

Memorandum on the Central African Republic Programme Audit report

The attached Gavi Audit and Investigations report sets out the conclusions of the programme audit of Gavi's support to the Government of the Central African Republic's immunisation programmes, executed by the Ministry of Health and Population.

The audit was undertaken by Gavi's programme audit team between September and November 2021. Its scope covered the Central African Republic's Expanded Programme on Immunisation (EPI) and Health Strengthening Systems (HSS) from 1 January 2017 to 31 December 2020. During this period, Gavi support included immunisation services, measles campaign operational costs, HSS and the cold chain equipment optimisation platform.

The report's executive summary (pages 3-4) sets out the key conclusions, details of which are set out in the body of the report:

1. There is an overall rating of ineffective (page 3) which means that "Internal controls, governance and risk management practices are not adequately designed and/or are not generally effective. The nature of these issues is such that, the achievement of the programme's objectives could be seriously compromised."
2. Eighteen issues were identified in the following areas: (i) governance and management arrangements; (ii) financial and accounting management; (iii) procurement; (iv) vaccine supply management; and (v) monitoring and evaluation.
3. Key findings were that:
 - a. Governance entities with an oversight over the immunisation programme did not fully exercise their steering role in directing and coordinating the activities;
 - b. The internal control framework for grant management was insufficiently defined in the absence of an up-to-date management procedural manual and operating guidelines, which could be disseminated and implemented;
 - c. The oversight entities – including the Inspector General for Health and the Inspector General for Finance – did not fully fulfil their attributions, and provided insufficient assurance;
 - d. The absence of a strategic plan for human resources development, limited the authorities' capacity to implement programmes at the national level;
 - e. Accounting practices were non-compliant with international standards, and implied significant weaknesses in the management of advances, the audit trail of transactions, and the execution of budget management;
 - f. Due to a lack supporting documents being available during the fieldwork, the audit could not conclude on its review of a sample of expenditures. It is planned to carry out a subsequent review of expenditures during 2023;
 - g. The management of vaccine supplies presented significant difficulties, due to high volume of doses received and limited storage capacity.

The results of the programme audit were discussed with the Ministry of Health and Population, who agreed to remediate the weaknesses and issues identified. The Gavi Secretariat continues to work with the Ministry of Health and Population to ensure that the above commitments are met, and that the subsequent review of expenditures takes place as planned.

Geneva, July 2023

PROGRAMME AUDIT – AUDIT REPORT

CENTRAL AFRICAN REPUBLIC

NOVEMBER 2021



1. Executive Summary

1.1. Audit ratings per category

Section*	Finding	Risk*	Page
4.1	Governance and management arrangements		
4.1.1	Poorly functioning of governing bodies	■	8
4.1.2	Lack of a functioning internal control framework	■	9
4.1.3	Ineffective internal audit monitoring mechanism	■	10
4.1.4	Weaknesses in the strategic plan for human resources development	■	11
4.2	Financial and accounting management		
4.2.1	Weaknesses in the management of advances and treasury function	■	12
4.2.2	Archiving system not adequately organised and secure	■	13
4.2.3	Lack of monitoring system for MOHP unjustified advances	■	14
4.2.4	Dysfunctional treasury management	■	15
4.2.5	Insufficient budgetary management monitoring	■	16
4.2.6	Inadequate fixed asset management	■	17
4.2.7	Inconclusive review of expenditures	■	18
4.3	Procurement		
4.3.1	Procurements non-compliant with public procurement laws and regulations	■	
4.4	Vaccine supply management		
4.4.1	Deficient framing of vaccine supply management	■	20
4.4.2	Weaknesses in the management of vaccines and other supplies	■	21
4.4.3	Lapses in cold chain equipment maintenance	■	22
4.5	Monitoring and evaluation		
4.5.1	Unreliable immunisation data quality	■	23
4.5.2	Inadequate tracking of performance indicators	■	24
4.3.3	Insufficient, intermittent programmatic supervision	■	25

1.2. Overall audit opinion

The audit team assessed the Central African Republic's Ministry of Health and Population's management of Gavi support during the audit period was overall **"Ineffective"** which means, "Internal controls, governance and risk management practices are not adequately designed and/or are not generally effective. The nature of these issues is such that, the achievement of the programme's objectives could be seriously compromised."

To address the risks associated with the issues, the audit team raised **18** recommendations, of which 10 (56%) were rated as high risk, requiring the implementation of the remedial action plan proposed by the MOHP (defined on **annex 6** of the full report).

* The audit ratings attributed to each section of this report, the level of risk assigned to each audit finding and the level of priority for each recommendation, are defined in Annex 2 of the full report.

1.3. Executive Summary

This report's main findings on the management of funds received and vaccines distributed are summarised below.

Governance and management arrangements

The key governance bodies (ICC¹, CTAPEV² and DREP³) did not meet regularly, affecting their ability and performance to implement the immunisation programme effectively. In addition, the DREP's position in the organisational hierarchy, with respect to the coordination role of the HSS⁴ grant, must be clarified and better formalised.

The internal control framework for the grant management and programme implementation was not properly defined across the various structures and levels of the national health system, in particular due to the absence of a management procedures manual and suitable operational guidelines that were understood and consistently followed by all staff.

In addition, the monitoring function provided for at the level of the MOHP's Central Inspection and the Inspector General of Finance was not effective during the audit period.

Finally, the absence of a strategic plan for human resources development that was finalised and endorsed, severely limited the authorities' capacity to implement programmes at the national level.

Financial and accounting management

The financial statements were not prepared in accordance with international accounting standards, instead relying on a general ledger, classified by nature of expenses and a trial balance. The archiving of accounting documents was non-compliant, presenting significant risks due to supporting documentation not being timely located within prescribed norms. Cash advances at the different levels of the health system were not monitored and outstanding unjustified advances exceeded USD 1.09 million at the end of November 2021. In addition, the use of multiple bank accounts, in which funds from different donors were held, made treasury management more complex, and almost dysfunctional.

The execution of annual budgets was not adequately monitored, resulting in the implementation of off-budget activities without approval. Similarly, fixed assets acquired for the programmes were poorly managed.

Finally, the audit team's financial review of expenditures could not be concluded, due to the lack supporting documents being available during the audit fieldwork. A further review of programme expenditures, covering the same audit scope, will be planned and carried out during 2023.

Procurement

The audit noted several instances of non-compliance with regard to the public procurement laws and regulations, particularly with respect to complying with the procurement method and respective thresholds allowed, as well as the frequency of the procurement plan publication.

Vaccine supply management

The absence of a manual containing the vaccine management standard operating procedures resulted in insufficient control over vaccine logistics and cold-chain compliance. The reception of significant volumes of COVID-19 vaccines, outside of normal EPI routine immunisation structures, underscored that there was insufficient storage capacity across the various levels of the health system. Finally, the preventive and corrective maintenance of cold chain equipment was not covered by contract, in order to ensure continuity of service.

Monitoring and evaluation

The monitoring and evaluation component assessment was based on data quality, which remains below the trajectory defined in the "grant management requirements", agreed to by the MOHP. The mechanisms for collecting, analysing and validation immunisation data contained many weaknesses undermining the reliability of the data. The process of aligning the various performance indicators used by bodies at both national (SNIS⁵) and international (technical and financial partners) level, was only initiated in 2019 and must continue.

¹ ICC = Intra-agency coordinating committee

² CTAPEV = EPI technical support committee

³ DREP = Directorate of Research, Studies and Planning

⁴ HSS = Health systems strengthening

⁵ SNIS = National health information system

Finally, supervisions were not sufficiently supported with the adoption of a clear reference framework across the various health system levels. Equally visits were conducted intermittently on a sporadic basis, across the various locations. There was no relay in place to convey the output from the supervisions back to the centralised level, to become an effective lever impacting on the results-based programme management.