

Audit of transition assistance for Serbia
FDFA Swiss Agency for Development and Cooperation and EAER State
Secretariat for Economic Affairs

Key facts

The Confederation's transition assistance in partner countries in Eastern Europe and Central Asia aims to strengthen the rule of law and respect for human rights, consolidate democratic structures and establish a social market economy. The Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO) are in charge of implementing it.

CHF 88 million of the CHF 1.1 billion for 2013 to 2016 was allocated to Serbia. The Swiss Federal Audit Office (SFAO) carried out an audit at the cooperation office in Belgrade. It examined the proper use of the aid granted to Serbia. The SFAO audited four projects whose financing amounted to almost CHF 25 million. It found some room for improvement in the project management cycle, particularly in terms of pre-analysis, financial reporting and exit strategies. In addition, it quickly appraised the establishment of the integrated representation concept. It gave some indications regarding the strengths and weaknesses of the integration under way.

Strengthening of piloting and management of projects in progress

The new head of the cooperation office in Belgrade is establishing a strategy monitoring and piloting system which should make it possible to gather, analyse, summarise and document all information on projects. This system should also optimise portfolio performance management.

Accompanied by a quality assurance process, it should strengthen project-related piloting, management and reporting.

Measures to be taken to optimise control processes

The SDC performs its task of supervising the cooperation office by carrying out onsite visits. The SFAO believes these should focus primarily on programme implementation and on the risks identified by the system established. Based on the documentation produced by the cooperation office and associated with the reports on its activities, a supervisory mission programme containing the key control objectives should be prepared and transmitted before each visit.

With regard to the internal control system for projects, the choice of missions carried out by the cooperation office should be based on a risk analysis that allows for prioritisation and multi-year planning. These missions should cover the entire portfolio, and not only SDC projects.

The list of audit firms examining the projects with implementation partners should be kept up to date. The minimum standards should be verified regularly by the cooperation office.

Finally, all of the recommendations made with regard to the cooperation office should be listed and monitored systematically.

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