



Independent observer  
of the Global Fund

## Aidspan examines the strengths of Supreme Audit Institutions in Ghana, Kenya and Rwanda

The Global Fund requires that its grants be audited annually to enhance accountability and reduce the risk of fraud. In sub-Saharan Africa, where [the Global Fund invests 65% of its resources](#), only eight Supreme Audit Institutions (SAIs) audit the Global Fund grants of their state Principal Recipients (PRs) annually. (In other countries, private firms conduct audits of the grants for all the PRs, including the State PRs.)

Among the eight are the Ghana Audit Service (GAS), the Office of the Auditor-General (OAG) of Kenya, and the Office of the Auditor General of State Finances (OAG) of Rwanda. This is despite the fact that state PRs in sub-Saharan Africa manage 66% of Global Fund grants to the region since 2003 (see Table 1 below), as an analysis of data obtained from the Global Fund Data Explorer shows.

This article highlights the strengths of the Ghana, Kenya, and Rwanda SAIs in their audits of Global Fund grants. Data for this article comes from reports commissioned by Aidspan on the best practices of SAIs as part of the [GIZ BACKUP Health-supported project](#) titled 'Supreme Audit Institutions (SAIs) audit Global Fund grants in sub-Saharan Africa,' and country-specific documents.

The three SAIs hail from countries where State PRs manage most of the Global Fund-supported programs. For instance, since the inception of Global Fund grants in each country, the State PRs of Ghana have signed 87% of the total grants' amount, in Kenya 81%, while in Rwanda State PRs manage all Global Fund grants (Table 1). For the active grants for the 2018-2020 implementation period, the Ministry of Health is the State PR in Ghana and manages 82%, the National Treasury is the State PR in Kenya and manages 71%, while in Rwanda the Ministry of Health is the State PR and manages all Global Fund grants. The use of SAIs to audit grants in these countries enhances the Global Fund principles of [partnerships, country ownership, and transparency](#).

Table 1: Proportion of Global Fund grants signed by State PRs in sub-Saharan Africa

Grant period	Region/Country	Signed Amount (USD) (in million)			Proportion of grants signed by State PR
		State PR	Non-State PR	Total	
Cumulative Global Fund investment since inception	Sub-Saharan Africa	20,849	10,977	31,827	65.5%
	Ghana	832	121	953	87.3%
	Kenya	1,141	277	1,418	80.5%
	Rwanda	1,453	2	1,454	99.9%
Current grants (2018 – 2020)	Sub-Saharan Africa	4,798	2,902	7,700	62.3%
	Ghana	161	36	197	81.9%
	Kenya	276	115	391	70.6%
	Rwanda	224	0	224	100.0%

Source: Data obtained from the Global Fund Data Explorer

Each of the SAIs has some unique strengths, and the three SAIs share some others, including:

- Broad mandate and financial autonomy
- Dedicated and experienced staff for Global Fund audits
- A specific timeframe in which to audit Global Fund grants
- Embracing the use of information technology in audits

#### Broad mandate and financial autonomy

The [International Organization of Supreme Audit Institutions \(INTOSAI\)](#), the international body that sets international best practices and standards for SAIs, stipulates that SAIs should have an expanded mandate to audit public resources and have financial autonomy. All three SAIs have a broad mandate, provided by their respective countries Constitutions and laws on auditing the use of public resources, including that of Global Fund grants. Moreover, all three SAIs do have financial autonomy, and use country resources to finance the audits of Global Fund grants (rather than grant funding).

#### Dedicated and experienced team audit Global Fund grants audits

In Ghana, the Office of the Auditor-General (OAG) assigns a team of 26, divided into two teams, to the Global Fund grant. One team of six auditors is assigned to the three Global Fund-supported disease programs while the other team of 20 auditors is assigned to the administrative regions of Ghana. Upon completion of an audit, the ten regional teams issue their reports to the regional heads of Ghana Health Service and submit a copy to their audit Supervisor, for consolidation in the national report. Similarly, the three teams assigned to the three disease programs submit their draft management letters to the Supervisor, who consolidates the three reports, including regional reports, into one report that the Supervisor shares with the Ministry of Health.

In Kenya, a team of 24 people, divided into two teams, are involved in audits of Global Fund grants. One team audits the Principal Recipient and the other audits the Sub-Recipients (SRs). Some of the team members who audit Global Fund grants in Kenya have experience in financial audits of development partners' funded projects. Additionally, some auditors have vast experience with Global Fund grant implementation.

OAG Rwanda has a dedicated team of 24 audit staff, divided into five teams that audit Global Fund grants. Since the HIV grant takes a huge proportion of Global Fund grants in Rwanda, two teams are assigned to audit the HIV grant. Of the remaining three teams, one team is dedicated to coordination and

consolidation, while two teams are each assigned to audit either the malaria or tuberculosis grants. In July, the month dedicated to capacity development of OAG Rwanda staff, the audit teams that audit Global Fund grants receive updates on any changes in the Global Fund grants arrangements in Rwanda, such as the reallocation of funds, and new grant requirements.

#### Dedicated time for Global Fund grants audits

The Office of the Auditor-General (OAG) of Kenya has been auditing Global Fund grants since the inception of these grants in Kenya. However, this is not the case with the SAIs of Ghana and Rwanda. The Ghana Audit Service started to audit Global Fund grants in 2015 while the Office of the Auditor-General of State Finances of Rwanda started in 2014. In Kenya and Rwanda, Global Fund grant audits happen between September and December. In Ghana, however, audits of Global Fund grants occur between April and June. The difference in the timing of audits is because of each country's differences in their respective fiscal years. For both Kenya and Rwanda, the fiscal year runs from July to June, while in Ghana it's from January to December. Dedicating specific timing to conduct audits allows auditees to adequately plan for audits as they are aware of the period in which to submit financial statements and comply with other audit requirements.

#### Use of Information Technology (IT)

The three SAIs embrace the use of information technology (IT) to enhance their audit operations. Offices of the Auditor-General in Kenya and Rwanda have adopted the use of TeamMate auditing software, an audit management system that automates the audit process. The use of TeamMate makes the work of auditors easier, helping them to deliver on their audit plans. The Ghana Audit Service has not yet adopted the use of an auditing software but is working on automating its audit process. However, the Ghana Audit Service innovatively involves members of the public in its audits through a [mobile app dubbed CITIZENSEYE](#). The mobile app provides members of the public with an opportunity to contribute to audit planning and programs. The CITIZENSEYE, which runs on smartphones, is meant to increase public involvement in audits, thereby sharing the responsibility of promoting accountability and transparency in Ghana.

#### Country and SAIs specific strengths

In Kenya, all PRs and National Programs use the same template to develop the financial statements they send to the OAG's office. This template is developed and shared by the Director-General who heads the Directorate of Accounting Services and Quality Assurance of the National Treasury (equivalent of Ministry of Finance). The use of one format ensures uniformity of financial statements, thereby making the audit work easier.

In addition to financial audits that Ghanaian and Kenyan SAIs conduct, the Rwanda SAI has also conducted compliance audits of Global Fund grants since 2017, for each of the three Global Fund grants. Each year, the Office of the Auditor-General of State Finances of Rwanda prepares two separate reports for each grant, one financial, and the other a compliance audit report. The financial audit provides assurance on accuracy and completeness of financial statements while the compliance audit focus on the extent to which the State PR adheres to the Global Fund grant agreement.

Besides auditing Global Fund grants of their State PRs, the SAIs of Ghana, Kenya, and Rwanda have strengths such as they use country resources to audit Global Fund grants, have dedicated and experienced staff, have set specific timeframe for audits and embrace information technology that other SAIs can emulate.

Further reading:

- Supreme Audit Institutions (SAIs) audit Global Fund grants in sub-Saharan Africa, '[GIZ BACKUP Health supported project](#)'.

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