

AWEPA
The Association of European Parliamentarians for Africa

AEI
The African European Institute

Synthesis Report

This evaluation report is the result of a collaborative effort by the evaluation units of the Danish Ministry of Foreign Affairs, the Department of Foreign Affairs of Ireland, the Ministry of Foreign Affairs of Finland, the Norwegian Ministry of Foreign Affairs and the Swedish International Development Cooperation Agency (SIDA), administratively organised through a Steering Group chaired by Denmark. The report synthesises four different evaluations and audits and is the work of an independent consultant, Mr. Erling Bendsen, appointed by the Steering Group.

The Ministry does not accept any responsibility for the information in this report nor the views expressed, which are solely those of the authors.

List of Contents

| | |
|--|-----------|
| 1 INTRODUCTION AND BACKGROUND | 5 |
| 2 OBJECTIVES AND ORGANISATIONAL STRUCTURE OF AWEPA AND AEI | 7 |
| 2.1 FINDINGS AND CONCLUSIONS | 7 |
| 2.2 RECOMMENDATIONS | 8 |
| 3 ORGANISATION AT MANAGEMENT AND ADMINISTRATION LEVEL | 9 |
| 3.1 FINDINGS AND CONCLUSIONS | 9 |
| 3.2 RECOMMENDATIONS | 9 |
| 4 EFFICIENCY AND EFFECTIVENESS OF THE ORGANISATION IN THE FIELD | 11 |
| 4.1 FINDINGS AND CONCLUSIONS | 11 |
| 4.2 RECOMMENDATIONS | 12 |
| 5 FINANCIAL TRANSPARENCY, ACCOUNTING AND COST ALLOCATION | 13 |
| 5.1 FINDINGS AND CONCLUSIONS | 13 |
| 5.2 RECOMMENDATIONS | 13 |
| ANNEX 1 | 15 |

1 Introduction and Background

The Association of Western European Parliamentarians for Action Against Apartheid (AWEPAA) was established in 1984 to help in the struggle against Apartheid in South Africa. In 1988 the European Institute (AEI) was founded by the same initiators together with a small group of European and African individuals, with the aim of promoting European-African relations. In 1995 AWEPAA changed its mission to promote democracy, peace, human rights, and good governance in Southern Africa, and the name was changed to AWEPA.

AWEPA/AEI are fully funded through grants. The main donors include the European Commission, the Nordic countries and Ireland. The total grants in 1997 amounted to about NLG 17.4 million corresponding to USD 8.7 million.

During the period from 1996 to early 1999 a number of audits, evaluations and studies of AWEPA and AEI were initiated by donors, and the following reports have been produced:

- A. Evaluation of the Actions Promoted and Implemented by AWEPA Financed by the European Commission, November, 1998, by: Centre for Development Policy and Research (CDPR), School of Oriental and African Studies, University of London;
- B. AWEPA/AEI, Management Study Commissioned by the Evaluation Departments of Denmark (Danida), Finland (MFFA), Ireland (Irish Aid), Norway (MoFA) and Sweden (Sida), September 1998, by: Prodec Training & Consulting Ltd., Finland;
- C. Review of the Nordic and Irish financial assistance to AWEPA/AEI, 21 April, 1999, by: KPMG, Copenhagen;
- D. Audit of AWEPA/AEI carried out by the European Commission, 1996. (Only a summary of the main findings of the audit has been reviewed here).

Annex 1 contains more details about the reports.

This paper presents a review and a summary of the four documents. The documents are referred to as *CDPR*, *Prodec*, *KPMG*, and *EC-audit* respectively in

the paper. In the paper the acronym AWEPA is generally used for AWEPA and/or AEI. Only where the distinction between the two is essential the acronym AEI is used.

A general observation about the two consultant assignments, *CDPR* and *Prodec*, is that the co-operation between AWEPA and the consultants appears to have been less than optimal. In the *Prodec* report it is stated: Efficient conduct of the study was hampered by the slackness of AWEPA in the delivery of the requested information and by the unavailability of the management due to their heavy travel programme. In general, the team found the attitude of the management non-cooperative which also had an adverse impact on the study conduct. It is also stated that the most important part of the consultant's approach, a SWOT-analysis, was disrupted on the initiative of AWEPA. It was the initial aim of *Prodec* to have a complete SWOT-analysis done by staff-teams in two phases, starting with the internal analysis of strengths and weaknesses of the organisation, followed by an analysis of opportunities and threats in the operational environment of AWEPA. Neither of these were properly completed due to the unilateral disruption decision. The explanation given by the AWEPA management for not completing the SWOT-analysis was the lack of available time of the staff concerned. (p.2)

The *CDPR*-team may not be as outspoken, but probably as concerned, about difficult working relations, when it states: There are organisational "mannerisms", at times rather imperious, that appear to have filtered through the management of the head offices in Amsterdam. These are reflected in the perception of Southern African stakeholders, other NGOs and of donors working in the human rights and democratisation field, and indeed in the interactions of the head office with the members of this evaluation team. (p.8-9)

This lack of co-operation has been unfortunate. The value, both for AWEPA and the donors, of the evaluation and the management study would most probably have been considerably bigger if good working relations and active participation by AWEPA management and staff had existed. A well executed SWOT-analysis might have given answers to several of the issues which still need to be clarified, e.g. the advantages/disadvantages of having two legal entities, AWEPA and AEI, rather than one combined, as dealt with in the next section.

2 Objectives and Organisational Structure of AWEPA and AEI

2.1 Findings and Conclusions

AWEPA is a political lobbying organisation and a development organisation. From lobbying for more forceful political pressure from Europe on the apartheid regime in South Africa, AWEPA has shifted (after 1994) its emphasis towards development projects. These include: election preparations and monitoring, dissemination of constitutions and electoral laws, human rights monitoring, gender related work, and capacity building in the institutions of emerging democracies. However, the political purpose of AWEPA endures, in a focus on democracy and the negotiation of trade relationships between Europe and Southern Africa. Comments to the changed objectives of the organisation are given in section 4. (*CDPR*, p.2)

The composition of target groups of AWEPA programmes was also widened from the initial group, parliamentarians, to include local level politicians, government officials, human rights and good governance at all levels. (*Prodec*, p.3)

AWEPA/AEI consist of three separate but tightly linked entities: the AWEPA Association, the AWEPA Foundation, and the AEI Foundation. The two foundations are legal bodies with statutes and registration in the Netherlands. The legal status of the AWEPA Association is not formalised: no incorporation documents, i.e. notarial deed, statutes and registration in the Netherlands or elsewhere do exist. The use of three separate bodies for the acquisition of projects reduces the transparency of AWEPA activities. (*Prodec*, p.i)

The rationale for having three bodies as given by the management is: The AWEPA Association enables member participation and credibility in the eyes of European donors. The AWEPA Foundation was set up to take care of AWEPA's administration and financial transactions. The AEI Foundation is needed for credibility reasons towards African partners (African-European ownership). (*Prodec*, p.7)

AWEPA is the political and fund-raising body, and AEI is the development body responsible for implementation of projects and programmes. The total staff of 41 are all employed by AEI, at the head office in Amsterdam (21), and at offices in Maputo (14), Cape Town (5), and Brussels (1). The organisation has the following governing bodies: AEI Board of Trustees (14 members from Europe and Africa); AEI Executives (4 members from Europe and Africa); AWEPA Council (38 members from Europe); AWEPA Executive Committee (15 members from Europe); and

AWEPA Foundation Board (3 members from Europe). (*Prodec*, p.iii and Annex 6)

The strategic - or political - decisions are formally taken by the Council of AWEPA and the Board of Trustees of the AEI. The two executing bodies, the Executive Committee of AWEPA and the Executive of the AEI, are in charge of the policy formulation and implementation. In between Board meetings the AEI executive is entitled to make decisions on behalf of the Board. The overall management structure of AWEPA and AEI is to a great extent interwoven and concentrated: the same limited number of individuals participate in the strategic planning and decision making of all three organisations as well as in the actual execution of activities. The transparency is reduced by this fact. Mr. Scholten is the President of all three entities and a member of the governing bodies of these entities. There is also a potential conflict of interest arising from the Treasurer acting as treasurer to both AWEPA and AEI, and the Director of AEI having a key role in AWEPA financial decision making. (*Prodec*, p.ii)

Of the three entities, only the AWEPA Association has members. Membership is open only to European parliamentarians, ex-parliamentarians and other individuals invited by the AWEPA Executive Committee. The total membership was in 1998, according to AWEPA management (there is no up-to-date members register) 1,938 individuals from 22 European countries. No membership fee is collected from members. (*Prodec*, p.9)

The image of AWEPA/AEI among the interviewed representatives of parliaments and financing agencies in Europe seems rather mixed. The confusion among them is focused on the organisational aspects, AWEPA's ability to keep abreast with the modern project implementation methods, and justifications for the diversified objectives and the continued existence of AWEPA after the achievement of its original objectives. (*Prodec*, p.ii)

Three of the reports comment on the fact that AWEPA and AEI are two separate legal entities:

CDPR: There is a case for re-examining both the distinction between AWEPA and AEI and the composition role of the guiding bodies of these "Siamese twins", i.e. the AWEPA executive committee and the AEI board of trustees. Most people are baffled by the AWEPA/AEI distinction. (p.9)

Prodec: The foundation structure of AWEPA and AEI is not necessarily inappropriate for organisations financed by public funds. It is, however, an obstacle to democratic operation as well as to supervision, evaluation and control by members and/or funding agencies. (p.i)

KPMG: In our opinion the existence of two organisations results in a more complex administration. We have been informed that the reasons for maintaining two organisations could be political. We cannot and will not comment on this issue. We believe that, with respect to administrative aspects, the two organisations could gain advantages from a combination/merger of the two and that the accounts would become more transparent for the donor organisations. (p.3)

2.2 Recommendations

CDPR recommends that AWEPA should examine the composition and function of the executive committee of AWEPA and the board of trustees of AEI. Changes here could improve the longer run future viability of the organisation. Indeed, there is also a case for ques-

tioning the value of the AWEPA/AEI division. The vast majority of people are baffled by the distinction between the two. It might be sensible to merge the two organisations into a single entity with a clear European/African identity. *CDPR* recommends that AWEPA should consider introducing a subscription fee for European members. This has previously been an “unthinkable” for AWEPA, but there is reason to believe that it might reinforce the accountability of the organisation, as well as contributing to financial coverage of overheads and thereby reassuring donors. A subscription fee need not be high. (p.167)

Prodec also recommends that a merger of the two organisations is considered and that member fees are introduced (p.28).

KPMG recommends that a combination/merger between the two is considered. They note also that they were informed that two working groups consisting of members of the AEI Board of Trustees and members of the AWEPA Executive Committee respectively have been requested to make recommendations on the future of the organisations. It is not known when these recommendations will be ready. (p.3-4)

3 Organisation at Management and Administration Level

3.1 Findings and Conclusions

Main findings and conclusions of the reports with regard to the performance of the general management are:

CDPR: AWEPA and its donors have never directly addressed the potential difficulties in the multiple identity of AWEPA as a political organisation and a development organisation. At the heart of problems is the question: does the AWEPA infrastructure appropriately and effectively serve both the political and project objectives? Also, does the head office staff at the hub of the infrastructure incorporate sufficient expertise and capability in the identification, formulation and implementation of projects such as capacity building projects? AWEPA has made efforts to change, but most have been defensive responses to external pressure. It is not clear that AWEPA has internalised the need for dynamic change. (p.2)

Prodec: The official operative management includes the Director and five department heads who are also acting as project managers. It is the conclusion of the team that in general the heads are sufficiently competent to carry out their present responsibilities provided they will receive some upgrading in their managerial skills. In general they seem committed and enthusiastic about their work, and most of them feel they have enough decision power in their own department's affairs. There are, however, individual differences; occasionally there is frustration caused by the varying status of the departments and distorted line responsibilities and communication lines. Most heads keep meetings with their own staff either on regular or ad hoc basis. The professional experience and capability of the staff differ from department to department, both most are apt for their job. The level of motivation and commitment among staff seems high and they gave an impression of having a good overall relationship with their superiors. (p.14-15)

AWEPA does not have an adequate formalised strategic planning system. Common management tools, such as SWOT-analysis or business plans, are not systematically applied. One reason is management's inability to keep up with the rapid growth of the organisation, another is the lack of strategic management experience of the managers. Due to the lack of proper planning concepts, tools and general understanding of the need for strategic planning, the organi-

sation is very short sighted, vulnerable and inefficient. This also makes the organisation appear unprofessional. The AEI accounts are maintained on a new accounting system installed in January 1998. Having reviewed the new system the team is satisfied that there will be a considerable improvement in accounting, audit trails, and quality of information to project managers and donors. (p.17)

For more information on financial management and accounting see section 5.

3.2 Recommendations

CDPR states that there is need for far reaching changes to the management structure in AWEPA's headquarters in Amsterdam. The organisation itself needs to become more democratic and accountable. Clearer statements of job descriptions and division of responsibilities should be developed. The organisation might consider limiting to fixed terms the post of president of AWEPA; or the precise role of this post should be defined more clearly. There might be a role for developing greater responsibility onto local offices in Southern Africa; or one of these offices could be significantly expanded into a regional office, with representatives still in other countries. (p.166-167)

Prodec presents a number of detailed recommendations in the report. Only a few of the most important ones relating to management and administration are summarised here:

- AWEPA should concentrate on its core business and carefully re-consider its present, widely diversified objectives keeping strictly in mind its organisational competence and strengths;
- Contracting between AWEPA and AEI (if not merged) regarding project implementation should be formalised and approved by donors;
- A long term business plan based on a full and complete SWOT-analysis should be prepared urgently;
- Management training courses should be taken by the department heads to up-grade their management skills. (p.27-29)

4 Efficiency and Effectiveness of the Organisation in the Field

Of the four documents only the *CDPR* evaluation deals with the actual field work of AWEPA. The observations in this section are therefore exclusively drawn from the evaluation report. The evaluation team visited four countries in Southern Africa, viz. South Africa, Mozambique, Malawi, and Angola. The four countries were chosen on the basis that EC financial support to AWEPA has been concentrated in these countries. The section also deals with AWEPA's regional support to the Southern African Development Community (SADC).

4.1 Findings and Conclusions

CDPR finds that AWEPA has performed a valuable service to Southern Africa during intense and sensitive periods of recent political history in the region. Its contribution, and in particular its sensitivity to local needs, are widely valued in the region. Its intervention has frequently been timely. It has developed an infrastructure linking European parliaments with politicians and civil society leaders in Southern Africa that is unparalleled. While AWEPA was a creature of a highly specific political context, i.e. apartheid and its regional implications. But, firstly, the political context has changed and, secondly, political imperatives have at times overridden practical consideration of mechanisms for maximising efficiency and even maximising longer run sustainability of actions. This is not purely a function of AWEPA's own capabilities and organisation; for this had been a feature of relations between AWEPA and donors such as EC. Nonetheless, given shifts in the political context, AWEPA has to change and while the organisation has made some efforts towards its own institutional development these have been slow, late and only partial. (p. 7-8)

The evaluation report contains quite elaborate sections on the four countries visited and on AWEPA's regional activities. Short summaries:

South Africa. AWEPA has undertaken EC financed activities focused chiefly on election monitoring in 1994 and capacity building for sustainable democratisation at the provincial legislature level. The election monitoring was well founded and conducted, but the project was not build to last. There was recognition that the elections were only the beginning of a major political transformation. This, however, did not translate into the articulation of any clear relationship between AWEPA's election monitoring and its longer term objectives. AWEPA has not sought to follow up on this project with longer term support to the evolution of electoral management capacity in South Africa.

Regarding AWEPA's capacity building actions: the intervention logic was quite explicit, but the means of assessing the effectiveness and impact of activities undertaken were not build into the project design, and there was virtually no thorough statement or analysis of assumptions on which activities were based. AWEPA has an advantage in being considered sensitive to local needs and conditions. However, its reactive approach can lead to duplication, a lack of systematic approach, and indeed over-extension through good will. (p.3)

Mozambique. Between the peace accord of October 1992 and the country's first multi-party elections two years later, AWEPA undertook a major civic education programme which is considered appropriate. AWEPA demonstrated that it was able rapidly to mobilise resources, engage partners and undertake well-organised seminars in a timely fashion. An important component was publication of material relevant to the peace process. Most of these publications were *extremely* highly regarded by those working in the democracy field. Following the elections a programme was started to support the political and administrative functioning of the new National Assembly. Given Mozambique's lack of democratic experience, this support has been highly appreciated and timely. There are, however, widespread complaints about the poor quality of project proposals and much of the reporting, in particular financial reporting. As a consequence, AWEPA is not seen, by the donors, as an easy organisation to work with. (p.4)

Malawi. In Malawi AWEPA has implemented a three-pronged set of interventions:

- pre-electoral voter registration;
- the AEI media project conducted both before and after the election;
- support of the role of parliament in a multi party democracy, after the elections.

AWEPA actions in Malawi were relevant. The media project in particular is regarded as valuable, and it is notable that this proceeded on the basis of a professional needs assessment sub-contracted to an outside institute. By contrast, the gap between what was proposed and what was implemented in the parliamentary support programme was larger. AWEPA missed a chance by not staying on and build up a sustainable programme, especially when it expressly stated its overall objective as supporting sustainable democracy. (p.5)

Angola. AWEPA is to be commended for identifying and recruiting skilled human rights (HR) monitors at short notice. The monitors made a positive contribution to the slowly improving HR situation in Angola, by providing frequent high quality reports on the situation, and by organising seminars and workshops. Despite various problems, the HR monitoring process was a success in the provinces where it took place, and the EC funded monitors made a very significant contribution to that success. The political/military situation remains the major constraint. (p.6)

Regional. AWEPA has pursued actions devoted to building closer regional ties within Southern Africa, chiefly through the institutional framework of SADC. AWEPA has also intervened in the field of trade relations between Southern Africa and the EU. The main activities have been workshops and conferences, exposure visits, and the establishment of the joint SADC/AWEPA Secretariat to the SADC Parliamentary Forum. Much of the activities undertaken in the field by AWEPA is justified and implemented at the level of rhetoric rather than thoroughly developed analysis. AWEPA has put itself at the service of SADC and, partly because of this, has foregone the analytical distance that might be appropriate. AWEPA has contributed significantly to actual institutional development within SADC. AWEPA workshops and conferences on trading relations between South and Southern Africa and Europe have been appropriate. AWEPA could have made a greater contribution by developing effective materials for broad dissemination or building research capacity. Conferences have not always been expertly prepared. (p.7)

Achievement of Objectives. At the heart of AWEPA's actions is a style of operation build on personal relationships of trust. This is terribly important, and it must be noted that AWEPA has extended its reputation for such relationships beyond its "traditional" partnerships since political transitions in the region. However, this approach is not sufficient to generate the maximum possible efficiency, effectiveness and sustainable impact from actions undertaken. There is a common perception in Southern Africa that AWEPA is often characterised by vagueness, duplication of efforts, poor co-ordination with other initiatives being undertaken, lack of due preparation for activities and, indeed, a certain arrogance and self-righteousness. The most important and commonly made criticisms of AWEPA are that it prepares badly for activities such as conferences and workshops, and that it pays too little attention to the requirements of follow-up activities and sustainability/durability of impact. AWEPA has adapted rather poorly to the demands of the post-apartheid, liberal democratic era encompassing more and more of Southern Africa. AWEPA's strength in being

reactive to local needs turns into a weakness when it is not supported by sufficiently organised programme planning or prioritisation of interventions. AWEPA needs to turn from a rapid reaction unit into a properly managed body with a view to longer term developments. To date the real impact on sustainable democracy, support for which is a major overall objective of AWEPA action, has been limited. One of the reasons is a lack of sufficient technical proficiency in related fields, that means activities tend not to progress much beyond sharing insights from European experience. Another reason is lack of critical analytical capacity in the way that AWEPA approaches its actions. AWEPA is both a political organisation and a development organisation. Neither it nor its donors have, till now, squared up the possible implications of this dual organisational identity. (p.8-9)

4.2 Recommendations

CDPR makes the following main recommendations:

- The management needs to be more democratic and accountable. There could be a role for devoting more resources and devolving greater responsibilities onto local representative offices in Southern Africa;
- AWEPA must develop a clearer rolling programme of action;
- AWEPA must develop the capabilities necessary to conduct far more thorough need assessments analyses in the field;
- In the field of institutional capacity building for sustainable democratisation, AWEPA needs to build on its network, sensitivity and experience, to:
 - develop a more integrated approach to projects;
 - develop capabilities in best practice institutional training;
 - develop a stronger research capacity or an outreach network enabling it to draw on a wide range of European and Southern African research expertise; and
 - co-ordinate more effectively with other organisations;
- AWEPA is probably less effective where it is spreading itself too thinly. Hence, if there is a role for involvement with particular issues - e.g. children or refugees - then this should be specified in a limited, clear way as part of either institution building projects within government structures or lobbying for European political attention. (p.9 and p.168-169)

5 Financial Transparency, Accounting and Cost Allocation

5.1 Findings and Conclusions

In 1997 AWEPA/AEI had a total income in the form of grants of NLG 8,872,877 of which core funding amounted to NLG 392,437. Besides this there was a net interest income of NLG 120,151. The accounts for 1997 show a total profit of NLG 533,289. The profit occurs because overhead payment, included in the hourly rates, exceeds the actually paid cost. (*KPMG*, p.2 + annexes)

AWEPA has, by the end of 1997, accumulated provisions for different purposes of NLG 1,196,000 and AEI have accumulated NLG 430,311 as a provision for general projects. According to *KPMG* there are no external obligations for these items, and they could be considered as part of equity. If that is done the total equity or funds of AWEPA/AEI amount to NLG 2.2 million by the end of 1997. (p.4)

The *EC-audit* listed a number of shortcomings in their report; among them are: EC contribution is not kept in a separate bank account; EC is not informed about interest accruing on EC advances and the use of it; separate accounts are not kept for the individual projects; overhead is charged for total indirect cost without deduction of core funding received from various governments; overhead allocations include ineligible social provisions, extra-legal social security for pensions and executive costs; no proper registration system for time spent on EC projects; overhead has at year end been charged for costs not yet incurred; no description of accounting systems and principles; inadequate accounting system without integrated project accounting and budgetary control; examples of claims by executives without supporting documents. The auditor concludes that the findings concerning the internal control and the supporting documents do not justify an unqualified opinion by the external auditor. It is also observed that the financial parts of EC project reports were in several cases not received by EC several months after they were due. (Annex 1)

The above points are not in compliance with the contractual obligations of AWEPA. After having received the audit report (which was the first organised by the EC, and which covered EC funded activities in the years 1995 and 1996) the Commission, DG-VIII, wrote the President of AWEPA, and drew his attention to the above facts and stated that the Commission insists that adequate measures are taken in order to make sure that obligations under the contracts are fully respected, particularly with regard to separation of accounts, supporting documents and allocation of overheads. The letter closes by stating that new applications for the funding of AWEPA/AEI projects can

only be considered once the current problems have been solved. It should be noted that the letter was dated 16.06.97, and it is not known to which degree the situation has changed. (The letter)

According to *CDPR*, correspondence between AWEPA and the Commission reveals a lasting sluggishness on AWEPA's part in responding to requests for financial and project reports. (p.38)

However, *KPMG*, which is the latest of the reports under review, writes that before 1998 the financial registration and control systems and procedures applied were not fully adequate. In 1998 a new administrative system was implemented, which includes project administration, and with effect from 1999, a description has been made of the administrative guidelines for AEI. *KPMG* believes that in future it will be possible for AEI to perform satisfactory internal controls concerning the administration of project accounts. (p.5)

On the issue of allocation of overhead expenses *KPMG* states that in the contracts with donor organisations guidelines for the allocation of direct and indirect costs in the project accounts are not available. The procedure used by AWEPA is that indirect costs are covered by allocating project costs to the project according to the number of hours spent per project. Up to 1997, the allocation hours were based on estimates made at the end of the year. Subsequently, the allocated hours have been based on the number of hours registered by the individual employee. The actual rates applied were for 1995 and 1996, 125% and 142% respectively. For 1997 the rate was 175%, and essentially the rates were unchanged for 1998. According to AEI the reasons for the increased indirect costs in 1997 are relocation into new office space, the EC audit and the upgrading of administration. (p.5-6)

5.2 Recommendations

KPMG is of the opinion that the provisions for different purposes in the AWEPA and AEI accounts amounting to NLG 1.6 million could be brought into equity as there, according to information available, are no external obligations for these items. (p.2)

Prodec recommends:

- The accounting and auditing responsibilities of AWEPA should be separated;
- Project costing and pricing should be made clear indicating (i) direct costs and, in case no separate

fixed costs funding is available, (ii) overhead percentage agreeable to donors. (p.29)

The reports contain otherwise little recommendations with regard to financial management and accounting.

The reason for this is the introduction of the new accounting system and the preparation of guidelines. It is anticipated that technical shortcomings pointed out in the *EC-audit* including the delays in financial reporting can be overcome with the new system.

Annex 1

Reports and documents summarised in the AWEPA/AEI evaluation

A. Evaluation of the Actions Promoted and Implemented by AWEPA Financed by the European Commission, November, 1998

Produced by: Centre for Development Policy and Research (CDPR), School of Oriental and African Studies, University of London

Pages: 171

Annexes: 1, Persons Met

The evaluation was requested by the European Commission and was carried out by CDPR during the first half of 1998. The evaluation was conducted the evaluation analysis based on briefing visits to the Commission and to AWEPA's head office, on visits to four Southern African countries (South Africa, Mozambique, Malawi, and Angola) and on analysis of documents, related research materials, and interviews collected during the study. The focus of the evaluation is on EC-financed actions. The evaluation report contains a ten page Executive Summary.

B. AWEPA/AEI, Management Study Commissioned by the Evaluation Departments of Denmark (Danida), Finland (MfFA), Ireland (Irish Aid), Norway (MoFA) and Sweden (Sida), September 1998

Produced by: Prodec Training & Consulting Ltd., Finland

Pages: 31

Annexes: 15, among them: AWEPA Association Rules and Regulations, AEI Statutes, Composition of AWEPA/AEI Governing Bodies and Organisation Chart of the AEI

The management study was carried out during the first half of 1998. The purpose of the study is to assess the appropriateness and efficiency of the AWEPA/AEI management structures, organisation, procedures and controls, and to suggest improvements where appropriate.

C. Review of the Nordic and Irish financial assistance to AWEPA/AEI, 21 April, 1999

Produced by: KPMG, Copenhagen

Pages: 8

Annexes: Accounts material for AWEPA and AEI for 1997 (produced by Registered accountants STOLWIJK, Amsterdam) and copy of letter, 10 March 1999, from AWEPA to KPMG with reaction on the review report (draft)

The review was carried out during a visit, by KPMG, to AWEPA/AEI in the period 11 to 13 January, 1999, and included a visit at J.C.A. Lemkes, STOLWIJK, certified accountant, who is the auditor of the organisations.

D. Copy of letter dated 16.06.1997 from the European Commission to Mr. J. N. Scholten, President of AEI and AWEPA

Annexes: Note with main findings of an audit, and lists of outstanding EC contracts with AWEPA/AEI as per 20 May 1997

The letter refers to an audit of AEI/AWEPA carried out for the European Commission in 1996. The full audit report was not available and is not part of the present review/summary.