Management response template

**UNDP management response template**

**[Name of the Evaluation]** Date:

Prepared by: Neven Dobrijevic Position: Project Manager Unit/Bureau: Serbia

Cleared by: Zeljka Topalovic Position: Programme Analyst Unit/Bureau: Serbia

Input into and update in ERC: Daniel Varga Position: Programme Analyst Unit/Bureau: Serbia

|  |
| --- |
| **Evaluation recommendation 1.** **R1: It is recommended to continue support and continue with the next level support for the establishment of financial control in Serbia**Technical assistance of CHU and SAI made available through the Project should continue, in line with reform priorities and organizational needs. It is recommended to carry out a detailed assessment of needs and capacities in these organizations and the sector to identify the specific areas where support is most needed. |
| **Management response:** The four-year project “Enhancement of Municipal Audit for Accountability and Efficiency in Public Finance Management” is operationally closed on 31 October 2019. However, UNDP in Serbia continues support for the establishment and enhancement of financial management control in Serbia through the following project initiatives:* Public Finance Management Platform Project (funded by SIDA)
* Enhancement of Municipal Audit for Accountability and Efficiency in Public Finance Management – (funded by SECO).

Also, UNDP is in the process of assessment of needs and capacities in the sector with aim to identify the specific areas where support is most needed, and to tailor the new prospective project proposals. |
| **Key action(s)** | **Completion date** | **Responsible unit(s)** | **Tracking\*** |
| **Comments** | **Status****(initiated, completed or no due date)** |
| 1.1 Implementation of the current projects in this area. | December 2021 | GG Cluster – Public Finances Portfolio |  | Initiated |
| 1.2 Assessment of emerging needs and capacities in the specific area. Periodic assessments / Regular monitoring through collaboration with national counterparts. | June 2020 | GG Cluster – Public Finances Portfolio |  | Inititated |
| 1.3  |  |  |  |  |

|  |
| --- |
| **Evaluation recommendation 2.** **R2: It is recommended to continue and expand support to the CHU to define and implement reform of the certification system of internal auditors. It is recommended to improve and modernize the method for preparing and delivering training and mentoring support.**There is a need to consider the following components:  - Continue work on the preparation of introductory and advanced modules of the training program for internal audits. The training modules should be based on the capacity assessment needs, using adult learning technics and on-line platforms. - Consider expanding the mentoring support through the establishment of a capable and competent network of mentors. It will be required to define selection criteria for mentors, carry out interviews, and ensure that a pool of mentors is available. Also, it will be recommended to determine a uniform approach to mentoring for all members of the network. - Consider organizing regular, six-monthly, or quarterly examinations for internal auditor candidates: to meet the legal requirement for the number of internal auditors in public funds users it is recommended to organize regular six-monthly or quarterly certification exams for internal auditors.   |
| Management response:As already mentioned above (R1), UNDP currently has two active projects supporting the CHU, which are supporting reform of the certification system and professionalization of internal auditors.Certainly, the above-mentioned recommendations of the independent evaluator will be taken into consideration when developing a new project proposal and will cover the topics such as: advanced training programme for internal auditors, mentoring modifications (in the process of obtaining the official certification), official certification examinations, etc.  |
| **Key action(s)** | **Completion date** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status (initiated, completed or no due date)** |
| 2.1 Implement properly activities of the existing projects covering segments related with training and certification | September 2020 | GG Cluster – Public Finances Portfolio |  | Initiated |
| 2.2 Develop and fundraise new projects in this sphere (following the recommendations) | June 2020 | GG Cluster – Public Finances Portfolio |  | Initiated |
| 2.3 |  |  |  |  |

|  |
| --- |
| **Evaluation recommendation 3.** **V R3: Analyse existing experiences with setting up joint internal audit functions and prepare specific guidance, practical tools, and models for users.**The Project is piloting some activities for the establishment of joint inter-municipal internal audits and also share internal audits between local governments and internal audits At the same time, based on identified problems and positive experiences, support the improvement of the regulatory and methodological framework for internal audit |
| **Management response**: The UNDP will closely monitor the two pilot cases, (municipality of Kursumlija and municipality of Backi Petrovac for inter-municipal cooperation with the municipality of Bac), in their efforts to implement joint internal audit functions. As recommended, UNDP will observe the problems, positive examples and will integrate these findings into the ongoing changes of the regulatory and methodological framework for internal audit. |
| **Key action(s)** | **Completion date** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status (initiated, completed or no due date)** |
| 3.1 Monitoring of the established municipal joint internal audits.  | December 2020  | GG Cluster – Public Finances Portfolio |  | Initiated |
| 3.2 Making proposals on changes, regulatory and methodological frameworks concerning this topic.  | December 2020  | GG Cluster – Public Finances Portfolio |  | Initiated  |
| 3.3 |  |  |  |  |

|  |
| --- |
| **Evaluation recommendation 4.** **R4: It is recommended to consider options and propose models for greater integration of gender priorities in new plans and interventions in public finance and the sector of financial control.**It is recommended to consider activities and approaches that are beyond gender participation but focused more on gender transformation.   |
| **Management response**: UNDP will, when covering this particular area of public finances, focus additionally on gender priorities and tailor future programmatic interventions and activities to support this stream.  |
| **Key action(s)** | **Completion date** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status (initiated, completed or no due date)** |
| 4.1 Inclusion of wider gender perspectives and priorities into the new PRODOCs.  | June 2020 | GG Cluster – Public Finances Portfolio |  | Initiated |
| 4.2  |  |  |  |  |
| 4.3 |  |  |  |  |

|  |
| --- |
| **Evaluation recommendation 5.** **R5: It is recommended to work on a knowledge management system related to public finance management and financial control**It is recommended to work on the codification of knowledge generated through this Project and other interventions in the areas of financial management and control and internal audit. At the same time, it is essential to consider ways to enhance the e-learning platform for further knowledge sharing.   |
| **Management response**: Within this project intervention (“Enhancement of Municipal Audit for Accountability and Efficiency in Public Finance Management”) UNDP has assisted the CHU in developing its ICT data collection and learning infrastructure capacities, i.e. the e-learning platform for knowledge codification and sharing on financial management and control and internal audit, between the CHU and relevant entities. This software was developed in a modular way, so new additional modules always can be developed and added. In the coming period, UNDP shall analyse CHU needs and shall jointly determine which direction further development shall take.  |
| **Key action(s)** | **Completion date** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status (initiated, completed or no due date)** |
| 5.1 Needs assessment, proposal development and fundraising.  | December 2020 | GG Cluster – Public Finances Portfolio |  | Initiated |
| 5.2  |  |  |  |  |
| 5.3 |  |  |  |  |

|  |
| --- |
| **Evaluation recommendation 6.** **R6: R6: it is recommended to work on more active and competent participation of citizens in municipal budgeting and local policymaking processes**Consider and define awareness-raising activities on financial management and control as an integral part of the public sector management process (especially for governance structures)Also, it is crucial to support the strengthening of the technical capacities of civil society and the media in the area of public finances. At the same time, work to promote the importance of reform of internal financial control in the public sector |
| **Management response**: UNDP is going to continue to support this process through the project-portfolio Accountable Public Management Platform (as envisaged in the PRODOC) through the following segments:* Strengthening transparent and project-based funding of civil society organizations (CSOs) from local government budgets towards greater civic engagement in decision-making and improvement of local service delivery;
* The capacities of CSOs and journalists to monitor and report on corruption and misuse of public finance are improved;
* Local Self Governments increase transparent management of public funds (development of local budget portals).

UNDP understands valuable role of media and civil society in the process of development of accountable public funds management and promotes their role in the public finance development projects.  |
| **Key action(s)** | **Completion date** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status (initiated, completed or no due date)** |
| 6.1 Further promotion of importance, roles and understanding of public finance management among all relevant stakeholders and citizens.  | September 2021 | GG Cluster |  | Initiated |
| 6.2 |  |  |  |  |
| 6.3 |  |  |  |  |

\* Status of implementation is tracked electronically in the ERC database.