

Memorandum on Gavi's programme audit in the Republic of Djibouti

The attached audit report sets out the findings of the programme audit on Gavi's support to the Immunisation Programme of the Government of Djibouti, implemented by the Ministry of Health (MOH). The audit was carried out by Gavi's programme audit team between March and June 2024 and covered the use of Gavi grants disbursed between January 1st, 2019, and December 31st, 2023. These grants supported health systems strengthening, the operational costs for routine immunisation and campaigns, as well as support provided to Djibouti by the COVAX Facility in 2021 and 2022.

This is the first audit conducted by Gavi's audit and investigations team in this country. The key highlights of the executive summary of the audit report (pages 3 to 5), further detailed in the main report, are as follows:

1. Overall, the management of Gavi support was assessed as **requiring 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. Twenty-six (26) recommendations were made to address the deficiencies identified in the following areas: (i) Governance; ii) Accounting and financial management; (iii) Procurement; (iv) Vaccine supply management; and (v) Monitoring and evaluation.
3. Key findings included the following:
 - a. The transitional state of the MOH's organisational structure and the fact that some Ministry units are not operational lead to the lack of a robust governance framework for effective management of the immunisation programme.
 - b. The establishment and functioning of the Inter-Agency Coordinating Committee (IACC) are not supported by legal documentation, which limits the IACC's impact in terms of strategic oversight of the programme.
 - c. The lack of qualified human resources at both the central and peripheral levels and the lack of a remediation plan negatively affect the management of the programme.
 - d. Gaps in accounting and financial management and weak oversight mechanisms have led to shortcomings in expenditure records and in the implementation of procurement procedures. As a result, expenses amounting to USD 584,845—that is 39% of audited expenses—were called into question.

- e. The lack of a satisfactory response to the findings of various programme management audit missions, along with the above governance weaknesses, have resulted in persistent challenges in vaccine management and monitoring and evaluation systems, undermining the overall performance of the immunisation programme.

The audit findings were shared with the MOH, which took immediate action to address a number of governance issues and committed to taking the necessary steps to address all identified shortcomings. In a letter to the Gavi Secretariat dated March 2025, the MOH committed to reimbursing USD 584,845, which is the total amount of questioned expenditure.

The Gavi Secretariat continues to work with the MOH to ensure that the commitments made are implemented and to monitor the effective reimbursement of the aforementioned questioned amount.

Geneva, August 2025

PROGRAMME AUDIT REPORT

THE REPUBLIC OF DJIBOUTI

DECEMBER 2024

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1. Executive Summary

1.1. Audit findings by category

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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 **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 **26 recommendations** requiring the implementation of the remedial action plan (detailed in **Annex 8 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 first Gavi programme audit carried out in Djibouti in 2024, on covering various aspects of the management of funds received and vaccines distributed between 2019 and 2023. The audit highlights significant organizational challenges that undermine the effectiveness of immunization programme management across its various components, including technical, financial, and material assistance. The main findings are summarised below.

Governance and organisational performance

In July 2023, the Ministry of Health (MoH) underwent a major restructuring, resulting in the creation of new departments and a revision of existing mandates. However, the new organizational chart is not yet fully operational, and the roles of certain departments remain unclear. The supervisory departments for the Expanded Programme on Immunization (EPI) within the MoH have not yet been established, hindering decision-making processes.

This transitional state of the MoH's organizational structure has impeded the establishment of a formal framework for coordination and collaboration among departments, both for joint activity planning and the development of a consolidated MoH budget, as well as for monitoring commitments made by the MoH to improve programme management. As a result, several commitments have not been finalized or implemented within the expected timelines. These include the 2018 Data Quality (DQA) Improvement Plan, the 2020 Effective Vaccine Management (EVM) Improvement Plan, the Vaccination Financing Transition Roadmap signed by the Minister in 2023, and the Gavi Grant Management Requirements (GMR) communicated to the Government in 2023.

Governance challenges also affect the institutionalization and functioning of the Interagency Coordinating Committee (ICC) – the strategic steering body for the Immunization Programme – and the National Immunization Technical Advisory Group (NITAG). Until 2023, ICC and NITAG meetings were held on an ad hoc basis, without formal recognition through official documentation. These bodies lacked the legitimacy needed for effective operation. The absence of adequate responses to EVM and DQA, as described below, are among the consequences of this dysfunction. A short note was finally signed by the MoH in October 2023, acknowledging the creation of the ICC, but without detailing its mandate and operating procedures. As of June 2024, during the audit fieldwork, the official documents establishing the NITAG had not yet been signed.

From a technical perspective, programme governance suffers from a lack of qualified human resources at both central and peripheral levels. A capacity-building plan to address skill gaps – recommended by various assessments over the past five years – has not yet been implemented. The deficiencies observed in vaccine management and data reporting during the audit stem from this lack of staff qualification.

Finally, the management of Gavi resources has not yet been integrated into the MoH's internal oversight mechanism led by the Ministry's General Health Services Inspectorate (IGSS), contrary to GMR provisions. Despite a change in management teams between Health System Strengthening phase 1 (HSS 1) and phase 2 (HSS 2), the same weaknesses in financial management and procurement persist.

Accounting and financial management

Gavi's financial support to Djibouti is received directly by the MoH. The audited period from 2019 to 2023 covers the management of the HSS 1 grant by the Directorate General of Projects (DGP), and the management of HSS 2 and Equity Acceleration Funds (FAE) by the Project Portfolio Management Unit (OGPP), that oversees the Gavi Project Management Unit (UGP Gavi).

The audit revealed weaknesses in the procedural framework for accounting and financial management, resulting in poor handling of Gavi grants. Due to the lack of an effective accounting classification system under HSS 1, a significant portion of supporting documents selected for the 2019 - 2022 period could not be retrieved. For HSS 2 and FAE, which began implementation in 2023, the review identified accounting practices that were either non-compliant with national regulations or compromised the quality of financial information, along with major weaknesses in budget monitoring and bank account management.

Procurement

Procurement during the audited period was carried out directly by the MoH - through the DGP from 2019 to 2022, and the OGPP since 2023. The audit review revealed numerous deficiencies in procurement under both HSS 1 and HSS 2. The procurement files examined show repeated violations of the competitive bidding principle outlined in the country's public procurement code and the UGP Gavi manual. The audit identified many cases of contract splitting and non-competitive procurement without satisfactory justification, representing 65% of contracts reviewed under HSS 1 and 40% under HSS 2.

These irregularities led to the questioning of 23 contracts - 20 under HSS 1 and 3 under HSS 2 - with a total value of USD 308,588.

Vaccine management

The Effective Vaccine Management (EVM) assessment conducted in 2020 revealed major deficiencies in vaccine and cold chain management, with none of the evaluated criteria reaching the 80% threshold recommended by WHO. Despite this, the country was unable to provide a satisfactory response to the assessment findings due to the governance shortcomings described earlier. The EVM improvement plan drafted by the EPI team with support from partners remained a draft. Key actions—such as the development of Standard Operating Procedures (SOPs) to guide vaccine management practices at all levels of the health system—were not completed, and the training activities recommended by the EVM assessment were not properly implemented.

As a result, numerous shortcomings persist in both the physical and administrative management of vaccines, biomedical waste handling, and cold chain equipment maintenance. Until June 2023, when the eSMT stock management platform was introduced, vaccine and supply stock tracking was done manually using paper-based tools at both central and peripheral levels. Due to poor archiving practices, no stock database from this period was available for audit review. Since June 2023, although stock data was collected via eSMT, no in-depth data analysis was performed to feed the decision-making process.

At the peripheral level, tracking vaccines by batch number and expiry date, as well as maintaining a clean and safe environment around vaccination sites, remains particularly weak. Finally, the lack of an effective maintenance plan threatens the sustainability of recent Gavi investments in the cold chain infrastructure.

Monitoring and evaluation

The monitoring and evaluation (M&E) mechanism for programme performance also did not function satisfactorily during the audit period. In 2018, a Data Quality Assessment (DQA) conducted by the MoH identified numerous weaknesses in the vaccine data management system, undermining the reliability of performance indicators. However, the response to this assessment lacked a governance framework for follow-up. The Data Quality Improvement Plan (DQIP) initiated after the assessment was neither finalized nor implemented.

Nonetheless, some actions were taken by the country outside the scope of the DQIP, with support from partners. These efforts enabled the MOH to modernise the central-level data collection system, transitioning from manual Excel-based reporting to the digital DHIS2 platform. However, the absence of a structured approach provided by a finalized DQIP meant that the deficiencies identified at data collection points were not addressed. The audit conducted in May 2024 confirmed that these issues persist and continue to affect the quality of data reported in DHIS2. For example, tests revealed significant discrepancies between the number of children vaccinated according to daily tally sheets at certain vaccination sites and the figures reported in DHIS2.

Weaknesses in the M&E mechanism also extend to the frequency and quality of supervision activities. Supervisions planned by the country and funded by Gavi are not carried out as frequently as required, due to inadequate planning and lack of proactivity in implementation. Moreover, the few supervisions that are conducted lack consistency, owing to the absence of supervision guidelines and insufficient training of supervisors.

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

DJF - USD

Grant	Tested Expenditures	1. Inadequately justified expenditures	2. Unjustified expenditures	3. Irregular expenditures	4. Questioned procurement process	Total questioned expenditures	% of total tested
		Section 4.2.8 / Annexes 4&5	Section 4.2.8 / Annexes 4&5	Section 4.2.8 / Annexes 4&5	Section 4.3.4 / Annexes 4&5		
HSS 1	204,046,429	25,423,295	7,763,413	12,209,956	50,387,342	95,784,006	39%
	1,152,805	143,634	43,861	68,983	284,674	541,153	
HSS 2	64,574,931			3,515,000	4,250,000	7,765,000	
	363,350			19,778	23,914	43,692	
Total	268,621,360	25,423,295	7,763,413	15,724,956	54,637,342	103,549,006	
	1,516,155	143,634	43,861	88,761	308,588	584,845	