

**Memorandum on the Republic of Indonesia
Programme Audit report (2)
(in complement to an earlier report)**

The attached Audit and Investigations report - in complement to the previous programme audit report, published in April 2024 – sets out additional conclusions on the programme audit of Gavi's support to the Republic of Indonesia Ministry of Health (MoH), executed by the National Immunisation Programme (NIP) along with other implementing partners.

It summarises the additional work conducted in supplement to the prior programme audit that was initiated in 2023 and finalised in April 2024. Under the present scope, the audit team focused on completing its review of the MoH's budgeting and financial management area, including the documentation evidencing the use of Gavi cash support disbursed to or managed by the MoH during the five-year period January 2018 to December 2022.

The team also revisited and reviewed the current status of the Management's agreed actions, including the extent to which they were implemented.

The report's executive summary (pages 2 to 4) summarises the key conclusions, the details of which are set out in the body of the report:

1. Consistent with the prior report, the overall audit rating remains as **“needs significant improvement”**, which means, “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. Two additional issues were identified in the areas of budgeting and financial management; and the status of prior audit recommendations.
3. To address the risks associated with the issues, the audit team raised two recommendations of which one was rated as high priority.
4. Key findings were that:
 - a. The programme's budgetary and financial management processes were weakened due to ineffective document retention processes, in relation to the receipt of donor funds. In addition, inadequate oversight mechanism at national level resulted in the Government not being able to maintain sufficient accountability over Gavi's funds.
 - b. The audit noted significant progress in implementing the Management's agreed actions from the previous programme audit. In addition, the Ministry of Health committed to implementing the remaining outstanding recommendations within the agreed timeline.

The findings of this complementary audit were discussed with the Ministry of Health and implementing partners. They accepted the audit findings, acknowledged the weaknesses identified.

On 27 January 2025, Gavi wrote to the government requesting reimbursement for USD 128,109, an amount which was determined to be misused, as well as asking the MoH to develop and commit to implementing a management action plan addressing the additional findings. The Gavi Secretariat continues to work with the Ministry of Health to ensure that their commitments are implemented, and to agree on how to make the programme whole, pending receiving their commitment.

Geneva, January 2025

PROGRAMME AUDIT REPORT

*In complement to the March 2024
programme audit report*

Republic of Indonesia
October 2024

Table of Contents





1.	Executive Summary	2
2.	Objectives and Scope	5
3.	Background	8
4.	Audit Issues	9
	Annexes	14

1. Executive Summary

1.1 Overall audit opinion

	<p>The audit team assessed the Ministry of Health's management of Gavi support during the period as "Needs significant improvement" which means, "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."</p> <p>Through our audit procedures, we have identified high risk issues relating to budget and finance management. To address the risks associated with the issues, the audit team raised two recommendations, of which one (50%) was rated as high risk. The recommendations need to be addressed by implementing remedial measures according to the agreed management actions.</p> <p>Significant progress was made in addressing 2023 programme audit recommendations and the Ministry of Health committed to implementing the outstanding recommendations within the agreed timeline.</p>
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1.2 Summary of key audit issues

Ref	Description	Rating*	Page
4.1	Budget and Financial Management		10
4.1.1	Gaps in financial management controls resulted in questioned expenditure		10
4.2	Implementation Status of Prior Recommendations		13
4.2.1	Significant progress was made in addressing 2023 Programme Audit recommendations		13

* The audit ratings attributed to each section of this report, the level of risk assigned to each audit issue, and the level of priority for each recommendation, are defined in **Annex 3** of this report.

1.3 Summary of issues

This report supplements the previous audit carried out in 2023 – since published in March 2024 – in which the audit team was unable to express an opinion on a significant portion of Gavi-funded expenditures incurred by the Ministry of Health (MoH). Following completing a subsequent review of those Gavi-funded expenditures incurred by the MoH during the period from 1 January 2018 to 31 December 2022, herein are the audit team's additional conclusions.

The results of this review do not change the overall “needs significant improvement” opinion provided in the prior 2023 audit report. In addition, the audit team identified one high risk and one medium risk issue regarding the financial management processes in managing Gavi support and the implementation of previous recommendations. Details on these issues are provided in Section 4 of this report.

Gaps in internal controls resulted in questioned expenditure

Between 2018 and 2022, Gavi directly disbursed USD 9.1 million in cash to the MoH and partners for: Measles Rubella campaign, IPV Product Switch Grant and Covid-19 delivery support (CDS). Additionally, savings of up to USD 20 million from previous grant periods were utilised during this period.

The audit team reviewed a sample of USD 4.4 million of the expenditure incurred by Directorate of Immunisation (DoI) and Provinces during the period under review. The audit concluded that expenditures totalling USD 0.2 million were unsupported or inadequately supported (table 1 below).

The audit team attributed the gaps in budget and finance management to: ineffective document retention process for funds received from UN partners and inadequate oversight mechanism at national level.

The team concluded that should the gaps noted in the in budget and finance management remain unaddressed, the Government will be unable to maintain adequate accountability over Gavi's funds, impacting the effectiveness of the immunisation programme, potentially resulting in funds being misused and may have implications on future funding.

1.4 Financial consequences of audit findings

The audit team reviewed a sample of expenditures totaling USD 4.4 million drawn from the five-year audit period (2018-2022), representing 37% of the reported expenditure that were directly incurred by the MoH during this period. The review of expenditures resulted in questioning amounts totaling USD 0.2 million, equivalent to 4.4% of the audit sample.

Most of the transactions questioned were deemed to be unsupported or inadequately supported. A significant amount were also related to expenditures for which no activity reports were available, or were ineligible as shown in the summary table below:

Table 1: Summary of expenditure questioned by the audit team, by category

Category of questioned expenditures	Amount questioned (IDR)	Amount questioned (USD)	% of exp. tested	Details (report reference)
Inadequately supported	442,788,074	30,543	4.4%	4.1
Ineligible	188,095,930	12,975		
Unsupported	1,857,197,186	128,109		
No activity reports	368,176,056	25,397		
Total questioned	2,856,257,246	197,024		

1.5 Cash balances

Table 2: Gavi funds disbursed to Partners, remaining unspent at central level.

Implementing partner	Balance USD	Balance as on	Source of information
MoH	13,447,681	31 December 2022	MoH Bank Statement
UNICEF	206,119	31 December 2022	Gavi uncertified reports as on 31 December 2022*
WHO	302,840	31 December 2022	Cash Grants Implementation Report as on 31 December 2022*
UNDP	652,130	31 May 2023	Information provided by UNDP*
CHAI	19,671	31 December 2022	Information provided by CHAI*
TOTAL	14,628,441		

*Information from partners was not validated by audit team

2. Objectives and Scope

2.1 Audit Objective

In line with the respective Partnership Framework Agreement and with Gavi's transparency and accountability policy, all countries that receive Gavi's support are periodically subject to programme audit, for which the primary objective is to provide reasonable assurance that the resources were used for intended purposes in accordance with the agreed terms and conditions and were applied to the designated objectives.

The audit team assessed the design and operating effectiveness of the existing financial management processes which support the timely utilisation and accountability of funds, related to Gavi's support for which the respective entities were responsible. The team reviewed the relevance and reliability of the internal control systems relative to the accuracy and integrity of the books and records. The audit team also reviewed the Government's progress in addressing the 2023 programme audit recommendations.

2.2 Audit Scope

The audit scope covered the five-year period from 1 January 2018 to 31 December 2022. The total cash, vaccines and ancillary support provided by Gavi to the Republic of Indonesia during this period is presented in table 3 below:

Table 3: Cash, equipment, PEF TCA, and vaccines support (2018 to 2022)

Amounts in USD	Grants in audit scope period (USD)					
Cash grants	2018	2019	2020	2021	2022	Total
IPV - PSG	-	-	-	92,264	1,144,250	1,236,514
MR	3,914,383	-	-	-	(469)	3,913,914
Covid-19 Delivery Support (CDS)	-	-	-	-	3,985,015	3,985,015
Total Cash (a)	3,914,383	-	-	92,264	5,128,796	9,135,443
PEF TCA						
Total PEF TCA (b)	-	7,091	2,366,763	223,000	-	2,596,854
Equipment support						
Total Equipment (c)	-	-	-	-	1,216,233	1,216,233
Vaccines support						
Total Vaccines (d)	10,910,418	18,725,063	254,583	511,329,597	191,623,635	732,843,296
Total (a+b+c+d)	14,824,801	18,732,154	2,621,346	511,644,861	197,968,664	745,791,826

2.3 Audit approach

In 2023, a programme audit was conducted by Gavi for which the results, except for financial management, were completed and published in March 2024¹.

Subsequently, in August 2024, at the request of Directorate of Immunisation (DoI), Ministry of Health and Gavi management, the audit team conducted a supplementary follow-up of the programmes' financial management component. This additional mission was conducted at the DoI headquarters, whose management took the responsibility to ensure that all documents were available for our review.

¹ Republic of Indonesia programme Audit March 2024

This resultant report supplements the results from the prior audit, as previously the audit team had been unable to express an opinion on a significant portion of Gavi-funded expenditures incurred by the Ministry of Health (MoH).

Grant funds amounting to USD 4.2 million disbursed to UNICEF and USD 5.2 million disbursed to WHO were directly utilised by both organisations or disbursed through other UN partners. All such monies – either directly expensed by the UN organisation or by the UN's own partners, resulted in the funding being excluded from our audit review (i.e. out of scope) due to the United Nations single audit principle². Table 4 below summarises all sources of funding and resultant expenditures, and those selected for review by the audit team.

Table 4: Cash Disbursements by grant and recipient (2018 to 2022)

Cash Grants	Fund recipient	Total cash disbursements	UN Transfers to Govt.	Audit comments:
MR	UNICEF	1,180,008		Out of Scope
	WHO	2,733,906	424,580	Transfers to Govt. included in scope
Total MR		3,913,914	424,580	
Coverage Equity and Sustainability Action Plan (CESAP)	MoH	11,141,691		Included in scope
	UNICEF	2,276,129		Out of Scope
	WHO	4,313,559	1,403,539	Transfers to Govt. included in scope
	JSI	265,812		Scoped out by the audit team
Total CESAP		17,997,191	1,403,539	
VIG (HPV, IPV, JE)	MoH	2,108,056		Included in Scope
Total VIG		2,108,156		
CDS	UNICEF	719,165		Out of Scope
	UNDP	3,050,000		Partially tested as per * below
	CHAI	215,850		Scoped out by the audit team
Total CDS		3,985,015		
IPV - PSG	MoH	1,236,514		Scoped out by the audit team as no expenditure incurred
Total IPV		1,236,514		
Grand Total		29,240,690	1,828,119	

*The funds received by UNDP were used mainly to support the design and implementation of the Sistem Monitoring Imunisasi dan Logistik secara Elektronik (SMILE) system. While the audit did not review specific expenditure at UNDP per the grant agreement signed between Gavi and UNDP, detailed audit work was done on the SMILE system design, policies and implementation at national and sampled provinces.

Table 5: Percentage of Gavi-funded expenditures reviewed by the audit team.

Grant	Recipient	Expenditures reported (in USD)	Expenditures reviewed (in USD)	% reviewed
MR	WHO	320,839	229,096	71%
CESAP	MoH	9,239,502	3,410,042	37%
CESAP	WHO	885,305	332,014	37%
VIG (JE, IPV, HPV)	MoH	1,343,015	418,368	31%
Total		11,788,661	4,389,520	37%

The team sampled and reviewed expenditures totalling USD 4.4 million, which accounted for 37% of the total spending reported by MoH for the period January 2018 to December 2022.

In preparation for transition out of Gavi support in 2017, a consensus between Gavi and the country was reached to reinvest unspent grant funds, accumulated interest, and savings derived from the self-

² The single audit principle is part of a common internal control and audit framework in United Nations system organisations. It directs a system of checks and balances, where the control and audit functions with regard to funds directly expensed by the UN agencies are based on common methods and framework enabling auditors of one institution to rely on the work of auditors from another institution instead of re-performing the audit themselves

procurement of the pentavalent vaccine in previous years. This initiative was directed towards a comprehensive two-year strategy prioritising coverage, equity, and sustainability, leading to the establishment of the *Coverage Equity and Sustainability Action Plan* (CESAP) with a funds totalling USD 17,997,191. These funds (presented in Table 6 below) also formed part of the audit scope.

Table 6: Source of funds reprogrammed into CESAP.

Source	Amount (USD)
Pentavalent (NVS) – funds not disbursed	6,855,500
Pentavalent (NVS) - in country funds	5,949,449
Pentavalent – VIG	1,103,558
HSS 1 and ISS	1,792,344
Accumulated interest	2,296,340
TOTAL	17,997,191

2.4 Progress since 2023 programme audit

The Directorate of Immunisation (DoI) made some progress in implementing the actions agreed by their management, in response to the 2023 Gavi programme audit. Nevertheless the finalisation of the National Immunisation Strategy, and the integration of SMILE and ASIK applications were still outstanding.

Overall, 44 actions were agreed of which 29 were due to be completed by July 2024.

At the time of this subsequent supplementary audit in August 2024, 22 actions were implemented, as evidenced by the supporting documentation, and were considered closed. The remaining 7 actions due were postponed to a future date, as DoI needs to coordinate its actions with other stakeholders. Some of the relevant steps were begun, but were not accomplished. The DoI also initiated some work on the 15 actions not yet due. Refer [Annex 5](#) for the status of the management actions.

The previous 2023 report was rated “needs significant improvement” based on the areas of scope covered.

2.5 Exchange rates

Most cash and in-country expenditures were incurred in Indonesia Rupiah (IDR). For information purposes, and as part of this report, the overall total amounts were reflected in United States Dollars (USD). The average exchange rate provided by the Bank of Indonesia at the time of conversion from USD account to IDR was used to convert amounts. As a result, the average exchange rate for the five-year audit scope period 2018-2022 was IDR 14,497 to USD 1.

3. Background

3.1 Introduction

Indonesia, officially known as the Republic of Indonesia, is a nation located in Southeast Asia and Oceania, positioned between the Indian and Pacific Oceans. It is the largest country in Southeast Asia and holds the distinction of being the world's largest archipelagic state, spanning 5,120 kilometres (3,181 mi) from east to west and 1,760 kilometres (1,094 mi) from north to south. The archipelago of Indonesia comprises over 17,000 islands, with more than 7,000 of them remaining uninhabited. Key regions within Indonesia include the islands of Java, Bali, and Sumatra, alongside substantial portions of Borneo and New Guinea. The country shares borders with Malaysia in the northern part of Borneo and with Papua New Guinea in the central region of New Guinea.³

Economy and demographics

Indonesia has a mixed economy in which the private sector and government play vital roles. As the only G20 member state in Southeast Asia, the country has the largest economy in the region and is classified as a newly industrialised country⁴. Per a 2023 estimate, it is the world's 16th largest economy by nominal Gross Domestic Product (GDP) and 7th in terms of GDP at purchasing power parity (PPP), estimated to be USD 1.417 trillion and USD 4.393 trillion, respectively. Per capita GDP in PPP is USD 15,835, while nominal per capita GDP is USD 5,108⁵.

The country is amid a fundamental demographic shift as the working-age population increases relative to the rest of the population. The 2020 census recorded Indonesia's population as 270.2 million, the fourth largest in the world, with a moderately high population growth rate of 1.25%. Java is the country's (and world's) most populous island, where 56% of the country's population lives⁶. This large population includes numerous ethnic, cultural and linguistic groups, speaking 724 distinct languages and dialects with the Javanese constituting the largest among them.

National health sector

The Indonesian health system has a mixture of public and private providers and financing. The public system is administered in line with the decentralised government system in Indonesia, with central, provincial and district government responsibilities. In January 2014, the government launched Jaminan Kesehatan Nasional (JKN, "National Health Insurance"), a scheme to implement universal health care. Under JKN, all Indonesians receive coverage for a range of treatments via health services from public providers as well as private organisations that have opted to join the scheme.

3.2 Gavi's fund flow mechanisms

Gavi funds are channelled through the Ministry of Health, Alliance partners (WHO and UNICEF), and expanded partners including UNDP, CHAI and John Snow Inc (JSI). Gavi signed agreements with each of the partners to guide the programme implementation. Each partner is responsible for developing the budget for their projects in coordination with Gavi, the MoH, the Directorate of Immunisation (DoI) and other stakeholders. While most funds were managed through direct execution by UNICEF/WHO, UNICEF and WHO also sub-contracted part of Gavi's funding back to the Directorate of Immunisation, using a designated bank account, in order for the DoI to implement specific activities.

³ [Britannica Encyclopedia - Indonesia](#)

⁴ [G-20 Members overview](#)

⁵ [IMF: Indonesia Economic Outlook](#)

⁶ [Results from 2020 Population Census](#)

4. Audit Issues

4.1 Budget and Financial Management

4.1.1 Gaps in financial internal controls resulted in questioned expenditure

Context and Criteria

The signed Partnership Framework Agreement (PFA), (under clause 15) requires that “the Gavi funds provided under this Agreement shall not be used to pay any taxes, customs, duties, toll or other charges imposed on the importation of vaccines and related supplies. The Government shall use its reasonable efforts to set up appropriate mechanism to exempt from duties and taxes all purchases made locally and internationally with Gavi funds.”

Paragraph 20 of Annex 2 of the PFA defines Misuse of funds and supplies. Sub-paragraph 20.1 of Annex 2 of the PFA states that “in respect of all funds and vaccines and related supplies provided to the Government under the Programme(s), the Government shall comply with obligations and requirements on the use of such funds and supplies, including the following :

- The Government shall use the funds and vaccines and related supplies received from Gavi under a Programme for the sole purpose of carrying out the Programme Activities of such Programme.
- The Government shall ensure that there is no misuse or waste of, or corrupt, illegal, or fraudulent activities involving the funds and vaccines and related supplies; and
- The Government shall ensure that all expenses relating to the use or application of funds are properly evidenced with supporting documentation sufficient to permit Gavi to verify such expenses.”

The signed PFA (under Paragraph 23 of annex 2) requires that “the Government shall maintain accurate and separate accounts and records of each of the Programmes prepared in accordance with internationally recognised standards that are sufficient to establish and verify accurately the costs and expenditures under the Programmes. The Government shall maintain such accounts and records and any other supporting documents evidencing expenses made with Gavi's funds according to the Country's fiscal requirements for a minimum of five (5) years after the completion of a Programme. In the event where Gavi provided funds are pooled with other sources of funding, accounts and records will equally be maintained for the pooled funds.”

Condition

Questioned expenditures amounting to USD 0.2 million – The audit team reviewed a sample of transactions at the DoI headquarters, which were incurred during the audit period (1 January 2018 to 31 December 2022). The DoI reported expenditures totalling USD 11.8 million of which 37% (USD 4.4 million) was selected for review. Overall, the audit team questioned expenditures totalling USD 0.2 million due to either the inadequacy of supporting documents, ineligible and unsupported expenditures or no activity reports, as shown below. For details refer [Annex 4](#).

Table 7: Schedule of questioned expenditures

Grant	Inadequately supported	Ineligible	Unsupported	No activity reports	Total (IDR)	TOTAL (USD)
CESAP	375,000	300,000			675,000	47
VIG (HPV, IPV, JE)	10,557,600	65,670,555			76,228,155	5,258
Funds to MoH through WHO	356,405,474	121,986,375	1,569,118,386	276,798,056	2,324,308,291	160,330
Sub-national expenditure	75,450,000	139,000	62,919,000	91,378,000	229,886,000	15,858
Sub-total	442,788,074	188,095,930	1,632,037,386	368,176,056	2,631,097,446	181,493
Results from BPKP review			225,159,800		225,159,800	15,531
Total (IDR)	442,788,074	188,095,930	1,857,197,186	368,176,056	2,856,257,246	197,024
Total (USD)	30,543	12,975	128,109	25,397	197,024	

See [section 2.4](#) for exchange rate used.

Recommendation 1

The MoH should:

- Ensure that all expenditures are adequately supported with relevant documents such as activity reports, attendance sheets.
- Ensure that the expected accountability documentation checklist that was developed to guide the review of supporting documents is used.
- Ensure that Gavi grants are not used for payment of VAT and develop a mechanism for tracking any VAT which is paid from Gavi grants.
- Continue discussions with the Directorate General of Taxes for the refund of VAT charged against the Gavi MoH in-country account. The DoI should report any repayments to Gavi as soon as the funds are received in the Gavi-MoH account

<p>Unsupported expenditures (USD 128,109): These were transactions reported by the MoH for which the audit team did not receive any vouchers / supporting documents. This amount also included transactions identified by the external auditors (BPKP) as lacking supporting documents from their audit of Gavi funds for the years 2018 to 2022.</p> <p>In addition to above, MoH could not provide supporting documents for IDR 2,438,933,256 (USD 168,237) related to expenditure incurred in Papua in 2018 as the documents were destroyed in the flood in three districts Jayapura City in February 2019. These amounts were excluded from the table above, and the audit team noted that this incident was reported through the BPKP review and the annual financial report for 2019.</p> <p>Inadequately supported expenditures (USD 30,543): Where the quality of documentation maintained to support transactions related to implementing various programme activities, was inadequate. For example, there were no attendance sheets provided or in the absence of appropriate attendance sheets, supplementary supporting documentation such as an activity report or a supervision report were not available, to confirm that the activities budgeted for took place. As a consequence, the audit team was unable to provide reasonable assurance that the expenditures were related to Gavi-funded activities.</p> <p>Ineligible expenditures (USD 12,975): The ineligible expenditures mostly relate to the use of funds for the payment of Value added tax (VAT) amounting to USD 12,200. In addition, the audit team has included transactions relating to overpayments for grant activities. The MoH was unable to present the relevant VAT exemptions for purchase of tickets using Gavi funds.</p> <p>Expenditures with no activity reports (USD 25,397): These are transactions such as advocacy-based activities during the introduction of new antigens, that were carried out, which included the required supporting financial documentation, but for which the activity reports were not available.</p>	<ul style="list-style-type: none"> Consider centralised purchasing of air tickets for Gavi-supported activities and/or maintain an updated tracker for all VAT. VAT should be reported to Directorate General of Taxes, and a request to refund any taxes paid should be submitted every year. Obtain and file copies of all supporting documents before the expenses are reported for liquidation. WHO and partners should provide MoH with information on all funds transferred to government departments and provinces, including related activities. This will strengthen the controls and process when liquidating Gavi support. Report any incidents e.g. loss of documents through natural disasters to Gavi, as soon as such incidents occur. The report should include an estimate of impacted expenditures and vaccines, as applicable. This report should be done in a timely manner, in addition to any audit reports for the impacted period. Should respond to all recommendations in the BPKP management letters that accompany the audited financial statements. Ensure that funds disbursed to individuals at National level or sub-national level for implementation of activities are captured as advances to encourage and facilitate follow up. Should ensure that the activity reports are completed and signed by preparer, their supervisor and included in the liquidation files before expenditures are liquidated.
<p>Root Cause</p> <ul style="list-style-type: none"> Non-compliance with the Partnership Framework Agreement, resulting in ineffective financial procedures and the questioning of expenditures, as a consequence. Inadequate controls over the review of expenditures coupled with inadequate document management. There was limited financial supervision from the DoI to provinces A checklist of the expected accountability documents per category of activity was developed to be used by the finance team when collecting/reviewing accountabilities. There was no evidence that this checklist is being filled when collecting/reviewing accountabilities. Non-adherence to Republic of Indonesia Government Regulation Number 25 of 2001 with reference to Third Amendment to Government Regulation Number 42 of 1995 concerning Import duties, additional import duties, and value added tax. Inadequate advance management as funds disbursed to sub national level were expensed without evidence of review of accountability documents. 	<p>Management comments</p> <p>See detailed management responses - Annex 6</p>

<ul style="list-style-type: none"> • Inadequate guidance on funds channeled through WHO upon disbursement of funds to MoH. • Reports from external auditors are not discussed and issues resolved at governance bodies. 					
<p>Risk / Impact / Implications</p> <ul style="list-style-type: none"> • Loss of trust and confidence in the implementing entities and the government, which can have a negative impact on future funding from Gavi and other donors. • Non-compliance with the Partnership Framework Agreement, which led to ineffective financial procedures and resulted in questioned costs. This may indicate that Gavi funds not being utilised effectively and efficiently, and there was a risk of financial mismanagement including fraud. This could result in termination of funding in some instances. • Poor health outcomes of the targeted population, as the funds intended for the vaccination program may not be utilised optimally due to inadequate financial procedures and controls. • Payment of VAT makes programme funds unavailable for implementation of programme activities. • Questioned expenditures totalling approximately to USD 0.2 million (i.e., inadequately supported, unsupported, ineligible expenditures and no activity reports) 	<table> <tr> <th data-bbox="1592 252 1800 288">Responsibility</th><th data-bbox="1800 252 2163 288">Deadline / Timetable</th></tr> <tr> <td data-bbox="1592 288 1800 616">Ministry of Health and Ministry of Finance with support from Partners</td><td data-bbox="1800 288 2163 616">See Annex 6</td></tr> </table>	Responsibility	Deadline / Timetable	Ministry of Health and Ministry of Finance with support from Partners	See Annex 6
Responsibility	Deadline / Timetable				
Ministry of Health and Ministry of Finance with support from Partners	See Annex 6				

4.2 Implementation Status of Prior Recommendations

4.2.1 Significant progress was made in addressing the 2023 Programme Audit recommendations

Context and Criteria

Paragraph 28.1(c) of Annex 2 of the PFA states that “Gavi may suspend, in whole or in part, its funding to one or more Programmes to the Country if: the Government has failed to perform any of its obligations under this Agreement and any Decision Letters.”

In 2023, Gavi carried out a programme audit of its support to Indonesia, proposing recommendations to strengthen controls and mitigate risks. The final audit report was published in March 2024, including an agreed management action plan to be implemented, and for which Gavi’s Country Programme Delivery (CPD) team is responsible to follow-up. Thereafter in August 2024, the Gavi audit team reviewed the MoH’s current progress in implementing its agreed actions, with a focus on those due to be implemented by July 2024. Gavi is responsible for determining the consequences of non-implementation, which ultimately could result in funding suspension or termination.

Condition

The prior programme audit report includes 44 agreed management action points, of which 29 actions were due to be completed by July 2024. DoI made some progress in implementing these actions, which resulted in 22 being completed, and the other 7 being postponed, for which the Directorate of Immunisation (DoI) was required to coordinate with other stakeholders outside of DoI to finalise its NIS and integrate the SMILE and ASIK applications. Thus, although some of the relevant actions were begun by DoI, none of these can be completed, pending the other department completing their corresponding task assigned. Refer to [Annex 5](#) for details on the status for the recommendations.

Examples of key recommendations not yet implemented include:

- Finalisation of the National Immunisation Strategy and subsequent monitoring of the Key Performance Indicators under the NIS and TCA
- Approval of Decree for implementation of SMILE by all the Directorates including identification of cost, determination of budgetary resources for operation and maintenance and cost sharing mechanism.
- Obtaining an understanding of the licensing rights for the SMILE application and ensuring smooth handover of the application from UNDP to MoH/DTO
- Data cleanup in ASIK with a focus on identifying and rectifying duplicate / inaccurate records
- Determination of the infrastructure requirements for ASIK and development of a visualisation tool
- Inclusion of an offline function in the ASIK mobile application
- Standardisation of specification for mobile devices to enable usage of offline function in the ASIK

As such significant issues remains unaddressed impacting programme implementation and performance.

Root Cause

- The following root causes were identified:
- There is no mechanism in place to track the implementation of the audit recommendations.
- Inadequate HSCC oversight over the implementation of recommendations.
- Recommendations were not assigned to action owners, responsible for their follow up, and ensure prompt implementation.

Recommendation 2

To enhance the oversight over implementation of recommendations from audits, the MoH management should:

- develop a tracking system at the DoI operational level which captures all of the recommendations, ranked by priority (high, medium, low). Where recommendations are repeated across several reviews, these should be included in the tracker with one action and action owner, to consolidate the appropriate action being taken.
- at the HSCC oversight level, develop a dashboard which takes into consideration audit recommendations, and that these are allocated to an action owner with timelines for implementation.
- Include the management action points as an HSCC meeting agenda item every six months (i.e. semi-annually) to discuss the status of implementing the recommendations.
- Following the HSCC’s semi-annual endorsement, share with Gavi a update on the progress to implement these recommendations.

Management comments

See detailed management responses - [Annex 6](#)

<ul style="list-style-type: none">• Risk / Impact / Implications• Failure to implement or address audit recommendation could result in suspending Gavi's funding. As a consequence future funding opportunities could be foregone (as per the signed PFA).• Outstanding issues from audit and other reviews can result in internal control weaknesses remaining unresolved, undermining programme implementation and/ or grant performance.• Insufficient or inadequate oversight may impact on the programme's ability to achieve its stated objectives.	Responsibility Ministry of Health	Deadline / Timetable See Annex 6
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5. Annexes

Annex 1 – Acronyms

ASIK	Aplikasi Sehat IndonesiaKu
BPKP	Badan Pengawasan Keuangan dan Pembangunan
CDS	Covid 19 Delivery Support
CESAP	Coverage Equity and Sustainability Action Plan
CHAI	Clinton Health Access Initiative
DoI	Directorate of Immunisation
HPV	Human Papillomavirus
HSCC	Health Sector Coordination Committee
HSS	Health Sector Strengthening
JSI	John Snow Inc
MIC	Middle Income Countries
MoH	Ministry of Health
MR	Measles Rubella
NVS	New Vaccine Support
PEF	Partnership Engagement Framework
SMILE	Sistem Monitoring Imunisasi dan Logistik secara Elektronik
TCA	Targeted Country Assistance
TWG	Technical Working Group
USD	United States Dollar
VIG	Vaccine Introduction Grants

Annex 2 – Methodology

Gavi's Audit and Investigations (A&I) audits are conducted in accordance with the Institute of Internal Auditors' ("the Institute") mandatory guidance which includes the Core Principles for the Professional Practice of Internal Auditing, the definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the audit activity's performance. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers are also be adhered to as applicable to guide operations. In addition, A&I staff will adhere to A&I's standard operating procedures manual.

The principles and details of the A&I's audit approach are described in its Board-approved Terms of Reference and Audit Manual and specific terms of reference for each engagement. These documents help our auditors to provide high quality professional work, and to operate efficiently and effectively. They help safeguard the independence of the A&I's auditors and the integrity of their work. The A&I's Audit Manual contains detailed instructions for carrying out its audits, in line with the appropriate standards and expected quality.

In general, the scope of A&I's work extends not only to the Secretariat but also to the programmes and activities carried out by Gavi's grant recipients and partners. More specifically, its scope encompasses the examination and evaluation of the adequacy and effectiveness of Gavi's governance, risk management processes, system of internal control, and the quality of performance in carrying out assigned responsibilities to achieve stated goals and objectives.

Annex 3 – Definitions: opinion, audit rating and prioritisation

A. Overall Audit Opinion

The audit team ascribes an audit rating for each area/section reviewed, and the summation of these audit ratings underpins the overall audit opinion. The audit ratings and overall opinion are ranked according to the following scale:

Effective	No issues or few minor issues noted. Internal controls, governance and risk management processes are adequately designed, consistently well implemented, and effective to provide reasonable assurance that the objectives will be met.
Partially Effective	Moderate issues noted. Internal controls, governance and risk management practices are adequately designed, generally well implemented, but one or a limited number of issues were identified that may present a moderate risk to the achievement of the objectives.
Needs significant improvement	One or few significant issues 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.
Ineffective	Multiple significant and/or (a) material issue(s) noted. 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 objectives is seriously compromised.

B. Issue Rating

For ease of follow up and to enable management to focus effectively in addressing the issues in our report, we have classified the issues arising from our review in order of significance: High, Medium and Low. In ranking the issues between 'High', 'Medium' and 'Low', we have considered the relative importance of each matter, taken in the context of both quantitative and qualitative factors, such as the relative magnitude and the nature and effect on the subject matter. This is in accordance with the Committee of Sponsoring Organisations of the Treadway Committee (COSO) guidance and the Institute of Internal Auditors standards.

Rating	Implication
High	<p>At least one instance of the criteria described below is applicable to the issue raised:</p> <ul style="list-style-type: none"> Controls mitigating high inherent risks or strategic business risks are either inadequate or ineffective. The issues identified may result in a risk materialising that could either have: a major impact on delivery of organisational objectives; major reputation damage; or major financial consequences. The risk has either materialised or the probability of it occurring is very likely and the mitigations put in place do not mitigate the risk. Fraud and unethical behaviour including management override of key controls. <p>Management attention is required as a matter of priority.</p>
Medium	<p>At least one instance of the criteria described below is applicable to the issue raised:</p> <ul style="list-style-type: none"> Controls mitigating medium inherent risks are either inadequate or ineffective. The issues identified may result in a risk materialising that could either have: a moderate impact on delivery of organisational objectives; moderate reputation damage; or moderate financial consequences. The probability of the risk occurring is possible and the mitigations put in place moderately reduce the risk. <p>Management action is required within a reasonable time period.</p>
Low	<p>At least one instance of the criteria described below is applicable to the issue raised:</p> <ul style="list-style-type: none"> Controls mitigating low inherent risks are either inadequate or ineffective. The Issues identified could have a minor negative impact on the risk and control environment. The probability of the risk occurring is unlikely to happen. <p>Corrective action is required as appropriate.</p>

Annex 4 – Expenditures questioned by the audit team

Annex 4a: CESAP

Voucher No.	Grant	Transaction Detail	Amount (IDR)	Inadequate	Ineligible	Auditor's explanations/reasoning
524119	CESAP	Belanja Perjalanan Dinas Paket Meeting Luar Kota	597,062,277		300,000	Ranu Banyu (signed attendance sheet for 2 days) and Payment sheet 4 days
521211	CESAP	Koordinasi Pelaksanaan Imunisasi - GAVI CESAP PUSAT-Belanja Bahan	82,456,907	375,000		Attendance sheet not signed
			679,519,184	375,000	300,000	

Annex 4b: VIG

Voucher No.	Grant	Transaction Detail	Amount (IDR)	Inadequate	Ineligible	Auditor's explanations/reasoning
524119	VIG-IPV	Activity 3: ADSOS - Beban Perjalanan Dinas Paket Meeting Luar Kota	270,539,541	9,357,600	946,300	No airplane electronic ticket provided for Tasli and Fernando Ginting amounted to 4.575.000 and 5.728.900, hence, the amount (less of VAT) has been considered as inadequate -VAT amount of IDR 525400 charged in the ticket of Fernando -VAT amount of IDR 420900 charged in the ticket of Tasli, hence ineligible
524119	VIG-IPV	Advokasi Pelaksanaan Imunisasi Kejar (Catch Up) IPV di Provinsi Prioritas - GAVI VIG IPV PUSAT Belanja Perjalanan Dinas Paket Meeting Luar Kota	235,660,125	1,200,000		No signature of attendance of participants hence 1,200,000 inadequately supported
524119	GAVI 2018-VIG IPV	Activity 3: ADSOS Beban Perjalanan Dinas Paket Meeting Luar Kota	110,990,317		3,058,617	VAT paid on air tickets on purchase 3,058,617
524119	GAVI 2018-VIG IPV	Activity 3: ADSOS Beban Perjalanan Dinas Paket Meeting Luar Kota	136,025,876		3,888,600	VAT paid on air tickets on purchase 3,888,600
524119	GAVI 2018-VIG IPV	Activity 3: ADSOS Beban Perjalanan Dinas Paket Meeting Luar Kota	212,247,786		3,860,100	VAT paid on air tickets on purchase 3,860,100

Voucher No.	Grant	Transaction Detail	Amount (IDR)	Inadequate	Ineligible	Auditor's explanations/reasoning
524119	GAVI 2018-VIG IPV	Activity 3: ADSOS Beban Perjalanan Dinas Paket Meeting Luar Kota	146,726,600		3,790,600	VAT paid on air tickets on purchase 3,790,600
524119	GAVI 2018-VIG IPV	Activity 3: ADSOS Beban Perjalanan Dinas Paket Meeting Luar Kota	195,182,699		6,817,099	VAT paid on air tickets on purchase 6,817,099
524111	GAVI 2018-VIG IPV	Activity 3: ADSOS Beban Perjalanan Dinas Paket Meeting Luar Kota	138,990,506		2,644,900	VAT paid on air tickets on purchase 2,644,900
524111	GAVI 2018-VIG IPV	Beban Perjalanan Dinas Biasa	61,128,702		2,134,200	VAT paid on air tickets on purchase 2,134,200
524119	GAVI HPV 2019	Koordinasi LS/LP dalam rangka Pelaksanaan Program Demonstrasi Imunisasi HPV - GAVI VIG HPV Pusat (2018) Belanja Perjalanan Dinas Paket Meeting Luar Kota	6,395,600		917,600	VAT paid on air tickets on purchase 917,600
524111	GAVI VIG IPV-2022	Piloting ASIK Imunisasi Rutin di Provinsi Aceh, Sumatera Barat, Jawa Barat, Kalimantan Selatan, Sulawesi Tenggara dan Maluku Utara - GAVI VIG IPV PUSAT Belanja Perjalanan Biasa	538,920,829		863,280	VAT paid on air tickets on purchase 863,280
524119	GAVI VIG IPV-2022	Advokasi Pelaksanaan Imunisasi Kejar (Catch Up) IPV di Provinsi Prioritas - GAVI VIG IPV PUSAT Belanja Perjalanan Dinas Paket Meeting Luar Kota	235,660,125		12,085,285	VAT paid on air tickets on purchase 12,085,285
524119	GAVI VIG IPV-2022	Penyusunan Rencana Anggaran Pengembangan ASIK TA 2023 - GAVI IPV PUSAT Belanja Perjalanan Dinas Paket Meeting Luar Kota	220,091,366		13,051,448	VAT paid on air tickets on purchase 13,051,448
524111	GAVI VIG IPV-2022	Monitoring Pelaksanaan Imunisasi Kejar (Catch Up) IPV - GAVI VIG IPV PUSAT Belanja Perjalanan Biasa	151,135,727		11,612,526	VAT paid on air tickets on purchase 11,612,526
			2,659,695,799	10,557,600	65,670,555	

Annex 4c: WHO

Voucher No.	Value date	Transaction Detail	Amount	Inadequate	Unsupported	Ineligible	No Activity Reports	Auditor's explanations/reasoning
202941236		Orientation on expansion of PCV immunisation in selected provinces and districts	1,159,490,392			26,384,856		VAT paid on air tickets on purchase 26,384,856
524119		Advocacy Introduction and Expansion of New Antigens (PCV) Belanja perjalanan dinas paket meeting luar kota	849,709,310			32,650,269		VAT paid on air tickets on purchase 32,650,269
524119		Support for EPI and VPD Surveillance Review in 2020 in 15 Provinces in Indonesia, February 2020	1,489,715,654			48,624,950		VAT paid on air tickets on purchase 48,624,950
524114		Final Review Meeting on MR SIA Phase 2 Belanja Perjalanan Dinas Paket Meeting Luar Kota	651,008,357			1,403,000		VAT paid on air tickets on purchase 1,403,000
202251225	12.04.2019	To support the Workshop on Strengthening Measles Rubella Surveillance Post Measles Rubella Campaign & Other VPDs Surveillance, in Selected Provinces of Indonesia, 2019	510,059,154					
		Transport		69,265,079	166,084,475			For activity done in Ujung Pandang: 1. Ticket invoices available for 69,265,079 2. No authorisation for travel was available 3. Transfer receipts / wire transfer docs for ticket payments was not available Unsupported (Ujung Pandang) 1. No Ticket invoices available IDR 160,384,475 For activity done in Bekasi: 1. No supporting was available for amount IDR 5,700,000
		Meeting package		180,900,000	3,700,000	10,800,000		-For activity done in Ujung Pandang: 1. Attendance list was not available for hotel invoice of IDR 180,900,000 2. Transfer receipts / wire transfer docs for hotel payments was not available 3. Hotel invoice charged 2 rooms (802 & 602) without names (MEMBER FIKTIF) = IDR 10,800,000 (@5,400,000). hence, made ineligible '-For activity done in Bekasi (3,700,000): No document available

Voucher No.	Value date	Transaction Detail	Amount	Inadequate	Unsupported	Ineligible	No Activity Reports	Auditor's explanations/reasoning
		Daily allowance		35,550,000				1. Attendance List not available, hence eligibility of the DSA could not be verified 2. Transfer/Cash receipt documentation is not available
		Fees resource person, facilitator & moderator		26,800,000				1. Attendance List not available, hence eligibility of the DSA could not be verified 2. Transfer/Cash receipt documentation is not available
		Stationery/photocopy/banner/IEC material			16,959,600			No supporting were available
202103633	26-28 Nov 2018	Support Regional Training and Workshop on Vaccine Safety Basics and General Assessment Course to strengthen Adverse events following immunisation (AEFI) Surveillance in M Campaign Phase 2	539,865,019		241,133,010			There are 3 activities under PO#202103633. The documents available are only for activity in South Tangerang (SOE 298,732,009) No document was available for the other 2 activities neither any breakdown available
		Charges for meeting package			63,000,000			1. Invoice not available 2. Supporting documents for hotel payments (like receipt by the hotel, bank transfer slip) not available
		Transport		932,000			204,019,109	1 person (Siti Ara Usman, SE) received transport and DSA but considered inadequate as the travel authorisation and attendance list was not available. Activity report was not available for the expenses undertaken.
202123462	02.10.2018	Second Mid Term Review Meeting on MR SIA Phase 2 at Yogyakarta, in Indonesia	757,541,293		655,831,651		0	No supporting document available. No breakdown of expenses available.
		Daily allowance					9,100,000	Activity report was not available
		Transportation		1,277,195			63,678,947	1. Out of IDR 3616395 charged as ticket fare, invoice and payment receipt available for only 2339200. For amount IDR 1277195, no invoice is available No activity report available

Voucher No.	Value date	Transaction Detail	Amount	Inadequate	Unsupported	Ineligible	No Activity Reports	Auditor's explanations/reasoning
		Daily allowance without Travel Authorisation (Surat Tugas)		4,060,000				Travel authorisation = N/A Daily allowance could not be verified for 9 persons: 1. Lulu Ariyantheny Dewi 2. Sekar Astrika Fardani 3. Sitti Ara Usman 4. Adhitya Nurdiyanto 5. Heris Hernawan 6. Gertrudis Tandy 7. Irawan Mangunatmadja 8. Anjari 9. Ignatius Aryono
		Transport (local) without Travel Authorisation/TA (Surat Tugas)		5,446,000				Travel authorisation = N/A Daily allowance could not be verified for 9 persons: 1. Lulu Ariyantheny Dewi 2. Sekar Astrika Fardani 3. Sitti Ara Usman 4. Adhitya Nurdiyanto 5. Heris Hernawan 6. Gertrudis Tandy 7. Irawan Mangunatmadja 8. Anjari 9. Ignatius Aryono
		Transport (air tickets) without invoice/receipts and TA		4,553,400				1. No Travel authorisation 2. No invoice of air ticket
		Transport (air tickets) without TA		13,594,100				No Travel authorisation
202098119	18-20 Oct 2018	Review Meeting on Measles and Rubella Campaign Phase 2 In 11 High Risk Districts In Indonesia - TOTAL	817,560,791		324,304,700			Supporting document and expense breakdown not available
	21-23 OCT-18	Review Meeting on Measles and Rubella Campaign Phase 2 In 11 High Risk Districts In Indonesia - KOTA BANJARMASIN						
		Full day Meeting Package - KOTA BANJARMASIN			19,500,000			1. Hotel invoice is not available for the amount of IDR 19,500,000
	17-Oct-18	Review Meeting on Measles and Rubella Campaign Phase 2 In 11 High Risk Districts In Indonesia - KOTA BANDA ACEH						

Voucher No.	Value date	Transaction Detail	Amount	Inadequate	Unsupported	Ineligible	No Activity Reports	Auditor's explanations/reasoning
		Transport - KOTA BANDA ACEH		10,742,700	8,549,950			Travel Authorisation for Jakarta staff was not available, hence IDR 10742700 considered inadequate No supporting available for IDR 8549950
		Stationery - KOTA BANDA ACEH			1,500,000			No supporting available for IDR 1500000
	18-20 Oct-18	Review Meeting on Measles and Rubella Campaign Phase 2 In 11 High Risk Districts In Indonesia - KAB. BANYUASIN						
		Full day Meeting Package - KAB. BANYUASIN			25,920,000			No supporting available for IDR 25920000
	16-18-Oct-18	Review Meeting on Measles and Rubella Campaign Phase 2 In 11 High Risk Districts In Indonesia - KAB. KAMPAR						
		Transport - KAB. KAMPAR				725,100		VAT paid on air tickets
		Full day Meeting Package - KAB. KAMPAR			14,880,000			No supporting available for IDR 14880000
	16-18-Oct-18	RIAU Province						
		Official travel Outside meeting packages						
		Daily money: Lodging and Transport				796,000.00		VAT paid on air tickets
		Full day meeting package		3,285,000.00	9,035,000			No transfer (bank payment slip, receipt by the hotel) found to be supported in the file, hence inadequate - IDR 3285000 No supporting available for IDR 9035000
	16-18-Oct-18	KOTA PADANGA SUMBAR Province						
		Official travel Outside meeting packages						
		Daily money: Lodging and Transport				602,200.00		VAT paid on air tickets
		Full day meeting package			18,720,000			No supporting available for IDR 18720000
			6,774,949,970	356,405,474	1,569,118,386	121,986,375	276,798,056	

Annex 4d: Sub-National

Voucher No.	Value date	Transaction Detail	Amount (IDR)	Inadequate	Unsupported	Ineligible	No activity reports	Auditor's explanations/reasoning
/BKU/GAVI/Jabar		Penayangan Iklan Layanan Masyarakat dalam Rangka Pelaksanaan Kampanye Measles Rubella (MR) di Radio Lokal - Radio Lokal	18,750,000	18,750,000				Purchase order not attached
/BKU/GAVI/Jabar		Rakor Imunisasi	156,050,000	13,950,000	54,872,000			-No purchase order for amount 13950000 -No supporting available for 54,872,000
/BKU/GAVI/Jabar		Monitoring Evaluasi Pelaksanaan Imunisasi dalam rangka Pengenalan Antigen Baru/Asistensi Teknis Pelaksanaan IPV - GAVI VIG IPV Prov. Jawa Barat	38,790,000		7,800,000	24,000	23,850,000	No supporting document available for IDR 7800000 Payment of DSA not as per rate approved by MoF
/BKU/GAVI/Jabar	17-18 Sep 2019	Kegiatan Pertemuan Koordinasi Teknis dalam rangka menjangkau seluruh sasaran Kota Depok	20,820,000					
		Fees resource person, facilitator & moderator				10,000		Lodging cost reported = IDR 570,000 lump sum lodging cost receipt (cash) = 560,000 Reported expense is more than what was paid, hence, made ineligible
/BKU/GAVI/Jabar	17-Sep-19	Kegiatan Pertemuan Koordinasi Teknis dalam rangka menjangkau seluruh sasaran Kab. Sumedang	11,775,000					
		Supplies & IEC materials				20,000		Photocopy cost reported = IDR 350,000 Photocopy cost receipt (cash) = 330,000 Invoice understatement = 20,000 Reported expense is more than what was paid, hence, made ineligible
/BKU/GAVI/Jabar	23-Nov-18	Kegiatan Pertemuan Koordinasi Teknis dalam rangka menjangkau seluruh sasaran Kota Bandung	18,100,000					
		Supplies & IEC materials					500,000	Activity report was not available
		Meeting Package					3,850,000	Activity report was not available
		Fees resource person, facilitator & moderator					2,650,000	Activity report was not available

Voucher No.	Value date	Transaction Detail	Amount (IDR)	Inadequate	Unsupported	Ineligible	No activity reports	Auditor's explanations/reasoning
		Transport					11,100,000	Activity report was not available
/BKU/GAVI/Jabar	22-23 Oct 2019	Kegiatan Pertemuan Koordinasi Pelaksanaan Campak-Rubella	92,510,000		247,000			No supporting document available. No breakdown of expenses available.
		Supplies & IEC materials				85,000	1,436,000	Computer supplies receipt = 525,000; however the total of invoice = 440,000 ; invoice understatement = 85,000 No activity report for the given amount.
		Meeting package		38,550,000				Invoice & room list from hotel not available
		Fees resource person, facilitator & moderator					7,200,000	Activity report was not available
		Transport		4,200,000			40,792,000	Attendance list for Provincial Officers = Not Available for IDR 4200000: 1. dr. Dewi Ambarwati 2. Abdul Rohman, S.ST 3. Iwan Kartiwa 4. Edi Triatna 5. Wawan 6. Trina Reska Marsela, SKM 7. Ardy Sofyan, S.Farm
								Activity Report not available.
			356,795,000	75,450,000	62,919,000	139,000	91,378,000	

Annex 4e: BPKP

Voucher No.	Transaction Detail	Amount (IDR)	Unsupported	Auditor's explanations/reasoning
ML 2018 Papua Region	Expenditures of GAVI Grant 2018 in Papua Region	2,617,103,056	178,169,800	No documents had been presented for review by the last day of the audit i.e. 20.10.2023
ML 2018 North Sulawesi	Official travel where the supporting evidence of expenditure was not found	12,290,000	12,290,000	No documents had been presented for review by the last day of the audit i.e. 20.10.2023
ML 2018 Central Java	Difference in the recording/bookkeeping of funds that had to be accounted in comparison to the accountability	310,000	310,000	No documents had been presented for review by the last day of the audit i.e. 20.10.2023
ML 2018 West Java	Technical assistance in the implementation of IPV Immunisation	34,390,000	34,390,000	No documents had been presented for review by the last day of the audit i.e. 20.10.2023
		2,664,093,056	225,159,800	

Annex 5 – Status of management actions from the 2023 Programme Audit

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
Immunisation programme sustainability challenges not fully addressed after transition	Recommendation 1 The Ministry of Health (MoH) should: <ul style="list-style-type: none"> Review all transition activities and align them with the strategy for Middle-Income Countries (MICs). Ensure that new applications under the MICs strategy prioritise catalytic investments and effectively address any remaining gaps or challenges to sustainability within the program. Undertake advocacy measures to enhance budget allocation to the Expanded Program on Immunisation (EPI) at both national and sub-national levels. 	Action 1 Agreed. The Gavi's application filled gaps in the state budget and helped address some challenges to sustainability. This included improving routine immunisation, strengthening data management & HIMS, New Vaccine Introduction, governance and collaboration. In addition, we have been meeting with development partners and discussing with the technical working group (TWG) to align it with the strategy for Middle-Income Countries (MICs). The January review was conducted on 24 January 2024. Action 2 Agreed. The Gavi's recommendation was well taken and was discussed during the Gavi - BMGF mission on October 30, 2023. Discussions and evaluation of activities to prioritise catalytic investments will continue in the Technical Working Group Meeting for the implementation of activities as listed in the MICs application. Action 3 Agreed. Advocacy efforts are being made to encourage regional commitment to this cause, as the government system is decentralised. The Ministry of Health has developed and allocated a budget for immunisation programs through BOK (transfer fund from central to districts and puskesmas). MoH will conduct a Post Gavi Transition Risk Assessment, disseminate and use the results of the assessment as part of an advocacy tool. The results of this assessment will be shared with Gavi.	Action 1 Directorate of Immunisation, and implementing partners (WHO, UNICEF, UNDP and CHAI) Action 2 Directorate of Immunisation, and implementing partners (WHO, UNICEF, UNDP and CHAI) Action 3 Directorate of Immunisation	Action 1 January 2024 Action 2 November 2023 Action 3 December 2024	Completed Completed Not Yet Due
The scope of the Health Sector Coordination Committee (HSCC) needs to be expanded to cover the entire immunisation programme	Recommendation 2 The MoH should: <ul style="list-style-type: none"> Revise the terms of reference of the HSCC to cover the entire immunisation programme. Develop and use a standardised format for documenting meeting minutes and develop a dashboard 	Action 4 <ul style="list-style-type: none"> Agreed. We will revise the TOR of HSCC and use the HSCC meeting minute template. The meeting will be conducted 2-3 times per year. The Health Partnership meeting was conducted in December 2023 and attended by implementing partners to discuss challenges within immunisation and prioritise improvements. Action 5	Action 4 Directorate of Immunisation Action 5	Action 4 June 2024 Action 5	Completed

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	to track the follow-up and implementation of its HSCC, Indonesian Technical Advisory Group on Immunisation (ITAGI) and TWG recommendations. For the purposes of accountability, each recommendation should be assigned to a designated officer responsible for its implementation, along with a deadline by which time the action is to be completed.	<p>Agreed. We will create a consistent structure for recording meeting minutes and share with stakeholders such as MoH staff and development partners through official letter signed by the Director/MoH staff responsible for the topic of discussion. As an example, the report of TWG meeting in January 2024 was shared with audit team in January 2024.</p> <p>The ITAGI (National Immunisation Committee) decision letter will seek advice from the Law Bureau regarding the establishment of this format.</p>	Directorate of Immunisation	January 2024	Completed
The role of the ministry of health in monitoring and coordinating partner-led activities should be enhanced	<p>Recommendation 3</p> <p>Given that Gavi's MICs approach is reliant on core and expanded partners for some of the interventions, the MoH should document the government's role for partner-led activities. This would serve to enhance ownership of the programme and ensure continuity within the context of this transitioned country. The documentation should include:</p> <ul style="list-style-type: none"> a mechanism for monitoring partner led activities and validating reported milestones. Avenues or forum where MoH will collaborate in shaping the TCA delivery approach to ensure that the designated activities are specific, measurable, accurate, relevant and include well-defined timelines. Periodic review meetings e.g., quarterly meetings with TCA partners to review TCA activities, monitor progress, and validate reported deliverables before submission through the Gavi PEF portal. 	<p>Action 6</p> <p>Agreed.</p> <ul style="list-style-type: none"> Gavi has developed a reporting mechanism for its partners to report to the government through the country portal. This mechanism aims to ensure a streamlined and efficient flow of information and to facilitate the effective implementation of the immunisation program. The country representative who is responsible for managing the Gavi country portal will report and upload all reports in accordance with the agreed timelines. In support of this initiative, the government has established a coordination and monitoring forum known as the Technical Working Group (TWG). This forum is composed of representatives from various development partners and is tasked with overseeing the implementation of the immunisation program. To ensure effective communication and coordination, the TWG will hold regular meetings and prepare tracking sheets to monitor progress. In addition, a WhatsApp group has been established to facilitate timely and effective communication between the members of the TWG. <p>Action 7</p> <p>Agreed. The MoH will collaborate with Bappenas to set annual targets (done as stipulated in National Strategy 2020 - 2024) and monitor the progress of development partners within the immunisation programme on a quarterly basis. The activities will be led by Bappenas.</p> <p>Action 8</p> <p>Agreed.</p>	<p>Action 6</p> <p>Directorate of Immunisation (Team 1 and 3), WHO</p> <p>Action 7</p> <p>Directorate of Immunisation, WHO and UNICEF</p> <p>Action 8</p> <p>UNICEF</p>	<p>Action 6</p> <p>Started January 2024</p> <p>Action 7</p> <p>Quarterly and will be started in April 2024</p> <p>Action 8</p>	<p>Completed</p> <p>New Deadline – December 2025</p> <p>Completed</p>

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
		<ul style="list-style-type: none"> UNICEF periodically once a year invites related Ministries/Agencies to conduct joint monitoring visits (this activity has been running for several years), WHO - mid-term review meetings, UNDP - board meeting MoH, through the finance unit, will monitor quarterly financial report to ensure adequate financial management. 		January 2024 and continue as schedule	
Significant variations remain in the attainment of immunisations targets by province	Recommendation 4 The MoH should develop a clear catch-up plan for provinces that are not performing well.	Action 9 Agreed. MoH has developed a technical guideline for immunisation catch-up immunisation. Indonesia adopts a decentralised governance system, wherein the budgetary allocation from the central government does not reach the regions. In 2024, the Gavi budget (IPV2 switch) will be disbursed to several provinces (e.g. risk and high-risk provinces)	Action 9 Directorate of immunisation	Action 9 May 2024	Completed
	Recommendation 5 WHO and UNICEF have published guidance on considerations for integrating Covid-19 vaccination into immunisation programmes and primary health care for 2022 and beyond. The MoH should review, document and develop a national strategy for transitioning its Covid-19 vaccination response and integrating this into its routine immunisation, highlighting the: relevant delivery strategies, resources required and timeframe to complete this transition.	Action 10 Agreed. The administration of COVID-19 vaccines shall be implemented in accordance with the COVID-19 immunisation program, as stipulated by the Minister of Health in Decree No. 2193 of the year 2023, which adheres to the guidelines formulated by the World Health Organisation (WHO) and the United Nations International Children's Emergency Fund (UNICEF). This program will ensure that the vaccination process is executed in a manner that is consistent with the standards and recommendations laid out by these international organisations. IEC material regarding the COVID-19 immunisation program will be available in Q2 2024.	Action 10 Directorate of immunisation (Team 1 and 3), WHO	Action 10 January 2024	Completed
SMILE system sustainability challenges must be addressed	Recommendation 6 While the SMILE investment was implemented through UNDP, the overall responsibility for the SMILE system is MoH who will be responsible for addressing the recommendations and sustaining the system after transition. To address the sustainability challenges noted, the Ministry of Health (MoH) should: <ul style="list-style-type: none"> Request and assess a comprehensive quantification of all fixed and recurring operational 	Action 11 Agreed. <ul style="list-style-type: none"> The Ministry of Health developed a Ministerial Decree with respect to the SMILE program. This decree outlines the scope of work for directorates involved in the implementation of SMILE, as well as the budget resources required for its operational aspects, including development, maintenance, data storage, and security. Additionally, the decree articulates the cost-sharing arrangements between APBN and APBD. Collaboratively led by the Pharmaceutical Directorate and other relevant departments, the decree is expected to be finalised and signed by mid-2024. 	Action 11 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 11 SMILE: June 2024	New Deadline – December 2024
		Action 12 Agreed.	Action 12	Action 12 March 2024	Completed

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	<p>costs related to SMILE maintenance, ensuring the inclusion of all costs for national and provincial/district-level planning.</p> <ul style="list-style-type: none"> perform a data growth projection to anticipate the current and future storage and processing requirements for SMILE. This will facilitate adequate planning for the necessary resources, such as disk space, memory, and processing power, to ensure optimal performance. Ensure a comprehensive transition plan detailing all associated costs necessary for operating and maintaining SMILE at the province/district and national levels is developed. Utilise the plan as a resource mobilisation tool in collaboration to ensure that SMILE operational costs are budgeted for and fully financed. 	<ul style="list-style-type: none"> In January of 2023, a joint evaluation and projection of SMILE data storage growth was conducted. The analysis was subsequently accepted by the Directorate of immunisation and DTO. Following this, the Directorate of immunisation submitted an official request to the Data Centre as a basis for the Ministry of Health to procure cloud services for the SMILE system for the upcoming years of 2024-2025. The objective of this effort is to equip the Data Centre and DTO with the means to evaluate future data usage and storage requirements every six months. <p>Action 13</p> <ul style="list-style-type: none"> The cost details for SMILE will be specified in an attachment to the Minister of Health Decree. However, the cost estimation needs to be updated after the SMILE platform has been used for all health commodities, including vaccines and waste, by the end of 2024. Once the Minister of Health Decree is approved, the relevant directorate at the central level and the health service can allocate the related costs for SMILE. The cost needed should be listed in the National immunisation Strategy 2025 – 2029 <p>Action 14</p> <ul style="list-style-type: none"> This decision will provide a strong basis for ensuring that SMILE's operational costs are fully funded by the Ministry of Health and the Health Service. The Economic Assessment for SMILE application was done 	<p>Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre</p> <p>Action 13 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre</p> <p>Action 14 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre</p>	<p>Action 13 December 2024</p> <p>Action 14 January 2025</p>	<p>Not Yet Due</p> <p>Not Yet Due</p>
	<p>Recommendation 7</p> <p>The Ministry of Health (MoH) should gain a clear understanding of the existing licensing terms and agreements and explicitly define the transferable rights of the software. This is crucial to ensure the sustainable and efficient management of the SMILE system during the transition phase.</p>	<p>Action 15</p> <ul style="list-style-type: none"> Directorate of immunisation will collaborate with DTO regarding ASIK and with UNDP to ensure that SMILE the current license terms agreements and transferable software rights are understood for continued and efficient management of SMILE. The software license is owned by UNDP and is transferable to the Ministry of Health. UNDP submits the source code to the MoH annually (as the SMILE version is updated) as part of the handover records. UNDP will consult with MoH when applying this system in other countries as needed. 	<p>Action 15 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre</p>	<p>Action 15 June 2024</p>	<p>New Deadline – December 2025</p>

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	Recommendation 8 To address design challenges identified in the system, the implementing partner should: <ul style="list-style-type: none"> Introduce features the e-learning platform that facilitate needs-based enrolment and enable the monitoring of performance for health workers enrolled on the platform. implement audit trail for all user actions. update end-user manuals and TOT guides to enhance end user utilisation and experience. 	Action 16 Agreed. <ul style="list-style-type: none"> MoH in collaboration with UNDP and other partners will ensure that the use of SMILE e-learning platform is revitalised and promoted. Additionally, training for MoH staff as the main user, health service staff to be able to utilise SMILE (dashboard, feature) as a tool in monitoring Puskesmas performance, improving the quality and real-time data to produce better information. 	Action 16 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 16 January 2024	Completed
Challenges in the design of ASIK impacting the system's operating effectiveness	Recommendation 9 The MoH should ensure the effective implementation of a unique identifier for immunisation records to prevent data inaccuracies arising from redundancy or duplicate entries. The chosen unique identifier for immunisation records should consider the following key factors: <ul style="list-style-type: none"> Uniqueness: The identifier must be distinct to prevent any mix-ups or duplications in the system. Consistency: Uniform application of the identifier across all healthcare facilities and immunisation centers is crucial for seamless data integration and maintaining data accuracy. Standardisation: Adherence to WHO norms for identifier formats and coding systems is necessary to enable interoperability and efficient data exchange across various health systems. 	Action 17 The Indonesian government made it mandatory to register the birth of every child. As stated in the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 2 of 2016, which explains that children under the age of 5 must be issued with a Child Identity Card (KIA) at the same time as their birth certificate excerpt. To ensure the uniqueness, consistency, security, compatibility, and scalability of the Child Identity Cards, the Ministry of Health uses the Nomor Induk Kependudukan (NIK) as the unique ID, as provided by the Civil Registry Service Office (Dukcapil) Ministry of Home Affairs. For recording immunisations, the ASIK implemented the Fast Healthcare Interoperability Resources (FHIR) standard, which allows for interoperability between different healthcare service providers. However, there has been a technical obstacle when it comes to immunisation services provided from birth, i.e. not all parents register their children with Dukcapil, which means that they do not have a NIK. To address this issue, the Ministry of Health's DTO-Pusdatin is currently working on bridging birth data with the Dukcapil birth certificate. Satu Sehat system is connected with Dukcapil and uses the NIK. To address the challenge of children without a NIK, there are two possible solutions:	Action 17 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 17 December 2024	Not Yet Due

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	<ul style="list-style-type: none"> Security: Strong security protocols are required to safeguard the confidentiality and integrity of patient data linked to the unique ID. Compatibility: The identifier system should integrate smoothly with existing health information systems and electronic health record platforms for effective data sharing. Accessibility: The ID system should be user-friendly and accessible to healthcare providers, facilitating streamlined data entry and retrieval. Scalability: The identifier system must be capable of expanding to meet the increasing demands of vaccination programs and population growth. 	<p>1) Plan to bridge birth data from healthcare facilities using a standardised format integrated into Satu Sehat. Satu Sehat will feed the data into Dukcapil. Dukcapil will generate a unique identifier (NIK) for the newborn, including publishing the birth certificate. Using this method, Satu Sehat will get the NIK data since birth and possibly capture the continuous health care services received by each individual.</p> <p>For this approach, DTO is coordinating with Dukcapil, Ministry of Home Affairs. Referring to the acceleration of digital transformation and integration of national digital services strategy (Presidential Decree No 82 the year 2023), we will collaborate with the Digital ID team in Dukcapil. The Indonesian government is currently accelerating the inter-ministerial digital collaboration using this decree, and it may take some time as the government technology strategy is currently being established with reference to the decree.</p> <p>2) Should the data integration at health care facilities into Satu Sehat experience delays due to factors such as limited human resources, infrastructure, etc., or if a child is not born at the hospital or Puskesmas, we will also develop the 'Data Sasaran' feature to capture name and address format at Posyandu level. Cadres or health care workers can identify each targeted individual based on their domicile. The list of individuals as targeted groups will be aggregated as program denominators. For this approach, we are still developing the 'data sasaran' feature in ASIK and plan to roll it out in June 2024.</p>			
	<p>Recommendation 10 The MoH should establish data validation requirements within the ASIK system to implement controls that prevent inaccurate data entry and the creation of duplicate records.</p>	<p>Action 18</p> <ul style="list-style-type: none"> The validation of individual data on ASIK relies on NIK, an identification number issued by the Ministry of Home Affairs. At present, DTO-Pusdatin is developing a target data feature that will record individual data on immunisation targets, using BNBA (by name by address) as an identifier. This feature will streamline the process of validating target data and associated immunisation services, allowing the immunisation coordinator at the Community Health Centre to carry out the validation process. The district/city and provincial health services will monitor the validation, thereby ensuring its accuracy and reliability. 	<p>Action 18 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre</p>	<p>Action 18 August 2024 under the INEY phase 2 - World bank</p>	Not Yet Due
	<p>Recommendation 11 The MoH should initiate an independent data quality assurance review for ASIK, with a primary focus on identifying and rectifying duplicate and inaccurate</p>	<p>Action 19 Agreed.</p> <ul style="list-style-type: none"> We are currently working on a new tool to detect any duplicated records of immunisation services. Our goal is to guarantee that the data gathered by ASIK is of the utmost quality. To maintain the accuracy and integrity of the data collected, regular desk reviews will be carried out by 	<p>Action 19 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP,</p>	<p>Action 19 1/1/2024 and regular desk review</p>	New Deadline – December 2025

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	immunisation records within the system.	different stakeholders, such as the DTO-Pusdatin, the immunisation Directorate, the Public Health Office, and development partners. This practice will help emphasise the significance of upholding high standards of data precision and reliability.	UNICEF, The Health Data and Information Centre		
	Recommendation 12 The Ministry of Health should conduct an assessment to precisely determine both current and future data growth requirements for the ASIK system. This measure ensures that the server infrastructure can scale effectively to meet the expanding data needs. Additionally, the Ministry of Health should then consider adopting a visualisation tool specifically designed for handling large datasets.	Action 20 Agreed. <ul style="list-style-type: none"> The team at DTO-Pusdatin is meticulously monitoring the server capacity requirements and proactively increasing the system performance to meet national needs. Currently, the team is engaged in developing the ASIK immunisation dashboard on a native platform, which will significantly improve the performance of data analysis and process voluminous data sets. 	Action 20 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 20 June 2024	New Deadline – June 2025
	Recommendation 13 The MoH should: <ul style="list-style-type: none"> Explore the inclusion of an offline function within the ASIK mobile app to enhance usability in situations with intermittent connectivity. Concurrently, establish guidelines for the standardisation of devices intended for use in offline mode, emphasising adequate phone memory support to store data for up to a week on the device. 	Action 21 Agreed. <ul style="list-style-type: none"> The Ministry of Health (MoH) has undertaken a feasibility study to investigate the viability of implementing an offline reporting feature within the ASIK mobile application. The feature, which is expected to be completed by 2024, will enable users to submit reports without requiring an internet connection. Action 22 <ul style="list-style-type: none"> The team from DTO-Pusdatin has conducted an assessment to determine the standardisation of gadget requirements that can utilise offline features. In particular, the provision of telephones with adequate memory will be discussed in collaboration with the immunisation directorate, primarily for areas where internet access is limited. This initiative aims to facilitate efficient communication and data management within the jurisdiction of the directorate. 	Action 21 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 21 July 2024	New Deadline – December 2025
Limited interoperability between immunisation digital health systems	Recommendation 14 The Ministry of Health should restart interoperability engagements and formulate a tailored roadmap to facilitate integration between SMILE, ASIK, and other digital health tools. This roadmap should include the detailed	Action 23 Agreed. <ul style="list-style-type: none"> The Ministry of Health initiated the development of interoperability using the Satu Sehat platform as part of its digital transformation agenda for the health sector. The Satu Sehat platform aims to provide a compilation of health data standardisation using Fast Healthcare 	Action 23 Directorate of immunisation (Team 2 and 4), Directorate of Pharmaceutical and Medical Devices, UNDP,	Action 23 December 2024	Not Yet Due

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	definition of data formats, strategies for change management, and mechanisms for data mapping. Such an approach will foster seamless data exchange, minimise data redundancy, and enhance data quality and completeness. Additionally, a systems maturity assessment should be conducted to evaluate the readiness of the systems for integration.	<p>Interoperability Resources (FHIR) and create a health master data that can serve as a reference for interoperability.</p> <ul style="list-style-type: none"> • The adoption of the One Healthy standard for all health facilities has been mandated by the relevant government decree (KMK). • The Directorate General of Health Services is conducting an evaluation of the readiness of health facilities to integrate, and this will continue. • In 2022, logistics recording was integrated with immunisation services at the nationwide immunisation campaign (BIAN). However, the initiative failed due to a lack of readiness among the human resources in the field to carry out logistics recording in a consistent and timely manner. • The Satu Sehat platform's future plans include the integration of logistics and service records, as well as enhancing the digital maturity of health facilities and health human resources. • The Ministry of Health guarantees the functionality of the Satu Sehat platform as a reference and access point for all health program information. However, maintaining the large number of platforms will entail significant costs. 	UNICEF, The Health Data and Information Centre		
There is need to establish a central vaccine store to minimise potential disruptions in the supply chain	Recommendation 15 The MoH should establish of a central warehouse facility through a ministerial decree or other legal instrument.	Action 24 <ul style="list-style-type: none"> • The Ministry of Health is engaged in discussions pertaining to the development of a legal instrument that would enable the establishment of vaccine storage facilities. <p>The land to build the vaccine storage for the national level is available and plan to discuss with a contractor for the design of the CVS. State budget will be allocated in 2025.</p>	Action 24 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 24 2025 to design CVS	Not Yet Due
	Recommendation 16 The MoH should develop comprehensive central vaccine store standard operating procedures defining the roles and responsibilities of MoH and PT Biofarma as a third-party logistics provider.	Action 25 <ul style="list-style-type: none"> • The Ministry of Health is scheduled to convene a meeting with PT. Bio Farma to discuss the standard operating procedures (SOPs) for vaccine storage at the centre, as well as the division of roles in managing vaccines and vaccination logistics. • The primary objective of the meeting is to ensure that the vaccine storage protocols comply with the recommended guidelines and regulations. Additionally, the meeting aims to establish clear and well- 	Action 25 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 25 December 2024	Not Yet Due

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
		defined roles for managing the vaccine supply chain and logistics, thus facilitating the efficient distribution and administration of vaccines.			
	Recommendation 17 The MoH should design distribution schedules and plans from the central vaccine store to the PVS defining ordering and delivery timelines for vaccines	Action 26 <ul style="list-style-type: none"> The Ministry of Health is set to engage in further coordination with PT BioFarma and the Provincial Health Office to establish a distribution schedule for the allocated vaccine. The objective of this collaboration is to ensure that the vaccine is distributed in the most efficient and effective manner possible. 	Action 26 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 26 June 2024 as a start, thereafter process will follow the min max stock status in SMILE	Completed
Challenges in forecasting and procurement increase the risk of vaccine stock outs	Recommendation 18 The Ministry of Health Procurement Service Unit should: <ul style="list-style-type: none"> Establish and assess the timeliness of various processes within the procurement cycle. Capitalise on recent efficiency improvements in utilising the e-catalogue system to streamline timelines in the procurement cycle. 	Action 27 <ul style="list-style-type: none"> The implementation of government procurement of goods and services is governed by the guidelines set forth in Presidential Decree 12 of 2021. Commencing in 2022, procurement through electronic means is to be carried out by the Goods and Services Procurement Bureau. In issuing procurement cycle documents, the Ministry of Health works in close coordination with related units to ensure compliance with applicable regulations. We will make pre procurement (Pra DIPA) to ensure sufficient vaccine stock Action 28 <ul style="list-style-type: none"> In the fiscal year 2022-2023, the Bureau of Procurement centralised procurement through E-Catalog, which aims to streamline the process and enhance transparency. By consolidating procurement at the Bureau, procurement officers can expect a simplified and more efficient procurement process. This centralised approach is part of a broader initiative to optimise procurement procedures and improve accountability. 	Action 27 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre Action 28 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 27 Done Action 28 Done	Completed Completed
	Recommendation 19 The Ministry of Health should regularly review forecasts to enhance and refine assumptions in subsequent forecasting exercises.	Action 29 Agreed. <ul style="list-style-type: none"> The Ministry of Health has instituted a series of evaluations to ensure that vaccines are distributed effectively, from the planning stage to final fulfilment. Critical variables, such as storage capacity, distribution rate, vaccination achievements in different regions, and vaccine wastage rate, are assessed to evaluate the vaccine usage index. To meet the upcoming vaccine demand, the Ministry initiates planning six months before its actual need and begins the procurement process two to three months before the stated need. The accuracy of vaccine 	Action 29 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 29 December 2024	Not Yet Due

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
		demand figures is regularly reviewed in coordination with the Provincial Health Office. The vaccine stock review will be conducted regularly under the responsibility of the Pharmaceutical Unit MoH.			
Inventory management practices at national and sub national level need improvement	Recommendation 20 The MoH should establish and document the required vaccine buffer levels for provinces and districts vaccine stores.	Action 30 Agreed. <ul style="list-style-type: none"> In accordance with the Minister of Health Regulation Number 12 of 2017 regarding immunisation, it has been deemed obligatory for provincial warehouses to maintain a maximum stock of each type of routine vaccine for two months' needs, in addition to one month's reserve. The vaccines will be subsequently disseminated to districts/cities, who should maintain a maximum stock of one month, with a reserve for another month before distributing them to Community Health Centers. The Community Health Centers, in turn, are required to store vaccines for one month's need along with a week's reserve. Nonetheless, the implementation of this provision has not been fully realised at the Provincial, Regency/City Health Service, or Community Health Centre level due to a lack of storage space or the inability of vaccine managers to calculate or manage stock according to the vaccination period. Consequently, the Ministry of Health is collaborating with the United Nations Development Programme (UNDP) to enhance the features of the SMILE application. This application will display alerts/notifications when an entity has reached its minimum stock, thereby enabling the immediate request for vaccine needs from superior levels. 	Action 30 Directorate of Immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information Centre	Action 30 smooth implementation - Dec 2024	Not Yet Due
	Recommendation 21 The MoH should strengthen support supervision initiatives related to inventory management by documenting supporting supervision visits, providing feedback, and following up on the agreed upon action items. The support supervision visits should check to confirm that: <ul style="list-style-type: none"> regular physical counts are conducted and documented in line with MoH guidelines. Stock records are appropriately documented and archived. 	Action 31 <ul style="list-style-type: none"> To guarantee the availability of vaccines at both central and regional levels, the SMILE application is employed for stock monitoring purposes. The Directorate General of Pharmacy and Medical Devices issued a circular in 2022, specifying guidelines for implementing routine monthly stocktaking to monitor vaccine availability in Community Health Centers, Districts/Cities, and Provinces. From 2023 onwards, the results of the stocktaking implementation are also evaluated by providing feedback to all entities in the region to facilitate continual improvement. One of the most notable features of the SMILE application is its capability to provide vaccine stock capacity information, which allows for monitoring of the minimum and maximum stock conditions required at each level. Assets are recorded in SMILE and updated every six months. 	Action 31 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information centre	Action 31 Started January 2024 and will be completed the end of Year 2024	Completed

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
		<ul style="list-style-type: none"> The Ministry of Health has also reviewed the application of the SMILE software as a tool for vaccine management. To make better use of SMILE, technical assistance is required for in-depth analysis, enabling the software to support the management of vaccination logistics and achieve the targets of the National immunisation Program (NIP). <p>MoH circulated an official letter about procedure of vaccine request to support the vaccine management stock to prevent the stock out (dated January 19, 2024).</p>			
Cold chain management practices need to be strengthened	Recommendation 22 The MoH should: <ul style="list-style-type: none"> Develop and disseminate job aids on cold chain management to all vaccine handing points. Develop and disseminate preventive maintenance check lists to all vaccine handing points and enforce their utilisation. 	Action 32 Agreed. MoH has developed electronic job aids containing ten modules about vaccines and cold chain management Action 33 Agreed. <ul style="list-style-type: none"> The Ministry of Health is set to develop Standard Operating Procedures (SOPs) and technical guideline to streamline the management of vaccines and cold chain management. the technical guidelines about cold chain management are available and disseminated to Provinces, Regencies, Cities, and Puskesmas. (please find attached) 	Action 32 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information centre Action 33 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information centre	Action 32 (November 2023) Done Action 33 November 2022 (technical guidelines) and SOP (plan Mid of 2024)	Completed Completed
	Recommendation 23 The MoH should support sub national vaccine handing points to design vaccine contingency plans tailor made to suite their context and train staff on how to implement them.	Action 34 <ul style="list-style-type: none"> The Ministry of Health shall collaborate with related units to devise contingency plans for the administration of vaccines, while concurrently conducting internal socialisation and training implementation. This shall involve a coordinated effort to ensure that appropriate protocols and procedures are in place to manage any unforeseen circumstances that may arise, and to facilitate the effective dissemination of information across relevant personnel. 	Action 34 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information centre	Action 34 Mid of Year 2024	Completed
	Recommendation 24 The MoH should develop a comprehensive effective vaccine management continuous improvement plan, prioritise the activities based on impact, feasibility, and available resources and cost the activities.	Action 35 Agreed. <ul style="list-style-type: none"> The Ministry of Health, in conjunction with UNICEF, has formulated a comprehensive plan to bolster EVM, which aims to enhance resource availability and activity budgets. This collaborative effort is expected to yield improved health outcomes and ensure the sustainability of EVM interventions. The strategic plan is poised to facilitate the effective implementation of EVM initiatives by providing a framework for resource allocation and budgetary planning. The EVM assessment plan is developing 	Action 35 Directorate of immunisation, Directorate of Pharmaceutical and Medical Devices, UNDP, UNICEF, The Health Data and Information centre	Action 35 March 2024	Completed

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
There are challenges in immunisation coverage monitoring	Recommendation 25 The MoH should: <ul style="list-style-type: none"> Conduct a comprehensive analysis of the data derived from the census of 2020 to rebase and realign the denominator. Plan for a coverage evaluation survey in as soon as it is practical to help establish more precise immunisation coverage figures and to accurately target zero dose children. 	Action 36 <ul style="list-style-type: none"> The Indonesian Ministry of Health, in collaboration with the Bureau of Public Statistics (BPS), has performed a comprehensive analysis to calculate the targets for the 5-year health program, which includes the critical area of immunisation. The data for this analysis was obtained from the Population Census, and subsequently updated using the latest census results, with the assistance of the Health Data and Information centre (Pusdatin). On January 9, 2024, the MoH circulated an official letter regarding the targets for EPI and the denominator. Action 37 Agreed. <ul style="list-style-type: none"> The Bureau of Public Statistics (BPS) conducts annual surveys to evaluate the extent of immunisation coverage, as stated in the Health Statistics Profile. In parallel, the Indonesian Ministry of Health conducts similar surveys every five years, following the guidelines provided in the Basic Health Research Report (RISKESDAS). In addition, the Indonesian Ministry of Health will collaborate with GAVI-WHO-UNICEF to conduct another survey to assess immunisation coverage. The collaboration aims to facilitate the proper identification of gaps in immunisation coverage and to design appropriate interventions to address these gaps. This survey will provide critical data to inform the development of policies and programs aimed at improving immunisation coverage and ultimately reducing the burden of vaccine-preventable diseases. Please kindly find attached the MICs TA application. 	Action 36 Directorate of immunisation	Action 36 January 2024	Completed
			Action 37 Directorate of immunisation and WHO	Action 37 Mid of 2025	Not Yet Due
There were gaps in the quality of immunisation data	Recommendation 26 The MoH should: <ul style="list-style-type: none"> Routinely perform a data triangulation of their immunisation data between doses distributed, vaccine utilisation and administrative coverage; and Consistently complete data verification and validation exercises at the health facility levels. 	Action 38 Agreed. <ul style="list-style-type: none"> The Indonesian Ministry of Health regular provides constructive feedback to regional and provincial health service heads, which comprises a comprehensive analysis of coverage data in comparison with set targets. The provision of such informative feedback is essential to ensure that the health service delivery mechanisms operate optimally and efficiently. The quarterly and annual reports are an essential tool for tracking progress against targets, identifying challenges and opportunities, and ultimately achieving the overarching health objectives of the nation. The Indonesian Ministry of Health has initiated efforts to enhance health management practices through the development of an electronic coverage recording and reporting system, as well as a vaccine and logistics monitoring system. These measures, set to commence in 2022, 	Action 38 Directorate of immunisation and WHO	Action 38 May 2024	Completed

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
		are designed to improve data quality and simplify analytical procedures. The Ministry's objective is to optimise the health management system by leveraging technology to enhance data accuracy, accessibility, and analysis.			
	Recommendation 27 MoH should: <ul style="list-style-type: none"> Take necessary steps to conduct a new DQA and develop a costed data quality improvement plan, prioritise the actions to be undertaken, implement the same for improving the quality of data and should include it as part of the ICC dashboard. Properly monitor all the activities identified in the DQIP and implement in a time bound manner. Design and put in place a consistent, process that systematically identifies and corrects data anomalies at both national and sub-national levels. 	Action 39 MoH has a manual DQA (manual recording) and plans to digitalisation the tool. The DQA tool for the electronic immunisation registry is currently being developed in consultation with global experts (ERAPO and SEARO) and adjusted according to country's context Action 40 Action We agreed to monitor the activities in the DQIP. Action 41 Action <ul style="list-style-type: none"> In order to enhance the quality of coverage data, the Directorate of immunisation frequently conducts desk reviews of coverage data. In the meantime, the Directorate General of Pharmaceuticals and Medical Devices continuously evaluates the availability and utilisation of vaccine logistics. These routine assessments play a crucial role in ensuring that vaccination coverage data is accurate and reliable. By conducting desk reviews, the Directorate immunisation can identify any potential issues or discrepancies in coverage data, allowing for timely intervention and corrective measures. Similarly, the evaluations performed by the Directorate General of Pharmaceuticals and Medical Devices help to ensure that vaccine logistics are readily available and utilised effectively, thereby increasing the accessibility of vaccines to the public. 	Action 39 Directorate of immunisation and WHO Action 40 Directorate of immunisation and WHO Action 41 Directorate of immunisation and WHO	Action 39 December 2024 Action 40 December 2024 Action 41 December 2024	Not Yet Due Not Yet Due Not Yet Due
	Recommendation 28 MoH should: <ul style="list-style-type: none"> Introduce standardised tools for daily reporting by the Posyandus to the Puskesmas Consistently complete and document data verification and validation exercises at the health facility and district levels as required by the guidelines. 	Action 42 Posyandu is a community-based health service activity to improve access to health services. All immunisation activities at the posyandu are carried out by a team of Puskesmas officers including in preparing microplans so that Puskesmas officers will record the results of immunisation services that have been carried out at the posyandu in the immunisation recording and reporting book, and or the ASIK application. Currently ASIK is available, Puskesmas officers on duty at the posyandu on the day of service can electronically record and report through ASIK both offline and online.	Action 42 Directorate of immunisation and WHO	Action 42 June 2024	Completed

Issues	Audit Recommendations	Management Action	Action Owner	Timelines	Status as on 6 August 2024
	<ul style="list-style-type: none"> Ensure adequate supervision at subnational level over data collection and management including follow up of recommendations to address data management gaps from routine supervision visits and programme audits. 	<p>Action 43</p> <ul style="list-style-type: none"> The government intends to incorporate data triangulation guidelines into the practical guidelines for immunisation management in community health centers and the immunisation training curricula. This move is aimed at improving the accuracy, reliability, and completeness of data collection, management, and analysis in the immunisation sector. The inclusion of data triangulation guidelines is expected to enhance the quality of data obtained from multiple sources, thereby promoting evidence-based decision-making and improving the overall effectiveness of immunisation programs. These guidelines will be developed in line with established best practices and standards for data triangulation and will be made available to all stakeholders involved in immunisation management and training activities. <p>Action 44</p> <ul style="list-style-type: none"> Monitoring and evaluation visits to the field are customised to align with the objectives of each specific activity. The data evaluation activities are especially dedicated to DQS activities and or will use ASIK to ensure data quality through regular desk with PHO. 	<p>Action 43 Directorate of immunisation and WHO</p> <p>Action 44 Directorate of immunisation and, WHO</p>	<p>Action 43 June 2024</p> <p>Action 44 December 2024</p>	<p>Completed</p> <p>Not Yet Due</p>

Annex 6 – Management action plan from the 2024 Financial review - Supplemental

Issue	Audit recommendation	Management Action	Action Owner	Timelines
Gaps in financial internal controls resulted in questioned expenditure	Recommendation 1 MoH should: <ul style="list-style-type: none"> Ensure that all expenditures are adequately supported with relevant documents such as activity reports, attendance sheets. Ensure that the expected accountability documentation checklist that was developed to guide the review of supporting documents is used. Ensure that Gavi grants are not used for payment of VAT and develop a mechanism of tracking of VAT paid from Gavi grants. Continue discussions with the Directorate General of Taxes on return of VAT charged to Gavi MoH in-country account. DoI should report the repayment to Gavi as soon as it's received in the Gavi MoH account Consider centralised purchasing of air tickets for Gavi supported activities and/or maintain an updated tracker for all VAT. VAT should be reported to Directorate General of Taxes, and a request to refund any taxes paid should be submitted every year. . Obtain and file copies of all supporting documents before the expenses are reported for liquidation. WHO and partners should provide MoH with information on all funds transferred to government departments and provinces, including related activities. This will strengthen the controls process for liquidation of Gavi support. Report any incidents e.g. loss of documents through natural disasters to Gavi, as soon as such incidents occur. The report should include an estimate of impacted expenditure and vaccines as applicable. This report should be done in a timely manner and in addition to any audit reports for the impacted period. 	<ul style="list-style-type: none"> Agreed, MOH will ensure that the checklist developed is followed before making full payment and liquidation. 	MoH	March 2025
		<ul style="list-style-type: none"> Agreed. DoI will be undertaking a meeting with the Directorate of Taxes to resolve the finding. The first meeting is planned to be undertaken in August 2024. 	MoH	March 2025
		<ul style="list-style-type: none"> This would be discussed with the MoF for feasibility and implemented based on discussion. 	MoH / MoF	December 2025
		<ul style="list-style-type: none"> Agreed, the Secretary General MOH has sent a letter to all implementing partners in accordance with the reporting timeline which includes adequate supporting documents at the end of fiscal year 	MoH / All Partners	January 2025
		<ul style="list-style-type: none"> Agreed, MoH will report any incidents including an estimate impacted expenditure in case of any natural calamity. 	MoH	December 2024

Issue	Audit recommendation	Management Action	Action Owner	Timelines
	<ul style="list-style-type: none"> Should respond to all recommendations in the BPKP management letters that accompany the audited financial statements Ensure that funds disbursed to individuals at National level or sub national level for implementation of activities are captured as advances to encourage and facilitate follow up. Should ensure that the activity reports are completed and signed by preparer, their supervisor and included in the expenditure liquidation files before expenses are liquidated. 	<ul style="list-style-type: none"> Agreed, MoH will institutionalise the process of following up on the implementation of the recommendations in BPKP management letters Agreed, this would be communicated to the respective provincial offices. Agreed, MoH and all partners will ensure maintenance of activity reports which is signed by the preparer as well as by the supervisor. 	MoH MoH MoH / All partners	June 2025 December 2024 March 2025
Some progress was made in addressing 2023 Programme Audit recommendations	<p>Recommendation 2</p> <p>To enhance the oversight over implementation of recommendations from audits, the MoH management should:</p> <ul style="list-style-type: none"> develop a tracking system at the DoI operational level which captures all of the recommendations, ranked by priority (high, medium, low). Where recommendations are repeated across several reviews, these should all be included in the tracker with one action and action owner, to help consolidate the appropriate action being taken. at the HSCC oversight level, develop a dashboard which takes into consideration audit recommendations, and that these are allocated to an action owner with timelines for implementation. Include as an HSCC meeting agenda item every six months (i.e. semi-annually) a progress report on the status of implementing all recommendations. Following the HSCC's semi-annual endorsement, share with Gavi the progress update on the implementation of recommendations. 	<p>Agreed. An excel based tracker will be developed and monitored on a regular basis. Reporting would be undertaken at the HSCC and will be included as an agenda item in the HSCC meeting. The implementation of the recommendations will also be monitored by the Inspectorate General at quarterly intervals.</p>	MoH	December 2024