Aidspan

Independent observer of the Global Fund

WHAT WOULD THE GLOBAL FUND GAIN BY WORKING WITH NATIONAL AUDIT INSTITUTIONS IN AFRICA?

Background

The Democratic Republic of Congo (DRC) is one of the Global Fund's five largest portfolios with an allocation of $700,653,867 for the 2021-2023 cycle, based on the country's population (111 million), low Human Development Index (0.479, ranked 179th) and high disease burden. The DRC alone accounts for 12% of global malaria cases – malaria is the reason for 40% of health consultations in the country – and 13% of the world's mortality rate, according to the World Health Organization's 2021 Report.

That said, the Global Fund has classified the DRC as a high-impact country, meaning that the results achieved in the country contribute substantially to the Global Fund's results. The DRC is also considered a challenging environment for interventions. Indeed, the country has gone through civil war during the past decades. And rebels remain active in the east of the country. Moreover, transport and medical infrastructure are insufficient in this vast country of 2.3 million km2 in size.

It should be noted that the Government is the main recipient of Global Fund grants, with the Catholic Organisation for Relief and Development (CORDAID) and Santé Rurale (SANRU as non-governmental actors.

In a "difficult intervention context" (in the Global Fund's vocabulary) and in order to ensure the sustainability and effectiveness of its investments, the Global Fund applies a zero tolerance policy to corruption and is putting in place a risk mitigation and control mechanism. Given past cases of financial wrong-doing, and the current level of risk, since 2011 the country has also been under the Additional Safeguard Policy with increased controls. This involves a fiscal agent installed by the Secretariat and

funded by grants to achieve or maintain sound management practices. Members of the Secretariat's country team visit on an almost weekly basis, and the internal audit team of the management unit of the Ministry of Public Health, Hygiene and Prevention (MOPHHP) has been strengthened.

The last Office of the Inspector General (OIG) report on the DRC published in 2019 indicated that financial management by public actors needed significant improvement, while the quality of services and the supply chain were only partially effective. An OIG investigation found overcharging and other fraud by a private Principal Recipient. The Global Fund's 2022 Recoveries Report shows $2,019,708 of ineligible expenditure detected by the Secretariat and oversight mechanisms. The DRC government must repay this amount.

It is in this context that Aidspan, the Global Fund's independent monitor, organized a capacity building workshop for the DRC's national audit institutions from 27 to 31 March 2023 in Kinshasa. This workshop focused on the financial, programmatic and procurement audits of DRC-specific stocks.

DRC's oversight institutions are not involved in Global Fund grants

The DRC has audit institutions that have been created or reinvigorated over the past 10 years. The institutions that act or may act in the health sector are the Cour des Comptes, which is the Instance Supérieure de Contrôle (ISC), the Inspection Générale des Finances (IGF), which is the internal audit of the Congolese state, and the Inspection Générale de la Santé (IGS).

The Health Inspectorate was created in March 2017 by an order of the then Minister of Health. The DRC's Health Inspectorate (IGS) performs the Ministry's internal audit function. The IGS aims to investigate and detect irregularities in the MOPHHP. The Inspectorate has qualified personnel, financiers, doctors, pharmacists and others (113 in the IGS and 676 in the IPS) who work at the MOPHHP in the capital and in the provinces. The health inspectors are also judicial police officers, which means that they can report suspected fraud to the prosecutor, who could therefore prosecute the perpetrators if s/he so decides.

To ensure that the IGS has some autonomy, it reports directly to the Minister of Health, who is the main authority in the MOPHHP. However, the other MOPHHP departments report to the Secretary General of Health.

However, none of the above-mentioned national audit institutions is officially involved in the audit of Global Fund interventions/investments. According to the head of the GHI, the inspectorate supports the Global Fund's CAGF (the grant management unit) when requested by the Global Fund on an ad hoc basis. For example, according to an IGS report, in 2017, supporting documents were missing for activities amounting to $5,724,876.15. (The DRC is a vast country where many transactions are made with paper receipts that are not necessarily transmitted to the provincial capital or the capital in time.) In the absence of supporting documentation, all such expenses are considered ineligible and should be reimbursed by the DRC government. The CAGF contacted the GHI to search for supporting documents in the health institutions and with other implementing actors in the provinces. The report of this activity indicates that the GHI was able to retrieve supporting documents acceptable to the fiscal agent which represented 97% of the original amount.

Some successes and challenges of the DRC Health Inspectorate

The GHI has a proven track record with some partners such as Gavi, JICA, PRODS, PROSANI/USAID, UNI
World Bank, but is not engaged in Global Fund interventions.

With the financial support of the World Bank, the GHI has been looking for the MOPHHP's 'fictitious' agents
2018-2019. These fictitious agents are people who pay into the national budget but never work because the
disabled, retired or otherwise. The IGS found about 36,266 fictitious agents who cost the national budget
per month. These fictitious agents were removed from the national payroll and replaced with new recruits.

In 2021, the UNICEF-supported IGS inspectors and monitored the operation and good practices of pha
distribution in wholesale outlets. The inspection focused particularly on the 13 life-saving medicines for
children under five. The report highlighted the proportion of products available, the compliance of import
storage, and the quality of staff with regulatory standards. It also made recommendations.

The main challenge for the inspectorate, according to its director, is the insufficiency of its operating budget
partners support the specific control activities. In the absence of this support, the inspectorate is severely
might wonder if this is deliberate so as to avoid inspection.

Involving oversight institutions in grants in Africa

West and Central Africa and Eastern and Southern Africa constituencies receive 70% of the Global Fund's resources, but African oversight institutions are largely excluded from oversight procedures. Indeed, only about ten of the 46 countries in the African Constituency conduct annual external audit of their grants.

The idea of involving audit institutions in African grants is gaining ground but is still met with reluctance.

Some question the competence of the audit institutions. Do they have the human and material capacity to monitor Global Fund resources? Reviewing the audit, investigation and other reports developed by these institutions for the government and other partners, and the evaluations conducted by their umbrella organizations and the World Bank, would help to determine this.

There are also questions about the independence and integrity of national audit institutions' members. Could they provide a quality service? Or to put it bluntly, how corrupt are they? To find out, it's important to listen to the national institutions, involve their umbrella organizations, and publish their reports and those of other audit institutions. All these actors should be put into competition in a transparent way. Consideration should be given to funding the activities of national audit institutions if their statutes allow it. After all, the services of private institutions are not free either.

For the sake of sustainability, many insist that national audit institutions should gradually take over. Where necessary, the capacity of oversight institutions should be strengthened in relation to specific Global Fund procedures, as Aidspan is doing. This is especially true since private oversight structures are not immune to blunders and errors either, as the OIG reports show.

Indeed, in many African countries, oversight institutions could better support Global Fund grants if the Secretariat gave them the opportunity to do so and/or if they took up their mandates. Indeed, these national oversight institutions often have much broader mandates than Global Fund service providers. Moreover, they are more "feared" than the private sector because their deterrent power is stronger.

It would be important to move forward in stages. A first step could be to involve the audit institutions while keeping part of the Global Fund machinery.

For example, an internal audit of the ministry or state with a fiscal agent, or an external audit of the Court of Audit developed in collaboration with a private agency and with the involvement of the Local Fund Agent could help triangulate information. It would motivate all these actors in a healthy way so as to improve the quality of their service delivery and ultimately save lives.

During a capacity building workshop organized by Aidspan in Kinshasa, participants in three groups carried out a “mock” malaria programme audit in a local health facility. Here is an overview of what emerged concerning the laboratory and the pharmacy.

Table 1. Observations at the laboratory service level

Achievements	Gaps
Human Resources • Qualified, trained and available staff • Briefing • Presence of a QAR	Human Resources • Lack of evidence/documents of training and briefing of providers
Processes • Availability of lab inputs and reagents • Establishment of a bacteriological unit with own funds • Data computerization • Good organization of services (patient circuit, coordination, etc.)	Processes • Use of non-standard malaria data collection tools • Partial implementation of internal quality assurance Lack of refrigerator temperature sampling
System • Promptness and completeness of data transmission	System • Weak collaboration between laboratory and pharmacy • EQA not carried out

RECOMMENDATIONS

1. Human resources

- Make available evidence of training and briefing on malaria diagnosis (MDH)

2. Process

- Make available standardized malaria data collection tools including age categories above andbelow five years for microscopy and RDT performed (MDH/Health Zone)
- Finalize and approve quality assurance procedures (Head of LABO/MDH) Collect and monitor daily temperature of refrigerators (LABO Manager)

3. System

- Improve collaboration between the laboratory and the pharmacy (Head of LABO and Pharmacy/MDH) Implement the EQA system (MDH)

Table 2. Observations at the pharmacy service level

Achievements	Gaps	Recommendations
Good reception	Discordance between physical and theoretical stocks for certain molecules	• Systematically update the stock records • Readjust the stocks after each inventory
Available and motivated staff	Stock-outs of some antimalarials	Order drugs whenever alert stock is reached
Cleanliness of the setting (pharmacy)	Poor storage of medicines (lack of labels, jumbled boxes, etc.)	Respect the standards of storage and conservation of medicines
Existence of management tools	Irregularity in filling in the temperature sheets (samples not taken on certain days)	Fill in the temperature sheets correctly and on a daily basis
15 pharmacy managers trained in PNLP	Presence of an uncovered waste bin in the middle of the pharmacy	Place the waste bin outside the pharmacy in a secure manner
Existence of thermometers and hygrometers	Poor storage conditions (medicines on the floor, against the wall, etc.)	Respect and uphold storage conditions and standards
Presence of pallets, shelves and refrigerator	Unlocked poison cupboard	Secure the poison cupboard
	Cramped pharmaceutical warehouses and dispensaries	Provide the hospital with adequate infrastructure for the pharmacy
RECOMMENDATIONS	RESPONSIBLE	TIMING

• Systematically update stock records • Adjust stocks after each inventory	Pharmacist/Pharmacy Assistants	• Immediate • At each inventory
Order medicines whenever the alert stock is reached	Pharmacist	Monthly
Comply with standards for storage, stocking and preservation of medicines	Pharmacist/Pharmacy Assistants	Immediate
Fill in the temperature sheets correctly on a daily basis	Pharmacy Assistants	Immediate
Place the waste bin outside the pharmacy in a secure manner	Pharmacy Assistants	Immediate
Respect storage standards and conservation of medicines	Pharmacy Assistants	Immediate
Providing the hospital with the appropriate infrastructure for pharmacy	MDH	One year

N.B: This is an edited version of an article originally published in the African Constituency newsletter.

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