

Memorandum on the programme audit report for the Republic of Guinea

The attached Gavi audit report sets out the conclusions of the programme audit of Gavi's support to the Government of Guinea's immunisation programme, executed by the Ministry of Public Health (MOPH). The audit was conducted between September and December 2023. It covered the use of Gavi's grants to Guinea disbursed between 01 January 2018, and 31 December 2022, for Health Systems Strengthening and the operational costs of the Measles vaccination campaign, as well as support from the COVAX Facility in 2021 and 2022.

This is the second audit conducted by Gavi in Guinea; the first having been carried out in 2018. The Executive Summary (pages 2 to 5) sets out the following key conclusions, details of which are set out in the body of the main report:

1. Improvements in the accounting and financial management framework were observed when compared to what was in place in 2020, in part due to the establishment of a Gavi grants management unit (UAGCP). However, major deficiencies remain in the overall governance and operational management of the Expanded Programme on Immunisation. This resulted in an overall rating of **needs significant improvement** (page 3) which means that "Internal controls, governance and risk management practices have some weaknesses in design or operating effectiveness such that, there is not yet reasonable assurance that the entity's objectives are likely to be met."
2. Overall twenty-four issues were identified in the following areas: (i) governance and organisational performance; (ii) accounting and financial management; (iii) vaccine management; and (iv) monitoring and evaluation.
3. Key findings were that:
 - a. With regard to the governance and organisational performance of the entities concerned, the interagency coordinating committee (ICC) responsible for the oversight and strategic direction of the immunisation programme, and the Technical Advisory Group for vaccination had not adequately fulfilled their roles due to significant shortcomings in their functioning.

Also, the lack of qualified staff at the lower levels (districts and health centres) impaired the effectiveness of EPI operations across service points administering vaccinations. The lack of resources, coupled with inadequate activity planning, resulted in several programme activities being implemented – either belated or unsatisfactorily.
 - b. With regard to the accounting and financial management, the period under review was marked by the transitional management of the RSS2 grant by UNICEF, before it was taken over by the UAGCP at the beginning of 2021. During the transition period, the grant management and accounting by the various MOPH structures experienced no improvement, when compared to

the findings of the 2018 audit.. The subsequent establishment of the UAGP did improve the overall management, but cash distribution mechanisms still lack in efficiency. The audit team questioned expenditures totalling USD 542,392.

- c. Vaccine management is still a major challenge, given the numerous shortcomings identified. The lack of standard operating procedures (SOPs) at stores across the supply chain, combined with a lack of EPI staff training, translated into various non-compliant physical and administration vaccine management practices, including the ineffective monitoring of vaccine stocks and poor management of cold chain equipment. Furthermore, stockouts frequently occurred, due to the country's difficulties in discharging its co-financing obligations and due to insufficient vaccine storage facilities at the regional level.
- d. There has been no significant improvement of the quality of immunisation data since the 2018 audit. The audit team's work highlighted significant discrepancies in the data reported, resulting mainly from ineffective controls during the data collection process and the lack of regular supportive supervision of those operating at service delivery points.

The results of the programme audit were discussed with the Ministry of Public Health which has agreed to remediate the identified issues. In a letter of 15 July 2024 to the Minister, the Gavi Secretariat formally requested that the Central African Republic reimburse Gavi an amount totalling USD 542,392, being the total of expenditures determined to have been misused.

The Gavi Secretariat continues to work with the MOPH to ensure that their commitments are met, and to establish a schedule for the aforementioned amounts to be repaid.

Geneva, November 2024

PROGRAMME AUDIT REPORT

REPUBLIC OF GUINEA

MARCH 2024

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1. Executive Summary

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1.2. Overall audit opinion

For the period under review, the audit team determined that the management of Gavi's support by the Ministry of Health and Public Hygiene **needs significant improvement**, which means that the internal controls, governance, and risk management processes have some weaknesses in design or operating effectiveness such that, there is not yet reasonable assurance that the entity's objectives are likely to be met.

In order to reduce the risks associated with the above findings, the team raised **24 recommendations** requiring the implementation of the remedial action plan (detailed in **Annex 10 of this report**).

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

1.3. Detailed summary

This report sets out the results of the Gavi programme audit carried out in Guinea in 2023, on covering various aspects of the management of funds received and vaccines distributed between 2018 and 2022. Detailed observations are elaborated further below, in section 4 of the full report. This audit is the second that Gavi has conducted in Guinea, following a first one in 2018. Since then, immunisation operational structures have undergone significant structural changes, which have had a major impact on the governance, financial management, vaccine management and monitoring-evaluation of Guinea's immunisation programme. The audit team identified several major issues, giving rise to a number of findings. The main findings are summarised below.

Governance and organisational performance

Between 2018 and 2022, the governance of the immunisation programme in Guinea has shown numerous shortcomings.

The interagency coordinating committee (ICC) – the EPI's strategic steering body – and the national immunisation technical advisory group (NITAG) did not adequately fulfil their roles due to significant shortcomings in their functioning, thus impacting the programme's overall performance.

The EPI, a pivotal structure for the immunisation programme, suffers from both a lack of financial autonomy and a qualitative and quantitative shortage of human resources at all levels of the health system. In particular, at the district and health centre level, routine EPI activities are carried out by unpaid volunteers who are inadequately trained and equipped. This lack of resources, coupled with inadequate activity planning, has led to late or unsatisfactory implementation of some programme activities. In 2023, Gavi supported the Ministry of Health and Public Hygiene in strengthening the EPI's staffing by funding the recruitment of high-level executives to coordinate the programme at central, regional and district levels. However, important positions have yet to be filled at the central EPI level.

During the period under review, governance shortcomings were also identified within the programme management and coordination support unit (Unité d'Appui à la Gestion et à la Coordination des Programmes – UAGCP), which was set up in 2020 in order to manage Gavi and Global Fund grants in a centralised manner. This unit lacked effective support from its steering committee, particularly with respect to conducting an initial review of the quality of its reports and facilitating its collaboration with other structures implementing activities.

Lastly, the monitoring mechanisms designed to ensure the proper use of Gavi grants have proved inadequate, mainly due to the lack of a control mission by the Ministry's Inspectorate General. The recent establishment of an internal audit unit within the UAGCP is intended to remedy this shortcoming.

Accounting and financial management

The period under review was marked by the transitional management of the RSS2 grant by Unicef, before it was taken over by the UAGCP at the beginning of 2021. During the transition period, the accounting and financial management of funds by beneficiary structures within the

Ministry was unsatisfactory. Contrary to Grant Management Requirements, no formal accounts were kept to facilitate the traceability of operations and the justification of expenses.

The creation of the UAGCP enabled the introduction of formal accounting and centralised management of Gavi grants, thus providing better traceability of operations. However, the UAGCP still faces a number of challenges, particularly with regard to cash payment mechanisms to immunisation stakeholders at regional level. The initial payment option through a mobile operator revealed a number of shortcomings, which led the UAGCP to seek the services of two microfinance institutions (MFIs). However, the controls of the services provided by these MFIs proved insufficiently effective, from the definition of roles and responsibilities to the checks to be carried out on the payment records submitted by these MFIs. These shortcomings led the external auditor of the UAGCP's accounts to question payments totalling USD 227,270 made by the MFIs.

In addition, the UAGCP's monitoring of per diem advances lacks regularity and efficiency. Delays ranging from one to two years were noted in the collection of supporting documents and the settlement of corresponding advances.

Besides, the Gavi audit team reviewed a sample of expenditures amounting to USD 2,763,685, which represents 30% of expenses incurred by Ministry structures between 2018 and 2022 using Gavi funds received through Unicef and the UAGCP. The review of this sample revealed 267,679 USD of questioned expenditures, that is to say 10% of the sample reviewed. The total amount questioned in the financial review was USD 542,392, taking into account the amount questioned by the external audit and an unreconciled balance of USD 47,442 on the Orange Mobile Money account.

Vaccine management

Vaccine management and all its components (physical, administrative and cold chain management) are a major challenge, given the numerous shortcomings identified during the review of related processes and practices and during site visits.

These shortcomings, which were also noted during the last EVM assessment carried out in 2022, are inextricably linked to the governance issues outlined above.

Under the coordination of the EPI's new management team, an EVM improvement plan has been drawn up. However, this plan has not yet been backed up by a periodic monitoring and evaluation mechanism to ensure its satisfactory implementation.

The audit team found that no manual or standard operating procedures (SOPs) are available to guide effective vaccine management practices, either at central or peripheral level

This absence of operational guides, combined with a lack of staff training, particularly at the peripheral level where staff are mainly volunteers, has resulted in poor management of cold chain equipment and ineffective monitoring of vaccine stocks.

Shortcomings were also observed in the vaccine distribution chain. The absence of vaccine storage facilities at regional level is a major hindrance to vaccine distribution, given Guinea's

geographical situation with several county towns located more than 1,000 km away from the capital city. The lack of a regional link, coupled with inadequate logistics for vaccine transport, leads to frequent stock-outs in vaccination centres throughout the country.

Stock-outs can also be explained, further upstream, by challenges linked to the procurement of vaccines at national level. Traditional vaccines purchased through government-owned mechanisms are subject to more frequent and longer stock-outs. As for vaccines co-financed by Gavi and the Government and procured via Unicef, shortages are certainly less frequent, but delays in the payment of Government co-financing amounts significantly limit stocks in the central warehouse. As a result, the amounts of vaccines distributed each year are consistently below national requirements.

The audit team also noted that vaccine and dry input storage infrastructures and equipment are subject to inadequate maintenance at national and regional levels. At central level, the national EPI warehouse is dilapidated and poorly maintained. At regional level, the challenges of preventive and curative maintenance of refrigerators are also considerable. Users are not sufficiently trained in equipment maintenance, nor equipped to deal with repeated breakdowns. As a result, there has been a rapid deterioration in the functional state of equipment, including that newly acquired through Gavi's CCEOP grant.

Procurement

With the exception of cold chain equipment and rolling stock purchased by Unicef, procurement processes linked to Gavi grants are managed by the UAGCP, in line with its procedures manual and the provisions of Guinea's public procurement code. The review of the UAGCP's procurement process revealed shortcomings in the procedures framework. The administrative, financial and accounting procedures manual does not incorporate certain provisions of the public procurement code, notably the involvement of specific supervisory bodies in the contractor selection process.

The review of a sample of seven (7) procurement cases also revealed shortcomings relating to document archiving and the management of penalties for late execution of certain contracts.

Monitoring and evaluation

Vaccine data are entered directly into the DHIS2 by health centres, with meetings to check and validate this data usually being held monthly in each of the country's health districts. However, the data analysis carried out as part of the audit revealed significant discrepancies. During the period under review, the vaccine coverage ratios announced by the country far exceeded the maximum quantities of vaccines available, without any rational explanation.

Supervisions that could improve vaccine data input, control and monitoring practices, among other things, have not been carried out consistently, either from the central level to intermediate levels, or from intermediate to peripheral levels. The integrity of the data reported is also threatened by a lack of stock tracking registers, tally registers for the number of children vaccinated and monthly reporting templates for immunisation data. With Gavi's support, new registers have been printed and are awaiting distribution

1.4. Financial impact of audit findings

The quantitative impact of the findings is summarised in the table below, making up the total amount questioned by the audit team and therefore likely to be the subject of a request for reimbursement.

Table 1 – Summary of total amounts questioned by the audit team

Categorisation of expenditures questioned		Period under UNICEF	Period under the UAGCP	Amounts questioned	% of total tested	Reference to the full report
Inadequately justified expenditures		543,872,540	206,635,000	750,507,540	3%	Section 4.2.6 / Annex 5
		59,355	22,551	81,906		
Unjustified expenditures		1,320,922,508		1,320,922,508	5%	Section 4.2.6 / Annex 5
		138,502		138,502		
Irregular expenditures		415,130,000	16,200,000	431,330,000	2%	Section 4.2.6 / Annex 5
		45,497	1,775	47,272		
Unjustified Orange Money balance			405,786,225	405,786,225	N/A	Section 4.2.2
Expenditures questioned by the external auditor of UAGCP			1,949,164,110	1,949,164,110	N/A	Section 4.2.5
			227,270	227,270		
Total questioned expenditures	GNF USD	2,279,925,048 243,354	2,577,785,335 299,038	4,857,710,383 542,392		