

Memorandum on Gavi's programme audit in the Republic of Cote d'Ivoire

The attached audit report sets out the conclusions on the programme audit of Gavi's grant executed by the Ministry of Health and Public Hygiene (MOH) for the Republic of Cote d'Ivoire, and the national immunisation programme support provided by Gavi.

The audit work undertaken by Gavi's programme audit team between March and June 2022, reviewed activities from the Expanded Programme on Immunisation (EPI) and Health Systems Strengthening (HSS) grants, during the period 1 January 2018 to 31 December 2021.

During this period, Gavi supported the operational costs for campaigns, vaccine introduction grants, vial presentation switch grants, the cold-chain equipment optimisation platform, the HSS programme, and the national response to the Covid-19 pandemic through the COVAX Facility.

The key conclusions from the audit report's executive summary (pages 2 to 4), as described further in the body of the audit report, are as follows:

1. Overall, the management of Gavi's support **needs significant improvement** (page 2), which means that "one or few significant issues were noted. Internal controls, governance and risk management practices have some weaknesses in design or operating effectiveness such that, until they are addressed, there is not yet reasonable assurance that the objectives are likely to be met."
2. Seventeen weaknesses were identified relating to the following areas: (i) governance and management arrangements, (ii) accounting and financial management; (iii) procurement; (iv) vaccine supply management; and (vi) Monitoring and evaluation.
3. Key findings included the following elements:
 - a. USD 650,442 of questioned programme expenditures that are unjustified or insufficiently justified, ineligible or irregular (page 4) ;
 - b. The programme coordination was inadequate during the period under review, particularly prior to the operationalisation of the Coordination Unit for External Funded Programmes (UCP-FE);
 - c. The accounting and financial management of Gavi's support was inadequate before the UCP-FE was established; and
 - d. Budget preparation and monitoring procedures need to be strengthened at the UCP-FE level.

The results of the programme audit were shared with the Minister of Public Health and Hygiene, in a letter dated 25 July 2023, asking for their commitment to remediate the weaknesses and issues identified. The Gavi Secretariat continues to work with the Ministry of Public Health and Hygiene to ensure that the above commitments are met.

Geneva, November 2023

PROGRAMME AUDIT – AUDIT REPORT

THE REPUBLIC OF CÔTE D'IVOIRE, JUNE 2022



1. Executive Summary

1.1. Audit ratings per category

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4.4.4	Insufficient stock data from the central depot	■	24
4.5	Monitoring and evaluation		
4.5.1	Insufficient quality of immunisation data	■	25
4.5.2	Insufficient supervision	■	27
4.3.3	Inadequate monitoring of technical assistance	■	28

1.2. Overall audit opinion

Needs significant improvement – the 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 objectives are likely to be met.

To address the risks associated with the issues, the audit team raised 17 recommendations of which 4 (or 24%) were rated as high risk*, requiring the implementation of the remedial action plan (as proposed by the **Ministry of Health and Public Hygiene** on **annex 10** 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 3** of the full report.

1.3. Executive Summary

This report details the results of Gavi's programme audit executed in 2022 covering various aspects of the management of funds received and vaccines distributed, for which the key findings are summarised below. This is the second audit conducted by Gavi, the first having taken place in 2016. Numerous improvements were noted during the audit, particularly concerning the financial management and accounting of funds received since the establishment and operationalisation of the Coordination Unit for External Funded Programmes (UCP-FE) of the Ministry of Health and Public Hygiene (MOH), as well as operational aspects of vaccine management.

Governance and management arrangements

The entities dedicated to coordinating and steering the immunisation programme did not fully play their role during the period audited. For example, during the period prior to the establishment of the UCP-FE, the "Comité de Suivi de l'approche taillée sur mesure" was not functional and was therefore unable to oversee compliance of the internal control framework with Gavi's Grant Management Requirements (GMRs). In addition, throughout the audit period, the "Comité Thématique Elargi" and the "Comité Thématique Restreint du Groupe Thématique pour la Vaccination" did not meet in ordinary sessions as often as required, in accordance with their official decree. Finally, the role and remit of the COVID-19 Task Force has not been formalised.

The UCP-FE's governance framework also presented weaknesses likely to hamper its proper functioning, particularly in terms of its procedural manual which is insufficiently aligned with the official decrees and whose implementation remains incomplete, and its human resources management framework which is lacking both in its definition as well as its operationalisation. Finally, the oversight mechanisms covering the programme implementation have been ineffective, with the number of internal audit missions carried out by the Inspectorate General of Finance and reviews by the Monitoring Agency both falling short of expectations. The UCP-FE procedural manual needs to be clarified with regard to the due roles for internal audit and internal control.

Accounting and financial management

The audit noted the absence of accounting, monitoring and reporting by the Directorate General of Health and DCPEV during the period preceding the establishment of the UCP-FE

(from 2018 to mid-2020), contrary to the provisions of the partnership framework agreement and the tripartite agreement between the Government, UNICEF and Gavi. As a result, for this period, the Directorate for the Expanded Programme of Immunisation (DCPEV) was unable to provide financial statements for Gavi grants and the supporting documents for expenditures were not properly collated and filed. This resulted in the audit team questioning USD 204,230 (FCFA 119,947,085) of expenditures, as well as noting an unexplained difference of USD 446,212 (FCFA 246,186,061) between cash disbursements and the reconstituted expenditures. Overall, amounts totalling USD 650,442 (FCFA 366,133,146) were questioned.

Improvements in accounting and financial management have been noted since the UCP-FE was set up: no expenditures have been questioned for the lack of supporting documents. However, expenditures including unrecovered taxes were identified totalling an amount of USD 52,518 (FCFA 29,121,197).

Further improvements are still expected in the budget preparation and monitoring process to ensure the timely implementation of Gavi-funded activities. In addition, internal controls relating to the use of mobile phone payments need to be strengthened, and the management of fixed assets needs to be reviewed in order to establish responsibilities between the UCP-FE and the DCPEV, in accordance with the provisions of Gavi's partnership framework agreement.

Procurement

The Republic of Côte d'Ivoire's Court of Accounts magistrates, in support of the audit team, reviewed the management of procurement and contracting. The UCP-FE's procurement practices and procedural guide did not comply with the latest applicable provisions of the Public Procurement Laws and Regulations. The magistrates identified bid-splitting of select contracts totalling a cumulative amount of USD 285,203 (FCFA 164,160,020) and the procedures that were followed did not comply with the provisions of the Public Procurement Laws and Regulations. The magistrates also noted inconsistencies between the procurement plans and budgets, and incorrect imputations across certain budget lines.

Vaccine supply management

The logistics team responsible for vaccines and other immunisation supplies struggled due to the absence of harmonised, standard operating procedure manuals, which were disseminated across the various levels of the supply chain. In particular, this is reflected in the lack of follow-up of the effective vaccine management recommendations, inadequate physical stock-counts and shortcomings in the reporting of vaccine wastage data.

Monitoring and evaluation

The immunisation programme data associated with key indicators is not sufficiently controlled and data quality is not regularly reviewed, resulting in inconsistencies and discrepancies in the reporting. The performance framework does not readily allow for actual programme results to be assessed, due to the poor quality of the data and difficulties in accessing the reporting portal.

Supervision is intermittently carried out across the various levels of the health system, and the various weaknesses and problems observed are not systematically fed back up the hierarchy to the central level, in order to continuously improving practices.

The technical assistance received by the programme is not sufficiently monitored, in the absence of a focal point responsible for its evaluation, in accordance with defined terms of reference, including reviewing actual achievements and the degree that skills and capabilities are transferred, as expected from such assistance.

1.4 Financial impact of the audit findings

The quantitative impact of the findings is summarised by nature in the table below and constitutes the total amount questioned by the audit team and therefore these expenditures may be subject to a request for reimbursement:

Nature / category	Entity concerned	Total expenditures questioned (USD)	Total in FCFA	Remarks
Failure to justify expenditures	DCPEV	650 442	366 133 146	Review of a sample of 36% of the total expenditures incurred during the audit period, with the total in question representing 16% of the expenditure audited. See finding 4.2.1 and appendix 8.
Procurement processes that do not comply with the applicable rules and procedures	UCP	285 203	164 160 020	See finding 4.3.1 and appendix 9.C
Unrecovered taxes	UCP	52 518	29 121 197	See finding 4.2.3
TOTAL		988 163	559 414 363	