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Chapter 1: About the Office of the Auditor General

Established in May 1992 by Proclamation No. 37/1993 and Legal Notice No. 14/1993, the Office of the Auditor General (OAG) is the Supreme Audit Institution (SAI) in Eritrea. Since its establishment, the OAG has been through several transformations, mostly due to political and economic factors that affected the region.

The Mandate of the OAG

As stipulated in Legal Notice No. 14/1993 Article 2/25, the mandate of the OAG includes “to audit or cause to be audited all Government institutions, parastatals, and State-owned Enterprises.” In addition, the OAG is mandated with issuing certificate of professional competence for private auditors and accountants, in terms of Legal Notice No. 15/1993. It also provides advisory services the Ministry of Finance, where necessary.

Currently, the OAG has 179 budgetary audit clients excluding the Para-statals and State Owner Enterprise. The current capacity of the OAG does not much its mandate. Therefore, Parastatals and State Owned Enterprises are being audited by the Audit Services Corporation (ASC), which provides its professional audit services on fee basis and works autonomously under the general supervisory control of the Auditor General.

The OAG categorizes its audit clients based on the risk assessment made by management as big, medium, and small entities to prioritize its audits annually. Based on this, it strives to provide audit services annually to the big clients, while a rotational approach is used to cover the medium and small entities.

Mission, Vision, and Core Values

The following are the Vision, Mission, and Core Values of the OAG:

- **Vision Statement:** To be an independent, transparent, and effective audit institution that promotes public accountability for the benefit of our society.
- **Mission Statement:** To provide reasonable assurance in the management of public resources by our independent and objective public sector audit services.

Core Values, Beliefs, and Guiding Principles

Integrity, Professionalism, Teamwork, Transparency, Innovation, and Continuous Development.”	
Integrity:	The OAG staff members should be honest in performing their professional services and should have high personal discipline.
Professionalism:	To provide consistently high-quality audit services, staff members are expected to maintain and develop high professional competence and expertise.
Teamwork:	The OAG believes that cooperation among the staff members and collaboration with clients are vital indicators of success.
Transparency:	The OAG should be transparent in its work. Regular communications should be made to the relevant stakeholders in the form of reports and briefings.
Innovation and Continuous development:	The OAG will have to steer and encourage the staff creativity in audit methodologies, processes and procedures, and other institutional factors to fulfil its mission.









Chapter 2: Purpose of the 2022 annual report & highlights

The 2022 Annual Performance Report serves two purposes.

- The first purpose of this report is to inform our key stakeholders on the activities of the OAG. By reporting on our achievements and shortcomings, we also pursue the support of our key stakeholders and partners in improving the effectiveness of our audit services.
- The second purpose of this report is to adhere with the principles of INTOSAI-P 20 on the transparency and accountability expected from our Office. By preparing this report, the OAG is demonstrating and promoting accountability through leading by example.

The OAG report is prepared to inform readers on the status of the detailed annual operational plan of 2022 which integrates both the audit and non-audit functions of the OAG. The annual operational plan of 2022 was drawn from the five-year strategic plan of the OAG which runs from 2019-2023.

OAG highlights of year 2022

Highlights under each strategic goal					Budget & Expenditure	Capacity Development	Lessons learnt
							
Legal Independence	Organization and Management Capacity	enhance the competency and productivity of human resources	quality of audit services to increase the value of the OAG	Communication and Stakeholder Management			
<p>Continuous effort to get the draft Audit Legislation approved</p> <p>Continuous effort to establish a committee that follows-up on the OAG recommendations</p>	<p>Established Disciplinary Committee</p> <p>Developed Internal control Framework</p> <p>Developed Risk management framework</p> <p>Development of various policies and guidelines</p> <p>Audited its financial Statements by external auditors</p>	<p>Established a gender focal group</p> <p>Development of various HR policies and guidelines</p> <p>Commencement of Management development Program</p> <p>Female representation at 35.8%.</p> <p>4 Auditors certified by PESA-P</p>	<p>Successful Implementation of AFROSAI-E QAR team recommendation</p> <p>Upgraded Quality Assurance Review Unit to Division</p> <p>58 Financial, 3 Performance, and 6 investigative audit that cover 270 budget years were finalized making the coverage 91%.</p>	<p>Satisfaction survey for employees and audit clients.</p> <p>Successful coverage of OAG activities in Media</p>	<p>OAG received a total of ERN 7.98 million from the Government</p> <p>The total amount of the budget spent was ERN 5.28 million.</p> <p>Property management improving annually</p>	<p>4 In-house Training Programs received:</p> <p>9 Regional Training Programs participated</p>	<p>The pilot project to prepare team leaders through practical coaching has continued in 2022</p>

Chapter 3: Key achievements under each strategic goal

Goal 1: To enhance the independence of the OAG

In practice, the OAG does not have an issue that compromises its basic independence. This is demonstrated by its independence in deciding on the approach, methodology, reporting mechanisms of its audits. It has also unrestricted access to documents in conducting audits. However, to secure its independence through Audit Act in accordance with the requirement of Lima declaration, the OAG updated the draft Audit Legislation in 2021 and submitted the draft to the concerned authorities for approval.

The document is still awaiting the approval of the government. In the meantime, the OAG is using the draft Audit Legislation as a basis for its operations.

Goal 2: To strengthen the organization and management capacity of the OAG

The OAG has been working to ensure a strong organization characterized by a positive internal culture that strives for the delivery of quality audits. Implementation of quality audits is measures by introducing standardized organizational policies and guidelines, a robust organizational structure that enables the OAG discharge its mandate effectively is one of the main strategic goals of the OAG. With this principle, the OAG has put several objectives and activities in its strategic plan of 2019-2023.

The 2022 Annual Operational Plan was approved early in January. Based on the activities identified, the OAG implemented the following:

- Establishment of a Gender Focal Team: The OAG drafted a Gender Policy and strategy in 2021 and several gender related activities have been implemented since then. The responsibility of managing the gender equality initiatives has been assumed by the ICT division as it was initiated by the division. In collaboration with the UN Gender Team, the OAG established a Gender Focal Team (GFT) towards the end of 2022. The GFT is now responsible for all gender related activities.
- Establishment of a Disciplinary Committee: All disciplinary measures were handled by the Administration and Finance Division (sometimes by forming temporary Ad-hoc committee). In 2022, the OAG has established a disciplinary committee represented by all OAG organs with special consideration for non-management staff and gender balance.

Policies and Guidelines

In 2022, the OAG developed and implemented several policies and guidelines. Currently, the following policies and guidelines were implemented or ready to be implemented in the OAG:

Policies	Guidelines
<ul style="list-style-type: none"> • Coaching Policy 	<ul style="list-style-type: none"> • Financial management guideline • Risk management Framework • Strategic plan for Finance and Administration • Internal control Framework • Disciplinary Committee procedures guideline • Technical committee guideline

The guidelines and frameworks are expected to improve OAG’s efficiency and management process.

To contribute to the enhancement of OAG’s performance, the provision of necessary tools and equipment including securing power supply and deployment of sufficient IT Equipment were vital.

The following activities were implemented in 2022.

- Design ISSAIs based internal control system: The preparation of Internal Control framework was attempted in 2021 however, it was not successful. Thus the task was completed in 2022. The framework is prepared based on recommended guidelines of COSO which focuses on the five integrated components of internal control namely, control environment, risk assessment, control activities, information and communication, and monitoring activities. In consideration to INTOSAI-P 12, the framework will assist the OAG in demonstrating commitments to integrity and ethical values, establishing structures, reporting lines, authorities and responsibilities, holding staff accountable and promoting transparency by producing accurate, reliable, and timely reports on the financial and non-financial activities.
- Replacement of Solar Battery: Our solar energy covers the majority of the OAG’s power requirement with a significant saving of an estimated energy cost of over 50%. The solar power was installed in 2016 and by 2021 the power reserving capacity of the batteries declined significantly. In 2022 the old power bank was replaced by better, more efficient batteries.
- Strengthen the Local Area Network (LAN) to be used for information and equipment sharing: In 2022 the OAG was able to secure additional floor within the current building where the OAG is residing. The additional floor is occupied by Internal Audit unit, HR Division, QAR Division, and Auditors of the Audit Department of Revenue, Economy, and Defense forces. To include those offices with OAG’s local area network, additional connection point was extended to the offices
- Deployment of Management Information System (MIS) and Digital Library: The OAG developed a small software to share information on the management of resources which includes HR, Logistics, Finance and Administration, Library and others. The software was

handed over to the Administration and Finance Division. In addition, a virtual library was also deployed where auditors and other OAG staff can share their knowledge and access learning materials that include videos, books, all OAG policies and manuals and other important publications.

Our Financial resources is obtained from the Ministry of Finance and National Development. We obtain our human resource from the Resources Coordination Center (RCC), a body mandated with equitable distribution of professionals to Government institutions. The day-to-day management of those resources is the responsibility of the OAG management.

Goal 3: To enhance the competency and productivity of human resources

The number and quality of audit staff we have in the OAG does not commensurate with the number of Government institutions that the OAG is mandated to audit. As a result, we have been encountering substantial audit backlogs and have had to outsource some of the work. There is need to increase the workforce of the OAG to enable it audit all Government institutions and projects annually.

Until the OAG will have the required capacity, the OAG should upgrade its staff members' technical and professional competencies. Our auditors should also be familiar with diverse accounting systems and audit procedures. To address this issue, the OAG included a five-year goal that focused on the development of employees in its strategic plan. The OAG has been working to produce and retain skilled manpower by including objectives and activities in its strategic plan. In the past three years, the number, skill, and competency of the OAG employees have been improving gradually.

To upgrade and retain the human resource of the OAG

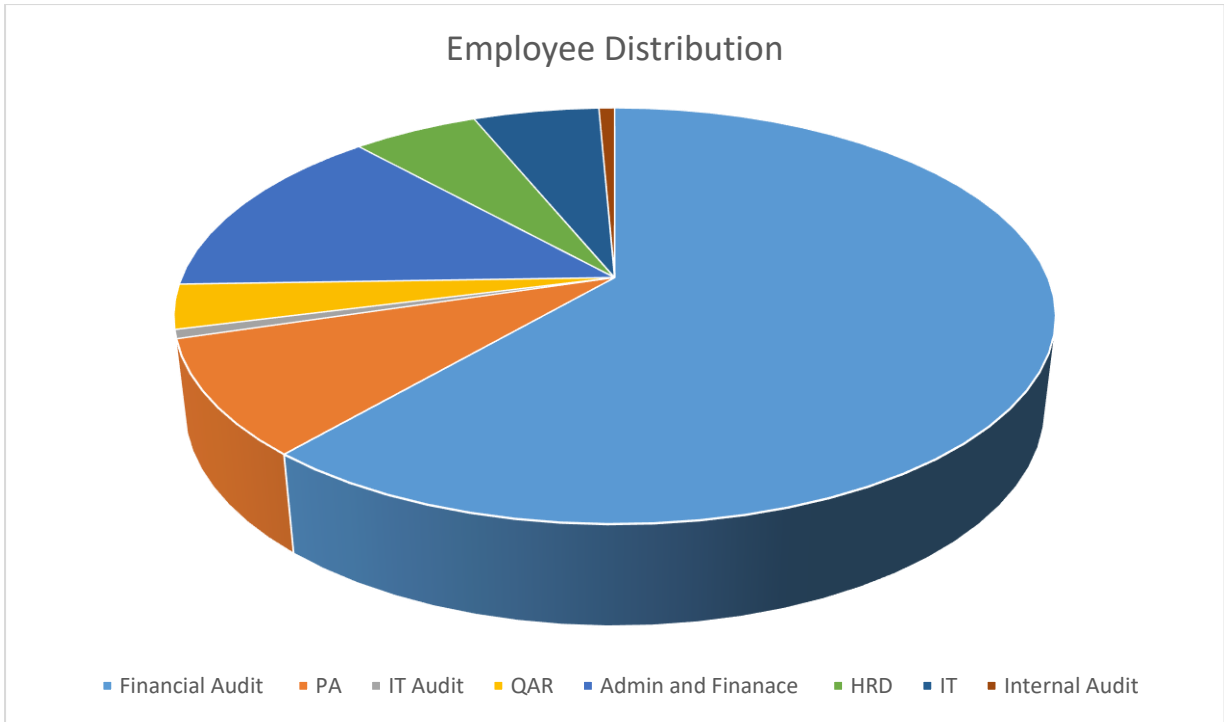
Development of various HR policies and guidelines

The OAG has drafted several policies and guidelines to fill the gap in its HR management process. All the documents are awaiting review and approval of OAG management. The following are list of the draft documents:

Policy documents	Guidelines and manuals
OAG Succession policy	Prepared OAG train the trainers manual
OAG discipline and work ethics policy	Training performance impact assessment guideline
OAG rewarding and recognition policy	OAG Job description Review
OAG welfare policy	Training needs assessment guideline
OAG retention policy	HRD training program
OAG internal promotion and recruitment policy	HRD organizational Structure

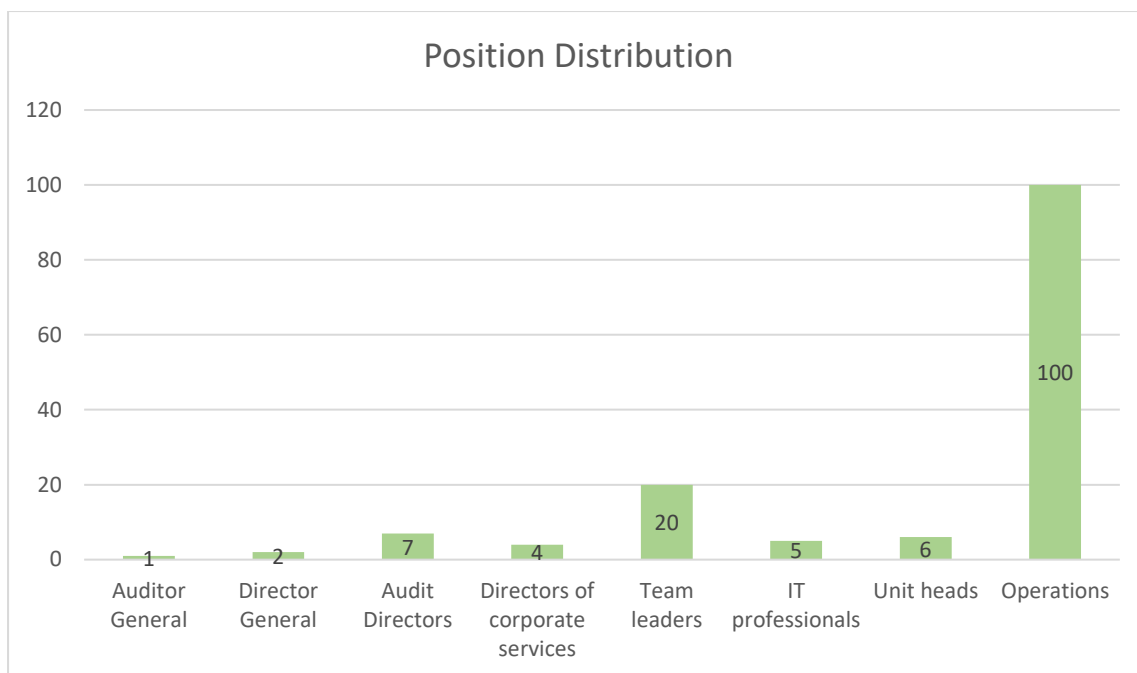
The OAG has a total of 145 staff members. Out of the total, 61% are Regularity Auditors, and 9% are assigned as Performance auditors. The remaining 30% are serving in the various organs of the OAG, including QAR, IT, HR and, Admin and Finance.

Although towards the end of 2022, the OAG was expecting additional recruits, the allocation of new employees is still delayed.



In 2021, the OAG has designed a program to coach potential Team leaders, and the program has also continued in 2022. As a result, seven new team leaders were that increased the number of audit teams. There are two Directors General each with three audit directors. Each director supervises 3-4 audit teams which are composed of about 4 auditors each, excluding the team leader. Currently there are 20 regularity audit teams, audit three performance audit teams.

The supervisory post of audit is still vacant. For this reason, the audit directors are directly supervising the work of the audit teams. This gap has negatively influenced the efficiency of audit work.



Gender activities

The management has been working hard to improve the gender disparities in the OAG. The number of female colleagues in the OAG cover 35.8% of the total employees. In 2021, the OAG prepared a gender policy and strategy document whose implementation commenced in March. Based on the three objectives identified in the gender strategy, the following activities were implemented in 2022:

- Objective 1: To raise awareness among male and female staff members of the OAG. Often, the concept of gender is confused with a political movement. Unfortunately, this sentiment is shared by many female colleagues. The aim of this objective is to stimulate gender consciousness among OAG staff by organizing short training sessions. The OAG has been working with the UNDP for a meaningful engagement to support its gender programs. As a result, a gender working group from the UN organs, including the Office of the Country Representative, UNDP, UNFPA, UNICEF, and others residing in UN office in Asmara delivered a two days awareness workshop to 120 (83%) OAG staff members.

During the awareness session, a number of constructive recommendations, including a call for special training in leadership for women colleagues, alignment of OAG gender programs with SDGs, improvement of the OAG day care facility and others were presented.

Objective 2: To support OAG members who are mothers and parents. Establishment of a day care is one of the strategic priorities of OAG gender issues. The OAG was able to secure two rooms in the third floor, dedicated for the day care. Over six baby beds are furnished currently utilized by three babies. The floor of the daycare rooms is a carpet which was laid more than 10 years ago. Due to the weather in Asmara, the carpet has accumulated dust and the OAG has started to replace the floor with more convenient and healthy floor carpet.

- Objective 3: To take affirmative action with the aim of fostering greater gender balance. The gap created over the past 10 years in the gender disproportions in management positions is a concern in the OAG. To narrow the gap, the OAG management is encouraging female colleagues to come to the management level. The initial step is, therefore, to balance the proportion in operational managers (audit team leaders, and unit heads). Out of the 7 staff promoted to team leaders, 4 were female colleagues. In addition, the heads of internal audit and personnel unit are both females.
- Objective 4: To empower female colleagues: This objective has two activities; reserve seats for female colleagues in OAG working committees to motivate, promote and empower female participation in professional studies. In 2022, the OAG welcomed 2 female colleagues (only 15%) into the Technical committee, 4 colleagues in the SAI Team (50%), and 4 colleagues into the Gender Focal Team (50%).

The OAG joined the IDI pilot project in the Professional Education for SAI Auditors (PESA-P), where 13 auditors (mostly Team Leaders) were enrolled. The education encompasses Financial and Performance Audit Streams. It aims to create professional SAI auditors contributing to professional SAI. 5 out of the 13 auditors were female colleagues. The female colleagues were exempted from most of the general OAG criteria for the selection of the staff who joined the study, including number of years in service and managerial position.

Goal 4: To enhance the quality of audit services to increase the value of the OAG

The OAG has been working closely with the AFROSAI-E to improve the quality of its audit services. The OAG has fully adopted the International Standards for Supreme Audit Institutions (ISSAIs). A Performance audit function was established with the support of AFROSAI-E in 2018. In 2022 the following additional activities were performed:

Enhance the Performance Audit function

The Performance Audit (PA) Unit which was established in 2018 was reinforced by equipping the staff with training and tools.

- Increase the number of auditors: In 2022, the OAG elevated the performance Audit Unit into a Division. However, by the end of 2022, the number of Auditors in the Division reduced by 4 due to various reasons. In 2023, additional effort will be required to strengthen the division both in quantity and quality.

Establishment of Quality Assurance Review Unit

The Quality Assurance Review unit, which was established In 2021 was also elevated to a Division level.

The following was the result of the division's annual performance:

Institutional Review

The institutional review covered all the five domains of the AFROSAI-E Institutional Framework which are Independence and Legal Framework, Organization and Management, Human Resources, Audit Methodology and Standards, and Communication and Stakeholder Management. The result of the review revealed some areas of improvements detailed below.

The existing capacity of internal audit function needs enhancement as it is being carried out by only one staff. In terms of tools and other equipment apparently, there is shortage of tools such as laptops in the OAG. In addition, the OAG should also raise awareness on the functions of Performance audit to various stakeholders including SAI staff, clients and other various stakeholders so that they can be able to translate and use performance audit reports issued and take appropriate actions. Finally, in relation to its Human Resource management practices, it was observed that performance evaluation of staff was not carried out. In addition, Staff rotation needs to be implemented in a planned way.

Financial Audit Review

Twenty-Five financial audit files were reviewed to and benchmarked against the requirements of the ISSAIs. The review revealed some areas of improvements as mentioned below.

There were few identified weakness in understanding the objective of a risk assessment. Even though, the auditors identify the risk areas, they don't conclude the effect of particular risk on the audit component or financial statement. In Some audit engagements, the qualitative materiality factors had not been stated.

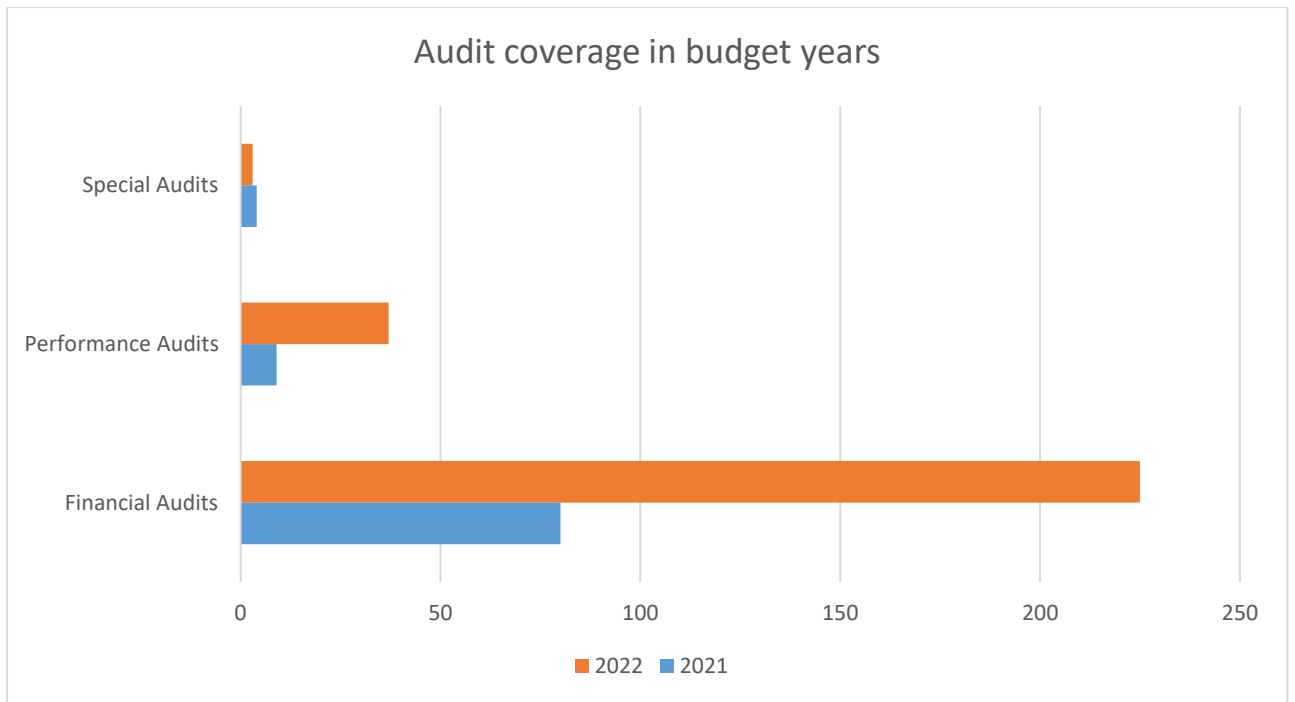
Performance Audit Review

The QAR team did not conduct a performance audit file review, but it followed up the implementation of the recommendations' given by the AFROSAI-E QAR team related to the performance audit files.

Audit Coverage

The two audit departments planned to complete financial audits in 71 entities that cover 242 budget years. In addition, the departments also planned to undertake a special audits in 8 entities that cover 45 budget years. Similarly, the Performance audit division planned to complete performance audits in 4 entities that cover 12 budget years.

Out of the total planned audits, 60 financial audits comprising 225 budget years were finalized. In addition, 3 Performance audits and 1 investigative audit were also completed. In 2022, all the completed audit engagements covered 85% of the planned, which showed significant improvement compared to the year 2021.



Out of the completed 225 budget years, the OAG issued 145 unqualified, 78 qualified and 2 disclaimer reports. Our audit findings have revealed overdue suspense account over ERN 23 million, uncollected revenue and receivables of over ERN 50 million. A number of suspended construction works and other weaknesses in property management were also some of the major audit findings of 2022.

Goal 5: Communication and stakeholder management

The OAG has a communication Policy and strategy based on its Vision, Mission and Core Values. That Communication Policy amplifies the communication strategy that should be with internal and external stakeholders based on the analysis conducted. Based on this strategy, the following activities were implemented.

Collection of feedback from external stakeholders: The OAG strives to add value by responding to the needs of its main stakeholders, specifically, its audit clients. As part of each audit wrap-up, we requested our clients to provide us with feedback on their observation and level of satisfaction about the performance of the OAG and the particular audit team which completed the audit assignment.

In 2022, the majority of our audit clients expressed their satisfaction with the expertise, professionalism, objectivity, independence, and overall behavior of our audit teams. The timing and frequency of audits was one of the areas of improvements observed by many audit clients.

In addition, a joint training was also suggested by the Inland Revenue Department to facilitate knowledge sharing and smooth communication. The OAG has already started preparations to address the concerns of its clients.

Internal Stakeholders: There is a short weekly management briefing meeting aimed at addressing any emerging issues that may require immediate action. The meeting is chaired by the Auditor General, and is attended by the two Directors General and Directors of Corporate Services.

Based on the communication strategy targeting internal stakeholders, a regular meeting is conducted within the management team of an audit department quarterly. The meetings that is held among the audit directors and the directors general is intended to evaluate work progress while identifying and addressing bottle necks as early as possible. In addition, a general meeting of all OAG staff is conducted twice a year.

The technical committee convenes every two weeks, the SAI team every two months, and the change management committee monthly.

In 2022, we have collected a survey on the general satisfaction of working condition from 95 OAG employees. Respondents were 64%male and 36%female. In general the level of satisfaction was high, scored above 92 %. However, 15% feel that their opinions were not appreciated by the OAG management.

To engage with the media and other stakeholders to increase the awareness of the public

Get media coverage in Eritrean TV, radio, and newspapers: As part of its stakeholder engagement activities, the OAG is working with the Ministry of Information to gain media coverage on the OAG activities through the available media outlets. In 2022, the Ministry of Information has covered a number of OAG activities in TV, radio, newspaper, and the Ministry's official website, shabait.com.

The training of Internal Auditors conducted by the OAG and the Management Development Program were covered in all the media outlets. In addition, a special reportage on the MDP and the recognition obtained on the Financial Audit from the AFROSAI-E was covered in TV, radio, and Newspaper articles.

Social Responsibility

The OAG participated in the afforestation program organized by the Authority of Forest and Wildlife, and the Zoba Maekel. During July and August, the OAG employees spent three days in preparing pits and planting over 1000 seedlings that cover over one hectare. In 2021, the OAG has also planted more than 2500 trees that cover over 3 hectare.

Chapter 4: Finance budget & expenditure

Budget & Expenditure

The primary source of financing for the OAG is the budget obtained from the government through the Ministry of Finance and National development. The OAG's budget was approved in January 2022. Most of the budget received was for recurrent activities and salary. The budget also included limited amount for capital expenditure such as for procurement of IT materials, renovation, and maintenance of building, and other similar activities. In 2022, our office received a total of ERN 7.97 Million from the Government. There was no additional budget received from our development partners.

The Finance and Administration Division of the OAG is responsible for the management of all financial resources. In utilizing the budget and additional donor fund, the OAG follows the Financial Regulations of the Ministry of Finance, regardless of its source. During the year 2022, our Office has submitted the financial reports to the Ministry of Finance and National development in accordance to the government financial reporting framework.

The total amount of the budget spent was ERN 7.87 million, making the utilization rate 98.7%. The indicative budget approved for procurement of office equipment and machinery was not utilized due to procurement restrictions. The major component of the OAG expenditure was salary of staff which amounted to ERN 5.98 million. The remaining amount of the budget was utilized for non-personal contractual services such as office rent and utilities.

The OAG is a budgetary unit that obtain its annual budgets from the government of the State of Eritrea. However, it also looks for additional fund for financial support. In 2022, the PAP-APP program, which was initiated by the INTOSAI Development Initiatives (IDI), has also covered the expenditures for one local training and several regional events.

Property management in the OAG is improving annually. The OAG made reforms in the management of fixed and consumable assets. Towards the end of 2022, the inventory count was completed with updated property register.

Audits of Financial statement

For the first time since its establishment, the OAG got its financial statement audited by an independent external audit firm. The HLB Abraham Isaac & Office, Authorized Auditors and Accountants audited the financial statements for 2021. The result of the audit was unqualified audit opinion (see attached in Annex).

Equipment and facilities

Additional office space: The OAG was able to secure additional one floor within the same building. The additional space is an important achievement as we have been suffering from the shortage of space. The additional space is now occupied by the audit Department of Revenue, Economy, and Defense

forces as well as HRD, Performance Audit, Quality Assurance Review (QAR) Divisions. The OAG daycare and the Internal Audit unit are also located in the newly acquired floor.

The new space in the third floor needs a number of maintenance including the bathrooms, electrical and internet networks. The OAG has already extended the internet connection and the solar power to this new space, but maintenance of the electrical appliances and other facilities are still pending.

Clean Energy: The OAG has already installed solar energy to address the problem of the power outage that has been affecting the day to day operations of the OAG negatively. However, the facility is already six years old and there was a need to replace the batteries. The batteries were replaced in 2022 as a result of which, the depletion of power reserves during night times is addressed.

Chapter 5: Trainings, seminars and events

Professional Education for OAG Auditors

The OAG Eritrea is taking part in the IDI initiatives in the Professional Education for SAI Auditors - Pilot (PESA-P). The Education has been delivered in two sessions separately. The first round of the education was delivered from May 2021 to October 2022. During the first session 15 audit staff members of the OAG were enrolled in the initiative.

Out of the total enrolled participants, 13 successfully completed the mandatory activities of the PESA-P and took examination in October. One discontinued the education due to health reasons. The second was not eligible for the exam due to a mistake made by his coach in signing off the uploaded papers and as a result his exam was deferred for May 2023.

The Second round of the education was a Special Edition to SAI coaches who have supported SAI Auditors in completing the digital education and Initial Professional Development Portfolio (IPDP). Seven Audit Directors were enrolled in this initiative. It was commenced in August 2022 and will be completed in May 2023.

Other short term trainings

There were a number of trainings conducted through face-to-face and virtual events and other seminars. Majority of the training events were regional, conducted in collaboration with the AFROSAI-E, with limited number of in-house workshops.

In 2022, the following seminars and training events were conducted:

In-house and In-country Training Programs:

- **Internal Audit Training:** During 09-13 May, the OAG trained 41 internal auditors from government institutions for five days. The training covered introduction to International Professional Practice Framework published by the Institute of Internal Auditors (IIA), Internal Audit charter, Audit Techniques and tools, Audit Reports, and other topics. The training was organized by the HR Division and was delivered by senior audit staff of the OAG.
- **Management training:** The Eritrean Center for Organizational Excellence (ERCOE) delivered a 5 days training for 51 OAG staff that comprised team leaders and above on management and leadership. The topics include, time management, enhancing team culture, constructive feedback process, work process improvements, and other important management and leadership areas.
- **Gender Awareness training:** In collaboration with the Gender working group from the UN offices in Asmara, the OAG organized a two day training during 1st and 2nd December. The training which focused on awareness on the concepts of gender was attended by 120 OAG staff members.
- **Financial Audit Manual and Compliance Audit manual (FAM- CAM) training for HRD staff:** To equip the HRD staff with the concept of auditing, a total of 35 hours training was delivered to 5 HRD staff members whose educational background is other than audit and accounting.
- **Management Development Program (MDP):** An In-country MDP training was delivered by AFROSAI-E technical managers in Asmara for 31 senior OAG staff members. The training,

which was delivered from August 29 to September 02 was the first phase of the training package which is expected to run for 18-24 months up to 2024.

Regional Training Programs

- **FAM CAM Sub-Regional Workshop:** As part of our regional rollout strategy to support the smooth transition in implementing the Financial and Compliance Audit manuals, the AFROSAI-E held a sub-regional workshops to train SAI trainers, before starting with in-country workshops. The objective was to train SAI trainers who will be responsible to roll out the revised methodologies within their respective SAIs. The training was delivered during 23 – 27 May 2022 in Pretoria. Two directors general of audit from the OAG attended the training.
- **Audit of Extractive Industry workshop:** An audit of Extractive Industries workshop took place from 27 June to 1 July in Pretoria, South Africa. The workshop was conducted by AFROSAI-E technical managers in partnership with SAI Norway and the INTOSAI Working Group on Extractive Industries (WGEI). The theme for the workshop was “Role of SAIs to support governments in transitioning to sustainable, low carbon and equitable energy systems.” The workshop was attended by two Audit Directors.
- **Information Systems (IS) Management:** a workshop for IS managers themed “Managing Innovation and Disruptive Technology” was delivered with the aim of supporting SAIs with managing their digital transformation. The workshop was built on the discussions held at the 2021 Working Group on Information Systems Management (WGISAM) workshop that emphasized the need for SAIs to have deliberate digitalization strategies. Two managers from the OAG IT division attended the workshop that took place from 6 to 10 June 2022 in Pretoria, South Africa. The workshop was followed by IT audit champions training which took place from 13 to 18 June.
- **Annual Communication Workshop:** A Regional Communication Workshop took place from 18 to 22 July in Pretoria, South Africa. The focus of the workshop was to introduce participants to AFROSAI-E new guidelines and templates for developing stakeholder engagement strategies, plans and policies. The participants had also the opportunity to learn from the experiences of other SAIs and to develop their own communication skills. The directors of HRD and QAR Divisions attended the workshop.
- **Quality Management Systems:** This workshop took place from 29 August to 2 September 2022 in Pretoria, South Africa. The purposes of this workshop were two. Firstly, to aid SAIs with creating and strengthening internal quality assurance functions. Secondly, to pro-actively sensitize the SAIs on the upcoming changes to ISSAI 140 on ISQM 1 and ISQM 2. The Directors of HRD and Quality Assurance Review Divisions attended the workshop.
- **Annual Human Resources Workshop:** The annual HR workshop which was organized by the AFROSAI-E in collaboration with the GIZ and SAI Tanzania took place from 19 to 23 September in Dar Es Salaam, Tanzania. The objective was to facilitate for SAIs to share ideas, and experiences and explore opportunities to address the concerns in retaining, recognizing, and developing their staff, a challenge which was identified in the 2021 ICBF result. One Staff from the HRD Division along with the Director (as a facilitator) of IT attended the workshop.

- **Monitoring, Evaluation, Reporting, And Learning (MERL):** A workshop in MERL took place during 15 - 17 November in Pretoria, South Africa. The three-day workshop introduced participants to the life cycle of planning, monitoring, evaluation, reporting and learning. The objectives of the workshop were to create awareness in the region and introduce participants to monitoring and evaluation concepts and principles. In addition, the workshop also aimed at creating an understanding in applying M&E in SAI operations and promote transparency and accountability within SAIs. Two members of the SAI team responsible for conducting Monitoring and Evaluation of the OAG activities attended the workshop.
- **Annual Technical Conference:** After two years of virtual conference, the Annual Technical Conference of 2022 took place as face-to-face event from 18 to 20 October 2022 in Pretoria, South Africa, under the theme of “Connect.” During the three day conference, several new technical guides and exposure drafts were launched and were featured on the program and as exhibitions in the knowledge-sharing hub. Two Directors General from the OAG attended the conference.

Other conferences and meetings

- **Cultural Value Assessment:** A feedback on OAG Eritrea Cultural Value Assessment was presented virtually to all OAG staff. The feedback session which was presented by the AFROSAI-E HR Manager was done on 15 March.
- **Governing Board Meeting:** The 2022 strategic review and 18th Governing Board meeting was held from 9 to 12 May, In the Gambia. The Auditor General attended the strategic review and the Audit and Governance sub-committee meetings.
- **Building SAI Capacity through SAI – PMF:** A webinar on Building SAI Capacity through SAI - Performance Measurement Framework (SAI – PMF) was held on 31 May. The webinar was organized by IDI. The webinar was attended by ten Directors and two Directors General from the OAG.
- **Plain language e-learning course:** 11 OAG staff members, mostly senior auditors and directors completed the e-learning course of AFROSAI-E on “Plain Language for Effective Report Writing” that ran for one month.
- **INCOSAI XXIV:** The 14th Triennial INCOSAI was held during 7-11 November in Rio-Brazil. The Auditor General along two Directors attended the congress.

Regional and International contributions

The OAG is a member of INTOSAI, AFROSAI, and AFROSAI-E. The OAG has fully paid the membership fee for the INTOSAI, AFROSAI, and AFROSAI-E.

Although, due to the limitation in its experience, its contribution is minimal, the OAG has the will to contribute to the initiatives of AFROSAI-E secretariat. In 2022, the OAG contributed one of its audit directors to support the AFROSAI-E Quality Assurance Review Team that reviewed the SAI of South

Sudan. In addition, the OAG sent its ICT and IS Audit Director to the HR annual workshop held in Tanzania to share the OAG experience on its journey in implementing gender related interventions in SAI Eritrea.

Chapter 6: Challenges and lessons learnt

Challenges

Although the OAG's performance, specially in the audit coverage has improved, 2022 was not without challenges. The OAG's plan to procure additional laptops could not be realized due to limitation of budget and complications in the procurement process.

Another challenge was the vacancies of Supervisors and audit Directors. Due to lack of supervisors, the audit directors are directly supervising the audit teams. This created delays in the supervision and completion of audit engagements.

Limitation of internet connectivity has been hindering the various online education and professional trainings the OAG's planned. Although the OAG managed to solve the problem by engaging partners from the UN offices, this requires sustainable solution.

Lessons learnt

In 2021, the OAG initiated a pilot project to prepare team leaders by starting practical coaching by assigning experienced auditors in a role of team leading. The program has also continued in 2022. Under a close supervision of audit directors, the OAG was able to produce reasonable number of team leaders. The positive outcome of the pilot project was a good lesson to be continued in the coming years including the grooming of supervisors in the long run.