKGROUND

The 2011 Transitional Constitution and the Local Government Act of 2009 set out a three-tiered government each with an elected legislature and executive. The Local Government Act of 2009 provides for the devolution of functions to the ten states, 79 county governments and their sub-structures at payam (sub-county) and boma (village cluster) levels. The responsibility for delivering basic social and economic services lies primarily with local governments, with state governments providing support and supervision and national government setting the policy environment and providing funding. Under the Local Services Support (LSS) Joint Plan of Action (JPA), the government has developed Service Delivery Frameworks (SDFs) for primary education, rural water and sanitation, primary health care and small-scale infrastructure and identified common challenges that require cross-agency coordination, notably the strengthening of local government public financial management.

South Sudan allocates only a fraction of government spending to the social sectors and to basic infrastructure, while spending in these sectors is largely donor-driven. Government expenditure is allocated predominantly to public sector wages, with security-related salaries accounting for the bulk of salary expenditures. The central government has undertaken to gradually orient the budget to better support local service delivery. In FY 2014/15, the central government has sent transfers to state and local governments worth SSP 2.5 billion (out of an estimated SSP 10.8 billion in total national expenditure) and has undertaken to strengthen its monitoring of these funds, but capacity bottlenecks, the widespread absence of internal controls, and political interference over budget execution have prevented spending from reaching local service delivery units.

EUTAPP's intervention complements the World Bank's Local Governance and Service Delivery Project (LGSDP), which is implemented by the Ministry of Finance and Economic Planning (MoFEP) and the Local Government Board (LGB) (2013-2018; approx. 50 million USD). The objective is “to improve local governance and service delivery in participating counties in South Sudan” in up to 40 out of the 79 counties. Through block grants to counties for payam development, LGSDP supports a simple process for the planning, implementation and oversight of small-scale public infrastructure subprojects corresponding to community priorities in education, health, water and sanitation, etc. Some sector programmes, such as Girls Education South Sudan (GESS) and the Health Pooled Fund (HPF), have PFM components relevant to sector programming. The Ministry of Finance and wider LSS JPA process is also supported at central level by the Budget Strengthening Initiative (UKAID).

However, over the past year, there has been a move away from other local government-focused complementary support. USAID-financed programmes such as the Health System Strengthening programme (active in two states and providing support to county health departments including in relation to planning, budgeting, HR etc.) as well as CORE II (PFM support to the Ministry of Finance and to the states) were terminated ahead of the planned end date. A former UNDP programme at state level also came to a close.

### 1.4. COUNTRY CONTEXT

South Sudan is mired in internal conflict since December 2013 and faces a grave man-made humanitarian crisis, the disruption of basic functions of government and a monetary and fiscal crisis linked to the war economy and to the collapse in oil prices. The conflict has devastated the lives of millions of South Sudanese and displaced more than 2.2 million people. About 1.6 million of them have been displaced internally in South Sudan and over 600,000 are refugees in neighbouring countries.

In August 2015, the parties to the conflict signed a peace agreement. If properly implemented, it will end the fighting and install the transitional institutions essential to the rebuilding of the country. The agreement contains detailed arrangements on economic and financial management. Accountability and transparency, including for public resources and service delivery, will be central to the way forward. In this context, the EU is considering how to further extend its support to local PFM and institutional strengthening.

As is often the case in a fragile context, the intergovernmental setting of South Sudan is still fluid and is linked to issues of political settlement and to ongoing debates over various new demands regarding overall principles as well as the potential creation of new sub-national entities. In October 2015, the government announced its intention to increase the number of federal states to 28, which may have significant implications for the course of local PFM reform in the country.

## 2. DESCRIPTION OF THE ASSIGNMENT

### 2.1. EVALUATION OBJECTIVES AND MAIN USERS

The global objectives of the evaluation are to provide the relevant external co-operation services of the European Union, the partner government and, when appropriate, the wider public with:

- an overall independent assessment of the past performance of the intervention "Technical assistance for sub-national capacity building in payroll and PFM" (EUTAPP), paying particularly attention to the results of the project against its objectives;
- key lessons and recommendations in order to improve current and future action.

The specific objectives of the evaluation are to:

- Detect real changes in the field and analyse the changes attributable to the intervention;
- Check and explain achieved results;
- Identify and judge unexpected results;
- Assess the performance of the direct beneficiaries (counties and states) with regards to their PFM and payroll mandates covered by the intervention;
- Assess the sustainability of the intervention's benefits and suggest improvements to the design of the technical assistance and capacity-building;
- In light of the evolving country and sector context, provide indications on the options and feasibility of future EU support and what changes of policy direction are needed.

The primary users of this evaluation will be the EU Delegation and the partner ministries: Ministry of Finance and Economic Planning (MoFEP), the Local Government Board (LGB) and the Ministry of Labour and Public Service (MoLPS). The evaluation will be conducted jointly with members of the State Mentoring Team (SMT) drawn from the above-mentioned ministries.

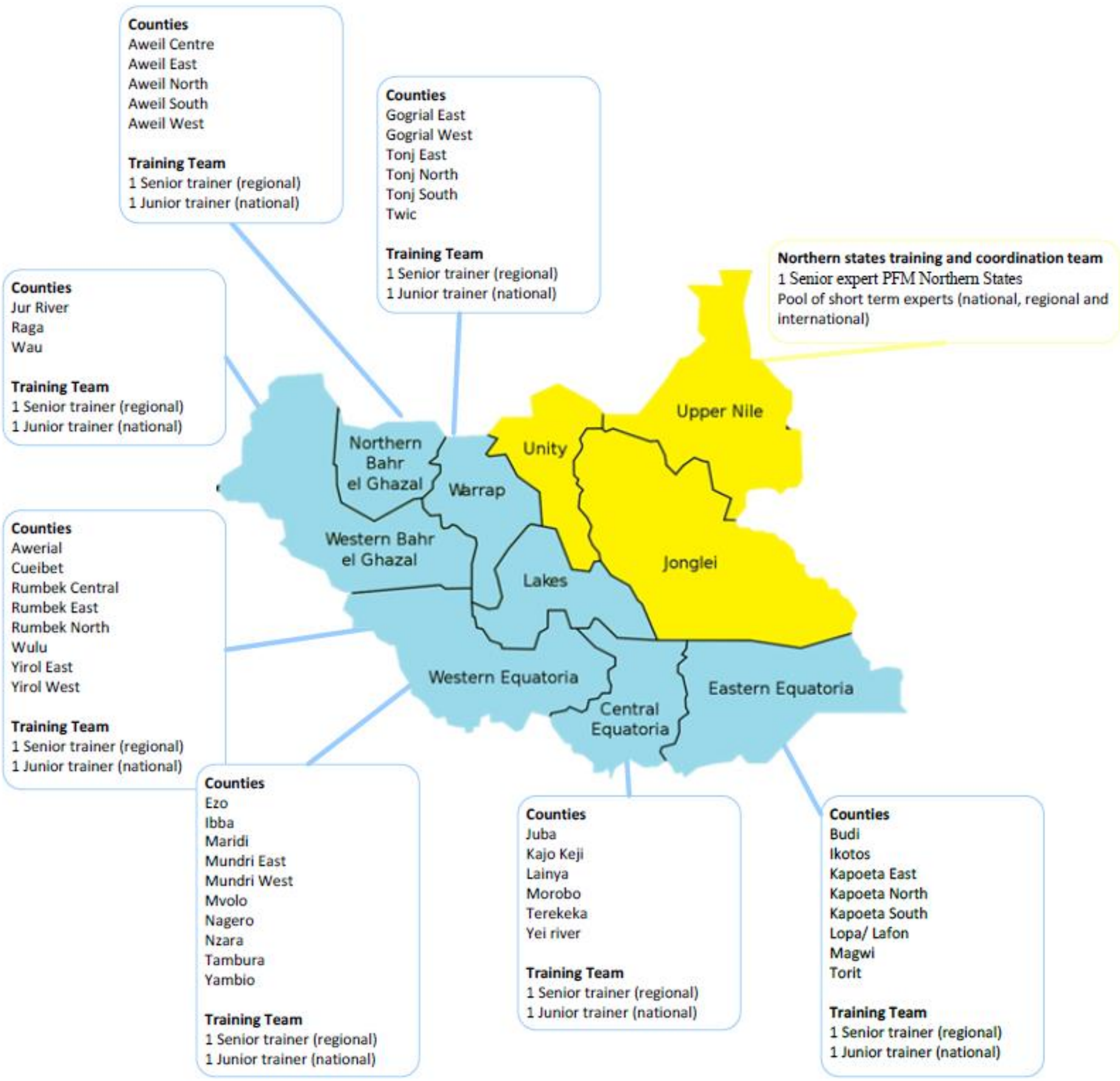
The secondary users will be the state and local governments and key development partners (UKAID, USAID, UNDP, the IMF and the co-donors of LGSDP—World Bank and Denmark) as well as the other ministries, departments and agencies represented at the State Transfer Monitoring Committee (STMC) and in the LSS JPA.

## 2.2. EVALUATION SCOPE, INTERVENTION LOGIC AND EVALUATION QUESTIONS:

### 2.2.1. Scope

The evaluation will address all the components of the programme for its entire duration in South Sudan.

**Figure 1. Project implementation design and coverage**




### 2.2.2. Issues to be studied / Evaluation Questions

The evaluation will assess the project/programme using the standard 5 DAC evaluation criteria, namely: relevance, effectiveness, efficiency, sustainability and impact.

In addition, the evaluation will assess two EU specific evaluation criteria:

- the EU added value of the project/programme, both regarding its design and implementation;
- the coherence  of the project/programme itself, with the EU and Member States' strategy in South Sudan, *and* with LGSDP and other donors/projects with a PFM component (Girls Education South Sudan, Health Pooled Fund, Health Systems Strengthening Programme, Budget Strengthening Initiative, CORE II, etc).

The evaluation criteria are translated into specific evaluation questions. These questions to be studied are indicative; they may be discussed with the experts and the Reference Group during the Inception Phase. However, once agreed the evaluation questions are contractually binding.

The evaluation questions will address the following issues, drawing on the following sources:

- Overall evaluation of the programme (see indicative list of evaluation questions in Annex IV to the present terms of reference) with a particular emphasis on the extent to which the overall EUTAPP approach and set-up (the use of state-based teams, its institutional anchorage, mix of formal training and coaching, etc) have proved to be cost effective and leading to suitable change. The evaluation should provide recommendations on how to design support that maximises sustainability and provide indications of what technical assistance and capacity building approaches are likely to work best in South Sudan given the trends in intergovernmental setting;
- Specific focus on the capacity building activities and their link to institutional reform and the delivery of local services (see indicative list of evaluation questions in Annex V to the present terms of reference drawn from the European Commission's methodology on Rapid Assessment for Capacity Development (RAC)[4];
- Individual assessment of the counties (a sample will be selected) according to the performance assessment and M&E tool developed by the project and with reference to other relevant performance assessment frameworks, in particular the Local Government Performance Assessment Manual;
- Assessment of the functioning of the CTMCs (evaluation questions will be based on the terms of reference for this body).

The methodology to be used is based on the DEVCO Evaluation methodology for projects/programmes as set out on the website:

https://ec.europa.eu/europeaid/evaluation/methodology_en

The programme's intervention logic is outlined in the following logical framework.

[4] See methodological guidance at: http://capacity4dev.ec.europa.eu/public-cd-tc/minisite/rapid-assessment-capacity-development-rac

### 2.2.3. Intervention Logic of the Programme

| PURPOSE: To build the capacity of local governments to effectively perform their responsibilities regarding PFM and Payroll | | | | | | | |
|---|---|---|---|---|---|---|---|
| **COMPONENT** | **BASELINE** | **OBJECTIVES** | **RESULTS/TARGETS** | **INDICATORS** | **OUTPUTS/ ACTIVITIES** | **PARTICIPATION** | **OUTCOMES/IMPACT** |
| 1. Support to LGs in meeting requirements of LG PFM Manual | 1. LG PFM Manual not implemented by State governments or counties. | 1. Continue to build the capacity of local governments to understand and implement the Local Government PFM Manual 2013<br>2. To mentor, train and facilitate the preparation and delivery of all county financial reporting requirements<br>3. The Electronic Payroll System – either SSEPS 1 or II) is correctly used to enable an audit of the payroll in at least the County Education Departments and County Health Departments | Result 1: Individual county/LG staff will be equipped with; (i) skills and knowledge in the LG PFM including planning and budgeting, financial management/accounting and reporting; and (ii) and producing an audit trail of payment of salaries (using the Electronic Payroll system) | ○ All county finance staff will receive a minimum of 15 days on-the-job training and mentoring on the use of LG PFM Manual procedures.<br>○ All county payroll officers will receive at least 5 days on-the-job or group training in using and implementing SSEPS 1 for county payrolls.<br>○ All county payroll officers will produce a payroll audit printout from SSEPS 1 in the months following their initial SSEPS 1 training | ○ Development of PFM training materials<br>○ PFM training of the members of the state level capacity building platforms<br>○ Kick off conference/ workshop in each state<br>○ Preparation of PFM support plans for States and Counties<br>○ PFM training of selected State and County officials<br>○ On the job PFM support to State and County administrations<br>○ Monitoring and reporting on PFM performance<br>○ Juba return PFM workshop for state level capacity building platforms. | ○ County government departments: Administration, Education, Health, Water and Sanitation and Public Works<br>○ County Commissioners, Executive Directors; County Planners; County Accountants; County Establishment Officers; and County Procurement Focal Persons<br>○ State Ministries of: Local Government, Finance, Labour and Public Service, Education, Health and Physical Infrastructure | ○ All counties have implemented the LGPFM manual and are using the correct forms and procedures by project end<br>○ Quarterly budget performance reports/financial reports are submitted by all counties<br>○ State ministries of Education, Health, Labour and Public Service and Finance can produce an audit trail of county salary payments |
| 2. Support at State level to manage and account for State and County payroll and conditional transfers to the Counties. | 2. State and county payrolls are not separated.<br>3. Conditional transfers to the counties are not monitored through the County Transfer Monitoring Committees except in Lakes and Eastern Equatoria states. | 4. To mentor, train and facilitate the analysis, updating and separation of state and county payrolls to support more accurate budget preparation, control and expenditure reporting | Result 2: All resources at the County level (local revenue and all transfers) will be properly used and accounted for | ○ All counties will have approved budgets by December 2014<br>○ A national county budget database will be compiled with LGB by 27 February 2015<br>○ All counties will be providing consolidated quarterly expenditure reports to SMOFs by | ○ Development of the payroll training materials<br>○ Payroll training of the state level capacity building platforms<br>○ Kick off conference/workshop at state level<br>○ Preparation of payroll support plans for | ○ State Ministries of: Local Government, Finance, Labour and Public Service, Education, Health and Physical Infrastructure<br>○ County government departments: Administration, Education, Health, Water and Sanitation | ○ Correct payrolls are prepared by all counties<br>○ Payrolls are correctly managed using either SSEPS 1 or SSEPS II procedures in all counties<br>○ County and State payrolls are analysed and restructured into |

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| | | | | 31 March 2015, as required by 9.3 of the LG PFM Manual<br>○ All counties will provide to the SMOFs a consolidated annual financial report (income & expenditure) for the 2014/15 FY by 30 September 2015 as required by Chapter 9 (9.1.1) of the LG PFM Manual | States and Counties<br>○ Training of the State payroll administrators<br>○ On the job support provided to State payroll administration<br>○ Monitoring and reporting on State payroll performance<br>○ Recording, monitoring and reporting on county transfers at relevant State ministries<br>○ Recording, monitoring and reporting of County revenues at the relevant State ministries<br>○ Juba return payroll-training for state level capacity building platforms | and Public Works | separate state and county staff payrolls<br>○ Properly implemented SSEPS II and salary payments made adhering to all procedures in at least 2 states by project close<br>○ County revenues are correctly recorded by the relevant State ministries<br>○ County transfers are correctly recorded into and out of the accounts of each relevant State ministry |
| 3. Support to County Administration Departments to properly manage and account for conditional grants and payroll. | 4. Monthly and quarterly financial reporting by counties is limited to payroll reporting and excludes reporting on the expenditure of conditional grants, except by County Education and Health Departments. | 5. To mentor, train and facilitate the proper management of the county payroll<br>6. To facilitate the implementation of SSEPS II where this is supported by state governments<br>7. Facilitate and mentor county governments in the construction of accurate nominal rolls and payrolls<br>8. Facilitate and mentor county governments in constructing and managing accurate payrolls and paying salaries correctly | **Result 3:** The Counties and States are able to provide the required accountabilities for a satisfactory audit of the budget lines for health and education conditional salary transfers to States and Counties; | ○ All County Administration Departments will produce education and health sector specific financial monitoring reports by 30 April, 2015 . These reports will implement the requirements of Chapter 10 of the LG PFM Manual (Monitoring, Audit and Scrutiny) and Chapter 11 (PFM Guidelines for Service Delivery Units) for the tracking, accounting and reporting on health and education budget lines. | ○ Tailoring of the payroll training materials to the County context<br>○ Kick off conference/ workshop at State level of county payroll staff<br>○ Preparation of payroll support plans for Counties<br>○ Training of the County payroll administrators<br>○ On the job support to County payroll administration<br>○ Monitoring and reporting on County payroll performance<br>○ State capital return payroll training for County payroll administrators. | ○ County Administration Departments<br>○ County Commissioners, Executive Directors; County Planners; County Accountants; County Establishment Officers<br>○ State Ministries of: Local Government, Finance, Labour and Public Service<br>○ Inspectors of Local Government/ Director of Planning /SMoLG Inspectors of Accounts/Director of Accounts/ SMoFEP; Director of Establishment/ HRM in the State Ministry of Labour, Public Service and HRD | ○ Improved accountability at county level |

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| 4. Support the establishment and operation of County Transfer Monitoring Committee (CTMCs) | 5. County Transfer Monitoring Committees are not operational except in Lakes and Eastern Equatoria states.<br>6. Standard operational procedures for County Transfer Monitoring Committee have not been developed. | 9. Establish CTMC in at least seven states.<br>10. Facilitate the operationalization of the CTMC in accordance with MOFCIEP guidelines | **Result 4:** Counties demonstrate progress in properly using and accounting for all resources (local revenue and all transfers) (according to indicators that are being defined as part of the LSS JPA monitoring framework) as a basis for increased funding by Government and/or other development partners | ○ CTMCs are established at least in all seven non-conflict states.<br>○ Standard national operational procedures, including reporting procedures, for CTMCs agreed and documented with the national MOFCIEP and implemented by 27 March 2015. | ○ Distribute CTMC operational guidelines<br>○ Conduct training on CTMC guidelines and operations as required<br>○ Develop and implement a reporting template for County Transfer Monitoring Committee (CTMC)<br>○ Produce quarterly reports for CTMC<br>○ Organise CTMC meetings to discuss quarterly reports.<br>○ All counties can provide accountability reports for health and education conditional salary transfers to Counties | ○ County Administration Departments<br>○ State Ministries of Finance and Local Government<br>○ County Transfer Monitoring Committees (CTMCs)<br>○ Member institutions of the CTMCs<br>○ Inspectors of Local Government/ Director of Planning /SMoLG Inspectors of Accounts/Director of Accounts/ SMoFEP; Director of Establishment/ HRM in the State Ministry of Labour, Public Service and HRD | ○ County Transfer Monitoring Committees (CTMCs) established<br>○ Timely provision of required accountabilities |

### 2.3. EVALUATION APPROACH AND MAIN DELIVERABLES

The evaluation process will be carried out in four phases: an Inception Phase, a Field Phase, a Synthesis Phase and finally a Dissemination phase. Deliverables in the form of reports and/or slide presentations should be submitted at the end of the corresponding stages.

| ***Phases of the evaluation:*** | ***Methodological Stages:*** | ***Deliverables*** |
|---|---|---|
| 1. Inception Phase | • Desk review of data<br>• Analysis<br>• Structuring the evaluation | ➢ *Inception report* |
| 2. Field Phase | • Data collection<br>• Analysis<br>• Verification of hypothesis/preliminary findings | ➢ *Slide Presentation* |
| 3. Synthesis phase | • Analysis and Judgements<br>• Drafting and Finalisation of the report | ➢ *Final report and annexes* |
| 4. Dissemination phase | • Publication of the report<br>• Dissemination of the findings | ➢ *Presentation to the STMC*<br>➢ *Workshop with key stakeholders and implementing partners* |

#### 2.3.1. Inception phase (Juba)

The process will start with a briefing session in Juba. The presence of the experts is required. In the inception phase, the relevant documents will be reviewed (see annex 1). The evaluation team will then analyse the intervention logic. On the basis of the information collected the evaluation team should:

- Describe the development co-operation context;
- Comment on /analyse the intervention logic / logical framework;
- Comment on the evaluation questions proposed or, when relevant, propose an alternative or complementary set of evaluation questions justifying their relevance;
- Check the consistency and validity of the evaluation questions, propose judgement criteria and identify provisional indicators and their means of verification;
- Present an indicative methodology for the overall assessment of the project/programme;
- Describe the approach for answering each evaluation questions;
- Propose the work plan;
- Confirm the final schedule for the evaluation exercise;
- Analyse systematically the relevant available documents;
- Interview the programme management, EU delegation and key partners in Juba;

- Provide preliminary responses to each evaluation question stating the information already gathered and their limitations; identify the issues still to be covered and the assumptions to be tested, and describe a full method to address the question.
- Identify and present the list of tools to be applied in the Field Phase;
- List all preparatory steps already taken/to be taken for the Field Phase.

At the end of this phase an inception report and presentation will be prepared. A presentation by the evaluation team to the Reference Group will take place in Juba. The presence of the experts is required.

#### 2.3.2. Field phase (states and counties)

The Field Phase starts after approval of the inception report by the evaluation manager.

Before going to the field, the evaluation team must submit its detailed work plan, including the list of people to be interviewed, and other data collection tools to be used, dates of visit, itinerary, and name of team members in charge. If any significant deviation from the agreed work plan or schedule is perceived as creating a risk for the quality of the evaluation, these should be immediately discussed with the evaluation manager.

During the field phase, the evaluation team shall ensure adequate contact and consultation with, and involvement of the different stakeholders; working closely with the relevant government authorities and agencies; using the most reliable and appropriate sources of information. Information collected shall be consistent with the relevant policies and regulations: Local Government Act, Local Government PFM Manual, Local Government HRM Manual, Local Government Performance Assessment Manual, etc. To enable comparisons between states and counties, a common checklist of issues/questionnaire will be used.

The field visits will be conducted jointly with at least one member of the State Mentoring Team (SMT). The contractor will cover the travel costs and per diem of the government officials involved. The evaluation team will carry out the following field visits and activities:

- Field visits to the state capital of each of the seven non-conflict states;
- Facilitate at least one meeting of the CTMC in each non-conflict state as a way of measuring the functioning of these bodies;
- Field visits to the county headquarters for at least one or two counties in each of the seven non-conflict states (at least 10 counties visited in total). The selection of counties will be determined according to ease of access, specific issues that merit attention, and link to LGSDP, in coordination with the Reference Group. If travel to the county headquarters is impossible, workshops in the state capital should be organised and the contractor should cover the organisation costs and the travel costs and per diem of county officials.
- For the three conflict states (Unity, Upper Nile, Jonglei), workshops will be organised in a convenient location with the relevant stakeholders. The contractor will cover the organisations costs and the travel costs and per diem of the government officials involved.

At the end of the field phase, the evaluation team shall summarise its work, discuss the reliability and coverage of data collection, and present preliminary findings in a meeting with the Reference Group.

#### 2.3.3. <u>Synthesis phase</u>

This phase is mainly devoted to the preparation of the draft final report. The evaluation team will present in a single document their findings, conclusions and recommendations in accordance with the agreed structure (Annex II). The evaluation report will also include an individual synopsis for each county visited. It will also include a note addressed to each CTMC reporting key finding specific to the state and outlining issues that need to be addressed by this body.

The evaluation team will make sure that:

- Their assessments are objective and balanced, statements accurate and verifiable, and recommendations realistic.
- When drafting the report, they will acknowledge clearly where changes in the desired direction are known to be already taking place.

The evaluation team will present in Juba the draft final report to the Reference Group to discuss the draft findings, conclusions and recommendations. On the basis of comments expressed by the reference group members, the evaluation team has to amend and revise the draft report. While potential quality issues, factual errors or methodological problems should be corrected, comments linked to diverging judgements may be either accepted or rejected. In the latter instance, the evaluation team should explain the reasons in writing.

#### 2.3.4. <u>Dissemination phase (Juba)</u>

The dissemination of the findings will target the primary and secondary users of the evaluation.

A presentation of the evaluation by the experts will be organised at a meeting of the STMC.

A dissemination workshop will be organised in Juba with key stakeholders and implementing partners and projects.

With regards to dissemination to state and local governments, the evaluation team will carry out the following activities:

- Debriefing with key stakeholders at county and state level at the end of each field visit on key findings;
- Dissemination of the county synopsis and note to the CTMC by email and by providing paper copies to other implementing partners and project representatives with a presence in the state/county (contact details should be collected during the visits).

### 2.4. MANAGEMENT AND STEERING OF THE EVALUATION

The evaluation is managed by EU Delegation in Juba under the coordination of the relevant Programme Manager with the assistance of a Reference group consisting of members of the partner ministries (MoFEP, LGB, MoLPS), LGSDP and BSI.

The reference group member's main functions are:

- To facilitate contacts between the evaluation team and the EU services and external stakeholders.
- To ensure that the evaluation team has access to and has consulted all relevant information sources and documents related to the project/programme.
- To define and validate the Evaluation Questions.

- To discuss and comment on notes and reports delivered by the evaluation team. Comments by individual group members are compiled into a single document by the evaluation manager and subsequently transmitted to the evaluation team.
- To assist in feedback of the findings, conclusions, lessons and recommendations from the evaluation.

### 2.5. SUBCONTRACTING

Subcontracting is not allowed.

## 3. EXPERTISE REQUIRED

### 3.1. NUMBER OF MAN-DAYS PER EXPERT OR PER CATEGORY

This is a global price contract. The contractor should propose the best balance and combination of expert inputs to achieve the result of the contract. A minimum of 180 days in total should be proposed (Category I). A team of three evaluators, including the team leader, should be proposed. The team leader will be responsible for the overall organisation of the work, drafting and quality control of the final evaluation report.

### 3.2. QUALIFICATIONS AND SKILLS OF THE TEAM:

Willingness and ability to travel to remote areas is essential for all the experts. The qualifications and skills of the team as a whole will be assessed according to the following criteria:

**Criteria A:**

Very good knowledge of EU monitoring and evaluation methodologies;
At least three successfully completed evaluations in the area of public financial management and capacity building of sub-national entities;
At least one successfully completed evaluation of a technical assistance project of similar value and complexity;

**Criteria B:**

Demonstrated experience in capacity building of sub-national entities, support for decentralization, and public financial management;
Previous work experience in post-conflict areas or in a fragile context;
Work experience in South Sudan is an asset;

**Criteria C:**

Each expert must have at least a Master's Degree or, in its absence, equivalent professional experience of 5 years above the minimum general professional experience requirement, in public finance, public administration, business administration, economics or any other relevant field;
Each expert must have at least 12 years' experience in the sector(s) related to the Lot;
Excellent verbal and written English is essential for all the experts;
In addition, the experts should possess the following soft skills:
Excellent analytical and drafting skills;

Computer literacy in Word, Excel, PowerPoint;
Excellent negotiation and communication skills;
Track record in the timely reporting and adherence to deadlines.

### 3.3. Conflicts of interest

The Framework contractor and the evaluation team members must not have had a direct role in the planning or implementation of the programme. In case of doubt in the course of the assignment, the Framework contractor must inform the Contracting Authority as soon as possible of any risk of conflict of interest.

## 4. LOCATION AND DURATION

The indicative starting date is February 1st, 2016 for a maximum duration of 150 days.

The location for the assignment is South Sudan.

## 5. REPORTING

The reports must match quality standards. Besides the provisions of the article 8.6 of the Global Terms of Reference, the quality of the final report will be assessed by the evaluation manager using a quality assessment grid (see annexe III).

The evaluation team will submit the following reports:

| | Main Content | Timing for submission |
|---|---|---|
| **Inception report** | • Intervention logic<br>• Evaluation questions, Judgement criteria and Indicators<br>• Encountered and anticipated difficulties<br>• Detailed evaluation approach and work plan<br>• Preliminary answer to each evaluation questions stating the information already gathered and their limitations<br>• Issues still to be covered and the assumptions to be tested<br>• Full description of the methodology used to answer the questions<br>• Field phase detailed plan | End of Inception phase |
| **Draft Final report** | • Cf. detailed structure in Annex 2<br>• Answer to the evaluation questions<br>• Synthesis of all findings, conclusions and recommendations into an overall assessment<br>• Individual County Performance Assessment Reports<br>• Notes to CTMCs | End of Synthesis phase |
| **Final report** | • Same specifications as above, incorporating any comments received from the concerned parties on the draft report that have been accepted | |

All reports will be in English. Each report will be submitted first in electronic version as a draft. The Final Report (final version) will be provided in 10 paper copies and in electronic version.

For each report/output, the Evaluation manager will submit comments within 30 calendar days. The revised reports/outputs incorporating comments received from the concerned parties shall be submitted within 10 calendar days from the date of receipt of the comments. The evaluation team should provide a separate document explaining how and where comments have been integrated or the reason for non-integration of certain comments.

## 6. INCIDENTAL EXPENDITURE

This is a global price contract. The budget for this assignment should include all the costs necessary to carry out the assignment, including:

- An allocation for travel costs to include international flights to/from abroad and other internal flights inside South Sudan (the average cost of a return ticket Juba/state capitals is 400 USD; payments can be done by cash (USD) only);
- Organisation of the workshops;
- Printing of materials;
- Field visits, including ground transportation;
- Per diem and travel costs of government officials.

## 7. MONITORING AND EVALUATION

Not applicable.

## 8. ANNEXES

### 8.1. ANNEX I: INFORMATION THAT WILL BE PROVIDED TO THE EVALUATION TEAM

- Legal texts and political commitments pertaining to the project / programme
- Governmental national and sector policy documents
- Project financing agreement; contract and addenda
- Project's work plans
- Project's quarterly and annual progress reports, and technical reports
- Relevant documentation from national/local partners and other donors
- Local Government PFM Manual
- Local Government HR Manual
- Local Government Act
- Local Government Performance Assessment Manual
- Terms of reference for the CTMC

Note: The evaluation team has to identify and obtain any other document worth analysing, through its interviews with people who are or have been involved in the design, management and supervision of the project / programme.

### 8.2. Annex II: Structure of the Executive Summary & Final Report

The final report should not be longer than necessary. Additional information on overall context, programme or aspects of methodology and analysis should be confined to annexes.

*The cover page of the report shall carry the following text:*
"This evaluation is supported and guided by the European Commission and presented by [name of consulting firm]. The report does not necessarily reflect the views and opinions of the European Commission".

*The main sections of the evaluation report are as follows:*

**Executive Summary**

A tightly-drafted, to-the-point and free-standing Executive Summary is an essential component. It should be short, no more than five pages. It should focus on the key purpose or issues of the evaluation, outline the main analytical points, and clearly indicate the main conclusions, lessons to be learned and specific recommendations.

1. **Introduction**

A description of the project/programme and the evaluation, providing the reader with sufficient methodological explanations to gauge the credibility of the conclusions and to acknowledge limitations or weaknesses, where relevant.

2. **Answered questions/ Findings**

A chapter presenting the evaluation questions and conclusive answers, together with evidence and reasoning.

3. **Overall assessment**

A chapter synthesising all answers to evaluation questions into an overall assessment of the project/programme. The detailed structure of the overall assessment should be refined during the evaluation process. The relevant chapter has to articulate all the findings, conclusions and lessons in a way that reflects their importance and facilitates the reading. The structure should not follow the evaluation questions, the logical framework or the seven evaluation criteria.

4. **Conclusions and Recommendations**

**4.1 Conclusions**

This chapter introduces the conclusions of the evaluation. The conclusions should be organised in clusters in the chapter in order to provide an overview of the assessed subject.

A paragraph or sub-chapter should pick up the 3 or 4 major conclusions organised by order of importance, while avoiding being repetitive. This practice allows better communicating the evaluation messages that are addressed to the Commission.

If possible, the evaluation report identifies one or more transferable lessons, which are highlighted in the executive summary and can be presented in appropriate seminars.

### 4.2 Recommendations

They are intended to improve or reform the project/ programme in the framework of the cycle under way, or to prepare the design of a new intervention for the next cycle.

Recommendations must be clustered and prioritised, carefully targeted to the appropriate audiences at all levels.

## 5. Annexes of the report

The report should include the following annexes:

- The Terms of Reference of the evaluation
- The names of the evaluators and their companies (CVs should be shown, but summarised and limited to one page per person)
- Detailed evaluation method including: options taken, difficulties encountered and limitations. Detail of tools and analyses.
- Intervention logic / Logical Framework matrices (original and improved/updated)
- Map of project area
- List of persons/organisations consulted
- Literature and documentation consulted
- Other technical annexes (e.g. statistical analyses, tables of contents and figures)
- Detailed answer to the Evaluation questions, judgement criteria and indicators (evaluation matrix)
- Individual County Performance Assessment Reports
- Notes to CTMCs

### 8.3. Annex III: Quality assessment grid

The quality of the final report will be assessed by the evaluation manager using the following quality assessment grid.

| **To be filled in by Evaluation Manager** | **Grade**<br>*1 - Poor*<br>*2 - Acceptable*<br>*3 - Good*<br>*4 - Very Good*<br>*5 - Excellent* | **Comments** |
|---|---|---|
| **1. Meeting needs:** Does the evaluation adequately address the information needs of the commissioning body? Does the evaluation deal with and respond to all ToR requests? If not, are justifications given? | | |
| **2. Relevant scope:** Does the evaluation fully examine the project/ programme rationale, cause-effect relationships, impacts, policy context, stakeholders' interests, etc.? | | |
| **3. Defensible design:** Is the evaluation design appropriate and adequate to ensure that the full set of findings is made accessible to answer the main evaluation questions? Does the report point out the limitations, risks and potential biases associated with the evaluation method? | | |
| **4. Reliable data:** To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use? | | |
| **5. Sound analysis:** Is the analysis appropriate and systematic so that evaluation questions are answered in a valid way? Are inputs from most important stakeholders used in a balanced way? | | |
| **6. Credible findings:** Are the findings derived from the data and analyses? Are interpretations and extrapolations justified and supported by sound arguments? | | |
| **7. Useful recommendations:** Are the recommendations consistent with the conclusions? Are recommendations operational, realistic and sufficiently explicit to provide guidelines for taking action? Are the recommendations drafted for the different target stakeholders of the evaluation? Have the recommendations a true added value? | | |
| **8. Clear report:** Is the executive summary relevant and concise? Is the report well written, well-structured and understandable by the different project's stakeholders? | | |

## 8.4. ANNEX IV: EVALUATION QUESTIONS

*This document proposes an indicative list of issues which deserve to be studied in a project/programme evaluation. The evaluation should focus on a limited number of precise issues/questions. It should ensure that there is a balance of evaluation criteria.*

*The appropriate evaluation questions and sub questions, based on this set of issues, should be elaborated for each project/ programme evaluation case.*

### 3.1 Problems and needs (Relevance)

The extent to which the objectives of the development intervention (projects/ programme) are consistent with beneficiaries' requirements, country needs, global priorities and partners' and EC's policies.

The analysis of relevance will focus on the following questions in relation to the design of the project:

- the extent to which the project has been consistent with, and supportive of, the policy and programme framework within which the project is placed, in particular the EC's Country Strategy Paper and National Indicative Programme, and the Partner Government's development policy and sector policies
- the quality of the analyses of lessons learnt from past experience, and of sustainability issues;
- the project's coherence with current/on-going initiatives;
- the quality of the problem analysis and the project's intervention logic and logical framework matrix, appropriateness of the objectively verifiable indicators of achievement;
- the extent to which stated objectives correctly address the identified problems and social needs, clarity and internal consistency of the stated objectives;
- the extent to which the nature of the problems originally identified have changed
- the extent to which objectives have been updated in order to adapt to changes in the context;
- the degree of flexibility and adaptability to facilitate rapid responses to changes in circumstances;
- the quality of the identification of key stakeholders and target groups (including gender analysis and analysis of vulnerable groups) and of institutional capacity issues;
- the stakeholder participation in the design and in the management/implementation of the project, the level of local ownership, absorption and implementation capacity;
- the quality of the analysis of strategic options, of the justification of the recommended implementation strategy, and of management and coordination arrangements;

- the realism in the choice and quantity of inputs (financial, human and administrative resources)
- the analysis of assumptions and risks;
- the appropriateness of the recommended monitoring and evaluation arrangements ;

### 3.2 Achievement of purpose (Effectiveness)

The effectiveness criterion, concerns how far the project's results were attained, and the project's specific objective(s) achieved, or are expected to be achieved.

The analysis of Effectiveness will therefore focus on such issues as:

- whether the planned benefits have been delivered and received, as perceived by all key stakeholders (including women and men and specific vulnerable groups);
- whether intended beneficiaries participated in the intervention
- in institutional reform projects, whether behavioural patterns have changed in the beneficiary organisations or groups at various levels; and how far the changed institutional arrangements and characteristics have produced the planned improvements (e.g. in communications, productivity, ability to generate actions which lead to economic and social development);
- if the assumptions and risk assessments at results level turned out to be inadequate or invalid, or unforeseen external factors intervened, how flexibly management has adapted to ensure that the results would still achieve the purpose; and how well has it been supported in this by key stakeholders including Government, Commission (HQ and locally), etc.;
- whether the balance of responsibilities between the various stakeholders was appropriate, which accompanying measures have been taken by the partner authorities;
- how unintended results have affected the benefits received positively or negatively and could have been foreseen and managed.;
- whether any shortcomings were due to a failure to take account of cross-cutting or over-arching issues such as gender, environment and poverty during implementation;

### 3.3 Sound management and value for money (Efficiency)

The efficiency criterion concerns how well the various activities transformed the available resources into the intended results (sometimes referred to as outputs), in terms of quantity, quality and timeliness. Comparison should be made against what was planned.

The assessment of Efficiency will therefore focus on such issues as:

- the quality of day-to-day management, for example in:

  Operational work planning and implementation (input delivery, activity management and delivery of outputs),and management of the budget (including cost control and whether an inadequate budget was a factor);

  Management of personnel, information, property, etc, Whether management of risk has been adequate, i.e. whether flexibility has been demonstrated in response to changes in circumstances;

Relations/coordination with local authorities, institutions, beneficiaries, other donors;

The quality of information management and reporting, and the extent to which key stakeholders have been kept adequately informed of project activities (including beneficiaries/target groups);

Respect for deadlines;

- Extent to which the costs of the project have been justified by the benefits whether or not expressed in monetary terms in comparison with similar projects or known alternative approaches, taking account of contextual differences and eliminating market distortions.
- Partner country contributions from local institutions and government (e.g. offices, experts, reports, tax exemption, as set out in the LogFrame resource schedule), target beneficiaries and other local parties: have they been provided as planned?
- Commission HQ/Delegation inputs (e.g. procurement, training, contracting, either direct or via consultants/bureaux): have they been provided as planned?;
- Technical assistance: how well did it help to provide appropriate solutions and develop local capacities to define and produce results?
- Quality of monitoring: its existence (or not), accuracy and flexibility, and the use made of it; adequacy of baseline information;
- Did any unplanned outputs arise from the activities so far?

### 3.4 Achievement of wider effects (Impact)

The term impact denotes the relationship between the project's specific and overall objectives.

At Impact level the final or ex-post evaluation will make an analysis of the following aspects:

- Extent to which the objectives of the project have been achieved as intended in particular the project planned overall objective.
- whether the effects of the project:
  a) have been facilitated/constrained by external factors
  b) have produced any unintended or unexpected impacts, and if so how have these affected the overall impact.
  c) have been facilitated/constrained by project/programme management, by co-ordination arrangements, by the participation of relevant stakeholders
  d) have contributed to economic and social development
  e) have contributed to poverty reduction
  f) have made a difference in terms of cross-cutting issues like gender equality, environment, good governance, conflict prevention etc.

g) were spread between economic growth, salaries and wages, foreign exchange, and budget.

### 3.5 Likely continuation of achieved results (Sustainability)

The sustainability criterion relates to whether the positive outcomes of the project and the flow of benefits are likely to continue after external funding ends or non-funding support interventions (such as: policy dialogue, coordination).

The final evaluation will make an assessment of the prospects for the sustainability of benefits on basis of the following issues:

- the ownership of objectives and achievements, e.g. how far all stakeholders were consulted on the objectives from the outset, and whether they agreed with them and continue to remain in agreement;
- policy support and the responsibility of the beneficiary institutions, e.g. how far donor policy and national policy are corresponding, the potential effects of any policy changes; how far the relevant national, sectoral and budgetary policies and priorities are affecting the project positively or adversely; and the level of support from governmental, public, business and civil society organizations.
- institutional capacity, e.g. of the Government (e.g. through policy and budgetary support) and counterpart institutions; the extent to which the project is embedded in local institutional structures; if it involved creating a new institution, how far good relations with existing institutions have been established; whether the institution appears likely to be capable of continuing the flow of benefits after the project ends (is it well-led, with adequate and trained staff, sufficient budget and equipment?); whether counterparts have been properly prepared for taking over, technically, financially and managerially;
- the adequacy of the project budget for its purpose particularly phasing out prospects;
- socio-cultural factors, e.g. whether the project is in tune with local perceptions of needs and of ways of producing and sharing benefits; whether it respects local power-structures, status systems and beliefs, and if it sought to change any of those, how well-accepted are the changes both by the target group and by others; how well it is based on an analysis of such factors, including target group/ beneficiary participation in design and implementation; and the quality of relations between the external project staff and local communities.
- financial sustainability, e.g. whether the products or services being provided are affordable for the intended beneficiaries and are likely to remained so after funding will end; whether enough funds are available to cover all costs (including recurrent costs), and continued to do so after funding will end; and economic sustainability, i.e. how well do the benefits (returns) compare to those on similar undertakings once market distortions are eliminated.
- technical (technology) issues, e.g. whether (i) the technology, knowledge, process or service introduced or provided fits in with existing needs, culture, traditions, skills or knowledge; (ii) alternative technologies are being considered, where possible; and (iii)

the degree in which the beneficiaries have been able to adapt to and maintain the technology acquired without further assistance.

- Wherever relevant, cross-cutting issues such as gender equity, environmental impact and good governance; were appropriately accounted for and managed from the outset of the project.

### 3.6 Mutual reinforcement (coherence)

The extent to which activities undertaken allow the European Commission to achieve its development policy objectives without internal contradiction or without contradiction with other Community policies. Extent to which they complement partner country's policies and other donors' interventions.

Considering other related activities undertaken by Government or other donors, at the same level or at a higher level:

- likeliness that results and impacts will mutually reinforce one another
- likeliness that results and impacts will duplicate or conflict with one another

Connection to higher level policies (coherence)
Extent to which the project/programme (its objectives, targeted beneficiaries, timing, etc):

- is likely to contribute to / contradict other EC policies
- is in line with evolving strategies of the EC and its partners

### 3.7 EC value added

Connection to the interventions of Member States. Extent to which the project/programme (its objectives, targeted beneficiaries, timing, etc)

- is complementary to the intervention of EU Member States in the region/country/area
- is co-ordinated with the intervention of EU Member States in the region/country/area
- is creating actual synergy (or duplication) with the intervention of EU Member States
- involves concerted efforts by EU Member States and the EC to optimise synergies and avoid duplication.

## 8.5. Annex V: RAC evaluation and judgement criteria

Accessible at: [http://capacity4dev.ec.europa.eu/public-cd-tc/minisite/rapid-assessment-capacity-development-rac](http://capacity4dev.ec.europa.eu/public-cd-tc/minisite/rapid-assessment-capacity-development-rac)

## *Annex 2: Short Summary of Evaluators*

**Team Leader Hans Bjørn Olsen**

Mr Olsen is MA Public Administration, Socio-Economics and Planning and has more than 25 years of experience in Public Finance Management, Public sector reform, Decentralisation, and capacity building. Has been Team Leader on several evaluations/identification/formulations of PFM, Local Governance, Decentralisation and Governance Programmes, including EU-funded assignments in the Philippines, Bhutan and globally as part of the evaluation of EU support to Decentralisation and Local Governance in 2010. Participated in assessing eligibility criteria for EU Budget Support (using the new Budget Support Guidelines – Assessing public policy, macroeconomic issues and budget transparency and PFM eligibility issues) to Tanzania and also evaluating the outcome of the budget support for donors like DFID and Irish Aid.

Mr Olsen was Team Leader on several assignments in Africa and Asia to support to development in improving the impact of public expenditure and service delivery in Local Governments and capacity building at local levels. Facilitator in numerous workshops and seminars focused on all aspects of decentralisation in terms of: i) concepts and terminology, ii) fiscal decentralisation in its various forms, iii) various aspects of fiscal decentralisation, and Performance Based Management (HR and Grant systems) in Anglophone and Francophone countries with focus on various issues such as sectors, welfare and assignment of functions at LG level.

Mr Olsen was Team Leader on the comprehensive Local Government Public Financial Management (PFM) Manual; and design of training materials for the roll out of the Manual; drafted an implementation plan for the County PFM Strengthening Programme, incorporating recruitment of staff, and training and capacity-building activities; and reviewed the financial management sections of the Local Government Act. The LG PFM Manual included detailed procedures for LG planning, procurement, budgeting and accounting. Mr Olsen was furthermore Team Leader on developing the Operations Manual for the LGSDP (World Bank project) in South Sudan drafting sections of the Operations Manual dealing with (i) community engagement, (ii) the related information dissemination strategy and materials, (iii) monitoring and reporting on community engagement, (iv) procurement of agencies (NGOs and other entities) for facilitation of the community engagement, and (v) financial management including accounting and reporting on the expenditures related to this. Orientation training on the Operations Manual for (a) facilitating entities and Government of South Sudan staff involved in the fast tracking initiative, and (b) relevant GoRSS staff at central and State level, and in the Counties selected for initial rollout of the LGSDP.

Finally, Mr Olsen recently obtained a Diploma from the PEFA Course for Senior Practitioners' Oriel College, Oxford September 2015 (qualified by PEFA Secretariat).

Mr Olsen is a senior partner and owner of Dege Consult Ltd based in Denmark.

**Expert 1 James Okello Onyoin**

Mr Onyoin has over 15 years' experience as an Auditor and Consultant for a number of national, regional and international clients within government, non-governmental organisations and private sector (e.g.: PricewaterhouseCoopers, KPMG and Ernst & Young) Public Financial Management (PFM); Integrated Financial Management Information Systems (IFMS); Governance and Accountability; Legal framework for PFM and tax legislation; Business Process Re-engineering and Organisational change & transformation; Tax administration and Management and International Development.

Mr Onyoin has conducted Training Needs Assessments (TNA); Training of Trainers; Developed and reviewed training programmes and workshops (e.g. in EPICOR IFMIS implementation in The Gambia (2005) as well as in South Sudan in 2013/14);

Mr Onyoin has extensive experience of donor-funded projects in the enhancement of public finance systems (EU, IMF, World Bank, SIDA, DfiD, and UNDP) and in Public Expenditure and Financial Accountability (PEFA) Assessments and other performance management and monitoring & evaluation systems. In 2012 conducted PEFA assessment for 10 local governments in Uganda; first time that 10 sub national governments have been assessed at the same time since the introduction of this methodology in 2005.

**Expert 2 Wilson BARYABANOHA**

More than 25 years' experience as a Certified Accountant and trainer and capacity building expert on public financial management, procurement and accountability issues. Has been involved in capacity needs assessments, the design of capacity building programmes. Has in the past twenty years specialised in Public Sector Financial Management Experience in drafting, producing and revision of Local Governments Financial and Accounting Regulations including procurement, Audit and Accounting Manuals and training Material. Worked over a year (2013/14) for GIZ in Tanzania with a project implementing a coaching programme for selected local and regional administrative staff on the topics (i) Risk management, (ii) Accounting and administrative controls, (iii) Internal auditing techniques, (iv) Functioning of audit committees and (v) the establishment of a backstopping mechanism at regional level with the aim of supporting the Regional Secretariats (RS) in better coordinating services towards the LGAs within the region.

Mr Baryabanoha was part of the team that drafted and completed the LG PFM Manual in South Sudan and drafted the implementation plan and training materials for the country staff and also organised the regional sensitization workshops to introduce the LG PFM Manual to County staff.

# Annex 3: Evaluation Approach and Methodology

The ET commenced its work on Wednesday 11th February 2016 in Juba and held a briefing meeting at the EUD offices and started to consult with the EU-TAPP Project Team and other key stakeholders in Juba. During the Inception phase the ET held meetings with MoFEP, the LGB and the MoLPS, the World Bank, the LGSDP/LOGOSEED programme and the EUTAPP management team. The fieldwork phase commenced on the 22nd February with scheduled field visits to all 7 so-called non conflict States. The ET has been, throughout the planning and scheduling of the fieldwork, in close contact with the security group that advises AECOM consultants on security issues and the advisability of visiting various cities and Counties outside Juba.

The evaluation used a mixed-methods approach to data and information collection. Sources of information were documentary, verbal and direct observation. Primary data collection methods were document review, semi-structured interviews and direct observation to ascertain findings of fact, to allow for analysis and evaluation, i.e. lessons learned and conclusions, as well as meaningful contextual knowledge to support useful recommendations to the EUD. This included an assessment using the performance assessment and M&E tool developed by the EU-TAPP but in a shorter version.

Consistent with case study design, analytical generalisation was used rather than statistical generalisation, i.e. the evaluation sought to generalise sets of States results in context, to the broader overall frame of reference.

Travel to South Sudan States and Counties can be difficult because of insurgency and is mainly by unscheduled air travel. The Consultant assumed that air travel would be available in accordance with the scheduled visiting days agreed with LGB and the State and County officials. The ET had no means of securing air tickets on their own by UNHAS flights and agreed with the EU-TAPP Management Team that they would assist in booking flights for ET and LGB members. This highly facilitated the fieldwork of the ET.

Following lengthy discussions with LGB regarding the phasing of the fieldwork and the fact that LGB officers need to be available for the fieldwork a tentative schedule of State visits was drawn up. However, this time table was change several times during the fieldwork phase (see table below). The first fieldwork in Jubek State was carried out by the full ET to allow for testing of the EQs/JCs and to draw up a short fieldwork report that can be the basis for individual ET members work in the following 6 States.

The fieldwork of the ET was further complicated by the decision of the EU-TAPP contractor to temporary close down activities (19th February) of the State teams because of an issue regarding he extension of the EU-TAPP project. This meant that the State based teams were not present in any State during the ET's fieldwork.

Furthermore, field visits to Western Bahr el Ghazal and Warrap States were curtailed due to serious security concerns and 3 representatives from each State were invited instead to travel to Juba for detailed discussion with the ET over a 2-day period in mid-March. A scheduled visit to Eastern Equatoria State – Torit – in mid-March had to be cancelled due to vehicle breakdown and non-issue of ticket to the Team Leader (TL) by UNHAS for air-ticket to Torit. This field visit was then carried out the last week of March. The ET in collaboration with LGB identified key State and county representatives from the 3 conflict States (Unity, Jonglei and Upper Nile), who are temporarily based in Juba and held meetings with these from 21-23 March. Finally, a visit to Yei County in Central Equatoria State in early March was cancelled when the airplane carrying the team to Yei broke down in Juba before departure. The officials were later interviewed in Juba last week of March.

Recently a Presidential Decree has increased the number of States from 10 to 28 and also Counties have been subdivided to form either new States or new Counties. This formalised at the end December 2015 when the GRSS formed the new administration of the 28 States. There was a possibility of transfer of technical staff to the new States and Counties and that the ET faced great difficulties in interviewing key participants of the State training and OJT. The Consultant was able to trace officials for interviews who were involved in training under the project but sometimes they were in new assignments and not in the original State. The ET followed the old division of States and

Counties but the new State and County names are used in the report but with a reference to the old State name.

The difficulties encountered by the ET in carrying out the fieldwork show the challenges faced by any DP in implementing State and County based projects. Not only do seasonal rains make roads unpassable but the unresolved internal conflict continues to create serious security concerns, and direct threats to the safety of personnel operating in the States/Counties. The recent decision to create 28 instead of 10 States has also contributed to the confusion during the fieldwork as many State and County officials have already been moved to their new States. Hopefully, the recent developments in forming a national unity government will solve the security issues and start a process of gradual stability that can positively influence the building up of much needed capacities in all the 28 States.

Furthermore, a virtually non-existing electricity grid at State, and especially County level, makes even simple Internet communication a challenge. All these factors have contributed to the challenges faced by the EU-TAPP Project Team, and should be kept in mind when judging the relative outcome of the project interventions.

The evaluation of EU-TAPP was based primarily on documentary review, stakeholder meetings and field work in 7 (former) non-conflict States and has used direct evaluation techniques as well as interviews, which are prepared by thorough review of data, a review of project documentation including progress reports and quarterly project reports, and a review of the outputs of the State implementation teams and then triangulated with project recipients in the various States and stakeholders in Juba.

The ET was, furthermore, provided with all relevant data before and during the Inception phase through a Dropbox folder of all relevant EUTAPP project and other relevant documentation. In addition to studying the documentation, the team also interviewed key informants with relevant knowledge on parallel State interventions, as well as informants offering broader insights into the evolution of the decentralisation and PFM context in the country.

Fieldwork was planned to include group discussions with CTMC in all seven States to verify key aspects of institutional and staff capacity building initiatives and the likely impact and changes this has led to in the States/Counties in terms of PFM and payroll. However, for the reasons mentioned above this could only be held in 5 States, but it has proven to be valuable feedback as to the activities that have taken place under the Project.

Once in the States, the ET had set-up a briefing meeting with the available CTMC members and discuss the contents of the fieldwork and wider application of the EU-TAPP evaluation. After conducting field visits to one or two Counties and collecting detailed information on the tasks carried out by the EU-TAPP State teams, the ET debriefed with the CTMC to give their initial findings and assessment of the work carried out under EU-TAPP and what lessons could be drawn from the intervention. The ET had furthermore set-up meetings in the States with relevant County commissioners and State minsters as well as representatives of other donor projects as appropriate.

Immediately after the field work the ET started drafting the evaluation report (deadline of 6th April – but due to late extended fieldwork phase the deadline was 16th April). After the draft report was issued the ET disseminated the key findings, conclusions, lessons learned and recommendations at a dissemination meeting for all Juba-based GRSS and donor stakeholders on 27th April 2016 at the meeting of the LG PFM and HR and LG TWG at GATC.

**Table 3.1: Revised Timetable for Field Work – February to March 2016**

| No. | Date | State to be visited | County(ies) to be visited | Team members |
|---|---|---|---|---|
| 1 | 23-26 February | Jubek<br>(formerly in Central Equatoria State) | Juba | Martin Maciek, Moses Ater, Elias Asu (LGB),<br>Hans Olsen, Wilson Baryabanoha, James Onyoin |
| 2 | 1-3 March | Awiel State<br>(formerly in Northern Barh el Ghazal) | Awiel South<br>Awiel Centre | Moses Ater (LGB),<br>Wilson Baryabanoha |
| 3 | 1-3 March | Gbudwe<br>(formerly in Western Equatoria State) | Yambio | Elias Asu (LGB),<br>James Onyoin |
| 4 | 14-16 March | Wau<br>(formerly in Western Barh el Ghazal) | Jur River,<br>Bagari | Wilson Baryabanoha,<br>Hans Olsen<br>Elias Asu (LGB) |
| 5 | 16-18 March | Gogrial (formerly in Warrap State) | Gogrial | Moses Ater LGB)<br>Hans Olsen<br>James Onyoin |
| 6 | 14-18 March | Western Lakes<br>(formerly in Lakes State) | Rumbek Central<br>Wulu | Martin Maciek (LGB)<br>Moses Ater<br>Hans Olsen |
| 7 | 21-22 march | Upper Nile State<br>Unity State<br>Jonglei State | N/A (meetings held in Juba) | Elias Asu (LGB)<br>Martin Maciek (LGB)<br>Moses Ater (LGB)<br>Hans Olsen<br>James Onyoin<br>Wilson Bayrabanoha |
| 8 | 29-31 March | Yei River<br>(formerly in Central Equatoria State) | Yei | Martin Maciek (LGB)<br>Wilson Baryabanoha, |
| 9 | 29-31 March | Imatong<br>(formerly in Eastern Equatoria State) | Torit,<br>Magwi | Moses Ater (LGB)<br>James Onyoin |

## *Annex 4: Logical Framework and Intervention Logic*

| **PURPOSE: To build the capacity of local governments to effectively perform their responsibilities regarding PFM and Payroll** | | | | | | | |
|---|---|---|---|---|---|---|---|
| Component | Baseline | Objectives | Results/Targets | Indicators | Outputs/ Activities | Participation | Outcomes/Impact |
| 1. Support to LGs in meeting requirements of LG PFM Manual | - LG PFM Manual not implemented by State governments or Counties. | 1. Continue to build the capacity of local governments to understand and implement the Local Government PFM Manual 2013<br>2. To mentor, train and facilitate the preparation and delivery of all county financial reporting requirements<br>3. The Electronic Payroll System – either SSEPS 1 or II) is correctly used to enable an audit of the payroll in at least the County Education Departments and County Health Departments | Result 1: Individual county/LG staff will be equipped with; (i) skills and knowledge in the LG PFM including planning and budgeting, financial management/accounting and reporting; and (ii) and producing an audit trail of payment of salaries (using the Electronic Payroll system) | • All Counties (46) trained in the use of the LG PFM Manual and applying the correct forms and procedures by the end of the project.<br>• All Counties (46) have approved budgets for FY 2015/16.<br>• A minimum of 60% of all Counties provide quarterly budget performance reports by the end of the project. | • Development of PFM training materials<br>• PFM training of the members of the State level capacity building platforms<br>• Kick off conference/ workshop in each State<br>• Preparation of PFM support plans for States and Counties<br>• PFM training of selected State and County officials<br>• On the job PFM support to State and County administrations<br>• Monitoring and reporting on PFM performance<br>• o Juba return PFM workshop for State level capacity building platforms. | • County government departments: Administration, Education, Health, Water and Sanitation and Public Works<br>• County Commissioners, Executive Directors; County Planners; County Accountants; County Establishment Officers; and County Procurement Focal Persons<br>• State Ministries of: Local Government, Finance, Labour and Public Service, Education, Health and Physical Infrastructure | • All Counties have implemented the LGPFM manual and are using the correct forms and procedures by project end<br>• Quarterly budget performance reports/financial reports are submitted by all Counties<br>• State ministries of Education, Health, Labour and Public Service and Finance can produce an audit trail of county salary payments |
| 2. Support at | - State and | 4. To mentor, train and | Result 2: All resources | • Conditional | • Development of | • State | • Correct payrolls |

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| State level to manage and account for State and County payroll and conditional transfers to the Counties. | county payrolls are not separated.<br><br>- Conditional transfers to the Counties are not monitored through the County Transfer Monitoring Committees except in Lakes and Eastern Equatoria States. | facilitate the analysis, updating and separation of State and county payrolls to support more accurate budget preparation, control and expenditure reporting | at the County level (local revenue and all transfers) will be properly used and accounted for | transfers (salary, operating and sector capital) are monitored in all seven non-conflict States through the County Transfer Monitoring Committees by the end of the project.<br><br>• Monthly county payroll reports (by sector) are uploaded to www.sseps.org /synchronized with national database (for Counties migrating to SSEPS II) in at least 50% of all Counties by project end. | the payroll training materials<br>• Payroll training of the State level capacity building platforms<br>• Kick off conference/work shop at State level<br>• Preparation of payroll support plans for States and Counties<br>• Training of the State payroll administrators<br>• On the job support provided to State payroll administration<br>• Monitoring and reporting on State<br>• payroll performance<br>• Recording, monitoring and reporting on county transfers at relevant State ministries<br>• Recording, monitoring and reporting of County revenues at the relevant State ministries<br>• Juba return | Ministries of: Local Government, Finance, Labour and Public Service, Education, Health and Physical Infrastructure<br>• County government departments: Administration , Education, Health, Water and Sanitation and Public Works | are prepared by all Counties<br>• Payrolls are correctly managed using either SSEPS 1 or SSEPS II procedures in all Counties<br>• County and State payrolls are analysed and restructured into<br><br>separate State and county staff payrolls<br>• Properly implemented SSEPS II and salary payments made adhering to all procedures in at least 2 States by project close<br>• County revenues are correctly recorded by the relevant State ministries<br>• County transfers are correctly recorded into and out of the accounts of each relevant State ministry |

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| | | | | | payroll- training for State level capacity building platforms | | |
| 3. Support to County Administration Departments to properly manage and account for conditional grants and payroll. | - Monthly and quarterly financial reporting by Counties is limited to payroll reporting and excludes reporting on the expenditure of conditional grants, except by County Education and Health Departments. | 5. To mentor, train and facilitate the proper management of the county payroll<br>6. To facilitate the implementation of SSEPS II where this is supported by State governments<br>7. Facilitate and mentor county governments in the construction of accurate nominal rolls and payrolls<br>8. Facilitate and mentor county governments in constructing and managing accurate payrolls and paying salaries correctly | Result 3: The Counties and States are able to provide the required accountabilities for a satisfactory audit of the budget lines for health and education conditional salary transfers to States and Counties; | • All Counties (46) submit consolidated quarterly county budget performance reports within 30 days of the close of the quarter.<br>• All Counties (46) submit annual financial accounts for the 2014/15 FY (as per section 9 of the LG PFM manual) within three months of the end of the FY. | • Tailoring of the payroll training materials to the County context<br>• Kick off conference/ workshop at State level of county payroll staff<br>• Preparation of payroll support plans for Counties<br>• Training of the County payroll administrators<br>• On the job support to County payroll administration<br>• Monitoring and reporting on County payroll performance<br>• State capital return payroll training for County payroll administrators. | • County Administration Departments<br>• County Commissioners, Executive Directors; County Planners; County Accountants; County Establishment Officers<br>• State Ministries of: Local Government, Finance, Labour and Public Service<br>• Inspectors of Local Government / Director of Planning / SMoLG Inspectors of Accounts/Director of Accounts / SMoFEP; Director of Establishment / HRM in the State Ministry of Labour, Public Service and HRD | • Improved accountability at county level |

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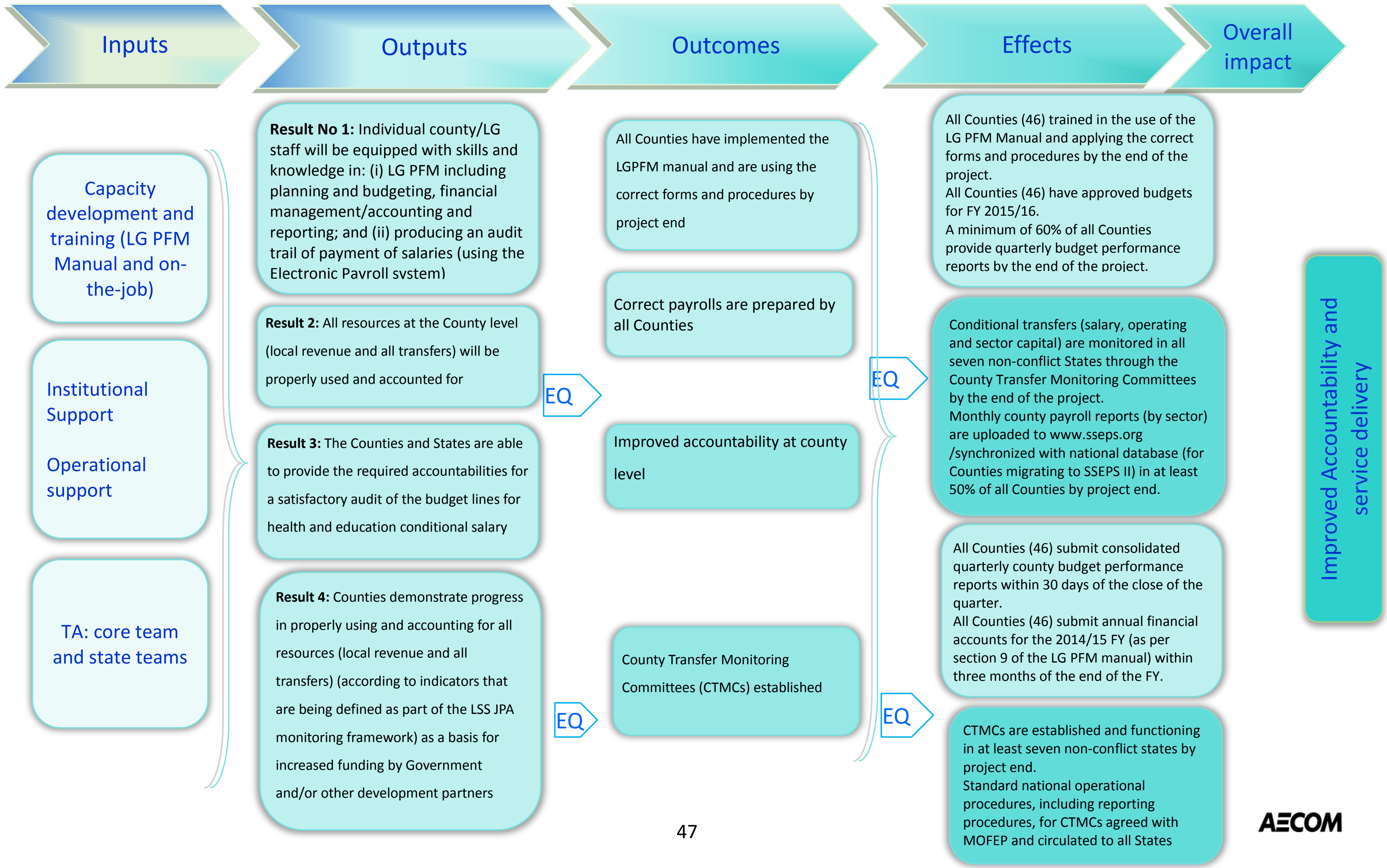
| 4. Support the establishment and operation of County Transfer Monitoring Committee (CTMCs) | - County Transfer Monitoring Committees are not operational except in Lakes and Eastern Equatoria States.<br>- Standard operational procedures for County Transfer Monitoring Committee have not been developed. | 9. Establish CTMC in at least seven States.<br>10. Facilitate the operationalization of the CTMC in accordance with MOFCIEP guidelines | Result 4: Counties demonstrate progress in properly using and accounting for all resources (local revenue and all transfers) (according to indicators that are being defined as part of the LSS JPA monitoring framework) as a basis for increased funding by Government and/or other development partners | stablished and functioning en non-conflict States by<br><br>national operational including reporting for CTMCs agreed with circulated to all States | • Distribute CTMC operational guidelines<br>• Conduct training on CTMC guidelines and operations as required<br>• Develop and implement a reporting template for County Transfer Monitoring Committee (CTMC)<br>• Produce quarterly reports for CTMC<br>• Organise CTMC meetings to discuss quarterly reports.<br>• All Counties can provide accountability reports for health and education conditional salary transfers to Counties | • County Administration Departments<br>• State Ministries of Finance and Local Government<br>• County Transfer Monitoring Committees (CTMCs)<br>• Member institutions of the CTMCs<br>• Inspectors of Local Government/ Director of Planning / SMoLG Inspectors of Accounts/Director of Accounts / SMoFEP; Director of Establishment/ HRM in the State Ministry of Labour, Public Service and HRD | • County Transfer Monitoring Committees (CTMCs) established<br>• Timely provision of required accountabilities |



AECOM

**Intervention Logic of the Project**



# *Annex 5: Maps of South Sudan*

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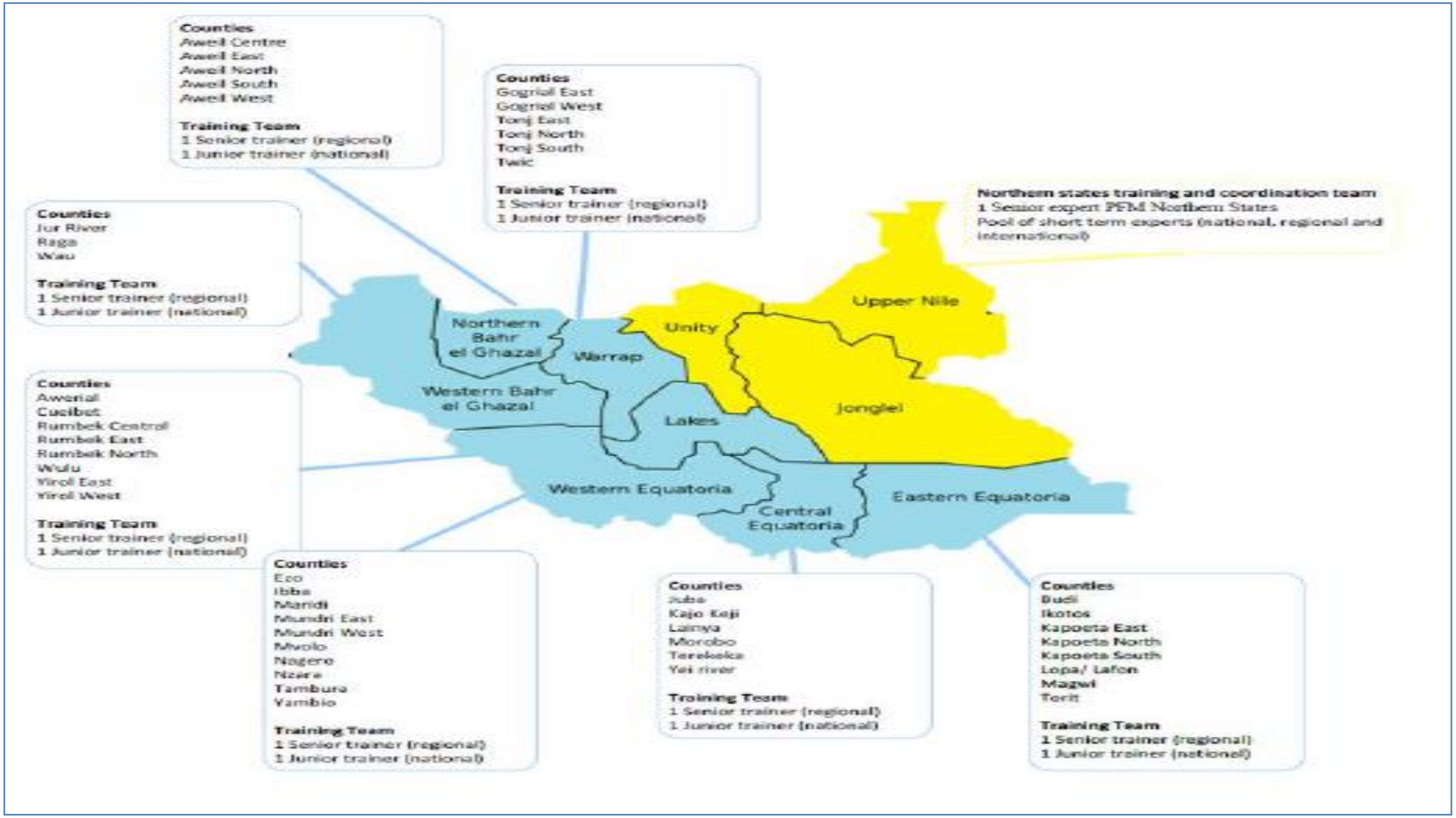
**Map of EU-TAPP States and Counties**



## *Annex 6: List of People met*

1. Mr Vincent De Boer - Head of Section Operations, EUD South Sudan
2. Mr Gabriel Dayre – Programme Manager EUTAPP, Rural Development and Economic Governance, EUD South Sudan
3. Mrs Guiseppina Grillo – Education – Governance, EUD South Sudan
4. Mr Paulino Bol – Inspector Budget, MoFEP
5. Mr Mubarak Bol Kol Bar – Acting Deputy Director HRM, MoLPS
6. Mrs Therezine Filbert Eugenio – Director for Institutional Development, MoLPS
7. Hon. Clement Khamis – Chairman/Local Governments Board
8. Mr Elias Asu Kidia – Director General, Local Government Board
9. Mr Martin Maciek – Director for Planning and Programmes, Local Government Board
10. Mr Elias Asu Kidia – Director HR Local Government Board
11. Mr Moses Ater – Local Government Board
12. Mr Guyson Adi'kobaa Androga – Project Coordinator, LOGOSEED
13. Mr Shingirayi Mushamba – Senior Institutional Strengthening Specialist, LOGOSEED
14. Mr Ivo Gijsbert – Project Director, EUTAPP, Ecorys
15. Mr Jan Willem Knippels – Project Manager, EUTAPP, Ecorys
16. Mr Don Seufert – Team Leader EUTAPP
17. Mr Francis Nyanzi – National Level Training Specialist PFM EUTAPP
18. Mr Ezati Godfrey – National Level Training Specialist Payroll EUTAPP
19. Mrs Ann Okotha – States Payroll Adviser EUTAPP
20. Mr Raymond Mutyaba – Senior State Specialist EUTAPP
21. Mr James Murray Malula – State Specialist EUTAPP
22. Mr Philip Lee – Senior State PFM Specialist EUTAPP
23. Mr Thomas Lomoro Wilson – Senior State PFM Specialist EUTAPP
24. Mr Max Bwetunge – Senior State PFM Specialist EUTAPP
25. Mr Moses Obusubiri – Senior State PFM Specialist EUTAPP
26. Mr Aloysius Kigongo - Senior State PFM Specialist EUTAPP
27. Mr Charles Wakera – Senior State PFM Specialist EUTAPP
28. Mr Olympio K. Attipoe – Revenue Specialist UNDP
29. Ms Chigomezgo Mtegha-Gelders, Senior Governance Adviser, DfID/UKAID
30. Mr Eliaba Loro – Director State Ministry of Finance (CES) Juba
31. Mr Mohammed Adam – State Secretariat, Jubek State (CES)
32. Mr Augustino Lowaniduker – Director Planning & Budget, SMLP&HRD
33. Mr Stephan Vigilio Kose – State Ministry of of Local Government (CES), Juba
34. Mr Moses Milla – State Ministry of Health (CES) Juba
35. Mr Droma Bank – Local Government Specialist, World Bank Juba
36. Mr Damianos Odeh, Team Leader, Health Pooled Fund, South Sudan
37. Mr John Peter Malish, Field Operations Manager, Health Pooled Fund, South Sudan
38. Mr Acwil Abwol Ayik, Exe. Director, Upper Nile State
39. Mr Lam Pouch, Deputy Exe. Director, Upper Nile State
40. Mr Moses Bol, Planning Officer, Upper Nile State
41. Mr Gabriel Makeir, Payam Administrator, Upper Nile State
42. Mr Okony Bol Yomon, Deputy Deirector, SMoLPS, Unity State

43. Mr Nyok Kuol Chubkuer, Finance Officer, Unity State
44. Mr Bol Badeng, Payroll Officer, Unity State
45. Mr Beshir Deng Kuor, Diretor General, SMoLG, Chairman CTMC, Jonglei State
46. Mr William Deng Biliu, Deputy Director, SMoF, Jonglei State
47. Mr Thon Lam, Finance Officer, Jonglei State
48. Mr Kiir Yor Lual, Monitoring/information officer, LOGOSEED, Northern Barh El Ghazal State
49. Mr Peter Tong Garag, SMoLG, Secretary CTMC, Northern Barh El Ghazal State
50. Mr Barnaba Nyok Urac, Director for planning and budget, co- chair CTMC, Northern Barh El Ghazal State
51. Mr Clement Manyet Ag. D.G, Chairman CTMC, Northern Barh El Ghazal State
52. Mr Stanley Rokani, Cowater Consultant, Northern Barh El Ghazal State
53. Mr Dominic Deng Deng, Coordinator CTMC, Northern Barh El Ghazal State
54. Mr Deng Amoi, Awiel South County, Commissioner, Northern Barh El Ghazal State
55. Mr Santino Ngor, Awiel South County, Acting Executive Director, Northern Barh El Ghazal State
56. Mr Santino Pel Chan, Awiel South County, HR. Officer, Northern Barh El Ghazal State
57. Mr Lual Deng, Awiel South County, Accountant, Northern Barh El Ghazal State
58. Mr Deng Kual, Awiel South County, HR Officer, Northern Barh El Ghazal State
59. Mr Gabriel Kuol Lual, Awiel South County, Planning officer, Northern Barh El Ghazal State
60. Mr Dominic Kang, Secretary General, Northern Barh El Ghazal State
61. Mr Clement Manyet, D.G / SMoLG, Northern Barh El Ghazal State
62. Hon. Ajak Micheal, Minister SMoLG, Northern Barh El Ghazal State
63. Mr Joseph Ugar Deng, Awiel Centre County, Planning & Budgeting Director, Northern Barh El Ghazal State
64. Mr Gabriel Atak Kang, Awiel Centre County, Controller of Accounts, Northern Barh El Ghazal State
65. Mr Dominic Marko, Awiel Centre County, Establishment officer, Northern Barh El Ghazal State
66. Mr Joseph Garang Bak, Awiel Centre County, Accountant, Northern Barh El Ghazal State
67. Mr Edward Wade Ubiel, Director General SMoLG, Western Barh El Ghazal State
68. Mr Marie Ada Leonsio, Jur River County, Executive Director, Western Barh El Ghazal State
69. Mr Alphonse Valentino Unango, Wau County, Executive Director, Western Barh El Ghazal State
70. Mr Abednego Maker Majak, Director SMoLG, Lake State
71. Mr Aduk Mabeng, Director Budget, Lake State
72. Mr Dut Riak Mirol, Director General, Lake State
73. Mr Abraham Gualli, Chairman CTMC, Lake State
74. Mr Thon Rengu Majock, Wulu County, Executive Director, Lake State
75. Mr Samuel Mabor Atel, Wulu County, Deputy E.D for Planning & Development, Lake State
76. Mr Mortie Moclek, Wulu County, Controller of Accounts, Lake State
77. Mr Mabor Tulba, Rumbek Centre County, Payroll analyst, Lake State
78. Mr Gordon Meen, Rumbek Centre County, A/g. Director LG, Lake State
79. Mr Lasuba Jackson, Yei County, Planner, Central Equatoria State
80. Mr Francis Middleton, Charlie Goldsmith Associates, Consultant Health Finance
81. Mr Deng Roch Magai, Payroll Officer, Warrap State

82. Mr Nhial Mangong Mayardit, Controller of Accounts, Tonj North County, Warrap State
83. Mr Bol Lual Kul, Executive Director, Tonj North County, Warrap State
84. Mr Christopher Mamu B, Yambio County, Senior HRM, Western Equatoria State
85. Mr Dominic Sabim, Yambio County, IT Officer, Western Equatoria State
86. Mr Daniel Thomas, Yambio County , Procurement Officer, Western Equatoria State
87. Mr Augustine Nganzi, Yambio County, Executive Director, Western Equatoria State
88. Mr Isaac Zungna, CTMC/Gbudwe State, Rep. Education, Western Equatoria State
89. Mr Wilson Morris Bagadi, CTMC/Gbudwe State, Rep. Water, Western Equatoria State
90. Mr James Rihi, CTMC/Gbudwe State, Rep. Finance, Western Equatoria State
91. Mr Mariono E. Mangu, CTMC/Gbudwe State, Rep. SMACE/Environ., Western Equatoria State
92. Mr Aggrey Brown Soro, CTMC/Gbudwe State, Chairperson/SMOLG, Western Equatoria State
93. Mr Babeue R. Tombura, SMOLG&LE/Gbudwe State, Director General, Western Equatoria State
94. Mr Simon Bakama Mande, Secretariat/Gbudwe State, Secretary General, Western Equatoria State
95. Eng. Richard Mizau, Gbudwe State/State Infrastructure, Director General, Western Equatoria State
96. Dr. Levis Elias, Gbudwe State/SMOH, Ag. Director General, Western Equatoria State
97. Mr Allison Yoere, Gbudwe State/Finance, Director General, Western Equatoria State
98. Mr William M. Molio, Gbudwe State/SMOLPS&HRD, Ag. Director Admin, Western Equatoria State
99. Mr James John Simindi, Gbudwe State/SMOLPS&HRD, Payroll Manager, Western Equatoria State
100. Mr Renzi James , Gbudwe State/SMOHE&W, Director General, Western Equatoria State
101. Mr Gibson Francis, Gbudwe State/SMOEST, Director General, Western Equatoria State
102. Hon. Hussein Enoka, Yambio County, Commissioner, Western Equatoria State
103. Mr Morris Lewiri, Yambio County, Ag. Director Accounts, Western Equatoria State
104. Mr Anthony Ezekiel, Yambio County, Asst. Commissioner, Western Equatoria State
105. Mr Jackson Dodo, Yambio County, Senior Inspector, Western Equatoria State
106. Mr Francis Middleton, Health PFM Specialist, Charlie Goldsmith & Associates
107. Hon. Emmanuel Ociti Ottaviano, Imatong State/Secretariat, Secretary General
108. Mr Abdalla Hassen F., Imatong State/SMOLG, Director General
109. Mr Alfred Kayumba Tugul, Imatong State/SMOF, Director General
110. Mr Benjamin Okwahi Louro, Imagong State/SMoLPS&HRD, Director General
111. Mr Binyiri S. Paul, Imatong State/Housing, Director General
112. Mr Maurice Lado Wani, Imatong State/SMOLG, Chairperson /CTMC
113. Ms Martha Ojaba E., Imatong State/SMOF, Dep. Chair / CTMC
114. Mr Philip Loibok Ngole, Imatong State/SMOLPS&HRD Director/Admin& Fin.
115. Mr Geffery Van Otto, Imatong State/SMOF, Director
116. Mr Isaac Modi Pio, Imatong State/SOME, Director/Planning
117. Mr Akwoj James, LOGOSEED, State Coordinator
118. Ms Justine Odur, Imatong State/SMOH, Director/Admin& Fin
119. Mr Joseph Otingmoi, Imatong State/SMOF, Secretary/CTMC
120. Mr Mustafa Albino, Imatong State/Magwi County, Executive Director
121. Mr Odwar Celsio Fautino, Imatong State/SMOLPS&HRD, HR Officer/Payroll Manager
122. Mr Urbano Lomana Luga, Imatong State/Magwi, County Controller of Accounts
123. Mr Odongo Johnny Joknam, Imatong State/Magwi, CountyCounty Planner
124. Mr Paul Kalisto, Imatong State/Torit County, Executive Director
125. Mr Ochan Christopher, Imatong State/Torit County, Snr. WASH Officer

126. Ms Clementina Ituroi, Imatong State/Torit County, County Planner
127. Mr Bernard Fatian Odiriho, Imatong State/Torit County
128. Mr Satiro Pio, Imatong State/Torit County WASH
129. Mr David Ongee S. Awi, Imatong State/Torit County Survey
130. Mr Odwa Robert, Imatong State/Torit, County Head Accountant
131. Mr Fredrick Pasquale, Imatong State/Torit, County Executive Director
132. Mr Otto Deo, Imatong State/Torit County Accountant
133. Mr Matthew Ohitai, Imatong State/Torit County Director/Health
134. Mr Simon Peter, Imatong State/Torit County Establishment Officer

# *Annex 7: List of Documents Consulted*

- Public Financial Management Manual for Local Governments, Government of the Republic of South Sudan, April 2013
- Public Financial Management Manual for Local Governments Training Workbook, June 2013
- Public Financial Management and Accountability Act, 2011
- The Local Government Act, 2009
- The Audit Chamber Act, 2011
- Public Financial Management Manual for Local Governments, Quick Reference Guides, May 2013
- Interim Public Procurement and Disposal Regulations, 2006
- Interim Local Government Human Resource Management Manual, Issues by MoPLS and LGB, December 2014
- Local Government Performance Assessment Manual
- Terms of reference for the CTMC
- Dropbox Folder – EUTAPP Evaluation (all project reports from all States and components)
- Local Service Delivery Financing Arrangements An Analysis of the Intergovernmental Fiscal Transfer System in South Sudan Technical Review for Input to the Local Services Support (LSS) Annual Review - Draft Final December 2015
- LSS Review 2015 – Study on Management and Oversight of Local Service Delivery – Draft Study Report December 2015
- Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016
- Guidelines for State Planning and Budgeting for FY 2013-2014;
- Guidelines for County Planning and Budgeting for FY 2013-2014;
- State and Local Government County Development Grant Planning, Budgeting and Reporting Guidelines;
- State and Local Government Education Planning, Budgeting and Reporting Guidelines;
- State and Local Government Water and Sanitation Planning, Budgeting and Reporting Guidelines;
- State and Local Government Health Planning, Budgeting and Reporting Guidelines – All: Ministry of Finance and Economic Planning, May 2013: www.grss-mof.org

# *Annex 8: Answers to Evaluation Questions and Judgement Criteria*

| **EUTAPP Evaluation** |
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| **Evaluation Questions and Judgement Criteria** |

**Evaluation Questions and Judgement Criteria**

**Relevance and Coherence**

EQ 1: To what extent is the project consistent with, and relevant to the policy and programme framework within which the project is placed (State Building Contract / EU Emergency Trust Fund for Horn of Africa, and the Partner Government's development policy and sector policies?

*JC 1.1: Considering other related activities undertaken by Government or other donors, at the same level or at a higher level, are the results and impacts likely to result in mutually reinforcement of outcomes.*

The South Sudan Development Plan 2011-2013 (SSDP) was the plan for national development. It was coordinated by the MoFEP with inputs provided from working groups representing all agencies of the executive branch of government as well as the South Sudan Legislative Assembly (SSLA). Donors and Development Partners were involved in the design process through dialogue and providing inputs and technical assistance. The SSDP also had demonstrable buy-in from regional and decentralised authorities, and incorporated inputs from the private sector and civil society through working groups and various consultation events. The SSDP has furthermore been approved by South Sudan's executive. The SSDP focused on development in four pillars or clusters: (i) governance, (ii) economic development, (iii) social and (iv) human development, conflict prevention and security. The SSDP initially covered the period 2011 to 2013; however, due to the shutdown of oil production for more than a year since January 2012, the SSDP was extended to 2016, that is beyond the 2015 elections date. The conflict came at an unfortunate time in regard of the SSDP and curtailed implementation of the plan but the GRSS continues to support the strategic approach of the SSDP.

The financing agreement signed on 13 December 2013 envisaged EUR 80 millions of budget support under a State Building Contract and EUR 5 millions of complementary support (now EU-TAPP). The State Building Contract (SBC) aimed to protect the gains made by South Sudan in the education and health sectors by paying the salaries of education and health workers inscribed in the government payroll system. Complementary support to the SBC in the form of technical assistance was expected to provide reasonable assurances that the latter was implemented according to sound financial management, and that the SSEPS, and associated monitoring and verification mechanisms, were systematically used. But there was no overarching strategic document which guided the interventions of the EU in South Sudan at the time of the formulation of EU-TAPP.

An external rolling audit of the Electronic Payroll System was planned as a condition to the disbursement of the first tranche of the SBC. The results of this audit, and subsequent measures to address any identified weaknesses, were to feed into the EUD's assessment of progress in strengthening PFM, which was one of the general conditions to be assessed prior to the disbursement of both tranches. The external rolling audit was also aimed at identifying and prioritising issues to be addressed by the technical assistance complementary measure. It was carried out notwithstanding the suspension of the SBC and formed part of the baseline for the evaluation of the technical assistance under EU-TAPP. The focus of the technical assistance was also subsequently altered to address PFM more widely but remained with the focus of also supporting roll out of SSESPS II and splitting of payroll between States and Counties.

The complementary support's aim was to provide technical assistance to the beneficiary institutions that would have been the subject of a policy dialogue during the implementation of the SBC. In particular, the technical assistance aimed to strengthen PFM at central, State and local level. However, no strategic framework existed at the time guiding the support of the EUD. The SBC was to be accompanied by a strategic dialogue framework for the SBC support where the payroll reform was of importance for the support to education and health staff salaries through the SBC at State and County level.

South Sudan's interim constitution stipulates the country's commitment to a "decentralised democratic multi-party system of governance", and contains extensive sections on human rights, the separation of powers, and a decentralised executive. These principles are also enshrined in the public declarations of the leadership and the programmatic documents of the ruling party, the Sudan People's Liberation Movement. The application of these principles has been hampered by a lack of capacity at all levels of Government. The geographical coverage of EU-TAPP wascountry-wide, focusing on all ten States of South Sudan (now 28). But due to the on-going conflict the Project only covered 7 of the 10 States. The intervention logic wasto support the implementation of better service delivery in the sectors of education and health by focusing attention on accountability and budgeting of transfers from national to State governments through strengthening of PFM systems.

A Presidential Order issued in October 2015 decreed the formation of 28 States and the ET found that the State and County officers had been issued with orders to deploy to their new States and had begun this process. Subsequently, the number of Counties was also increased from 79 to 240. The form of decentralised governance that the country would adopt is one of the issues expected to be addressed in the constitution-making process foreseen to be taking place in the transition period, as per the August/September 2015 Agreement on the Resolution of the Conflict in South Sudan (ARCISS). Delays in the formation of the Transitional Government of National Unity have also delayed the start of this process. This will, however, have a huge impact on any future activity under the present EU-TAPP and a possible future follow up project.

As already mentioned, the EU-TAPP Project as originally proposed was a supplementary capacity building intervention to a much larger budget support operation, which was supposed to have been operated within an agreement between GRSS and EUD on key objectives and targets. However, this never materialised. The Project was therefore formulated and implemented without an strategic framework on behalf of EU but on the contrary it can be stated that it did fit well into the various strategic and operational policies of the GRSS. GRSS and ODI of UK have been working on a LSSAI since 2011, under the guidance of the MoFEP. The overall aim is to provide a mechanism for DPs to support the delivery of local services and community-driven development through the intergovernmental fiscal transfer system. The key aspect of accountability of transferred funds has been covered by EU-TAPP by building stronger governmental accountability institutions and service delivery systems. The on-going transfers mostly cover recurrent budget resources for provision of primary health and education services.

*JC 1.2 Coherence between major sector interventions (such as in health/education sector) and PFM support*

The GRSS/MoFEP has an urgent priority to mobilise large-scale TA and funds to continue supporting the strengthening of subnational crosscutting systems at County and State level. In parallel, and as government systems strengthen over time, the LSSAI initiative hopes that the government will pursue its dialogue with interested donors to further expand the scope of activities for which donor-financed interventions could be closely shadow-aligned on government systems.

To take forward the above set of reforms, coordinate them, and engage with Development Partners the Government has established a number of sectoral and thematic inter-ministerial LSS Technical Working Groups reporting to a MOFEP-chaired LSS Task Force. The LSS Task Force is in charge of following up progress with the implementation of the JPA and reporting on this to the group of signatory Under-Secretaries forming the LSS Steering Committee. These structures were revised and streamlined in the course of the first LSS review in October 2014[14].

When it comes to many donor-financed programmes they have adopted decision-making and reporting systems shadow-aligned on those of the Government, which these programmes have helped to develop. Thus for instance, the DFID-financed Girls' Education in South Sudan (GESS) uses the same decision-making and reporting systems for the GESS-financed secondary schools' capitation grants and the government-financed primary school capitation grants. Generally, the four largest donor-financed sector

[14] The current structures comprise: primary education, basic health and rural water and sanitation LSS Technical Working Groups (TWGs), the Local Government TWG, the LG PFM + HR TWG, the LOGOSEED Project Management Committee, the LSS Task Force, and the Undersecretary level LSS Steering Committee. These structures are supported by a MOFEP-housed LSS Secretariat. The roles and responsibilities of these structures are described in the LSS Steering Committee-approved "Coordination Mechanisms for government-led local service delivery" document, 31st October 2014.

programmes supporting basic health and education (DFID GESS, DFID-led Health Pooled Fund, USAID-financed Health System Strengthening Programme (ended in October 2015) and WB-financed Health Rapid Results Programme) have provided for implementing teams to work alongside of and strengthen capacity of the Counties' and States' relevant structures.

EU-TAPP has been part and parcel of the TWG on LG PFM+HR and have had issues discussed in this forum as well as certain EU-TAPP specific lessons learned. However, it is fair to say that this coordination between sectors and core functions of State and LG is work in progress and will remain a huge challenge for the foreseeable future.

<u>EQ 2: What is the quality of the problem analysis (including assumptions and risks) and the project's intervention logic and logical framework matrix (verify any changes), appropriateness of the objectively verifiable indicators of achievement of the project's coherence with current/on-going initiatives?</u>

*JC 2.1: The likeliness that results and impacts will duplicate or conflict with one another.*

The only document that has any limited background analysis for the EU-TAPP project is the ToR[15] and limited to basically stating that the EU-TAPP is to mitigate the risks of introduction of budget support to recurrent transfers for in health and education sectors to States and Counties. There was also no discussion in the ToR of which implementation strategy might be best in terms of cost effectiveness and PFM outcomes but simply stated that State based teams were to be set-up in all States.

The EU-TAPP Project set out to implement the PFM and Payroll reforms in all the States and Counties at once. However, it became clear early on that EU-TAPP could not cover the whole country and 3 States in conflict were dropped in terms of placing State based teams. But all in all the approach adopted was ambitious and stretched the available resources not least due to the logistical obstacles facing any technical assistance based in the States focusing on support to Counties. Furthermore, it was not possible to achieve some of the targets due mainly to the conflict and its wider implications on systems and processes. Already early on during the Inception phase of EU-TAPP it became apparent that the original set of indicators linked to the outputs was ambitiously formulated.

The EU-TAPP management team, in agreement with the Project Steering Committee, decided to reformulate the indicators to better reflect the realities on the ground. For example, Indicator 2 Stated that *'All county payroll officers will receive at least 5 days on-the-job or group training in using and implementing SSEPS 1 for county payrolls'*. This presupposed that all States were using SSEPS 1. This wasn't necessarily the case. The 3 conflict States and Northern Barh el Ghazal were not using SSEPS I. They are using either SSEPS II or manual systems. This indicator would therefore not give consistent results across all the States.

Indicator 3 Stated that '*All county payroll officers will produce a payroll audit printout from SSEPS 1 in the months following their initial SSEPS 1 training'*. All payrolls are currently produced at the State level. The Counties do not have the necessary equipment and facilities to produce payrolls. This indicator would therefore not be attainable by most of the Counties. Finally, indicator 7 stated that '*All Counties will provide to the SMOFs a consolidated annual financial report (income & expenditure) for the 2014/15 FY by 30 September 2015 as required by Chapter 9 (9.1.1) of the LG PFM Manual'*. This was a very ambitious target given the time and resources available. No County was able to produce the Annual Financial Report. Even Warrap State, which had made an attempt, produced a report that did not meet the standards set in the manual. The revised indicators and the outcomes are given in Annex 4.

So all in all the problem analysis was very limited in regard of what is a very ambitious PFM undertaking for a very limited time span of 18 months compared to stated objectives and outputs. However, to the credit of the EUD, EU-TAPP management and the Project Steering Committee this was quickly addressed at the end of the Inception phase and changed to more attainable indicators and based on a more realistic expectation of what the Project could achieve in the very limited space of time it had to attain PFM improvements.

[15] Terms of reference: Technical Assistance for Sub-National Capacity Building in Payroll and PFM, 2013 (Revised)

It would seem that the major risks identified were operational in nature and didn't reflect many of the substantial political risks associated with operating in the States under a relatively non-responsive and non-democratic leadership. The administrative risks identified in the ToR for the Project were updated continuously to reflect changes in risks and mitigations over the project lifetime. However, a number of more substantial risks of a political nature were neither identified nor addressed throughout implementation. This is not to say that the EU-TAPP could influence the political risks such as political interference and ever shifting conflict lines in the States, but a more realistic set of assumptions would have maybe led to more practical solutions to OJT and mentoring in hard to reach Counties.

*JC 2.2: Extent to which the project is likely to contribute to other EU and RSS government policies; is in line with evolving strategies of the EU, RSS government and its partners.*

South Sudan's PFM architecture started from scratch when the GRSS was formed in 2006. It has made progress in many areas, but there remain weaknesses to be addressed. In 2012 a Public Expenditure and Financial Accountability Assessment (PEFA) was undertaken which highlighted some key challenges to be overcome at the national level. The PEFA analysis indicated the following: (i) Progress has been made in improving upstream planning and budgeting functions, establishing an electronic payroll system and rolling out the Integrated Financial Management and Information System (IFMIS); (ii) However, there exists low credibility of annual budgets, due mainly to major weaknesses in the budget execution process. The in-year predictability in the availability of funds is low. Payments are being executed through a stringent cash rationing system. This leads to unpredictable releases, very short time horizons for planning expenditures. And a large build-up of arrears; (iii) Reporting and accounting, external audit, and legislative oversight are all in the early stages of development; and (iv) Strong relative strength of comprehensiveness and transparency of the budget.

An assessment of the PFM systems of seven Counties was undertaken by the World Bank in 2013. The assessment concluded that some Counties have stronger systems than others, with the weaker Counties predominantly being in rural areas where they are disadvantaged by less developed infrastructure and human resource capacity. The assessment also noted that planning and budgeting systems appear to be relatively well-developed, as is the case at central and State government level, which is partly due to the amount of technical and financial assistance that DPs have provided in this area. Main weaknesses were encountered in revenue collection and budget execution.[16] Overall, the finding in 2013 was that Counties do not yet prepare budget performance reports and annual financial Statements. Bank account and cash chest reconciliation with transactions records is practised in some Counties.

This was the main focus of EU-TAPP. So all in all, EU-TAPP has filled a void that GRSS wanted filled in terms of supporting the accountability of States and Counties for transferred funds and is contributing to the GRSS policies. However, it is less clear if EU-TAPP fits into the wider portfolio of EU support when there is a lack of a guiding policy and strategic document from the EU in relation to its interventions in South Sudan since there is no National Indicative Programme (NIP). The assumption is that PFM is the backbone of any modern decentralised public administration and that good governance starts with good public accountability.

<u>EQ 3: What is the quality of the analysis of strategic options, of the justification of the recommended implementation strategy, and of management and coordination arrangements?</u>

*JC 3.1: The realism in the choice and quantity of inputs (financial, human and administrative resources).*

As already mentioned above, the ET could not find a document that outlines the strategic options discussed before the commencement of EU-TAPP interventions. Only the ToR issued to the service provider mentions that there should be State based teams supported by mobile national specialists. It is, therefore, clear that the strategy was decided before deployment of the service provider and that a principled decision had been taken to have a specific TA support implemented. This is a relatively costly

[16] The main risk in the budget execution system is the diversion of funds from the cash chest for financing expenditures not provided for in the approved budget. This risk is real when there are immediate needs and items are urgently required (e.g. electricity, gasoline for vehicles and diesel for running generators). Particularly, during austerity times this practice can be prevalent. With regard to revenue collection the assessment found that some Counties have run out of GRSS reconciliation forms, with revenue collectors issuing old receipts which have no validity.

set-up (as will be discussed later also) but one which can be argued as needed if direct and tangible results were to be had from institutionalising the detailed instructions included in the LGPFMM.

The LGPFMM has been rolled out and support is currently provided to Counties to comply with its provision, and to States in their role of support to and oversight of Counties. In a first phase (2013/4) and with support from Development Partners through the (now phased out) Capacity Building Trust Fund, LGPFMM training materials were developed and a first round of classroom-based training was carried out for all Counties as well as training of trainers for officers from the State governments. Under the LGSDP fast-track initiative, TA were deployed to support LGSDP participating Counties using the LG PFM Manual. With LGSDP funding, the Government has also recruited a firm to provide support in LG PFM up to at least 40 Counties by 2017/18. The Government mobilised further support through EU-TAPP. The EU-TAPP has now been, in principal, covering the whole country with hands-on support, coaching and mentoring to Counties with the financial management documentation specified in the LGPFMM. However, due to the conflict and uncertainty in 3 States (Unity, Jonglei and Upper Nile) the EU-TAPP State based teams were only deployed in the 7 so-called non conflict States.

The aim of EU-TAPP was to work within the national structures of coordination as outlined through STMCs, to CTMCs and below to Counties in terms of reporting and accountability. While the EU-TAPP is a short-term operation, the Government is in the process of developing a comprehensive medium-term programme aimed to strengthen subnational cross-cutting systems and capacities in 'central administrations' at County and State levels (including support to PFM, human resources management and payroll management functions, and local accountability) and to seek support for this a subnational institutional strengthening programme.

The ambitions of EU-TAPP have been high and the inputs of the personnel have been costly in terms of what has been reached in the 18 months' period. This is not a reflection on the work done by EU-TAPP, but more a statement that achievements are limited in terms of overall PFM and have been eroded by the recent decision to create 28 States instead of 10. This is explained in more detail in the EQs below. However, results have been reached and especially the State based teams have been able to perform capacity building, training and coordination at State level. But the ET couldn't find any consistent platform for sharing capacity building and training information at State level between projects/programmes operating at State level, and it looks more like this has only happened on a very selective basis depending more on cooperation between individuals rather than something which was institutionalised. No CTMC had established a capacity building platform of coordinated activities in any State visited.

*JC 3.2: The appropriateness of the recommended monitoring and evaluation arrangements.*

EU-TAPP developed a unified system of tracking performance and progress in PFM and payroll at State and Counties level. This system was designed to avoid discovering specific underperformance in States and Counties in the later phases of the project. Therefore, right from the start EU-TAPP established a common performance monitoring system to ensure that remedial measures could be taken as early as possible.

The EU-TAPP M&E tool, which consists of an Excel based reporting format allowing for numerical scores on performance in PFM and payroll was developed. This tool is complemented by the County Dashboards which provide a narrative for motivation and allows for easy visualisation of the scores by key performance criteria so that the performance data is easily accessible to officials and other stakeholders.

The M&E tool consists of 75 questions that relate to the Key indicators of the LG PFM manual organised along the 4 results areas of the project, to be answered with YES or NO. The consistent use of a quantified approach in the reporting formats allowed, according to the EU-TAPP team, for comparison in performance among States/Counties and comparison over time. Monitoring and assessment of county PFM systems and processes was conducted by each EU-TAPP State teams through interviewing staff, observing the quality of the conduct of the key PFM processes, as wells reviewing county outputs such as completed finance forms and reports. On a quarterly basis the EU-TAPP State team completed the M&E tool for each county once every quarter. The Performance monitoring expert combined all data from the different States for analysis. The analysis was provided in the QPR as well as that during Juba return Workshops.

Resulting from this quarterly review and assessment, follow up interventions were conducted by the EU-TAPP State teams targeting addressing the gaps in PFM performance as identified in each County and then providing further capacity building in LG PFM. Further follow up with County staff was then conducted through one-to-one discussions between the EU-TAPP capacity building provider and a responsible County staff member to identify challenges faced and then mentor the staff of possible solutions. However, it was not possible for the ET to actually verify this, due to limited availability of County staff in many States and the confusion created between new and old States/Counties. The fact remains that the M&E Tool was created and functional.

While the M&E tool provides an overview of the performance in the Counties, it does not provide in-depth information on the situation in the different Counties. Also, the information is not very accessible or easy to share with counterparts. For this purpose, the County Dashboards, which are prepared for each county, were developed. The Dashboards provide information on the availability of staff in the County as well as a snapshot on the most critical PFM indicators in the county using a "traffic light approach".

Where the M&E tool has proven to be very useful in measuring the performance, and communicating progress in the QPRs/workshops, the Dashboards were found to be more useful for communicating the status and results to MoFEP and the LGB. To be able to make the data better accessible and more relevant for the general public the M&E tool should be, as proposed by EU-TAPP management, re-modelled to around 25 questions, only looking at the most important and relevant KPIs, and thereby also improving the visualisation of the data. A quarterly assessment of the tool also proved to be quite an exercise taking a significant amount of time of the State based teams. It would also be useful if the Dashboards could be integrated into the normal work of the States in future to give the State administration a good overview of the current situation vis-à-vis PFM and administration in the Counties.

**Effectiveness (what are the results achieved so far):**

EQ 4: To what extent have planned benefits have been delivered and whether intended beneficiaries participated in the intervention?

*JC 4.1: Ascertain whether behavioural patterns have changed in the beneficiary organisations or groups at various levels including the political level of decision-making: County Commissioners and State Ministers. How has behaviour been influenced by the project?*

Coaching and assisting Counties to use correct finance forms, an important aspect of budget execution, was a priority by all the EU-TAPP State teams. Sustainable progress, however, has not been realised toward using forms prescribed in the LGPFMM, due in part to a lack of political will and commitment of County officials. Counties continue to prefer using loose papers to record transactions, undercutting accuracy and timeliness and overall accountability for expenditure management. Starting with form 15, there appears to be a general negative attitude towards the use of the key finance forms. The challenge for training teams is that staff has been advised to use a particular finance form, but then the staff fails to continue using the forms in the absence of the EU-TAPP State based team. This appears mostly to be a lack of institutional support for using financial forms as well as that many of the forms are absent in some States. In Western Equatoria State for example, none of the Counties have stocks of the key forms. A written request was made to the DG Accounts at the National MoFEP by this State to provide its Counties with the forms but no reply was ever received.

As ascertained by the ET during the field work, the quality of the County QBPRs has been gradually improving for each quarter the reports have been submitted, but often the reports are not timely produced by the Counties due to low motivation of the staff and the failure of the CTMCs to enforce the rule of "no report no transfers." This doesn't give the Counties any incentive for finalising the QBPRs on time, and after the confusion created by the establishment of new States/Counties in October 2015 the submission of QBPRs dropped to zero. As the ET could see from the Final Completion Report of EU-TAPP, several Counties (up to 60 %) were still in the process of preparing their QBPRs for the last two quarters of 2015. The Counties in Western Equatoria are however not likely to produce and submit their first quarter report due to the deteriorating security situation in the State during ultimo 2015.

The ET didn't have the chance to meet many County Commissioners but the State Minister's met in a few of the sampled States expressed especially that producing quarterly financial reports from Counties to States had improved considerably through EU-TAPP assistance. The creation of 28 States in October 2015 has, however, changed this dynamic and there is some confusion now as to the situation in the newly created States and Counties.

In summary most of the capacity building interventions have been delivered as per the Project agreement to the intended beneficiaries but as can be deduced from the above, the training on the use of the LGPFMM has been mostly focused on budget preparation and reporting and less on accounting, local revenue and procurement. It doesn't seem that neither the capacity building, nor the training or mentoring targeted the County Commissioners in any way, but that State Ministers have been included in some of the activities especially concerning the functioning of the CTMCs. The outcome and sustainability of the training and OJT regarding the submission of QBPRs is also in doubt due to the confusion with the creation of new States and Counties.

*JC 4.2: Whether capacity building in PFM and payroll management has changed institutional arrangements and produced the planned improvements.*

From the ET's field visits, and from the EU-TAPP reporting, it would seem that the major achievements when it comes to capacity building in PFM and payroll management lie in the support given to especially budget preparation and budget execution. Both fields have been the key focus of the training, OJT and mentoring efforts of the State based teams. Basically in the 7 non-conflict States all but 3 Counties in WES completed and submitted their budgets for 2015/16 to the States and LGB[17].

Support to budget execution was also covered by coaching and mentoring to implement to implement a single treasury account system (cash accounting), whereby all transfers and funds coming to the County are centrally controlled by the accounting officer the Executive Director, through a general fund account, with the Heads of Department making requisitions for expenditure to be made from their department budgets and the Executive Director authorising the County Controller of Accounts to process payment and keep the ensuing records relating to the financial transactions. Some initial success was recorded but it is far from being implemented in all States.

All Counties in the 7 non-conflict States have been introduced to the required procedures for the proper processing of expenditure transactions, starting with proper authorisation using expenditure requisition forms (form 18). Unfortunately, the Counties have not been able to use this form as they do not have stocks of this form in place (the form was not yet printed by the MoFEP). There is also still a challenge of the Counties following their budget in practice for budget execution. Expenditure in practice is still being made following political instructions rather than what was approved within county budgets.

Submission of QBPRs to the State has improved reporting processes and the ability of the State and Counties to monitor conditional transfers and follow them up. The reports are also gaining in quality over time as the Counties gain more experience in the preparation of the reports although weaknesses do still exist especially in regard of completeness and accuracy of data and incorrect coding of transfers and costs.

The support to payroll management has been limited to splitting of the payroll between State and Counties in those States where this hadn't happened but the support to wider payroll management reforms in terms of installation of systems, ability to management payroll in Counties was not carried out by EU-TAPP.

**Box 8.1: EU-TAPP - WES Experience[18]**

When the EU TAPP team started working in WES in early 2015 they found that: there were no nominal rolls for Counties except for the County Administration Departments; salary allocations for Counties

[17] Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016

[18] LSS Review 2015 – Study on Management and Oversight of Local Service Delivery – Draft Study Report December 2015 p. 11

were not fully used and were spent elsewhere as directed by the State MoF; payrolls were inflated; staff files for all staff in the County Education, Health and WASH departments were held at the line ministries; county administrations could not recruit staff to improve on service delivery; staff was not promoted, there were no annual increment in salaries, and County Executive Directors had limited management control over Health, Education and WASH staff.

By December 2015, Counties had their own nominal rolls and could update them when needed; payroll data cleansing was in progress; cost savings had been realised by identifying non-existent staff, so that some Counties had started recruiting or promoting staff. Executive Directors had started controlling staff who absconded from duty by recalling their salaries. All staff records were being moved to the Counties and new files were opened for those who did not have one. Monthly savings ranged from SSP 410 in Ibba county to SSP 13,140 in Nzara county.

A number of factors were critical to explaining this progress, including the personal commitment of the Minister, MoLG, and a resolution passed by the State Council of Ministers to the effect of carrying out the payroll split as directed by the letters from the national ministries.

Outstanding challenges were identified, notably: the need to regularly update nominal rolls and payrolls; that funds recovered from unpaid salaries were spent without following the procedures outlined in the LG PFM manual; and only the three targeted State line ministries (education, health, and water) had released the files for staff working in the Counties.

EU-TAPP interventions haven't had explosive influence on institutional behaviour over the past 18 months, but some small improvements have been found by the ET in e.g. the WES experience as described in box 8.1 above. There have been small and incremental improvements through EU-TAPP interventions in better payroll management and also in improving the culture of budget reporting and preparing QBPRs to CTMCs. Whether these improvements will continue in the long term following the creation of new States and Counties is very uncertain at the moment. However, what is certain is that new States and Counties will demand a huge new effort of capacity building and mentoring to be able to perform the PFM and payroll functions as outlined in the LGPFMM.

<u>EQ 5: To what extent did the programme or other inputs contribute to production of objectively verifiable changes in staff and institutional competences (legal, financial, data processing, management...)? How did external factors affect such changes?</u>

*JC 5.1: PFM procedures implemented as per LG PFM and payroll changes applied*

As already indicated, the EU-TAPP decided to concentrate on some key aspects of the LGPFMM and not all areas have been covered. Annex 9 offers a very brief overview of the ET's findings from the field work and interviews of State/County officials. The budgeting, budget execution, management of payroll and some accounting have been addressed. However, it should be noted that while some of these results are on schedule, others need more time and have hardly been addressed by the State based teams such as rolling out SSEPS at County level, development of County fixed assets register and engraving of assets, production of final accounts for FY2014/15, training of rate collectors, making available key finance forms as well as slow pace of application of acquired skills.

According to EU-TAPP's own reporting many of the obstacles faced at State and County levels were down to a lack of commitment from the government counterparts and supervision by the Executive Directors. Maybe also the lack of more daily interaction between the County staff and the State based teams, especially in the more remote Counties, has had a negative influence on the results.

It would seem from the EU-TAPP's own reporting that the improvements made in terms of the payroll and PFM are limited to certain key areas such as budget completion and reporting and assisting CTMC in their job as well as splitting the payroll between State and Counties. So these changes have been applied, but as also noted by the ET, no assistance has been given on accounting and local revenue generation and the forms needed to be filled in are often not available at State/County level. It would seem that small and needed changes in habits have been found but that these incremental improvements are hampered by lack of equipment and tools plus a general lack of awareness and funding of the County administrations.

*JC 5.2: County budget performance report and payroll report for the previous quarter submitted to the*

*County Transfers Monitoring Committee (CTMC)*

When EU-TAPP commenced activities no County in South Sudan was routinely producing QBPRs to either the council or the State. This has changed by the end of the Project as the number of Counties in the 7 States less affected by the December 2013 conflict started to produce these reports and submitting them to their respective State CTMCs has increased every quarter. The quality of the County QBPRs has gradually been improving each quarter but the reports are still not timely produced by the Counties due to low motivation of the staff to produce them and the failure of the CTMCs to enforce the rule of "no report no transfers." The table below gives the number of Counties that submitted QBPRs to the SMoLG (Country QBPRs per State per quarter FY 2014/15 & 2015/16[19]) at end of January/early February 2016.

| Name of State | FY 2014/15 | | FY 2015/16 | |
|---|---|---|---|---|
| | Qtr. 3 | Qtr. 4 | Qtr. 1 | Qtr. 2 |
| Central Equatoria | 3 of 6 | 6 of 6 | 2 of 6 | 2 of 6 |
| Eastern Equatoria | 3 of 8 | 8 of 8 | 6 of 8 | 4 of 8 |
| Western Equatoria | 10 of 10 | 7 of 10 | None | None |
| Lakes | 7 of 8 | 8 of 8 | 7 of 8 | 8 of 8 |
| Northern Bahr el Ghazal | 5 of 5 | 5 of 5 | 5 of 5 | 5 of 5 |
| Western Bahr el Ghazal | 3 of 3 | 2 of 3 | none | None |
| Warrap | 6 of 6 | 6 of 6 | 6 of 6 | None |

So while submission of QBPRs to the State was improved in early to mid-2015, as well as the ability of the State and Counties to monitor conditional transfers and follow them up, the situation has almost totally changed for the 1st and 2nd quarter reporting for 2015/16. And while the quality of County QBPRs has also progressively improved early on, the reports have had several weaknesses regarding completeness and accuracy of data and incorrect coding of transfers and costs.

This means that real progress was isolated towards the 46 Counties in the non-conflict affected areas closing out FY 2014/15 accounts by 30 September and submitting annual financial accounts as per §9 of the LG PFM manual. A preliminary step before Counties being able to close out a fiscal year and prepare a final account was to first master and consolidate procedures for preparing QBPRs. Counties in Warrap State were introduced to the subject matter and some work in progress on this by these Counties was done with Gogrial East county being able to produce a draft final account while in Lakes State Yirol West and Rumbek East Counties also produced draft final accounts as requirement under the LOGOSEED Project.

*JC 5.3: County accountability report for the previous quarter approved by the CTMC*

As reported by EU-TAPP, State based teams have assisted the CTMC secretariats from all the 7 States to write up the reports for the 3rd and 4th quarters of FY 2014/15. Two States, Warrap and NBGS, were also assisted in writing up the CTMC report for the 1st quarter of 2015/16. However, this all slipped in the 1st and 2nd quarters of 2015/16 due to insecurity in some States and the confusion created by the decision to create new States/Counties.

At the end of the EU-TAPP Project the status of submission of CTMCs reports to LGB with the support of the project was as follows[20].

| Name of State | FY 2015/15 | | FY 2015/16 | |
|---|---|---|---|---|
| | **Qtr. 3** | **Qtr. 4** | **Qtr. 1** | **Qtr. 2** |
| Central Equatoria | Yes | Yes | No | No |
| Eastern Equatoria | Yes | Yes | Yes | No |
| Western Equatoria | Yes | Yes | No | No |
| Lakes | Yes | Yes | Yes | No |

[19] Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016, P 17-18. The Counties in Western Equatoria are however not likely to produce and submit their first and second quarter reports due to the deteriorating security situation in the state.

[20] Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016

| Name of State | FY 2015/15 | | FY 2015/16 | |
|---|---|---|---|---|
| Northern Bahr el Ghazal | Yes | Yes | Yes | No |
| Western Bahr el Ghazal | Yes | Yes | No | No |
| Warrap | Yes | Yes | Yes | No |

EQ 6: To what extent did the programme or other inputs contribute to the production of objectively verifiable changes in respect of individuals, organisations and initiatives that were not targeted? How did external factors affect such changes?

*JC 6.1: PFM procedures implemented as per LG PFM for sectors of health and education.*

When EU-TAPP implementation began in August 2014, SSEPS I was the primary system for payroll processing and reporting by State and County governments, managed in some States mainly by a State Ministry of Finance with SMoLPS&HRD oversight. NBGS was not using SSEPS I. Previously ITC equipment (servers, laptops, electrical generators) for State implementation of SSEPS II had been pre-positioned in 2013 and 28 Establishment Officers from States and organized forces received SSEPS II training. Implementation was halted later that year and DAI, the project implementer, only returned in late April 2015 under the six-seven month "Bridging Phase" project funded through the World Bank's Institutional Development and Capacity Building Project (IDCBP)[21].

Given EU-TAPP's limited implementation period and the available technical resources, the payroll management role has been focussed on reform readiness working principally with Counties and selected States to update their payroll data for future migration to SSEPS II. Focus has been on the integrity of payroll data and the reform readiness of Counties and States governments for payroll management reforms being implemented by MoLPS&HRD under SSEPS II.

Originally EU-TAPP planned to concentrate its State government support of SSEPS II on CES and WBGS. By July 2015 the Bridging Phase project was rolled out State-by-State to three States plus CES: WBG, Warrap, and EES. CES and WBGS were already covered by Bridging Phase. LKS and WBGS were not covered and EU-TAPP mobilised a short-term State Payroll Advisor in August 2015 to assist these two States with their SSEPS II reform readiness. Insecurity in Western Equatoria mitigated, adding WES as another State for State payroll support beyond that provided by the State based team in Yambio.

The ET could verify that the payroll has been split in all States, but more detailed work with applying the LGPFMM payroll payment and procedural process have not been covered at all by EU-TAPP. The issues dealt with by EU-TAPP focused mainly on the issues of splitting the payroll and reform "readiness". Delays in implementation of broader payroll support as outlined above also had a negative impact on the desired changes needed for better payroll management at State level and country level.

**Efficiency (qualitative review of use of resources and collaboration with other implementers)**

EQ 7: To what extent have costs of the project been justified by the benefits?

*JC 7.1: Operational work planning and implementation (input delivery, activity management and delivery of outputs), and management of the budget (including incidental budget)*

EU-TAPP commenced in August 2014 but didn't get fully off the ground before December 2014 and was originally intended to be implemented over 18 months. An extension of 2 months was agreed in order to implement an exit strategy, but this was later reversed when the decision was taken to extend the programme into July 2016 with financing from the newly created EU Emergency Trust Fund – Horn of Africa Window. This financing was signed in late March 2016. However, the current phase of the project ended in late February 2016.

Up to six amendments have taken place over the 18 months' period of the Project budget. To support EU-TAPP implementation until March 2016, EU-TAPP sought EU agreement to amend the budget by a re-

[21] Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016

allocation of expert's fee days to increase the incidentals and expenditure verification lines (this means that provision for incidental expenditure has risen from originally EUR 1,150,900 to now 1,456,539).

Total reduction in the fee budget under amendment 4 was therefore EUR 214,000 which was allocated to the budget for expenditure verification and the budget for incidental expenditure. After deduction of this sum, the additional budget allocation to the incidental budget is EUR 204,000, coming to a total of EUR 1,354,900 available for project incidentals. It is the understanding of the ET that Amendment 5 is the recently approved and signed 2 months' extension of the Project until end June.

This means that the incidental budget has grown from 25% of overall budget costs to 32% at the end of EU-TAPP. This does represent a very high level of overall project costs that focus on facilitation, transport, per diem, workshops etc. However, South Sudan does pose a huge challenge when it comes to delivery of inputs to projects base in the States as transport, per diem, workshops, materials etc., all are costly compared to most other African countries. EU-TAPP reports that all 46 Counties have been trained on LG PFM manual. In total 481 people have received classroom and 531 people On the Job Training and Coaching. The ET finds this number relatively fine compared to overall project costs, but will discuss potential impact later under that section below. It is not possible to make a simple 1-to-1 analysis of the correlation between overall Project costs and number of civil servants trained.

*JC 7.2: Quality of reporting, management of personnel, information, property, and whether management of risk has been adequate, i.e. whether flexibility has been demonstrated in response to changes in circumstances?*

Overall quality of reporting has improved over the lifespan of the Project. Upon request from the Steering Committee, after the first QPR there was an effort to make the QPR more informative and also more performance related in terms of focusing in on key outputs and activities of the Project. The QPRs are maybe a bit confusing and long in terms of size but in general the most important information is included therein.

What has to a degree hampered Project activities, but more importantly County PFM related work, is that they were hardly equipped with tools like computers, printers and Internet. High turnover and/or absenteeism of key County finance and planning staff affected effective delivery of OJT and mentoring. The transfers of staff from Counties to even un-related departments disrupted the training delivery. Change of EDs was also a challenge as it necessitated explaining the EU-TAPP project several times.

As already mentioned earlier the risks identified in the ToR for the EU-TAPP are mainly operational in nature and have been somewhat updated and addressed during implementation. But it was not foreseen that there is so little State revenue available for implementation and that EU-TAPP would have to cater for almost all aspects of management of Project related activities.

Political changes at the State and County levels whereby some Counties get new commissioners who need to be inducted on the LGPFMM. Sudden changes in the political administration of the LGs at the time when political leadership was required to participate in the budget process and approve the budgets. This greatly affected finalisation of the budgets on time. Related to the above, there was a delay in the release of the budgeting ceiling, implying that Counties were not able to finalise their final budgets by 30th of September. Diversion of County funds by SMoF by incoming State government to meet immediate priorities from any funds available has been a challenge. Commissioners misdirecting the use of funds for their own interests and unilateral decisions made by State governments are common and could not be addressed by EU-TAPP as such.

The creation of new States couldn't have been foreseen and analysed by the risk assessment and this has already led to relocation and recruitment of new staff, hence the need for fresh technical assistance and in much larger quantities compared to on-going EU-TAPP efforts. Abrupt changes in the security situation and abrupt changes in government were unforeseen but certainly need to be better identified and handled in the future. More time will be required to overcome the consequences of these unforeseen circumstances, given that the Project duration is coming to an end.

*JC 7.3: Relations/coordination with local authorities, institutions, beneficiaries, other donors. Cost effectiveness of supporting government officials to travel to the field (e.g. SMT visits): how useful was* *this? Where the visits planned around project activities and did they contribute to achieve project results? How sustainable is this approach?*

According to EU-TAPP own reporting and ET meetings with stakeholders, EU-TAPP was continuously engaged with other project implementers and donors to exchange information and to a lesser degree coordinate activities. The EU-TAPP core team members participated in various workshops and meetings prepared by LOGOSEED, the World Bank and donor coordination PFM meetings. EU-TAPP progress was shared at these meetings, especially on the progress realised by State based teams on the functioning of CTMCs and the need for continued support to them.

E.g. in September/October 2015 EU-TAPP's national and State based teams worked closely with ODI/BSI to plan and support a national State budget workshop in Juba whereby the process and budget ceilings for preparing the 2015/16 budget were presented. Project advisors worked with individual State based teams to plan their State-level budget workshops as well. In one instance, EU-TAPP together with HPPF, HPF, and LOGOSEED planned and supported State budget planning workshops as well. In February and March 2016 the EU-TAPP core team also worked with ODI/BSI and MoFEP to develop a circular providing directives to newly established States on how to address the creation of the new institutions and corresponding PFM and Payroll requirements. These few examples show that EU-TAPP has worked well with national and State level institutions.

As part of GRSS normal work, they have set-up State Monitoring Teams (SMTs) that should visit and guide States in terms of implementation of government policies and especially support CTMCs with their work and also check on payroll issues as well as other PFM related matters. As a principle the SMT set-up seems to have value in terms of having national ministry representatives visiting the States to make inspection of what is happening in terms of agreed process and procedures and report back both the State authorities and to the ministries back in Juba. However, the ET found that the two SMTs paid for by EU-TAPP visited WBG and Warrap States and made very short back-to-office reports, just basically detailing what was already known by most EU-TAPP State based teams, namely that SSEPS was not functioning, that funds were often diverted by County commissioners to other matters than education and health, and that CTMCs had not commented on the county QBPRs. From what the ET can see in the files there doesn't seem to have been much follow up from the SMTs vis-à-vis the work and relationship between State CTMCs and STMCs and their reporting requirements and feedback mechanisms. This is crucial in the future if the system is to function properly. It would seem that any future support should focus on the sustainability of these linkages between central government ministries and State and County administrations and that this type of funding be part and parcel of any LSSAI set-up but catered for by GRSS. This includes TA for LGB as well.

<u>EQ 8: In terms of the technical assistance: how well did it help to provide appropriate solutions and develop local capacities to define and produce results?</u>

*JC 8.1: The overall EUTAPP approach and set-up (the use of State-based teams, its institutional anchorage, mix of formal training and coaching, etc) and the cost effectiveness leading to suitable change and the architecture of the project team (core team in Juba/State teams) and level of "home base" versus fieldwork for core team.*

EU-TAPP started on 15 August 2014 and formally finished at the end of February 2016 (an extension phase was approved for 2 months from early April to June 2016). In this period of 18.5 months a total of 5400 of consultancy days were provided. The team was divided in a core team based in Juba, a team of short-term experts, and 7 State-based training team, composed of two trainers each. The core team was composed of a Team Leader, a Key Expert on PFM, a key expert on Payroll, and a Key Expert specifically focusing on the Northern States. The key idea behind this approach is of course to have EU-TAPP focus on what was considered a good mix of State based workshops followed up by OJT and mentoring in the Counties of the civil servants trained in the LGPFMM and the application of the training after return to the workplace.

EU-TAPP had a gradual build-up in staff resources during August – October 2014. This period was used by the core team for inception phase activities, such as establishing the project office within the compound of the LGB, organising stakeholder meetings, organisinge financial administration and logistics (bank account, UNHAS registration and transportation services in the States) and conducting joint State assessment missions with government officials from LGB, MoFEP and MoPSHRD. In November 2014, the team was further strengthened with the mobilisation of the State-based training teams in each of the 7 non-conflict States, composed of one regional trainer and one national trainer. After a two-week induction training in Juba in the second half of November, the teams were mobilised to their respective States in December 2014/January 2015.

EU-TAPP was focused on supporting sub-national levels of government in South Sudan and the ToR for the assignment clearly spelt out that it was expected that State based teams would use up to 70% of their working time in Counties and that the Juba based core team would use up to 50% of its time to support the State based teams in their work in the States. In this context, it is interesting to note the amount of time the team spent in the field. The core team of key experts as well as the short-term experts spent approximately 14% of their working days in the field. The State-based training teams have spent 36% of their working days on duty travel to the Counties. The data is derived from the timesheets submitted by each expert and based on the number of DSAs claimed for overnights outside duty station[22]. Both figures seem low, and especially the core teams support to State based teams seems unacceptably low. However, some of the lack of movement can be explained by insecurity and the seasonal rains making roads impassable.

Furthermore, EU-TAPP further explained that for the State-based training teams the proportion of 36% in the Counties needs to be considered in the appropriate context. Each State capital is also the seat of a County headquarters, so no duty travel is required for working with the County officials based in the State capitals. Some other seats of County headquarters are an easy drive away from the State capital and no overnight is required (for example Gogrial west in Warrap, Rumbek Centre in Lakes and Torit county in EES). On a number of occasions, County officials were invited to come to the State capital for workshops and more formal training courses. So all in all, it is difficult to be precise on how much of the working time of the State-based training teams was spent with County governments. Approximately 10% of their time was spent in Juba for formal induction, Juba return and lessons learned workshops and financial reconciliation of operational advances received from the Project office.

Based on an assessment carried out by the State based teams of the existing capacity levels in Counties, and the number of Counties in each State, a tailored work plan was designed on a quarterly basis to plan support activities. Besides County capacity, also security and logistical issues were considered in the work plan, and as a result, not each County was visited with the same frequency but all Counties were visited at least once and some multiple times.

It is considered a relatively costly application of capacity building enhancement to have State based teams and also a relatively large group of core team experts in Juba. Whether this was cost effective or not is difficult to say as other options have not been tried and tested. The ET is therefore of the opinion that in the future there would need to be a bigger focus on State TA support, and less focus on having a core team sitting in Juba other than supporting needed TA of LGB and general support to Juba based TWGs and other meetings. This could maybe also be covered more effectively by the EUD if it had appropriate expertise available in-house, thereby reducing the overlap and costly TA in Juba.

*JC 8.2: Concerning the quality of knowledge sharing, communication & visibility and dissemination of results and lessons-learnt. How well did these activities support the achievement of the results?*

One of the achievements of EU-TAPP has been its knowledge sharing and dissemination via having lessons learned workshops conducted in all States as well as an overall dissemination workshop in Juba.

Other attempts at having a special knowledge document completed by an expert failed, and this attempt was abandoned due to illness and lack of completion of the documentation.

It is not clear to the ET how these lessons learned should have supported the achievement of the results of the Project but rather it has been found that useful lessons have been generated that hopefully can be used in the future to avoid any pitfalls and to guide State based teams in what are the main issues to get on top

[22] See - Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016.

off early on the implementation of project activities. Dissemination has been very inclusive and a wide range of stakeholders have attended especially the workshop in Juba.

*JC 8.3: Quality of monitoring: its existence (or not), accuracy and flexibility, and the use made of it; adequacy of baseline information and information management in relation to performance management and M&E tools set up by the project*

EU-TAPP developed a unified system of tracking performance and progress in PFM and payroll at State and Counties level. This system was designed to avoid discovering specific underperformance in States and Counties in the later phases of the project and to ensure that remedial measures could be taken as early as possible. The EU-TAPP M&E tool consists of an Excel based reporting format allowing for numerical scores on performance in PFM and payroll. The M&E tool consists of 75 questions that relate to the Key indicators of the LGPFMM organised along the 4 results areas of the project answered with YES or NO. This allowed for some degree of quantifiably making comparison in performance among States/Counties and over time.

This M&E tool is complemented by the County Dashboards which provide a narrative for motivation as well as that it allows for easy visualization of the scores by key performance criteria, so that in principle the performance data is easily accessible to officials and other stakeholders. While the M&E tool provides an overview of the performance in the Counties it does not provide in-depth information on the current situation in the different Counties. The Dashboards provide information on the availability of staff in the County as well as a snapshot on the most critical PFM indicators in the County.

Monitoring and assessment of County PFM systems and processes was conducted by each EU-TAPP State teams through interviewing staff, observing the quality of the conduct of the key PFM processes, as well as reviewing County outputs such as completed finance forms and reports. On a quarterly basis, the EU-TAPP State team completed the M&E tool for each County. Resulting from this quarterly review and assessment, follow up interventions were conducted by the EU-TAPP State based teams addressing the gaps in PFM performance as identified.

Where the M&E tool has proven to be very useful is in measuring the performance of Counties but the only vehicle for communicating this has been the in the QPRs as well as in workshops. The County Dashboards were, however, found to be more useful for communicating the status and results to key GRSS stakeholders in a more presentable manner. To be able to make the data better accessible and more relevant for the general public, the M&E tool should be re-modelled to around 25 questions only looking at the most important and relevant KPIs and thereby also improving the visualisation of the data. A quarterly assessment of the tool also proved to be quite an exercise taking a significant amount of time of the team and in future might be better to make the assessments every six months.

**Impact**

EQ 9: To what extent have the objectives of the project been achieved as intended in the Logframe?

*JC 9.1: Facilitated/constrained by external factors and any unintended or unexpected impacts.*

*JC 9.2: Facilitated/constrained by project management, by co-ordination arrangements, by the participation of relevant stakeholders.*

The below analyses EU-TAPP Project's achievements and status versus stipulated targets, as at January 2016 (an assessment of progress towards the Logframe indicators).

**Table 8.1: Overview of Results versus Indicators and Targets of EU-TAPP[23]**

| Description | Indicators | Baseline | Target | Result |
|---|---|---|---|---|
| **Outcome:** Number of Counties effectively performing their PFM and payroll responsibilities | | | | |
| **Outputs:** | | | | |
| ***OUTPUT 1:"*** *Individual county/LG staff equipped with* | 1. Number of Counties trained in the use of the LG PFM Manual and applying the correct forms | 0/79 | 46 of 79 Counties (60%) | 49 of 79 Counties |

[23] Technical Assistance for Subnational Capacity Building in Payroll and PFM in South Sudan – Project Completion Report, August 2014 – February 2016, Draft Final Report 17 March 2016, P 49-54

| Description | Indicators | Baseline | Target | Result |
|---|---|---|---|---|
| *skills and knowledge in: LG PFM including planning and budgeting, financial management/accounting and reporting;* | and procedures by the end of the project | | | (62%) |
| | 2. Number of Counties with approved budgets for FY 2015/16 based on Conditional Development Grant criteria | 0/79 | 46 of 79 Counties (60%) | 51 of 79 Counties (65%) |
| ***OUTPUT 2:** States properly manage and account for State and county payroll and conditional transfers to Counties* | 3. Conditional transfers to Counties (salary, operating and sector capital) and county revenues are recorded, monitored and reported at relevant State ministries in all seven non-conflict States by the end of the project | 0/10 | 7 of 10 States (70%) | 5 of 10 States (50%) |
| | 4. Monthly county payroll reports (by sector) are uploaded to [www.sseps.org](www.sseps.org) or synchronized with national database (for Counties migrating to SSEPS II) in at least 50% of all Counties by project end | 0/79 | 40 of 79 Counties (50%) | 14 of 79 Counties (18%) |
| ***OUTPUT 3:** County Administration Departments are managing and accounting for conditional grants and payroll received through transfers from States* | 5. Number of Counties submitting quarterly budget performance reports within 30 days after close of the quarter | 17/79 | 46 of 79 Counties (60%) | 19 of 79 Counties (24%) |
| | 6. Number of Counties submitting annual financial accounts for 2014/15 (as per section 9 of LG PRM Manual) within 3 months after the end of the FY | 0/79 | 20 of 79 Counties (25%) | 0 of 79 Counties (0%) |
| | 7. Number of Counties that have separated county payrolls from State payrolls | 0/79 | 46 of 79 Counties (60%)* | 35 of 79 Counties (44%) |
| | 8. Number of Counties with nominal rolls and single payroll for county staff | 0/79 | 46 of 79 Counties (60%) | 46 of 79 Counties (60%) |
| ***OUTPUT 4:** CTMCs demonstrate progress in properly coordinating monitoring of monthly payroll reports and quarterly budget performance reports and authorizing the release of transfers to Counties for the next quarter, implementing the no report, no transfers rule* | 9. CTMCs are established and meeting regularly in at least seven non-conflict States by project end | 2/10 | 7 of 10 States (70%) | 7 of 10 States (70%) |
| | 10. Number of CTMCs trained in the use of CTMC operational procedures, including reporting procedures before 1 August 2015 | 0/10 | 7 of 10 States (70%) | 7 of 10 States (70%) |
| | 11. Number of CTMCs submitting quarterly budget performance reports to the STMC | 1/10 | 7 of 10 States (70%) | 7 of 10 States (70%) |
| | 12. Number of CTMCs authorizing release of quarterly transfers to Counties for FY 2015 – 2016 by end of project | 1/10 | 7 of 10 States (70%) | 0 of 10 States (0%) |

*Amended from the Updated EU-TAPP project logframe (target 7 out of 10 States) as Output 3 deals with Counties performance was also measured at county level (46 out of 79 Counties).

This overview from the EU-TAPP Completion Report shows that the revised and better targeted indicators of the Project have been met only to about 50-60% of the target results during implementation. A number of factors have influenced the attainment (or lack thereof) of the project targets, mainly issues such as low level of knowledge and management support in the Counties, political interference, slow project uptake and lack of movement from the EU-TAPP State based teams, and finally frequent redeployment of staff to new postings in and outside Counties. What was uncertain at the time of the evaluation was the sustainability of this interventions as the creation of new States and Counties has made for some confusion as to the level of PFM activities that will be carried out in the near future in the new

States that might not have a full staff compliment as per standard MoLPS organisational set-up at State and County levels, and also if the staff already trained in PFM related issues will be retained in the their positions related to PFM activities. This needs to be monitored very closely.

*JC 9.3: Contribution to wider service delivery sectors in terms of overall PFM*

Roughly about 80% of all public sector resources are spent by central government and 20% by the States of which only 5% (in principal) end up being transferred to service delivery units in Counties. A feature of all Counties is the lack of capacity for PFM e.g. budgeting, planning, revenue mobilization and general administration. County councils remain subordinated and highly dependent in their relation to State governments. Furthermore, no local elections have been held so far. County commissioners who exercise political authority are appointed by State governors and senior county administrative officials are assigned to Counties by SMoLGs and SMoFs.

When it comes to the transfer of recurrent basically salary funds to health and education facilities in the Counties this was included in the 2013/14 approved budget ('service delivery' transfers), with a provision that they would be released from January 2014 onwards (for County block, County health and education Departments and water units operations, and capitation grants to primary schools[24]) when the government was planning to transition away from the austerity budget adopted for the first six months of the fiscal year. MoFEP began releasing these transfers to State Ministries of Finance for onward release to Counties and schools. These have been flowing since then, in spite of the fiscal crisis. A revised set of Guidelines was prepared for 2014/15 budget year[25]. As at end of March 2015, a total amount of SSP 200 million had been released for these new service delivery transfers.

The concerned ministries and MOFEP are currently working to develop a set of additional transfers for types of health and education facilities that had not been covered in the first two years (Primary Health Care Centres, Teacher Training Institutes, Health Sciences Institutes and national hospitals). Mindful of the ongoing severe fiscal crisis the ministries are committed to try and find ways of integrating at least some of these new transfers in future budgets, through identifying savings that can be made elsewhere in their budget envelopes.

In addition, and within the framework of the LGPFMM, specific guidance has been, or is being developed for facilities to manage and use their operating grants. The support necessary for facilities to implement the guidance is provided by the government structure to which the facility is accountable (e.g. County education department for schools), with support from donor-financed basic service programmes complementing government's efforts.

Under the lead of MOLPS&HRD the Government has developed guidance on standard structures and human resources management at the County level, in the form of an interim Local Government Human Resources Manual and associated standard organisational and staffing structures for key Local Government Departments[26]. This will sometime in the future maybe provide the foundation for developing approaches to improve Local Government civil service effectiveness. The interim LG HRM Manual is currently being disseminated.

At this stage the ET assesses that the impact on general service delivery by the PFM support under EU-TAPP is negligible and that any improvements have a long time to materialise as the overall impact on training and capacity building is only showing vague signs of improving the utilisation of funds at County levels. However, it shouldn't be discarded as superfluous at this stage as the training, OJT, mentoring and general awareness of the details included in the LGPFMM have increased considerably since the commencement of EU-TAPP. The key issue to continuously monitor the County transfers to be able to intervene quickly if these are being diverted into other non-service delivery areas for the convenience of the State and/or County non-elected political leadership.

**Sustainability**

[24] DFID is providing complementary finance for capitation grants to secondary schools.

[25] The set of revised guidelines for 2014/15 was issued in June 2014.

[26] The Government of the Republic of South Sudan, Interim Local Government Human Resource Management Manual, Issued by Ministry of Public Service and Human Resource Development and Local Government Board, December 2014.

EQ 10: The degree of ownership of objectives and achievements, e.g. how far all stakeholders were consulted on the objectives from the outset, and whether they agreed with them and continue to remain in agreement?

*JC 10.1: GRSS policy support and the responsibility of the beneficiary institutions, and how far the relevant national, sectoral and budgetary policies and priorities are affecting the project positively or adversely.*

There is an element of repetition in the EQs and JCs when it comes to GRSS policies, ownership and priorities. As already stated earlier, the Government developed Service Delivery Frameworks (SDFs) for primary education, rural water and sanitation, basic healthcare and small-scale infrastructure. SDFs clarified the role of each level of government in delivering basic services, and identified bottlenecks to fulfilment of these roles. The SDFs identified that a good number of the challenges to improving basic service delivery cut across sectors, and require cross-agency coordination to resolve[27].

Enhancing the delivery of basic social and economic services has been a key objective of the GRSS and has remained so in spite of the ongoing fiscal crisis. Constitutionally, the responsibility for delivering these services lies primarily with Local Governments; State governments provide support and supervision and national government sets the policy environment and currently provides most of the funding. In practice, due to lack of local government capacity, unsure policy and procedural clarity, and poor oversight by national government, States have absorbed many local government functions. The national government views adherence to the constitutional mandate for services to be delivered by the level of government closest to the people as essential for improved service delivery and accountability. Strengthening the capacity of LGs to deliver services is therefore critical to South Sudan’s long-term development. The review of the Local Services Support (LSS) initiatives recently has confirmed this. The aim of decentralisation should be to strengthen systems and capacities of LGs with a view to improving the delivery of services and provision of infrastructure at the local level.

In order to address these common blockages, the Government formulated the Local Services Support Joint Plan of Action (JPA) which sets out the challenges identified in the SDFs, stipulates a number of policy commitments taken by the Government with a view to tackling these challenges, and outlines the priority actions proposed to address them and these have been signed by the concerned sector ministries. As part of the JPA, Government developed a Financing Framework that lays out a simple, coherent and transparent system for financing local service delivery. The concerned ministries budgeted for a set of increased and new transfers to Counties and facilities in the 2013/4 budget and issued a first set of Planning, Budgeting and Reporting Guidelines for States and Local Governments that specified how these transfers should be budgeted for, utilised and reported on.

EU-TAPP fits into this overall SDF strategy of GRSS in supporting the building up of PFM capacities for budgeting and planning and reporting through county QBPRs and preparing State and Counties for splitting payroll for a future computerised SEPSS II and maintain nominal rolls for staff. The outcomes of EU-TAPP are definitely mutually reinforcing with other donor support and GRSS policies. However, the LSSAI is a mechanism under construction and hasn’t reached the desired level of coordination and coherence that was originally driving the idea.

There is now a renewed effort to bring to life better coordination and even integration of capacity building and TA support to States and Counties in the future. How successful this will be remains unclear at this moment, but EU-TAPP has contributed to this process and could also be in the future a key part of this concerted effort to bring coherence and relevance to sub-national level support. But it remains to be seen if GRSS will be able to take more responsibility and leadership in increasing budgets and discretion to Counties and lower levels of government.

*JC 10.2: Creating a new institution - such as the CTMCs – and how likely is this to continue the to function after the project ends (whether counterparts have been properly prepared for taking over, technically, financially and managerially).*

[27] Service Delivery Framework – Local Infrastructure for primary education, basic healthcare, rural water and sanitation (draft November 9 2012); Service Delivery Framework – Basic Healthcare (draft January 2013); Service Delivery Framework – Primary Education (November 2012); Service Delivery Framework – Rural Water and Sanitation (forthcoming).

At the start of the EU-TAPP, CTMCs had been established in the States of WBGS, EES and WES. Soon after the commencement of the EU-TAPP, HSSP supported CES to set up its CTMC. The States of NBGS, Lakes and Warrap had not yet appointed their CTMCs. However, even in the States were CTMCs were already set up, it was difficult to determine the functionality of these CTMCs since no CTMC had ever met to consider QBPRs from the Counties yet this is the primary role of the CTMCs. Therefore, all State CTMCs were not really operational.

Working with other State based capacity building projects (notably HSSP and LOGSEED/ Cowater), the EU-TAPP State based teams facilitated the CTMCs to become functional. At the end of the project the 7 States had CTMCs which had been established by an order issued either by the State governor, or as in the case of Northern Bahr el Ghazal by the SMoLG. Despite this set up, however, there is still a challenge in as far as the institutionalisation of CTMCs within the States structures is concerned. It is not very clear from the guidelines, under which ministry the CTMC must fall and this means that in all States CTMCs are yet to be wholly embraced as part of the State oversight machinery and they do still lack a budget and are simply run as ad hoc committees. This makes the work of the CTMCs rather difficult to implement.

Implications of new State (28) structure for public finances and public sector management[28] at the State government level are many. After the appointment of new (caretaker) State Governors, one of the first practical steps pursuant the implementation of the Establishment Order will be to start staffing up the 'new' States. A first scenario will be for existing State civil servants to stay 'where they are', with 'new' States hiring up from scratch. A second, possibly more likely scenario is that the State public servants from the current ten States are distributed into the employment of the 28 new State governments, after which State governments will seek to hire additional staff in order to fill in the State establishments. In either case, for the foreseeable future, the administrative capacity of the ('old' and 'new') States will be considerably weaker than is currently the case.

One particular area where States' administrative capacity is a concern is in the area of PFM. Progress was made in recent years in strengthening the PFM capabilities of the ten States through the introduction of the FreeBalance integrated financial management system (IFMS), EU-TAPP capacity building and others like HSSP, HPF etc. After several years of support, most State governments were able to operate their IFMS system at a basic level, and to report their finances upward to the central government (in order for central government to monitor that public services are being funded at the State and local level in line with the conditional grants being provided). With the creation of 18 new States, it is unlikely that any newly created States will have the administrative capacity to prepare their budgets and financial report in IFMS for at least 3-4 budget cycles. This will have major implications for the ability of the central government to monitor State and local government service delivery expenditures, and of course also for the CTMCs to monitor State expenditures.

It is not just the management of—and reporting on—State finances that is likely to suffer. Because the conditional salary funding being provided by the national government is already inadequate to cover the public servants on the State and local government payrolls with each State, and this is not likely to improve with the creation of more States and Counties. The key question for the future of the new States and Counties will be where is the funding coming from to build up their administrations and will the already trained civil servants be retained in key PFM positions?

*JC 10.3: Socio-cultural factors, e.g. whether the project is in tune with local perceptions of needs and of ways of producing and sharing benefits and whether it respects local power-structures, status systems and has conflict sensitivity and constraints linked to political accountability.*

Obviously this aspect is difficult for the ET to assess on the back of having only had limited access to key State and County leaders. The EU-TAPP State based teams had a varying reception according to their own reporting and even felt a degree of resistance in many cases as PFM touches on some of the most delicate areas associated with public sector reform and the interface with local power structures.

[28] See - Local Service Delivery Financing Arrangements - An Analysis of the Intergovernmental Fiscal Transfer System in South Sudan Technical Review for Input to the Local Services Support (LSS) Annual Review - Draft Final December 2015

Furthermore, the EU-TAPP had to overcome the fear from some civil servants that they were functioning more like outside auditors than actual facilitators of capacity building and change.

In general, it seems that many of these obstacles were overcome during the classroom based training when the details of the content and requirements of the LGPFMM were explained to the county staff who had often not received any previous training. Often the relationship between the County Heads of Department and the County Executive Director was not clear in terms of reporting lines, further confusing the lower level cadre when it comes to PFM reporting. It is clear from the ET's interview that most officials at both State and County level are more cooperative, accepting and enthusiastic with implementing the LG PFM reforms, but they also have the challenge of being under a political leadership that is non-informed and lack often the skills to understand the PFM requirements.

<u>EQ 11: To what the degree has the beneficiaries been able to adapt to and maintain the technology acquired without further assistance?</u>

*JC 11.1: Financial sustainability, e.g. whether the products or services being provided are affordable for the intended beneficiaries and are likely to remained so after funding will end and whether enough funds are available to cover all costs (including recurrent costs), and continued to do so after funding will end.*

*JC 11.2: Technical (technology) issues, e.g. whether the technology, knowledge, process or service introduced or provided fits in with existing needs, culture, traditions, skills or knowledge.*

EU-TAPP has mostly, or exclusively, focused on low technology solutions of workshop training, capacity building, OJT, mentoring and coaching. The maintenance and upkeep of this is not costly since no computers or other equipment were supplied. So as the ET found capacity building and training and mentoring regarding the functioning of CTMCs, the County QBPRs, the splitting of the payroll and also to a lesser degree some general understanding of the LGPFMM have all been strengthened and enhanced. But can this be maintained? Lack of equipment and staff resources mean that motivation is low in terms of applying the knowledge acquired. So both financial and technological barriers limit the application of applied capacity building and training support given. This is crucial to keep in mind if a degree of sustainability is to be reached through further capacity building support.

*JC 11.3: Wherever relevant, cross-cutting issues such as gender equity, environmental impact and good governance; were appropriately accounted for and managed from the outset of the project.*

There is very little evidence that cross-cutting issues have played any part in the EU-TAPP as far as capacity building and institutional support is concerned. Gender is not mentioned in any activity or in any QPR, and the ET found very few female civil servants either at State or County levels.

<u>**Added value**</u>

<u>EQ 12: What is the EU added value of the project, both regarding its design and implementation?</u>

*JC 12.1: Complementary/coordination with the intervention of EU Member States and other donors and stakeholders in the region/country/area.*

The lesson learned for EU-TAPP is that organising short duration, frequent and well sequenced capacity building sessions is more effective in ensuring that whatever is taught is put into practice when there is also follow up available at State level to ensure that changes are done and maintained at County level. Working with other DPs, especially in the sector Ministries, was key to coordinate of some activities and ensure a degree of complementarity. The Ministries have in some instances provided counterparts who were a great resource in customising the trainings to the local needs. The HSSP supported establishment of the CTMC in some States/Counties, minimising duplication of activities.

However, the sheer need for PFM training and capacity building means that the States need to take charge of their LG capacity building coordination through e.g. creating platforms that include dialogue with DPs in the States to ensure targeted, comprehensive and planning capacity building interventions that avoid duplication and waste of limited training funds. PFM capacity building needs are very large and cannot be achieved within a very short period of time. It requires large resources in terms of time, money and personnel. PFM is work in progress that requires continuous improvement, as well as functioning laws and legislation that will regulate the work of the PFM professionals, including the political leaders. This has happened to date. Building sustainability of capacity building interventions through the need to identify fast learners and devise ways of motivating them to train their peers within the County or across a number of Counties is also a future option.

Did EU-TAPP support added value to the general PFM strengthening of States and Counties? The design of the Project and implementation thereof certainly doesn't indicate that any value has been added to the PFM coordination efforts. These remain ad hoc and piecemeal in the States. There are many efforts to provide needed capacity building at State level and less at the county and payam levels. The challenge remains that of formal training and then follow-up mentoring and coaching at the county levels to support application at the work place. The main capacity development activities include: (i) Training in core skills such as financial management, planning and budgeting, community engagement, policy development, management of funds, revenue management, (ii) Provision of technical assistance using a range of methodologies such as, embedding staff in Ministries at State and Central levels and coaching and mentoring, (iii) Institutional strengthening through construction of county offices and provision of key equipment and related training that still remains a challenge and will for the foreseeable future.

*JC 12.2: Has project created actual synergy with the intervention of EU Member States/other partners and donors.*

Most of the programmes in 2013/14, including those working with line ministries, were providing support in public financial management to State and County governments (UNDP/SDPPFM, USAID/BRIDGE, CBTF/LGAO, CBTF/PFM, FAO/SCPRP, UNICEF/WASH). The defunct Capacity Building Trust Fund (CBTF) had also funded the training of 400 local government administrative officers drawn from the planning units at the County level. This was done in collaboration with the UNDP/SDPPFM, the LGB, MOFEP and the Ministry of Human Resource Development (MHRD).

In order to strengthen training in PFM to local government, CBTF had engaged a consultancy firm to develop LGPFMM as well as a plan to roll out the training at the County level. This was a collaborative effort between MOFEP, MHRD, the LGB, CBTF and UNDP/SDPPFM. This is the work whereupon EU-TAPP is derived from. Only the UNDP/SDPPFM continued immediately after that to provide capacity building support at the State level on revenue management, by having local revenue specialists in all ten State Ministries of Finance and Economic Planning.

GIZ and the USAID/BRIDGE Programme have also been providing training to local government administrative officers drawn from various Counties. Training activities covered areas such as planning and budgeting, procurement and contract management, and induction and orientation to local government functions. The USAID/BRIDGE Programme specifically provided English Language Training (ELT) to 247 State (SMOFEP and SMOLG) and local government officials in their three target States (NBEG, Warrap and Unity) in light of the new official language of South Sudan. This is clearly a need that may need to be addressed across many Counties where Arabic is/has been the main language of communication and instruction.

EU-TAPP is a continuation of the above process of supporting States and Counties directly with capacity building activities. The ET has found that there is a degree of synergy in that the division of labour exists in terms of the issues being addressed by the various interventions on the ground. But the actual coordination and shared approach was not found at State level in relation to capacity building of LG PFM needs.

## *Annex 9: Brief State Visit report – County and CTMC Notes*

# Brief summary of State evaluation reports on the Implementation of PFM and Payroll management

## 1. Aweil State PFM and Payroll management evaluation report

### CTMC and Payroll management assessment

The State's recently established CTMC is performing fairly well. Payroll management is good and transfer of funds to Counties is managed well. A summary of State's performance of CTMC and Payroll is shown below.

**Table 9.1: A summary of Aweil State's performance of CTMC and Payroll**

| S/n | Activity | Score % | ET Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 54 | CTMC established and performing its duties fairly well with the assistance of both EU-TAPP and LOGSEED. CTMC does not enforce the rule of no report no transfer to LG. CTMC members attending meetings are few, out of 12 about 5 usually attend meetings. |
| 2 | Payroll management and transfers to Counties | 67 | The State's payroll management is good, nominal rolls were produced with assistance of EU-TAPP for all MDAs. The State is still using SSEPS 1 to produce payrolls. The Counties' payroll was separated from the State. |

### Aweil Centre and South Counties' PFM and Payroll assessment

Aweil Centre and South Counties performed well in:

- Position and separation of duties.
- Revenue management and banking,
- Budgeting
- Budget execution

Performed poorly in;

- Procurement and Contract management
- Financial Reporting
- Fixed assets and store Management

**Table 9.2: A summary of the assessment of Aweil Centre and South County performance**

| S/n | Activity | County % Score | | ET Comments on Counties' performance |
|---|---|---|---|---|
| | | Aweil Centre | Aweil South | |
| 1 | Position and Separation of duties | 80 | 80 | All Counties' key positions are filled with substantively appointed officers. While EU-TAPP trained county officials on financial management reporting, financial management reports have not been produced. |
| 2 | Budgeting | 50 | 50 | Fair performance on budgeting activities, Counties' FY 2015/16 budget estimates was produced but late in October 2015. The Counties' accounts staff need more training in applying the chart of accounts cords in budgeting and accounting. |
| 3 | Revenue management & bank accounts | 86 | 50 | The Counties revenue collections remain small, used at source before banking and not recorded well. |
| 4 | Procurement and Contracts | 0 | 0 | The Counties don't have procurement budget, plans and funds. |

| S/n | Activity | County % Score | | ET Comments on Counties' performance |
|---|---|---|---|---|
| | | Aweil Centre | Aweil South | |
| | Management | | | |
| 5 | Budget execution | 67 | 50 | All most all payments are cash payments, Counties do not maintain budget control books |
| 6 | Fixed Assets and Stores Management | 30 | 0 | Poor asset management Counties do not maintain asset registers and assets are not engraved. |
| 7 | Financial Reporting | 20 | 30 | Counties do not produce monthly, quarterly, and annual financial reports |
| 8 | Manage and account for conditional grants and payroll. | 60 | 60 | Counties payrolls well managed. Counties have produced nominal rolls for all departments, have separate payroll from State. Counties pay their salaries and wages by cash. |

## 2. Western Lakes State (formerly in Lakes State) Report

### CTMC and Payroll management assessment

The State's recently established CTMC is performing fairly well, monitors county transfers, but does not enforce any rule or regulation. The State's payroll management is excellent and transfer of funds to Counties is done according to the budget. A summary of State's performance of CTMC and Payroll is shown below.

**Table 9.3: A summary of Western Lakes State's performance of CTMC and Payroll**

| S/n | Activity | Score % | ET Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 50% | CTMC established with assistance of EU-TAPP and LOGSEED. CTMC is performing fairly well, still being supported on how to review reports. CTMC has not yet Stated on the review of Counties budget estimates. |
| 2 | Payroll management and transfers to Counties | 78% | The Counties' payrolls are separated from the State and all departments have produced nominal rolls. Transfers to Counties are made according to the approved budget. |

### Rumbeka Centre and Wulu Counties' PFM and Payroll assessment

Rumbeka Centre and Wulu Counties performed well in;

- Position and separation of duties.
- Budgeting
- Budget excution

Performed poorly in;

- Procurement and Contract management
- Financial Reporting
- Fixed assets and store Management

**Table 9.4: A summary of the assessment of Rumbeka Centre and Wulu County performance**

| S/n | Activity | County % Score | | ET Comments on Counties' performance |
|---|---|---|---|---|
| | | Rumbeka Centre | Wulu | |
| 1 | Position and Separation of duties | 60 | 80 | While all positions are filled Rumbeka Centre County does not have substantive Executive Director and both Counties were not provided with technical assistance in financial performance |

| S/n | Activity | County % Score | | ET Comments on Counties' performance |
|---|---|---|---|---|
| | | Rumbeka Centre | Wulu | |
| | | | | reporting. |
| 2 | *Budgeting* | 44 | 56 | Both Counties approved their budget estimates late and also budget call circulars were issued late. The Counties need more support in application of charter of accounts codes in budgeting. |
| 3 | *Revenue management & bank accounts* | 28 | 71 | Revenue management in Rumbeka County is still poor. In both Counties revenue collections are very small, all used at source without banking. EU-TAPP did not provide technical support on revenue management. |
| 4 | *Procurement and Contracts Management* | 0 | 0 | EU-TAPP did not provide technical support to Counties in Procurement *and Contracts Management.* |
| 5 | *Budget execution* | 50 | 68 | Both Counties do not maintain budget control book and banking system mainly used for salary transfers from State, all payment are made in cash. |
| 6 | *Fixed Assets and Stores Management* | 0 | 0 | EU-TAPP did not provide technical support to Counties *Fixed Assets and Stores Management.* |
| 7 | *Financial Reporting* | 30 | 20 | EU-TAPP did not provide technical support to Counties *Financial Reporting, producing of monthly, quarterly and annual accounts.* |
| 8 | Manage and account for conditional grants and payroll. | 54 | 60 | Both Counties produce quarterly budget performance reports but late and no monthly payroll reports produced. |

**Part A 1: Assessment of Western lakes State CTMC performance**

| S/n | Question/Statemen | Assessment | ET remarks |
|---|---|---|---|
| 4.1 | Has a CTMC been established in accordance to the TOR/Guidelines? | 1 | Yes, both EU-TAPP and LOGSEED assisted to establish CTMC |
| 4.2 | Are reporting requirements being met (quarterly budget performance report)? | 1 | Yes, after examining the county budget performance reports |
| 4.3 | Are County development grants (CDG) being transferred to Counties that have approved budgets showing how CDG will be used? | 0 | No,CDG transfers, but transfers for Education, Health and Water sectors |
| 4.4 | Does the SMoLG compile a quarterly report for all LGs for the consideration by the CTMC? | 0 | No quarterly reports on LGs produced |
| 4.5 | Does the SMoLPS&HRD compile a monthly report for all LGs for the consideration by the CTMC? | 0 | No reports produced |
| 4.6 | Does the CMTC hold quarterly meetings to discuss county budget submissions and budget performance and payroll reports? | 0.5 | Discuss budget performance but no payroll reports |
| 4.7 | Is a schedule of releases to be made for next quarter presented by the SMOF to the CTMC for deliberation? | 0 | No schedule of releases presented to CTMC |
| 4.8 | Do all capacity building providers within the State present a report on their activities to the CTMC every quarter? | 1 | Yes |

| S/n | Question/Statemen | Assessment | ET remarks |
|---|---|---|---|
| 4.9 | Do all capacity building providers within the State attend meetings of the CTMC as observers to support the CTMC secretariat? | 0 | Not all do attend |
| 4.10 | Does the CTMC enforces the rule of *no report, no transfers* to a LG | 0 | Does not enforce any rule |
| 4.11 | Does the CTMC secretariat prepare a report for each meeting of the CTMC in the format outlined in the CTMC TOR? | 1 | Report is prepared |
| 4.12 | Does the SMoF only release transfers to Counties as authorized by the CTMC? | 0 | Releases according to the budget |
| 4.13 | Does the CTMC submit a quarterly report to the STMC? | 1 | Yes , after the examination of county budget performance reports |
| | Total score/% | 6.5 out of 13 (50%) | |

# 3. Wau State (formally Western Bar Ghazal) Report

**CTMC and Payroll management assessment**

The State's recently established CTMC is performing fairly well. Payroll management and transfers to Counties also fairly managed. A summary of State's performance of CTMC and Payroll is shown below in table.

**Table 9.5: A summary of Wau State's performance of CTMC and Payroll**

| S/n | Activity | Score % | ET Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 50 | CTMC performing fairly well, but does not enforce any rule or regulations, lacks operational funds and transport. |
| 2 | Payroll management and transfers to Counties | 50 | Payroll management and transfers to Counties is managed fairly well, separated County payroll from State. Nominal rolls for all departments produced, but still using SSEPS1 and not producing monthly payroll reports. |

**Wau and Jur river Counties' PFM and Payroll assessment**

Wau and Jur Counties performed fairly well in;

- Position and separation of duties.
- Budgeting
- Revenue management & bank accounts
- Budget execution

Performed poorly in;

- Procurement and Contract management
- Financial Reporting
- Fixed assets and store Management

**Table 9.6: A summary of the assessment of Wau and Jur river County performance**

| S/n | Activity | County % Score | | ET Comments on Counties' performance |
|---|---|---|---|---|
| | | Wau | Jur | |
| 1 | Position and Separation of duties | 80 | 80 | The key county positions are filled with substantive officers. EU-TAPP did not provide training on financial management performance reporting. |
| 2 | *Budgeting* | 56 | 56 | FY 2015/16 Counties' budgets approved late. Both Counties need |

| S/n | Activity | County % Score | | ET Comments on Counties' performance |
|---|---|---|---|---|
| | | Wau | Jur | |
| | | | | more training in application of accounting codes |
| 3 | *Revenue management & bank accounts* | 71 | 50 | EU TAPP did not provide training in revenue management. Wau county does not have secure cash storage facilities |
| 4 | *Procurement and Contracts Management* | 0 | 0 | EU TAPP did not provide training in *Procurement and Contracts Management.* |
| 5 | *Budget execution* | 45 | 56 | Nearly all Counties' payments are for salaries and wages and all cash paid. All Counties don't maintain budget control nook. |
| 6 | *Fixed Assets and Stores Management* | 0 | 0 | EU TAPP did not provide training in *Fixed Assets and Stores.* |
| 7 | *Financial Reporting* | 40 | 40 | EU- TAPP did not provide training in *Fixed Assets and Stores* |
| 8 | Manage and account for conditional grants and payroll. | 64 | 64 | EU-TAPP assisted the Counties to produce nominal rolls for all departments. Both Counties do not produce monthly payroll reports |

# 4.Gbudwe State (formally part of Western Equatorial) PFM and Payroll Management evaluation report.

### CTMC and Payroll management assessment

The State's CTMC is performing well. Payroll management is good and transfer of funds to Counties is managed well. A summary of State's performance of CTMC and Payroll is shown below in table 3, and details in part A1

**Table 9.7: A summary of State's performance of CTMC and Payroll**

| S/n | Activity | Score % | ET Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 62 | CTMC was already established at the commencement of the project and it is performing its duties well with the assistance of both EU-TAPP and LOGSEED (and previously HSSP). CTMC does not enforce the rule of no report, no transfers to the Counties. Quarterly budget performance reporting requirements are met although there are often delays in submission of reports. SMOF makes transfers to the Counties without engaging the CTMC. County has not received CDG since 2011. |
| 2 | Payroll management and transfers to Counties | 72 | EU TAPP provided support for the separation of the State and county payrolls and the nominal rolls were produced for all MDAs. The State is still using SSEPS 1 to produce payrolls. SMOLPS&HRD officials are however not able to produce payroll reports. The reports are produced in the SMOF. The transfers to Counties are properly budgeted for under the State ministries budgets. |

### Yambio County PFM and Payroll assessment

Yambio county performed well in:

- Position and separation of duties.
- Revenue management and banking,
- Budgeting
- Budget execution
- Financial reporting

- Managing and accounting for conditional transfers and payroll.

The county did not perform well in;

- Procurement and Contract management
- Fixed assets and store Management

**Table 9.8: A summary of the assessment of Yambio County performance**

| S/n | Activity | Score | ET Comments |
|---|---|---|---|
| 1 | Position and Separation of duties | 80 | The key positions at the county are filled with substantively appointed officers seconded by the State ministries. EU-TAPP has trained county officials on financial management reporting and payroll management but not on procurement. |
| 2 | *Budgeting* | 79 | Annual budgets are prepared and are approved by the county legislative council. Budget approved late because the national and State governments delayed to issue the ceilings i.e. the ceilings for FY 2015/16 was received in December 2015. Summary budget information shared with press but was not displayed on the noticeboards. |
| 3 | *Revenue management & bank accounts* | 79 | Bank accounts are maintained and proper signatories are in place. Revenue is banked but there are incidences of money being spent without being banked intact. Revenue transactions are coded properly and posted correctly in the books of accounts. |
| 4 | *Procurement and Contracts Management* | 0 | The county has no procurement unit and procurement procedures are not followed. |
| 5 | *Budget execution* | 78 | Revenues banked in commercial banks. Financial forms are being used and transactions coded properly in the ledgers. |
| 6 | *Fixed Assets and Stores Management* | 10 | County does not maintain record of fixed assets and stores except for the record of financial forms. |
| 7 | *Financial Reporting* | 80 | Quarterly budget performance reports produced on time. Monthly financial reports are discussed by the County Executive Committee although they are often late. |
| 8 | Manage and account for conditional grants and payroll. | 73 | Up to date nominal rolls are maintained. Majority of staff are paid through the banking system. Transactions are coded well using the government chart of accounts. |

# 5. Jubek State PFM and Payroll Management

### CTMC and Payroll management assessment

The State's CTMC's is performance was below average. The State's payroll was separated from Counties and transfer of funds to Counties is managed well. A summary of State's performance of CTMC and Payroll is shown below

**Table 9.9: A summary of State's performance of CTMC and Payroll**

| S/n | Activity | Score % | Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 42 | Juba County's budget performance reports submitted late and CTMC does not enforce the rule of *no report, no transfers* to Counties |
| 2 | Payroll management and transfers to Counties | 39 | SMoLPS&HRD does not maintain an up to date nominal roll covering all State ministries, departments and agencies and does not prepare monthly payroll reports. |

**Juba and Yei River Counties PFM and Payroll assessment**

Juba and Yei River Counties performed poorly in;

- Procurement and Contract management
- Fixed assets and store Management
- *Financial Reporting*

**Table 9.10: A summary of the assessment of Juba and Yei River Counties performance**

| S/n | Activity | Juba County | Yei River County | Comments on Counties performance |
|---|---|---|---|---|
| | | % Score | % Score | |
| 1 | Position and Separation of duties | 80 | 60 | Counties 'key administrative positions of Executive Director, Planning Officer & Controller of Accounts filled with established staff. |
| 2 | *Budgeting* | 71 | 50 | Counties' budgets are produced in a format provided by LG PFM Manual |
| 3 | *Revenue management & bank accounts* | 43 | 86 | Counties' revenue collections are still very small and all used at source before banking. |
| 4 | *Procurement and Contracts Management* | 0 | 0 | Counties' don't have procurement funds and budget. |
| 5 | *Budget execution* | 22 | 56 | Both Counties don't maintain budget control book. |
| 6 | *Fixed Assets and Stores Management* | 0 | 20 | EU TAPP did not provide training in Assets and Store Management. |
| 7 | *Financial Reporting* | 20 | 20 | EU TAPP did not provide support to Counties on how to produce monthly, quarterly and annual accounts. |
| 8 | Manage and account for conditional grants and payroll. | 27 | 50 | Counties payroll separated from the State. |

# 6. Imatong State PFM and Payroll Management

## TMC and Payroll management assessment

The State's CTMC is performing well. Payroll management is good and transfer of funds to Counties is managed well. A summary of State's performance of CTMC and Payroll is shown below

**Table 9.11: A summary of State's performance of CTMC and Payroll**

| S/n | Activity | Score % | Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 50 | CTMC holds regular quarterly meetings and submits reports to the STMC through the LGB; QBPR requirements met though some Counties are not submitting reports to CTMC; CTMC reports prepared as stipulated in their ToRs; |
| 2 | Payroll management and transfers to Counties | 94 | SMOLP&SHRD started using SSEPS II in August 2015 and maintains an up to date nominal roll. Grant transfers are budgeted correctly and remitted directly to the Counties by the SMOF. |

## Torit and Magwi Counties PFM and Payroll assessment

Torit and Magwi Counties performed well in:

- Position and separation of duties.
- Revenue management and banking,
- Budgeting
- Budget execution
- Financial reporting
- Managing and accounting for conditional transfers and payroll.

The Counties did not perform well in;

- Procurement and Contract management
- Fixed assets and store Management

**Table 9.12: A summary of the assessment of Torit and Magwi Counties performance**

| S/n | Activity | Torit County | Magwi County | Comments on Counties performance |
|---|---|---|---|---|
| | | % Score | % Score | |
| 1 | Position and Separation of duties | 100 | 80 | Key positions of CED, Planning Officer and Controller of Accounts are filed with officials seconded from the State government.<br>EU TAPP trained county officials on PFM and Payroll<br>No official for Magwi County was trained on procurement |
| 2 | *Budgeting* | 79 | 57 | County annual budgets approved by the County Legislative Councils. Budget approved late due to delayed receipt of ceilings from the central and State governments. Formats in the Local Governments PFM manual are followed. Budget information shared with the media but not published in the noticeboards. |
| 3 | *Revenue management & bank accounts* | 64 | 64 | CDG not received since FY 2011/12 and so the account for capital expenditure either dormant or not maintained. Executive Directors and Controllers of Accounts are the only signatories to the county accounts. In Torit taxpayers make payments directly to the bank while in Magwi, small collections are not banked. |
| 4 | *Procurement and Contracts Management* | 33 | 0 | Torit county appointed the Procurement Committee in August 2015, otherwise no work has been done in this area. |
| 5 | *Budget execution* | 94 | 78 | Torit county prepares bank reconciliation Statements though they are often late. Magwi county does not prepare bank reconciliation Statements and does not maintain budget control books. |
| 6 | *Fixed Assets and Stores Management* | 50 | 20 | Counties do not maintain complete and up-to-date registers of fixed assets.<br>Routine maintenance is not followed strictly and stocktaking is not carried out regularly except in the health and education departments in Torit |

| S/n | Activity | Torit County | Magwi County | Comments on Counties performance |
|---|---|---|---|---|
| | | % Score | % Score | |
| | | | | county. |
| 7 | *Financial Reporting* | 70 | 60 | Monthly and quarterly budget performance reports are produced but are sometimes late.<br>Transfers and revenue transactions are coded properly<br>Monthly financial reports are not discussed by the Executive Committee. |
| 8 | Manage and account for conditional grants and payroll. | 86 | 82 | Nominal rolls in place and are updated regularly; State and county payrolls separated; CDG not received since FY 2011/12; County monthly payroll reports prepared regularly; Grant transfers and expenditures recorded correctly. |

# 7. Gogrial (formerly in Warrap) State PFM/Payroll Management evaluation report

**CTMC and Payroll management assessment**

The State's CTMC is performing well. Payroll management is good and transfer of funds to Counties is managed well. A summary of State's performance of CTMC and Payroll is shown below

**Table 9.13: A summary of State's performance of CTMC and Payroll**

| S/n | Activity | Score % | Comments |
|---|---|---|---|
| 1 | Support the establishment of County Transfer Monitoring Committee | 85 | CTMC established in accordance with the ToRs/guidelines and CTMC reporting requirements met. All Counties submit reports on time and the CTMC meets every quarter to review the QBPRs and Payroll reports. However, schedule of releases to Counties prepared by the SMOF is not shared with the CTMC. |
| 2 | Payroll management and transfers to Counties | 94 | Nominal roll in place and updated regularly; Gogrial State using SSEPSII while Tonj State (where Tonj North county is now) reverted to SSEPS I in Feb 2016; and SMOLPS&HRD in Gogrial prepares reports using SSEPS II. |

**Tonj North County PFM and Payroll assessment**

Tonj North county performed well in all the areas below:

- Position and separation of duties.
- Revenue management and banking,
- Budgeting
- Budget execution
- Financial reporting
- Managing and accounting for conditional transfers and payroll.
- Procurement and Contract management
- Fixed assets and store Management

**Table 9.14: A summary of the assessment of Tonj North County performance**

| S/n | Activity | Tonj North County<br>% Score | Comments on county performance |
|---|---|---|---|
| 1 | Position and Separation of duties | 100 | All key positions of CED, Planner and Controller of accounts are filled with officials seconded by the State government.<br>Procurement and Establishment Officials were appointed.<br>EU TAPP has trained officials in payroll and financial management performance. |
| 2 | *Budgeting* | 100 | FY 2015/16 budget approved on time; Budget call circular issued to the HoDs by the CED; Budget information displayed on the notice boards and disseminated properly; LG PFM Manual and budget guidelines followed. |
| 3 | *Revenue management & bank accounts* | 100 | Accounts operated for Operations and CDG; CED and Controller of Accounts are signatories to the accounts; County has secure storage for cash; Financial forms 15, 67 and 39 in use and transactions recorded properly; and transfers received are acknowledged by the CED. |
| 4 | *Procurement and Contracts Management* | 100 | Procurement unit in place; procurement plans in use and procurement procedures followed. |
| 5 | *Budget execution* | 100 | Bank reconciliations prepared on time; Budget control book is maintained; Payment forms in use and payment requests well supported and are approved by the CED; and Accountants' register of payments is maintained |
| 6 | *Fixed Assets and Stores Management* | 80 | Fixed Assets register maintained and up to date and stock taking carried out on a monthly basis. There is however no proper routine for the maintenance of fixed assets. |
| 7 | *Financial Reporting* | 100 | Monthly reports produced on time; Revenue and expenditure transactions recorded properly using the government chart of accounts; and the Executive Committee (Chaired by the Commissioner) reviews the monthly financial reports every month. |
| 8 | Manage and account for conditional grants and payroll. | 91 | Nominal payrolls in place and updated regularly; State and county payrolls separated; About 75% of staff paid thru the banking system and QBPRs prepared on time. |

# 8. PFM/Payroll implementation in three conflicts State (Unity, Upper Nile and Jonglei)

EU-TAPP's Implementation of PFM/Payroll in the conflict States of Unity, Upper Nile and Jonglei was mainly through workshops held at State capitals and in Juba, due to insecurity situation it was not possible to conduct on the Job training at County level. Three Counties in Jonglei State of Bor South, Duk and Ayod benefited from EU-TAPP training and it is only Bor South County which was visited by the team. A summary of PFM/Payroll activities which were implemented in the conflict States is presented in table below.

**Table:9.15 A summary of PFM/Payroll activities implemented in the conflict States**

| S/n | Planned PFM/Payroll implementation Activity | ET Comments |
|---|---|---|
| | **CTMCs Establishment** | |
| 1. | Hold consultations with key service delivery State ministries to establish CTMC in Upper Nile State, Jonglei, Unity State | Yes, done in three States |
| 2. | CTMCs in the conflict States established | Yes, in Jonglei and Upper Nile States |

| S/n | Planned PFM/Payroll implementation Activity | ET Comments |
|---|---|---|
| 3. | CTMCs capacity strengthened | Yes in Jonglei State |
| 4. | CTMC setup and have first meetings | Done in Jonglei and Upper Nile States |
| 5. | Conduct a two days' workshop to train and disseminate CTMC guidelines to counterparts | Yes in Jonglei and Upper Nile State |
| | **State level Support** | |
| 6. | Conduct consultations with SMoLG, SMoH and SMoPSHRD to identify gaps in Upper Nile | Done in Upper Nile State |
| 7. | Conduct a two days training workshop to strengthen capacity in payroll in States | Done (conducted in Juba for the 3 conflict States) |
| 8. | Conduct consultations with SMoLG, SMoH and SMoPSHRD to identify gaps in Unity | Done in Unity State |
| 9. | Conduct a two days training workshop to strengthen capacity payroll in States | Done (conducted in Juba for the 3 conflict States) |
| 10. | Conduct consultations with SMoLG, SMoH and SMoPSHRD to identify gaps in Jongle | Done |
| 11. | Conduct a two days training workshop to strengthen capacity payroll in States | Done (conducted in Juba for the 3 conflict States) |
| 12. | Conduct consultations with SMoLG, SMoH and SMoPSHRD to identify gaps in Upper Nile | Done in Upper Nile State |
| 13. | Conduct a two days training workshop to strengthen capacity in payroll in States | Done (conducted in Juba for the 3 conflict States) |
| 14. | Conduct consultations with SMoLG, SMoH and SMoPSHRD to identify gaps in Unity | Done in Unity State |
| | **County level Support** | |
| 15. | Conduct a three days planning workshop to facilitate county consultations and planning in Jonglei, Unity and Upper Nile | Done for the three State. |
| 16. | County payrolls split | Done for only for only three Counties of Jonglei; Bor South, Duk and Ayod |
| 17. | County nominal rolls established | |
| 18. | Single payrolls for each county established | |
| 19. | Quarterly Budget performance report- | Quarterly budget performance reports produced for only three Counties of; Jonglei, Bor South, Duk and Ayod |

**Summary tables**

**Table 9.16: EU-TAPP – Status of Implementation of Planned Activities**

| | EU-TAPP planned activities | ET- findings |
|---|---|---|
| 1 | **LG PFM Manual** | |
| | • Planning and Budgeting | EU-TAPP provided support at both State and county levels on budgeting. However, planning was not handled. All Counties were able to produce FY 2015/16 annual budgets in a format provided by LGPFMM although challenges in execution were encountered during the second half of FY 2015/16. |
| | • Financial Management/Accounting | Counties were supported to use financial forms, but little was done on bookkeeping and producing monthly, quarterly and annual accounts. |
| | • Quarterly budget performance report | All Counties were sufficiently supported to produce quarterly budget performance reports. |
| | • Financial reporting | Financial reporting was not supported in all Counties. |
| 2 | **Support at State level** | |
| | • Analyses of current payroll | Analyses of State and county payrolls not yet done. |
| | • Identify county staff | Identification of county staff carried out. |
| | • Separate County and State payroll | In all States, County payrolls were separated from the State payrolls. |

| | EU-TAPP planned activities | ET- findings |
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| 3 | **Support to Counties** | |
| | • Manage payroll | All Counties able to manage their payrolls. |
| | • Implement SSEPS II | All States still using SSEPSI except for Gogrial, Awiel, Jubek and Imatong States which are using SSEPSII. |
| | • County nominal rolls | Almost all Counties produced nominal rolls for all departments. |
| | • Make salary payments | Counties are able to draw cash from the bank and pay their employees. |
| 4 | **CTMC** | |
| | • Establishment and operation of CTMC | CTMC established in all former 10 States and operational until announcement of 28 States. |

**Table 9.17: Summary of PFM/PAYROLL situation pre and post project;**

| S/N | Situation at start (Jan 2015) of EU TAPP | ET findings - Current situation (March 2016) – What has changed? |
|---|---|---|
| 1 | Non-existent/weak CTMC<br>• Counties not producing/ submitting QBPR to CTMC<br>• CTMC lacked the skills and knowledge to analyse QBPR and compile and submit the report to the STMC through the LGB | • CTMC established/strengthened<br>• The CTMC participated in the preparation of the 2015/2016 State budgets.<br>• CTMCs reviewed the county quarterly budget performance reports and submitted to LGB the QBPRs for the first time. |
| 2 | State and County's PFM weak.<br>• Inability to record transactions in the Financial Forms and correctly use the Charts of Accounts. | • Improved PFM system at the State and Counties<br>• State guided in budget process<br>• Counties availed PFM manual to guide financial management<br>• Counties guided on the use of financial forms<br>• Counties able to produce approved budget estimates in accordance with provisions of PFM manual<br>• Guided on the use of the Charts of Accounts in recording transactions, reporting and in the Budget preparation |
| 3 | Lack of flow of financial information, financial matters at State and County levels | • Budget ceiling communicated to State departments and Counties before the budget<br>• County transfer funds lists availed to CTMC |
| 4 | Counties were assimilated into the State budget | • Counties produce and approve their own budgets |
| 5 | County payroll controlled by the State. | • County payroll separated from State |
| 5 | No fund transfers to Counties | • Conditional salary & operating transfers are now being transferred to county bank accounts<br>• CTMC established, and do monitor the transfer of funds to Counties |
| 6 | Counties without councils to approve budget estimates among other functions | • Most Counties have appointed county legislative councils |

| ANSWERS TO COMMENTS TO DRAFT FINAL REPORT | | |
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| **BSI** | | |
| **Comment** | **Action** | **Reasoning** |
| The report lacks contextualisation. It would have been useful, especially for EU HQ officials who may read this report and also to be able to contextualise the recommendations (see point 11) below on this), to include in the introduction a short overview of the current situation with regard to the subnational government configuration in South Sudan. | Done | |
| Relatedly, the ET appears to have had little time to fully comprehend the broader picture in which the EU TAPP project was developed and implemented. There are references to the "LSSAI" (a term used in 2011 and 2012) but not to the more encompassing LSS Joint Plan of Action, signed in August 2013 by the undersecretaries of relevant national agencies and focusing on the need to strengthen Government local service delivery systems (including LG PFM). The LSS JPA is important as it provides the government-led framework within which the EU TAPP support was provided. | Done | There is reasonable background provided to the LSSAI both in the Background section of the main report and also the answers to EQs where it is explained what the LSSAI is and also the joint action plan |
| There is little analysis of whether and how the project worked with government national agencies. More specifically<br>1) It is surprising not to find an assessment of the functionality of | Done | 1) There is a discussion of the Steering Committee and the interaction between this and EUTAPPP<br>2) The ET has tried to assess this interaction and |

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| the Steering Committee.<br>2) An assessment of how closely EU TAPP worked (or not) with the national agencies directly interested by the areas of focus of the project (MoFEP and especially IGFR, MoPS&HRD and LGB) is also missing, apart from some remarks on the lack of support provided to LGB in the review and analysis of CTMC reports and counties' QBPRs.<br>3) There is also no mention of the way the project worked (or not) with MoFEP-led State Mentoring Team, an important part of the government oversight mechanisms – and how any successor might do so. | | briefly committed on the lack of interface at State level with other actors. The STMC and Steering Committee has been the main interface for EU-TAPP with other GRSS stakeholders and we also mention the weak link with LGB though they sit in the same compound.<br>3) The issue of the STM has been addressed now both in the main report and in the EQs/JCs. |
| The report is very comprehensive and detailed in its annexes. Presumably this responds to the TORs' requirements. But it seems to have made it difficult for the ET, in the available time, to digest all the findings. As a result, there is not a clear 'thread' between findings, conclusions and key lessons, and recommendations. Among others that means that: (i) there are findings that are key in my view, but are not reflected in the recommendations (see a few important such points in 13) below); (ii) the lesson learned on the importance of elected | This has been addressed | |

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| local councils for instance (lesson learned 4)), is not substantiated by findings that would be mentioned earlier in the report. | | |
| Relatedly, it would be useful if the recommendations were more clearly addressing three main aims: 1) Recommendations to Government (with mention of who in Government whenever possible); 2) Recommendations to DPs interested in local service delivery and the strengthening of local systems (including the EU); 3) Recommendations regarding the design of a successor programme. I am also unsure about the reasons for selecting the five “main recommendations” of the executive summary out of the twelve “recommendations” in the main text pp. 34-35. | Done | See recommendations table at the end of the report. Concerning the last issue, the ET has selected for the Executive Summary those recommendations that they thought were most urgent. |
| The ET is not very clear on the key issue of continuity in support. International evidence abundantly indicates that building robust systems and capacities at local level, especially in an environment like South Sudan, is a long term undertaking. It would have been useful to find a clearer statement about, therefore, the necessity of continuing the support (adjusting it as required) after what was a VERY short project. In that respect, I find it unrealistic to talk about “a proper hand-over and exit phase” (e.g. p.21) which the ongoing extension would supposedly allow – especially considering | Done | The ET is clear in the continuity of support, which is reflected along the report and in the recommendations |

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| the current uncertainty in relation to the subnational context (this gets us back to my comment 1) above). | | |
| The ET is clear about the fact that CTMCs have the potential to play an important oversight role. However, I diverge on some of the recommendations. Notably<br>• The government intention in forming them is that States' Ministries forming the CTMC ought to be able to devote some of their operating funds to allow it to function, if it is seen as a useful body. The fact that this does not seem to be the case possibly highlights a broader issue that is, the need to streamline systems of sector-specific and cross-cutting state oversight of counties and county reporting to states .<br>• I also do not see why CTMCs should be established in the LG Act to be institutionalised (the STMC is also not established in legislation). In my view this would blur the line between the CTMC as an executive body, and the type of oversight that County Councils and State Legislative Assemblies should play. | Done. Analysis added both in the main report and Annex 8 and elaboration of recommendations in the final recommendations table | |
| It would have been useful to have a section looking more systematically at the different elements of the government PFM/payroll reporting and oversight chains, highlighting systematically for each element what worked, what worked less well or not, what | Done | The ET has analysed that which was the key activities of EU-TAPP and obviously, having only operated for 18 months, it is limited what they have covered in terms of the overall system. We have pointed out the limitations in the payroll support the limited PFM |

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| could be done to strengthen the different elements of the chains and on that basis what a TA programme like an EU TAPP successor could be prioritising. At the moment recommendations lack an organising thread. | | areas covered even in relation to the LGPFMM. |
| In contrast with the many references to the CTMCs, the ET is rather silent on what to do with regard to the concept of “state platforms”. The report suggests that (i) it didn’t work very well; (ii) yet there were examples of good collaboration/coordination in the field, especially with two projects (LOGOSEED, and the health-specific HSSP). But it doesn’t explain why this did not occur with other projects; and there is no suggestion on how to address the presumably existing need for a state-level mechanism to coordinate LG capacity building activities, progress assessments etc., if platforms didn’t work, or what could be done to make them work | Done | The ET explained that it worked mostly based on personal interaction between key people and also the lack of GRSS and States taking the responsibility for this key coordination role. This is something which is outside EU-TAPPs sphere of influence but obviously they have tried to work with other projects locally. |
| In various places the report suggests that resources were not commensurate to the objectives (see e.g. reference to “big bang” approach p. 29; and findings that the available resources did not allow the EU TAPP teams to focus on core PFM elements such as bookkeeping, financial reporting, preparation of final accounts etc. p. 30). The ET also stresses that especially given the possibility of more States and more Counties, there will be a need for increased investment in CB (p. 31). But this leads to a | Done | The wording of this paragraph has been changed to reflect this comment and the reflection that the ET makes on the phased approach is our own assessment of how in future a project like EU-TAPP would have to cover the whole country. We think a phased approach is more logical and needed, though other actors may of course have other opinions. |

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| recommendation of adopting a "phased approach", selecting and focusing first on a few states/counties, which, especially in the current political context, is highly unlikely to be acceptable. The same recommendation (no. 3 in the executive summary and in section 4.3 of the main text) also seems to go into details that would require being better justified or dropped (why would 7 teams covering 4 states each be the only option?) | | |
| As noted above, the ET is rather silent on the context. Yet, the context is fundamental to think through a successor programme. While the context is currently unclear it is disappointing that the report does not at least try to elaborate a small number of scenarios, tailoring its recommendations to each. E.g. assuming (as the ET seems to do) that 28 states and more counties will emerge, this implies increased CB/system strengthening needs related to core PFM systems at both state and county levels. Support would have to be provided to states - beyond their role of county oversight and addressing the state own PFM capacity. The draft concept note for an EU TAPP successor programme (shared with government a few months ago) recognised this. In light of this it would have been useful if the ET had discussed the issue of how to balance state and county support. | Done | Context is briefly covered in the introduction as much as is feasible in a report that has to have page limits. |

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| I am unclear about what the ET calls ‘only aspects of PFM and Payroll (not HR side)’ – see recommendation 1. The EU TAPP programme was not asked to deal with what I call HR issues. The EU TAPP Project Completion Report (PCR) makes it clear that the EU TAPP was not focusing on deploying one or another payroll management system; but on ‘reform readiness’ steps. The reasons less progress was made in these aspects of the programme are also clearly spelled out in the EU TAPP PCR i.e., it’s to do with lack of political buy-in where it mattered. That does not constitute, in my view, a valid reason for wanting to discard these ‘reform readiness’ steps away from an EU TAPP successor. Not addressing issues of accurate nominal rolls and ‘clean payrolls’ would undermine any support aimed to helping states and counties to prepare more realistic budgets. | Done | Covering the issues surrounding the nominal rolls is HR related and should not be covered by a project like EU-TAPP. This should be dealt with by MoLPS and the States/Counties.<br><br>Payroll should only be part of PFM as it relates to reporting on transfers, etc. |
| Examples of important recommendations implicit in the text but not formulated as such:<br><br>• Build on the EU TAPP M&E system developed to track counties’ progress, adapting it to make it simpler so that it is less cumbersome to update, and a better basis to communicate about progress.<br><br>• But also, need to streamline ‘LG assessment frameworks’ including EU TAPP, LOGOSEED | Done | 1. This is now part of the recommendations and to revise and have a simpler M&E<br>2. This relates more to WB/LOGOSEED issue than to EUTAPP. EUTAPP has not been involved with Assessment and therefore the ET has not made any recommendations.<br>3. This has been included in recommendations<br>4. This has been included in recommendations<br>5. This last point the ET has |

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| Institutional Strengthening component, and now the LG Performance Assessment framework being rolled out by LOGOSEED.<br><br>• Build on CB approach of adequately mixing 'kick-off workshops' and OJT but (i) ensure more time spent in the field; (ii) simplify training materials/develop pictorial supports; (iii) address the language barrier (English vs Arabic).<br><br>• Ensure political buy-in. The report is clear (pp. 26-27) that political buy-in is needed at both county and state level, but later in recommendation 6, focuses almost exclusively on the commissioner level. Yet, all evidence so far highlights that state leadership's buy-in is at least as much, if not more, required than county leadership's buy-in.<br><br>What to do about increasing the time spent in the field, which the ET raises as a big issue (insufficient vs what was planned), but without giving clear reasons why it was so low, and ways of addressing this. E.g. were the reporting requirements too demanding, the admin support to address logistical issues not sufficient etc.? Or were the targets too high anyway, given the difficulty of operating in South Sudan | | commented on and also in the recommendations. |
| The report should be carefully edited while being finalised, to address spelling or editorial issues; and reduce redundancy in some instances (e.g. p. 29 the comparison between time | Done | |

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| spent in the field by state and national teams in reality vs what was planned is repeated three times). | | |
| The last two paragraphs p. 23 contradict each other.<br>• The first para states that CTMCs of Lakes, Warrap and NBG discussed counties' QBPR for 2015/16 Q1 but not other states<br>• Then it states that CTMCs of Lakes, Warrap, NBG and EES wrote review reports on counties' Q1 QBPR and sent them to LGB (EES not mentioned in 1st info)<br>• The second para (final on the page) talks about assistance given to two states, Warrap and NBG, to write CTMC reports on counties' Q1 QBPR (this time not mentioning EES and Lakes). | | |
| The information given by the ET on the status of implementation of planned activities (in Table 4, p. 25) does not always tally the progress as reported in the EU TAPP team Project Completion Report (PCR) that was availed to the Steering Committee in February 2016. For instance:<br>• The ET indicates that all counties were able to produce FY2015/16 budget in the LGPFM manual format; the PCR indicates that in the seven non-conflict affected states, three counties in WES did not produce a budget.<br>• The ET indicates that "Financial reporting was not supported in all counties". | Done | This table has been taken out and the text is now corrected to better reflect the comments that are made here. |

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| The EU TAPP PCR explains things differently. EU TAPP teams tried to, in the first instance, get counties to use the appropriate financial forms e.g. to make expenditure requests and to record transactions, but as the PCR acknowledge, they failed, due to lack of political support by the counties' leadership and unavailability of the forms. In that situation it seems that getting counties to produce financial reports was just not feasible, rather than not supported.<br>• The ET indicates that "in all States, County payrolls were separated from the State payrolls". The PCR reports good progress being made (until Dec 2015) but notes that there remained gaps (see graph top of p. 47 of the PCR).<br>These discrepancies (and others that may exist) need to be explained. | | |
| The ET also needs to check what is stated on the functioning of the STMC (e.g. drawing on agendas and minutes or notes-for-the-file of the STMC meetings that can be provided to the ET on request, and which should be on file at EU TAPP). For instance, p. 28 the ET indicates that "the reports submitted by the CTMCs to the STMC through the LGB were discussed by the STMC but there was little evidence that feedback was provided to the CTMCs and state governments…". This is not correct. The LGB never brought the CTMC reports or an analysis of the issues they | Done | Corrected in the text and also now with more analysis both in main text and Annex 8 on STMC etc. |

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| raised, to the STMC. The reason for this being, as indeed stated elsewhere in the ET report, that LGB would have needed technical assistance to be able to review and analyse the CTMC reports and this was lacking. | | |
| In several instances the report would benefit from clearer, more specific formulation. Examples from the same p. 28:<br><br>• The ET states that "The GRSS does not share with the CTMCs the information on the transfers it makes to the State Governments. This makes it difficult for the CTMCs to establish and monitor whether the State governments have transferred all the funds intended to be remitted to the Counties." This is not strictly speaking correct. MoFEP avail scanned copies of the transfer payment advices to the State Coordinators in Juba, who are then supposed to inform SMoFs and SMoFs to inform other interested stakeholders. Whilst this system would require much improvement, the information that transfers have been paid is being shared.<br><br>• The ET states that "Regarding the transfers made by the SMoF to the Counties, the State ministry provides information on the transfers only to CTMC and not to the other State Ministries and Counties. This was the case in many of the States. This lack of | Done | This has been addressed in the text talking about CTMCs and also slightly reworded to reflect that the information could be better from STMCs or GRSS to States |

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| information makes it difficult for the State ministries to monitor the use of funds and also the Counties to know exactly when the funds are received and they sometimes find it difficult to establish the right expenditure to apply the funds." Again this is not strictly speaking correct. State Line Ministries making transfers to counties are supposed to be members of the CTMCs and so, if SMoFs inform the CTMCs they at least should be in the know. The lack of information from the state to the county level is probably a more accurate reflection of the reality in many states. | | |
| **EU** | | |
| **Comments** | **Action** | **Reasoning** |
| Comments made in the text of the report | All accepted | |
| The structure of the report should stick to the outline included in the terms of reference, and present the findings in a way that is concise, by avoiding repetitions and by focussing on results (please refer to annex 2 of the ToRs). | Done | |
| The report itself should be no longer than 10 pages | Partly done | The report has been significantly shortened, though longer than 10 pages since it was otherwise impossible to comply with the other comments asking for further information in some of the sections within the report. |
| Annex 8 should be no longer than 15 pages. | Partly done | It has been cut down to 20 pages, which we hope makes a fair balance |

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| Concerning Annex 9, please consider a presentation format that summarises the information in a useful way. | Done | |
| The purpose of the report is not to repeat what is stated in the annex, but to synthetize and draw the main thematic findings and recommendations. The relevant section on overall findings has to articulate all the findings, conclusions and lessons in a way that reflects their importance and facilitates the reading. The structure should not follow the evaluation questions, the logical framework or the seven evaluation criteria. | Done | |
| Overall, the report should present conclusive answers to the evaluation questions—at present, this is not the case, as already explained. | Done | |
| As you can see from the RGs comments, there are questions on the recommendations. The evaluation team should consider going into more depth in drawing conclusions from the findings | Done | We have tried to draw conclusions based on the analysis done. |
| | | |