REGIONAL COMMITTEE FOR AFRICA

Seventy-third session
Gaborone, Republic of Botswana, 28 August–1 September 2023

Provisional agenda item 18.10

REGIONAL MATTERS ARISING FROM REPORTS OF THE WHO INTERNAL AND EXTERNAL AUDITS

Information Document

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BACKGROUND

1. The Regional Office continues to monitor the performance of budget centres on a monthly basis against the 17 established managerial key performance indicators (KPIs)\(^1\) covering the enabling functions. Monthly performance results for the 2022 financial year were reported to senior management and shared with budget centres through KPI dashboards. Quarterly reports were also produced to assist budget centres in monitoring their performance, indicate the root causes of any downward trends in performance, and provide support as required. Management established a ranking of budget centres for greater transparency and provided learning and knowledge transfer opportunities.

2. All the budget centres in the World Health Organization (WHO) African Region continue to manage their risks using a corporate risk management tool, which includes a global inventory of identified risks, risk mitigation measures, ranking of risks by severity and detailed action plans and timelines to ensure that risks are identified and closely managed.

3. Considering that COVID-19 travel restrictions disrupted the conduct of assurance activities on direct financial cooperation (DFC) and direct implementation (DI) in 2022, the quality assurance team routinely carried out upfront quality checks as a pre-emptive control measure. Annual upfront quality check reports have been produced to support budget centres in addressing recurrent issues. The global assurance hub has approved and allocated resources for the 2023 quality assurance plan, and implementation is in progress.

PROGRESS MADE/ACTIONS TAKEN

4. In 2022, three internal audit reports were issued for the planned audit of WHO in Sierra Leone, Cameroon, and Burkina Faso (partially satisfactory with some improvements required), and an advisory report\(^2\) on the Mobile Payments Implementation Project in the African Region. The audit ratings reflect continued improvements in the internal control environment in the African Region\(^3\) and the proactive approach in managing emerging risks from the implementation of digital payments.

5. No external audits were conducted in the financial year 2022 in the Region. However, management diligently followed up on the implementation of the 21 outstanding external audit recommendations\(^4\) carried over from 2020 and 2021. As of 31 March 2023, management had implemented all the recommendations, and they are pending review and approval in the system by the external auditors.

6. Management continues to prioritize the timely implementation of audit recommendations issued from 2017 to 2022. Seven out of 16 internal audits\(^5\) were closed as of 31 March 2023. Seventy-six per cent (429 out of 567) of internal audit recommendations were successfully closed, with 24 per cent

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1 Seventeen KPIs on the following streams: awards, bank reconciliation, direct financial cooperation (DFC), direct implementation (DI), encumbrances, contract management, procurement, leave management, staff development and learning (SDL), asset management, fixed asset verification, travel and security.

2 The objective of the review was to assess the effectiveness of risk management and control processes over the mobile payments implemented under the project.

3 The audits use a four-tier rating system: ‘satisfactory’, ‘partially satisfactory with some improvements required’, partially satisfactory with major improvements required’ and ‘unsatisfactory’.

4 Previous external audits for the following budget centres: AFRO General Management Cluster (2020), Ethiopia (2021) and South Sudan (2020).

5 Internal audits for the following Country Offices: Cameroon, Chad, Ethiopia, Guinea, Liberia, Mozambique, and South Sudan.
(138 out of 567) outstanding. Of the outstanding recommendations, 63 out of 138 relate to new audits finalized in 2022. (See Table 1 of the Annexes).

7. In terms of managerial key performance indicators (KPIs), budget centres achieved good results in the timely completion of bank reconciliations, clearance of bank items outstanding in imprest accounts, fixed asset verification and the payment of invoices. The three best performing WHO country offices in the various KPI categories are presented in Table 2 in the Annexes.

8. The Regional Risk Management Committee took various actions to foster a regional risk management culture and enhance accountability and compliance. Risk discussions on significant and severe risks and monitoring of the implementation of risk mitigation actions have been at the centre of the Secretariat’s meeting agendas. Engagement with the Global Risk Management Committee has also complemented the alignment of risk ownership and the development of appropriate risk responses across the three levels of the Organization.

9. The number of outstanding direct financial cooperation (DFC) reports has increased, compared to previous years. As of 31 March 2022, there were 89 overdue DFC reports totalling US$ 9.1 million, compared to 113 on 31 March 2023 totalling US$ 5.9 million (see Table 3 of the Annexes).

10. Progress has been made in implementing the digital payment systems through mobile money/bank transfers for field campaign health workers. The Regional Office has provided technical support for implementing these measures over the past two years and the number of participating countries has increased from 14 to 18 between 31 March 2022 and 31 March 2023. Similarly, the total number of registered polio campaign workers increased from 111,931 to 1,032,018. (See Table 4 of the Annexes).

11. The main challenges in 2022 were overdue DFC reports and implementing first-line assurance activities. Systematic and complementary efforts by the WHO country offices and the Regional Office are being implemented to strengthen these processes.

NEXT STEPS

12. Member States should:
(a) ensure collaboration with the WHO country offices to facilitate the implementation of the DFC accountability and assurance framework, including an annual self-assessment of the effectiveness of internal controls;
(b) expedite the submission of outstanding DFC reports;
(c) continue supporting the implementation of electronic payment systems.

13. The WHO Secretariat should:
(a) continue to effectively support country offices and implementing partners with capacity building activities and provide opportunities for knowledge transfer;
(b) ensure that DFC implementation is closely monitored and reported in a timely manner.

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6 Assessed on overall performance across the key performance indicator streams such as bank outstanding items, DFCs, DIs, fixed assets year-end certificates and performance management.
### Table 1: Implementation status of audit recommendations for the African Region (as of 31 March 2023)

<table>
<thead>
<tr>
<th>Audit No.</th>
<th>Audit title</th>
<th>No. of Audit recommendations:</th>
<th>Closed recommendations:</th>
<th>No. of 'open' recs</th>
<th>No. of 'in progress' recs</th>
<th>Total no. of outstanding recs</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>17/1106</td>
<td>Country Office in Cameroon</td>
<td>34</td>
<td>21</td>
<td>13</td>
<td></td>
<td>0</td>
<td>Audit closed during the reporting period</td>
</tr>
<tr>
<td>18/1126</td>
<td>WHO in Ethiopia</td>
<td>62</td>
<td>57</td>
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<td></td>
<td>0</td>
<td>Audit closed during the reporting period</td>
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<tr>
<td>18/1129</td>
<td>WHO in Liberia</td>
<td>39</td>
<td>36</td>
<td>3</td>
<td></td>
<td>0</td>
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<tr>
<td>18/1134</td>
<td>Country Office in Chad</td>
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<td>36</td>
<td>9</td>
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<tr>
<td>19/1161</td>
<td>WHO in South Sudan</td>
<td>54</td>
<td>50</td>
<td>4</td>
<td></td>
<td>0</td>
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<tr>
<td>19/1164-1</td>
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<td>Implementation in progress</td>
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<tr>
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<td>49</td>
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<td>3</td>
<td>Implementation in progress</td>
</tr>
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<td>WHO in Zimbabwe</td>
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<td>Outstanding recommendations</td>
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<td><strong>Total Internal Audit</strong></td>
<td>567</td>
<td>301</td>
<td>128</td>
<td>429</td>
<td>36</td>
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<td>Management letter on the</td>
<td>5</td>
<td>4</td>
<td>1*</td>
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<td>0</td>
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<tr>
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<td>Office in Ethiopia</td>
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<td></td>
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<tr>
<td></td>
<td>Management letter on the</td>
<td>16</td>
<td>12</td>
<td>4*</td>
<td>16</td>
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<td>Office in South Sudan</td>
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<tr>
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<td>Management letter on the</td>
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<td>14*</td>
<td>14</td>
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<td>audit of the WHO Regional</td>
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<td>Office for Africa</td>
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<td><strong>Total External Audit</strong></td>
<td>35</td>
<td>16</td>
<td>19</td>
<td>35</td>
<td>0</td>
<td>0</td>
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<tr>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>GRAND TOTAL (Internal and</strong></td>
<td>602</td>
<td>317</td>
<td>147</td>
<td>464</td>
<td>36</td>
<td>102</td>
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<td></td>
<td></td>
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</tr>
</tbody>
</table>

*19 recommendations were implemented, however they are still pending review by the external auditors
Table 2: List of best performing WHO country offices by size

<table>
<thead>
<tr>
<th>Small country offices</th>
<th>Medium country offices</th>
<th>Large country offices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gabon</td>
<td>South Africa</td>
<td>Burkina Faso</td>
</tr>
<tr>
<td>Benin</td>
<td>Guinea</td>
<td>Ghana</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>Libera</td>
<td>Kenya</td>
</tr>
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</table>

Table 3: Number of overdue DFC reports by country (as of 31 March 2023)

<table>
<thead>
<tr>
<th>#</th>
<th>Country</th>
<th>Number of Purchase Orders</th>
<th>Amount in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AF_FRH - Family and Reproductive Health</td>
<td>1</td>
<td>3 976</td>
</tr>
<tr>
<td>2</td>
<td>AF_AGO Angola</td>
<td>2</td>
<td>387 155</td>
</tr>
<tr>
<td>3</td>
<td>AF_BDI Burundi</td>
<td>1</td>
<td>14 861</td>
</tr>
<tr>
<td>4</td>
<td>AF_COG Congo, Republic of</td>
<td>1</td>
<td>2 009</td>
</tr>
<tr>
<td>5</td>
<td>AF_ETH Ethiopia</td>
<td>1</td>
<td>14 980</td>
</tr>
<tr>
<td>6</td>
<td>AF_GHA Ghana</td>
<td>3</td>
<td>160 608</td>
</tr>
<tr>
<td>7</td>
<td>AF_GNB Guinea Bissau</td>
<td>25</td>
<td>938 996</td>
</tr>
<tr>
<td>8</td>
<td>AF_LBR Liberia</td>
<td>3</td>
<td>191 000</td>
</tr>
<tr>
<td>9</td>
<td>AF_LSO Lesotho</td>
<td>1</td>
<td>136 959</td>
</tr>
<tr>
<td>10</td>
<td>AF_MLI Mali</td>
<td>14</td>
<td>357 363</td>
</tr>
<tr>
<td>11</td>
<td>AF_MOZ Mozambique</td>
<td>1</td>
<td>135 121</td>
</tr>
<tr>
<td>12</td>
<td>AF_MRT Mauritania</td>
<td>3</td>
<td>1 013 847</td>
</tr>
<tr>
<td>13</td>
<td>AF_NAM Namibia</td>
<td>2</td>
<td>271 310</td>
</tr>
<tr>
<td>14</td>
<td>AF_NER Niger</td>
<td>5</td>
<td>576 573</td>
</tr>
<tr>
<td>15</td>
<td>AF_RWA Rwanda</td>
<td>2</td>
<td>99 418</td>
</tr>
<tr>
<td>16</td>
<td>AF_SEN Senegal</td>
<td>23</td>
<td>329 453</td>
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<tr>
<td>17</td>
<td>AF_SLE Sierra Leone</td>
<td>1</td>
<td>107 768</td>
</tr>
<tr>
<td>18</td>
<td>AF_STP Sao Tome &amp; Principe</td>
<td>3</td>
<td>55 075</td>
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<tr>
<td>19</td>
<td>AF_UGA Uganda</td>
<td>6</td>
<td>128 365</td>
</tr>
<tr>
<td>20</td>
<td>AF_ZMB Zambia</td>
<td>15</td>
<td>1 039 290</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>113</strong></td>
<td><strong>5 964 129</strong></td>
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</table>
Table 4: Polio workers paid through mobile money between January to December 2022

<table>
<thead>
<tr>
<th>Countries</th>
<th>Beneficiaries paid via Mobile Money</th>
<th>Scope of payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botswana</td>
<td>3,274</td>
<td>27 Districts</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cameroon</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Congo</td>
<td>4,573</td>
<td>2 Regions</td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td>60,930</td>
<td>Nationwide</td>
</tr>
<tr>
<td>DR Congo</td>
<td>28,630</td>
<td>14 Provinces</td>
</tr>
<tr>
<td>Gambia</td>
<td>3,930</td>
<td>Nationwide</td>
</tr>
<tr>
<td>Ghana</td>
<td>1,100</td>
<td>5 Districts</td>
</tr>
<tr>
<td>Kenya</td>
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</tr>
<tr>
<td>Liberia</td>
<td>13,449</td>
<td>Nationwide</td>
</tr>
<tr>
<td>Malawi</td>
<td>57,192</td>
<td>57 Districts</td>
</tr>
<tr>
<td>Mali</td>
<td>79,604</td>
<td>94 Districts</td>
</tr>
<tr>
<td>Nigeria</td>
<td>159,472</td>
<td>18 States</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>9,686</td>
<td>8 Districts</td>
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<td>South Sudan</td>
<td>3,444</td>
<td>9 Districts</td>
</tr>
<tr>
<td>Tanzania</td>
<td>150,013</td>
<td>Nationwide</td>
</tr>
<tr>
<td>Uganda</td>
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<tr>
<td>Zambia</td>
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<td>Nationwide</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>576,521</td>
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