



Republic of Cameroon
Peace - Work - Fatherland



AUDIT BENCH OF THE SUPREME COURT OF CAMEROON



AUDIT OF THE SPECIAL SOLIDARITY FUND TO FIGHT THE CORONAVIRUS *and its Economic and Social Consequences*

Summary

2020 | Financial year

FIRST REPORT
JUNE 2021

DISCLAIMER

This summary is intended to facilitate the reading and use of the Audit Report of the Audit Bench of the Supreme Court. Only the report, and not its summary, shall engage the responsibility of the Audit Bench of the Supreme Court.

TABLE OF CONTENTS

1. The poor quality of accounting and statistical information is a major obstacle to the management and evaluation of public action.....	5
1.1 The limited reliability of accounting information.....	5
1.2- Lack of reliability in statistical information.....	7
2. The weakness of the strategic management of both the Special National Solidarity Fund and MINSANTE's health response are largely due to a poor evaluation of actions.....	8
2.1. Strategic steering of the Special National Solidarity Fund.....	8
3. The management of medications has been doubtful.....	9
4. Patient management was facilitated by the limited number of cases	10
4.1. At the national level : the hospital system was able to accommodate the flow of patients.....	11
4.2. Signs of tension were recorded at the beginning of the pandemic in the Centre Region.....	12
5. Emergency procedures were justified at the beginning of the pandemic, but they became counterproductive from July 2020.....	13
5.1. March to July 2020: interventions under the sign of emergency	13
5.2. July to December 2020: a counterproductive generalisation of derogation procedures.....	17
6. Typical cases of inefficient activities and bad practices were identified.....	20
6.1. Little or no efficient activities.....	20
6.2. Proven cases of malpractice and misappropriation.....	21
RECOMMENDATIONS	27

To the Minister of Scientific Research and Innovation

1. Deliver to MINSANTE the available batches of azithromycin stored at the IMPM, so that they can be distributed without delay to the centres caring for patients with COVID-19

To the Minister of Finance

2. Establish a cash flow statement for the operations of the NSSF and fund account No. 470552 intended to receive the resources of the Fund with payments from the general budget, the amount of which will be adjusted to the disbursement forecasts.
3. Intensify the work on the accounting reform begun in 2020, particularly in its component dealing with the automation of the collection of accounting and financial information, with a view to significantly increase the reliability of the General Accounts of the State, with a view to its certification in 2022
4. Develop procedures for receiving and accounting for in-kind and cash donations from individuals and corporations.

1. Establish indicators for the administrative management of the activities of Programme 971 "strengthening of the health system", covering monthly monitoring of the commitment of funds by activity, monitoring of deadlines, the operational nature of the buildings delivered, the use of stocks of goods purchased and their distribution to operators in the field, and the satisfaction of the needs of care centres, particularly in terms of medicines and oxygen
2. Develop and implement a procedure for monitoring and validating the data collected on the evolution of the COVID-19 pandemic by the actors in the health pyramid
3. Establish a central and integrated computer application for the production and analysis of statistical data on the evolution of the pandemic
4. Develop a system to safeguard statistical data on the evolution of the pandemic
5. Develop administrative, financial and operational procedures for the Incident Management System (IMS)
6. Implement a computerized Incident Management System (IMS) operations management tool
7. Publish on the Ministry's website, with a weekly update, the list of contracts awarded under Programme 971 "Strengthening of the health system", with the amount of the contract, the name of the winning company, its corporate name and the name of its manager
8. Systematically involve the contract engineer in the monitoring and the technical and financial control of the execution of contracts, whether the project manager is public or private.
9. Post the entire series of "COVID-19 Status Reports" on the ministry's website.
10. Close the accounts opened at BGF BANK and UBA and ensure the transfer of the balance to the Public Treasury.

The Audit Bench of the Supreme Court audited the "Special National Solidarity Fund to fight the coronavirus and its economic and social consequences", which was opened by the ordinance of the President of the Republic of 3 June 2020 making available the sum of CFAF 180 billion, divided into 4 programmes steered by 24 ministries.

This report focuses on the activities conducted by the Ministry of Public Health (MINSANTE), the Ministry of Scientific Research and Innovation (MINRESI) and the Ministry of Finance (MINFI) during the 2020 financial year, bearing in mind that the expenditure of the other ministerial departments up to 31 December 2020 under the Special Fund was not very significant and is estimated at CFAF 9.8 billion in appropriations. The scope of the audit covered the 22 activities carried out by the three ministries mentioned above. Although the expenditure corresponding to these 22 activities was budgeted in the Special Fund at CFAF 99.59 billion, the amounts committed of CFAF 157.9 billion largely exceeded these forecasts. The total expenditure of the Special Fund in 2020 amounted to CFAF 167.7 billion.

In accordance with the provisions of Section 86 of Law No. 2018/012 of 11 July 2018, the Audit Bench focused both on the regularity of the use of public funds, and the performance of public action, that is, its economy, efficiency and effectiveness.

At the end of its work, the Audit Bench made six main observations :

- 1 – The quality of accounting and statistical information is poor, which is a major obstacle to the management and evaluation of public action.
- 2 – The strategic steering of both the Special National Solidarity Fund and the health response set up by MINSANTE is weak and largely linked to a lack of evaluation of activities.
- 3 – The management of drugs is doubtful.
- 4 – Patient management is facilitated by the limited number of cases.
- 5 – Emergency procedures were justified at the beginning of the pandemic, but they became counterproductive from July 2020 onwards.
- 6 – Typical cases of inefficient activities and bad practices were identified.

*

1. The poor quality of accounting and statistical information is a major obstacle to the management and evaluation of public action.

1.1 The limited reliability of accounting information

The Audit Bench stresses that the raw accounting documents provided to it by public accountants are most often marred by serious errors or approximations, which it has identified by cross-checking the accounting information with contractual documents, in particular public contracts, and with the information gathered during on the spot controls, addition and reporting errors, failure to take into account some contracts, failure to take into account expenditure resulting from making funds available, etc. Accounting records from several official sources are often contradictory.

Despite these difficulties, the Audit Bench attempted to reconstruct the 2020 accounts of the Special National Solidarity Fund. It ran into an additional obstacle, since this Special Appropriation Account largely derogates from the principle of matching revenues against expenditures.

As a result, the main revenue allocated to the Special Fund in 2020 came from technical and financial partners in the form of support funds, and cash payments from natural and legal persons, for a total amount of CFAF 26.8 billion. The rest, i.e. CFAF 159.9 billion and 85.5% of the total revenue of the Special Fund, came from payments from the general budget which hardly passed through the Treasury account dedicated to the Special Fund.

In the end, the Audit Bench was obliged to carry out a complex search for expenses attributable to the Special Fund in MINSANTE total expenditure, which is contrary to the stated objective of transparency.

Taking these reservations into account, the Audit Bench was able to reconstitute the 2020 accounts of the Special National Solidarity Fund, with a

degree of reliability which seems acceptable, at CFAF 186.8 billion in revenue and CFAF 167.7 billion in expenditure.

1. Negotiate an agreement with the owner of the "ORCA" building providing for fair compensation and the purchase of the building, or if necessary an exchange with another building owned by the State.
2. Cancel the appropriations entered in the budget of the Special National Solidarity Fund still available for the activity "Production of chloroquine and azithromycin".

To the Minister of Public Health

3. Favour the option of using the Global Fund to Fight HIV, Tuberculosis and Malaria for the acquisition of screening tests, or if necessary, ordering them directly from manufacturers
4. Increase the funds available to finance community surveillance to the level of needs, taking into account the risks linked to the occurrence of a new wave of the pandemic, by distributing these funds among the health districts according to objective criteria, in particular the demographic weight, the number of recorded cases, the risk of propagation of the virus, the number of health areas.
5. Apply the texts relating to store accounting, and provide the store accountant of MINSANTE with the means to make up for the delay in recording the inventory of movable and immovable property and stocks acquired since the beginning of the pandemic, by allocating sufficient human resources to him
6. To produce statistics on the length of stay in hospital of patients with COVID-19 expressed in number of days on the one hand, and on the flow of patients managed during a given period (month, quarter, half-year).
7. To clarify the criteria for the management of patients with COVID-19 with co-morbidities and/or severe case.
8. Establish a bonus scale for hospital staff applicable throughout the country in the event of an emergency situation, and give hospitals the means to pay this bonus

RECOMMENDATIONS

To the Prime Minister, Head of Government

1. Regularly include on the agenda of meetings of the interministerial body responsible for the strategic management of the pandemic, set up under the auspices of the Prime Minister, the examination of the accounts of the CAS COVID-19 and the performance of each of the actions financed
2. Include in the next distribution of the Special Fund allocation, program performance indicators for each beneficiary administration.
3. Review the assessment of resource requirements for 2022 and, where appropriate, for future years, based on a study on the evolution of the pandemic and the results of the accounting implementation of the Special Appropriation Account in 2020.
4. Strictly prohibit payment in cash for public contracts, which is irregular under the provisions of Decree No. 2020/375 of 7 July 2020 on the General Regulations of Public Accounting.
5. End the authorization of special contracts in the pandemic response
6. To amend and complete Articles 4 and 71 of Decree No. 2018/366 of 20 June 2018 on the Public Contracts Code in order to specify which provisions relating to contracts do not apply to special contracts.
7. Update Decree No. 74/199 of 14 March 1974 to regulate burial, exhumation and transfer of corpses, in order to provide a regulatory basis for Opinion No. 006/AE/CSUSP/2020 of 22 May 2020 of the Scientific Committee on the management of corpses of persons who died of COVID-19
8. Strengthen local capacity for the production of essential medicines, in particular by taking measures to improve the competitiveness of the industrial sites already established on the national territory.

Table 1 - Reconstruction of the 2020 budgetary transactions of the Covid-19 Special Appropriation Account

Expenditures		Ressources	
Activities of MINSANTE and MINRESI (Programme 971)	Amounts in thousands CFAF		Amounts in thousands of CFAF
A1A2: Community monitoring in the districts and A1A3: Conduct of Covid screening campaigns in the ten regions	2,624,353	Bank payments	
A2A1: Construction, rehabilitation, extension and fitting out of Covid 19 positive isolation units	4,085,566	Cash	57,695
A2A2: Development and equipment specialized centres for the care of Covid patients 19	3,967,624	UBA Account	150,000
A2A5: Development and equipment mortuaries and specialized health facilities	383,917	BGFI BANK Account	2,413,521
A2A6: Construction and rehabilitation of medical imaging centres	-	TOTAL	2,621,216
A2A7: Project management of construction, development and equipment works	421,290		
A2A11: Development of quarantine centres in social housing	507,207	Payment to the Treasury account (No. 470552)	
A2A10: Comprehensive hospital management of patients with Covid 19	1,085,802	Natural persons	120
A2A12: Hygiene Management in Hospital Care Covid 19	-	Members of Government	154,600
A2A13: Management of Corpse of Covid Patients 19	-	DB MINEDUB/EN	1,253
A1A1: Procurement of rapid tests	25,806,000	BDEAC support	500,000
A2A3: Procurement of medical equipment for the management of Covid patients 19	12,761,291	Don HUAWEI	100,000
A2A4: Procurement of medical ambulances	880,000	TOTAL	755,973
A2A8: Procurement of personal protective equipment	26,783,571		
A2A9: Procurement of Covid 19 management drugs	836,443	Payment from the General budget of the State to MINSANTE	
A3A1: Strengthening barrier mesures to Covid 19	384,593	Payment as at 31 December 2020	75,085,354
A3A2: Management of hygiene and sanitation of environments open to the public	787,867	TOTAL	75,085,354
A3A3: Quarantine management of passengers arriving in Cameroon in the context of an epidemic	851,843		
TOTAL MINSANTE	82,167,367	Payment from the General budget of the State to ministries	
A1A1: Evaluation of the performance of the Covid 19 rapid screening tests Covid 19 rapid tests for certification	-	Payment as at 31 December 2020	9,805,380
A1A2: Development of research and local production of essential antibiotic, antimalarial, anti-inflammatory and immunomodulatory pharmaceuticals	-	TOTAL	9,805,380
A1A3: Strengthening collaboration between naturopaths and health care providers in the development and certification of traditional products	-		
A1A4: Production of chloroquine and l'azithromicin	610,710	Payment from the General budget of the State to clear foreign debt and VAT credit stocks	

A3A1: Use of traditional medicinal plant extracts for the control of intestinal parasites of ruminants and diseases/pests of plants and agricultural products	-	VAT credits reimbursement	25,000,000
A3A2: Production of pre-basic seeds of priority food crops to strengthen food and nutritional self-sufficiency	19,565	Domestic debt "State subscribers"	25,000,000
A3A3: Strengthening fish production and improved monogastrics	-	Clearance of domestic debt and grants	25,085,611
TOTAL MINRESI	630,275	TOTAL	75,085,011
Domestic public debt (Programme 972)			
VAT credits reimbursement	25,000,000		
Domestic debt "State subscribers"	25,000,000		
Clearance of domestic debt and grants	25,085,611	Paiements from Technical and Financial Partners (TFPs)*	
TOTAL public debt	75,085,354	Payment in aid funds as at 31 December 2020	23,485,000
		TOTAL	23,485,000
	9,805,380		
GRAND TOTAL	167,688,633	GRAND TOTAL	186,837,934

1.2- Lack of reliability in statistical information

The reliability of statistical information on the monitoring of the pandemic also appears insufficient. The Audit Bench stresses in particular the absence of a procedure for monitoring and validating the data collected on the evolution of the COVID-19 pandemic by the actors in the health pyramid, and the absence of a central and integrated computer application for producing and analyzing statistical data.

Generally, the poor quality of accounting and statistical information handicapped the authorities in steering the response to the pandemic. Shortcomings in statistical information on health monitoring of the pandemic should be addressed (recommendations No. 18-20). With regard to accounting information, it is important to speed up the accounting reform currently under way, particularly its component relating to the automation of the collection of accounting and financial information (Recommendation No. 29).

6.2.5. Construction, rehabilitation, extension and fitting out of isolation units : lack of supporting documents

Although the administrative clauses of the special contracts provided for the holding of acceptance committees to verify the effectiveness of the work, the Audit Bench points out that payments totalling CFAF 815,817,708 were made on seven contracts, i.e. 53.29 per cent of the total amount of payments made for this activity, in the absence of an acceptance report and a contract completion report, which are documents certifying that the service has been rendered and the validity of the claim.

*

CONCLUSION

The Audit Bench makes 30 recommendations.

In accordance with the law, it also decided to open fourteen (14) proceedings for mismanagement and one (01) for de facto management, and to transmit to the Minister of Justice twelve (12) cases likely to be classified as criminal.

6.2.5. Double payments for contracts generating a loss of CFAF 708.4 million

6.2.5.1. Construction of the health post at the Nsimalen airport

The construction works of the border health post at the Yaounde NSIMALEN international airport were awarded to the company ETS GLOBAL DISTRIBUTION by administrative purchase order (BCA) No. 106 of April 15, 2020 for an amount including taxes of CFA F 216,276,272. Two payments for the same services were made to ETS GLOBAL DISTRIBUTION, for amounts of CFA F 177,373,748 and CFA F 179,368,749 respectively.

In addition, a special contract dated 08 October 2020 in the amount of CFAF 97,323,383, awarded to the same company, includes the same services as in the initial contract, except for the installation of medical gas, which amounts to CFAF 16,841,000.

AT the end, the Audit Bench notes that the construction of the Nsimalen airport health post resulted to unjustified payments totalling FCFA 259,851,132 to Ets Global DISTRIBUTION.

6.2.5.2. Construction of an isolation building at Ngaoundéré Regional Hospital

The administrative purchase order No. 109 for the construction of a hospital isolation building at Ngaoundéré Regional Hospital, regularized as a special contract on 01 July 2020, was the subject of a double payment, i.e. two payments of CFA F 228,534,093 each.

6.2.5.3. Purchase of personal protective equipment

The Audit Bench identified double payments in the framework of contracts for the acquisition of personal protective equipment, amounting to CFA F 220 million.

1. The weakness of the strategic management of both the Special National Solidarity Fund and MINSANTE's health response are largely due to a poor evaluation of actions

The poor quality of accounting and statistical information mentioned above prevented the authorities from having a clear view of the management of both the Special Fund and the pandemic.

2.1. Strategic steering of the Special National Solidarity Fund

If the Prime Minister, from the beginning of the pandemic, set up an organization aimed at steering the crisis, the management of the financial component of the Response Plan, that is to say the execution of the revenues and expenses of the Special Fund was left to the diligence of the ministry of Finance, which in particular organized the feedback from ministers through Circular of 22 July 2020.

Malfunctions relating to a number of activities became apparent quickly, and would have deserved immediate corrective action. Massive overruns were recorded on some activities and, ultimately, on Programme 971 "Strengthening of the health system". If they could have been justified at the beginning of the pandemic, in particular because of the lack of budgetary forecasting, they would have deserved to be approved at the highest level. Some priority prevention activities, such as community surveillance and the conduct of screening campaigns in regions were underfunded although funds were available. The issue relating to the effectiveness of some activities and their maintenance in the system should have been raised very quickly.

This was not the case.

On the contrary, the management of the Special Fund favoured opacity. With the exception of MINSANTE, the ministries did not produce the expected quarterly reports to MINFI, and the Autonomous Sinking Fund did not produce monthly reports to the Minister of Economy, Planning and Regional Development and the Ministry of Finance on the status of the actual disbursements of externally financed projects.

That is why the Audit Bench considers it necessary to strengthen the strategic steering of the Special Fund, in particular by regularly including on the agenda of the meetings of the interministerial body responsible for the strategic management of the pandemic, which has been set up under the auspices of the Prime Minister, an examination of the accounts of the accounts of the CAS and the performance of each of the activities financed. (Recommendation No. 1 & 2)

2.2- The strategic steering of MINSANTE's actions

While MINSANTE very quickly set up a dashboard on the evolution of the figures of the pandemic in the national territory, there is no dashboard to monitor the key indicators of administrative management, which would have allowed it to have a visibility on the effectiveness of the implementation of the health component of the response plan, and to correct dysfunctions at its level.

The Audit Bench notes that there is a damaging lack of monitoring of the commitment of appropriations by activity, the time taken to implement them, particularly for works and deliveries of goods purchased, the operational nature of the buildings delivered, the use of stocks and their distribution throughout the territory.

In addition, the administrative management of MINSANTE suffered from uncertainties in the articulation of the competences of the Centre for the Coordination of Public Health Emergency Operations (CCOUSP) and a new structure created on 9 April 2020, the Incident Management System (IMS). The competences granted to these two structures seem redundant. In practice, the IMS appears to be the operational and decision-making level for the bulk of the decisions related to the management of the Covid pandemic.

The Audit Bench notes the weakness of the procedural framework relating to the activities of the IMS and the CCOUSP. Both work without formalized administrative and operational procedures, and the IMS does not have an IT management tool (recommendations No. 21 and 22). This finding is consistent with the conclusions of the assessment mission conducted by the World Health Organization in 2017 on the country's capacity to implement the International Health Regulations.

1. The management of medications has been doubtful

MINSANTE made available to the regional funds for the promotion of health, an envelope of CFAF 300 million so that they can purchase medicines themselves. The investigations of the Audit Bench conducted on the spot showed that the main care centres were supplied with drugs from the treatment protocol

6.2.3. The controversial sale of 15,000 COVID-19 rapid tests by the Minister of Territorial Administration to the Minister of Public Health

On 11 May 2020, the Minister of Public Health paid the sum of FCFA 288,000,000 to the Minister of Territorial Administration on an ad hoc account, the identity of the holder of which is unknown to the Audit Bench, for the purchase of 15,000 COVID-19 rapid screening tests. This sum was transferred to the BGFI account of the MINSANTE on 02 June 2020 "on the instructions of the Prime Minister, Head of Government".

The Audit Bench is surprised by this transaction, since the regulations do not allow one administration to sell property to another. It points out that the origin of these tests is uncertain, although it is not unusual for MINAT to receive donations of this nature in crisis situations.

It notes that, in the absence of taking into account the repayment in the MINSANTE bank book, there remains a risk that the sum of CFA F 288,000,000 will be privately appropriated.

6.2.4. CFA F 1.25 billion of work paid for without being completed

The Audit Bench found major irregularities in the fitting-out of the units for the care of Covid 19 patients.

On 07 August and 16 October 2020, the "authorized" commissions proceeded to the reception of special contracts for the rehabilitation work of the neurology pavilion of the Central Hospital of Yaounde (lot 2) for an amount including VAT of CFA F 214 999 000 and the rehabilitation/extension work of Yaoundé Central Hospital (lot 1) for an amount including VAT of CFA F 823,999,500.

However, on December 21, 2020, during the visit on the spot of the Audit Bench team accompanied by the director and the medical adviser of the Yaounde Central Hospital, work on these contracts was still going on, several months after the signing of the acceptance minutes of the said contracts.

The same irregularity was noted in the special contract for the construction of a health post at the borders of Yaounde-Nsimalen International Airport for an amount of CFA francs 216,276,272 including taxes. The acceptance report for this contract was signed on 22 April 2020, while on 21 December 2020, the date of the Audit Bench's on the spot inspection, the work was still going on. In the latter case, not only was the payment made before any service was rendered, but there was a double payment.

In total, the Audit Bench notes that three special contracts were received and paid for between April and October 2020 for a total amount of CFAF 1,255,274,772, whereas the services were not completed by 31 December 2020.

Tariff Validation Commission concerns the kit of 25 tests, but which was acted by the MINSANTE as being the price of a single test.

If we take as a reference the price of CFA F 162,960, i.e. CFA F 6518 per test, which should logically have been validated by the MINCOMMERCE Price and Tariff Validation Commission, the over-invoicing to MEDILINE MEDICAL CAMEROON SA, the importer of the screening tests, amounts to CFA F 15.3 billion.

The Audit Bench further observes that the fourth contract for 500,000 tests was signed in December 2020 at the same price of CFA F 17,500 per test, whereas the order could have been placed with the Global Fund to Fight HIV, Tuberculosis and Malaria at CFA francs 2,932 per test, i.e. an unjustified opportunity cost of CFA francs 7,284,000,000 on this contract alone.

Although he was not a signatory to the contracts for the purchase of the screening tests and in view of the sums involved, the Audit Bench stresses that it is unlikely that the Minister of Public Health could have been kept in ignorance and unaware of the manoeuvres aimed at invoicing for the screening tests at a price which was so out of line with the reality of the market.

6.2.2. Links of interest between companies to which special contracts were awarded and the Chairman of the MINSANTE working group involved in awarding these contracts

At the end of the work of the MINSANTE working group, three (03) companies, ETS ABOA PERSPECTIVE, ABS MOTORS and PHASE ENGINEERING CAMEROUN SA, were awarded 05 contracts with a total value of CFA F 796,834,539 and having in common the same manager.

The Audit Bench established that the manager of these three companies is the younger brother of the Chairman of the working group, who participated in the awarding of these contracts.

In view of the lack of transparency regarding the criteria for awarding these contracts and the links between the Chairman of the working group and the manager of these three companies, the Audit Bench points out the conflict of interest that this situation conceals and stresses the high risk of criminal prosecution associated with the award of these contracts.

during the 2020 year. On the other hand, the Audit Bench is not in a position to say whether patients treated at home were able to systematically receive appropriate treatment.

In addition, MINSANTE awarded four contracts for medicines, amounting to CFA F 536.44 million, but was unable to tell the Audit Bench where those medicines were stored or what they were used for. They were not recorded in books, so the Audit Bench considers that the risk of misappropriation is very high.

Generally, the Audit Bench observes that information on the availability of medicines and medical equipment in each care centre was not collected or monitored normally by the central administration of MINSANTE in 2020, which prevented it from reacting quickly.

Moreover, the Audit Bench noted the erratic management of the stocks of hydroxychloroquine and azythromicin purchased under questionable conditions by IMPM, which the Director General suggested he was in a position to manufacture locally. In any case, these medicines are still stored at the IMPM premises as at 31 December 2020 without being distributed. If care centres were supplied with these two drugs in 2020, it was mainly from donations.

It is just at the beginning of 2021 that the CCOUSP set up a computerized system for monitoring stocks of personal protective equipment and medicines at the level of each regional public health delegation, which allows having a beginning of visibility on the needs. The Audit Bench stresses that it is necessary to go further and set up a computerized follow-up for each care centre.

1. Patient management was facilitated by the limited number of cases

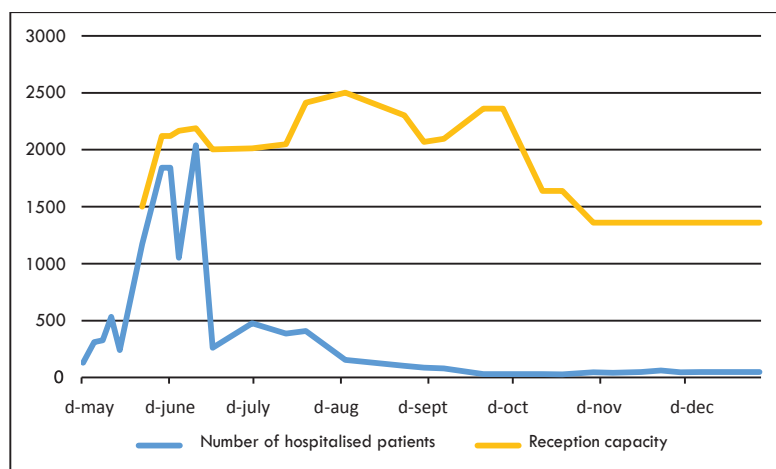
Globally, and despite the fragilities of statistical monitoring, it appears that the hospital system was able to cope with the flow of patients in 2020, especially since the first wave of hospitalization began to ebb from July. As at December 31, 2020, according to official figures, 25,268 patients tested positive for Covid-19 and were treated for the disease, 19,780 were cured as of that date and 506 died.

From the beginning of the pandemic, health care workers were provided with personal protective equipment in sufficient quantities.

4.1. At the national level : the hospital system was able to accommodate the flow of patients

MINSANTE certified 231 public care centres and 2 private centres (Djoungolo Protestant Hospital in Yaoundé, and the Airport Clinic in Douala) since the first weeks of the pandemic. Outside the major urban centres, many hospitals had to adapt, when their premises did not allow them to isolate patients, by resorting to home hospitalization, at the risk of contaminating the family environment.

Graph n°1-Evolution of the number of hospitalized patients in Cameroon in 2020



Source: Covid - 19 status reports; CCOUSP

The above chart is taken from the statistics published weekly by CCOUPS in the Covid-19 situation reports.

The number of beds and the number of respirators and concentrators have always been sufficient to meet the needs. From July onwards, the number of hospitalized patients dropped significantly. From then on, the hospital system treated mainly outpatients, i.e. patients whose state of health did not justify full hospitalization.

MEDILINE MEDICAL CAMEROON SA, the main contractor for the tests, has been registered in the commercial register since 13 September 2017, but this company had not justified any activity until January 2020. The choice of this inexperienced company, to the detriment of qualified local companies, is all the more surprising as the final prices at which the operation was processed appear to be disconnected from the manufacturer's prices and those on the international market.

Four contracts were awarded to MEDILINE MEDICAL CAMEROON SA on June 19 (100,000 and 300,000 tests), July 15 (500,000 tests) and December 16, 2020 (500,000 tests) at a price of CFA francs 17,500 per "Standard Q Covid-19 AG Test" an antigen test.

However, the prices charged by the laboratory SD BIOSENSOR from mid-May 2020 and available on its website were much lower: 10.80 for the "Standard Q Covid-19 AG Test" antigen test, i.e. CFA F 7,084 for any order of three or more boxes of 25 antigen test kits.

The approval of the purchase price by the dedicated MINCOMMERCE Commission does not appear to be a model of transparency. To establish the price of the 25-test kit, the Price and Tariff Validation Commission of this administration had three reference prices from three different sources:

- CFA F 162,960, i.e. CFA F 6518 per test, weighted average price calculated on the basis of prices on the international market;
- CFA F 29,160, i.e. CFA F 1,166 per test, weighted price calculated on the basis of the original price of MODA HOLDING HONG KONG, the intermediary which was in business with MEDILINE MEDICAL CAMEROON SA;
- CFA F 437 500, or CFA F 17 500 per test, price proposed by the supplier MEDILINE MEDICAL CAMEROON SA.

The Audit Bench observes that, the prices proposed by MEDILINE MEDICAL CAMEROON SA and its intermediary MODA HOLDING HONG KONG were not credible, one being fifteen times higher than the other, and both being significantly distant from the price displayed by the manufacturer SD BIOSENSOR with which they were nevertheless in close relationship. Only the price of 162,960 CFA the 25-test kit came close to the manufacturer's and market prices.

However, it is a fourth price, that in incoherent manner, was chosen by the Validation Commission at CFA F 17,500, the kit of 25 tests, or CFA F 700 per test. The Audit Bench notes the unrealistic nature of this price, and the confusion around the figure of CFA F 17,500 which, according to the MINCOMMERCE Price and

6.1.2. The development of quarantine centres in social housing

In view of the insufficient capacity of health facilities in Yaounde and Douala, and the high cost of hotels where infected persons were quarantined at the beginning of the pandemic, MINSANTE decided to fit out and equip social housing in the SIC Camp in Olembe of Yaounde and in the Mbanga Bakoko in Douala, with the aim of being able to accommodate more than 3,500 persons in these cities before 15 April 2020¹. Two containers were also fitted out at the Nsimalen International Airport.

The buildings fitted out in Yaounde and Douala gave rise to commitments of funds amounting to CFAF 507.2 million. In Yaounde, if they hosted people quarantined in March and April 2020, they are now no longer available since they were surprisingly given to the 'Société Immobilière du Cameroun', which began to allocate the furnished housing by MINSANTE to private individuals, even though the risks of resurgence of the epidemic remain present and it would be necessary to have quarantine places. Only two containers are still available at Nsimalen International Airport.

In Douala, 9 buildings remain at the disposal of MINSANTE for possible quarantine. The Audit Bench observes that the objectives that this activity was supposed to pursue were not achieved with regard to Camp SIC in Olembe of Yaounde, and that, moreover, the work on this site gave rise to fictitious services totalling CFAF 118.5 million.

6.2.1. Over-invoicing of CFAF 15.3 billion to MEDILINE MEDICAL CAMEROON SA, importer of screening tests

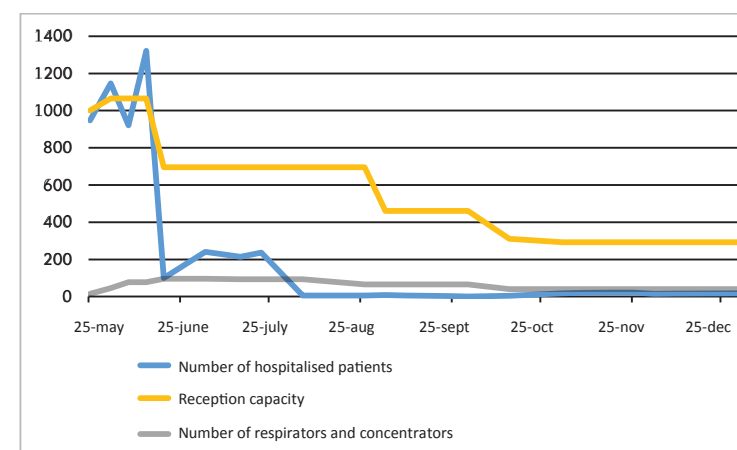
As at 31 December 2020, out of 1.503 million tests purchased (all types), 1.4 million were supplied by MEDILINE MEDICAL CAMEROON SA, the rest being shared between MEDICAL PLUS SARL and SAT PHARMA, which are two national operators with proven experience in the sale of drugs and medical devices.

¹ Source: Cameroon's pandemic response plan to COVID-19 (revised version April 2020, page 22)

4.2. Signs of tension were recorded at the beginning of the pandemic in the Centre Region

Analysis of data for the two regions most affected by the epidemic, the Centre Region and the Littoral Region, shows signs of tension in the Centre Region at the beginning of the pandemic.

Graph No. 2: Evolution of the number of hospitalized patients in the Centre region in 2020



Graph No. 2 suggests that the hospital system was solicited beyond its capacity at the beginning of the pandemic in the Centre Region, i.e. during the months of May and June 2020. However, it should be stressed that, the statistics on the number of beds dedicated to the pandemic between April and July 2020 are all the more questionable given that the statistical data collection system was not in place.

The commissioning of the ORCA centre, however, significantly improved the response to the pandemic in the Centre Region from mid-June.

In the Littoral Region, statistics show that the situation is under control.

*

In conclusion on this point, the Audit Bench points out that the hospital system could be put in difficulty if a more intense wave of the pandemic arose, which would reach a significantly higher number of patients than in 2020, where as government measures to increase the places available for the care of patients and their quarantine often had limited effectiveness. MINSANTE should also be concerned about the motivation of health personnel, and provide for the harmonization of exceptional bonuses awarded to them, by giving hospitals the means to pay them, which has not always been the case in 2020 (recommendation No. 16).

1. Emergency procedures were justified at the beginning of the pandemic, but they became counterproductive from July 2020

The high level of uncertainty associated with the low level of knowledge of the disease at the beginning of the pandemic and the risk of uncontrolled expansion of the number of sick people fully justified the use of emergency measures at the beginning of the pandemic, between March and July 2020.

The Audit Bench observes that the continuation of emergency procedures after July, when the government's restraint measures had been relaxed and patient numbers appeared to be under control, proved to be counterproductive.

5.1. March to July 2020: interventions under the sign of emergency

Special contracts were authorized by Letter No. A263/SGPR of 7 April 2020 of the Secretary General of the Presidency of the Republic. They mainly concerned MINSANTE, whose Head of Department set up a working group composed of ministry officials in charge of managing these contracts at all stages, from the definition of needs to the reception of work as well as the delivery of goods and empowered the Secretary of State in charge of the fight against Pandemics and Epidemics as the authorising officer by delegation.

These contracts were awarded where as the decree of 22 July 2020 defining the activities of the 971 programme and distributing the funds allocated to them had not yet been issued. As a result, MINSANTE's expenditure commitments were made without knowledge of the budget lines of the Special Appropriation Account. The Audit Bench underlines in particular the importance of expenditure commitments relating to screening tests (CFAF 25.7 billion in 2020), personal

- The sidelining of store accountants, which is likely to facilitate embezzlement, since the goods purchased are not identified in the accounts as belonging to the State's assets or its stocks;
- The removal of the contract engineers, who are responsible for monitoring the work and ensuring compliance with the technical specifications of the contract.

In conclusion, the Audit Bench considers that the circumstances no longer justify the use of special contracts, which should no longer be authorised in the context of the response to the pandemic (recommendation No. 5).

1. Typical cases of inefficient activities and bad practices were identified

6.1. Little or no efficient activities

6.1.1. Foreign purchases of hydroxychloroquine and azithromycin, local repackaging

While MINRESI's stated objective was to have IMPM produce hydroxychloroquine and azithromycin locally, an evaluation report by the INSANTE's Department of Pharmacy, Medicines and Laboratories, dated 28 April 2020, emphasized that IMPM's manufacturing site did not comply with the requirements of industrial drug production.

As early as March, IMPM was negotiating with an importer to purchase hydroxychloroquine and azithromycin tablets from India. On 29 July 2020, IMPM received a delivery of five million hydroxychloroquine tablets, five hundred thousand azithromycin tablets and azithromycin inputs (12 drums of 25 Kg each) for an amount of CFA F 601.3 million. While the IMPM order was for bulk tablets, the Audit Bench was able to establish that these drugs were delivered already packaged. IMPM decided to repackage these drugs in new packaging, at a cost of CFA F 9.356 million. The Audit Bench stresses that this local repackaging could not have had any other objective than to give the impression of local manufacture. It believes that such activity could not have been carried out on such a scale without MINRESI's knowledge.

As at 31 December 2020, the five million hydroxychloroquine tablets, five hundred thousand azithromycin tablets and the azithromycin inputs (12 drums of 25 Kg each) remained stored at the IMPM, without any use. However, the Audit Bench does not recommend the distribution of hydroxychloroquine in hospitals, since the Scientific Committee's opinion of 8 April 2021 now advises against its use, but only the distribution of azithromycin (recommendation No. 10).

Among them, four companies, FUNDING TRANSFERT AND SERVICES GROUP SA, PROOF CONSULTING GROUP SARL, TECHNOLOGIE MÉDICALE DU CAMEROUN SARL and NEW PHARMA SARL were registered with the Trade and Personal Property Credit Register (RCCM) in July and August 2020. They were awarded contracts for a total of CFAF 2.068 billion just a few days after their registration.

5.2.3. Poor traceability of financial flows in cash, which are widely used outside the cases provided for by the regulations

Expenditure in cash should comply with the provisions of Decree No. 2020-375 of 7 July 2020 on the general rules on public accounting, and in particular Articles 75 and 78 thereof, which reserve the possibility of such expenditure to small amounts or, in the case of imprest accounts, to strictly limited cases.

However, the Audit Bench notes that cash payments were widely used after 7 July 2020 outside the cases provided for by the regulations, in particular for the payment of public contracts and for significant amounts¹, the Audit Bench identified the payment in cash of CFAF 200.9 million for contracts of personal protective equipment and CFAF 1.214 billion for medical equipment. This was detrimental to transparency, with the associated risks of abuse and misappropriation, and without understanding the added value in relation to the ordinary circuit of expenditure.

The Audit Bench considers that, while payments in cash may be justified in certain cases, payment of contracts in cash should be strictly prohibited (recommendation no. 4).

5.2.4. Lack of controls detrimental to the proper execution of contracts

In general, some key players in the expenditure control circuit were often bypassed. However, the circular of 22 July 2020 from the Minister of Finance on the management of the Special Fund provided for the maintenance of these controls. The Audit Bench noted in particular:

- The lack of visa of the financial controller, which does not allow the monitoring of commitments, so much so that, the total commitments of credits of MINSANTE for 2020 amounted to CFAF 81.8 billion, in excess of CFAF 31.6 billion compared to the credits entered in the program 971 of the ordinance of the President of the Republic of 03 June 2020;

¹Prior to 7 July 2020, the more flexible cash payment regulations could allow payments for large amounts

protective equipment (CFAF 26.78 billion) and medical equipment (CFAF 11.77 billion).

At the beginning of the pandemic, special contracts were awarded for a variety of items (screening tests, fitting out the ORCA patient care centre, managing hygiene and sanitation in public areas). The health emergency has also led to the requisitioning of hotels and the Protestant hospital in Djoungolo.

5.1.1. The construction of a 300-bed care centre in the ORCA building in Yaounde

At the beginning of the pandemic, MINSANTE sought to set up a referral centre for Covid-19 patients in Yaounde, and turned to the building known as "ORCA" situated down town and belonging to PROMETAL group.

This commercial building was made available by its owner by a simple letter dated 30 April 2020, and was fitted out as a clinic by MINSANTE at a cost of CFAF 1.041 billion. The Audit Bench observes that this situation entails high risks for the administration, which did not take care to negotiate an agreement for the provision of services. These risks relate to :

- the duration of the availability of the building, which is not specified;
- the remuneration of the owner in the form of a lease, which is not foreseen, knowing that the letter of April 30 does not specify that the building is made available for free;
- returning the building to its original state, which implies that the investment of more than CFAF 1 billion made by the State would be lost because the equipment would have to be dismantled;
- the existence of additional costs incurred by the work to return the building to its original state.

In view of the importance of this clinic in the treatment of patients and the costs of fitting it out, the Audit Bench considers that it is not desirable to return it to its original state. It therefore recommends that an agreement be negotiated with the owner providing for fair compensation and the repurchase of the building (Recommendation 9).

Two special contracts, concluded for the restructuring works and the fitting out and furnishing of this special care centre for a total of CFAF 631.6 million, were awarded to SARL BF Rest, whose General Manager is also the General Manager of the ORCA Company, belonging to PROMETAL group.

In the absence of a lease for the use of the ORCA building, the award of these two special contracts to a company linked to PROMETAL group, which is not subject to the competitive bidding procedures of the Public Contracts Code, appears to be a disguised consideration.

5.1.2. Management of hygiene and sanitation of environments open to the public

In the absence of a strategic framework set by MINSANTE, this measure has led to scattered actions, mainly focused on the disinfection of public buildings and the homes of patients who tested positive.

The contracts concerning Yaoundé were awarded for CFAF F157 million without competition, to ETS AFRICAN DISTRIBUTION COMPANY, a company created on February 14, 2020 and without experience in the hygiene and sanitation sector. This choice, which does not appear to be very relevant, was not likely to guarantee optimum quality of service, particularly because of the inexperience of the staff.

The Audit Bench observes a strong imbalance between the CFAF 157 million from which the city of Yaoundé benefited and the CFAF 49.5 million granted to the rest of the country, without this difference being justified by objective criteria, whereas the results of this activity are difficult to evaluate, since the gross figures produced on the number of places disinfected are not related to the needs to be covered.

5.1.3. Hotel requisitions: the reception of quarantined travellers

The emergency was also reflected in the requisition of hotels at the beginning of the pandemic, to enable the quarantine of travellers disembarking from the international airports of Yaounde and Douala, and the autonomous ports of Kribi and Douala before the closure of the borders. In Yaounde, the Governor of the Centre Region requisitioned 17 hotels on 17 March 2020 and 3 additional hotels on 25 March. In Douala, the Governor of the Littoral Region requisitioned 12 establishments on 17 and 18 March 2020.

The last requisitions were completed on 17 April 2020 in Douala and on 30 April 2020 in Yaoundé. They involved 722 passengers in Yaoundé and 306 passengers in Douala. The total expenditure, which mainly concerns accommodation, catering, transport and hotel security, amounted to CFAF 843 million.

In addition, the Audit Bench observes that the price charged to MINSANTE is CFA F 55,000,000 per ambulance, more than double the price in force at another dealership based in Yaounde.

5.2.1.2. Unfinished construction of isolation centres as at 31 December 2020

As at 31 December 2020, of the 11 isolation centres under construction, only the isolation centre of Laquintinie Hospital in Douala, whose capacity is 22 units, had welcomed patients with COVID 19.

At the same date, four isolation centres were considered functional (Buea, Ebolowa, Mandjou, Garoua), without having received patients and 6 isolation centres were still under construction (Bafoussam, Bamenda, Bertoua, Ngaoundéré, Maroua, Meyomessala) while the contractual deadlines for completion of the work had been exceeded without signing an amendment, and without any procedure for sanctioning delays being initiated, in contradiction with the stated urgency.

5.2.2. Contracts awarded to companies with no experience or low guarantees

Special contracts not being subject to the Public Contracts Code, MINSANTE opted for the establishment of an internal working group to provide technical advice on the award of contracts. In practice, the working group's opinion, based on criteria that were often not very transparent, was decisive in the decision to award contracts, although sometimes it was taken earlier, in which case the opinion only serves as a technical accompaniment to the award decision.

Its conclusions are often surprising. They show that in many cases, the companies to which contracts were awarded did not present the guarantees of seriousness and experience that MINSANTE was entitled to demand.

The example of contracts for equipment for the management of patients with COVID-19 illustrates these abuses. While MINSANTE pre-selected 303 service providers by decision of 29 May 2020, 96 non-pre-selected service providers were awarded contracts.

5.2. July to December 2020: a counterproductive generalisation of derogation procedures

While the main restrictive measures introduced on 17 March 2020 were relaxed on 30 April 2020, the gradual resumption of indoor classes for pupils and students took place from 1 June 2020 and the budgetary framework for the response to the pandemic was set by the ordinance of 03 June 2020 and the Prime Minister's allocation decree of 22 July 2020, the use of derogatory procedures on the grounds of urgency was maintained.

In particular, the systematic use of special contracts and the release of funds, i.e. payment in cash for public expenditure, which is often very high, had perverse effects that could undermine the effectiveness of the measures in the government's response plan and facilitate the misappropriation of public funds in the absence of traceability of financial flows.

5.2.1. Emergency procedures slower than ordinary procedures

Two examples illustrate the misuse of the special contract derogation procedure, with the paradoxical result of slowing down the provision of services or works.

5.2.1.1 Sixteen (16) ambulances paid twice the seller price and not delivered as at 31 December 2020

The two contracts signed with the companies YAO PHARM SARL and MEDILINE MEDICAL CAMEROON SA date from 20 and 21 August 2020, the orders to kit start the service, which were within 18 days according to the ordinary procedure, that is to say non-urgent, did not occur until 29 December 2020, five months after the signing of the said contracts. In other words, the use of the special contract derogation procedure, on the grounds of urgency, slowed the order of ambulances by 4.5 months compared to a regular procedure, which makes it unjustifiable. As at 31 December 2020, the ambulances ordered had still not been delivered.

As at 31 December 2020, the outstanding payments from MINSANTE to hotel keepers amounted to CFA F 208.1 million, according to them.

5.1.4. The requisition of the Protestant hospital of Djoungolo

By letter dated 23 March 2020, the Protestant Hospital of Djoungolo, which is a private institution, was fully requisitioned until August 2020 by the Minister of Public Health on behalf of the national cause of fighting COVID-19.

During this period, 335 patients were admitted at the hospital, of which 267 were PCR-confirmed cases. Regular hospital activity was interrupted. In the absence of its own revenue, the hospital's resources depended entirely on the payment of a bonus from MINSANTE, which amounted to CFA F 27 million for the months of March to July inclusive, while the hospital's expenses from April to August 2020 amounted to CFA F 123.3 million. The hospital resumed normal operations in August 2020 without receiving official notification of the end of the requisition.

The Audit Bench observes that, despite the intervention of the NGO "Médecins sans Frontières", which in particular took charge of the payment of staff bonuses for a total of CFA francs 55.4 million, this requisition put this establishment in great difficulty, because the administration did not take into account its management constraints, and in particular its salary costs.

5.1.5. Construction and dismantling of isolation units and specialized care centres in stadiums

The isolation units and care centres built in 4 stadiums for a total of CFA F 841.2 million did not finally receive any Covid-19 patient before their dismantling decided by note of 07 October 2020 from the Secretary General of the Presidency of the Republic, in view of the taking in hand of the infrastructures by the Confederation of African Football (CAF). This early dismantling was linked to the imperative to restore the stadiums planned to host the African Nations Championship (CHAN) in January 2021 to their sporting vocation.

Even if these structures were not used, the Audit Bench emphasizes that the decision to create isolation units and care centres in stadiums was appropriate at the time it was taken, when the Minister of Public Health had no visibility on the evolution of the pandemic and the number of patients to be isolated and cared for, but that he had a duty to prepare for the worst-case scenario. In an environment that has become so uncertain, the organization of the CHAN could no longer be a priority objective and had to be replaced by the imperative objective of health security. In fact, if the pandemic had taken on major proportions, as was feared at the time, then the beds in the stadiums would have been used and the CHAN 2021 would not have been held.