



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



**FOLLOW-UP REPORT ON THE IMPLEMENTATION OF THE
CONTROLLER AND AUDITOR GENERAL'S RECOMMENDATIONS FOR
THE SIX PERFORMANCE AUDIT REPORTS ISSUED AND TABLED TO
PARLIAMENT APRIL 2014**



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL OF
TANZANIA**

March 2018

THE UNITED REPUBLIC OF TANZANIA

National Audit Office

Vision

To be a highly regarded Institution that excels in Public Sector Auditing

Mission

To provide high quality audit services that improves public sector performance, accountability and transparency in the management of public resources

Core Values

In providing quality service, NAO shall be guided by the following Core Values:

Objectivity

To be an impartial entity, which offers services to our clients in an unbiased manner

We aim to have our own resources in order to maintain our independence and fair status

Excellence

We are striving to produce high quality audit services based on best practices

Integrity

To be a corrupt free organization that will observe and maintain high standards of ethical behaviour and the rule of law

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We focus on our stakeholder's needs by building a culture of good customer care, and having a competent and motivated workforce

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To be a creative organization that constantly promotes a culture of developing and accepting new ideas from inside and outside the organization

Best Resource Utilization

To be an organization that values and uses public resources entrusted to it in an efficient, economic and effective manner

PREFACE

I am pleased to present a Follow-up Report on the Implementation of Performance Audit Recommendations from the previously issued Performance Audit Reports. This report covers six individual performance audits of the Central and Local Government entities, namely: Ministry of Finance and Planning, Ministry of Health, Community Development, Gender, Elderly and Children, President's Office - Regional Administration and Local Government, Ministry of Industry, Trade and Investment, Ministry of Natural Resources and Tourism, Public Procurement Regulatory Authority (PPRA), Tanzania Food and Drugs Authority (TFDA) and Tanzania Bureau of Standards (TBS).

This report provides our stakeholders, namely: Members of Parliament and the Government of the United Republic of Tanzania, with the analysis of the progress made by the audited entities in responding to the recommendations made in the various performance audit reports which were tabled and adopted by the Parliament. The rationale behind is to report to the Parliament the implementation status of the recommendations made in those performance audit reports.

I have the honour to submit to His Excellency the President of the United Republic of Tanzania, Dr. John Pombe Magufuli and through him to the Parliament a Follow-up Report on the implementation of Performance Audit Recommendations from the previously issued Performance Audit Reports, in accordance with Article 143 of the Constitution of the United Republic of Tanzania (URT) of 1977 and Section 34(1) and (2) of the Public Audit Act No. 11 of 2008.

In essence, this follow-up report on the implementation of audit recommendations has enabled me to provide the necessary independent assurance to the Parliament concerning the implementation status of previously issued recommendations on areas such as Cost Control in Public Procurement, Management of Food Inspections, Healthcare Waste, Inspection of Imported Goods, Most Vulnerable Children and Wildlife in game reserves.

The main objective of conducting these audits was to examine the identified problems in the respective areas; establish whether allocated resources have been spent with due regard to economy, efficiency and effectiveness as intended and appropriated by Parliament in the above mentioned areas.

It is worth noting that, while my office conducts audits and reports on the performance of Ministries, Departments and Agencies, Local Government, Public Authorities and Other Bodies' programmes and activities based on

various laws, rules and regulations, the ultimate responsibility for ensuring there is efficiency, economy and effectiveness in the use of public resources lies with the respective Accounting Officers. At the same time it is the responsibility of the Accounting Officers to ensure that the observations and recommendations raised by the Controller and Auditor General are acted upon.

I would like to acknowledge the professionalism and commitment of my staff in achieving our goals and undertaking the work associated with meeting our ambitious audit programs.

I hope that the National Assembly, the media and the public at large will find the information in this report useful in holding the Government accountable for its stewardship of public funds and its delivery of services to the Tanzanian citizens. In this regard, I will appreciate to receive feedback on how to further improve this report in the future.



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March, 2018

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EXECUTIVE SUMMARY

Performance audits seek to improve the accountability and performance of government organizations. Also, it provides an objective and constructive assessment of the extent to which the audited body has utilised its resources in carrying out its responsibilities with due regard to economy, efficiency and effectiveness. Section 28 of Public Audit Act No.11 of 2008 gives the Controller and Auditor General of Tanzania mandate to carry out performance audit.

This consolidated report on the follow-up on the implementation of the recommendations issued to six conducted and tabled performance audits as at April, 2014.

These are Performance Audit Reports on:

- 1) Cost Control in Public Procurement;
- 2) Management of Food Inspections;
- 3) Management of Healthcare Waste;
- 4) Management of Inspection of Imported Goods;
- 5) Management of Most Vulnerable Children; and
- 6) Management of Wildlife in Game Reserves.

Follow-up audits are a necessary process for ensuring that recommendations are addressed and that citizens receive full value-for-money from the Controller and Auditor General's work. The Office of the Controller and Auditor General has conducted follow-up on the implementation of performance audit recommendations for six reports produced. These reports were submitted to Parliament and published.

Implementation Status of the Issued Recommendations

As regards to follow-up, a total of 121 recommendations were provided in all six performance audit reports, 31 were fully implemented, 44 were partially implemented, 40 were not implemented at all and 6 were overtaken by events.

The implementation status of recommendations contained in this report summarizes 121 detailed audit recommendations made by the Controller and Auditor General as well as the additional work the audited entities have undertaken that goes beyond the audit recommendations.

Table 1 shows the state of implementation of the said audit reports categorized as fully implemented, partially implemented and not implemented at all.

Table 1: Implementation Status of Performance Audit Recommendations

Audit Report	Total Number of Performance Audit recommendations	Number of Recommendations Fully Implemented	Number of Recommendations Partially Implemented	Number of Recommendations Not Implemented at all	Number of Recommendations Overtaken by event
Performance Audit Report on Cost Control in Public Procurement	46	3	9	28	6
Performance Audit Report on the Management of Food Inspection	14	0	11	3	0
Performance Audit Report on the Management of Healthcare Waste	16	6	9	1	0
Performance Audit Report on the Management of Inspection of Imported Goods	10	3	4	3	0
Performance Audit Report on the Management of Most Vulnerable Children	17	6	8	3	0
Performance Audit Report on the Management of wildlife in game reserve	18	13	3	2	0
Total	121 (100%)	31 (26%)	44 (36%)	40 (33%)	6 (5%)

Source: Auditors' Analysis (2018)

The overall status on the implementation of the issued recommendations indicates that 26 percent of all recommendations issued were satisfactorily addressed; 36 percent were partially implemented; 33 percent not implemented at all and 5 percent were overtaken by events. Thus, 62 percent of the issued recommendations were either fully or partly implemented by the audited entities.

Cost Control in Public Procurement

Analysis of the issued recommendations indicated that, 3 out of 46 (equivalent to 6 percent) of issued recommendations to all audited entities on Cost Control in Public Procurement were fully implemented as required, while 9 out of 46 (equivalent to 20 percent) were partially implemented and 28 out of 46 (equivalent to 61 percent) were not implemented at all. Furthermore, 6 out 46 (equivalent to 13 percent) were overtaken by events.

In view of the above audit findings, it is concluded that, the audit office should continue making follow-up on the implementation of recommendations which were either partially or not implemented at all. Furthermore, follow-up reports will be produced and submitted to the Parliament next year (2019).

Management of Food Inspections

As a whole, 14 recommendations on the Management of Food Inspections were given to the Ministry of Health and Tanzania Food and Drug Authority. None of the recommendation was fully implemented, 11 out of 14 (equivalent to 79 per cent) were partially implemented, and 3 out of 14 (equivalent to 21 per cent) were not implemented at all.

From the foregoing, it is concluded that, the audit office should continue making follow-up on the implementation of recommendations which were either partially or not implemented at all. Furthermore, follow-up reports will be produced and submitted to the Parliament next year (2019).

Management of Healthcare Waste

The overall follow-up results on the implementation of issued audit recommendations on Management of Healthcare Waste indicated that only 6 out of 16 recommendations (equivalent to 38 percent) were fully implemented, while 9 out of 16 recommendations (equivalent to 56 percent) were partially implemented and 1 out of 16 recommendation (equivalent to 6 percent) were not implemented.

From the foregoing, it is concluded that, the audit office should continue making follow-up on the implementation of recommendations which were either partially or not implemented at all. Furthermore, follow-up reports will be produced and submitted to the Parliament next year (2019).

Management of Inspection of Imported Goods

Analysis of the issued recommendations indicated that, 3 out of 10 (equivalent to 30 percent) of issued recommendations to all the audited

entities on the Management of Inspection of Imported Goods were fully implemented as required. 4 out of 10 (equivalent to 40 percent) of issued recommendations were partially implemented and 3 out of 10 (equivalent to 30 percent) of issued recommendations were not implemented at all. In general, audited entities have taken some actions, either full or partial regarding the implementation of the issued recommendations.

From the foregoing, it is concluded that, the audit office should continue making follow-up on the implementation of recommendations which were either partially or not implemented at all. Furthermore, follow-up reports will be produced and submitted to the Parliament next year (2019).

Management of Most Vulnerable Children

Analysis of the issued recommendations indicated that, 6 out of 17 (equivalent to 35 percent) of issued recommendations to all audited entities in Management of Most Vulnerable Children in Public Sector were fully implemented. 8 out of 17 (equivalent to 48 percent) of the issued recommendations were partially implemented and 3 out of 17 (equivalent to 18 percent) of the recommendations were not implemented at all. In general, the audited entities had taken either full or partial actions to the issued recommendations.

It is concluded that there is a need to conduct another follow-up audit in the coming year (2019) to determine the level of improvement.

Management of Wildlife in Game Reserves

The overall follow-up results on the implementation of issued audit recommendations on Management of Wildlife in game reserves indicated that 13 out of 18 recommendations (equivalent to 72 percent) was fully implemented, while 3 out of 18 (equivalent to 17 percent) were partially implemented and 2 out of 18 (equivalent to 11 percent) were not implemented.

From the above revelation, it is concluded that, the audit office should continue making follow-up on the implementation of recommendations which were either partially or not implemented at all. Furthermore, follow-up reports will be produced and submitted to the Parliament next year (2019).

Further analysis of the issued recommendations per each cluster or category was made. The intention was to assess the level of implementation of recommendations per category. The analysis is as shown in Table 2:

Table 2: Number of Recommendations not implemented per category

Category of Recommendations	Total Number of Issued Recommendations per category	Number of Recommendations not implemented	Percentage of Recommendations not implemented
Coordination	5	2	40
Revenue	5	1	20
Planning	11	3	27.3
Development	10	1	10
Risk Assessment	1	0	-
Inspection	1	0	-
Data Management	2	0	-
Monitoring, Evaluation and Performance Measurement	12	3	25
Enforcement	7	0	-
Control System	1	0	-
Implementation Sanction	1	0	-
Information sharing	1	0	-
Reporting and Communication	3	1	33.3
Total	121	40	33

Source: Auditors' analysis (2018)

The analysis in Table 2 shows that recommendations concerning critical areas for the performance of government entities, namely: decision making, training and capacity building, budgeting, and performance measurement were not implemented. However the recommendations about such categories as coordination, revenue, planning, development, monitoring, evaluation and supervision were partially implemented as indicated in Table 2. On the other hand, recommendations regarding the following categories: Risk Assessment, Inspection, Data Management, Enforcement, Control System, Implementation of Sanction and Information were fully implemented.

This clearly indicates the existence of non-implementation of the issued recommendations which are critical for enhancing the performance of the audited entities. This tendency is the prerequisite for the failure by these entities in improving the services. As a consequence this denies the audited entities the opportunity to provide good services to the people.

Conclusion

Implementation of the issued recommendations is not satisfactory as only 31 out of 121 equivalents to 26 percent of the issued recommendations were fully implemented, 44 (equivalent to 36 percent) were partially implemented and 40 (equivalent to 33 percent) were not implemented at all.

This was mainly caused by insufficient governance structures within the audited entities which are highly contributed by lack of clearly established responsibilities and reporting arrangements, inappropriateness of Ministry's processes and system for monitoring the implementation of issued recommendations within the Ministries.

As a result, Ministries are operating without having a specific section or individuals to coordinate the implementation of the issued performance audit recommendations, updated recommendation registry and detailed plan for the implementation of the issued recommendations. This in turn leads to persistent poor service delivered in areas such as Cost Control in Public Procurement, Management of Food Inspections, Healthcare Waste, Inspection of Imported Goods, Most Vulnerable Children and Wildlife in game reserves.

Recommendations

The Prime Minister's Office should ensure that all Government Ministries, independent departments, agencies and Local Government Authorities establish clear governance structure by:

1. Prioritizing the implementation of all recommendations issued by the CAG;
2. Tracking all issued recommendations and documenting their implementation status; and
3. Having a working governance system for monitoring NAOT's performance audit recommendations.

CHAPTER ONE

INTRODUCTION

1.1 Preamble

Performance audits seek to improve the accountability and performance of government organizations. Also, it provides an objective and constructive assessment of the extent to which the audited body has utilised its resources in carrying out its responsibilities with due regard to economy, efficiency and effectiveness. Section 28 of Public Audit Act No.11 of 2008 gives the Controller and Auditor General (CAG) of Tanzania mandate to carry out performance audit.

The Office of the Controller and Auditor General carries out a number of performance audits in government entities. Basing on the findings and conclusions made in those audits, the CAG issues recommendations which, if implemented they can assist in improving the performance of government entities and ensure that public resources are economically, efficiently and effectively managed.

Likewise, Regulation 77 (5) of the Public Audit Regulations of 2009 provides mandate to the Controller and Auditor General to conduct follow-ups on the recommendations issued to the government entities through carrying out performance audits. In this regard, the CAG conducted a follow-up on six Performance Audit Reports namely:(1) Management of Cost Control in Public Procurement, (2) Management of Food Inspection, (3) Management of Health Care Waste, (4) Management of Inspection of Imported Goods, (5) Management of Most Vulnerable Children, and (6) Management of Wildlife in Game Reserve.

1.2 Reasons for the Follow-ups on Implementation of Audit Recommendations

Follow-ups are conducted in order to provide stakeholders (Members of Parliament and the Government of the United Republic of Tanzania) with analysis of the progress made by the audited entities in responding to the recommendations made in the various performance audit reports which were tabled and adopted by the Parliament. This is normally done with a view to reporting back to the Parliament on the implementation status of the recommendations.

In essence, follow-ups on the implementation of audit recommendations enable the CAG to provide the necessary independent assurance to the Parliament concerning the implementation status of previously issued recommendations on different areas.

Therefore, follow-ups on the implementation of audit recommendations examine the identified problems in the respective area; establish whether allocated resources have been spent with due regard to economy, efficiency and effectiveness as intended and appropriated by the Parliament in the above mentioned areas.

1.3 Design of the Follow-up on the Implementation of Recommendations

1.3.1 Objectives of Follow-up on the Implementation of Issued Recommendations

Main Objective

The main objective of the follow-up is to assess the extent of which audited entities have implemented the recommendations issued by the Controller and Auditor General.

Specific Objectives

- a) To examine corrective measures taken by audited entities on the recommendations issued by CAG;
- b) To assess the governance systems for monitoring NAOT's performance audit recommendations; and
- c) To examine reporting arrangements on the implementation of the recommendations issued by CAG.

1.3.2 Scope of the Follow-up

The audit covered six performance audit reports which comprised 8 audited entities as described in Table 1.1:

Table 1.1: List of Six Audit Reports Followed up

Name of the Audit	Audited Entities	Year of Publication
Performance Audit Report on Cost Control in Public Procurement	Ministry of Finance and Economic Development; and Public Procurement Regulatory Authority (PPRA)	April, 2014
Performance Audit Report on the Management of Food Inspection	Ministry of Health, Gender, Elderly and Social Welfare, Tanzania Food and Drugs Authority (TFDA)	April, 2014
Performance Audit Report on the Management of Healthcare Waste	Ministry of Health, Gender, Elderly and Social Welfare; and President's Office - Regional Administration and Local Government	April, 2014
Performance Audit Report on the Management of Inspection of Imported Goods	Ministry of Industry, Trade and Investment Tanzania Bureau of Standards (TBS)	April, 2014
Performance Audit Report on the Management of Most Vulnerable Children	Ministry of Health, Gender, Elderly and Social Welfare, President's Office - Regional Administration and Local Government	April, 2014
Performance Audit Report on the Management of wildlife in game reserve	Ministry of Natural Resources and Tourism	April, 2014

The follow-up is limited to the review of the recommendations detailed in the original performance audit reports mentioned in Table 1.1 and their respective responses, commitments and implementation status.

1.4 Approach to Follow-up on the Implementation of Recommendations

The follow-up on the implementation of the issued recommendations was conducted through the following approach:

- 1) Sending letters to audited entities requesting for the implementation status of the issued recommendations;
- 2) Review of the implementation status responses with their supporting evidences from audited entities;
- 3) Develop the matrix for the implementation status of the issued recommendations by consolidating all received responses for each specific audit;
- 4) Submission of the verification letters and developed matrix on the implementation status of the issued recommendations with auditors comments to the audited entities for their review and preparation for verification;
- 5) Verification and factual clearance on the responses of implementation status of the issued recommendations; and

- 6) Developing the follow - up report on the implementation status of the issued recommendations.

1.5 Methodology used to Follow-up on the Implementation of Recommendations

(i) Interviews

Interviews were conducted to the audited entities' senior and operational management personnel to understand the process and clarify issues in respect to the implementation of the issued recommendations from the identified reports. The interviews assisted in obtaining verbal responses in relation to the activities that were carried out in responding to the issued recommendations from the original performance audit reports.

(ii) Documentary Reviews

The audit team reviewed status implementation reports on the previously issued performance audit reports to explore progress in implementing the recommendations and assessing the degree to which the recommendations were implemented. The documents have provided evidence of matters agreed during the original individual performance audits and commitments made by the audited entities and initiatives taken so far in addressing respective recommendations as well as corrective measures that have been taken by the time of this audit.

(iii) Observation

The audit team also visited different entities and areas to assess the level of implementation of various projects or physical structures or items that were supposed to be installed or acquired by the audited entities.

1.6 Criteria for Assessing the Level of Implementation of Recommendations

Follow-up audit work examined the recommendations or significant observations made in the previous performance audits. The previous recommendations or observations served as the follow-up criteria.

Further, commitments such as action plans made by entities in response to audit recommendations of the original audit reports were also used as the criteria. In ensuring that the recommendations are adequately implemented, it was expected that audited entities should have:

- addressed the recommendations issued in the performance audit reports based on the commitments made by them during the audit; and

- appropriate governance systems and reporting arrangements to ensure that the audit recommendations are timely and adequately implemented.

1.7 Level of Implementation of Recommendations and Factors Considered when Ranking the Implementation Level

Implementation of the issued recommendations was measured using levels and classification of recommendations. Table 1.2 describes four levels of implementation of the issued recommendations.

Table 1.2 Levels of Implementation of Recommendations with Reasons

Level of Implementation Status	Reason for Implementation Status
Fully Implemented	When the audited entity provided sufficient and appropriate evidence to support all elements of the recommendation.
Partially Implemented	<p>When the audited entity provided some evidence which supports the implementation, but not all elements of the recommendation were addressed.</p> <p>Partially implemented is categorized into two:</p> <ul style="list-style-type: none"> • <i>Partially - satisfactory</i>: This is when audited entity provides most of the required evidence to support implementation of the recommendations that have been done within the required/acceptable time duration. • <i>Partially - not satisfactory</i>: This is when the audited entity provides evidence which shows only preliminary steps that are measurable and have been taken to address the recommendation; or when only some few elements of the evidence have been issued.
Not Implemented	When the audited entity provided evidence which did not support meaningful movement towards implementation of recommendation, or where no evidence was provided, where implementation will take time and it is in the process but there is nothing that can be measured.
Overtaken by event	When the recommendation made was not overtaken by other circumstances which were likely to make the recommendation not to be relevant or to have less impact at that particular time.

For the purpose of analyzing the level of implementation of the issued recommendations, a classification of each of the issued recommendations was made basing on:

- Nature of recommendation; and
- Length of time needed to implement the issued recommendation.

Nature of the recommendation: includes analyzing the nature of issues that the concerned recommendation is all about. These are such as planning, budgeting, implementation, monitoring and evaluation, performance measurement, coordination, policy making, etc.

Moreover, *Length of time needed to implement issued recommendation* to its completion was used as another criterion for analyzing implementation of the issued recommendations.

Table 1.3 below provides three categories used to classify implementation levels in relation to the duration required for implementing the issued recommendations.

Table 1.3 Classifications of Recommendations in Relation with Time

Classification of Time	Measurable factors
Short-term recommendations	Recommendations that take less than 6 months to fully implement them. These are recommendations that do not need much time and budget to implement them.
Medium-term recommendations	Recommendations that take between 6 months and 18 months to fully implement them. These are recommendations that need considerable time and budget to implement them.
Long-term recommendations	Recommendations that take between 18 months and 36 months to fully implement them. These are recommendations that need enough time and budget to implement them. Similarly, these recommendations involve seeking various approvals from higher authorities to the audited entities or involve development of various guides or implementation policies.

1.8 Data Validation Process

The audited entities, which were issued with respective recommendations and which were the subjects of this follow-up, were given the opportunity to go through the observations made during the follow-up and comment on the accuracy and correctness of information and statistics presented. Confirmation on the accuracy of the figures used and information presented in the audit report was also considered.

1.9 Standards Used for the Follow-up

The follow-up audit work was conducted in accordance with the International Standards of Supreme Audit Institutions on performance

auditing. ISSAI 300 provides for principles of performance audit, specifically, ISSAI 3000/5.5 provides guidelines on how to conduct follow-up audits.

The standard requires that the follow-up be planned and performed in a manner that will enable auditors to obtain sufficient and appropriate evidence to serve as the basis for reporting the outcome of the issued recommendations and provide feedback to SAls.

It also requires that the results of follow-up are reported appropriately in order to provide feedback to the Parliament, together if possible, with the conclusions and impacts of the corrective actions taken where relevant.

1.10 Structure of the Report

This report is presented in nine chapters as follows:

Chapter One provides the introduction and background, objectives, scope, criteria and methodology used during the follow-up.

Chapter Two through Seven present the main findings regarding the implementation of audit recommendations noted from the individual performance audit reports.

Chapter Eight presents the governance arrangements for the implementation of performance audit recommendations in the audited entities.

Chapter nine provides the audit conclusions and recommendations based on the findings of the follow-up.

CHAPTER TWO

FOLLOW-UP ON THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE STUDY ON COST CONTROL IN PUBLIC PROCUREMENT

2.1 Background of the Study

The Study on Cost Control on Public Procurement was tabled before the Parliament in April, 2014 and the audited entities were the Ministry of Finance and Planning (MoFP), and the Paymaster General as the main actor with the overall responsibility of regulating costs and authorizing payments resulting from daily government procurement operations.

The study also covered key players such as Government Procurement Services Agency (GPSA) due to its role in ensuring availability of secured and quality procurement services to the government and non-government institutions in a sustainable and cost effective manner. Moreover Public Procurement Regulatory Authority (PPRA) and Tanzania Civil Aviation Authority (TCAA) were involved due to their regulatory roles on public procurement in the country. In order to realise the rationale of this study, an examination of the information from various sources sampled from four ministries, seven LGAs and three regulatory authorities was done.

The main objective of this Audit was to examine whether MDAs and LGAs had appropriate and working mechanisms in place with the view of controlling costs in public procurement.

2.2 Audit Scope

The audit covered procurement of air ticket by selected ministries and procurement of construction projects by selected LGAs. The focus was on Planning and Benchmarking, Tendering, Supervision and Contract Administration.

The study examined the information regarding Air ticketing from four ministries, seven LGAs and three regulatory authorities. The audit covered a period of three years from 2010/11 up to 2012/13.

2.3 Main Audit Findings

The audit came up with the following findings:

- a) The Procuring Entities (PEs) did not adequately and accurately plan for air travel for the government officials. The figures allocated in the Annual Procurement Plans (APPs) did not reflect the actual air travels that took place within the year. About 45 percent of the

implemented projects were not budgeted for and about 47 percent were not included in the respective Annual Procurement Plans.

- b) Most of the contracts sampled had inadequate drawings contributing to inaccurate engineers' estimates, variations, exaggerated quantities and significant changes during the implementation. These influenced costs of the projects, quality of works and timeliness in completion of the works. Insufficient funds were set aside for the projects leading to implementation of projects in phases at LGAs. The phases were not always predetermined at the pre-contract stage.
- c) Evaluation teams in LGAs were not appropriately selected and evaluation reports reflected poor judgments on the part of the evaluation teams. Correction of arithmetic errors in the Bills of Quantities (BoQs) and summations are common but were not accurately considered in the final analysis and calculation of award values of the respective evaluated contracts.
- d) Participation of bidders was limited because LGAs preferred using competitive quotations whose notices were only advertised through public notice boards within the localities. Important contract clauses for most of LGAs on insurance, performance securities, liquidated damages, as built drawings, interest rates and advance payments made were either non applicable or missing in the contract documents exposing the LGAs to litigation and unforeseen costs during contract implementation.
- e) There was no consistency in the rates of service fees for air tickets from 2011/12 to 2013/14 which were issued by GPSA. Each year had its own service charge rates which were not clear. Service fees charged by the airline agents deviated materially from the rates set and approved by GPSA.
- f) Invoices raised by the agents to Procuring Entities (PEs) did not have the necessary breakdowns showing respective elements such as air ticket fares, taxes and service fees. Air travel agents were usually picking higher ticket price rates even when low price options were available for the same class of service. There was tendency for the public officials to select routes and airlines during booking which prevents the agents from selecting the alternative routes and airlines which are less costly. Procuring Entities (PEs) were not cost conscious as such, hence they were not effective in using their travel agents to lower their air travel costs.
- g) The projects were not adequately supervised and monitored giving rise to unsatisfactory quality of works. Payments were certified

without verification and re-inspection of the works and site meetings were not conducted. In all visited PEs, project documents including contract documents, progress reports, etc., which were supposed to be kept under care of the PMU were missing.

- h) Tanzania Civil Aviation Authority (TCAA) did not take adequate measures or put in place control mechanisms for regulating charges and rates in the area of air ticket despite being entrusted with the obligation to regulate charges. Framework contracts prepared by GPSA did not take on board important parameters like flexibility of travel dates that affect ticket prices.

2.4 Overall Conclusion of the Report

The audit concluded that, actors in procurement do not adequately address issues of cost control although the procurement procedures prescribed in the law provide guidance for safeguarding public resources against unnecessary overspending.

Thus, public procurement is generally characterized by the following concerns: unrealistic plans, budgets and cost estimates are common to all Procuring Entities (PEs); selection of service providers is characterized by inadequate competition and monopoly of some service providers. Service providers are not adequately supervised and payments to contractors and service providers are made without prior verification of the work done or service delivered and Regulatory bodies do not adequately address issues of cost control in public procurement.

Those issues are partly caused by: inadequate information from Procuring Entities (PEs) to Regulatory Bodies, tools and methods deployed by Public Procurement Regulatory Authority (PPRA) cannot decisively detect issues of corruption, Procuring Entities (PEs) do not engage in direct negotiations with suppliers with a view to get better deals, Prevention and Combating Corruption Bureau (PCCB) is not adequately equipped to investigate procurement issues and inadequate guidance for standardization of processes across government departments when handling issues of similar nature.

2.5 Results of the Follow-up on the Implementation of the Issued Audit Recommendations

This part presents implementation status of issued recommendations in three categories namely, recommendations that were fully implemented, partially implemented and those which were not implemented for Ministry of Finance and Planning (MoFP), Prevention and Combating Corruption Bureau (PCCB), Public Procurement Regulatory Authority (PPRA) and Government Procurement Services Agency (GPSA).

2.5.1 Results of Follow up on the Implementation of the Issued Recommendations to the Ministry of Finance and Planning (MoFP), GPSA and PPRA

Levels of Implementation of Issued Recommendations

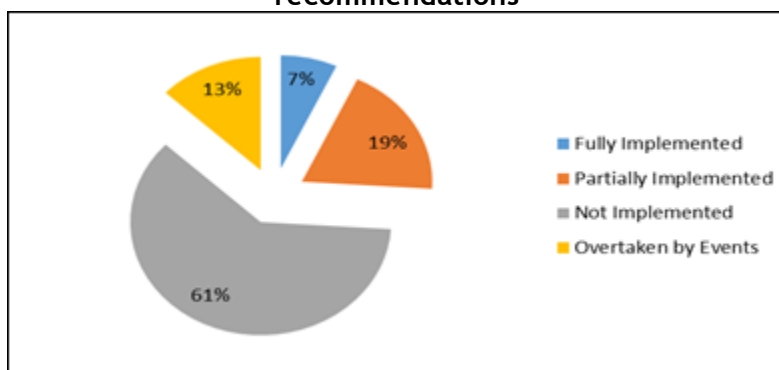
Overall Implementation of Issued Performance Audit Recommendations

A total of 46 recommendations were issued in this particular audit. 36 recommendations were issued to the Ministry of Finance and Planning, 5 recommendations were issued to the Government Procurement Services Agency (GPSA) and 5 recommendations were issued to Public Procurement Regulatory Authority (PPRA).

The overall follow-up results on the implementation of issued audit recommendations indicated that 3 out of 46 (equivalent to 7 percent) recommendations were fully implemented, while 9 out of 46 (equivalent to 19 percent) recommendations were partially implemented, 28 (equivalent to 61 percent) recommendations were not implemented and 6 recommendations were overtaken by event (equivalent to 13 percent).

Figure 2.1 below shows percentage level of implementation of the recommendations.

Figure 2.1: Percentage level of implementation of the recommendations



Source: Auditors' analysis (2018)

Table 2.1 shows the overall implementation of issued Performance Audit Recommendations per each audited entity namely, Ministry of Finance and Planning, Government Procurement Services Agency and Public Procurement Regulatory Authority.

Table 2.1: Implementation status of performance Audit Recommendations by the Audited Entities

Entity	Number of issued recommendations		Level of Implementation							
			Fully		Partially		Overtaken by Event		Not Implemented	
	Number	%	Number	%	Number	%	Number	%	Number	%
MoF	36	78	0	0	5	14	4	11	27	75
PPRA	5	11	3	60	2	40	0	0	0	0
GPSA	5	11	0	0	2	40	2	40	1	20

Source: Responses from the Ministry of Finance, GPSA, PPRA and PCCB and the Auditors' analysis, 2017

Further analysis of the issued recommendations per each cluster or category was made based on the above follow-up results and analysis. The analysis made was based on the status of the level of implementation of the audit recommendations.

Table 2.2: Number of Recommendations Not Implemented Per Category

Category of the Recommendation	Total Number of Issued Recommendation	Number of Recommendation Not Implemented
Planning and Budgeting	9	6
Development	6	3
Monitoring and Evaluation	18	10
Enforcement	4	3
Coordination	1	1
Executing	4	3
Capacity Building	2	1
Awareness	1	1
Sanctioning	1	0
Total	46	28

Source: Auditors' Analysis from interviews reviewed documents (2018)

Table 2.2 shows that the two recommendations that have not been implemented to-date are falling under the categories of *Planning and Budgeting*, *Development*, *Monitoring and Evaluation*, *Enforcement*, *Coordination*, *Executing*, *Capacity Building* and *Awareness*.

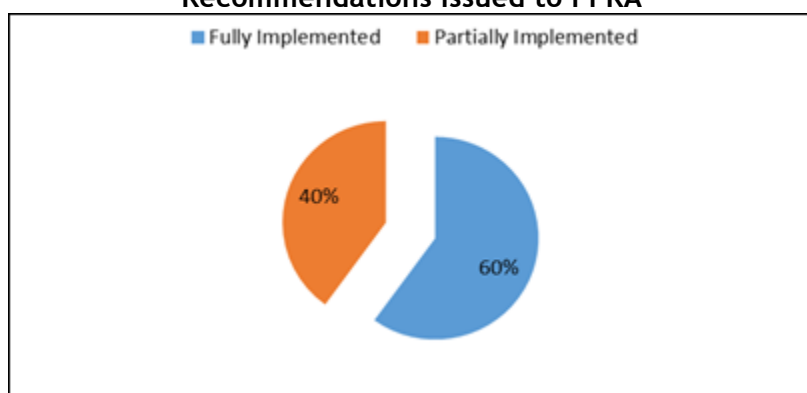
2.5.2 Results of Follow up on the Implementation of the Issued Recommendations to the Public Procurement Regulatory Authority (PPRA)

Levels of Implementation of the Issued Recommendations

The audit team found that Public Procurement Regulatory Authority (PPRA) has fully implemented 3 out of 5 (equivalent to 60 percent) of the issued recommendations and 2 out of 5 (equivalent to 40 percent) were partially implemented.

Figure 2.2 shows the implementation status of recommendations issued to Public Procurement Regulatory Authority (PPRA).

Figure 2.2: Percentage level of Implementation of the Recommendations Issued to PPRA



Source: Auditors' analysis (2018)

Figure 2.2 shows that the Public Procurement Regulatory Authority (PPRA) has satisfactorily implemented the issued recommendations, since 60 percent of the issued recommendations were fully implemented.

Table 2.3: Overall Implementation of the Issued Recommendations to PPRA

Total Number of Issued Recommendations	Implementation Status			
	Fully Implemented	Partially Implemented		Not Implemented
		Satisfactory	Not Satisfactory	
5	3	2	0	0

Source: Auditors' Analysis from the interviews and reviewed documents (2018)

As indicated in Table 2.3, the Public Procurement Regulatory Authority (PPRA) has fully implemented 3 out of 5 issued recommendations and the remaining 2 issued recommendation were partially implemented.

The detailed analyses of recommendations provided to Public Procurement Regulatory Authority (PPRA) are presented in the following three categories as follows:

(i) Recommendations that were Partially Implemented

The audit team noted two issued recommendations which were partially implemented. These recommendations were:

Recommendation 1: The government needs to strengthen capacity of governance institutions such as PCCB and PPRA in carrying out investigations focusing on corruption in public procurement

The recommendation called for the government to strengthen the capacity of governance institutions such as Public Procurement Regulatory Authority (PPRA) in carrying out investigations focusing on corruption in public procurement.

Public Procurement Regulatory Authority (PPRA) planned to strengthen their capacity in investigation by 1) Strengthening the capacity of investigation section by employing more staff to conduct investigations and 2) Arranging for long-term and short-term training programmes to staff who are participating on investigation activities.

Public Procurement Regulatory Authority (PPRA) submitted a request for employing more staff so as to strengthen the investigation and anticorruption section to the President's Office-Public Service Management vide letter with Reference No.CAB.16/64/01/"D"/125 dated 10th April 2017. According to the records on staffing level (job list) of Investigation section availed to auditors by PPRA, the number of required staff in the Investigation Section of PPRA is 11, the, the audit team noted that PPRA was given a permission to employ only two staff. Furthermore, PPRA is not aware when the remaining 9 staff needed to strengthen the Section will be recruited since there is no permit issued to date.

Public Procurement Regulatory Authority (PPRA) trained a total of 10 staff from different levels who are currently used to deal with monitoring activities on the issues related to procurement in the public sector. The trained PPRA staffs are from Sections other than Investigation Section and that staffs were trained on techniques of detecting corruption in public procurement.

Recommendation 2: Enhancing the sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions such as PCCB, PPRA and GPSA

The recommendation required the PPRA to enhance the sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions such as Prevention and Combating Corruption Bureau (PCCB), PPRA and Government Procurement Services Agency (GPSA) (e.g. PCCB may use reports from PPRA) for the purpose of enhancing oversight in public procurement.

In their planned action, Public Procurement Regulatory Authority (PPRA) planned to do two things which are: 1)Complying with the requirement of informing the relevant authorities the result of procurement audits and

investigations conducted in public institutions, and 2) Signing memorandum of understanding with other stakeholders for the purpose of sharing information as a means of minimizing procurement malpractices.

The audit team noted that, Public Procurement Regulatory Authority (PPRA) has a website where all PPRA's annual reports and all relevant information can be accessed and the website is used to bring awareness to the public on various issues related to procurement. Also, after Public Procurement Regulatory Authority (PPRA) conducted investigation or procurement audits, the report is forwarded to Paymaster General, Chief Secretary and the concerned Procuring Entity subjected to the procurement audit/investigation.

There is existing Memorandum of Understanding between Public Procurement Regulatory Authority (PPRA) and National Audit Office of Tanzania (NAOT), Procurement and Supplies Professionals and Technicians Board (PSPTB) and Prevention and Combating Corruption Bureau (PCCB) aiming at sharing information relating to procurement and collaboration in preventing and detecting corruption in public procurement. This gives a room for PPRA to notify the responsible authority such as PCCB on the detected/revealed incidences of corruption during the audit/investigations.

Public Procurement Regulatory Authority (PPRA) after conducting investigation or procurement audit forwards the report to Paymaster General pursuant to section 15 (1) of PPA 2011, the Chief Secretary and other relevant competent authority of the respective Procuring Entity subjected to audit/investigation. The audit team reviewed submission letters from PPRA to TCCRA, Ministry of Finance and Planning, and Ministry of Home Affairs on different investigations conducted by PPRA.

The audit team found-out that Public Procurement Regulatory Authority (PPRA) also has developed the Procurement Management Information System (PMIS) for sharing information with Procuring Entities (PEs). PEs are supposed to use the system for submitting procurement information to PPRA which includes: procurement plans, monthly, quarterly and annual procurement reports, award information, tender notices, contract completion reports and procurement monitoring checklist. This helps PPRA in getting procurement information from Procuring Entities.

However, PPRA told the audit team that, they are experiencing a challenge on effective implementation of the existing MoU basing on the fact that, the Investigation and Anticorruption section has got only one staff who is unable to perform issues indicated in the signed MoU.

(ii) Recommendations that were Fully Implemented

Audit team noted that there were three recommendations which were fully implemented. These recommendations were:

Recommendation 1: Taking appropriate disciplinary actions against agents who violate the stipulated agreements

The recommendation called for the Ministry of Finance and Planning to ensure that Public Procurement Regulatory Authority (PPRA) takes appropriate disciplinary actions against agents who violate the stipulated agreements.

Public Procurement Act does not provide powers to Public Procurement Regulatory Authority (PPRA) to take disciplinary actions against any public officer who has been found not complying with the requirements of the law and instead has been recommending to the competent authority on the appropriate actions to be taken. Where the procurement processes are defaulted and it is observed that public officer is implicated in that default, Public Procurement Regulatory Authority (PPRA) commences investigation in such respective procurement and among other issues disciplinary actions are recommended to the relevant authority.

For the case of agents, suppliers, service providers and contractors who breach their procurement contracts or framework contracts awarded by Government Procurement Services Agency (GPSA), the PEs is required to notify Public Procurement Regulatory Authority (PPRA) of such breach by submitting a debarment proposal. Also, a breach can be detected through procurement audits conducted by Public Procurement Regulatory Authority (PPRA).

Public Procurement Regulatory Authority (PPRA) has been taking actions on the issue that it has the power such as debarment; PPRA commences the debarment proceedings by issuing a notice to the supplier, service provider or contractor requiring him to submit his defense within 14 days of receiving the notice as per Regulation 96 of the Public Procurement Regulations, 2013. Once the defense is submitted and scrutinized and where the same warrants debarment, the debarment proposal is submitted to the Public Procurement Regulatory Authority (PPRA) Board of Directors for approval.

The review of documents in Public Procurement Regulatory Authority (PPRA) showed that, from the financial 2014/15 to 2016/17, a total of 31 proposals for debarment were received from procuring entities and consequently notices to debar issued to bidders requiring them to provide reasons why they should not be debarred and as a result 24 bidders were debarred from participating in public procurement following the breach of

procurement contracts in different categories namely goods, works, services and consultant involving different procurement methods.

Recommendation 2: The performance reviews, audits and evaluations conducted by PPRA should focus more on the substance of projects rather than checking procedural compliance. This can be done through performance based monitoring and evaluation. The focus in the evaluations needs to cover planning (preparation), the actual procurement, and implementation stage.

The recommendation required Public Procurement Regulatory Authority (PPRA) when conducting performance reviews, audits and evaluations to focus more on the substance of projects rather than checking procedural compliance. The recommendation further required this to be done through performance based monitoring and evaluation and the focus in the evaluations should cover planning (preparation), the actual procurement, and implementation stage.

Interviews held with the Public Procurement Regulatory Authority's officials revealed that Public Procurement Regulatory Authority (PPRA) decided to update the value-for-money audit tools that covered the aspect of road works and buildings so as to suit the existing demand as well as developing additional tools so as to have a wider coverage. The contract No. 38: PPRA/TEN/ISCM/04/"A"/4 between PPRA and Eng. Bossa L. Leviticus on "The provision of Consultancy services for Implementation of the System for checking and Monitoring" made on 11th December, 2014. The review exercise was completed on 2015.

The review aimed at accommodating changes which resulted from amendments of Public Procurement Act (PPA) and its Public Procurement Regulations. A consultant was engaged to carry-out review of the existing audit tools as well as developing new tools for carrying out value-for-money audits on ICT works, goods and consultancy assignments. The tools covered all prominent issues from project planning stage, procurement stage, the contract implementation stage and project completion/closure stage. The tools are also providing the status on quality of projects/activities implemented.

The review of the updated and developed value-for-money audit tools on issues such as ICT works, procurement of goods and services from planning to execution stage, if appropriately used by assessors can give the substance of the project.

Recommendation 3: PPRA and internal audit functions should develop and implement adequate tools and methods for evaluations and audits to provide signal for the presence of corruption

Public Procurement Regulatory Authority (PPRA) informed the audit team that they have engaged the consultant to develop a checklist that can be used by the internal auditors of the Procuring Entities to report issues relating to public procurement on quarterly basis. The checklist has been prepared in line with the compliance audit tool and it provides details on areas to focus during the time of the audit.

Also, on 11th December, 2014 via Contract No. 30: PPRA/TEN/ISCM/04/101 for “The provision of consultancy services for implementation of the system for checking and monitoring between PPRA and Eng. Wangwe Magige Wangwe” the Public Procurement Regulatory Authority (PPRA) engaged a consultant to prepare investigation manual which provides guidance on carrying out investigations and detecting the possible corruption symptoms. The tool covers possible corruption symptoms at each stage of procurement cycle.

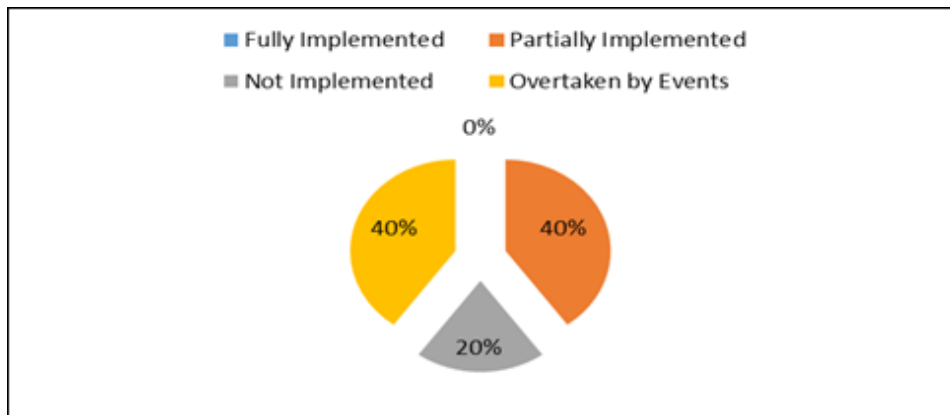
2.5.3 Results of follow up on the implementation of the issued Recommendations to the Government Procurement and Supplies Agency (GPSA)

Levels of Implementation of the Issued Recommendations

The audit team found-out that 2 out of 5 (equivalent to 40 percent) recommendations issued to Government Procurement Services Agency (GPSA) were overtaken by event. GPSA partially implemented 2 out of 5 (equivalent to 40 percent) of the issued recommendations and 1 out of 5 (equivalent to 20 percent) of the issued recommendations was not implemented.

Figure 2.3 shows the implementation status of recommendations issued to Government Procurement Services Agency (GPSA).

Figure 2.3 Percentage Level of Implementation of the Recommendations Issued to GPSA



Source: Auditors' analysis (2018)

As indicated in Figure 2.3, the Government Procurement Services Agency (GPSA) did not implement the issued recommendations satisfactorily. It has been revealed that 20 percent of the issued recommendations were not implemented; likewise 40 percent of the issued recommendations were partially implemented.

Table 2.5: Overall Implementation of the Issued Recommendations to GPSA

Total Number of Issued Recommendations	Fully Implemented	Overtaken by Event	Implementation Status		
			Satisfactorily	Not Satisfactorily	Not Implemented
5	0	2	2	0	1

Source: Auditors' Analysis from interviews reviewed documents (2018)

Further to the information provided in Figure 2.3 above, Table 2.5 indicates that the Government Procurement Services Agency (GPSA) has not implemented fully any of the issued recommendations. In that regard, 2 recommendations were overtaken by event, 2 were partially implemented and 1 recommendation was not implemented at all.

Further analysis of the issued recommendation which was not implemented revealed that this recommendation was found to be falling under the category of Monitoring.

The detailed analysis of the recommendations issued to the Government Procurement Services Agency (GPSA) is presented in the following three categories as follows:

(i) Recommendations that were Overtaken by Events

The audit team noted that there were two recommendations which were overtaken by events. These recommendations were:

Recommendation 1: GPSA to prepare Framework contracts which have clauses that compel the airline agents to choose lower prices whenever possible and put sanctions for non-adherence to such clauses

From the issued recommendation to Government Procurement Services Agency (GPSA), the audit team noted that, the Minister of Finance directives to all Ministries, Departments and Agencies to suspend, with immediate effect, the purchase of air-tickets from airline's agents and instead the purchase be made straight from airlines, in line with the decision of the government, the Agency did suspend the inclusion of such tenders whose services were obtained through framework contracts.

During the interview with GPSA Officials, the team was informed that the government intervention was (Through budget speech of the Ministry of Finance and Planning) which directed all procuring entities to purchase air tickets directly from airlines and not through agents and the Agency issued a letter to Procurement Entities with ref. CAB.10/421/01/"E"/53 dated 03/06/2016.

Currently air tickets are supposed to be purchased directly from the airlines.

Recommendation 2: GPSA to prepare the price thresholds that reflect the situation on the ground for common use items (CUIs) and services based on adequate market survey

Following changes in Public Procurement Act No. 7 of 2011 and its amendments of 2016 in conjunction with Public Procurement Regulations of 2013; requires that no setting of the prices by agency and instead market prices will be used in identifying a competitive supplier. Procuring entities are required to conduct a mini competition among suppliers with valid framework contracts, and thereafter a compliant supplier is awarded an order to supply.

So, the Government Procurement Services Agency (GPSA) is currently not setting prices for common use items (CUIs).

(ii) Recommendations that were Partially Implemented

The audit team noted that there were two recommendations which were partially implemented. These recommendations were:

Recommendation 1: GPSA should identify critical items that cost the Government heavily and establish a mechanism for monitoring them, e.g. Procurement of Air tickets

Government Procurement Services Agency (GPSA) identified three critical items that cost the Government heavily. The identified items are: The Purchase of Vehicles, Purchase of fuel for use by Government vehicles and the Purchase of Stationeries and in particular photocopy papers for office use and were identified based on the Agency's annual performance reports.

Government Procurement Services Agency (GPSA) indicated that, the purchase of Air Tickets in the Agency's performance reports does not indicate any information because of the government intervention which directed all procuring entities to purchase air tickets directly from the airlines and not through agents.

Interviews held with GPSA's officials revealed that they have taken steps in controlling the government spending. These steps were such as:

Joint procurement of Government vehicles

The Agency has taken the role of undertaking bulky procurement of state-owned vehicles in order to obtain bulky/special discounts in prices. According to the Government Procurement Services Agency (GPSA), this process has greatly helped the Government to reduce the cost of purchasing vehicles but also enabled the Agency to coordinate effectively the procurement process of vehicles. Table 2.6 shows motor vehicles bulk procurement saving summary.

Table 2.6: Motor vehicles Bulk Procurement Saving Summary

Financial Year		2014/15	2015/16	2016/17	2017/18 (July-January)	Total
Saving from Motor vehicles procurement	Units procured	50	580	429	298	1357
	Value saved (Million TZS)	2,177	17,849	2,334	742	23,101
Saving on tendering process on behalf of PE'S	No. of PE'S	67	108	150	131	456
	Value Saved (Million)	291	470	653	570	1,984

TZS)					
Total Savings (Million Tanzania Shillings)					25,085

Source: Auditors' Analysis of information from GPSA (2018)

Table 2.6 shows that, GPSA saved in both procurement and tendering process that would have been conducted by Procuring Entities a total amount of Tanzania Shillings 25,084,720,158.

Installation of Electronic Fuel Management System (FMIS)

Government Procurement Services Agency (GPSA) informed the audit team that, the manual system currently in use for issuance/dispensing of fuel to government vehicles is prone to some loopholes that could allow fuel loss to government vehicles. To eliminate this, the Agency is in the process of installing an electronic fuel management system (FMIS) which is already implemented in 11 regions of the mainland Tanzania.

Vehicles that use this system are required to be installed with special sensors that recognize the approved vehicles only by procuring entity. Upon completion, the system will eliminate human intervention in fuel dispensing. The system will ensure only authorized vehicles will get fuel and not otherwise and it will significantly reduce operating costs in the hands of the government. For the Agency, the number of employees currently engaged in fuel dispensing will significantly be reduced.

Purchase of Stationeries for office use in Procuring Entities

The Agency is importing papers directly from manufacturers, this approach, according to GPSA has reduced significantly the prices of photocopy papers to the procuring entities. Table 2.7 shows saving from bulk procurement of photocopy papers (A4) from South Africa 2016/17-2017/18.

Table 2.7: Saving from Bulk Procurement of Photocopy A4 from South Africa 2016/17-2017/18.

Financial Year	Units procured	Procuring within Tanzania		Procuring from South Africa		Total Savings
		Unit price (TZS)	Total (TZS)	Unit price (TZS)	Total Price (TZS)	
Saving from procurement from abroad	400,000	8,100	3,240,000,000	6,500	2,600,000,000	640,000,000
Saving from selling of photocopy paper	Units Sold 400,000	Selling price in local market 12,000		GPSA selling price 8,500		1,400,000,000
			4,800,000,000		3,400,000,000	

procured from abroad						
Total Savings (Million Tanzania Shillings)						2,040,000,000

Source: Auditors' Analysis of information from GPSA (2018)

Table 2.7 shows that, GPSA saved in procurement and selling of photocopy papers from South Africa a total amount of Tanzania Shillings 2,040,000,000.

Since the Agency is still in the process of Installation of the fuel management information system to the regions, on the other hand, the challenge in the Procurement of Government vehicles by GPSA is embedded in the views from some government Institutions that GPSA is more expensive. However the audit team can conclude that, this recommendation is partially implemented.

Recommendation 2: GPSA to monitor and evaluate implementation framework contracts by the Procuring Entities (PEs)

Interview with the Government Procurement Services Agency's officials indicated that, in ensuring frameworks contracts are managed properly and effectively they established a Compliance Section within the Framework Contracts Management Section. The main responsibilities are: to carry-out visits to procuring entities (PEs) to gauge their compliance per Regulation 131(4) (C) which requires PE to submit to the Agency and Authority monthly Reports on Procurement made through framework agreement also see how they are managing framework contracts.

Also, to make a surprise visits to tenderers (suppliers) in order to confirm their physical existence, and if they are doing their work in accordance with the agreement entered and gauge how they do comply with Regulation 132 (1) (E) which requires tenderers to submit monthly sales reports to the Agency. Other responsibility are to take serious action against suppliers who will be found to violate the terms and conditions of the framework contracts awarded including if possible termination of contact with the government; and ensuring framework contracts are implemented and managed in accordance with the terms and conditions as stipulated.

The audit team did not see the evidence of the implementation part of these responsibilities which would have shown the value added in monitoring and carrying-out evaluation of framework contracts management by the Procuring Entities (PEs) as well as improving compliance by both parties who are involved in the implementation framework contracts.

(iii) Recommendation that was not Implemented

Audit team noted that there was one recommendation which was not implemented. This recommendation was:

Recommendation 1: Enhancing sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions

The recommendation called for the need to enhance the sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions such as PCCB, PPRA and Government Procurement Services Agency (GPSA) (e.g. PCCB may use reports from PPRA) so as to help enhance oversight in public procurement.

The Agency's line of reporting is to the parent Ministry which is the Ministry of Finance and Planning through its Permanent Secretary. In addition, other key stakeholders in the procurement sector includes Public Procurement Regulatory Authority (PPRA) which is the regulatory of all public procurement activities in the country, the Authority is under the Ministry of Finance and Planning; PSPTB which oversees professionalism in procurement and supply cadre and thus constitutes a good base for procurement staff; PPPD is the Department within the Ministry of Finance and Planning responsible for overseeing policy issues in procurement.

The Agency is seen as a key role in identifying various needs meant for improvement of public procurement within the public sector. It is also an institution which is entirely specialized in procurement and hence a big contributor for law enforcement, regulations and procedures in public procurement.

Government Procurement Services Agency (GPSA) has the role to share procurement related information with PCCB and the like in order to enhance oversight in public procurement. Its contributions to such institutions are very essential on increasing accountability and reduce misuse of funds in public procurement.

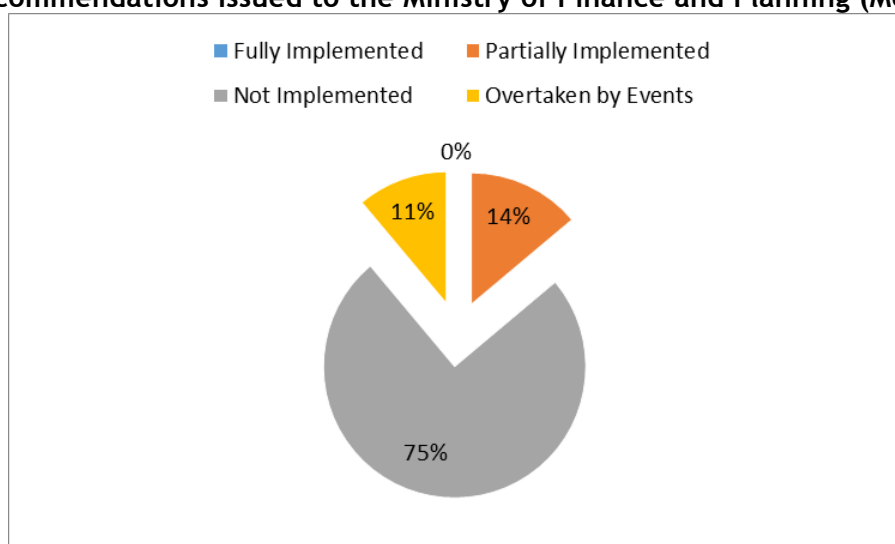
The audit team noted that, the Agency did not give explanation to answer the "how" part of the question. This is due to the fact that, the overall role of the Government Procurement Services Agency (GPSA) in procurement and supplies in the government needs a lot of information sharing and so there should be a mechanism to enhance that. It should also be noted that, the audit reported on the lack of information from Procuring Entities (PEs) to facilitate the monitoring and evaluation.

2.6 Detailed Status of the Implementation of Recommendations by the Ministry of Finance and Planning

The audit team noted that, Ministry of Finance and Planning (MoFP) has not satisfactorily implemented issued recommendations. Out of 36 issued recommendations, 4 recommendations were overtaken by event, 5 recommendations were partially implemented and 27 recommendations were not implemented.

Figure 2.4 shows the implementation status of recommendations issued to the Ministry of Finance and Planning (MoFP).

Figure 2.4 Percentage Level of Implementation of the Recommendations Issued to the Ministry of Finance and Planning (MoFP)



Source: Auditors' analysis (2018)

Figure 2.4 shows that the Ministry of Finance and Planning (MoFP) has not satisfactorily implemented issued recommendations since no recommendation was fully implemented.

Table 2.6: Overall Implementation of the Issued Recommendations to the Ministry of Finance and Planning (MoFP)

Total Number of Issued Recommendations	Fully Implemented	Overtaken by Event	Implementation Status		
			Partially Implemented Satisfactorily	Not Satisfactorily	Not Implemented
36	0	4	7	20	27

Source: Auditors' Analysis from the interviews and reviewed documents (2018)

As indicated in Table 2.6, the Ministry of Finance and Planning (MoFP) has not fully implemented any recommendation at satisfactory level. 20 were partially implemented but unsatisfactorily and 7 were not implemented at all.

Further analysis of the issued recommendations that were not implemented per each cluster or category is as shown in Table 2.7.

Table 2:7 Number of Recommendations Not Implemented Per Category

Category of the Recommendation	Total Number of Issued Recommendation	Number Recommendation of Not Implemented
Planning and Budgeting	9	6
Development	4	3
Monitoring and Evaluation	12	9
Enforcement	3	3
Coordination	1	1
Executing	4	3
Capacity Building	1	1
Awareness	1	1
Sanctioning	1	0
Total	36	27

Source: Auditors' Analysis from the interviews and reviewed documents (2018)

As shown in Table 2.7, two recommendations that have not been implemented to-date are falling under the categories of *Planning and Budgeting*, *Development*, *Monitoring and Evaluation*, *Enforcement*, *Coordination*, *Executing*, *Capacity Building* and *Awareness*.

Recommendations that were not Implemented

The audit team found-out that there were 27 recommendations that were not implemented by the Ministry of Finance and Planning. These recommendations were:

Recommendation 1: Ensure that, procuring entities prepare their annual budgets and procurement plans based on adequately researched information regarding prices and other key factors that influence fluctuations in air travel ticketing. Planning and Budgeting for Construction of Public Buildings

The review of the submitted implementation status and the interviews held with Officials from the Ministry of Finance did not show what the Ministry has done so far to implement this recommendation rather they told the auditors that, Regulation 69 of Public Procurement Regulations of

2013 gives instruction to PEs to search for adequate information that will facilitate the preparation of procurement plans and budgets.

Recommendation 2: In collaboration with PMO-RALG should facilitate the LGAs to ensure proper planning, designing and accurate estimation of quantities of items (Bills of Quantities (BOQs)) and their associated costs for all their construction projects to avoid additional costs resulting from over or underestimation of requirements

The review of the submitted implementation status and the interviews held with officials from the Ministry of Finance and Planning revealed that, the Ministry has done nothing apart from sending a letter with reference number No. FB.37/457/01/38 dated 20th July, 2017 to the President's Office - Regional Administration and Local Government (PO-RALG) requiring them to respond to the recommendation.

Recommendation 3: LGA select methods of procurement which encourage sufficient contractors who can perform satisfactorily works at economical prices

The response of the Ministry of Finance and Planning showed that, the matter has been covered in the Public Procurement Act CAP 410 and its regulations as amended in 2016. This response by the Ministry does not reflect the requirement of the recommendation which is about requiring LGAs to select procurement methods that could encourage sufficient contractors to be procured.

Recommendation 4: Tender evaluation process in LGAs is handled by professionals so as to obtain the right contractors

The review of the implementation status submitted by the Ministry of Finance and Planning revealed the existence of Tender Evaluation Procedural Forms No. 10 and 11 issued by the Public Procurement Regulatory Authority (PPRA) which provide guidance on the same. The audit team was not satisfied by the Ministry's response since it failed to link the applicability of the forms and the need to ensure that Tender evaluation process in LGAs is handled by professionals so as to obtain the right contractors.

Recommendation 5: To make sure that the call-off orders are used as required by the framework agreements. This will help to keep the records of every travel service provided. This subsequently will help the Procuring Entities (PEs) and GPSA to ascertain the actual unit costs for every travel

The review of submitted implementation status showed that, the use of the call-off orders as per requirements of framework agreements is

provided under regulation 131 (4) (C) which covers procedures for commonly used items and services. The Ministry of Finance and Planning informed the audit team that Procuring Entities (PEs) are required to comply with such directives.

But, the Ministry did not have the information to indicate the level of compliance on the use of the call-off orders as per requirements of framework agreements.

Recommendation 6: To use implanted air fares/ticketing experts to advice on the appropriate reasonable air fares accordingly and itinerary planning to monitor and advice on the travel arrangements as need may be

The Ministry of Finance and Planning did not show what they have done to implement the recommendation. Rather they claimed that the Government Procurement Services Agency (GPSA) has arranged a Training Program for Procuring Entities (PEs) to include a topic on “Air Transport Services”. This particular intervention does not respond to the issue raised in the audit recommendation.

Recommendation 7: Effective supervision of works by LGAs Engineers at each stage of construction, in order to avoid unsatisfactory quality works which are likely to increase the repair and maintenance costs

The Ministry of Finance and Planning have sent the letter with Reference No. FB.37/457/01/38 dated 20th July, 2017 to the President’s Office - Regional Administration and Local Government (PO-RALG) requiring them to respond to the implementation status of the issued recommendation. But, the Ministry of Finance and Planning informed the audit team that it has not received any response from PO-RALG.

This means that the Ministry of Finance and Planning does not have the current status as far as the implementation of this recommendation is concerned.

Recommendation 8: Strict professional and disciplinary actions should be taken for Engineers and Quantity Surveyors who authorize payments for unimplemented activities

The Ministry of Finance and Planning cited the Guidelines for the Preparation of Plans and Budget for the Financial Year 2016/17, (page 13, para 5.3, 28 (l)) which instruct on controlling expenditure and cost reduction measures as one of the actions taken to implement this specific recommendation. Likewise, the issued guidelines for the year 2018/19, (page 13 4.3 (iv)) insist on ensuring value-for-money is achieved through procurement of works and services.

All these two citations do not show how professional disciplinary actions are taken.

Recommendation 9: Liaison with National Construction Council in preparing unit rates for the construction industry, which can assist the LGAs Engineers' Offices to make realistic estimates to guide planning and deciding during awards of contracts

The Ministry of Finance and Planning has sent a letter with Reference No. FB.37/457/01/40 dated 20th July 2017, to the National Construction Council (NCC) requesting them to respond to the implementation status of the previous years' audit recommendation.

But, up to the time of this follow-up audit there was no response that has been received from the National Construction Council (NCC). Similarly, the Ministry has not indicated the efforts taken to make follow up for the delayed response from NCC.

Recommendation 10: The Ministry of Finance, in collaboration with PMO-RALG should ensure that there is Proper coordination with sector ministries when implementing construction projects in LGAs in each project phase, so as to harmonize matters of concern pertaining to estimation, tendering, implementation, monitoring and control

The Ministry of Finance and Planning have sent a letter with Reference No.FB.37/457/01/38 dated 20th July, 2017 to the President's Office - Regional Administration and Local Government (PO-RALG).

But, up to the time of this follow-up audit there was no response that has been received from PO-RALG. Similarly, the Ministry has not indicated the efforts made to follow the delayed response from PO-RALG. This means that nothing concrete has been done by the Ministry of Finance and Planning to ensure the full implementation of this recommendation.

Recommendation 11: The Ministry of Finance in collaboration with Tanzania Civil Aviation Authority (TCAA) should ensure that TCAA plans and implements monitoring activities with a view to regulate the actions of actors in air transportation especially the airline agents in order to protect the interest of public

The review of supporting attachments of implementation status from the Ministry of Finance and interviews held with officials from the Ministry of Finance showed that the recommendation was sent to Tanzania Civil Aviation Authority (TCAA) together with the letter with reference number FB.37/457/01/37 on 20th July, 2017 requiring them to implement the recommendation.

But, in the course of preparing to implement the recommendation, the Tanzania Civil Aviation Authority (TCAA) requested to meet with the officials from the Ministry of Finance and Planning to hold discussions on how they can proceed to work on the recommendation. The Ministry did not hold the requested meeting to date.

Recommendation 12: The government needs to strengthen capacity of governance institutions such as PCCB and PPRA in carrying out investigations focusing on corruption in public procurement

The Ministry of Finance and Planning claimed that, the implementation of this recommendation will depend on availability of financial resources for budgetary purposes. They also claimed that, Public Procurement Regulatory Authority (PPRA) and Prevention and Combating Corruption Bureau (PCCB) capacity enhancement initiatives shall be authenticated by the respective institutions.

Recommendation 13:

- a. The PCCB should consider conducting more investigations related to procurement issues.***
- b. The PCCB should consider conducting risk profiling of PEs regarding potential malpractices in procurement. This can be done through collection of public procurement data in a manner that is explicitly driven by the objective to prevent, detect and investigate corruption in public procurement.***

This recommendation was forwarded to Prevention and Combating Corruption Bureau (PCCB) and there was no response to date from PCCB. Further inquiry to assess the actions of the Ministry of Finance and Planning to make follow-up with the Prevention and Combating Corruption Bureau (PCCB) regarding the implementation indicated that it has done nothing to date.

Recommendation 14: The government need to explore the possibility of automating public procurement system through implementation of Integrated procurement Management System (IPMS) with a view to becoming more transparent, reduce procurement cycle time, reduce administrative costs and improve service delivery

Responses from the Ministry of Finance and Planning indicated that Public Procurement Regulatory Authority (PPRA) has developed a Procurement Management Information System (PMIS) which is currently used by Procuring Entities (PEs). But, further inquiry with the Ministry's officials indicated that MoFP do not seem to know the status of the PMIS as developed by PPRA.

Recommendation 15: The PPPD should develop and implement at National level more and better monitoring, detection, analysis, and reporting technology to fight fraud and corruption, and make these available to MDAs and LGAs.

The Ministry of Finance and Planning (MoFP) informed the audit team that it is currently conducting a study on efficiency of procurement systems applied in the country. They expect the findings and recommendations from the study to be used to formulate strategies and implement plans on better monitoring, detection, analysis, and reporting technology to fight fraud and corruption in the public procurement.

Recommendation 16: Arithmetic checks are done carefully, in order to avoid errors

The recommendation required the Ministry of Finance and Planning, in collaboration with PMO-RALG to facilitate the LGAs to ensure that arithmetic checks are done carefully, in order to avoid errors.

The Ministry of Finance and Planning replied the following in their submitted implementation status report:

- Regulation 41(2) and the Nineteenth Schedule of Public Procurement Regulations 2013 with the amendments of 2016 address evaluation process as they require Procuring Entities and tenderers to abide with Instructions to Bidders which include the checking of arithmetic errors.
- Public Procurement Regulatory Authority (PPRA) has prepared a template for tender evaluation process which guides on the procedures for arithmetic checks.

The review of the submitted implementation status and the interview with Officials of the Ministry of Finance and Planning did not show the efforts of implementing this recommendation.

Recommendation 17: Booking is done early enough to be able to take advantage of the low priced option and avoid unnecessary flexibility in tickets

In the implementation status report and through the interviews conducted with the officials of the Ministry of Finance and Planning, the audit team found out that, the Ministry of Finance and Planning has issued guidelines for the Preparation of Plans and Budget for the year 2018/19, (page 13 Para 28). The review of the cited section did not link with the issued recommendation.

Also, the Ministry informed the audit team that, they are conducting budget scrutinization exercise to every government institution that receives government subventions.

The audit team could not to verify how these interventions are related with the issues of early booking to take advantage of low priced options and avoiding unnecessary flexibility in tickets.

Recommendation 18: Works are advertised when Procuring Entities (PEs) are sure of the flow of funds and payments should be made to contractors on time as stated in contracts

The review of the implementation status submitted by the Ministry of Finance and Planning (MoFP) showed that Regulation 75 (1) of Public Procurement Regulations of 2013 as amended in 2016 insists that Procuring Entities should ensure that funds are allocated or committed before commencing procurement proceedings.

The Ministry of Finance and Planning informed the audit team that, they have issued a guidelines for the Preparation of Plans and Budget for the Year 2016/17, (page 13, para 5.1) on the matter and also issued similar instructions vide guidelines for the year 2018/19, (page 11 para 33 (ix)).

The verification did not provide any evidence to show that PEs are complying with the issued recommendation of ensuring that funds are committed before the commencement of the procurement process.

Recommendation 19: The Ministry of Finance and Planning should ensure that PPRA takes appropriate disciplinary actions against agents who violate the stipulated agreements

The Ministry of Finance and Planning informed the audit team that, the Public Procurement Regulatory Authority (PPRA) is not legally mandated to discipline agents violated stipulated agreements. Her role is to recommend for the action to be taken (PPA Sect 16 (1 & 2)). They insisted that, Ministry of Finance and Planning recommends to competent authorities to take action to defaulters.

During the interview with officials of MoFP, they provided an example of recommendations made by MoFP to the Managing Director, TRL vide reference No.FA.418/451/02/05 dated 30th May, 2017.

After the analysis by the audit team on the outcomes of the interviews and the review of implementation status report, the conclusion was that this recommendation was not implemented. It is clear that the Ministry of Finance and Planning has failed to explain how it ensures that PPRA takes

appropriate disciplinary actions against agents who violate the stipulated agreements.

Recommendation 20: PPPD (Public Procurement Policy Division) should revisit various government circulars which provide guidance for procurement of works, goods and services with a view to minimize unnecessary costs. These include policies and regulations for fuel, air ticketing, consultancy services and government buildings

According to the Ministry of Finance and Planning (MoFP), the issue of minimizing costs for procurement of goods, works and services is addressed in Sections 65A and 65B of Public Procurement Act of 2011 PCAP 410 and 22A, 22B, 149A and 158 of Public Procurement Regulations of 2013 as amended in 2016.

Meanwhile, MoFP told the audit team that, they issued Treasury Circular No. 1 for Implementation of Government Budget vide CBA.187/580/01 dated 1st July, 2016 (para 3.0 (vi)) which provides for measures to be undertaken by PEs to minimize unnecessary costs. Also, MoFP has issued instructions to PEs on cost reduction measures through Guidelines for the Preparation of Plans and Budget for the Financial Year 2016/17, (page 13 para 28).

The audit team's analysis showed that, the recommendation is not addressed. This is due to the fact that, the recommendation required PPPD (Public Procurement Policy Division) to revisit various government circulars which provide guidance for procurement of works, goods and services with a view to minimize unnecessary costs. The role of the Ministry in revisiting policies and regulations for fuel, air ticketing, consultancy services and government buildings was not evidenced.

Recommendation 21: Payments are made for the works executed according to the specifications upon verification of the claims through re-measurement of the work done prior to approval and certification

The Ministry of Finance and Planning informed the audit team that, they issued a letter with reference No. FB.37/457/01/38 dated 20th July, 2017 to PO-RALG regarding the matter but they did not receive any response.

Also, the Ministry informed the audit team that, they issued a Treasury Circulars No. 1 of 2014/15 and 2016/17" with reference Nos. CBA.187/580/01 dated 1 July, 2014 and CBA.187/580/01 dated 1 July, 2016 respectively for budget implementation. These Treasury Circulars direct PEs to ensure they pay all arrears and also refrain from generating more debts.

Analysis of the above responses do not show how the Ministry ensures payments are made for the works executed according to the specifications upon verification of the claims through re-measurement of the work done prior to approval and certification rather than directing to ensure they pay all arrears and not generating more debts.

Recommendation 22: There is need to enhance the sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions such as PCCB, PPRA and GPSA (e.g. PCCB may use reports from PPRA). This will help enhance oversight in public procurement

MoFP told the team that, there are Efforts underway to enable sharing of information in public procurement at the national level. According to the Ministry of Finance and Planning, the following initiatives have been undertaken so far:

- a) A Memorandum of Understanding (MoU) between the Public Procurement Regulatory Authority (PPRA) and Prevention and Combating Corruption Bureau (PCCB) has been established to curb corruption in procurement processes
- b) Public Procurement Regulatory Authority (PPRA)& Procurement and Supplies Professional and Technician Board (PSPTB) have agreed to identify, through procurement audits, non-professionals who are engaged in public procurement

The identified efforts presented by the Ministry of Finance and Planning are between PPRA and PCCB and PSBT; the recommendation wanted the Ministry to enhance the sharing of information between MDAs with central government institutions. This recommendation is not implemented as the Ministry did not present what they have done so far.

Recommendation 23: To restrict travelling officers from choosing flight options such as routes and carrier (Airline Company) without consideration of costs

The Ministry of Finance and Planning responded that, such restrictions are provided under J.16 - J.18 of the Standing Orders of the Public Service, 3rd Edition, 2009.

The audit team concludes that, the Ministry is running away from its responsibility and so this recommendation is not implemented.

Recommendation 24: Evaluation reports are reviewed to ensure fairness and adherence of the public procurement Act and its Regulations

The Ministry responded that, Section 40 of Public Procurement Act CAP 410 covers the procedures for conducting evaluation process that ensure fairness and adherence to the Public Procurement Act and its Regulations.

According to the Ministry of Finance and Planning, Regulation 131 (4) (c) of Public Procurement Regulations of 2013 as amended in 2016 explains the issue of monitoring and implementation of the framework contracts by instructing Procuring Entities (PEs) to submit to GPSA (the Agency) and PPRA (Authority) monthly report on procurements made through framework agreements.

The Ministry did not produce sampled monthly reports for implemented framework agreements as they informed the audit team that, the reports have been availed through GPSA and Public Procurement Regulatory Authority (PPRA).

The Ministry did not explain how they ensure that evaluation reports are reviewed rather than just mentioning the sections of PPA. The Ministry has not demonstrated the efforts of ensuring GPSA monitors and evaluate implementation framework contracts by the Procuring Entities (PEs) and so this recommendation is not implemented.

Recommendation 25: To ensure claims from air travel service providers are adequately scrutinized prior to authorizing of payments. To facilitate this, the PEs needs to ensure that the travel agents provide all relevant details of the air ticket purchased. These include the air ticket, class of travel, are breakdown and flight itinerary for each travelling officer

The Ministry of Finance and Planning responded that,

- Such a requirement is stipulated under Section 38 of the Public Procurement Act CAP 410. All PEs are obliged to adhere accordingly.
- MoFP issued Treasury Circular No. 1 on the Implementation of Government Budget for the year 2014/15 with reference no. CBA.187/580/01 of 1st July, 2014 (Para 3.0 (xiv)).
- Treasury Circular No. 1 on the Implementation of Government Budget for the year 2016/17 with reference No. CBA.187/580/01 dated 1st July, 2016 (Para 3.0 (ii)) both circulars direct PEs to ensure contractors and service providers are timely paid after verification of arrears.

- Reports on the scrutinized claims from air travel services providers are kept by PEs.

This recommendation is categorized as not implemented as responses do not show how the Ministry ensures claims from air travel service providers are adequately scrutinized prior to authorizing of payments. The recommendation also wanted procuring entities to ensure that the travel agents provide all relevant details of the air ticket purchased including class of travel, are breakdown and flight itinerary for each travelling officer.

Recommendation 26: The Ministry of Finance and Planning should ensure that GPSA Monitors and evaluates implementation framework contracts by the Procuring Entities (PEs)

According to the Ministry of Finance and Planning, Regulation 131 (4) (c) of Public Procurement Regulations of 2013 as amended in 2016 explains the issue of monitoring and implementation of the framework contracts by instructing Procuring Entities (PEs) to submit to GPSA (the Agency) and PPRA (Authority) monthly report on procurements made through framework agreements. The Ministry wanted the team to ask for the monthly reports from GPSA as monthly reports are kept by GPSA and not the Ministry of Finance and Planning.

The Ministry did not explain how they ensure that GPSA monitors and evaluates implementation framework contract by procuring entities rather than reminding GPSA to comply with regulations and so this recommendation is categorised as not implemented.

Recommendation 27: To select more service providers to foster competition that can bring best prices from airline agents through call-off orders to avoid monopoly

The recommendation wanted the Ministry of Finance and Planning having the overall responsibility of overseeing procurement issues in the country, to direct all the PEs to select more service providers to foster competition that can bring best prices from airline agents through call-off orders to avoid monopoly. The Ministry responded as follows:

- Regulation 131(7) of the Public Procurement Regulation 2013 as amended in 2016, allows GPSA to provide opportunities to new tenderers to participate in tendering process for commonly used items,
- MoFP issued the Treasury Circulars No. 1 on the Implementation of the Government Budgets for the years 2014/15 and 2016/17 with reference Nos. CBA.187/580/01 and No. CBA.187/580/01 respectively insisting PEs to comply with the Public Procurement

Act when conducting procurement activities in order to achieve value for money, and

- Reports on the newly advertised tenders are kept by GPSA.

The audit team thinks that, insisting PEs to comply with the Public Procurement Act is not enough as the questions remains what if they do not comply? The role of the Ministry as overall overseer of procurement activities is still missing.

(i) Recommendations that were Partially Implemented

The audit team noted that there were five recommendations that were partially implemented. These recommendations are:

Recommendation 1: Strict disciplinary actions are taken to members of evaluation teams who engage in malpractice during the evaluation process

Section 104 of PPA CAP 410 addresses offences against Public Officers who engage in malpractices that involve evaluation process as well. Members of evaluation committees are compelled to fill covenant forms for the declaration of conflict of interest purposes.

The interviews held with officials from the Ministry of Finance and Planning revealed that Public Procurement Regulatory Authority (PPRA) and Prevention and Combating Corruption Bureau (PCCB) have agreed on a Memorandum of Understanding (MoU) on measures to curb malpractices in tendering process including evaluation processes.

But, so far there is no evidence to indicate that members of evaluation teams/committees who have been alleged to be engaged in malpractices during the evaluation process have been scrutinized or have received any disciplinary actions after their allegations have been confirmed beyond reasonable doubt.

Recommendation 2: To give clear instructions to travel agents to ensure that they choose the most economical travel options available at the time of booking

Responding to this particular recommendation, the Ministry of Finance and Planning cited Regulation 131(5) of the Public Procurement Regulations of 2013 as amended 2016 as the one which provides such instructions.

The Ministry of Finance and Planning also explained that, they have issued instructions to Procuring Entities (PEs) through Treasury Circular No. 1 on the Implementation of Government Budget for the year 2014/15 with reference No. CBA.187/580/01 dated 01 July, 2014 (para 3.0 (vii)) and

Treasury Circular No. 1 on the Implementation of Government Budget for the year 2016/17 with reference No. CBA.187/580/01 dated 1 July 2016 (para 3.0 (viii)) which directed PEs to adhere to the Public Procurement Act Cap 410 when conducting procurement activities in order to achieve value for money of the set objectives.

The Ministry of Finance and Planning, despite the fact that it has issued those Treasury Circulars, could not ascertain the extent of the implementation level of the Procuring Entities (PEs) as an oversight body regarding the need to choose the most economical options when travelling by air.

Recommendation 3: The Paymaster General should ensure that PPPD sufficiently execute a coordinating role and provide due guidance to Procuring Entities in order to adequately protect government interests

The Ministry of Finance and Planning had a plan to provide guidance to procuring entities on procurement issues in their planned actions when the recommendations were issued.

Responding on what they have done so far to implement this issued recommendation, the Ministry of Finance and Planning informed the audit team that, it has issued Circular No. CBA.187/580/01 dated 01st July, 2014 which directs the Accounting Officers to minimize their expenditure and avoid unnecessary expenditure. Further to that, Treasury Circular No.1 of 2016/17 (CBA.187/580/01 of 1 July, 2016) instructs PEs to comply with the Public Procurement Act CAP 410 and its regulations so as to avoid unnecessary costs incurred through procurement processes.

Also the Ministry of Finance and Planning issued a letter to the procuring entities with Reference No. CAD.260/318/02/A/10 dated 25th April, 2014 regarding bulk procurement for motor vehicles in public sector.

Review of those Circulars showed that, directing Accounting Officers to minimize their expenditure and telling them to comply with the Public Procurement Act, is not enough as it is still at a very high level which cannot be implemented adequately. PPPD should guide the procuring entities and execute the coordinating role adequately and demonstrate how they are protecting the government interests.

Recommendation 4: PPPD should consider use of direct negotiations with suppliers and service providers (covering reduced prices and better terms such as improved service for the same price)

The Procedures for negotiation with bidders on reduction of price are addressed in Section 76 of Public Procurement Act CAP 410 and

Regulations 225 (g) of Public Procurement Regulation 2013 and its amendment of 2016.

MoFP told the team that, the Public Procurement Regulatory Authority (PPRA) has issued negotiations procedural forms (No. 12, 13, 14A & 15) to guide negotiation processes and that, the Compliance with the very procedure is ascertained through procurement audits done by the Public Procurement Regulatory Authority (PPRA).

There was no document available at the Ministry to verify the said information.

Recommendation 5: The government should harmonize the laws to enable PPPD to oversee procurement activities at all levels of government, i.e. Central Government and Local Government

The Ministry of Finance and Planning's officials informed the audit team that, on 1st November 2013, they wrote a letter with reference No. FB.440/375/01/27 to the Permanent Secretary PO-RALG proposing to formulate a committee of Procurement professionals involving: the Ministry of Finance and Planning, President's Office - Public Services Management (PO-PSM and President's Office - Regional Administration and Local Government (PO-RALG). They are still working on the issue.

The roles of the Committee were to go through recommendations of Procurement Officers from Procurement entities and advice on the way forward. Also they were supposed to identify shortcomings in the Procurement activities at central government and Local governments.

The audit team was informed that, committee went through different reports such as audit reports and meeting minutes and the report was submitted showing with so many recommendations that required the acceptance of PO-RALG. The recommendations were submitted together with responses for the auditors to review.

The Ministry of Finance and Planning submitted a letter with reference number FB.348/457/01/126 dated 21st March, 2016 to PO-RALG requiring them to accept the recommendations of the committee and the reminder on 25th May 2016.

PO-RALG responded with a letter with Ref. No. CBC.317/402/01/27 dated 4th July, 2016 that, the recommendations were good and directing that, during the implementation the Local government Act No.7 and No.8 of 2002 should be considered, especially on issues of Decentralization by Devolution (D by D). Further to that PO-RALG invited the Ministry of Finance and Planning for discussions, however such discussions were not conducted.

This makes the recommendation to be identified as partially implemented.

(ii) Recommendations that were Overtaken by Event

The audit team noted that there were four recommendations which were overtaken by events. These recommendations were:

Recommendation 1: GPSA prepares the price thresholds that the reflective of the situation on the ground for common used items and services based on adequate market survey

Following changes in the Public Procurement Act No. 7 of 2011 and its amendments of 2016 in conjunction with the Public Procurement Regulations of 2013; there is no setting of the prices by Government Procurement Services Agency (GPSA) and instead the prevailing market prices are used in identifying a competitive supplier.

The procuring entities are required to conduct a mini competition among suppliers within the valid framework contracts, and thereafter a compliant supplier is awarded an order to supply.

Recommendation 2: GPSA puts provision in the framework agreements that will deter agents from choosing unnecessarily expensive options in air tickets

The review of implementation status showed that, the government issued a directive in the year 2016/17 to suspend with immediate effect the purchase of air tickets from airline's agents and instead purchase be made straight from the airline, in line with the decision of the government, the Agency decided to suspend the inclusion of such tenders whose services were obtained through framework contracts with immediate effect.

Following decision to abolish framework agreement on air ticketing services, this recommendation has been overtaken by events.

Recommendation 3: To ensure that the service fees charged by the airline agents for air tickets are in line with the agreed rates under the framework agreement

The review of implementation status showed that, the government issued a directive in the year 2016/17 to suspend with immediate effect the purchase of air tickets from airline's agents and instead purchase be made straight from the airline, in line with the decision of the government, the Agency decided to suspend the inclusion of such tenders whose services were obtained through framework contracts with immediate effect.

Following decision to abolish framework agreement on air ticketing services, this recommendation has been overtaken by events.

Recommendation 4: GPSA Prepares Frameworks Contracts which have clauses that compel the airline agents to choose lower prices whenever possible and put sanctions for non-adherence to such clauses

The Government Procurement Services Agency (GPSA) is no longer preparing Framework Contracts for Air ticketing services. The issue has been left to the discretion of Procuring Entities (PEs) to use airline or agents basing on competitive market prices in order to cut down costs.

Following government directives in the year 2016/17 to suspend with immediate effect the purchase of air tickets from airline's agents and instead purchase be made straight from the airline, in line with the decision of the government, the Agency decided to suspend the inclusion of such tenders whose services were obtained through framework contracts with immediate effect.

This makes the recommendation to be overtaken by event.

2.7 Specific Conclusion

Based on the analysis of the implementation status of the previously issued recommendations, analysis of interviews conducted and analysis of submitted documents for verification from GPSA, PPRA and MoFP, it can be concluded that, the Ministry of Finance and Planning did not take adequate efforts in implementing the issued recommendations. This is due to the fact, that, the responses of the recommendations did not show/ demonstrate their efforts of what they have done to implement the recommendation. Generally, they took the recommendation as other institutions' responsibility despite accepting the issued recommendations during the audit as well as during the exit meeting.

It is therefore concluded that, the Paymaster General did not sufficiently execute a coordinating role of providing due guidance to Procurement Entities on issues related to procurement so as to adequately protect government interests.

2.8 Specific Recommendations

2.8. 1. Recommendations to the Ministry of Finance and Planning

The Ministry of Finance and Planning has 27 recommendations which are not implemented and 5 recommendations which are partially implemented. The Ministry of Finance and Planning has to ensure that recommendations that were not implemented and those which were partially implemented are given high priority and are fully implemented.

Therefore, MoFP should ensure that the following recommendations are implemented:

1. Ensure that, procuring entities prepare their annual budgets and procurement plans based on adequately researched information regarding prices and other key factors that influence fluctuations in air travel ticketing. Planning and Budgeting for Construction of Public Buildings;
2. In collaboration with PO-RALG should facilitate the LGAs to ensure proper planning, designing and accurate estimation of quantities of items (Bills of Materials (BOMs)) and their associated costs for all their construction projects to avoid additional costs resulting from over or underestimation of requirements;
3. LGAs select methods of procurement which encourage sufficient contractors who can perform satisfactory work at economical prices;
4. Tender evaluation process in LGAs is handled by professionals so as to obtain the right contractors;
5. Call-off orders are used as required by the framework agreements. This will help to keep the records of every travel service provided. This subsequently will help the Procuring Entities (PEs) and GPSA to ascertain the actual unit costs for every travel;
6. To use implanted air fares/ticketing experts to advise on the appropriate reasonable air fares accordingly and itinerary planning to monitor and advise on the travel arrangements as need may be;
7. Effective supervision of works by LGAs Engineers at each stage of construction, in order to avoid unsatisfactory quality works which are likely to increase the repair and maintenance costs;
8. Strict professional and disciplinary actions should be taken for Engineers and Quantity Surveyors who authorize payments for unimplemented activities;
9. Liaison with National Construction Council in preparing unit rates for the construction industry, which can assist the LGAs Engineers' Offices to make realistic estimates to guide planning and deciding during awards of contracts;
10. The Ministry of Finance and Planning, in collaboration with PO-RALG should ensure that there is Proper coordination with sector ministries when implementing construction projects in LGAs in each

project phase, so as to harmonize matters of concern pertaining to estimation, tendering, implementation, monitoring and control;

11. The Ministry of Finance in collaboration with Tanzania Civil Aviation Authority (TCAA) should ensure that TCAA plans and implements monitoring activities with a view to regulate the actions of actors in air transportation especially the airline agents in order to protect the interest of public;
12. The government needs to strengthen capacity of governance institutions such as PCCB and PPRA in carrying out investigations focusing on corruption in public procurement;
13. Recommendation:
 - a. The PCCB should consider conducting more investigations related to procurement issues.
 - b. The PCCB should consider conducting risk profiling of PEs regarding potential malpractices in procurement. This can be done through collection of public procurement data in a manner that is explicitly driven by the objective to prevent, detect and investigate corruption in public procurement.
14. The government needs to explore the possibility of automating public procurement system through implementation of Integrated procurement Management System (IPMS) with a view to becoming more transparent, reduce procurement cycle time, reduce administrative costs and improve service delivery;
15. The PPPD should develop and implement at National level more and better monitoring, detection, analysis, and reporting technology to fight fraud and corruption, and make these available to MDAs and LGAs;
16. Strict disciplinary actions are taken to members of evaluation teams who engage in malpractice during the evaluation process;
17. Works are advertised when Procuring Entities (PEs) are sure of the flow of funds and payments should be made to contractors on time as stated in contracts;
18. Evaluation reports are reviewed to ensure fairness and adherence of the public procurement Act and its Regulations;
19. Booking is done early enough to be able to take advantage of the low priced option and avoid unnecessary flexibility in tickets;

20. To give clear instructions to travel agents to ensure that they choose the most economical travel options available at the time of booking;
21. To restrict travelling officers from choosing flight options such as routes and carrier (Airline Company) without consideration of costs;
22. To ensure claims from air travel service providers are adequately scrutinized prior to authorizing of payments. To facilitate this, the PEs need to ensure that the travel agents provide all relevant details of the air ticket purchased. These include the air ticket, class of travel, fare breakdown and flight itinerary for each travelling officer;
23. To select more service providers to foster competition that can bring best prices from airline agents through call-off orders to avoid monopoly;
24. GPSA monitors and evaluates implementation framework contracts by the Procuring Entities (PEs);
25. The Ministry of Finance and Planning should ensure that PPRA takes appropriate disciplinary actions against agents who violate the stipulated agreements;
26. PPPD (Public Procurement Policy Division) should revisit various government circulars which provide guidance for procurement of works, goods and services with a view to minimize unnecessary costs. These include policies and regulations for fuel, air ticketing, consultancy services and government buildings;
27. The Paymaster General should ensure that PPPD sufficiently executes a coordinating role and provides due guidance to Procuring Entities in order to adequately protect government interests;
28. PPPD should consider use of direct negotiations with suppliers and service providers (covering reduced prices and better terms such as improved service for the same price);
29. There is a need to enhance the sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions such as PCCB, PPRA and GPSA (e.g. PCCB may use reports from PPRA). This will help enhance oversight in public procurement;

30. The government should harmonize the laws to enable PPPD to oversee procurement activities at all levels of government, i.e. Central Government and Local Government;
31. The Ministry of Finance and Planning should ensure that arithmetic checks are done carefully, in order to avoid errors; and
32. The Ministry of Finance and Planning should ensure that payments are made for the works executed according to the specifications upon verification of the claims through re-measurement of the work done prior to approval and certification.

2.8.2. Recommendations to PPRA

Public Procurement Regulatory Authority (PPRA) has 2 recommendations which are partially implemented. Therefore, it is recommended that the PPRA should put more efforts to ensure the outstanding recommendations are implemented. PPRA should ensure the following recommendations are fully implemented:

1. In collaboration with PCCB should strengthen their capacity to carry out investigations focusing on corruption in public procurement
2. Enhancing the sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions such as PCCB, PPRA and GPSA

2.8.3. Recommendations to GPSA

Government Procurement Services Agency (GPSA) has 2 recommendations which are partially implemented and 1 recommendation which is not implemented at all. Therefore, it is recommended that Government Procurement Services Agency (GPSA) should put more efforts to ensure the outstanding recommendations are implemented. GPSA should ensure the following recommendations are fully implemented:

1. GPSA should identify critical items that cost the Government heavily and establish a mechanism for monitoring them, e.g. Procurement of Air tickets
2. GPSA to monitor and evaluate implementation framework contracts by the Procuring Entities (PEs)
3. Enhancing sharing of information and intelligence on public procurement at national level, between MDAs and with central governance institutions.

CHAPTER THREE

PERFORMANCE AUDIT REPORT ON THE MANAGEMENT OF WILDLIFE IN GAME RESERVE AND GAME CONTROLLED AREAS

3.1 Background to the Audit

The Performance Audit Report on the Management of Wildlife in Game Reserve and Game Controlled Areas was tabled to the Parliament of the United Republic of Tanzania in April, 2014. The main audited entity was the Ministry of Natural Resources and Tourism (MNRT).

The overall objective of the audit was to determine whether the Ministry of Natural Resources and Tourism (MNRT) appropriately manages and monitors wildlife hunting activities and revenue generated in Game Reserves and Game Controlled Areas.

Specifically, the audit aimed at examining: the extent to which the wildlife hunting regulation is enforced by responsible authorities; efficiency of the Ministry in monitoring wildlife hunting in game reserves and game controlled areas; and Management of the collected revenues and allocation of the collected funds to the required Local Government Authorities (LGAs) by the Ministry of Natural Resources and Tourism.

The following were the major findings of the audit:

- a) The Ministry of Natural Resources and Tourism had never carried-out a formal analysis to identify and map areas which are prone to risk of poaching. Elephant killings for tusks have been the only indicator to point out poaching in game reserves. 721 elephants are reported to have been killed by poachers in five game reserves from 2009 to 2012. However, due to lack of reliable data, total figure of killed elephants is estimated to far exceed the figures presented above;
- b) Patrols are not regularly conducted during the rainy season, despite consistent poaching events. Surveillance coverage was 37% and 47% in 2010/11 and 2011/12 respectively. This is far below the set target of 60% coverage.
- c) There was shortage of staff and equipment in all visited game reserves and game controlled areas which impair the performance efficiency for anti-poaching activities;
- d) 2 out of 11 identified stakeholders are not actively involved by the Ministry in controlling poaching at the ports of exists. Processing informers' payments from the head office takes longtime. Similarly, 60% of culprits in Moyowosi-Kigosi were fined up to TZS. 50,000, which is far below the prescribed amount in the Wildlife Conservation Act of 2009.

- e) Annual assessment of hunting companies was based on 40% utilization of quota and omitted other performance measures. Also, there were incidences of non-compliance with the trophy criteria set. There were no actions taken to non-compliance or substandard trophies. 49% of the 108 hunting permit forms were not filled at all to indicate the habitat or ecology where the animals were hunted. A total of 366 wild animals in 2009 and 2011 were killed without quota allocation;
- f) There was no in depth analysis done at the third year of the hunting term based on set criteria. None of the hunting companies submitted annual contribution of USD 5,000 during the interim period. During 2009-2011 hunting season there was neither data related to problem animals nor elephant tusks¹;
- g) Revenues estimation was based on previous performance. There was no scientific assessment to be used as a basis for estimation. On the other hand, 36 companies did not pay the government bills for photographic tourism on time. Consequently the Ministry lost a total amount of USD 1.7 million which is equivalent to TZS. 2.7 billion as at 11/12/2012;
- h) There were no Local Government Authority which presented reports to the Ministry of Natural Resources and Tourism about expenditure of the use of 40% of the 25% funds received from the Ministry of Natural Resources and Tourism. Three LGAs namely, Longido, Simanjiro and Loliondo were allocated less than 27% of the funds instead of 40%.

3.2 The Main Results of the Follow-up on the Implementation of Recommendations

The National Audit Office carried out a follow-up on the implementation of the issued recommendations to the Ministry of Natural Resources and Tourism. The follow up aimed at examining if there was any improvement on managing and monitoring of wildlife hunting activities and revenue generated in the Game Reserves and Game Controlled Areas; and see if there was a need to issue new recommendations.

Therefore, this section presents implementation status of the issued recommendations. Implementation status has been categorized into three categories namely, recommendations that were fully implemented, partially implemented and those that were not implemented at all by the Ministry of Natural Resources and Tourism.

Full implementation was rated when an audited entity has implemented a recommendation to the fullest as required by the audit report, whereas partial implementation was rated when an audited entity had to some

¹ Problem animals refers those animals invade and/or destroy home settlement or farms

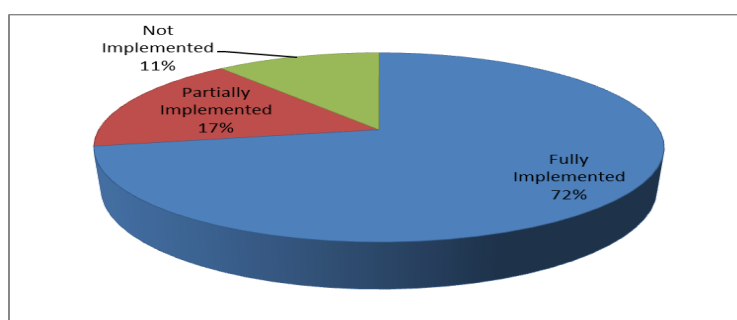
extent implemented a recommendation as required by the audit report. When an audited entity did not implement a recommendation as required by the audit report, it was rated not-implemented

Overall Findings of the Follow-up on Implementation of Audit Recommendations

In general, there were 18 recommendations that were issued to the Ministry of Natural Resources and Tourism. Based on the evidence submitted and interviews conducted with the officials from the Ministry of Natural Resources and Tourism, the audit team noted that, 13 out of 18 recommendations (equivalent to 72 percent) were fully implemented, 3 out of 18 (equivalent to 17 percent) were partially implemented.

Meanwhile, 2 out of 18 recommendations (equivalent to 11 percent) were not implemented at all. Figure 3.1 shows the implementation status.

Figure 3.1: Overall Implementation of the Issued Audit Recommendations by Ministry of Natural Resources and Tourism as of March, 2018



Source: Auditors' analysis (2018)

Figure 3.1 shows that the Ministry of Natural Resources and Tourism has satisfactorily implemented issued recommendations since 72 percent of the issued recommendations were fully implemented.

Table 3.1: Overall Implementation of the Issued Recommendations

Total Number of Issued Recommendations	Implementation Status			
	Fully Implemented	Partially Implemented		Not Implemented
		Satisfactory	Not Satisfactory	
18	13	0	3	2

Source: Auditors' Analysis from the interviews and reviewed documents (2018)

As indicated in Table 3.1, the Ministry of Natural Resources and Tourism has fully implemented 13 out of 18 recommendations at satisfactory level. 3 were partially implemented but unsatisfactory and 2 were not implemented at all.

Further analysis of the issued recommendations that were not implemented per each cluster or category was made as shown in Table 3.2.

Table 3:2 Number of Recommendations Not Implemented Per Category

Category of the Recommendation	Total Number of Issued Recommendation	Number of Recommendation Not Implemented
Planning	1	1
Revenue	5	1
Monitoring and Evaluation	5	0
Enforcement	6	0
Coordination	1	0
Total	18	2

Source: Auditors' Analysis from the interviews and reviewed documents (2018)

Table 3.2 shows that two recommendations have not been implemented to-date. These recommendations are falling under the categories of planning and revenue collection and management.

Recommendations that were not Implemented

Two recommendations which were not implemented at all by the Ministry of Natural Resources and Tourism are:

Recommendation 17: Timely enquiry from LGAs with wildlife resources to account for resources used in intervention activities conducted to protect wildlife resources within their jurisdictions

The Ministry of Natural Resources and Tourism failed to timely enquire from Local Government Authorities with wildlife resources in their jurisdictions in order to account for the used resources during the intervention of activities conducted to protect wildlife resources within their jurisdictions.

Interviews held with officials from the Ministry of Natural Resources and Tourism revealed that, there is no follow-ups conducted by the Ministry to Local Government Authorities to account on how they use the money disbursed by the Ministry of Natural Resources and Tourism to facilitate implementation of wildlife activities. Moreover, it was revealed that, most

of Local Government Authorities are not using the funds for the intended purpose of protecting wildlife in their areas of jurisdiction, instead the funds are used to facilitate other Local Government Authorities activities which are not associated with wildlife management in their areas.

It was established that, this is highly associated with administrative gap since Wildlife Officials working in Local Government Authorities are accountable to the President's Office - Regional Administrative and Local Government (PO-RALG) and not to the Ministry of Natural Resources and Tourism whereby all technical issues that relate with wildlife management are administered from.

Furthermore, it was noted that, the Ministry is still at the initial stages of developing benefit sharing model that will ensure financial resources disbursed to LGAs are used and accounted for according to the intended objectives.

Recommendation 18: The Ministry of Natural Resources and Tourism should ensure that there is collaboration with PO RALG to ensure that LGAs use the resources allocated for protective activities as directed.

The Ministry of Natural Resources and Tourism has not implemented this recommendation at all because there is no established collaboration with PO-RALG regarding the disbursement of collected revenue to LGAs that would be used for protecting wildlife in their jurisdictions.

Based on the evidences submitted and interviews held with officials from the Ministry of Natural Resources and Tourism, the audit team noted that on 2004 the Ministry issued a directive through a letter with reference Number GD/R20/16/51 of 27th April, 2004 to LGAs that provides guidance on the distribution of funds.

It was directed that 60 percent of the collected revenues was supposed to be used for community development activities and 40 percent to be used by the LGAs to support conservation activities. The implementation of this directive is not sufficient because LGAs are still using the money for implementing other activities that are not directly related to the wildlife management

However, it was noted that, delivering of this recommendation was not proper because the Ministry of Natural Resources and Tourism issued a directive through a letter with reference Number GD/R20/16/51 of 27th April, 2004 to LGAs without involving PO-RALG. LGAs are reporting and accountable to PO-RALG. This created a challenge in implementing this directive among LGAs since LGAs are expected to receive these directives from PO-RALG and hence the implementation of the directive to-date is not satisfactory.

(i) **Recommendations that were Partially Implemented**

The Audit team noted that there were 2 out of 18 recommendations that were partially implemented. These 2 recommendations were partially implemented at unsatisfactory level.

These recommendations were:

Recommendation 1: Risk analysis is carried out to enable realistic setting of target and allocation of resources

The Ministry of Natural Resources and Tourism has partially implemented this recommendation, but the level of implementation is unsatisfactory because the risk analysis to enable realistic setting of target and allocation of resources has not been carried-out to date.

Review of the evidences submitted by the Ministry and the interviews conducted with Ministry's officials, showed that, the overall Risk Management Framework for the Ministry have been developed in April, 2016. Also, in October, 2016, the Ministry of Natural Resources and Tourism provided training to senior officials of the Ministry on risk management, and during the training the participants were able to review the current risk register with a view of improving it. However, there is no specific risk analysis that is carried-out to enable realistic setting of target and allocation of resources on anti-poaching activities.

Recommendation 4: Analysis of key stakeholders is carried out and actively involve them in combating poaching and fighting export of illegal trophies

The Audit team noted that, the Ministry of Natural Resources and Tourism has partially implemented this recommendation. The implementation level was not satisfactory because there was no sufficiently established level on how stakeholders would be actively involved in combating poaching and fighting export of illegal trophies.

Further review of the submitted evidences and interviews held with officials from the Ministry of Natural Resources and Tourism, the audit team noted that, stakeholders such as Director of Criminal Investigation, Director of Public Prosecution, immigration, Tanzania Intelligence Security Services, Tanzania Peoples Defence Forces, PCCB, Prisons etc. were identified and provided with five level of advocacy on anti -poaching operations. These stakeholders were also stated in the Memorandum of Understanding for involving stakeholders in anti- poaching activities.

The audit team was able to come across with involvement of some stakeholders in the National Task Force on Serious and Trans- National Organized Crimes.

But, to what level these stakeholders were involved or were implementing anti-poaching activities, was not clearly established.

Recommendation 16: Distribution of funds is governed by the appropriate model that considers workload and risks

Despite of this recommendation to fall under short term recommendation which was supposed to be fully implemented in less than 6 months, the implementation level is not satisfactory as it is still partially implemented.

Evidences submitted and the interviews conducted with Ministry's officials showed that, distribution of funds collected from photographic tourism in Game Reserves, Game Controlled Areas, Open Areas and Wildlife Management Areas is guided by Wildlife Conservation (non - consumptive wildlife utilization) Regulations of 2016.

Also, revenues generated from trophy hunting in Wildlife management Areas is guided by the Wildlife conservation (Wildlife Management Areas) Regulation of 2012. This regulation was in use when this audit was conducted; currently it is under review to improve benefit sharing.

Moreover, Wildlife Conservation Act. No. 5 of 2009 and directives from the Ministry are used to distribute revenue generated from trophy hunting in Game Reserve, Game Controlled Areas and Open Areas to various beneficiaries (LGAs, Community Based Organizations and Villages), this Act also was in use when Audit Office conducted this audit and requirements of this recommendation were not implemented.

On top of that, Tanzania Wildlife Management Authority (TAWA) has developed a Financial Accounting Procedures Manual and is currently finalizing a five year Strategic Plan which among others will set standards for the disbursement of funds for effective management of natural resources.

It was noted by the audit team that, despite all the above mentioned guidelines, Regulations and Act, still disbursement of fund does not consider workload and risk regarding poaching activities in the country. This is because as stated above, there are no set standards for the disbursement of funds for effective management of natural resources.

(ii) Recommendations that were fully implemented

It was noted that, there were 13 out of 18 recommendations that were fully implemented. These recommendations are provided as follows:

Recommendation 2: MNRT should ensure that appropriate strategies are set to fight against poaching during rainy seasons

Review of the implementation status submitted to NAOT showed that the Ministry of Natural Resources and Tourism in collaboration with stakeholders has developed National Anti-poaching Strategy to Combat Poaching and Illegal Wildlife Trade which puts more emphasis on:

- a) Application of all-terrain vehicles in conducting patrols;
- b) Use of modern technology such as drones and light aircrafts for surveillance in protected areas;
- c) Improvement of infrastructures such as roads, bridges and airstrips;
- d) Use of speed boats such as fibre boats, etc; and
- e) Conducting intelligence led anti-operations.

Through the interviews conducted with the Ministry's officials, the audit team noted that establishment of these strategies contributed in reducing poaching activities even during rainy season.

Audit team reviewed Operation Tokomeza's Report and noted that, before Operation Tokomeza i.e from 2010 -2013 there were 3,789 pcs (equivalent to 12,193.68 Kgs) of tusk/ivory that were caught/trapped by MNRT. This is higher compared to tusk/ivory 1,596 pcs (equivalent to 4,423.16 Kgs) that were caught in 2014 -2017 after Operation Tokomeza.

Also, before Operation Tokomeza 4,576 suspects were caught, this number is smaller compared to 5,752 suspects, who were caught from January, 2014 to May, 2017.

Moreover, it was reported that, the number of killed elephants have been reduced from 153 to 83 for period of 2014 to May, 2017, and number of elephant in Selous (Mikumi) have been increased from 13,084 in 2013 to 15,217 in 2014.

The above statistics showed improvements in anti- poaching activities resulted from mentioned strategies that facilitated patrol throughout the year even during rainy season.

Recommendation 3: Necessary equipment is available and properly maintained in game reserves and in anti-poaching zones.

The Ministry of Natural Resources and Tourism has satisfactorily implemented this recommendation, the audit team reviewed submitted evidence and interviewed officials from the Ministry and noted that, there are various necessary equipment that the Ministry of Natural Resources

and Tourism purchased either through government budget or development partners that facilitated anti-poaching activities.

For example, in June, 2014 a total of 46 four-wheel vehicles were acquired for anti-poaching activities. Out of 46, 11 were donated by Frankfurt Zoological Society, 3 by Wildlife Conservation Foundation, 14 purchased by Wildlife Division, 15 by Tanzania National Parks and 3 by Ngorongoro Conservation Area Authority. Also, one helicopter was donated by Howard Buffet Foundation and 500 new automatic firearms purchased.

On 19th January 2016, five (5) four wheel drive vehicles were acquired by the Wildlife Division for anti-poaching operations in Game Reserves. Moreover, on 15th February, 2016 and 31st March, 2016, the Federal Republic of Germany handed over two Husky aircrafts to Tanzania National Parks and Tanzania Wildlife Management Authority (TAWA) respectively. The Huskies are used to monitor two of Tanzania's elephant hotspots, Selous Game Reserve and Serengeti National Park.

Also, TAWA acquired field equipment donated by Frankfurt Zoological Society (FZS), World Wide Fund for Nature (WWF) and United State Agency for International Development (USAID). The equipment donated includes 13 four wheel-drive vehicles for normal patrol and Rapid Response Teams, 2 tractors, 8 drones and 120 GPS.

It was further noted that, these equipments are still working and are maintained in game reserve and anti-pouching zones. Interviewed officials reported that, despite of having all these necessary equipment sometimes there are challenges for maintaining them due to budget constraints.

Recommendation 5. They collaborate with the Judiciary to ensure that the penalties given by magistrates are high enough to bring about the intended deterrent effect

Efforts have been taken that show how the Ministry of Natural Resources and Tourism is collaborating with the judiciary in handling cases that are related with poaching and illegal hunting activities and ensure penalties given by magistrates bring intended deterrent effect.

These efforts are:

- a) Formation of environmental crimes desks in the Judiciary;
- b) Conducting of awareness workshops that involve judiciary, law enforcers, investigators and prosecutors. So far three workshops have been held in Dar es Salaam, Bagamoyo and Arusha; and
- c) Formation of a commission by the Directorates of Public Prosecution and Criminal Investigation on the 31st June 2014 tasked to go through all wildlife cases.

There are many cases that have been taken to court and Director of Public Prosecution (DPP) has been charged to go through all wildlife cases. For example, from 2014 to 2017 there were 177 cases taken to court, judgements were made to 135 and 42 are still in progress.

Recommendation 6: Game scouts posts are strategically placed in areas of high animal concentrations to facilitate vigilance and action when necessary

MNRT has fully implemented this recommendation by establishing game posts in strategic areas for anti-poaching.

Evidences submitted and interviews conducted with the Ministry's officials revealed that, between December 2013 and May 2017 the Ministry through Tanzania Wildlife Management Authority built five (5) Game Posts in the identified strategic areas for anti-poaching and ecological monitoring. Those strategic areas include: Mtambaswala in Lukwika, Iponya in Kigosi, Ikorongo, Nangurukuru in Kilwa and Mwambesi in Songea. Those Game Scout Posts are facilitated with frequent patrols conducted by using airplane and vehicles.

It was further explained that, to fight poaching activities, Game Scout Posts are not enough by itself, this is because poaching activities is not only done in potential areas i.e. areas with high concentration of animals. This is why there are five levels of poaching, hence to deal with all five levels, the Ministry established Intelligence Lead Operations to fight against poaching and illegal killings of wild animals. This is implemented in nine (9) ecological zones for the whole country.

However, it was not clear to what extent the established five game scouts post facilitate vigilance and action when necessary. This is because there were no statistics prepared by the Ministry on how many game scouts posts are required versus the ones which are available at the moment.

Recommendation 7: Trophy and habitat quality assessment is carried out

Review of the evidences submitted by the Ministry showed that, the Ministry of Natural Resources and Tourism conducts assessment of quality of trophy harvested and habitat on annual basis. Findings from this assessment are used for setting hunting quarter, planning, and ecological monitoring.

Furthermore, through the interviews conducted with the Ministry's officials revealed that, the Ministry is conducting this assessment through

Tanzania Wildlife Research Institute (TAWIRI). The Ministry is also facilitating the budget of the Tanzania Wildlife Research Institute to accomplish this task

Recommendation 8: Annual payment by hunting companies of USD 5,000 is reviewed to save the intended purpose

This recommendation has been fully implemented because the Ministry has already reviewed the modality for payment of USD 5,000 as recommended. Evidences submitted by the Ministry showed that, since 2014's hunting season, the Ministry has directed all hunting companies to pay directly to communities a minimum of USD 5,000 per year as corporate social responsibility.

Also, during renew of the hunting license, one of the criteria used is to assess whether the hunting companies have made the total payment of USD 5,000 to the community. Moreover, companies have to send reports on how they have implemented this requirement of paying USD 5000.

It was further noted that, direct payments and other supports rendered to communities by hunting companies have increased the level of acceptance of hunting to communities and create conducive environment for hunting companies to operate.

Recommendation 9: Proper management of hunting and anti-poaching data collected, and should be properly documented, analyzed and used in planning and decision making

The Ministry has established two systems for proper management of hunting and anti-poaching data; one was established in 2013 and second one was established in 2015. This implies that, the Ministry has fully implemented this particular recommendation.

Review of the implementation status submitted to NAOT showed that, Tourist Hunting Revenue Collection system was operationalized in 2013, and it has dual purposes namely, revenue collection and management of hunting data. This system enhanced the management of hunting data, planning and decision making; and hence improvements in the hunting industry.

With regard to anti-poaching data, the Ministry has established a system for collecting information from out-stations on daily, weekly, monthly and quarterly basis. Information such as number and type of killed animals was

filled. The information collected is documented through a Form called Monitoring of Illegal Killing of Elephants (MIKE).

The Ministry is also using Software called Semantica to make follow-up of wildlife in game reserve and game controlled areas.

Moreover, it was established that, the collected information were analyzed, interpreted and used for planning and decision making on issues regarding the protection of wildlife resources.

Recommendation 10: Development and use of a datasheet/form to be filled by game warden/officers and village scouts, who accompany hunting clients

Based on the evidences submitted by the Ministry and interviews held with the Ministry's Officials, the audit team noted that, there is Register Books in place for registering animals killed and trophy. These register books are issued per hunting block. Game scouts/wardens/Officers use them to properly fill-in all necessary information such as animal killed, wounded, trophy size and animal species during hunting.

Moreover, TAWA has introduced a new system called Trophy Hunting Revenue Collection System of collecting information for the purpose of improving trophy hunting data collection.

Recommendation 11: Proper coordination of the stakeholders' contribution to anti poaching and their contributions to community development

The Audit team noted that, the Ministry wanted to establish the basket fund that would facilitate and enhance coordination of all stakeholders in this area and that basket fund would involve the contributions of those stakeholders. The fund was originally planned to be under supervision of UNDP. But, the implementation of this fund has been delayed due to the fact that UNDP's criteria for managing basket fund were not acceptable to the Ministry and government as a whole.

Currently, stakeholder's contributions are managed through Tanzania Wildlife Protection Fund of 1978 under the Ministry of Natural Resources and Tourism (MNRT).

Interviews held with officials responsible for managing the fund showed that, for proper coordination of stakeholder's contributions, some stakeholders are sending detailed analysis to explain how fund should be

managed when submitting their contributions, and some do not provide any directive on how the funds should be used. Some stakeholders are submitting their contributions direct to the community but the Ministry is notified in advance.

Recommendation 12: Game officers/wardens/scouts are trained to properly fill the permit

It was noted that game reserve managers are usually reminding game scouts, officers and wardens on proper filling of the permit as well as their responsibilities when assigning them to supervise hunting safari.

Also, Tanzania Wildlife Management Authority has a tailored-made program for new scouts and heads of stations, this program is budgeted and delivered every year before the commencement of the hunting season. It was further noted that, the content of the program covers; tourist hunting regulations and procedures for effective supervision of hunting safaris.

Recommendation 13: Assessment on revenues from wildlife is done to benchmark the basis for revenue estimation damage in the most favorable way

The Ministry implemented this recommendation at satisfactory level. The audit team noted that annual assessments were conducted by the Ministry of Natural Resources and Tourism and Tanzania Wildlife Authority for the past three years on the trend of revenue collection from wildlife utilization in order to benchmark basis for revenue damage estimations.

The assessment was done based on the number of permits issued per package, number of trophy hunters, number of hunting blocks, and number of operators.

It was further revealed that, because changes in the international policies and market have impact in revenue collected e.g. Convention on International Trade in Endangered Species (CITES) etc., MNRT has taken into consideration these international policies when estimating revenues to be collected.

Recommendation 14: There is established system for collecting timely revenue from photographic tourism

The Ministry has fully implemented this recommendation because review of the implementation status submitted to NAOT with its evidence through

progress of centralized system for revenue collection reports showed that in 2013 the Ministry developed and operationalized a web based Photographic Tourism Management System. This system ensures timely collection of revenue and various data on non-consumptive utilization of wildlife outside Tanzania National Parks Authority (TANAPA) and Ngorongoro Conservation Area Authority (NCAA).

It was further noted that, the system has increased efficiency in dealing with customers as companies have direct access to the system that facilitate timely payments of the required fees.

But it was observed that, this web based Photographic Tourism Management System is not centralized as each entity i.e. Tanzania Wildlife Management Authority, Tanzania National Parks Authority and NCAA operate the system separately. Processes have been initiated to establish centralized link among those three entities.

Recommendation 15: Controls set for revenue collection are reviewed and properly followed

To implement this recommendation, the Ministry continues to improve Trophy Hunting revenue collection system which is done in accordance to the Public Finance Act No. 6 of 2001 that was revised in 2014 and the Circulars issued by Treasury.

Moreover, as mentioned above in recommendation 14, in 2013 the Ministry has already developed and operationalized a web based Photographic Tourism Management System.

3.3 Specific Conclusion

Based on the analysis of the implementation status of the previously issued recommendations, it is concluded that the Ministry of Natural Resources and Tourism has made satisfactory progress towards the implementation of the issued recommendations. However, for five recommendations that were not implemented to the fullest, National Audit Office of Tanzania will continue to make follow-ups in order to assess the progress that will be made by the Ministry in implementing them to the fullest.

3.4 Specific Recommendations

The Ministry of Natural Resources and Tourism has to ensure that recommendations that were not implemented and those which were partially implemented are taken seriously and are fully implemented.

Therefore, the Ministry of Natural Resources and Tourism should ensure that:

1. Risk analysis is carried out to enable realistic setting of target and allocation of resources;
2. Analysis of key stakeholders is carried out and actively involving them in combating poaching and fighting export of illegal trophies;
3. Distribution of funds is governed by the appropriate model that considers workload and risks;
4. Timely enquire from Local Governments with wildlife resources to account for resources used in intervention activities conducted to protect wildlife resources within their jurisdictions; and
5. There is collaboration with the President's Office - Regional Administration and Local Government (PO-RALG) in order to ensure that Local Government Authorities (LGAs) use the resources allocated for protective activities as directed.

CHAPTER FOUR

FOLLOW-UP ON THE IMPLEMENTATION OF THE PERFORMANCE AUDIT RECOMMENDATIONS ON THE MANAGEMENT OF INSPECTION OF IMPORTED GOODS IN TANZANIA

4.1 Background to the Audit Report

Performance Audit Report on the Management of Inspection of Imported Goods in Tanzania was tabled before the Parliament in April, 2014. The main audited entities were; Tanzania Bureau of Standards (TBS) and the Ministry of Industry and Trade (MoIT), currently known as Ministry of Industry, Trade and Investment (MITI).

The overall objective of the audit was to assess whether the Tanzania Bureau of Standards (TBS) minimizes importation of substandard goods to the country by conducting adequate and periodical inspections of imported goods effectively.

Specifically the audit focused in:

- Assessing whether the management of inspection of imported goods is conducted by considering risk based approach;
- Assessing whether the Ministry of Industry and Trade conducts monitoring and evaluation of the inspection activities on imported goods conducted by Tanzania Bureau of Standards; and
- Establishing if there are weaknesses on the inspections of imported goods and find out the reasons for the existence of such weaknesses or non-inspection of imported goods by Tanzania Bureau of Standards in the entry points.

The audit covered issues such as planning, guiding, coordinating, prioritizing of activities, conducting, reporting results of inspection and monitoring and evaluation of the inspection results of imported goods and enforcement and conformity to the standards of goods.

4.2 Main Audit Findings

During the audit the following weaknesses/gaps were observed:

Lack of planning for the inspection process

There was lack of clear and well defined criteria, guidelines and measurable outcomes/ indicators. Similarly, it was noted that planning tools were not addressing the crucial risk-based inspections.

Due to the inadequate planning and resources utilization, inspections were not efficiently and effectively done. This was exhibited by the increase in

the substandard goods in the country as observed by the International Organization for Standardization (ISO) General Secretary's comment and the general outcry from the public/consumers.

Inadequately Conducted Inspections

In conducting inspections of imported goods, risk based approach was not used in selecting imported goods for inspection, while there were huge variation between targeted and actual inspections, inadequate allocation of human resources compared to the amount of imported goods, continuous importation of goods in unmanaged entry points and increasing number of substandard goods in the country were noted.

On the other hand, it was noted that there was inadequate resources in terms of finances and manpower to carry out the inspections efficiently, effectively and adequately. Sample testing and failure of getting proper documentation prior to the arrival of the goods to enable proper planning contributed to the inadequately conducted inspections of imported goods.

Unsatisfactory Quality of Inspection of Imported Goods

Audit reported unsatisfactory quality of inspection of imported goods due to increasing number of complaints on substandard goods, weak tracking mechanism for goods with conditional releases; lack of quality assurance on accuracy of inspection of imported goods and lack of clear budget set for inspection activities. At the same time, that Tanzania Bureau of Standards was not coordinating properly with other stakeholders such as Tanzania Revenue Authority and Ports Authority in the process of planning and conducting its inspections of imported goods.

Inadequate Reporting of Performance of Inspection of Imported Goods

Audit found inadequate reporting from both Tanzania Bureau of Standards and the Ministry on performance of inspection. The fact that challenges and problems were not fully addressed hence no actions were taken to improve the performance of the inspections.

Inadequate Monitoring and Performance Evaluation of Inspection Activities

It was noted that Ministry of Industry and Trade (MoIT) and Tanzania Bureau of Standards were not conducting periodical monitoring and evaluation of performance of inspection of imported goods. Therefore, both the Ministry and Tanzania Bureau of Standards do not have clear strategies set for improving inspections of imported goods in Tanzania. Also, they did not have in place performance indicators on the Bureau's performance on inspection activities

4.3 Follow up Results on the Implementation of the Issued Recommendations

This part presents the implementation status of issued recommendations to Tanzania Bureau of Standards and Ministry of Industry, Trade and Investment (MITI). The implementation status is in three categories namely: recommendations that were fully implemented, partially implemented (satisfactory/not satisfactory) and those that were not implemented at all.

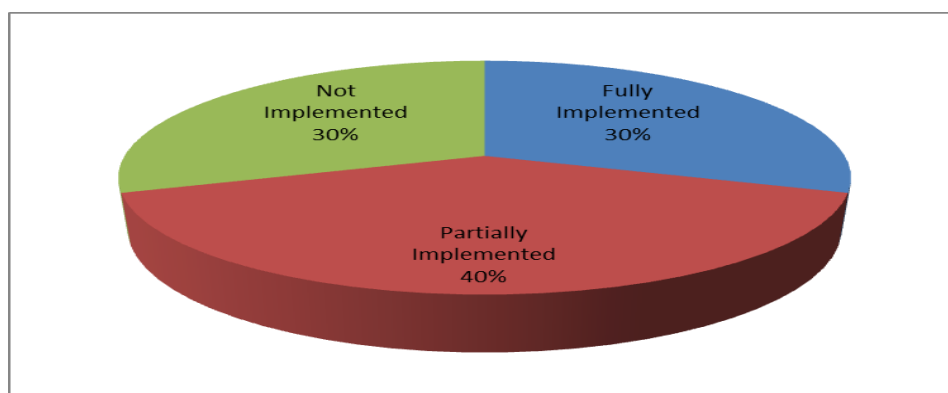
Full implementation was rated when an entity provided sufficient and appropriate evidence to support all elements of the recommendation, whereas partial implementation was rated when an entity had provided some evidence which supported some elements of the recommendation. Partially implemented could be satisfactory (when most of the evidence have been provided) or not satisfactory (when entity is at initial stage of implementing the recommendation).

When the audited entity provided evidence which did not support meaningful movement towards implementation of recommendation, or where no evidence was provided and when it is in process but there was nothing that can be measured, recommendation was rated as not implemented.

4.3.1 Overall Findings of Follow-up on Implementation of Audit Recommendations

National Audit Office issued ten (10) recommendations, of which three (3) (equivalent to 30 percent) were fully implemented, four (4) (equivalent to 40 percent) were partially implemented and 3 (equivalent to 30 percent) were not implemented at all as shown in Figure 4.1 below.

Figure 4.1: Overall Implementation of the Issued Recommendations



Source: Auditors' analysis (2018)

Table 4:1 Overall Implementation of the Issued Recommendations

Audited Entity	Total Recommendation Issued	Implementation Status			
		Fully Implemented	Partially Implemented		Not Implemented
			Satisfactory	Not Satisfactory	
TBS	6	3	3	0	0
MITI	4	0	0	1	3
Total	10	3	4		3

Source: Auditors' Analysis from the Interview Notes and Reviewed Documents (2018)

As indicated in Table 4.1, Tanzania Bureau of Standards has fully implemented half of the issued recommendations and 3 are partially implemented to satisfactory level. The Ministry of Industry, Trade and Investment (MITI) failed to satisfactorily implement the issued recommendation at all. This is because 3 out of 4 recommendations were not implemented at all and only one recommendation is partially implemented but not satisfactorily.

Further analysis of the issued recommendations which were not implemented per each cluster or category is as indicated in Table 4.2 below.

Table 4:2 Number of Recommendations not Implemented per Category

Category of the Recommendation	Total Number of Issued Recommendation	Number of Recommendation Not Implemented
Risk Assessment Database	1	0
Planning	1	0
Control Systems	1	0
Inspection Workload	1	0
Monitoring and Evaluation	3	2
Data Management	2	0
Coordination	1	1
Total	10	3

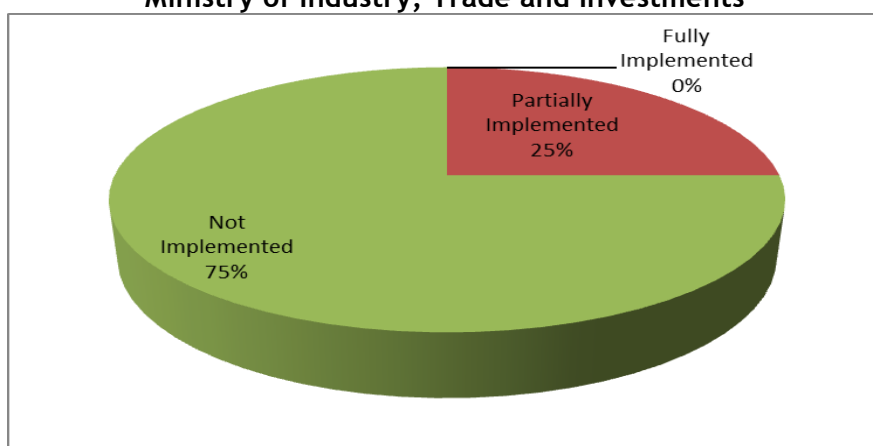
Source: Auditors' analysis on the submitted implementation status (2018)

Table 4.2 indicates that some recommendations related to tracking, monitoring and evaluation measures/systems, performance indicators and coordination were not implemented.

4.3.2 Follow up results on the Implementation of the Issued Recommendations to the Ministry of Industry Trade and Investments

Through verification of the evidence submitted, the Audit team found out that, the Ministry of Industry, Trade and Investments has not successfully implemented the issued recommendations. This is because 3 out of 4 (equivalent to 75 percent of the issued recommendations were not implemented at all, and only 1 out of 4 (equivalent to 25 percent) was partially implemented to a level which is not satisfactory as shown in figure 4.2.

Figure 4.2: Overall Implementation of the Recommendation by the Ministry of Industry, Trade and Investments



(i) Recommendations that were not Implemented by the Ministry of Industry and Trade

Based on the evidence submitted and verified by the audit team, it was found out that, there were 3 out of 4 recommendations that were not implemented at all by the Ministry of Industry, Trade and Investment. These Recommendations were as follows:

Recommendation 1: Develop a monitoring and evaluation systems that will allow tracking of progress towards the achievement of goals and objectives/impact of Inspection of imported goods in Tanzania.

Review of the implementation status submitted by the Ministry of Industry, Trade and Investment to the National Audit Office of Tanzania showed that, the Ministry is undertaking a review of the current Strategic Plan for 2016/2017 - 2020/2021. It was reported that the review process will accommodate and fast track routine monitoring of imported goods.

Interviews held with officials from the Ministry of Industry, Trade and Investment, it was noted that, the review process had to stop because the Ministry is currently reviewing the Organization Structure, which was expected to be ready by mid of December, 2017. It was reported by officials from the Ministry of Industry, Trade and Investment that, the review of the Strategic Plan will commence after finalizing the review of Organization Structure. A total of 25 million was budgeted to facilitate the review of Strategic Plan and almost 15 million were used.

It was further noted that, the Ministry of Industry, Trade and Investment has no any alternative mechanism/system for tracking progress towards achievement of goals of inspection of imported goods. The Ministry depends on the inspection reports from Tanzania Bureau of Standards to track critical issues.

There was no serious reason on why this recommendation was not implemented until now despite being a medium term recommendation that was supposed to be fully implemented within 6 to 18 months. The only reason which was provided was that, the Ministry of Industry, Trade and Investment was waiting for the time set for the review of its Strategic Plan.

Recommendation 2: Develop Performance Indicators for the inspection of imported goods which are measurable both in short and long term.

Audit team noted out that there was no performance indicators developed to facilitate inspection of imported goods. The Ministry of Industry, Trade and Investment was issued with this recommendation almost four years now, but it is not implemented at all.

During the audit in 2014, it was revealed that, indicators for monitoring were not in place to facilitate efficiency monitoring of inspection of imported goods. It was noted that the monitoring approach used was at the high level and not at the operational level that could not result into intended effect of inspecting imported goods.

Recommendation 4: Coordinate the cooperation between the Ministry of Home Affairs through police Force and Tanzania Bureau of Standards in controlling importation of substandard goods through illegal entry points.

The Ministry of Industry, Trade and Investment has no mechanism in place to coordinate the cooperation between the Ministry of Home Affairs and Tanzania Bureau of Standards. Interviewed officials from the Ministry, did not provide to the auditors the reason leading to the recommendation not being implemented.

(ii) **Recommendations that were Partially Implemented by the Ministry of Industry, Trade and Investment**

Audit team noted that, the Ministry of Industry, Trade and Investment has partially implemented 1 out of 4 recommendations (equivalent to 25 percent of the issued recommendations). This recommendation is as follows:

Recommendation 3: Develop a mechanism for managing data on standards of imported goods and sharing of that information with all government institutions mandated to approve importation of goods through entry points of the United Republic of Tanzania.

Review of the implementation status submitted to the National Audit Office of Tanzania, showed that, the Ministry through Information Technology Unit is currently developing a comprehensive and integrated Data Management System.

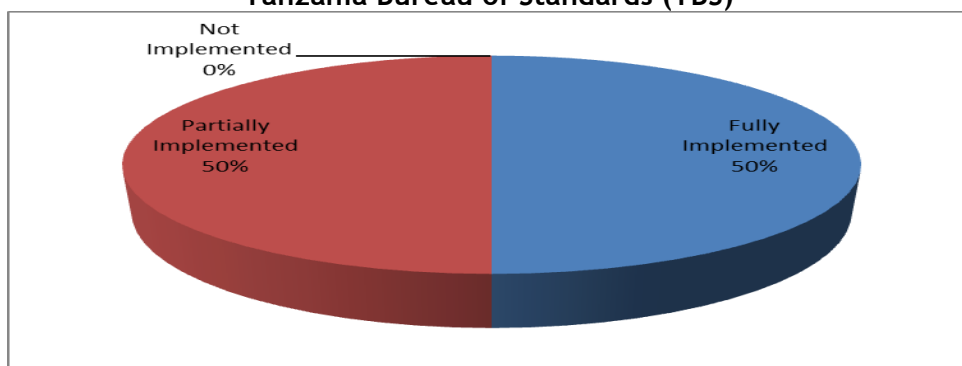
However, it was noted that, the Data Management System is still at the initial stages, and so far the Ministry has only completed the identification of the routine DATA needs. It was not clear the exact starting time for operating the Data Management System.

Moreover, it was noted that, there was establishment of Tanzania National Business Portal that to some extent will also facilitate managing of data on standard of imported goods, this portal is managed by Business Registration and Licensing Agency and other government institutions will have access to allow sharing of information. The portal is already established, but not yet put in use.

2.3.3 Follow up results on the Implementation of the Issued Recommendations to Tanzania Bureau of Standards (TBS)

Tanzania Bureau of Standards was issued with six (6) recommendations, based on the interview and documents submitted to the National Audit Office of Tanzania. Thus, the audit team found out those three (3) recommendations (equivalent to 50 percent) was fully implemented and three (3) recommendations (equivalent to 50 percent) were partially implemented at satisfactory level as shown in figure 4.3.

Figure 4.3: Overall Implementation of Recommendations Issued to Tanzania Bureau of Standards (TBS)



Source: Auditor's Analysis (2018)

As shown in figure 4.3 above Tanzania Bureau of Standards has satisfactorily implemented the issued recommendations. This is because half (50%) of the recommendations were fully implemented and the remaining half (50%) were partially implemented at satisfactory level.

(i) Recommendations that were Partially Implemented by Tanzania Bureau of Standards

Audit team noted out that, there were 3 out of 6 recommendations that were partially implemented at satisfactory level. These recommendations are as follows:

Recommendation 1: Tanzania Bureau of Standards was supposed to investigate the viability of maintaining a database containing details on import goods risk assessments, the status thereof as well as interceptions arising from inspections.

Based on the evidence from Tanzania Bureau of Standards, audit team noted that, the Bureau took into consideration issue of risk based assessments during inspection of imported goods. During the interview with Tanzania Bureau of Standards officials, it was observed that, all goods with high risk are inspected at point of destination while other goods are inspected at point of origin using contracted companies with Tanzania Bureau of Standards.

The audit noted a list prepared and used by Tanzania Bureau of Standards showing all goods that are required to be inspected at point of destinations due to their high risks. The audit noted that, Tanzania Bureau of Standards in collaboration with Tanzania Revenue Authority managed to establish a data list of regulated goods to be imported in the country, which took into risk associated with those goods.

Furthermore, to ensure inspectors are capable of conducting risk assessment, review of implementation status from Tanzania Bureau of Standards, the audit noted that Tanzania Bureau of Standards conducted training to 40 staff involved in risk management.

Additionally, based on review of the same implementation status, the audit team noted that Tanzania Bureau of Standards managed to conduct evaluation on risk level and established table on risk assessment for imported goods.

Despite the recommendation being medium term which was supposed to be fully implemented within 6 to 18 months, the audit team was partly satisfied with the level of implementation because there is a data base of high risk goods as well as all regulated goods. Also through Manifest Verification Information System all interception arising from inspection are clearly shown.

Recommendation 2: Prepare a strategy for imported goods that is based on the risk they pose. Inspections of imported goods that pose high-risk should be prioritized accordingly

Tanzania Bureau of Standards has partially implemented this recommendation to satisfactory level. Based on the Implementation status report submitted to NAOT by NBS the audit team noted that, since 2015, goods that are considered to be of high risk are inspected at point of destination using established quality procedures. Also Tanzania Bureau of Standard is conducting inspection of high risk products through market surveillance. List of high risk good identified by Tanzania Bureau of Standards include electrical and electrical appliances, lubricants, fuel, batteries, solar panels, iron sheets, steel bars, cement, bitumen, condom, fertilizers, iron sheets, lubricants, solar panels, batteries etc.

Interviews held with Tanzania Bureau of Standards' staff also showed that, TBS has strengthened its laboratory to ensure goods are tested at the right time and at the required quality.

However, prioritization of inspection for high risk goods is not sufficiently implemented due to staff shortage. But Tanzania Bureau of Standards did some effort to overcome this challenge of staff shortage, for example from November 2014 Tanzania Bureau of Standards asked for permit to employ 200 staff. It was noted that, 163 out of 200 staff were employed and some were located at Import Inspection Section.

Despite all these efforts, Tanzania Bureau of Standards has to put more efforts to ensure this recommendation is fully implemented since it was a short term recommendation.

Recommendation 4: Analyze the correlation between inspections performed and inspectors available and take corrective actions.

Tanzania Bureau of Standards has satisfactorily implemented this recommendation by ensuring there are enough employees to facilitate inspection activities. As shown in recommendation 2 above, Tanzania Bureau of Standards requested a permit to employ 200 staff but Tanzania Public Service Commission permitted 163 out of 200 requested staff. This was from November 2014; hence there was still a shortage of 37 staff.

Moreover, from October, 2017, inspectors were required to work for 24 hours the factor which increased the demand for more inspectors. As temporary measure, the Tanzania Bureau of Standards employed 20 staff under contract and 26 staff under internship.

(ii) Recommendations that were Fully Implemented by Tanzania Bureau of Standards

Based on the evidence submitted, audit team noted out that, 3 out of 6 recommendations (equivalent to 50 percent) were fully implemented by Tanzania Bureau of Standards. These recommendations were as follows:

Recommendation 3: TBS was supposed to institute measures to ensure consistent compliance with requirements by the inspectorate throughout the import control system.

This recommendation has been fully implemented by Tanzania Bureau of Standards. Measures to ensure consistency compliance with inspections requirements were taken. It was noted that, Tanzania Bureau of Standards has developed inspection procedures to ensure consistency during inspection activities at both the point of origin and the point of destination. The audit team noted that inspection procedures were developed in 2014 and revised in August 2017.

Training on inspection procedures was conducted in 2015 to 24 inspectors, and inductions course were conducted to all newly employed staff on 19th to 26th January 2014, 21st to 26th January 2015 and 25th to 29th January 2016. 9 inspectors have attended training in India on Inspection.

Moreover, there is a competency form developed by Tanzania Bureau of Standards to monitor progress of newly employed inspectors. It is used to assess how newly employed staff are adhering to the inspection standards. Review of competence form showed that it consists of lists of items which are good to be used to test the compliance to inspection requirements and procedures.

Recommendation 5: Introduce tracking and monitoring measures to ensure that the inspections requested are performed within a reasonable time

Tanzania Bureau of Standards has fully implemented this recommendation through establishment of Qualimis software system. This system facilitates electronic registration, testing and authorization of goods. This system was established in 2015 and upgraded in 2017.

Auditors were able to observe how the system works. They also found out that the responsible staff who operate the software are competent and are working on shift to ensure the system is operating all the time. Through this system, movement of imported goods is clearly seen and measure can be easily taken when something wrong appeared.

According to interviewed staff, the system has increased level of monitoring goods to be imported. However, the system is not extended to other users such as clearing companies and sometimes internet is a challenge.

Recommendation 8: Introduce measures to ensure that accurate and consistent data is retained and recorded by inspectors for performance appraisal purposes

Since July, 2016 Tanzania Bureau of Standards has access to software system owned by TRA called Tanzania Customs Integrated Systems (TANCIS). By accessing this system, Tanzania Bureau of Standards was able to track and monitor goods coming through Dar es Salaam Port including those which are not regulated by Tanzania Bureau of Standards.

To narrow the scope, the audit noted that Tanzania Bureau of Standards has established its own system called Manifest Verification Information System to facilitate effective inspection and records keeping for goods that are regulated by Tanzania Revenue Authority. Manifest Verification Information System is centralized to Inland Container Depots (ICD) zone offices as well to facilitate record keeping of data and make data accessible at all level. However, inspectors at Inland Container Depots zone offices have limitation in using the system.

Auditors observed the system and interviewed persons responsible for operating the system and found out that, the system has increased the effectiveness in monitoring the imported goods. Also it shortens the inspection time and facilitates timely delivery of goods.

4.4 Specific Conclusion

Based on the analysis of the implementation status of the previously issued recommendations, it is concluded that Ministry of Industry, Trade and Investment has not given priority in implementing the issued recommendations since 3 out of 4 recommendations were not implemented at all. Meanwhile, Tanzania Bureau of Standards has made satisfactory progress in implementing issued recommendations.

In this regard, the National Audit Office of Tanzania will continue making follow-up of the recommendations which have not been implemented, and those which have been partially implemented, to see the progress that is being made.

4.5 Specific Recommendations

4.5.1: Recommendations to the Ministry of Industry, Trade and Investment (MITI)

The Ministry of Industry, Trade and Investment has to ensure that recommendations that were not implemented and those which were partially implemented are taken seriously and are fully implemented.

Therefore, the Ministry of Industry Trade and Investment should:

1. Develop a monitoring and evaluation systems that will allow tracking of progress towards the achievement of goals and objectives/impact of Inspection of imported goods in Tanzania.
2. Develop Performance indicators for the inspection of imported goods which are measurable both in short and long term.
3. Develop a mechanism for managing data on standards of imported goods and sharing of that information with all government institutions mandated to approve importation of goods through entry points of the United Republic of Tanzania.
4. Coordinate the cooperation between the Ministry of Home Affairs through police Force and Tanzania Bureau of Standards in controlling importation of substandard goods through illegal entry points.

4.5.2 Recommendations to Tanzania Bureau of Standards

Tanzania Bureau of Standards have 3 recommendations that were partially implemented but at satisfactory level. Serious measures should be taken by Tanzania Bureau of Standards to ensure these recommendations are implemented to the fullest. Therefore, Tanzania Bureau of Standards should:

1. Investigate the viability of maintaining a database containing details on import goods risk assessments, the status thereof as well as interceptions arising from inspections;
2. Prepare a strategy for imported goods that is based on the risk they pose. Inspections of imported goods that pose high-risk should be prioritized accordingly; and
3. Analyze the correlation between inspections performed and inspectors available and take corrective actions.

CHAPTER FIVE

FOLLOW-UP ON THE IMPLEMENTATION OF THE PERFORMANCE AUDIT RECOMMENDATIONS ON THE MANAGEMENT OF FOOD INSPECTION AND SURVAILLANCE AT PROCESSING PLANTS AND AT PORTS OF ENTRY

5.1 Background to the Audit Report

Performance Audit Report on the Management of Food Inspection and Surveillance at Processing Plants and at Ports of Entry was tabled before the Parliament in April, 2014. The main audited entities were; Tanzania Food and Drugs Authority (TFDA) and the Ministry of Health, Community Development, Gender, Elderly and Children which was previously known as the Ministry of Health and Social Welfare.

The main objective of the audit was to determine whether the Tanzania Food and Drugs Authority fulfill its mission of safeguarding the quality of food in the country.

Specifically, the audit focused on determining whether Tanzania Food and Drugs Authority:

- a) has risk-based plan(s) for the inspection and surveillance of food processing plants and ports of entry; and rationally allocates resources to areas of greater risk for unsafe food;
- b) conducts risk based inspection and surveillance of food processing plants and at the ports of entry so as to minimize availability of unsafe food in the market and protect consumers' health; and
- c) conducts periodical monitoring and evaluation of food inspection and surveillance conducted at the ports of entry and food processing plants and use that information to improve the conduct of inspections.

Audit covered Tanzania Food and Drugs Authority which is under the Ministry of Health and Social Welfare. Within Tanzania Food and Drugs Authority, an audit was conducted on the Food Inspection and Surveillance programme and focused on the planning, implementation, monitoring and evaluation of food inspections and surveillance at the processing plants and ports of entry.

5.2 Main Audit Findings

(i) Inappropriate Planning for Food Inspections

The audit team found out that TFDA's inspection plans did not address the key features with regards to the required inspection frequency, number of inspectors, mode of supervision, and performance management monitoring.

For instance, plans did not have the number of inspections to be conducted in a particular period of the year, coverage, the desired inspection frequency. Other factors such as re-inspecting food processing plants with serious violations and scheduling inspections in response to consumers' complaints were also not reflected on such plans. Neither did the plans set the inspection milestones/ targets nor indicated when inspections were expected to be conducted.

Furthermore, it was noted that Tanzania Food and Drugs Authority did not prioritize its food inspection to processing plants of high risk by reasons that it was conflicting with the role of collecting fees and charges to self-finance its activities.

(ii) Inadequate Conduct of Food Inspections

At Processing Plants

The audit found out that Tanzania Food and Drugs Authority did not manage to conduct its inspections to all processing plants. It was noted that 3 out of 5 Tanzania Food and Drugs Authority zones inspected less than two-thirds of the processing plants in their respective zones. Furthermore, the authority failed to establish whether all high risk food processing plants were among the two-thirds processing plants covered in their inspections.

The audit noted factors contributing to inadequate coverage of inspections at processing plants including unclear understanding of the types of inspections to be conducted; inadequate planning for the food inspections; and inadequate usage of present food inspection resources (human capital, funding and inspection tools).

At Ports of Entry

Review of Inspection Reports prepared by Food Inspectors stationed at the Ports of Entry showed that Tanzania Food and Drugs Authority did not prioritize its inspections to high-risk food products. This means that all food consignments whether risky or not were given equal weights by the

inspectors which made the inspections less thorough. As a result, unexamined food consignments went through the ports of entry.

(iii) Insufficient Application of Available Options to Secure Corrections of Non Compliance

It was noted that despite the fact that there were non-compliance among processing plants and importers, Tanzania Food and Drugs Authority has not kept records of those non-compliances. Moreover, officials from Tanzania Food and Drugs Authority acknowledged that without more incentive to improve compliance, those processing plants run a higher risk of producing food products unfit for human consumption that should not enter the food supply chain.

The analysis of the number of inspections conducted, revealed that neither violations nor insignificant violations, resulting in fines, number of violations issued and other kinds of punitive actions taken by Tanzania Food and Drugs Authority could not be established because of the: (1) inadequate record keeping and (2) inadequate format of inspection report which failed to capture the above mentioned information.

Furthermore, it was noted that because of poor record keeping and failure to capture critical data necessary for enforcing food safety in the country, the Tanzania Food and Drugs Authority rarely:

- a) takes progressively stronger enforcement action against repeating violators, when warranted;
- b) distinguishes between serious violations and minor mistakes on its non-compliance records; and
- c) provides sufficient guidance on what actions to take in specific circumstances. As a result, plants have repeatedly violated the same regulations with little or no consequence.

(iv) Inadequate use of the Inspection Reports

The audit team noted that inspectors prepared Inspection Memorandum for each individual inspection and later on recorded the main observations and recommendations in a form of directives in the Inspection Register.

Further analysis of the two sets of inspection reports showed that they have the following weaknesses:

- a) *Inspection memoranda* do not allow inspectors to comment on the previous inspection directives given to the owner of the processing plants; and
- b) *Inspection registers* do not show the number of previously implemented or non-implemented directives to be considered for future inspection.

(v) Un- scrutinized Food Inspection Reports from Local Government Authority

The audit found out that Tanzania Food and Drugs Authority zone offices were not scrutinizing food inspection reports submitted by Local Government Authorities for detection of deficiencies contrary to the requirements set in the guidelines for effective operations of zone offices.

The reviewed annual reports from all five zone offices showed that, all zones did not scrutinize the received food inspection reports from Local Government Authorities. The Central Zone and Southern Highlands were the only exception which attempted to include information from Local Government Authorities.

(vi) Inadequate Monitoring and Evaluation of Food Inspection Activities

The interviews held with Tanzania Food and Drugs Authority's Officials from Headquarters pointed out that there were no monitoring and evaluation exercises carried out to assess the performance of food inspection activities both at Processing Plants and Ports of Entry.

It was also noted that failure to monitor performance of inspection activities against the set inspection targets denied an opportunity of the Authority to establish whether they are performing well or lagging behind the specific objectives established for that period.

It was also revealed that there is only one Monitoring and Evaluation Indicator specifically for the Food Inspection activities carried out by Food Inspectors. This indicator is aimed at measuring the percentages of the registered premises that have been inspected.

Furthermore, it was observed that the available indicator is focusing on measuring output only (output indicator). This means that Tanzania Food and Drugs Authority has not yet developed any outcome indicators which are necessary for assessing the short- and long-term goals and outcomes.

5.3 Results of the follow-up on the Implementation of the Issued Recommendations

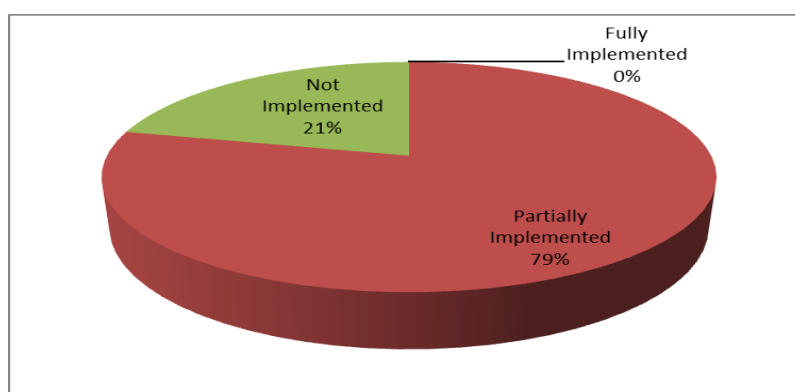
Results of follow-up on the implementation of the issued recommendations were established basing on three categories of the implementation status, namely: *fully implemented*, *partially implemented* and *not implemented recommendations*. This part therefore, presents implementation status of the issued recommendations as per three named categories of levels of implementation.

5.3.1 Overall Findings of the Follow-up on Audit Recommendations

A total of 14 audit recommendations were issued to Tanzania Food and Drugs Authority (TFDA) and the Ministry of Health, Community Development, Gender, Elderly and Children.

There was no recommendation that was fully implemented. Meanwhile, 11 recommendations (equivalent to 79 percent) were partially implemented and 3 recommendations (equivalent to 21 percent) were not implemented at all as shown in Figure 5.1.

Figure 5.1: Overall Implementation of the Recommendations



Source: Auditors' analysis (2018)

Figure 5.1 shows that Tanzania Food and Drugs Authority (TFDA) and the Ministry of Health, Community Development, Gender, Elderly and Children have unsatisfactorily implemented the issued recommendations. This is because about 79 percent of the issued recommendations are still in progress despite the fact that those recommendations were issued in 2014.

Table 5.1: Overall Implementation Status of the Issued Recommendations

Audited Entity	Total Recommendation Issued	Implementation Status			
		Fully Implemented	Partially Implemented Satisfactory	Not Satisfactory	Not Implemented
TFDA	11	0	3	6	2
Ministry of Health	3	0	0	2	1
Total	14	0	11		3

Source: Auditors' Analysis from Interview Noted and Reviewed Documents (2018)

As indicated in Table 5.1, the implementation of 11 out of 14 recommendations is still in progress, of which 8 recommendations are in progress but not at the satisfactory level. 3 out of 11 recommendations are not implemented at all. Both entities i.e. the Ministry of Health and Tanzania Food and Drugs Authority have not implemented any of the recommendation to the satisfactory level.

Further analysis of the issued recommendations that were not implemented per each cluster or category is as shown in Table 5.2.

Table 5.2: Number of Recommendations not Implemented per Category

Category of the Recommendation	Total Number of Issued Recommendation	Number of Recommendation Not Implemented
Planning	4	0
Development	2	0
Coordination	2	1
Implementation (Sanctions)	1	0
Evaluation (Modification of Existing Criteria)	1	0
Monitoring and Evaluation	2	1
Reporting on Food Safety	1	1
Sharing of Food safety data/Information	1	0
Total	14	3

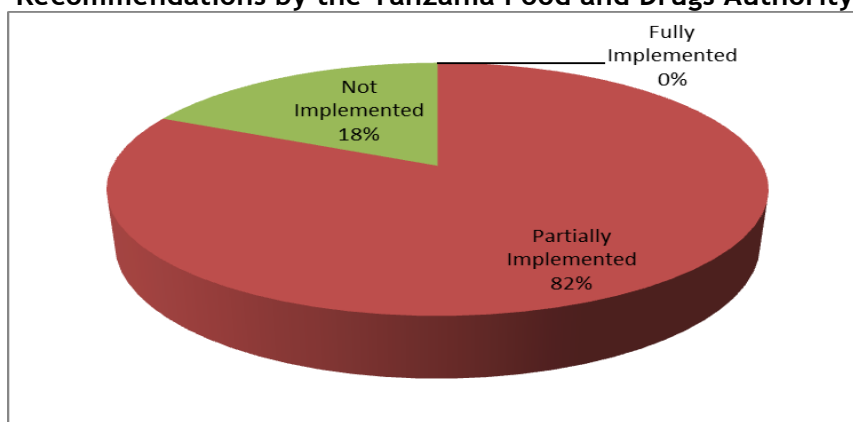
Source: Auditors' Analysis from Interview Noted and Reviewed Documents (2018)

As shown in Table 5.2, recommendations related to coordination, monitoring and evaluation and reporting of food safety were not implemented at the satisfactory level.

5.3.2 Results of follow up on the Implementation of the Issued Recommendations to Tanzania Food and Drugs Authority

Evidence submitted to the National Audit Office of Tanzania by Tanzania Food and Drugs Authority and the verification of those submitted evidences made by the audit team showed that, the Authority has not satisfactorily implemented the issued recommendations. This is because 9 out of 11 (equivalent to 82 percent) of the issued recommendations were partially implemented and 2 out of 11 (equivalent to 18 percent) of the issued recommendations were not implemented at all as shown in Figure 5.2.

Figure 5.2: Overall Implementation Status of the Issued Recommendations by the Tanzania Food and Drugs Authority



Source: Auditors' analysis (2018)

As shown in Figure 5.2 there is no recommendation that has been fully implemented by Tanzania Food and Drugs Authority despite the fact that those recommendations were issued 4 years ago i.e. issued since 2014. 82 percent of those recommendations are still in progress as they have been partially implemented to date.

(i) Recommendations that were not Implemented

Based on the review of submitted evidences and the interviews conducted to Tanzania Food and Drugs Authority TFDA's officials, the audit team found-out that there were two recommendations which were not implemented at all.

These recommendations were:

Recommendation 6: Increase efforts to provide coordinated real-time access to data among government departments and obtain training on how to use that data to perform necessary analytics to monitor performance, including activities such as inspections and response to public complaint.

Provisions regarding coordination of food safety have been included in the National Health Policy of 2017, which is under review. Strategies on how to implement the provisions are under review and will soon be ready to facilitate the implementation.

Moreover, the audit noted that the Tanzania Food and Drugs Authority established a guideline for sharing food safety information on July, 2016. The implementation of the guideline is yet to commence.

This is not satisfactorily implemented because it is almost 4 years since this recommendation was issued to Tanzania Food and Drugs Authority. This is because the interviewed officials from Tanzania Food and Drugs Authority showed that, they have just started preparing the guideline to facilitate real time coordination of data among all stakeholders, but approval was not issued and decision was made to include the provisions in the National Health Policy.

Recommendation 10: Monitoring and Evaluation Indicators for the food inspection activities both at processing plants and ports of entry are formulated and agreed upon; and periodical Monitoring and Evaluation of inspection activities are carried out and the results are used as the basis for improvement

Tanzania Food and Drugs Authority have not implemented this recommendation as there is no monitoring tool or monitoring indicators established for food inspection activities. This implies that, inspection activities are not efficiently monitored to establish performance level as per established goal/target.

However, there is a monitoring tool that was developed by Tanzania Food and Drugs Authority in May, 2017. The audit team reviewed the tool and found out that, the tool was not for monitoring inspection activities either at processing plants or ports of entry, but it is for measuring how inspectors from TFDA's zones offices are implementing food safety inspections activities in the country. Moreover, the tool does not include monitoring indicators to establish level of implementation of inspection activities by inspectors.

This is not satisfactorily implemented since a recommendation was issued in 2014, and there is no reason provided on why this recommendation is still not implemented.

(ii) Recommendations that were Partially Implemented

There were nine (9) recommendations which were partially implemented by Tanzania Food and Drugs Authority. Six of these recommendations were partially implemented but not satisfactorily implemented and three were partially implemented at the satisfactory level. These recommendations were:

Recommendation 1: Carry out the performance profiling of Food Processing Plants and Food importers in order to establish the compliance level of each of them and use that information as the basis of planning for inspection or re-inspection

This recommendation was partially implemented but not satisfactory since there is no performance profiling which is currently carried-out at processing plants and food importers for the purpose of establishing compliance.

However, the Risk Profiling Guideline was prepared by Tanzania Food and Drugs Authority in February, 2017 but it is at the final stage for approval. The implementation has started by disseminating the final draft of Risk Profiling Guideline to TFDA's zones, also 16 inspectors were trained at Kibaha and Morogoro on risk profiling. That training was conducted in July, 2017 and among the issues covered was the overview of the draft guidance for performance profiling of food business and port of entry.

According to the interviews with Officials from Tanzania Food and Drugs Authority, the guideline will be used in line with other documents such as Risk Based Food Inspection, Guideline for Implementation of Hazard Analysis and Critical Control Points Guideline (HACCP) and Good Manufacturing Practices Inspection.

The audit team reviewed the Draft Risk Profiling of Food Business and Ports of Entry and noted that, the guideline is inclined more on facilitating risk based inspection and none on establishing level of compliance.

Recommendation 2: Ensure that all zone offices and ports of entry are developing inspection plans based on risk factors and use them as the basis for guiding their inspections

There is assessment tool developed and used by TFDA Head Office to inspect how Zonal Inspectors consider risk factors during the planning and conducting of their inspections.

At Zonal level inspection is guided by Risk Based Inspection Guideline, Good Manufacturing for Food Product and Hazard Analysis and Critical Control Points Guideline (HACCP).

According to the reviews of the above mentioned documents and interviews held with officials from Tanzania Food and Drugs Authority, the audit team established that, this recommendation was partially implemented at the level which is not satisfactory.

This was because, the Risk Based Plan was developed in December, 2017, and this implies that, the strategies for its implementation were yet to be

fully established and implemented. Up to early January, 2018 there were some areas with high risk that were not frequently inspected. It was further noted that TFDA is working in only 8 entry points out of 32; therefore, remained 24 entry points are not sufficiently inspected.

This implies that, TFDA has not adequately developed strategies to facilitate proper implementation of established Risk Based Guideline.

Recommendation 3: Establish performance measures for food inspection activities, including a clear policy governing such critical factors as risk assessments, timing, work scheduling

Policy governing critical factors for food inspection such as risk assessment, timing and work schedule has not been developed.

Tanzania Food and Drugs Authority was using TFDA Annual Staff Appraisal (TASA) to measure performance of all activities performed by TFDA that include inspection. TASA has been customized to meet government requirement that requires all government officials to use Open Performance Review and Appraisal System (OPRAS), the use of OPRAS for TFDA staff started in July 2017.

Review of the Open Performance Review and Appraisal System showed that, performance measurement includes aspects such as; activities to be achieved as per work-plan, expected output, agreed performance indicators, resources and agreed point for rating. Work schedule and timing have been covered since activities to be included in this system emanated from activity plan. But, coverage of risk assessment has not been clearly shown.

Based on the interviews held with TFDA's Officials and the review of Open Performance Review and Appraisal System, the audit team noted that, this recommendation was partially implemented but not satisfactorily because there is no specific established performance measures for food inspection activities apart from the use of the Open Performance Review and Appraisal System and TASA Forms.

Recommendation 4: Establish procedures to further prioritize and timely completion of inspections of high risk processing plants and imported food products

This recommendation has been partially implemented and is not at the satisfactory level because at the moment only guideline on risk based and assessment tool are in place and implementation is yet to start as these documents have been developed in December, 2017.

Tanzania Food and Drugs Authority has developed assessment tools that aimed at assessing inspection conducted by inspectors at zones offices that take into consideration risk factors.

Also, there is a risk based guideline developed in December, 2017 aiming at prioritizing risk based inspections. The guideline has already been shared with zones offices and the implementation has started. To what extent inspection of high risk processing plants is prioritized has not been established. This is because the guideline has just been developed in December, 2017 despite the recommendation being issued 4 years ago.

However, Tanzania Food and Drugs Authority conducted follow-ups to measure the extent of implementation of CAG's recommendations; conduct of risk-based inspection at zone offices was among the items checked.

Recommendation 5: Establish a system for capturing food importation data including the importer or agent, quantity, type of food imported, actual or expected delivery date, port of entry to which the consignment intends to go through etc., which would help the TFDA inspectors to plan for their inspections and carry out thorough inspection work

Based on the interviews held with officials from Tanzania Food and Drugs Authority and the review of verification list as well as recommendations' responses submitted to the National Audit Office, the audit team noted that, there is no software established by the Authority for timely and easily capturing of food importation data. Inspectors are issued with verification list before importation of the consignments.

Use of verification list which is done manually resulted into delays for capturing data as well as failure to successfully monitor the consignments to be imported.

Currently, Tanzania Food and Drugs Authority is having access to Tanzania Customs Integrated Systems (TANCIS) operated by Tanzania Revenue Authority (TRA). However, it is only TFDA's Eastern zone that has been connected with Tanzania Customs Integrated Systems, and it has only one computer that has been connected. Moreover, Tanzania Customs Integrated Systems is for all imported goods in the country including other goods that are not regulated by this Authority.

Interviewed officials from the Tanzania Food and Drugs Authority reported that, the plan is to connect all required TFDA's offices with Tanzania Customs Integrated Systems and so far 7 computers have been procured and soon will be connected.

Despite of this recommendation being partially implemented, the National Audit Office is not satisfied with this level of implementation because it was supposed to be fully implemented by now since it was a medium term recommendation that had to be fully implemented within 6 to 18 month, now it is more than four years since the recommendation was issued.

Recommendation 7: Ensure that application of sanctions during the inspection is done as per the stipulated laws and Regulations, and periodically assess the effectiveness of the applied sanctions

Tanzania Food and Drugs Authority has partially implemented this but at satisfactory level, this is because inspectors are applying sanctions as per established laws and regulations.

Based on the interviews held with TFDA's Officials and the review of responses on issued recommendations submitted to National Audit Office, audit team noted that, inspectors are trained as well being reminded on application of sanctions as stipulated by laws. To implement what inspectors have been trained and reminded, there are several sanctions posed to those operating against food safety requirements. For example, there are cases that have been taken to court some have been concluded and some are on-progress.

Table 5.3 below shows sanctions taken by inspectors when implementing their inspection activities.

Table 5.3: Implementation of Sanctions by Inspectors as per Established Laws and Regulations from 2013/2014 to 2016/2017

Type of Sanction	Total No. per Sanction	Action taken as per established Laws/Regulations			
		Comply with Laws/Regulation	Fine	Pay Destruction cost	Jailed
Absence Food business permit	13	12	5	16	1
Selling Expired products	8				
Selling fake products	1				
Selling of unregistered /restricted products	10				
Total	32	12	5	16	1

Source: Auditors' Analysis from the Reports on Actions taken after Inspections (2018)

Table 5.3 is showing that, more sanctions are associated with absence of business permit and selling of unregistered and restricted products.

Moreover, actions that are often taken is to ask the person to comply with the requirements laws/regulations within a given specified period of time, also to ask the person to pay all costs for destroying the consignment. Fines are rarely charged and are very small. Only one person was jailed for all these years.

It was further established by officials from Tanzania Food and Drugs Authority that, there are challenges that inspectors are facing when implementing their duties, such challenges include; cases are taking long time before are concluded and also fines charged are very small to create deterrent effect to the individuals or businesses. For example from 2013/2014 to 2016/2017 five people were taken to court and charged fines that are ranging from TZS 200,000 to 1,500,000.

As a way forward, Tanzania Food and Drugs Authority is currently prioritizing the destruction of consignments under the expenses of the owner. Review of cases taken to court from 2013/2014 to 2016/2017 showed that about half of them (i.e. 16 out of 32 cases) ended-up by paying all costs of destruction of consignments and the costs were incurred by the owner.

Despite of all those effort, the recommendation is not satisfactorily implemented because it was a short term recommendation that was supposed to be fully implemented by now.

Recommendation 8: Develop a strategy to take progressively stronger enforcement actions against plants with serious and repetitive violations, and develop criteria and procedures to classify all severe food safety non-compliance

Tanzania Food and Drugs Authority has not satisfactorily implemented this recommendation as there are no stronger enforcement actions taken against plants with serious and repetitive violations. Furthermore, there were no established procedures and criteria to classify all severe food safety non - compliance.

According to the reviewed inspection reports and sanctions imposed showed that, all violations either serious, repetitive or normal are equally treated either by being taken to court, charged with fines or given limited time to comply with the laws and laid down regulations.

Moreover, actions taken are not stringent enough to discourage defaulters to keep on violating the law. As stated in Recommendation 7 above, 12 out 32 defaulters were given time to comply with the requirements of laws and they did so, and at the same time fines that were imposed to them were very minimal and did not have the expected deterrent effect.

Recommendation 9: Modify existing criteria to create standardized suspensions and notices of intended enforcement that should be applied, as well as define the frequency and specify the timeframes when violations would lead to such enforcement actions

TFDA has reviewed and established new checklist for food inspection activities. The checklist provides categories of items to be inspected as well as prescribes the actions to be taken when the inspected plants or individuals have defaulted in such a particular category.

The audit team reviewed the checklist and it was found that, the checklist includes types of violations and action to be taken per each violation. However, despite of this recommendation being partially implemented by reviewing and establishing the new checklist, it is still not satisfactorily implemented. This is because; there was no information on the frequency and timeframe of when the violation would lead to such action.

Moreover, to what extent the guideline have been implemented have not been established because it has been reviewed in December, 2017. This implies that for more than four years, this recommendation was not taken seriously until December, 2017 after Tanzania Food and Drugs Authority was reminded to issue implementation status in May, 2017.

Recommendation 11: All inspection reports from its zone offices as well as LGAs are thoroughly reviewed and scrutinized to determine any deficiencies and provide feedback to the concerned officials for corrective actions and further improvements

This recommendation was partially implemented but at satisfactory level. Through the interviews held with TFDA's Officials and the review of implementation Status responses from TFDA submitted to National Audit office, it was noted that, there are Standard Operating Procedures (SOPs) established by Tanzania Food and Drugs Authority in August, 2016 and May, 2017 that give directives on handling inspection reports as well as provision of feedback to both management and responsible officials at zone offices.

It was further revealed that, inspections reports are discussed in the management meetings of Tanzania Food and Drugs Authority that are held in quarterly basis and includes all Heads of Divisions and Sections from Tanzania Food and Drugs Authority Headquarters and Zones offices. But, there was no feedback provided through reports to concerned officials. Responsible officials are only informed through meeting minutes, directives or verbal discussions.

Reviewed meeting minutes of 28th April, 2017 showed that management meeting includes discussion on implementation of planned activities for particular quarter in which inspection activities are also included.

5.3.3 Results of follow up on the Implementation of the Issued Recommendations to the Ministry of Health, Community Development, Gender, Elderly and Children

The Ministry of Health Community Development, Gender, Elderly and Children has not satisfactorily implemented the issued recommendations. This is because 2 out of 3 issued recommendations were partially implemented at the level which is not satisfactory and 1 of them was not implemented at all.

(i) Recommendation that was not Implemented

Recommendation 13: The Ministry of Health should ensure that the general report showing the status of food safety in the country as a result of food inspection conducted by different Government Departments is annually compiled and use as the basis for improving activities and ultimately food safety

The Ministry of Health, Community Development, Gender, Elderly and Children has not implemented this recommendation

The recommendation required the Ministry of Health to ensure that the general report showing the status of food safety in the country as a result of food inspection conducted by different Government Departments is annually compiled and use as the basis for improving activities and ultimately food safety.

Through the interviews held with the Ministry of Health's Officials and the review of the National Health Policy which is under review as well as implementation status from TFDA submitted to the National Audit Office, the audit team noted that, there is no compiled general report from inspection activities regarding status of food safety in the country.

Moreover, interviewed officials reported that, they have never received any report from Tanzania Food and Drugs Authority; this was also verified by officials from Policy and Planning Section of the Ministry of Health. The audit team further noted that, nothing was done by the Ministry of Health to ensure Tanzania Food and Drugs Authority is submitting their reports to the Ministry.

Reason given was that Tanzania Food and Drugs Authority is an autonomous Agency, this response was not satisfactory because still

Tanzania Food and Drugs Authority is an Authority/Agency that is working and reporting to the Ministry of Health. Hence, the Ministry was supposed to establish mechanism for scrutinizing TFDA's implementation reports from Tanzania Food and Drugs Authority and compiles them to establish general report of food safety in the country that would provide the general status of food safety in the country.

(ii) Recommendations that were Partially Implemented

There were 2 recommendations which were partially implemented by the Ministry of Health, Community Development, Gender, Elderly and Children.

These recommendations are:

Recommendation 12: The Ministry of Health should ensure that food safety inspections in the country are properly coordinated, harmonized and all stakeholders are working closely together

It has been almost three year since the Ministry of Health was issued with this recommendation but the progress made is not sufficient.

The incorporated food safety provisions in the National Health Policy which is under review is not operationalized and there are no strategies for implementation of food safety matters.

The audit team interviewed officials from the Ministry of Health and noted that, the current National Health Policy which is under review should take into consideration coordination of food safety inspection activities and stakeholders' involvement.

It was further explained that, review of National Health Policy started on March, 2016, but it is still not finalized.

Recommendation 14: The Ministry of Health should ensure that data and information regarding food safety are shared among different Government departments and used as input for food inspections

The Ministry of Health has implemented this recommendation partially but not satisfactorily; this is because as indicated in Recommendation 12, there is no strategy for coordinating food safety activities including inspections. Stakeholders are not properly coordinated hence sharing of food safety information is not sufficiently done.

Based on the review of implementation status submitted by the Ministry of Health to the National Audit Office, it was noted that, the Ministry of Health has no strategy or mechanism in place to facilitate sharing of data

and information regarding food safety in the country. It was further noted that, the Ministry is relying on a guideline for sharing food safety information that was established by Tanzania Food and Drugs Authority in July, 2016. But the implementation of the guideline is yet to commence.

5.4 Specific Conclusion

Based on the analysis of the implementation status of the previously issued recommendations, it is concluded that Tanzania Foods and Drugs Authority has not satisfactorily implemented the issued recommendations, This is because there is no recommendation that was fully implemented and 2 out of 11 were not implemented at all.

At the same time 9 out of 11 recommendations were partially implemented, of which 6 were partially implemented at the level which is not satisfactory.

Meanwhile, the Ministry of Health, Community Development, Gender, Elderly and Children has also unsatisfactorily implemented three recommendations which were issued to them.

However, NAOT will continue making follow-up of the recommendations which have not been implemented, and those which have been partially implemented, to see the progress that is being made.

5.5 Specific Recommendations

5.5. 1: Recommendations to Tanzania Food and Drugs Authority

Tanzania Foods and Drugs Authority (TFDA) has to ensure that recommendations that were not implemented and those which were partially implemented are taken and are fully implemented.

Therefore, the Tanzania Foods and Drugs Authority (TFDA) should:

1. Carry out the performance profiling of Food Processing Plants and Food importers in order to establish the compliance level of each of them and use that information as the basis of planning for inspection or re-inspection;
2. Ensure that all zonal offices and ports of entry are developing inspection plans based on risk factors and use them as the basis for guiding their inspections;
3. Establish performance measures for food inspection activities, including a clear policy governing such critical factors as risk assessments, timing, work scheduling etc.;
4. Establish procedures to further prioritize and timely completion of inspections of high risk processing plants and imported food products;

5. Establish a system for capturing food importation data including the importer or agent, quantity, type of food imported, actual or expected delivery date, port of entry to which the consignment intends to go through etc., which would help the TFDA inspectors to plan for their inspections and carry out thorough inspection work;
6. Increase efforts to provide coordinated real-time access to data among government departments and obtain training on how to use that data to perform necessary analytics to monitor performance, including activities such as inspections and response to public complaint;
7. Ensure that application of sanctions during the inspection is done as per the stipulated Laws and Regulations, and periodically assess the effectiveness of the applied sanctions;
8. Develop a strategy to take progressively stronger enforcement actions against plants with serious and repetitive violations, and develop criteria and procedures to classify all severe food safety non-compliance;
9. Modify existing criteria to create standardized suspensions and notices of intended enforcement that should be applied, as well as define the frequency and specify the timeframes when violations would lead to such enforcement actions;
10. Ensure that Monitoring and Evaluation Indicators for the food inspection activities both at processing plants and ports of entry are formulated and agreed upon; and periodical Monitoring and Evaluation of inspection activities are carried out and the results are used as the basis for improvement; and
11. All inspection reports from its zonal offices as well as LGAs are thoroughly reviewed and scrutinized to determine any deficiencies and provide feedback to the concerned officials for corrective actions and further improvements.

5.5.2 Recommendations to the Ministry of Health, Community Development, Gender, Elderly and Children

The Ministry of Health, Community Development, Gender, Elderly and Children has 3 recommendations and all of them are not satisfactorily implemented. Therefore, measures should be taken by the Ministry to ensure that these recommendations are implemented to the fullest.

Therefore, the Ministry of Health should ensure that:

1. Food safety inspections in the country are properly coordinated, harmonized and all stakeholders are working closely together;
2. General report showing the status of food safety in the country as a result of food inspection conducted by different Government

Departments is annually compiled and used as the basis for improving activities and ultimately food safety; and

3. Data and information regarding food safety are shared among different Government departments and used as input for food inspections.

CHAPTER SIX

PERFORMANCE AUDIT REPORT ON THE MANAGEMENT OF HEALTHCARE WASTE

6.1 Background to the Audit

The Performance Audit Report on the management of healthcare waste was tabled in April, 2014.

The main audited entities were the Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC) and Prime Minister's Office - Regional Administration and Local Government (PMO-RALG)².

The main objective of the audit was to examine if the Ministry of Health, Community, Gender, Elderly and Children and the President's Office - Regional Administration and Local Government ensure that healthcare waste is properly managed to protect public health and environment.

6.2 Major Findings of the Audit

Out of 33 Healthcare Facilities visited only three namely, Muhimbili National Hospital, Aga Khan Hospital of Mbeya and Mwananyamala Hospital had a register to record the amount of healthcare waste generated, while three Health Facilities namely, Dodoma Regional Hospital, Temeke and Amana Hospitals have estimated the healthcare waste generated in their hospitals without daily recording the estimates to the ledger.

The remaining 27 Healthcare Facilities had no data on the amount of healthcare waste generated. None of the visited health facilities had prepared a healthcare waste management plan. Activities regarding the management of healthcare waste (HCW) were implemented on ad-hoc basis.

Referral hospitals appear to perform well in healthcare waste segregation assessment. Based on the interviews and physical observations made, it was noted that good performance by referral hospitals was attributed to the availability of good financing systems including the budget for healthcare waste management (HCWM).

Also, the approval processes of funding for healthcare waste management (HCWM) issues were relatively shorter for hospitals to procure relevant equipment for segregation of hospital waste.

² Currently known as the President's Office - Regional Administration and Local Government (PO-RALG)

Likewise, Regional hospitals' level of compliance with segregation practices ranges between 60 to 80 percent. On the other hand, assessment of the placement of explanatory tools shows that only parts of the wards were placed with explanatory tool.

Three out of twelve District Hospitals have compliance level below 50 percent while the remaining ranges from 50 to 60 percent. Four out of nine health centers have compliance level of 50 percent while the remaining five health facilities range between 50 to 60 percent. In all health facilities visited, healthcare waste was only segregated at the points of generation, and then mixed by laborers at the storage and treatment sites.

This canceled-out the value of segregation attempted at the point of generation. No health facilities were found to have the supervision or inspection checklist, which could be used during the daily supervision by nurses and ward in-charges.

Assessment of the healthcare waste collection practices in the visited referral hospitals showed that the schedule/time table for collection of healthcare waste was clearly written. Likewise, the visited regional hospitals assessment revealed that the schedule/timetable for collection of healthcare waste was not clearly written. District hospitals as well showed that most district hospitals, had arranged to collect healthcare waste (HCW) from each point of generation within hospital premises twice a day, in the morning and in the evening.

In all health care facilities visited, there was no register for the healthcare waste collection to indicate the amount collected and show if waste were collected on time. In relation with health centers, the assessment revealed that most of the health centers had no specific time set for the collection of healthcare waste. Issues on healthcare waste management were not given priority in health centers.

The audit found out that 31 out of 33 visited healthcare facilities did not have recommended trolleys or moving baskets for transporting healthcare waste (HCW). Only two hospitals were found to comply with the required transportation facilities. These hospitals are the Muhimbili National Hospital and Mbeya Referral Hospital. More than 50 percent of the visited regional hospitals, district hospitals and health centers did not have central waste collection points to store waste before being disposed. Healthcare waste was placed in the burning chamber or stored outside the incinerator's building or in an open area of the health facilities' premises.

All visited referral hospitals, except Mbeya Referral Hospital, have health officers whose academic background is environmental health. Both of

them have hospital matrons who were trained on Infection Prevention Control.

Five Regional hospitals namely, Amana, Arusha, Dodoma, Mawenzi and Temeke have two persons each (i.e. a health officer and hospital matron). The remaining three Regional hospitals namely, Mbeya, Mwananyamala and Sekou-Toure have hospital matrons who are also responsible for managing healthcare waste.

The District hospitals visited did not have health officers. Three health centres namely, Magomeni, Mnazimmoja and Nyamagana appear to have health officer and hospital matron trained on environmental health and Infection and Prevention Control respectively. While the remaining six health centres namely, Agakhan Hospital of Mbeya, Mwafrika, Mbagala Rangitatu, Sinza, Uyole and Vijibweni have matrons performing the role of managing healthcare waste.

The audit noted that, basic equipment for healthcare waste management was not readily available from the suppliers when healthcare facilities needed them. As a result, healthcare facilities did not have enough color coded bins, bin liners and other key equipment.

It has been noted in the 16 visited Local Government Authorities that, the inclusion of healthcare waste management in their Comprehensive Council Health Plan mainly focuses on the procurement and installation of incinerators. Likewise, Local Government Authorities were not using the checklist recommended by the Ministry of Health as a tool for monitoring their performances. According to interviews held with officials from the 16 visited Local Government Authorities, non-utilization of the issued guide was due to lack of awareness of its existence. This could be due to inadequate supervisions conducted by the higher authorities.

Inspection coverage was the highest in Arusha whereby 98 percent of Healthcare Facilities were reached for supervision. Kibondo was the lowest with only 45 percent of all Healthcare Facilities inspected. According to interviews held with officials in Arusha, the good performance was because of geographical location of the Healthcare Facilities. Most of Healthcare Facilities in Arusha City were found within the city in the radius of 18km. This made it easier for health officials to make frequent supervision visits. On the other hand, low coverage in Kibondo District Council was attributed to long distance between the district headquarters and the health facilities.

LGAs did not have proper systems of monitoring performance of management of healthcare waste in healthcare facilities. Furthermore, it was noted that Local Government Authorities did not identify key target groups for the awareness campaigns. Out of 16 visited Local Government

Authorities only two made analysis of the target groups for awareness campaigns.

Fund for the seven visited Local Government Authorities were mostly allocated to Council's Medical Office and Council's hospital. Two LGAs have allocated funds to health centres and dispensary. However, funds for environmental and sanitation were not allocated to the Voluntary Agencies and communities.

The two entities (Ministry of Health and Social Welfare and the Prime Minister's Office - Regional Administration and Local Government) did not have in place specific arrangements for monitoring the implementation of healthcare waste. Plans for inspections and supportive supervisions were only prepared on ad-hoc basis when they received funds either from development partners or the government.

The Ministry of Health and PO-RALG report on the implementation of their annual plans through quarterly reports. However, according to interviews held with Ministries' officials, the existing reporting system does not support the smooth flow of Healthcare waste (HCW) management information from health facilities, Local Government Authorities and Regional Secretariats.

The Audit Team noted that the Ministry of Health did not conduct quarterly review of the performance of the actors in Healthcare Waste Management (HCWM) as required by the guidelines. Likewise, the Ministry of Health did not analyze the Healthcare Waste Management trends to evaluate the country's performance in Healthcare Waste Management. The analysis was not done partly because the Ministry did not have data on the amount of healthcare waste from the health facilities in the country.

The Ministry of Health and Social Welfare was not able to effectively coordinate Healthcare Waste Management issues from various stakeholders. Furthermore, the Ministry of Health as the central documentation point for Healthcare Waste Management monitoring in the country, was not able to provide effective information and reliable documents on Healthcare Waste Management stakeholders.

The Ministry has not been able to maintain a reliable and up-to-date database of Healthcare waste information from LGAs and health facilities since the Health Information Management System does not accommodate that.

PMO-RALG has not integrated issues of Healthcare Waste Management in its monitoring activities regarding the performance of LGAs. As a result, Healthcare Waste Management activities were not included in the budget as an item that needed to be monitored.

Review of the progress reports prepared by the Regional Health Management Teams (RHMTs) showed that all six Regional Secretariats visited did not receive any information regarding Healthcare Waste Management from Local Government Authorities. This was because the only reports submitted by the Local Government Authorities concerned implementation of Comprehensive Council Health Plan and did not include healthcare waste issues.

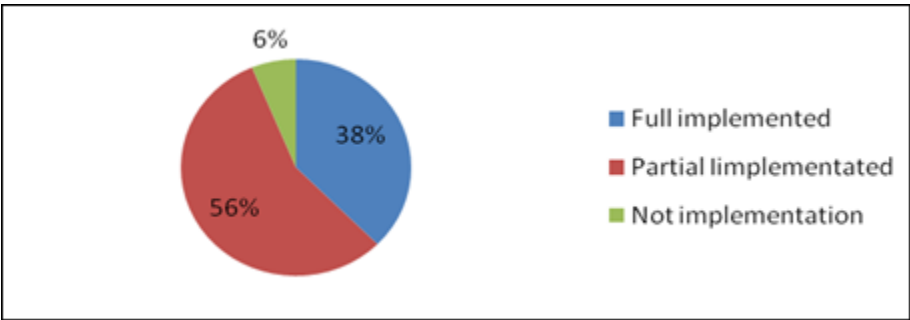
6.3 The Main Results of the Follow-up on the Implementation of the Issued Recommendations

This section presents the implementation status of issued recommendations to both the Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC) and President’s Office - Regional Administration Local Government (PO-RALG). The implementation status is divided into three categories namely, *recommendations that were fully implemented, partially implemented (satisfactory/not satisfactory)* and those which were *not implemented at all*.

6.3.1 Overall Findings of the Follow-up on Implementation of Issued Audit Recommendations

16 recommendations were issued in the audit report, of which 6 recommendations (equivalent to 37.5 percent) were fully implemented, 9 recommendations (equivalent to 56.25 percent) were partially implemented and 1 recommendation (equivalent to 6.25 percent) was not implemented at all as shown in Figure 6.1:

Figure 6.1: Overall Implementation of the Issued Recommendations



Further analysis was made on the overall implementation of the issued recommendations and the results are indicated in Table 6.1.

Table 6.1: Overall Implementation of the Issued Recommendations

Audited	Total	Implementation Status
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Entity	Recommendation Issued	Fully Implemented	Partially Implemented		Not Implemented
			Satisfactory	Not Satisfactory	
MoHCDG EC	5	0	5	0	0
PO-RALG	11	6	4	0	1
Total	16	6	9		1

Source: Auditors' Analysis from the Interviews and Reviewed Documents

As indicated in Table 6.1, the Ministry of Health has not implemented recommendations issued to them to the fullest. However, all recommendations issued to them have been implemented to the satisfactory level. On the other hand, out of 11 recommendations issued to PO-RALG, six recommendations were fully implemented and one recommendation has not been implemented. Furthermore, PO-RALG has partially implemented four recommendations out of eleven issued to them.

Additionally, the issued recommendations to both the Ministry of Health and PO-RALG were broken down into various categories based on their managerial nature as shown in Table 6.2.

Table 6:2 Number of Recommendations Not Implemented Per Category

Category of the Recommendation	Total No. of Issued Recommendation	No. of Recommendation Not Implemented	No. of Recommendation partially Implemented	No. of Recommendation fully Implemented
Planning	9	0	8	1
Coordination	1	0	0	1
Reporting	1	0	0	1
Monitoring	3	0	0	3
Development	2	1	1	0
Total	16	1	9	6

Table 6.2 shows that eight recommendations related to planning have been partially implemented, whereby only one recommendation has been fully implemented. On the other hand, one recommendation related to the development of systems was not implemented.

The descriptions of the results of the follow-ups on the implementation of recommendations issued specifically to the Ministry of Health and PO-RALG are provided as follows:

6.3.2 Results of the Follow up on the Implementation of the Issued Recommendations to the Ministry of Health

Audit team verified the evidence submitted and found out that, the Ministry of Health has not successfully implemented the issued recommendations. This is due to fact all five recommendations issued to them were partially implemented. That means 100% of issued recommendation were partially implemented.

(i) Recommendations that were Partially Implemented

Recommendation 1: Develop and implement a plan for monitoring of the implementation of healthcare waste management activities at all the levels (i.e. Regions, LGAs and HCFs). The plans have to include the long term milestones and targets for supportive supervision and inspections to the health facilities on issues concerning healthcare waste management.

The review of implementation status as well as reviewed National Healthcare Waste Management monitoring plan of 2016, the follow up audit noted that supervision and monitoring of healthcare waste management activities have been adequately covered in the new plan. However, the plan is waiting for final approval of the Ministry of Health. Furthermore, the Ministry of Health planned to disseminate the plan to all stakeholders by 2018 after being approved.

Recommendation 2: The Ministry of Health should establish financing mechanism for healthcare waste management activities.

The follow up audit noted that, the Ministry of Health uses its traditional way of financing various activities including Healthcare waste management activities. That is through Basket fund; Local Government Authorities own fund, cost sharing funds as well as funds from development partner such as UNDP, WHO etc.

Furthermore, the audit team noted that, the Ministry of Health has developed a project of non-incineration technology for healthcare waste management which is supported by the World Bank.

Recommendation 3: The Ministry of Health should provide a link in the HMIS that will accommodate collection of healthcare waste management data in order to improve monitoring and reporting system

During the follow-up on the implementation of the issued recommendations to the Ministry of Health, the audit team noted that the Ministry of Health has integrated healthcare waste management (HCWM) into new National Sanitation Information Management. Training has been conducted at the Ministry level on the application of the system. However, the training has not been conducted at low levels of health facilities.

Furthermore, the system is not yet used for keeping records of healthcare waste management (HCWM).

Moreover, in the course of making follow-up on the implementation status of the issued recommendations, it was revealed that there is Health Management Information System in place but it is still waiting to be operationalized by the end of 2017/2018.

Recommendation 4: The Ministry of Health is required to introduce healthcare waste management issues into the curriculum of the training institutes that conduct courses on healthcare issues so as to equip them with healthcare waste management knowledge before they become healthcare practitioners

The review of implementation status as well as interviews conducted with the officials from the Ministry of Health revealed that the Ministry of Health has initiated discussions with training institutes such as Muhimbili University College of Health and Allied Sciences to consider and introduce healthcare waste management issues into their curriculums. However, its implementation is planned to take place in the financial year 2017/2018 and so far, there is no evidence to confirm the inclusion of healthcare waste management issues into curriculums of the health institutes in the country.

Recommendation 5: The Ministry of Health should include healthcare waste management equipment/tool in the catalogues of essential items that MSD should procure to ease the availability of healthcare equipment for the healthcare facilities.

The follow-up audit noted that the Ministry of Health has developed the catalogue but Medical Stores Department (MSD) has not started to use it in procuring healthcare waste management equipment/tools.

6.3.3 Results of the Follow up on the Implementation of the Issued Recommendations to the President's Office - Regional Administration and Local Government

The Audit team has verified the evidence submitted and found out that, PO-RALG has not successfully implemented the issued recommendations. This is due to the fact that out of 11 issued recommendations; there is one recommendation which has not been implemented to date. Despite that, four out of 11 recommendations have been partially implemented. However, six issued recommendations (equivalent to 55 percent) have been fully implemented.

(i) Recommendations that were Fully Implemented

Recommendation 1: The Ministry of Health in collaboration with PO-RALG should ensure that Local Government Authorities (LGAs) include healthcare waste management issues in the reports submitted to Regional Secretariat (RS) in order to improve the monitoring functions of the RS. Based on reports from LGAs, RSs, should conduct monitoring of HCWM activities

During the follow-up on the implementation of the issued recommendations to PO-RALG, the audit team noted that there is monitoring arrangement at Local Government and Regional Administrative levels where supportive supervisions are carried out at both levels. Furthermore, during Supportive Supervisions, Regional Secretariats and Local Government Authorities assess issues of Healthcare Waste Management activities.

Apart from that, PO-RALG took further action by developing Health Care Waste Management Guidelines of 2017 which cover issues of healthcare waste by providing guidelines to Health Management Teams in order to closely supervise issues regarding healthcare waste. Similar to that, the Ministry of Health and PO-RALG are finalizing National Supportive Supervision Guidelines for Quality Health Services, 2017 which again comprehensively include healthcare waste management issues.

Recommendation 3: The Ministry of Health in collaboration with PO - RALG should ensure that LGAs give adequate priority to healthcare waste management activities in allocation of resources.

The review of annual technical Comprehensive Council Health Plan assessment showed that PO-RALG allocates resources on healthcare waste management activities. This is due to fact that HCWM is already covered in the Priority No. 6 in the Comprehensive Council Health Plan Guideline, 2011.

Moreover, PO-RALG is assessing Comprehensive Council Health Plan (CCHP) reports of each council by giving score to LGAs that include Healthcare Waste Management (HCWM) activities and have allocated fund to this area.

Recommendation 4: The Ministry of Health in collaboration with PO - RALG should ensure that LGAs facilitate safe disposal of incinerator ash and residues by all HCFs

The audit team noted that PO-RALG has Supportive Supervision checklists which cover issues of disposal of healthcare waste. Therefore, Council Health Management Team (CHMT) facilitates safe disposal of healthcare waste in incinerator and ash-disposal into the ash-pit.

Recommendation 6: Establish close Supervision and follow up to ensure that standard operating procedures, which describe the working procedures, are complied with. PO - RALG has a mandate of overseeing implementation of policies, guidelines and standards, which has been set by the MOHCDGEC.

The review of PO-RALG Supportive Supervision reports indicated that PO-RALG conducts close supportive supervision to the extent that the standard operating procedures, which describe the working procedures, are compiled using the Infection Prevention Control (IPC) guideline of 2012 as the guidance to health facilities.

Recommendation 8: Conduct training programs on waste sorting as well as training needs assessment to identify training gaps and put priority on those staff that will require specific training.

The audit team noted that the Ministry of Health in collaboration with PO-RALG has conducted training on Infection Prevention Control to capacitate healthcare workers. This training aimed to capacitate Health Care Workers on Medical Waste Management including medical waste sorting.

Interviews with PO-RALG management revealed that Training Needs Assessment (TNA) to identify training gaps is done to every newly recruited Health Staff. Orientation on Medical waste sorting to new staff is done by senior Health Workers who have already received training on Medical Waste Management.

Recommendation 10: Regularly maintain their incinerators so that treatment of healthcare waste is done efficiently

The audit team noted that regular maintenance of incinerator is conducted. The Comprehensive Council Health Plan (CCHP) guideline indicates that LGAs should allocate 10 to 20 percent of Basket Fund for Maintenance (BPM) for each financial year.

(ii) Recommendations that were not Implemented

Recommendation 5: Pursue more opportunity to reduce, reuse and recycle materials that enter the healthcare waste stream in order to minimize the waste generation.

The audit team noted that PO-RALG has not introduced a non-incineration technology to health facilities for reuse and recycle medical waste. On the other hand, the Ministry of Health has started to introduce this technology through a Project of Non-incineration technology for healthcare waste management. For instance, the Ministry of Health has introduced this

technology as part of pilot to selected health facilities in Dar es Salaam region.

(iii) Recommendations that were Partially Implemented

Recommendation 2: The Ministry of Health in collaboration with PO - RALG should ensure supportive supervision done by LGAs to health facilities should be well planned and include issues of healthcare waste management.

PO-RALG has developed Comprehensive Council Health Planning guidelines as well as Checklist for Supportive Supervision for Council Health Management Team (CHMT) which prescribes how healthcare/medical waste should be managed and included in their plans. However, it was noted that supportive supervisions are not clearly planned since do not include healthcare waste management issues.

Recommendation 7: Designate a specific healthcare officer to oversee all healthcare waste management issues in each health facility.

The audit team noted that all Regional and District Hospitals have Health Officers appointed to oversee hygiene and sanitation of the hospitals. However, PO-RALG has not yet designated healthcare officer at every health facility under its jurisdiction. In order to address this challenge, PO-RALG has made some efforts by recruiting new health officers.

Recommendation 9: Establish a system of recording and documenting information and statistics of waste generated at each facility.

The follow-up audit noted that, the module for recording information of healthcare waste generated in Health Facilities has been developed and incorporated in GoT-HOMIS (Government of Tanzania - Hospital Management Information System). However, PO-RALG has not yet started to use the module for recording information regarding healthcare waste generated from health facilities in the country because the information system is incomplete. Also, officers who were earmarked to use this new information system are not yet trained.

Recommendation 11: Integrate healthcare waste management activities in their strategic and operational plans; the plan should provide detailed description of objectives, activities and resources to

be used, types of waste generated, the way they are segregated, time and place of handover, storing and final handling/disposal

The audit team noted that PO-RALG has taken into account healthcare waste management activities in the Comprehensive National Healthcare Waste Management Strategic Plan. However, the plan is still awaiting the approval of the Ministry's top management.

6.4 Specific Conclusion

Based on the analysis of the implementation status of the previously issued recommendations, it is concluded that the Ministry of Health, Community Development, Gender, Elderly and Children and the President's Office - Regional Administration and Local Government have made satisfactory progress towards the implementation of the given recommendations.

However, the audit office will continue to make a follow-up on the recommendations which have not been fully implemented. Those are recommendations that are either partially or not implemented.

6.5 Specific Recommendations

Recommendations to the PO-RALG

The President's Office - Regional Administration and Local Government has to ensure that recommendations that were not implemented and those which were partially implemented are fully implemented.

Therefore, PO-RALG should ensure that:

1. Support supervisions done by LGAs to health facilities are well planned and include issues of healthcare waste management;
2. Pursue more opportunities on reducing, re-using and recycling materials that enter the healthcare waste stream in order to minimize the waste generation;
3. Designate a specific healthcare officer to oversee all healthcare waste management issues in each health facility;
4. Establish a system of recording and documenting information and statistics of waste generated at each facility; and
5. Integrate healthcare waste management activities in their strategic and operational plans; the plan should provide detailed description of objectives, activities and resources to be used, types of waste generated, the way they are segregated, time and place of handover, storing and final handling/disposal

Recommendations to the Ministry of Health

The Ministry of Health, Community Development, Gender, Elderly and Children has to ensure that recommendations that were not implemented and those which were partially implemented are fully implemented.

Therefore, the Ministry of Health should:

1. Develop and implement a plan for monitoring the implementation of healthcare waste management activities at all levels of healthcare management (i.e. Regions, LGAs and Healthcare Facilities). The plans have to include the long-term milestones and targets for supportive supervision and inspections to the health facilities on issues concerning healthcare waste management;
2. Establish financing mechanism for healthcare waste management activities in Healthcare Facilities;
3. Provide a link in the HMIS that will accommodate collection of healthcare waste management data in order to improve monitoring and reporting system;
4. Introduce healthcare waste management issues into the curriculum of the training institutes that conduct courses on healthcare issues so as to equip them with healthcare waste management knowledge before they become healthcare practitioners; and
5. Include healthcare waste management equipment/tool in the catalogues of essential items that MSD should procure to ease the availability of healthcare equipment for the healthcare facilities.

CHAPTER SEVEN

FOLLOW-UP ON THE IMPLEMENTATION OF THE RECOMMENDATIONS ON THE PERFORMANCE AUDIT REPORT ON THE MANAGEMENT OF IDENTIFICATION AND PROVISION OF SERVICES TO THE MOST VULNERABLE CHILDREN IN TANZANIA

7.1 Background to the Audit

The Performance Audit Report on the management of identification and provision of services to the most vulnerable children in Tanzania was tabled in April, 2014.

The main audited entity was the Ministry of Health and Social Welfare (MoHSW) currently known as Ministry of Health, Community Development, Gender, Elderly and Children and Prime Minister's Office -Regional Administration and Local Government(PMO-RALG), currently known as the President's Office - Regional Administration and Local Government (PO-RALG).

The main objective of the audit was to assess whether the Ministry of Health and Social Welfare and the President's Office - Regional Administration and Local Government have in place effective and transparent identification process and services provision to Most Vulnerable Children (MVC).

7.2 Major Findings of the Audit were on the Following Specific Areas

Systems for Identification of MVC are not Functioning Properly

The examinations of MVC reports from the audited Ministries³and Implementing Partners as well as interviews with officials from those organizations and Most Vulnerable Children Committees revealed that: the system for identification of MVC is weak and not functioning properly. This was due to the following weaknesses: inadequate dissemination and training on identification process, inadequate and inactive Most Vulnerable Children Committees, MVC committees were working on voluntary basis, Inadequate planning and budgeting for identification of activities and complication of the identification tool.

³ Ministry of Health, Community, Gender, Elderly and Children and the President's Office - Regional Administration and Local Government LGAs

Insufficient Provision of Services to Most Vulnerable Children

The services rendered to Most Vulnerable Children were found to be insufficient. This was contributed by a number of factors such as insufficient allocation of resources (fund budgeted for the Most Vulnerable Children activities as well as the number of Social Welfare Officers in councils). Another factor is the weak coordination for the services provided to the Most Vulnerable Children. Even though the Most Vulnerable Children needs had been established, services are provided without taking into account the established and analysed needs. It only depends on the ability and willingness of the Implementing Partners.

Other factors contributing to the insufficient provision of services to Most Vulnerable Children are lack of updated Most Vulnerable Children database and non- sharing of the Most Vulnerable Children data and information. The Most Vulnerable Children data are either not updated regularly or in some areas are lacking and this makes the task of service provision to them to be very difficult.

Unsustainable System for the Provision of Services to the Most Vulnerable Children

The audit team found that the system for provision of services to the Most Vulnerable Children is not sustainable as it is heavily donor dependent. Councils are not providing enough budgets for the Most Vulnerable Children activities. Four (4) out nine (9) studied councils were found to have plans and budgeting for the Most Vulnerable Children. Similarly, there is inadequate allocation of resources for Most the Vulnerable Children from central to council level.

It was also noted that there is weak coordination at both central and council levels. While the National Steering Committee was supposed to coordinate central government ministries through a number of meetings, the meetings were not convened likewise at the council level, a number of stakeholders were not properly coordinated by the council.

Inadequate Monitoring and Evaluation of the Most Vulnerable Children Activities

The system for Monitoring and Evaluation of performance of the Most Vulnerable Children activities in both Central and Local Government Levels was found to be weak. The audit noted that most of the Social Welfare Officers and other dealing officials with Most Vulnerable Children have insufficient knowledge on supervising, monitoring and evaluating the performance of the Most Vulnerable Children activities under their jurisdictions. As a result, supervision, monitoring and evaluation of the performance of the Most Vulnerable Children activities had not been done

adequately. Very few monitoring and evaluations have been done and when assessed it was found that the officials made use of few indicators (6 out of 15 indicators) some of which are not good performance indicators of the Most Vulnerable Children system.

Weak Reporting of Performance Achievement of Most Vulnerable Children Issues

One of the weaknesses seen in the way the Most Vulnerable Children system is functioning was the weak reporting of performance achievements. Different levels of responsibilities have been assigned the task of reporting the performance in quarterly and annual basis but that was not done. Most of the councils were not submitting their reports to the Regional Secretariat. Likewise the Regional Secretariat did not submit reports to PMO-RALG.

The Ministry of Health was also depending on feedbacks from Implementing Partners rather than the reports obtained through the government structure. This problem was attributed to lack of enforcement on what should be reported and when, reluctance of Implementing Partners to provide information; and differences in the reporting systems of Implementing Partners.

7.3 The Main Results of the Follow-up on the Implementation of the Issued Recommendations

This section presents the implementation status of issued recommendations to both Ministry of Health and PO-RALG. The implementation status is divided into three category namely, recommendations that were fully implemented, partially implemented (satisfactory/not satisfactory) and those which were not implemented at all.

The recommendation rated as fully implemented is the one upon which the audited entity provided sufficient and appropriate evidence to support all elements of the recommendation, whereas the one rated as partially implemented is the one upon which the audited entity had provided evidence which support some elements of the recommendation.

Partially implemented recommendation were further broken down into **Satisfactory** (when most of the evidence have been provided) or **Not satisfactory** (when the audited entity is at the initial stage of implementing the recommendation). On the other side, when the audited entity has provided evidence which significantly do not support the implementation of the issued recommendation, or where no evidence has been provided and when it is in process but the effort cannot be measured, the recommendation was rated as not implemented.

7.3.1 Overall Findings of the Follow-up on Implementation of Issued Audit Recommendations

National Audit Office issued 17 recommendations, of which 5 (equivalent to 29 percent) were fully implemented, 9 (equivalent to 53 percent) were partially implemented and 3 (equivalent to 18 percent) were not implemented at all as shown in Figure 7.1:

Figure 7.1: Overall Implementation of the Issued Recommendations

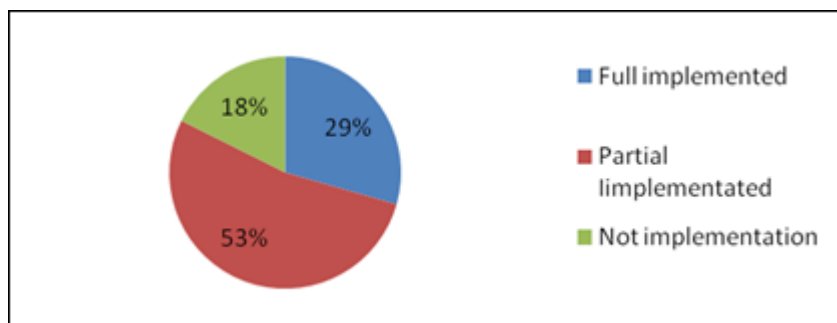


Table 7.1: Overall Implementation of the Issued Recommendations

Audited Entity	Total Number of Recommendations Issued	Implementation Status			
		Fully Implemented	Partially Implemented Satisfactorily	Not Satisfactorily	Not Implemented
Ministry of Health	8	0	5	0	3
PO-RALG	9	6	3	0	0
Total	17	6	8	0	3

Source: Auditors' Analysis from Interviews and Reviewed Documents from the Ministries

As indicated in Table 7.1, the Ministry of Health has not fully implemented recommendations issued to them, however five (5) recommendations issued to them are satisfactorily partially implemented and three (3) were not implemented at all. On the other hand, PO-RALG managed to implement fully six (6) recommendations but one (1) recommendation was not implemented at all. Three (3) recommendations were satisfactorily partially implemented by PO-RALG.

Issued recommendations to both the Ministry of Health and PO-RALG were further broken down into various categories based on their managerial nature as shown in Table 7.2.

Table 7:2 Number of Recommendations Not Implemented Per Category

Category of the Recommendation	Total No. of Issued Recommendation	No. of Recommendation Not Implemented	No. of Recommendation partially implemented	No. of Recommendation fully implemented
Planning	5	2	2	1
Coordination	1	0	0	1
Reporting	2	0	0	2
Monitoring	1	0	0	1
Development	8	1	6	1
Total	17	3	8	6

Source: Auditors' Analysis (2018) from Interviews and Reviewed Documents from PO-RAG and the Ministry of Health

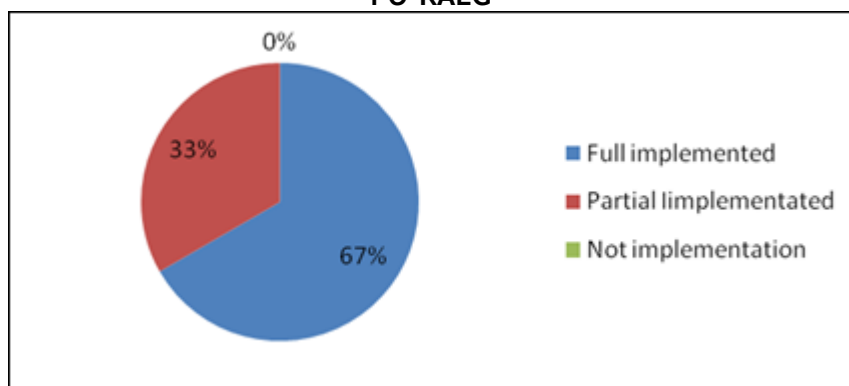
From the Table 7.2, it is shown that eight recommendations were related to development which is 47.1 percent of all issued recommendations to both Ministry of Health and PO-RALG. In this category, seven recommendations were partially implemented and only one recommendation was fully implemented.

On the other side, there were five (5) recommendations equivalent to 52.9 percent of all issued recommendations to both the Ministry of Health and PO-RALG that were related to planning. Only one planning recommendation was fully implemented.

7.3.2 Follow up Results on the Implementation of Recommendations-PORALG

Audit team verified the evidence submitted and found out that, PO-RALG has satisfactorily implemented the issued recommendations. This is due to the fact that it has managed to implement all the nine (9) issued recommendations, where as six (6) were fully implemented and three (3) were satisfactorily partially implemented. Figure 7.2 provides the overall implementation as performed by PO- RALG.

Figure 7.2: Overall Implementation Status of the Recommendation by PO-RALG



The details of the each Category of Recommendations are Further Presented below:

(i) Recommendations that were Fully Implemented

Recommendation 2: PORALG was supposed to ensure that there is improved coordination of service provision to MVC, reporting and information sharing from the low level (village/street) up to the national level

It has been noted that PO-RALG has put effort in strengthening coordination of service delivery to the Most Vulnerable Children by improving reporting arrangement from council's to Ministry level. That is annual reports on the implementation of the Comprehensive Council Health Plans (CCHP) from Local Government Authorities are submitted to PO-RALG as the stewardship. Furthermore, Letter with ref. No. BC.74/352/01 dated 26/7/2017 has been sent to Regional Secretariats to receive computers which will be used for MVC -MIS in 67 LGAs.

Moreover it has encouraged and coordinated non-government organisations involvement in providing services to the Most Vulnerable Children by requiring them to send quarterly reports to PO-RALG through LGAs on the implementation of their activities as reminded through latter ref. no BC. 74/352/01 of 5/2/2015.

Recommendation 3: All councils develop comprehensive action plans for the provision of services to Most Vulnerable Children and ensure that the plan is implemented.

The follow up audit noted that, PO-RALG through Local Government Authorities develops Comprehensive Council Health Plans and reports their implementation on quarterly basis. Similarly in facilitating the development and implementation of Comprehensive Council Health Plans,

it has developed the National Policy for guiding the provision of services to the Most Vulnerable Children in Local Government Authorities of 2016. In ensuring the implementation of plan, PO-RALG has been receiving implementation reports from the Local Government Authorities that indicate the implemented activities.

Moreover the auditors found that, PO-RALG sent reminder letter with ref. BC.74/352/01 of 5/2/2015 requiring all RS and LGAs to allocate sufficient funds for implementation of Most Vulnerable Children activities. Additionally, PO-RALG through the same letter instructed RS and LGAs to conduct monitoring and evaluation of implementation of the Most Vulnerable Children activities.

Recommendation 5: It develops a mechanism which will provide guidance on how various services offered to MVC such as shelter, education, health etc. will be provided.

The follow up audit found that PO-RALG has developed National Policy Guide for the provision of services to the Most Vulnerable Children in Local Government Authorities (2016); this serves as a tool for coordinating and monitoring the implementation of national policies for care, support and protection of the Most Vulnerable Children.

Recommendation 7: It communicates with Regional Secretariats requiring them to submit performance reports of their councils on issues regarding MVC and ensure that those reports are shared with MoHSW and other Ministries, Departments and Agencies (MDAs).

The audit team found that PO-RALG receives annual reports which cover the Most Vulnerable Children issues from all Regional Secretariats and also there are continuous communications among them regarding implementation of CCHP. Also, the auditors noted that the submitted annual report of 2016/17 for social welfare services provision in LGAs was also shared with the Ministry of health.

Furthermore, PO-RALG has sent reminder letter with ref. No. BC.74/352/01 dated 05th February, 2015 to all Regional Secretariats requiring them to submit performance reports from their councils to PO-RALG and the Ministry of Health.

Recommendation 8: It reviews all reports received from the Regions and provide feedback to the regions so as to enhance continuous improvement in the provision of services to the MVC.

The audit team found that, PO-RALG reviews annual reports from Regional Secretariats and Local Government Authorities and gives feedback on the areas which require further improvements. For instance, after reviewing

the annual report of 2016/2017, PO-RALG noted some weaknesses on the provision of services to the Most Vulnerable Children such as lack of awareness by citizen, that is, they even do not know where they can get the services.

This led PO-RALG to send a reminder letter with ref. No.CB.161/352/01 dated 05th October, 2017 to all Regional Secretariats to insist the Social Welfare Officers to develop schedule for awareness campaign on social welfare services to the community through their local media.

Similarly, PO-RALG after reviewing the submitted annual reports of 2015/2016 noted that there was a shortage of Social Welfare Officers at District and Ward level. Based on the observation from that review, PO-RALG decided to send a reminder letter with ref. No.B.161/352/01/02 dated 04thSeptember, 2017 to all Regional Secretariats to insist them to deploy Social Welfare Officers in the financial plan 2018/19.

Recommendation 9: Councils are conducting regular monitoring and evaluation of MVC activities and the results are reported back to all levels of administration i.e. National, Regional and Council.

The audit team noted that, PO-RALG through Council Health Management Team conducts monitoring of the Most Vulnerable Children activities and review progress reports submitted to them from Regional Secretariat. That is, monitoring and evaluation of the Most Vulnerable Children activities was conducted using normal way of handling case management.

Also, the audit noted that, University of Dar es Salaam in collaboration with the Ministry of Health developed the National Monitoring and Evaluation plan for monitoring the progress of all activities of the Most Vulnerable Children. After it has been reviewed, 33 councils will start to use it. While 67 districts councils as shown in **appendix I** were provided with computers to be used for the Most Vulnerable Children-Management Information System.

To ensure that national monitoring and evaluation plan is effectively implemented, the audit team noted that PO-RALG sent a reminder letter with ref. No. BC.74/352/01 dated 05th February, 2015 to all Regional Secretariats to insist them to provide services and conducting monitoring and evaluation for the Most Vulnerable Children activities.

(ii) Recommendations that were Partially Implemented

Recommendation 1: Proper planning for the identification of Most Vulnerable Children is done and is covering all villages and streets.

The audit team found that the identification of the Most Vulnerable Children is done through the registers form. Although PO-RALG has developed National Costed Plan of action for the Most Vulnerable Children, the plan does not prescribe clearly how Most Vulnerable Children will be identified. Furthermore, there are no direct strategies in place which ensure sustainable identification of the Most Vulnerable Children.

Recommendation 4: A mechanism for ensuring that all Implementing Agencies (both state and non-state) in their areas regularly submit implementation reports to the councils.

The audit team noted that, PO-RALG has set-out Council Health Management Team at each council, which is responsible for coordinating and monitoring involvement of private sector in the provision of social and health services. In order to ensure this is done effectively, PO-RALG has sent a letter with ref. No. CB.161/297/01/4 dated 20th January 2014 to all Regional Secretariats and Local Government Authorities instructing them to supervise and coordinate all agencies involved in the provision of Health Social Welfare Services. However, no progress reports were provided to the audit team as evidence.

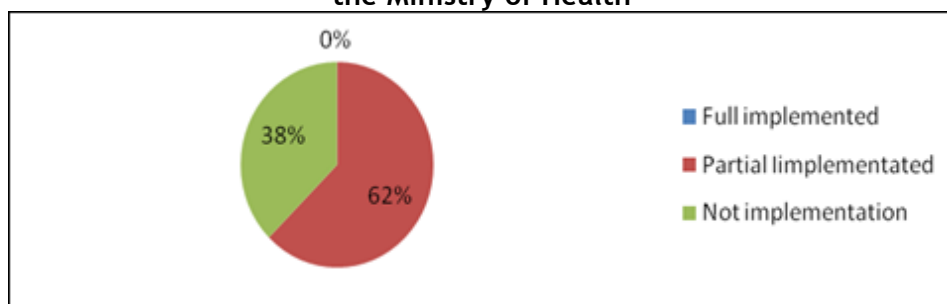
Recommendation 6: It establishes mechanism for ensuring that resources for MVC are equitably allocated and budget is set aside for the Most Vulnerable Children activities

The follow up audit found that PO-RALG has redesigned web based plan Rep however issues regarding the provision of services to the Most Vulnerable Children were not adequately covered.

7.3.3 Follow up Results on the Implementation of Recommendations to the Ministry of Health

Audit team verified the evidence submitted and found out that, the Ministry of Health has not successfully implemented all recommendations issued to them. This is due to fact that out of eight (8) recommendations issued to the Ministry, five (5) were partially implemented and three (3) were not implemented at all and none of the recommendation was fully implemented.

Figure 7.3: Overall Implementation status of the Recommendation by the Ministry of Health



(i) Recommendations that were not Implemented by the Ministry of Health

Recommendation 6: The Ministry of Health should develop a mechanism for managing Most Vulnerable Children data and sharing of that information with all government institutions dealing with Most Vulnerable Children issues.

The review of implementation status showed that the Ministry of Health has been waiting the finalization of the National Monitoring & Evaluation Plan, however it has not been made clear when it will be finalized.

Recommendation 7: Ministry of Health was supposed to ensure it maps out all service providers in the country and provide clear mechanism for performance reporting that will ensure all implementing partners reports to government on the implementation of various MVC programs.

The review of implementation status provided and indicated to the auditors that the Ministry of Health has planned to incorporate the activity of mapping out all service providers in the country in the budget of financial year 2015/2016, but it has not been implemented.

Recommendation 8: The Ministry of health was supposed to establish a database of all Most Vulnerable Children in the country and use it to monitor all the activities related to the provision of services to the Most Vulnerable Children

The review of implementation status provided to National Audit Office revealed that, the Ministry of health planned to develop a data base of all Most Vulnerable Children in the country, however up to the time of this follow up audit the data base was not developed.

(ii) **Recommendations that were Partially Implemented by the Ministry of Health**

Recommendation 1: The Ministry of health was supposed to ensure that joint plans for the identification of Most Vulnerable Children among the central and local government players of MVC activities in the country are developed and implemented.

The review of implementation status indicated that the draft of the operational plan has been developed and the plan will be circulated after the completion of the final draft. National Costed Plan of Action II (2013 - 2017) was disseminated to all members of Association of Local Authorities of Tanzania during the Annual General Meeting held in May, 2014 in Tanga. Furthermore the plan was also disseminated to four (4) regions - Mtwara, Pwani, Morogoro, and Dar es Salaam. However the plan was not disseminated to other remaining regions.

Recommendation 2: The Ministry of Health should develop a mechanism that will ensure that the MVC needs are analysed and the information are shared with all stakeholders in the council and used for determining required resources for the Most Vulnerable Children activities.

The review of recommendation implementation status reports from the Ministry of Health, the audit team noted that sensitization for the Most Vulnerable Children's needs analysis was conducted to Regional Social Welfare Officers, Regional Medical Officers and District Medical Officers during the Annual General Meeting conducted in Morogoro in October 2014.

Similarly, the Ministry of Health has conducted sensitization regarding the Most Vulnerable Children issues to Association of Local Authorities of Tanzania members particularly on plans and budgets for provision of Most Vulnerable Children services. Also the Ministry of Health has conducted 11 meetings with the implementing partners group for MVC as well as one meeting of the National Child Protection Advisory Committee was conducted where the Ministry has shared the needs of the most vulnerable children to the members of advisory committee.

Recommendation 3: Develop mechanisms and interventions that will ensure that provision of services to Most Vulnerable Children is done consistently and corresponds to the Most Vulnerable Children's prioritized needs.

The review of recommendation implementation status from Ministry of Health, the audit team noted that Ministry of Health has conducted eleven (11) meetings with implementing partners group for Most Vulnerable

Children and one (1) meeting of the National Child Protection Advisory Committee.

Furthermore the Ministry of Health has conducted quarterly Multi Sectoral Task Force for the Violence Against Children (VAC). The audit team thinks that this is not a sustainable and permanent mechanism for provision of services constantly. Additionally, child protection is not the only prioritized need of the most Vulnerable Children.

Recommendation 4: The Ministry of Health should Develop a monitoring and evaluation systems that will allow tracking of progress towards the achievement of goals and objectives /impact of the Most Vulnerable Children Programs.

The review of implementation status showed that the National Monitoring & Evaluation Plan for the Most Vulnerable Children has been prepared and it was expected to be finalized in December, 2014. However, up to date the plan has not finalized.

Recommendation 5: The Ministry of Health should Develop MVC program indicators which are measurable both in short and long term.

The review of implementation status showed that the development of operation plan was not finalized and it is this plan which is expected to cover indicators which will measure both short and long term for the goals for activities for provision of services to the Most Vulnerable Children.

7.4 Specific Conclusion

Based on the analysis of the implementation status of the issued recommendations, it is concluded that the Ministry of Health, Community Development, Gender, Elderly and Children and President's Office-Regional Administration and Local Government have made partial satisfactory progress towards the implementation of the issued recommendations. However, the National Audit Office will continue to make follow-up of the recommendations which have not been implemented, and those which have been partially implemented, to see the progress being made.

7.5 Specific Recommendations

The Ministry of Health, Community Development, Gender, Elderly and Children should ensure that recommendations that were not implemented and those which were partially implemented are taken seriously and are fully implemented.

Therefore, the Ministry should ensure that the following recommendations are implemented to the fullest:

- 1) Ensure that joint plans for the identification of Most Vulnerable Children among the central and local government players of the Most Vulnerable Children activities in the country are developed and implemented;
- 2) Develop a mechanism that will ensure that the Most Vulnerable Children needs are analysed and the information are shared with all stakeholders in the council and used for determining required resources for Most Vulnerable Children activities;
- 3) Develop mechanisms and interventions that will ensure that provision of services to Most Vulnerable Children is done consistently and corresponds to the Most Vulnerable Children's prioritized needs;
- 4) Develop a monitoring and evaluation systems that will allow tracking of progress towards the achievement of goals and objectives /impact of MVC programs;
- 5) Develop Most Vulnerable Children program indicators which are measurable both in short and long term;
- 6) Develop a mechanism for managing the Most Vulnerable Children data and sharing of that information with all government institutions dealing with Most Vulnerable Children issues;
- 7) Map out all service providers in the country and provide clear mechanism for performance reporting that will ensure all implementing partners reports to government on the implementation of various Most Vulnerable Children programs;
- 8) Establish a data base of all Most Vulnerable Children in the country and use it to monitor all the activities related to the provision of services to Most Vulnerable Children, and
- 9) The Ministry of Health should develop a mechanism for managing Most Vulnerable Children data and sharing of that information with all government institutions dealing with the Most Vulnerable Children issues.

The President's Office - Regional Administration and Local Government has to ensure that recommendations that were not implemented and those which were partially implemented are taken seriously and are fully implemented.

Therefore, they should ensure that the following recommendations are implemented to the fullest:

- 1) Proper planning for the identification of the Most Vulnerable Children is done and is covering all villages and streets;

- 2) A mechanism for ensuring that all Implementing agencies (both state and non-state) in their areas regularly submit implementation reports to the councils; and
- 3) It establishes mechanism for ensuring that resources for the Most Vulnerable Children are equitably allocated and budget is set aside for the Most Vulnerable Children activities.

CHAPTER EIGHT

GOVERNANCE ARRANGEMENTS FOR THE IMPLEMENTATION OF PERFORMANCE AUDIT RECOMMENDATIONS

8.1 Introduction

This chapter provides analysis of the governance arrangements within the audited entities on how to implement the performance audit recommendations. It provides details on how key aspects of governance in the implementation have contributed to the inadequate implementation of the previously issued recommendations.

8.2 Level of Implementation of the Audit Recommendations in Audited Entities

Based on follow-up conducted, a total of 121 recommendations were provided for all six audit reports. Out of the 121 recommendations, 31 were fully implemented, 44 were partially implemented and 40 were not implemented at all.

The overall status on the implementation of the issued recommendations indicated that only 26 percent of all recommendations issued were satisfactorily addressed; 36 percent partially implemented; and 33 percent not implemented at all. Moreover, 5 percent were overtaken by events.

Therefore, most of the recommendations were not satisfactorily implemented since they are either not implemented at all or partially implemented.

8.3 Reasons for Inadequate Implementation of the Issued Recommendations

As noted above, the level of implementation of the issued recommendations was not satisfactory since the implementation level stood at 62 percent of all issued recommendations. The audit team noted that the main reason for non-implementation of all issued recommendations was insufficient governance arrangements on the implementation of the issued recommendations within the audited entities.

This is evidenced by the following:

8.3.1 Lack of Clearly Established Responsibilities and Reporting Arrangements for Monitoring the Implementation of Issued Recommendations

The follow up audit noted that there are weaknesses on the clarification of responsibilities and reporting arrangements for monitoring results on the implementation of issued audit recommendations in most of the audited entities. This was indicated by the following:

Absence of Unit or Section Responsible for Overseeing the Implementation of Recommendations

Audit team observed that, only 2 out of 8 audited entities had section charged to work on issued recommendations, these entities were President's Office - Regional Administration and Local Government (PO-RALG) and the Ministry of Tourism and Natural Resources. PO-RALG has strengthened the Inspectorate and Finance Tracking Unit which is responsible to oversee the implementation of issued performance audit recommendations, while the Ministry of Tourism and Natural Resource, has strengthened its Audit Query Section to oversee the implementation of the issued performance audit recommendations.

The rest of audited entities i.e. 6 out of 8, do not have Unit, Section or Department that is charged to oversee the implementation of issued performance audit recommendations. These entities are the Ministry of Health, Ministry of Industry, Trade and Investments, Tanzania Bureau of Standards, Tanzania Food and Drugs Authority, the Ministry of Finance and Planning, and Public Procurement Regulatory Authority (PPRA). This was evidenced by the fact that auditors were required to spend more time to identify various sections within the audited entities that could be responsible for the issued recommendations. This process of identifying responsible officers/section to meet with in some entities took many days.

For example, at the Ministry of Health the audit team had to postpone the verification meeting for almost 14 working days, the meeting was scheduled to be conducted on 4th of December, 2017 but the audit team managed to meet responsible officers on 27th December, 2017. This was because there was no Unit/Section to oversee implementation of issued recommendations. The audit team had to call and contact various people from different Sections or Units to set-up meetings with them.

This means that even though recommendations were received by the top management of the audited entities, the management did not assign anyone the task of ensuring that they were adequately implemented. Hence, individual Sections or Departments within the audited entities took

own initiatives to work on those recommendations without knowing where to report and consolidate their implementation status.

Through interviewed officials from Tanzania Food and Drugs Authority, Tanzania Bureau of Standards, and the Ministry of Health, the audit team noted that, audited individual section responsible for implementing activities took their own efforts to ensure that issued audit recommendations were implemented.

But, for some audit recommendations that were not directed to their Section, it was difficult for them to coordinate their efforts on implementing the issued audit recommendations. Based on that, the audit team was linked with specific officials something that prolonged the verification meetings.

As a result it was difficult for the audited entities to have clear picture and coordinated efforts on the extent to which a specific recommendation has been implemented. Equally, the audit team saw the risk of duplicating efforts within the audited entities in the course of implementing the issued recommendations.

Furthermore, during the meetings with the audited entities' officials to discuss implementation status of the issued recommendations, audit team observed that, there was no clear coordination in 6 out of 8 audited entities; thus activities for implementation of recommendations were not well coordinated. Only two (2) audited entities namely, the Ministry of Tourism and Natural Resources and PO-RALG managed to coordinate well the implementation of issued audit recommendations.

In 6 audited entities, the audit team noted that, because of poor coordination, they failed to prepare the implementation status of the given audit recommendations indicating how the recommendations were implemented. This was due to the fact that, the given recommendations were meant to be implemented by different Sections or Departments within the audited entities which requires coordination. As a result it took quite some times for the audit team to get clarifications regarding the implementation status of some recommendations.

Weak Reporting Mechanisms on the Implementation Status of Recommendations

Through interviews and discussions held with officials from the audited entities, it was noted that the audited entities were not having a good reporting mechanisms for reporting the implementation status of the given recommendations. In all eight (8) audited entities, audit team noted that there was no specific report that was produced showing how the issued recommendations were implemented.

Audit team noted that, when audited entities wanted to discuss issued recommendations, they were using the implementation matrix prepared by National Audit Office of Tanzania and submitted to them requesting for their level of implementation of the issued recommendation.

Furthermore, the audit team found-out that there was no any report that was submitted either to the top management, Management or even Audit Committee meetings of the audited entities to discuss matters regarding the implementation of the issued performance audit recommendations with exception of Tanzania Food and Drugs Authority's Management who met to deliberate on PA report on Food Inspection.

However, the audit team reviewed minutes of Tanzania Food and Drug Authority executive meeting and found-out that, issued recommendations were discussed in some of the meetings and way forward was established. Furthermore, the audit team reviewed a monitoring report on compliance with Food and Drugs Act and Implementation of CAG recommendation of 27th August, 2017 and noted that, Tanzania Food and Drugs Authority are reporting on how issued recommendations were implemented.

Therefore, it was further noted that failure to have good reporting mechanisms hampered the ability of the audited entities' Management to monitor and track the level of implementation of the given recommendations. This situation was contributed by the fact that there is no further arrangement to make follow-up on how the given recommendations have been implemented, despite the requirement that the audit recommendations need be discussed in the management meeting upon their receipt.

8.3.2 Audited entities' Processes for Managing the Implementation of Previously Issued audit Recommendations are not Properly defined

Based on the interviews held with officials from all eight (8) audited entities, the audit team found-out that the audited entities' processes for managing the implementation of previously issued audit recommendations were not properly defined and not known to some staff within those audited entities.

This is despite the fact that, during the exit meetings of these particular audits between the National Audit Office and the Management of the audited entities, the audited entities received the audit recommendations and came up with preliminary plans that showed how they would implement them. In those preliminary plans, the audited entities came up with broad activities and timelines from which the recommendations were expected to be implemented.

However, it was noted that, apart from the preliminary plans that were prepared during the exit meetings, there was no any other plan prepared by the audited entities to further guide them and provide accountability on the implementation of the given recommendations. In turn, this led to insufficient implementation of the issued recommendations as they were yet to be implemented despite that four years had already lapsed.

Only officials from the Ministry of Tourism and Natural Resources and Tanzania Food and Drugs Authority were able to provide information regarding available processes to ensure issued recommendations were implemented. It was noted that, upon completion of the audit, the responsible Sections/Departments conducted meetings aimed at discussing how the issued recommendations would be implemented. Based on those meetings, they incorporated some of the issued recommendations in their budget and annual plans. This facilitated smooth implementation of issued recommendations.

Moreover, it was noted that preparations of the implementation status report was not seriously taken by the audited entities. The implementation reports were mostly prepared upon the receipt of the reminder from the National Audit Office.

It was further noted that this was mainly caused by the absence of the detailed plan on how the issued recommendations would be implemented. It was also caused by weak monitoring and follow-up of matters regarding implementation status of the issued recommendations.

No one was clearly accountable for this matter. For example, in all eight (8) audited entities, it was noted that, the Audit Committee was not in the picture regarding Performance Audit Reports issued to the audited entities and in that aspect no any sort of follow-up was made by them. This was also observed with the Internal Audit function within the audited entities which was equally not aware on issues regarding the implementation of audit recommendations.

Another reason for not seriously preparing implementations status report was the lack of the recommendation registry in the audited entities that captured all Performance audit recommendations from the Controller and Auditor General. This was observed in all eight (8) audited entities. As a result, the issued recommendations were not included in various implementation plans prepared by the audited entities.

Moreover, the audit noted that sharing of the information regarding the implementation status prepared was not sufficiently done across Sections or Departments within the audited entities.

For example, at Tanzania Bureau of Standards, the Ministry of Health and the Ministry of Tourism and Natural Resources, the audit team faced challenges in tracking who was involved in responding to the issued recommendations. Therefore, this implies that there was no clear and sufficient process for sharing information regarding the implementation status of the given recommendations.

8.3.3 Inappropriateness of the System for Monitoring the Implementation of Issued Recommendations

The audit team evaluated the adequacy and appropriateness of the systems for monitoring the implementation of the given recommendations. Through the said evaluation, the audit team noted that the system for monitoring the implementation of issued recommendations within the audited entities was not appropriate and contributed to a large extent to unsatisfactory implementation of the issued recommendations.

It was noted that, the system for monitoring was lacking monitoring plans. Performance indicators that could be used to assess the level of implementation of the given recommendations, clearly defined implementation strategies based on the timelines and also failure to report the level of performance of concerned Sections or Departments within the audited entities as far as implementation of recommendations are concerned.

This was mainly caused by the failure of the audited entities to assign specific officials or Section to deal with matters regarding the implementation of the given recommendations.

It was further noted that, due to insufficient system to monitor the implementation of the given recommendations, the following weaknesses raised : (1) failure to capture all issued recommendations in the recommendations registry hence audited entities lack good knowledge of the existing recommendations to be addressed; (2) failure to include the issued recommendations in the audited entities' plans and budget as well as activities; (3) failure to regularly establish status of the recommendation; (4) Insufficient reporting and sharing of implementation status; and (5) unsatisfactory implementation of the given recommendation whereby at the time of this audit almost one-third (33 percent) of the given recommendations were yet to be implemented despite the fact that four years had already lapsed since when those recommendations were issued.

CHAPTER NINE

CONCLUSION AND RECOMMENDATIONS

9.1 Introduction

This chapter provides conclusion of the findings presented in previous chapters. The conclusion is based on the overall objectives of the follow-up on the implementation of the previously issued recommendations as presented in chapter one of this report.

Similarly, this chapter contains recommendations to the Prime Minister's Office on what should be done to improve the situation.

9.2 Conclusion

9.2.1 Overall Conclusion

The general conclusion of this follow-up is that the actions taken by the Audited Entities in response to previously issued performance audit recommendations have not adequately and effectively addressed the matters that led to recommendations being made.

Implementation of the issued recommendations is not satisfactory as only 31 out of 121 (equivalent to 26 percent) of the issued recommendations were fully implemented, 44 (equivalent to 36 percent) were partially implemented, 40 (equivalent to 33 percent) were not implemented and 6 out of 121 (equivalent to 5 percent) were overtaken by event. Therefore, 62 percent of the issued audit recommendations were either fully or partly implemented by the audited entities.

This is mainly caused by insufficient governance structures within the audited entities and highly contributed by lack of clearly established responsibilities and reporting arrangements, inappropriateness of audited entities' processes and system for monitoring the implementation of issued recommendations within the audited entities.

Due to this, the audited entities are still operating without having a specific Section or individuals to coordinate the implementation of the issued recommendations, lack of updated recommendation registry, and lack of detailed plan for the implementation of the issued recommendations was also observed to contribute to insufficient implementation of audit recommendations.

9.2.2 Specific Conclusions

The audited entities have not satisfactorily implemented a large number of the audit recommendations issued by the NAOT

Large number of the issued audit recommendations has not been implemented by the audited entities. Only 26 percent of 121 issued performance audit recommendations were fully implemented and the remaining part has been either partially or not implemented contrary to the expectation of the audit office.

In addition, various actions have been taken by the audited entities in relation to those recommendations directed towards enforcement, coordination and monitoring. But, recommendations directed towards Planning and Budgeting, Monitoring and Evaluation, Revenue, Coordination, Development, Enforcement, Execution, Capacity Building and Awareness have not been implemented.

This is despite the fact that those areas are critical for enhancement of performance of the audited entities on various areas of their jurisdiction. This means that there are no corrective measures taken to address issues on those areas.

Failure to act and improve those areas has to a large extent denied those audited entities a room to enhance quality of the services they are providing and ultimately denying people to receive the high quality of services which was supposed to be rendered by the audited entities.

The audited entities are lacking a working governance system for monitoring NAOT's performance audit recommendations

The audited entities are lacking a well-functioning working governance system for monitoring NAOT's performance audit recommendations even though all audited entities have internal audit function, audit committees, and periodical management meetings.

But those structures were not extensively used to address performance audit recommendations. They were mainly focusing on the recommendations from financial audit only. For example, the Audit Committees of all audited entities have never received and deliberate on the performance audit recommendations.

Another example is that of the internal audit functions of the audited entities have never involved themselves in making any follow-up on issues raised in the performance audit reports. The same was also observed during the meetings of the Management Committees of the audited

entities have never discussed and deliberate on the extent of the implementation of the issued performance audit recommendations.

Furthermore, the reporting of the level of implementation of the issued audit recommendations has been a challenge since there was no documented information or reports which track and document the level of implementation of the issued recommendations and ensure that the implementation status is periodically updated.

9.3 Overall Recommendations

The Prime Minister's Office should ensure that all Ministries, Departments, Agencies and Local Government Authorities are:

1. Prioritizing the implementation of all recommendations issued by the CAG;
2. Tracking all issued recommendations and documents their implementation status; and
3. Having a working governance system for monitoring NAOT's performance audit recommendations.