

Memorandum on Gavi's programme audit in the Central African Republic

The attached audit report presents the findings of an audit in complement to the previous one performed in 2021, covering Gavi's support to the Central African Republic's immunisation programmes, executed by the Ministry of Health and Population (MOHP), as well as a follow-up on the status of the MOHP's action plan from the prior audit. The audit work was executed by Gavi's programme audit team in March 2023 and covered the activities of the expanded programme on immunisation and health systems strengthening during the period from 1 January 2017 to 31 December 2020. During this period, Gavi supported the operational costs of an immunisation campaign against measles, the cold chain equipment optimisation platform, and the health systems strengthening programme.

The key points of the executive summary of the audit report (pages 2 and 3), described in detail in the body of the report, are as follows:

1. Overall, the management of Gavi support was found to be **ineffective**, which means that " Internal controls, governance and risk management processes 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. The financial review identified US\$ 245,279 of unjustified or insufficiently justified, ineligible or irregular programme expenditure, which is subject to a request for reimbursement.
3. Eighteen weaknesses had been identified in the 2021 programme audit in the following areas: (i) governance and organisational performance; (ii) accounting and financial management; (iii) budget management; (iv) procurement; (v) vaccine management; and (vi) monitoring and evaluation. Since 2021 there has been weak progress on this plan, therefore most of the prior findings remain pertinent:
 - a. Governance bodies with a key role in the immunisation programme are insufficiently defined and they were not fully functional in their role of steering and coordinating programme activities;
 - b. The internal control framework governing the grant management and the implementation of activities was insufficiently defined, due to the absence of a suitable procedural manual and operating guidelines, that were disseminated and put into effect;
 - c. Oversight mechanisms (the MOHP's Central Inspection and the Inspector General of Finance) did not fully fulfil their role and responsibilities towards the programme and provided a low level of assurance;
 - d. There was a lack in planning for human resources strategic development, which constrained the capacities and capabilities to implement the programmes across the country;
 - e. Financial accounting is undergoing improvement, but does not yet adhere to international standards and practices, suggesting significant weaknesses in the management of programme advances, budget management and execution, and the weak traceability of funds;
 - f. Vaccine stock management, also improved since 2021, continues to encounter significant difficulties due to absence of an operational framework and measures to safeguard supplies.

The results of the audit and investigation were discussed with the Ministry of Health and Population which has agreed to remediate the identified issues. In a letter of 15 February 2024 to the Minister, the Gavi Secretariat formally requested that the Central African Republic reimburse Gavi an amount totalling US\$ 245,279, 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.

PROGRAMME AUDIT – AUDIT REPORT

In complement to November 2021 programme audit report

THE CENTRAL AFRICAN REPUBLIC

JUNE 2023



1. Executive Summary

This report supplements the previous audit carried out in 2021, during which the audit team was unable to express an opinion on a significant portion of Gavi-funded expenditures incurred by the Ministry of Health and Population (MOHP). It presents the conclusions of the review of Gavi-funded expenditures by the MOHP during the period from 1 January 2017 to 31 December 2020, as well as a follow-up on the status of implementation of the corrective action plan drawn up following the previous audit.

Results of the review of expenditures and impact on the overall audit opinion

The audit team reviewed a sample of expenditures totalling USD 1,181,710 drawn from the four-year audit period (2017–2020), representing 25% of the total disbursements that were directly incurred by the MOHP during this period.

The review of expenditures resulted in questioning a significant proportion, totalling USD 245,279, or 21% of the audit sample. Most of these transactions were considered irregular (i.e. the supporting documents were not credible), as shown in the summary table below. The amounts in question are summarised in the table below, broken down by the MOHP directorate concerned:

Table 1 – Summary of the review of expenditures review by Gavi cash grant (in MRU and USD equivalent in blue):

Entity	Expenditures incurred FCFA USD	Expenditures audited FCFA USD	% audited	Questioned expenditures			Total questioned FCFA USD	% proportion questioned
				Justified expenditures FCFA USD	Unjustified expenditures FCFA USD	Irregular expenditures FCFA USD		
DPV	1,681,296,796 2,923,981	283,499,411 493,040	17%	34,664,810 60,286	2,599,715 4,521	19,402,890 33,744	56,667,415 98,552	20%
DSSP	486,888,738 846,759	324,334,397 564,057	67%	7,039,365 12,242	10,940,500 19,227	61,369,037 106,728	79,348,902 137,997	24%
DREP	573,826,154 997,954	71,652,458 124,612	12%	- -	5,019,858 8,730	- -	5,019,858 8,730	7%
Total FCFA	2,742,011,688	679,486,266	25%	41,704,175	18,560,073	80,771,927	141,036,175	21%
Total USD	4,768,693	1,181,710	25%	72,529	32,278	140,472	245,279	21%

The results of the expenditures review does not change the overall unsatisfactory opinion provided in the November 2021 audit report. Overall, the audit team assessed that the MOHP's management of Gavi support during the audit period as **ineffective**, meaning that internal controls and risk management procedures are not established or not functioning. The majority of the issues identified are high risk and could significantly compromise the achievement of the programme's objectives.

Status of implementation of the corrective action plan

The previous audit of the programmes, carried out in 2021, identified several internal control weaknesses and made recommendations, to which the MOHP responded by proposing a corrective action plan. This present report shows the limited progress made in implementing this plan: more than half of the actions have not yet begun, while three quarters of the deadlines set by the MOHP in the plan have already passed. There is a lack of monitoring of the plan's implementation, as the following particular points indicate:

Governance and organisational performance

- Only one intra-agency coordinating committee (ICC) meeting was held in December 2022, since the previous audit report was issued, and the “National Technical Consultative Group on Vaccination” (GTCV) has not been set up;
- The Directorate of Research, Studies and Planning’s (DREP) hierarchical position and role with regard to coordinating the Health Systems Strengthening grant 4 (HSS4) has not been clarified or better formalised;
- The drafting of a procedural manual tailored to donor grants has begun, but has not been finalised;
- The monitoring function provided for, at the level of the MOHP Central Inspection and the Inspector General of Finance is not effective;
- The management of human resources continues to be penalised by the absence of a finalised and approved strategic development plan, taking into account the needs at all levels of the health pyramid;

Accounting and financial management

- The accounting software is being installed and staff trained, but the financial statements have not yet been prepared in accordance with international accounting standards. The archiving of accounting documents remains non-compliant and continues to present risks in terms of documentation availability within the prescribed timeframe, as shown by the expenditure review;
- The monitoring of cash advances at the various levels of the health system remains inadequate. Only a slight improvement has been observed at the level of the national EPI, but more effort is needed to obtain results that can be used for an external review;
- The MOHP's commitment to consolidate the accounts following the previous audit has not yet materialised;
- The MOHP organ responsible for monitoring the annual budget implementation at a central level has not yet been designated or set up. Similarly, fixed assets acquired for the benefit of programmes are still not adequately monitored;

Vaccine management

- Some essential and urgent needs of the central depot have not yet been addressed, such as strengthening logistics management procedures, optimisation of dry storage space, fire safety and bringing electrical installations up to standard. Finally, the preventive and curative maintenance of cold chain equipment is still not under contract with a service provider, to ensure continuity on a national scale;

Monitoring and evaluation

- Weaknesses in the quality of health data identified in the previous audit persist;
- The various performance indicators used by the various national (e.g. the National Health Information System or SNIS) and international (technical and financial partners) bodies have not yet been aligned;
- Supervision remains insufficiently supported and resourced: data collection tools have been designed and are available at central level, but these have not been effectively disseminated country-wide.