



DÁIL ÉIREANN

AN COISTE UM CHUNTAIS PHOIBLÍ
COMMITTEE OF PUBLIC ACCOUNTS

**INTERIM REPORT
ON
IRISH AID**

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Chairman's Preface

This is the first interim report of the Committee of Public Accounts of the 30th Dáil. The Committee was established by resolution of Dáil Éireann on 25th October, 2007 and held its first working meeting on 15th November, 2007. Since that date the Committee has met almost on a weekly basis as it examined Accounting Officers on the 2006 Annual Report of the Comptroller and Auditor General and Appropriation Accounts.

Interim reports on the taxation of rental income and on the health sector will also issue shortly.

This first report examines expenditure on Irish Aid, which was the subject matter of the Committee's meeting of 10th April, 2008. As part of that examination, a delegation of the Committee visited a number of projects in Zambia and South Africa to see at first hand how the aid is being utilised and to satisfy itself on the adequacy of the checks and balances that need to be in place to ensure that Irish Aid is not misappropriated.

As Chairman, I want to thank staff of the Department of Foreign Affairs and Irish Aid and the NGO's and missionaries who we met in Southern Africa for their co-operation with the Committee when it was compiling this report. I also want to compliment the members of the Committee for their diligent work throughout the year.

We recommend this report to Dáil Éireann.

Bernard Allen TD
Chairman
July, 2008



Executive Summary

The scrutiny of expenditure on Irish Aid by the Committee comes at an opportune time given that it is now two years since the Government White Paper and given the anticipated growth in the level of aid to 0.7% of GNP. The evidence given by Dermot Gallagher, the Accounting Officer and the visit by a delegation of the Committee to Southern Africa in May provide the backdrop to this Report.

This report raises a number of accountability issues, namely:

1. Do we have the budgetary control measures in place to ensure that Irish Aid is not subject to fraud/theft?
2. Do we have the staff both in headquarters and on the ground to ensure that aid is administered, accounted for and that the capacity exists to manage much larger budgets?
3. Are we satisfied that Irish aid is targeted to achieve maximum effectiveness?

Having witnessed at first hand the work being done in both Zambia and South Africa and having considered the evidence of the Secretary General and his colleagues, we acknowledge the commitment and the capability of all those involved in Irish Aid. The annual audit by the Comptroller and Auditor General has also given the Committee confidence that fraud is not an issue. We look forward to the outcome of the management review currently in progress which will address

capacity issues in Irish Aid. Finally the Committee acknowledges the element of risk that is associated with aid programmes.

The Committee make a number of recommendations which will enhance the effectiveness of expenditure on aid based on its findings which include:-

- Bureaucratic procedures and red tape in programme countries deplete and delay aid in reaching its target
- NGO's and missionaries, given their vast experience and track record, need to be given a formal role in the deployment of aid
- Recipient governments need to address capacity bottlenecks which hinder the effectiveness of aid programmes
- Aid delivery mechanisms should be subject to ongoing review.

The remit of the Committee of Public Accounts is to examine expenditure from two perspectives, one being internal, namely are the structures in place to safeguard public funds and the second one has an external focus, namely is the State getting value for money for this expenditure. The Committee is satisfied on both aspects, however given the forecasted growth in this area and given that aid delivery by its nature must evolve over time, the Committee will welcome feedback on its independent evaluation of the expenditure and will maintain an active scrutiny role of the Irish Aid budget in the future.

Chapter 1: Introduction

PROCEEDINGS OF THE COMMITTEE

The Committee heard evidence from Mr Dermot Gallagher, Secretary General of the Department of Foreign Affairs and his officials at its meeting of 10th April, 2008 and five Members of the Committee visited Zambia and South Africa from 10th to 16th May 2008 as part of its ongoing review of the efficiency and effectiveness of expenditure on Irish Aid.

BACKGROUND

In 2008, total official development assistance, or ODA, over all Departments amounts to €914 million, of which €814 million will be managed by the Department of Foreign Affairs. By 2012 it should reach €1.5 billion as the Government reaches its Millennium goal target of 0.7% of GNP. The majority of this funding goes to nine donor countries, namely Ethiopia, Lesotho, Malawi, Mozambique, Tanzania, Uganda and Zambia Timor-Leste and Vietnam. Funding is also provided to NGO's (including Concern, Goal etc), missionaries, to international organisations such as the UN and to the European Development Fund.

In addition to these programme countries, Irish Aid has a programme of targeted support in South Africa since 1994 to contribute to the Government's objectives of reducing poverty and inequality.

The main concern of the Committee of Public Accounts is that, with the year-on-year increases in the amounts being allocated to development assistance, it is important that control mechanisms commensurate with the quantum of funding being provided are put in place and implemented. As to the question of how Irish Aid is spent, while policy matters are outside the remit of the Committee, it does have a role in

ensuring that Irish Aid represents value for money and this report will also deal with this issue. In order to get a better understanding of the checks and balances that are in place, especially at recipient country level, a delegation from the Committee visited projects in both Zambia and South Africa and met the Public Accounts Committees in both countries. Our visit has not only helped our understanding of the aid programmes, but has also broadened our knowledge of the problems faced by society in those poor countries. The Committee got a first hand view of the scale of the problems, how they are being tackled with the help of Irish Aid and the level of commitment being shown not only by our own staff but also by NGO's and by Irish Missionaries, who have a long track record of commitment to helping the poor.

DELIVERY OF AID

Expenditure is governed by the principles contained in the White Paper which was published in September 2006. The primary goal of Irish Aid is to reduce poverty, and in order that aid is sustainable, Irish Aid works in partnership with Governments so as to help those Governments in developing capacity in delivering programmes in areas such as health, education, water and sanitation or in tackling the huge problem of HIV/Aids. The Committee accepts the premise that donor countries cannot solve the problem of poverty but can work with and through Governments in order to help those States to solve such problems. In working in partnership with Governments, Irish Aid co-operates closely with other donor countries so as to avoid duplication of effort and to ease the administrative burden on recipient States. Irish Aid operates in a risky environment and it is the

management of that risk by ensuring accountability mechanisms and good governance measures are in place that is the main focus of this report.

ACCOUNTABILITY ISSUES

- Aid to Governments in programme countries

- Audit
- Risk Analysis
- Capacity to manage programmes
- Support for Irish NGO's and Missionaries
- Programme effectiveness
- Long term strategy and the need for ongoing review

Chapter 2: Aid Channelled Through Recipient Government Departments

Given the scale of the problems that have to be tackled, effective programmed aid cannot be delivered from outside: Governments in recipient countries are central to decision making on the provision of aid and, long-term, the aim must be that they will become less reliant on aid as they develop their own economies and their own governance structures. Direct budget support is given to two States, namely Tanzania and Mozambique, where there is a stable political environment and, where there is no evidence of corruption or instability.

In the other programme countries aid is channelled through Government Departments by way of sectoral support where the aid is ring-fenced to specific projects. In Zambia for instance, 80% of the aid is allocated in this manner. Many of our partner donor countries and the EU also follow this approach which is in accordance with the Paris Declaration which is a multilateral agreement which commits host Governments to lead the development process and commits donors to align with Government plans and to harmonise support to eliminate duplication of effort. In adopting this approach,

donor countries concentrate on specific areas, for instance in Zambia, Ireland has pulled back from its involvement in the health area and now allocates most of its aid budget to education where it is the co-lead donor with the Netherlands. This approach, as well as avoiding duplication, also cuts down on administration costs in recipient countries as each Department has to deal with one or two donors at most.

This approach is a move away from direct provision of services, associated with missionaries and NGO's many of whom have a long history of involvement in these countries and it is important that their role is not undermined to any degree by the re-channelling of aid through Governments.

The accountability issues that arise in channelling aid through Governments are as follows:

1. The degree to which the aid can be tracked down to project level (level of transparency)
2. The amount of aid that is consumed by administration at central, regional and local levels (Administrative Costs)
3. The delays in delivering aid (delays)



Committee visit to the Ndola College of Biomedical Science which has received capital funding from Irish Aid.

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

Transparency

In general the Committee has found that Irish Aid staff in the embassies work closely with officials in Government Departments of recipient countries and this close working relationship and the parameters that have been set down in granting aid has enabled Irish Aid to track and ring fence its expenditure effectively. The Committee is satisfied with the tracking mechanisms that are in place and that funds are spent in the manner in which they were intended.

Administrative Costs

It is difficult to get a handle on the precise percentage of aid that has to be diverted to meet administration costs. The Committee found in Zambia that there is a complex bureaucracy at central, regional and local government level and that the administrative costs, which effectively dilute the aid budget, are high. There is a

proposal in the education area to decentralise finance to school level, which will ensure that a greater level of the aid budget gets to its intended target and the Committee recommends that this initiative be assessed to establish whether it had the intended impact and if so, that this system be replicated to other areas of funding. Also, and in conjunction with other aid donors, it may be possible to establish a benchmark on the amount of funding that can be dedicated to meeting administrative costs and the Committee recommends that this issue be examined. The Committee is aware that some funding agencies allow 30% for administration (which includes vehicles/office equipment etc) when they fund projects and this could be suitable as a benchmark.

Delays

There are issues in relation to delays, which can result in projects having only a short period at the end of the financial year in which to spend the aid. This matter was raised by NGO's and missionaries with the Committee when it was in Zambia and the Committee in turn raised it with the Zambian PAC. The Committee, while recognising the great strides that have been made by countries such as Zambia in developing their systems of Government and administration, accept that there is reform needed to ensure that aid is fast tracked to projects and that multi annual budgeting or a financial envelope process is necessary where projects cannot be completed in a financial year. The Committee anticipates developments in this area in the coming years and recommend that Irish Aid continue to advocate for change which will minimise delays in the delivery of aid.

Chapter 3: Audit and Evaluation

There are four approaches/ processes to audit and evaluation as follows

1. The Department's evaluation and audit unit conducts audits and has internal audits based in embassies in programme countries.
2. Audits by internationally reputable audit firms are commissioned on behalf of the Department
3. The Department participates in jointly funded audits with other donor countries and
4. The Department receives audit reports from local comptroller and auditors general

85% of the Irish Aid is audited annually and the Department publishes three to four major evaluations in any given year. Where audit findings indicate weaknesses, there are staff on the ground in programme countries whose job it is to follow up on audit findings so as to monitor improvements.

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

1. The Committee is anxious that the management review, now underway in the Department, will address the issue of the number of qualified auditors required, especially in the context of the increase in Irish Aid.
2. The Committee, having met the staffs employed by Irish Aid who are attached to the embassies in both Zambia and South Africa, is fully satisfied with the capacity of those staff to audit and to follow up on all issues raised by the audit process. The Committee further noted that many of these employees are nationals of those States, rather than Irish staff who are posted abroad, which is more effective in the context of the development of knowledge and it also ensures greater continuity in the audit function.

Chapter 4: Risk Analysis

Irish Aid operates in some of the most difficult environments in the world and by its nature, there is a large element of risk attached to the granting of aid. Minimising that risk is one way of ensuring that aid is not depleted by fraud and that value for money is obtained for the expenditure. Evidence of the level of risk is the fact that direct budgetary support is only given to two countries where Irish Aid has complete confidence in the development strategy of the countries in question.

Irish Aid has an advantage over many other donor nations in that it can call on the experience and knowledge of missionaries and NGO's who have long years of direct involvement on the ground and the development of our audit and evaluation capacity is such that the Department was able to confirm to the Committee that it has not found significant instances of fraud.

That said, the Committee is anxious that Irish Aid continues to develop its capacity in this area,

especially as the trend in aid is towards channelling increased percentages through national governments. The Committee also has concerns regarding the loss of corporate memory due to staff turnover arising from the decentralisation process to Limerick at a time when the amount of money being channelled through Irish Aid is increasing significantly. This turnover in staff and loss of expertise, at a time when the Irish Aid programme is expanding, also has implications for the management of programmes, which is the subject of the next chapter, and also on the long term strategy for Irish Aid which is dealt with later in this Report.

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

1. Acknowledges the element of risk involved
2. Is satisfied that the Department is developing its capacity in this area
3. Will want NGO's and missionaries to have a more formal role in risk analysis, especially where funding to such bodies is increasingly arriving indirectly from Irish Aid funds, rather than directly as heretofore.
4. Recommends that the structural review, now underway, takes account of capacity issues arising from the completion of the decentralisation process.

Chapter 5: Capacity to Deliver Programmes

The Committee had a number of meetings with Irish Aid staff in Zambia and South Africa and witnessed, at first hand, the experience that has been built up in the embassies, both in the professional areas such as accounting and auditing and also in the sectoral areas such as education, HIV/Aids, water and sanitation etc. The management review of Irish Aid will also be critical in determining the skills mix required to deliver on the objectives of Irish Aid.

One of the key management tools available to Irish Aid is the leverage that the Aid budget gives which can be used in dealings with Government Ministers and Senior Officials in recipient countries in order to effect change. The Committee notes that in Zambia, 40% of Government expenditure comes from the international aid budget. The ability of senior Aid

staff on the ground to manage and develop good working relationships with Governments is crucial to the management of programmes.

The Committee also acknowledges the close working relationship that has developed with other donor States in the effective management of programmes

Some of the concerns that were raised with the Committee relate not to money but to lack of capacity on the ground because the professional skills (teachers/engineers etc) are not available to deliver projects. Aid is sometimes returned unspent due to lack of capacity and this is an issue the Committee will want to be kept under review. (The Committee learned that this is also a problem in the implementation of the National Budget: large sums are returned to the exchequer every year

because of lack of motivation to implement plans). Some of these capacity issues could be addressed through the use of Irish Aid, for instance to support the training of graduates from recipient countries or through the involvement of state agencies such as FÁS in up-skilling/training people who will then be able to deliver projects in their own countries. Another example of an inhibiting factor in both Zambia and South Africa was the lack of capacity in electricity generation: both countries, given their climate, could be generating electricity from solar power and niche areas such as these are appropriate for Irish Aid to get involved and to involve other Irish bodies, whose expertise in these areas would be of enormous benefit to recipient countries.

Chapter 6: Support for Irish NGOs and Missionaries

Irish Aid also provides considerable support to NGOs and missionaries working in the developing world including Concern, Goal, the Irish Red Cross, Oxfam, Trócaire and Self-Help International. This year, Irish Aid, through its Civil Society Section, will provide funding of over €139 million to its civil society partners, including €20 million that has been earmarked for the Irish Missionary Resource Service.

For many in Ireland, NGO's and missionaries have been the public face of the aid we give to developing countries, whether that is through famine relief or through the role of Irish missionaries in bringing education and health

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

The Committee

1. Notes and welcomes the development of expertise in delivery of the Irish Aid programme
2. Views as essential to programme management, the fostering of good working relationships between Irish Aid and Governments, which is facilitated by the leverage given by the size of the aid budget in programme countries.
3. Welcomes the close working relationship with other donors.
4. Recommends that human capacity issues, which impede the delivery of projects, be addressed through co-operative ventures with Irish bodies, where possible.

services to countries in the developing world. They remain a vital cog in the development of Irish Aid and they are also the main means that Irish Aid have of communicating the message back to Ireland on the work that is being done with Irish Aid funding.

The Committee visited a number of projects in both Zambia and South Africa (see Appendix 1) and saw the contribution they are making in helping the poorest and most vulnerable in society and also got valuable feedback from them on the problems they are facing. These problems include

- Delays in the provision of funding through



The handover of a house built by the Niall Melon Trust in the Khayelitsha Township.

government bodies to projects where NGO's and missionaries have an involvement.

- Frustration that the work they are doing is being effectively undone by lack of action by state departments. For instance the treatment of HIV/Aids sufferers, which is highly effective in giving a quality of life to those afflicted by this condition, is being put at risk as they are not getting the food that is necessary to keep them nourished in order for the treatment to work. Problems with the supply of qualified teachers and delays in the payment of teachers salaries is inhibiting the provision of education where for example Irish Aid has contributed to building the school were also cited to the Committee as evidence of where action is needed.
- Inability to get Governments to provide ongoing assistance to projects which have received capital funding from Irish Aid. An example of this was the tremendous work being done by the Salesian Fathers in Cape Town, where they take children living on the street and work with them and give them skills to enter the workforce and yet they cannot get funding from the Department of Labour, even though they have a success rate of 100% in

placing these young people in employment.

- Concern that the new way of delivering aid is cutting off the direct supply of funds to projects

The Committee sees a balanced approach, which underpins and provides ongoing support for the work of NGO's and missionaries, as well as direct funding to government as being the way forward in the effective delivery of aid. We acknowledge the great work of these volunteers and missionaries, many of whom have dedicated their whole lives to working with the poor in these developing countries. In many ways, and Irish Aid staff acknowledged this to the Committee, these missionaries and NGO's have the best handle on what is going on and what needs to be done. The Committee found that the Irish Aid staff communicate well with NGOs and missionaries and take an active interest in the work that is being done. That said, the potential and knowledge of missionaries and NGO's need to be tapped, especially at the planning stage, if aid programmes are to be more effective.

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

1. Irish Aid must continue, through MAPS and through the Irish Missionary Resource Service, to fund NGO's and missionaries working on the ground given their history of involvement in these countries and the effectiveness and value of that involvement.
2. Irish Aid should, at recipient country level, give a formal role to NGOs and missionaries in the planning aid programmes, such as by way of planning forums etc.
3. In working with Governments, Irish Aid should use the aid programmes as a lever in getting Governments to support the work of NGO's and missionaries by adopting a formal advocacy role as part of its policy.

Chapter 7: Programme Effectiveness

Irish Aid is making a difference and projects seen by the Committee and evidence given to the Committee by the Secretary General highlight the difference Irish Aid is making to the everyday lives of the citizens of these developing nations. We can cite the direct evidence of Secretary General Gallagher when he told the Committee

“The key question is whether we, collectively, as donor governments, have succeeded. I firmly believe that we are, at the least, getting there. With the Chairman’s indulgence, I will give a few examples from Mozambique, one of our programme countries and the country to which we deliver most aid, to back up my belief.

The number of primary schools in Mozambique has almost quadrupled in recent years from 2,800 to 9,000 and the number of children at school has risen from 400,000 to 5 million. Maternal mortality has more than halved and income per head is up from \$140 per annum to \$210, which is still appallingly low. Inflation is down from 54% to 13%, and is expected to be around 8% this year. The numbers in absolute poverty are down from 69% to 50%, literacy among young people has increased from 49% to 62% and, finally, military expenditure has been reduced by three quarters, with army numbers down from 100,000 to 20,000. That has occurred through dialogue and negotiation with governments, on which we put great emphasis.

I could give similar statistics for Tanzania, Uganda, Ethiopia and other countries. An interesting statistic with a particular Irish dimension is that in 2006, there were 15,000 cases of cholera in Dar es Salaam, but last year there was none. This was achieved through the use of an Irish-made water purification project “.

See appendix 2, which highlights Irish Aid Achievements in both Zambia and South Africa, some of which were seen at first hand by the Committee when it visited projects in both countries. An example of success by an NGO in South Africa is the work of the Niall Melon Trust, which will construct 7000 houses this year.

Irish Aid is also supporting civil society in programme countries whose advocacy for change is having a positive effect in terms of governance in these States.

While Governments have engaged with donor countries in improving government structures and in delivering services and many of the indicators in terms of health, education, access to water and sanitation are positive and where there is a stabilisation in the prevalence of aids amongst the adult population, it is clear that much more needs to be done. The Committee was concerned for example that in Zambia, where enrolment at basic school level had increased by 38% and at high school level by 52% between 2003 and 2007, that the quality of that education had fallen with many who are leaving the sector still having difficulties with literacy and with basic maths. There are also issues about the quality of training for teachers and the fact that teachers are poorly paid. These are issues which must be addressed by Governments in recipient countries if Irish Aid is to be effective in meeting its targets.

Finally, at a macro level, all recipient governments have national development plans, which are a prerequisite to get buy-in to aid programmes. The Committee has concerns, arising from its discussions and observations in Zambia, as to whether Governments had fully bought into a process that requires ongoing reviews and changes to plans where targets are not being met. That issue is vital in the context of

the long term strategy for aid, which is a matter covered in the next chapter of this report.

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

The Committee

1. Acknowledges the contribution that Irish Aid has made and continues to make in changing for the better the lives of some of the worlds poorest people
2. Notes that the effectiveness of the

- programmes can be inhibited through the failure of recipient states to put the structures in place that will allow aid to be effective
3. Recommends that where bottlenecks to delivery are identified, a strong line be taken with Governments in order that such problems are addressed
4. Recommends the ongoing review of national development plans so as to ensure that all Irish Aid is targeted to achieve the highest possible return.

Chapter 8: Long term Strategy for Irish Aid

The scale of the problems that have to be addressed with the help of Irish Aid are such that there will be an ongoing need for aid programmes. The following profile of Zambia, which is by no means unique, outlines the scale of the problems that need to be tackled:

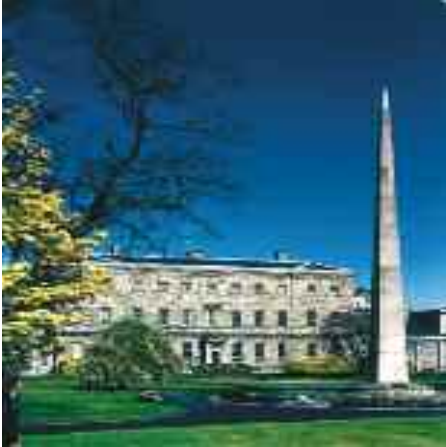
ZAMBIAN PROFILE

Despite recent economic progress, Zambia remains one of Africa's poorest countries. It is ranked 165th out of 177 countries on the UN Human Development Index 2007. Over two thirds of Zambia's population of 11.9 million live below the national poverty line of less than \$0.93 a day and life expectancy has dropped from 50.2 years in the early 1970s to 40.5 years today.

Zambia has one of the highest prevalence rates of HIV in the world. Currently, about 17% of 15-49 year olds are infected. More than one

million people are living with HIV while approximately 630,000 children have been orphaned by AIDS. The HIV prevalence rate among 15 to 19 year olds is 6 times higher for girls than for boys. The extended family system, the main social safety net available to the poor, is under strain from the burden of having to care for the sick and growing numbers of children orphaned by HIV and AIDS.

The Committee found progress is being made in Zambia which has a bright future. Zambia is a country rich in mineral wealth, it has a plentiful supply of fresh water, it has an abundance of good agricultural land and it is developing its tourism industry. Government systems and processes are improving, corruption is being rooted out and there is a greater level of participation by civil society in how the country is being run. On the negative side, the Committee also learned that there is a "brain drain" affecting health and education. Education, though "free" is too expensive for most children from poor families. There is also a high level of nepotism. The need to develop policies on employment/job



creation was also highlighted to the Committee.

The Committee does not have an expertise in development aid and does not have a role in determining policy, however the outputs and outcomes arising from expenditure on aid are matters for the Committee as it strives to ensure that the State gets value for money for this expenditure. In that regard, the Committee will be conducting ongoing reviews of expenditure on aid and anticipates that the Comptroller and Auditor General will conduct a number of special reports on Irish Aid in the years ahead.

Long term, the strategy must be that Irish Aid will disengage from certain programme countries when aid is no longer a necessity. Economic progress, building on the aid given to those countries in areas such as health, education, environment and the elimination of HIV/Aids, will lead to a situation of self dependence. The Committee accepts that Irish

Aid is a long term project and in that regard it must constantly review its operations and its relationships with recipient Governments as the development and delivery of aid programmes evolve. An element of complacency, where we keep on doing what we have historically done, is unlikely to produce the best return for the spend. The other danger in the long term is that Irish Aid could well lose the goodwill of the Irish people if it fails to communicate its achievements and the continuing challenges that it is facing in delivering overseas aid. This is not to be critical of any of the aid programmes or of the dedication of the Department staff, both at headquarters and in the recipient countries, but rather to highlight the need for ongoing strategic thinking and for leadership on an issue that is subject to constant change.

These matters were highlighted in many high level meetings that the delegation had when in Southern Africa.

FINDINGS/RECOMMENDATIONS OF THE COMMITTEE

The Committee

1. Notes the commitment of Irish Aid to building sustainable societies in the countries in which it grants aid.
2. Recommends that there be an ongoing debate in Ireland on Irish Aid so that the Irish public are fully aware of the return that is being achieved through expenditure on Irish Aid.
3. Recommends more research into the way aid can be effectively delivered so that aid delivery processes are subject to ongoing evaluation and where necessary to change.

Summary of Recommendations

The Committee of Public Accounts, having examined expenditure and value for money aspects of Irish Aid recommend as follows

CHANNELLING OF AID THROUGH GOVERNMENT DEPARTMENTS IN RECIPIENT STATES

1. That the impact of the proposal to decentralise funding to school level, in order to minimise administrative costs, be assessed to determine its effectiveness and where necessary that such a system of channelling aid be used as a model across the spectrum of spending.
2. That a benchmark be established on the amount of aid that can be diverted to meet administrative costs.
3. That steps be taken to ensure that the time lag between the time aid is approved and the time that it is allocated at project/local level be minimised as it is impacting on the effectiveness of the expenditure on aid.

AUDIT AND EVALUATION

4. That the management review now being undertaken address the issue of the number of qualified auditors required in the context of an increased budget for Irish Aid.

RISK ANALYSIS

5. That NGO's and missionaries be granted a formal role in risk analysis.
6. That the management review of capacity in Irish Aid takes account of loss of experience and corporate memory loss arising from the decentralisation of Irish Aid staff to Limerick.

CAPACITY TO MANAGE PROGRAMMES

7. That human capacity issues, such as lack of skills to deliver projects, be addressed, where

possible, through co-operative ventures with Irish bodies such as the third level education sector and state bodies

SUPPORT FOR IRISH NGO'S AND MISSIONARIES

8. That, given the history of Irish involvement in helping developing nations which long predates the formal aid programme, Irish Aid continues, through MAPS and through the Irish Missionary Resource Service, to fund NGO's and missionaries working abroad.
9. Irish Aid should, at recipient country level, give a formal role to NGOs and missionaries in planning aid programmes.
10. Irish Aid should adopt a formal advocacy role in assisting NGO's and missionaries in their interaction with Governments.

PROGRAMME EFFECTIVENESS

11. That, where bottlenecks impact on the delivery of services are identified, a strong line be taken by Irish Aid with Governments in order that such problems are addressed.
12. That there be an ongoing review of national development plans so as to ensure that all Irish Aid is targeted to achieve the highest possible return.

LONG TERM STRATEGY FOR IRISH AID

13. That there be an ongoing debate in Ireland on Irish Aid so that the Irish public are fully aware of the return that is being achieved through expenditure on Irish Aid.
14. That more research be undertaken into the way aid can be effectively delivered so that aid delivery processes are subject to ongoing evaluation and where necessary, subject to ongoing change.

Appendix 1

List of projects visited and meetings held by the Committee of Public Accounts in Zambia and South Africa

1. PROJECTS

Zambia

- Cicetekelo Hospice
- St Anthony's Village
- Chifubo Constituency Office
- Twapia Maternity Clinic
- Buyantashi Womens Group and Community School
- Palabana Maternity Clinic
- Ndola College of Biomedical Science

South Africa

- Leratong Hospice, Atteridgeville Township
- Niall Mellon Township Trust project in the Khayelitsha Township
- Zanokhanyo Home Management Training Centre
- Education and Vocational Training Project, Salesian Institute, Cape Town

2. MEETINGS

Zambia

- Project leader of the diocesan HIV Programme in Ndoala
- Bishop Noel O'Regan and missionaries in Ndoala
- Irish Community in Lusaka
- Irish Aid Staff on the programme in Zambia
- Committee of Public Accounts of the Zambian Parliament and the Auditor General
- Ambassadors from Netherlands, UN, EU, Former Economic Advisor to the Zambian Government and Father Michael Kelly in Lusaka

South Africa

- Irish Aid Officials in Pretoria
- National Treasury officials in Pretoria
- Chairman of SCOPA (PAC of South Africa)
- Niall Mellon Trust, Fr Padraig Naughten and Kader Asmal

Appendix 2

IRISH AID ACHIEVEMENTS IN ZAMBIA

- Support for the Education Sector Pool has contributed to increased enrolment rates at all levels
- Irish Aid, as co-lead donor in the Education Sector, was instrumental in brokering consensus between the Ministry of Education and donors on the National Implementation Framework for Education for the period 2008-2010
- Ireland's funding to the Teachers' AIDS Action

Programme has resulted in increased knowledge of HIV/AIDS and life skills education among student teachers

- Irish Aid support to a number of NGOs in both Northern Province and the Copperbelt addressed the needs in terms of education, training and access to HIV and AIDS treatment of over 35,000 orphans and vulnerable children
- Ireland's funding to the Health Sector Pool has

- resulted in improved Health coverage
- Support for the training of midwives has addressed a key constraint in reducing maternal mortality rates in Zambia
- In Northern Province, Irish Aid funded construction of 229 water points bringing safe, clean water to over 24,000 people in 2007. Six new water supply schemes are currently being constructed for peri-urban townships in Northern Province. Access to clean water dramatically reduces the levels of diarrhoeal diseases, contributing to positive health outcomes
- At the national level, Irish Aid support has assisted the Zambian Government to develop a coherent national programme for rural water support and sanitation
- Irish Aid has provided long-term support to parliamentary reform in Zambia. Oversight and scrutiny of national budgets and expenditure has increased significantly in 2006 and 2007
- Ireland initiated a multi-donor fund that provided support to civil society organisations for voter education, civic education and election monitoring activities, which have had a positive impact on the election process.

IRISH AID'S OVERALL ACHIEVEMENTS TO DATE IN SOUTH AFRICA

- **Water/Sanitation:** Supported the decentralisation of water services in Limpopo Province and improved the quantity and quality of water and sanitation, specifically through addressing gender equity, community participation and the use of appropriate environmentally sustainable technology, and through this, access to clean water and hygienic sanitation. At least 73% of indigent households and 77% of all households in South Africa have now benefited from free basic water provision.
- **Health:** Supported health authorities in Free State Province to develop the capacity of 150 NGOs to assist the Department of Health to deliver improved health and HIV/AIDS - related services.
- **Education:** An in-depth evaluation of literacy in the schools system in Limpopo; strengthening governance in schools; strengthening the provincial department's response to HIV and AIDS which badly affects teacher retention and quality of teaching.
- **Local Economic Development:** Built the capacity of two municipalities in Limpopo Province to develop tourism as a means of promoting economic development; five tourism pilot projects funded for township tours, community B&Bs, and an interpretive centre.
- **HIV and AIDS:**
 - Provision of treatment, care and support to orphans and vulnerable children affected by HIV and AIDS, training for those providing home based care in communities in Limpopo. Sample impact:
 - Over 200 Orphans and Vulnerable Children (OVCs) a year have received care services through their communities and an additional 122 new OVCs have been registered for services such as grants, legal documents, school uniforms and food parcels;
 - Nearly 4,000 young people trained on awareness about human, sexual rights and gender based violence at community level to work with communities and local health care services, social work and South African Police Services (SAPS), educators and parents to better respond to challenges faced by marginalised youth groups;
 - Over 300 youth and commercial sex workers have received training on HIV and AIDS, counselling and gender issues.

ORDERS OF REFERENCE OF THE COMMITTEE OF PUBLIC ACCOUNTS

158. (1) There shall stand established, following the reassembly of the Dáil subsequent to a General Election, a Standing Committee, to be known as the Committee of Public Accounts, to examine and report to the Dáil upon—

(a) the accounts showing the appropriation of the sums granted by the Dáil to meet the public expenditure and such other accounts as they see fit (not being accounts of persons included in the Second Schedule of the Comptroller and Auditor General (Amendment) Act, 1993) which are audited by the Comptroller and Auditor General and presented to the Dáil, together with any reports by the Comptroller and Auditor General thereon;

Provided that in relation to accounts other than Appropriation Accounts, only accounts for a financial year beginning not earlier than 1 January, 1994, shall be examined by the Committee;

(b) the Comptroller and Auditor General's reports on his or her examinations of economy, efficiency, effectiveness evaluation systems, procedures and practices; and

(c) other reports carried out by the Comptroller and Auditor General under the Act.

(2) The Committee may suggest alterations and improvements in the form of the Estimates submitted to the Dáil.

(3) The Committee may proceed with its examination of an account or a report of the Comptroller and Auditor General at any time after that account or report is presented to Dáil Éireann.

(4) The Committee shall have the following powers:

(a) power to send for persons, papers and records as defined in Standing Order 85;

(b) power to take oral and written evidence as defined in Standing Order 83(1);

(c) power to appoint sub-Committees as defined in Standing Order 83(3);

(d) power to engage consultants as defined in

Standing Order 83(8); and

(e) power to travel as defined in Standing Order 83(9).

(5) Every report which the Committee proposes to make shall, on adoption by the Committee, be laid before the Dáil forthwith whereupon the Committee shall be empowered to print and publish such report together with such related documents as it thinks fit.

(6) The Committee shall present an annual progress report to Dáil Éireann on its activities and plans.

(7) The Committee shall refrain from—

(a) enquiring into in public session, or publishing, confidential information regarding the activities and plans of a Government Department or office, or of a body which is subject to audit, examination or inspection by the Comptroller and Auditor General, if so requested either by a member of the Government, or the body concerned; and

(b) enquiring into the merits of a policy or policies of the Government or a member of the Government or the merits of the objectives of such policies.

(8) The Committee may, without prejudice to the independence of the Comptroller and Auditor General in determining the work to be carried out by his or her Office or the manner in which it is carried out, in private communication, make such suggestions to the Comptroller and Auditor General regarding that work as it sees fit.

(9) The Committee shall consist of twelve members, none of whom shall be a member of the Government or a Minister of State, and four of whom shall constitute a quorum. The Committee and any sub-Committee which it may appoint shall be constituted so as to be impartially representative of the Dáil.

Public Accounts Committee 30th Dáil



Allen, Bernard (FG)
(Chairman)



Broughan, Thomas
(Lab)



Clune, Deirdre
(FG)



Collins, Niall
(FF)



Cuffe, Ciarán
(GP)



Fleming, Seán
(FF)



Kenneally, Brendan
(FF)



McCormack, Padraic
(FG)



O'Brien, Darragh (FF)
(Vice-Chairman)



O'Keeffe, Edward
(FF)



O'Keeffe, Jim
(FG)



Shortall, Róisín
(Lab)

* Deputy Edward O'Keeffe replaced Deputy John Curran who was appointed Minister of State on 13th May, 2008

