16th AFROSAI GENERAL ASSEMBLY

Tripoli-Libya, from 2 to 6 December 2024

TRIPOLI AGREEMENTS

AFROSAI, as a professional international organisation, recognises that mutual cooperation and active solidarity enable Supreme Audit Institutions to meet the challenges and needs associated with the optimal exercise of external public financial control, with a view to improving good governance, transparency and the culture of accountability in the management of public funds.

This is why the General Assembly provides a forum to contribute to contemporary developments in public sector auditing and to capitalise on the actions of key stakeholders of SAIs and those of the Organisation as a whole.

Following this logic, the 16th AFROSAI General Assembly focused its technical debates on the challenges relating **to the external public debt of African countries and the role of SAI, the audit of financial aid and grants, and the harmonisation of the efforts of all parties involved to improve financial governance and accountability**.

Due to its appreciable diversity, both at the linguistic and economic levels and the types of SAIs that it unites, AFROSAI has competent Organs and relevant initiatives, enabling it to consistently address the issues identified and to take advantage of the opportunities that emerge, for the overall benefit of its member SAIs.

With this in mind, the Supreme Audit Institutions (SAIs), Members of AFROSAI, proud of their linguistic, cultural and organisational diversity;

Acknowledging that this diversity is an indispensable asset for increasing the value of external auditing of public finances in the African continent;

Convinced of the need to strengthen the essential role of SAIs in the implementation of the public policies of their respective States, as well as in improving their performance, increasing accountability and preserving their credibility;

Conscious of the fact that professional cooperation is the way forward in light of the persistent difficulties encountered in the audit of public finances and the emerging issues in an ever-changing environment;

Determined to address issues of common interest, in particular those relating to financial governance and the modern approach to public sector external audit, which now embraces new technological paradigms and a participatory approach;

Having met in Tripoli, Libya, on 5 and 6 December 2024, for the 16th General Assembly;

- Considering the active role of adviser to governments that SAIs are called upon to play in making external debt sustainable and reducing the financial vulnerabilities of States;

- Considering the need to optimise public debt management systems and the inherent risks;

- Considering the growing challenges of managing grants and financial aid allocated to the countries of the Continent, as well as their significant impact on economic growth and development;

- Considering that it is essential to control the risks associated with the management of these additional sources of funding;

- Considering that the promotion of good governance requires the participation of all stakeholders, in particular the collaboration of Civil Society Organisations and citizen involvement;

- Considering the challenges associated with the participatory approach to the external audit of public finances and the organisational adjustments that should be made within SAIs;

- Considering that the work of SAIs must have added value for all stakeholders and contribute through their impact to the improvement of citizens' living conditions.

They agree to work towards:

- the promotion of better strategies and practices for managing public debt and inherent risks;

- the establishment of effective control mechanisms to maximise the benefits from grants and financial aid;

- making the most of the contributions of civil society organisations and citizens to improve the impact of audits and build the confidence of key stakeholders.

The actions to be implemented to meet the above threefold commitment are as follows:

I. THE PROMOTION OF BETTER STRATEGIES AND PRACTICES FOR MANAGING PUBLIC DEBT AND INHERENT RISKS

Effective public debt management must achieve a fair balance between meeting governments' financing needs and the long-term sustainability of the debt they contract, with proper control of the associated financial risks.

SAIs, in their role as advisors to governments in matters of public finance, are encouraged to support governments in implementing measures conducive to the optimal management of state loans. These include:

1- **Strengthening the transparency and accountability of public debt managers:** the publication of regular reports and the development of a comprehensive database on public debt would help to encourage more responsible and rigorous management of funds generated from debt;

2- **Codifying debt management processes:** an overall public debt management policy should be drawn up, with clear objectives and precise deadlines;

3- **Rationalising the cost of debt:** this process involves, among others, negotiating public debt restructuring terms that can both optimise repayment conditions and substantially reduce their cost on public finances;

4- **Diversifying sources of financing:** the adoption of incentive policies would make it possible to boost local financing and attract foreign direct investment;

5- **Increasing the solvency of governments:** adopt economic policies that favour an increase in own resources, giving priority to growth-generating economic sectors based on concrete economic objectives;

6- **Managing the financial risks of public debt**: the analysis and effective management of debt-related financial risks, and the development of contingency plans, help to improve debt management and prevent future financial crises; particularly new financing instruments.

7- **Intensify internal control of public debt management:** the evaluation of risks strengths and application of internal controls to assist in continuous strengthening the controls;

8- **Defining the role of SAIs:** Strengthening cooperation between managers of public debt and SAIs is a lever for improving the quality of the public debt audit process.

II. EFFECTIVE CONTROL MECHANISMS TO MAXIMIZE THE BENEFITS OF GRANTS AND FINANCIAL ASSISTANCE

Financial aid, whether in the form of grants or loans, is a widespread mechanism in the development policies of many African countries.

This financial support from Technical and Financial Partners (TFPs), aimed at resolving various socio-economic challenges, does not fall outside the remit of SAIs, which are responsible for ensuring transparency and accountability in the management of public funds.

Through rigorous examination of the agreements that dictate the conditions under which these funds are disbursed and used; the audits carried out by the SAIs reveal major shortcomings in their management.

These findings underline the urgent need for African SAIs, inspired by the practices established by INTOSAI and the INTOSAI Framework of professional pronouncements, to put in place more effective auditing mechanisms to improve the quality of audits on financial aid and grants. This involves:

1- **Capacity building for auditors:** investing in training and capacity building for auditors within SAIs will provide them with the right tools to carry out thorough and effective audits. This includes familiarizing auditors with international best practices and standards, such as those established by INTOSAI;

2- **Strengthen collaboration with Technical and Financial Partners (TFPs) (To ensure adequate resources for strengthening auditing):** building stronger partnerships with Technical and Financial Partners (TFPs) is essential to ensure adequate funding for auditing activities. Collaborative efforts could include joint financing initiatives, whereby TFPs contribute to the audit budget and in turn expects for transparency in the use of funds;

3- **Apply digital solutions:** adopting digital platforms for grant application management and reporting can streamline the audit process. Digital tools can facilitate real-time monitoring of the use of funds and improve data accuracy as well as communication between stakeholders;

4- **Develop a risk-based audit approach:** a risk-based audit approach, focusing on high-risk areas and projects, can optimize the use of limited resources. This approach enables auditors to focus their efforts on those projects most likely to give rise to instances of mismanagement or non-compliance;

5- **Raise public awareness and involvement:** raising public awareness of the importance of transparency and accountability in the management of public funds can foster the emergence of a culture of accountability. Involving civil society organizations in the audit process can also strengthen control and promote citizen participation in governance;

6- Raise public authorities' awareness on the need to establish a legal framework enabling civil society organizations to participate in the design, implementation, monitoring and evaluation of public projects and programs;

7- Set up an appropriate framework to manage the risks of fraud and conflicts of interest for these civil society organizations.

III. LEVERAGING THE CONTRIBUTIONS OF CIVIL SOCIETY ORGANIZATIONS AND CITIZENS TO ENHANCE THE IMPACT OF AUDITS AND BUILD STAKEHOLDER CONFIDENCE

The involvement of stakeholders in promoting good governance is a complementary factor that lends credibility to audit recommendations.

Thus, stakeholder engagement is now a key cross-cutting function in the strategic management of SAIs which, to deliver value and benefits, needs to be able to collaborate with both internal and external stakeholders. In addition to consolidating the rule of law, the resulting synergies increase the effectiveness of the various players and optimizes SAIs action.

However, this function can only be guaranteed if the same applies to SAIs independence, whose lack of independence limits their ability to engage in frank dialogue with relevant stakeholders, notably civil society organizations and citizens.

If they are to make the most of these assets, SAIs need to put in place an appropriate strategic framework, which must be able to:

1- **Integrate emerging action synergies into the organizational structure of SAIs:** set up structures dedicated to strengthening SAI/CSO collaboration and formalize the procedures underpinning partnerships;

2- **Strengthen communication channels**: improve the accessibility and effectiveness of communication platforms, ensuring that populations in precarious situations have equal opportunities to participate in discussions on the audit and public finance issues.

2- **Raising awareness on whistleblowing mechanisms:** establishment of whistleblowing mechanism ensuring proper and confidential handing of information and protection of whistle-blowers;

3- **Strengthen collaboration with the media:** work closely with the media to widely disseminate audit results, raise public awareness and encourage discussion of public accountability.

4- **Strengthen the impact of collaboration with stakeholders:** develop a structured monitoring and evaluation system to assess the effectiveness of citizen and CSO engagement efforts.

5- Achieving these noble goals requires commitment from each SAI, as well as collaborative support from AFROSAI bodies, including the Technical Committees, Sub-Regional Organizations, the African Comprehensive Auditing Review, and the Executive Directorate.

With this new agenda, AFROSAI SAIs recognize the need to maintain a consistent level of relevance and credibility in the face of emerging challenges specific to their context.

They reaffirm their attachment to the values of bilateral and multilateral cooperation, and their determination to create significant impact on the lives of the people of Africa.

Consequently, they commit the current President of AFROSAI, in accordance with Article 18 paragraph 3 of the AFROSAI Statutes, to ensure, in liaison with the competent Organs of the Organization, the effective implementation of these Agreements and to report thereon at the next General Assembly, scheduled for 2027 in the Republic of Kenya.

THE CURRENT PRESIDENT OF AFROSAI
Dr. SHEKSHEK KALED
President of the Libyan Audit Bureau