

Country Analysis:

Transparency and Accountability during COVID-19 Outbreak in Sierra Leone





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Acronyms

ACC	Anti-Corruption Commission
ASSL	Audit Service Sierra Leone
CEMS	Compliance Enforcement Management System
CHC	Community Health Centre
CTAP	COVID-19 Transparency, Accountability and Participation
CSPPS	Civil Society Platform for Peace Building and Sustainability
DHMT	District Health Management Team
GoSL	Government of Sierra Leone
GST	Goods and Services Tax
IHPAU	Integrated Health Projects Administration Unit
ISSAI	International Standards of Supreme Audit Institutions
JBL	James Bullough Lansing
MDA	Ministry Department and Agencies
MoHS	Ministry of Health and Sanitation
MTA	Ministry of Transport and Aviation
NaCOVERC	National COVID-19 Emergency Response Centre
NIC	National Insurance Company
NPPA	National Public Procurement Authority
NRA	National Revenue Authority
ONS	Office of National Security
PAYE	Pay As You Earn
PFM	Public Financial Management
RSLAF	Republic of Sierra Leone Armed Forces
SLRSA	Sierra Leone Road Safety Authority
SLA	Service Level Agreement
SLP	Sierra Leone Police
USSD	Unstructured Supplementary Service Data

Executive Summary

The COVID-19 Transparency and Accountability Project (CTAP) has provided an assessment of the COVID-19 experience within Sierra Leone and identified important elements that touch on Transparency, Accountability and Governance in general. Sierra Leone emerged from the Ebola Pandemic of 2014-2016 with a fragile health system (despite legal and policy frameworks put in place to handle the fallout of the pandemic) which had to cater to existing vulnerable groups (People Living with HIV, for example), of which COVID-19 would add to.

However, this crisis did not result in greater transparency or accountability but on the contrary may have created an opportunity for managers of public funds to exploit the urgent nature of the pandemic, through opaque processes resulting in graft. On a positive note, the Audit Service Sierra Leone (ASSL) carried out an extensive audit of the management of COVID-19 funds, by the National COVID-19 Emergency Response Centre (NaCOVERC) and several other government ministries, departments and agencies. The audit revealed serious cases of mismanagement, noncompliance and corruption.

A person wearing a white protective suit, mask, and gloves is holding a clipboard and looking down at it. They are standing in front of a wooden fence. The image is overlaid with a semi-transparent dark red filter.

01

Introduction

Introduction

The COVID-19 Transparency and Accountability Project (CTAP) has provided an assessment of the COVID-19 experience within Sierra Leone and identified important elements that touch on Transparency, Accountability and Governance in general.

Sierra Leone emerged from the Ebola Pandemic of 2014-2016 with a fragile health system (despite legal and policy frameworks put in place to handle the fallout of the pandemic) which had to cater to existing vulnerable groups (People Living with HIV, for example), of which COVID-19 would add to.

However, this crisis did not result in greater transparency or accountability but on the contrary may have created an opportunity for managers of public funds to exploit the urgent nature of the pandemic, through opaque processes resulting in graft. On a positive note, the Audit Service Sierra Leone (ASSL) carried out an extensive audit of the management of COVID-19 funds, by the National COVID-19 Emergency Response Centre (NaCOVERC) and

several other government ministries, departments and agencies. The audit revealed serious cases of mismanagement, noncompliance and corruption.



History of COVID-19 in Sierra Leone, Legal Arrangements and Strategic Plan

Legal Framework

The government of Sierra Leone embarked on the implementation of a range of legal instruments to guide the management and administration of the pandemic. Having created a single entity to handle the management of the pandemic-NaCOVERC-it passed a series of legislations to empower it.

The operations of NaCOVERC are covered by several legal instruments to underpin the legitimacy of the Response. These include:

- i. Constitutional Instrument No. 6 of 2020, Proclamation, 2020 - State of Public Emergency.
- ii. Constitutional Instrument No. 21 of 2020, The Corona Virus Disease Emergency Fund Regulations, 2020.
- iii. Constitutional Instrument No. 22, The Corona Virus Disease Emergency Fund (Management) Regulations, 2020.
- iv. Constitutional Instrument No. 23 of 2020, The COVID-19 Public Emergency Response Coordination Regulation, 2020.

v. Constitutional Instrument No. 24 of 2020, The COVID-19 Public Emergency Response Coordination (Protective Measures) Regulations, 2020; and

vi. Constitutional Instrument No. 25 of 2020, The Imposition of Curfew Order, 2020.

To uphold a commitment to the fight against corruption and rising interest of the international community and civil society in good governance structured around the use of COVID-19 funds, the Corona Virus Disease Emergency Fund Regulation, 2020, provides for the establishment and management of the Corona Virus Disease Emergency Fund.

The regulations make provisions for the establishment of a CoronaVirus Emergency Fund Oversight Committee and guide budget preparation, procurement processes, accounting, and financial reporting guidelines, and internal and external auditing.

The Corona Virus Disease Emergency Fund (Management) Regulation, 2020, provides the financial architecture to support the response and emphasizes full transparency and value for money in procurement.

The Procurement Committee of the COVID-19 Fund Administration advises on procurement methods

and evaluates application, procurement proposals, bids and contracts. Furthermore, the Regulation mandates the Administrator to publish significant procurement activities widely in various media outlets.



Strategic Plan

The Ministry of Finance stated that the 'Sierra Leone National COVID-19 Strategic Health Response Plan directly covers the Government's crisis response to the public health risk of COVID-19 and focuses primarily on the goal of saving lives and protecting livelihood'.¹

The key objectives of this plan includes the following:

- Mitigate the spread of COVID-19.
- Minimize deaths from COVID-19.
- Protect wider health services to ensure lives are not unnecessarily lost due to non-COVID-19 health causes.
- Mitigate the impact of COVID-19 on livelihoods.

To achieve these objectives, the Response is implemented through six key pillars:

- Operational coordination.
- Surveillance.
- Isolation/quarantine.²
- Testing.
- Clinical treatment/case

management and

- Behavioural change.



¹See "Sierra Leone's Auditor General under attack" by Lawrence Williams, on March 10 2021, in the Sierra Leone Telegraph. Retrieved on April 18 2021 from: <https://www.thesierraleonetelegraph.com/sierra-leones-auditor-general-under-attack/>. In addition, the economic and social response to COVID-19 is covered by the Quick Action Economic Response Plan (QAERP).

²Isolation refers to the separation of a positive asymptomatic case, whereas quarantine refers to the separation of a primary contact to a positive case who may be at risk either due to travel history or having been exposed.

02

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ECONOMIC MANAGEMENT
OF THE STATE

JULIUS MAADA BIO
FOR PRESIDENT 2018



Dr. Sam
FOR
PRESIDENT

*COVID-19 and
the Political
Economy in
Sierra Leone*

GOD'S GRACE

Cand L 02

COVID-19 and the Political Economy in Sierra Leone



\$8.9m

was the total amount of COVID-19 funds haven been expended in the period under NaCOVERC review

From a quick perusal of the Audit Service of Sierra Leone (ASSL), it is evident that an enormous amount of graft originated principally from the management of COVID-19 funds, by the National COVID-19 Emergency Response Centre (NaCOVERC) and several other government ministries, departments and agencies.³

With the total amount of COVID-19 funds haven been expended in the period under their review, running a little under Le100 billion (US\$8,985,365)⁴ the audit was extremely crucial. This shows that the lack of oversight and supervision (created as a result of the emergency situation) that should normally have been afforded the process from the legislature, was scuttled.

It is also telling that the kind of Audit carried out, was an 'External Audit' and not one done by regular 'internal' audit teams. External audits are usually done at the end of the year or ordinarily, at the end of a

particular period. Yet the pandemic created anything but an ordinary situation, which prompted the 'Real Time External' audit. This Real Time audit, included Financial and Performance auditing,⁵ as well as the involvement of a Certified Fraud Examiner (CFE), among other technical officers.

According to the ASSL's document, the audit was primarily done to ensure that the regular rules and procedures were followed for disbursements, payment of allowances, retirement of funds, assets and donations management, among other things.

This is because, the willful or deliberate avoidance of mandatory and prescribed finance, legal and administrative rules can leave a wide berth for corruption. Moreso, with the fact that in-person transactions were difficult and perhaps even discouraged, it made the detailed assessment all the more needful.

³ See Audit Service of Sierra Leone. (2020). Report on the Audit of Funds managed by the National COVID-19 Emergency Response Centre and other Ministries Departments and Agencies; (March to June, 2020). Retrieved on April 15 2021 from: Report-on-the-Audit-of-Funds-managed-by-NaCOVERC-and-other-MDAs.-March-June-2020-1.pdf.

⁴ See Audit Service of Sierra Leone. Report on the Audit of Funds managed by the National COVID-19 Emergency Response Centre and other Ministries Departments and Agencies, op. cit., at p. 19.

⁵ Vivek and Krafchik remind us that: "Financial audits assess the accuracy and fairness of both the accounting procedures utilized by a government agency and the financial statements reported by the agency ... Performance audits analyze cost-effectiveness (economy), operational efficiency, and the general effectiveness of government programs in achieving their objectives". See Vivek, R., and Krafchik, W. (2005). The Role of Civil Society Organizations in Auditing and Public Finance Management, at p. 6. The International Budget Project. Retrieved on March 12 2021 from:

Yet, the wide range for corruption was also made starker by the challenge that - the entity that was managing the pandemic was the same body that was being audited.⁶

This meant that principal officers were unavailable to the ASSL for questioning or interview. The management of NaCOVERC, in some instances, refused to respond to the queries made by the ASSL, which compromised the investigation and audit.⁷ Added to this, was the preference given to the internal auditor to view and cite key documents (many of which are currently outstanding and have not been produced) before the external Auditors could do so.

This showed that the management of NaCOVERC, likely had the intention of shielding themselves from serious scrutiny, using their internal auditor as a 'filter' and remaining opaque (the antithesis of transparency), to avoid accountability. Seemingly trivial, this Sierra Leonean example shows that audit has the propensity to expose graft being committed, evidencing a desire by the parties under investigation to reduce their exposure as much as possible and highlight how timeliness affects the operation and enhancement of transparency and accountability. This has the added effect of showing that

the two concepts are not always identical. Or put differently, this instance serves as an example of how contextual factors affect the manner in which transparency and accountability may at times mutually reinforce each other and at other times work in a temporal sequence (i.e., where one precedes another).⁸ Were the information in the documents not compromising to NaCOVERC, the External Audit would have taken receipt of them without an issue.

But, as they are likely not just compromising but incriminating, they were not shared. It is interesting to note, that the ASSL's work, took note of international best practices, as the Audit rules (specifically, the Audit Service Manual of Sierra Leone) are based on the International Standards of Supreme Audit Institutions (ISSAI).

This means that global norms of standard and appropriate auditing can find their way into the practice of auditing, in developing countries. Though it can be argued that audit rules that do not lead to prosecutions, arrests, and suspensions may have limited use, it is a positive step that they are even being applied and have found their way to the forefront of investigations. Norms and entrenched practices have to take

⁶ See Audit Service of Sierra Leone. Report on the Audit of Funds managed by the National COVID-19 Emergency Response Centre and other Ministries Departments and Agencies, op. cit., at p. 9.

⁷ Ibid.

⁸ See Mabilard, V., and Zumofen, R. (2019). Debate: The transparency-accountability relationship depends on the context and the issues at stake, at p. 1. In Public Policy and Management. Routledge: A Taylor and Francis Group.



time to become institutionalised and this can be argued to be a necessary logical step for it to happen. Institutions are said to be the formal and informal rules that structure interactions and define how a society operates⁹ and there are instances where semi-formal and formal practices become administratively normalized (they become adopted more often and lead to logical conclusions).¹⁰

In fact, this is one part of the argument put forward by Vivek and Krafchik, in their paper on 'The Role of Civil Society Organizations in Auditing and Public Finance Management'.¹¹ In their view, civil society cannot replace Audit institutions but Audit entities can forge a functional relationship with civil society, through which they can

complement each other with their various strengths and provide assistance in areas of weakness.

This, in their estimation, can lead to stronger budgetary oversight and one can see the beginnings of this understanding with the publication of the audit report by the Sierra Leone media and civil society.

In the main, the ASSL's report, shows a level of engagement and willingness to subject government activity to scrutiny, even when it could have some level of justification (the fact that the country is experiencing an emergency, the fact that lives are at stake). The fact that the ASSL undertook this investigation of their own volition and without the prompting of the Executive, also shows that

⁹Douglas North defines 'Institutions' as: "Institutions are the humanly devised constraints that structure political, economic and social interaction. They consist of both informal constraints (sanctions, taboos, customs, traditions, and codes of conduct), and formal rules (constitutions, laws, property rights)". See North, D. (1990). Institutions, at p. 1. In the Journal of Economic Perspectives, Vol. 5, No. 1. (Winter, 1991), pp. 97-112. Retrieved on February 10 2021 from: North (1991).pdf.

¹⁰See generally, North, D. Institutions, op. cit.

¹¹See Vivek, R., and Krafchik, W. The Role of Civil Society Organizations in Auditing and Public Finance Management, op. cit.

what is lacking in other jurisdictions, is the ability of audit institutions to act independently and without the instruction of the Executive. But this act has not gone without some form of pushback from the Executive, as the Auditor's office has come under serious scrutiny by the Sierra Leone Ministry of Finance in recent months.¹² While there is no proof that this is politically motivated, it is curious that the infraction of which the ASSL is being accused of breaching has no basis in the procedure.¹³

There are other factors that led to this audit that would require deeper analysis but it does provide evidence that when reasonably empowered,

audits can provide compelling information on governance and directly serve as a check and balance.

This does not mean that the balance of power has necessarily changed from being concentrated in the Executive but it does show that this power is not invulnerable. With the greater involvement of civil society, the levels of transparency and accountability have the potential to improve.

¹² See "Sierra Leone's Auditor General under attack" by Lawrence Williams, in the Sierra Leone Telegraph, op.cit

¹³ Ibid.

An aerial photograph of a densely populated urban area in Sierra Leone, showing a mix of colorful buildings and a prominent white clock tower. The entire image is overlaid with a semi-transparent red filter. The number '03' is displayed in the top left corner.

03

*COVID-19
Interventions
in Sierra Leone*

COVID-19 Interventions in Sierra Leone

Fiscal Policy Provisions

from March 1, 2020 to December 31, 2020



\$45.6m

total amount of
COVID-19 pandemic
funds donated to the
government of Sierra
Leone

The government's financial report provides information on the revenue and expenditure of NaCOVERC for the period March to December 2020 (Annexes A to C).

Though, it must be emphasised that the report was unaudited. This means that it should be viewed with some caution. The report established that since March 2020, funds to fight the COVID-19 pandemic have been disbursed through four institutions:

1. Ministry of Health and Sanitation/Integrated Health Project Administration Unit (IHPAU);
2. Ministry of Finance;
3. Ministry of Finance Fiduciary Team (NaCOVERC);
4. Admin and Finance Pillar (NaCOVERC) supported by a private Fiduciary Agent.

Finance from the Government

The total resource envelope from April to December 2020, to fight the

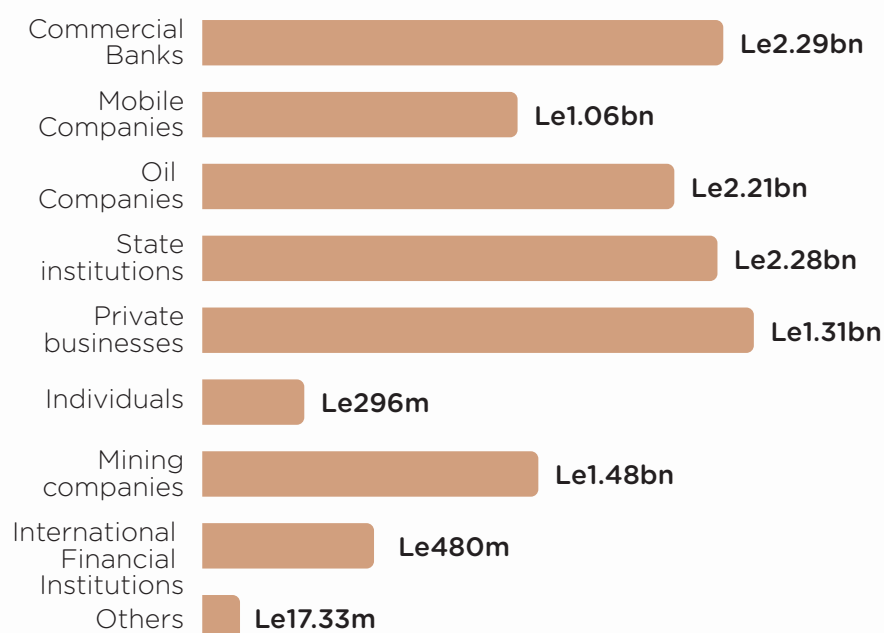


COVID-19 pandemic amounted to Le467.1 billion (US\$45.6 million). These included disbursement from the government amounting to Le441.9 billion (US\$43.1 million).

Total expenditure undertaken by NaCOVERC to support interventions across the six pillars from March to December 2020, amounted to Le423.6 billion (US\$41.3 million).

Other Donor Support

The government has also received support from donors and development partners in the fight against the COVID-19 pandemic. The sources of income for COVID-19 response as at 19th August 2020, are as follows:



Total receipts: Le11.59 billion (US\$1,130,439)¹⁴

¹⁴ See the Government of Sierra Leone: The Ministry of Finance. Unaudited Financial Report on NACOVERC's Activities-March to December 2020. Retrieved on April 18 2021 from: <https://mof.gov.sl/wp-content/uploads/2021/02/NACOVERC-UNAUDITED-FINANCIAL-REPORT-MARCH-DECEMBER-2020.pdf>.

Technical Assistance

The private sector also made financial and in-kind contributions towards the fight against the COVID-19 pandemic. In addition, NaCOVERC has been generating revenues from enhanced enforcement fines and laboratory tests for coronavirus for inbound and outbound passengers. The total receipt from laboratory tests and enhanced enforcement fines between April and December 2020, amounted to Le24.1 billion (US\$2,351,219).

These funds are kept in escrow in various accounts opened by NaCOVERC and have not been utilized to fund any activity so far. These funds are targeted at projects to strengthen the health system.

The Operation and Coordination pillar entails establishing the Response architecture at the central and district levels. To ensure effective coordination the Response acquired logistics assets including four hundred (400) motorbikes, thirty-seven (37) light vehicles, two hundred and seven (207) laptops, five hundred (500) Android tablets, five hundred (500) Android phones, thirty (30) sets of 6.5 KVA generators to support command centres across the country, sixteen

(16) sets of 20 KVA diesel generators and office furniture and equipment for district coordinating offices (DICOVERCs). Case Management has been a crucial pillar in the Response to provide treatment for COVID-19 patients and protect frontline health care workers.

Expenditures undertaken under this pillar covered increasing the number of bed capacity from 30 to over 900 beds in COVID-19 treatment centres, the purchase of eight (8) incinerators, four hundred (400) medical oxygen cylinder sets, essential drugs to the National Medical Supplies Agency, twenty-five (25) medical oxygen gauges, ventilators, and infection prevention and control consumables including PPEs, alcohol-based rub, hand washing soap, gloves, etc.

A proportion of the costs relating to isolation and quarantine services are attributable largely to hotel bills and feeding of patients in quarantine homes, isolation and treatment centres. Other elements crucial to the reduction of the spread, include Risk communication, social mobilization, and psychosocial support, which help in driving behavioural change towards the

ethical codes of conduct during the COVID-19 pandemic, through the provision of face masks, brochures, posters, etc. Increased support has been provided to continuously recraft the messaging on COVID-19 across communities and various sectors.

Expenditure on surveillance was geared towards investigating cases and contact tracing. Technology has

been a centre piece of the Response with applications such as: the travel portal, E-Pass, E-Manifest, E-Money Service, Compliance Enforcement Management System (CEMS), Quarantine App, the deployment of the CommCare App for use by Surveillance and Case Management officers and Unstructured Supplementary Service Data (USSD) SMS systems for COVID-19 updates, symptoms and tips.



04

An aerial photograph of a densely populated city in Sierra Leone, showing a mix of traditional and modern buildings. A tall, slender telecommunications tower stands prominently on the right side of the image. The city is built on a hillside, with buildings cascading down towards the foreground. The sky is a pale, hazy blue.

*Transparency and
Accountability in
Sierra Leone*

Transparency and Accountability in Sierra Leone

Legal and Policy Framework for Transparency and Accountability

Sections 5 and 6 of the Corona Virus Disease Emergency Fund (Management) Regulations, 2020 guides the procurement processes and transparency requirements of NaCOVERC.

Section 5 entreats NaCOVERC to ensure value for money and provides

that the procurement process is overseen by an Advisory body that advises on procurement methods and evaluates application, procurement proposals, bids and contracts.

Beneficial Ownership Requirement

Section 6 ensures the process is transparent, through the publication of procurement activities that are undertaken not only on the National

Public Procurement Authority (NPPA) website but on other media outlets.

This information is meant to include the names of companies awarded contracts, their beneficial owners, amounts and date of completion.¹⁵

Legislative Oversight

The department of legislative services and committee ensured that all protective measures are strictly adhered to and formed parliamentary committees to investigate the management of the covid funds.

The Sierra Leone Anti-Corruption Commission (ACC) played a significant role in maintaining transparency in the process, through working on the Auditor's report to recover missing funds and prosecute

¹⁴ See the Government of Sierra Leone: The Ministry of Finance. Unaudited Financial Report on NACOVERC's Activities-March to December 2020. Retrieved on April 18 2021 from: <https://mof.gov.sl/wp-content/uploads/2021/02/NACOVERC-UNAUDITED-FINANCIAL-REPORT-MARCH-DECEMBER-2020.pdf>.

those found wanting, one of them being the Clerk of the Parliament Mr.

Umar Paran Tarawallie. Despite the numerous allegations in the ACC's report, there are yet to be any prosecutions or suspensions.

However, the Parliament has accepted the outcome of the investigation, in a letter signed by the Deputy Director, Public Relations, and assured the ACC, that it would work assiduously with it and seek to protect the finances of the country.

Open Government Partnership and Civil Society Intervention

Civil Society Platform for Peace Building and Sustainability (CSPPS)-Sierra Leone played an advocacy role in ensuring transparency and informing the public about the use of funds, abuses related to human rights especially for those in quarantine homes and those mishandled by the police during the period of lockdowns and other restrictions.

The government maintained an open government partnership with civil society organizations and made known the public fund allocated to the response strategy by regular briefings and press conferences.¹⁶

Right to Access Information

Contracts were awarded in fulfilment of s.26 of the Public Procurement Act 2016 and information on this, is per the Right to Access (to information) Act 2013 of which s.3 of the act describes how such a request should be made within 15 working days.

Proactive Disclosures

NaCOVERC maintained an online portal in collaboration with the Ministry of Information and Communication to report all issues related to the emergency response. A Facebook page was also created to counter fake news and myths related to COVID-19.



¹⁶ See the following: A Call to Action from the CSPPS Sierra Leone Country team: Responding to COVID-19 while addressing major issues of fragility | CSPPS.

05

POVERTY

*Cases of Corruption
in COVID-19 Funds*

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MADE

Cases of Corruption in COVID-19 Funds

This section provides highlights from the ASSL's report.



\$8.9m

*of public funds was
expended by the
NaCOVERC and other
MDAs*

Lack of a Public Financial Management Law in the use of Le92.1 Billion¹⁷

With regards to the public financial management framework of this response, it was observed that on May 7, 2020, the Attorney General published “The Corona Virus Disease Emergency Fund Regulations”, which excluded the application of the Public Financial Management (PFM) Act of 2016 and the Public Procurement (PPA) Act of 2016.

The ASSL's report noted that the copy of the law they were shown while carrying out their audit, was unsigned, which meant that it lacked the essence of actual legislation.¹⁸ In cognizance of these exclusions of the primary PFM laws, the Attorney General also failed to provide alternative legislation in the management of funds allocated for this purpose.

Notwithstanding, there was a further publication by the Attorney General

on August 5, 2020, titled “The COVID-19 Public Emergency Response Coordination Regulations, 2020” which did provide the long-awaited alternative PFM framework that became practically inapplicable after the scope of the audit.

This situation created by the Attorney General, resulted in the absence of any form of public financial management law/regulation or rules while Le92.1 billion (US\$8,985,365) of public funds are expended by the NaCOVERC and other MDAs.

The Strategic Leadership Team at the NaCOVERC comprised 42 personnel in April, 77 in May, and 61 in June 2020.¹⁹ Total allowances paid to this team as of June 30, 2020, were Le3.169 billion (US\$309,170).

¹⁷ See Audit Service of Sierra Leone. Report on the Audit of Funds managed by the National COVID-19 Emergency Response Centre and other Ministries Departments and Agencies, op. cit.

¹⁸ Ibid, at p. 19.

¹⁹ Ibid, at p. 12.

It was however noted that, up to this point in time, this team had not developed a well-focused and cost response strategy that would guide the response. It was not until August 5, 2020 that a draft response was developed.

Contract Inflation, Corrupt middlemen

Procurement of 30 Motorbikes for the ONS, for Le651 million:²⁰

Based on a contract between the Office of National Security (ONS) and Speedwing Investment (S.L.) Ltd., the Accountant General paid Le651 million (US\$63,512) for 30 motorbikes for the ONS.²¹ It was however noted that there was no evidence to indicate how the procurement and supplier came about.

The supplier, who may not be Goods and Services Tax (GST) registered, charged Le84.92 million (US\$8,284) for the same.²² According to documents reviewed, it turned out that Speedwing Investment Ltd. was not in the business of selling motorbikes but was rather a 'middleman' who was awarded this contract. When compared with the primary supplier, KAM 125 Enterprises, the contract price was hugely inflated and resulted in the loss of public funds of Le276 million (US\$2,693).

Misuse of Public Funds

Misuse of Public Funds by the Ministry of Health and Sanitation (MoSH): Le5.21 million (US\$508)

funds²³ allocated by the government to fight the COVID-19 outbreak, were used by Ministry officials to procure personal high-end gadgets including an Apple Air pod, a JBL Bluetooth speaker, and a headset Neck Bluetooth, which had no bearing on the response.

More Contract Inflation by Middlemen.

The MTA signed a contract with a 'middleman' supplier, Angakok Ventures on April 24, 2020 to supply 30 brand new assorted vehicles and 100 motorbikes (TVS-ZT-125 Model) for and on behalf of the NaCOVERC. The total contract value was Le20.06 billion (US\$1,957,170).

The Ministry of Transport and Aviation (MTA) decision to engage a supplier who was a mere middleman, instead of dealing directly with the primary suppliers resulted in a total inflated price of Le3.24 billion (US\$316,270).²⁴ The supplier breached the terms of the contract, as two of the vehicles delivered were not brand new. NaCOVERC failed to register and insure the vehicles and

²⁰ Ibid.

²¹ Ibid, at p. 13.

²² Ibid.

²³ Ibid.

²⁴ Ibid. But even this figure quoted by the Audit Service appears inaccurate, as the claimed 'inflated' sum is much less than the original amount.

motorbikes, despite the fact that the MTA provided it with quotations from both National Insurance Company (NIC) and the Sierra Leone Road Safety Authority (SLRSA) and the Audit Service Sierra Leone (ASSL) highlighted this matter in the draft audit report.

The Ministry of Defense procured 60 motorbikes on behalf of the Republic of Sierra Leone Armed Forces (RSLAF) using the Public Procurement Act, 2016.²⁵ It was noted that the unit price of the motorbikes on the contract were highly inflated, thereby resulting in the possible loss of Le552 million (US\$53,865) of public funds.

The supplier, who may not be registered for GST with the National Revenue Authority (NRA), charged Le169.9 million (US\$16,569) for GST, without providing an NRA approved GST Invoice.

Procurement of goods and services by the Finance Team of the Integrated Health Project Administration Unit (IHPAU) for Le144 million:²⁶

The sum of Le144 million (US\$14,043) was spent by IHPAU to procure goods and services for the COVID-19 response. Evidence to indicate how the procurement came about and the proof of performance/delivery, were not provided for verification.

Procurement of 40 Motorbikes (KAM125) for the Sierra Leone Police (SLP) worth Le868 million:²⁷

The SLP was allocated Le868 million (US\$84,682) to procure 40 motorbikes for the institution. It was noted that the unit price of the motorbikes as per contract was highly inflated, thereby resulting in the possible loss of public funds of Le368.1 million (US\$35,910).

Payments without Adequate Supporting Documents Amounted to Le3.1 Billion:²⁸

Payments which amounted to Le3.1 billion (US\$303,182) in respect of the Ministry of Health and Sanitation (MoHS), IHPAU and NaCOVERC were not supported by adequate documentary evidence such as, retirement details for cash advances and imprest, evidence to confirm that contracts were delivered according to specifications, invoices and receipts, beneficiary list, and reports.

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²⁵ Ibid, at p. 14.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

retirement details for cash advances and imprest, evidence to confirm that contracts were delivered according to specifications, invoices and receipts, beneficiary list, and reports.

Withholding Taxes deducted but not paid to the NRA amounted to Le1.8 Billion:²⁹

Withholding taxes which amounted to Le1.8 billion (US\$178,685) were deducted from the payments made to contractors and suppliers by MoHS, IHPAU, and NaCOVERC, but not paid to the NRA.

Withholding Taxes of Le39.4 million were not deducted from payments to Suppliers:³⁰

It was observed that withholding taxes which amounted to Le39.4 million (US\$3,844) in respect of IHPAU and NaCOVERC were not deducted from certain payments made to contractors and suppliers, even though those payments met the minimum threshold for deduction of the same.

Payments to Personal Accounts

Suppliers' Payments of Le124.7 million made through a Staff Member:³¹

Cheque payments which amounted to Le124.7 million (US\$12,167) were made in the name of one staff

member of NaCOVERC, instead of the contractors/suppliers whose services were engaged, or goods bought. There was a payment of Le23.2 million (US\$2,266) to one supplier in what can only be described as suspicious circumstances as there are too many inconsistencies.

Potential Payroll Leakages

NaCOVERC paid Le6.2 billion as Allowances without Even a Basic Human Resource System in Place:³²

The National Interim Coordinator authorised (except for healthcare workers paid in line with an Memorandum of Understanding between the Ministry of Finance, Ministry of Health and Sanitation and other stakeholders) the payment of the sum of Le6.2 billion (US\$604,878). The recruitment and remuneration process were flawed, it lacked transparency and credibility.

Several other infractions³³ noted includes -

A bank error of Le8.5 million (US\$829) in favour of NaCOVERC went unnoticed until it was discovered by the audit.

Some 46 seconded public sector workers were paid allowances by NaCOVERC of more than 100% of their current salaries, contradicting the advice of the Ministry of Finance

²⁹ Ibid.

³⁰ Ibid.

³¹ Ibid, at p.15

³² Ibid.

³³ Ibid, at p.16

to NaCOVERC on this matter.

The non-deduction of the sum of Le2.1 billion (US\$204,878) of withholding taxes and PAYE from the payment of allowances to consultants and public officers respectively.

The payment of unjustified additional allowances of Le194 million (US\$18,926) to a selection of workers.

Verification of NaCOVERC Staff/Consultants- Le2.1 billion- paid to Unidentified Workers: From a staff strength of 884, only a verified sample of 430 staff members (i.e. 316 government employees on secondment and 114 NaCOVERC recruited consultants/employees) were working in Freetown. A total of Le2.1 billion (US\$204,878) was paid to a list of members of staff who did not report for physical audit verification.

Overpayment to Contractors for Quarantine Services

Several guesthouses, hotels and other hospitality businesses were contracted by the MoHS, IHPAU and NaCOVERC to provide quarantine facilities, including accommodation and catering services (i.e. providing food and non-food items).³⁴ It was noted that there was a lack of due

diligence by both the MoHS and NaCOVERC in the payment of invoices concerning a particular contract. These administrative lapses resulted in an overpayment of Le2.24 billion (US\$218,205) to Buyar's Hotel.³⁵

In another instance, six framework contracts for catering services with a total invoice value of Le2.31 billion (US\$224,984)³⁶ as of June 2020, were awarded to a small construction company Swendeh Ltd., whose tax liability for two years

was Le9 million. The circumstances that led to the selection of this service provider for all six contracts using sole sourcing were opaque.

Ghost Assets, Inflated Contracts

Assets with Estimated Value of Le453 million not Verified:³⁷

In addition to assets donated to the NaCOVERC, various suppliers were paid for the purchase of assets. The audit estimated that with some of these transactions, the price paid by NaCOVERC was inflated by a total amount of Le112 million (US\$10,918).

Furthermore, NaCOVERC failed to confirm the existence of assets with an estimated value of Le453 million (US\$44,209) as they were not made available for physical verification.

³⁴ Ibid, at pages 15-16

³⁵ Ibid.

³⁶ Ibid.

³⁷ Ibid.

Vehicle Hiring costs of Le2.9 billion not Supported by Appropriate Evidence³⁸

It was observed that several payments totalling Le3.4 billion (US\$331,220) were made to Moliba Car Rental Services for the hiring of 103 vehicles.

The audit further observed that the majority of these vehicles with estimated costs of Le2.9 billion (US\$289,415) were not requested for by end-users.

Theft and Public Property Conversion by Politically Exposed Persons

Anomalies in the Management of Store Items with Estimated value of Le205 million:³⁹

Several weaknesses were noted in the management of donated items by the Logistics Pillar. These anomalies included improper record keeping and accountability and may have created room for the potential loss of store items.

It is estimated that in April 2020, of the 4,000 bags of 25kg rice received as donation, 1,356 bags valued at Le205 million (US\$20,000) could not be found or properly accounted

for by the Logistics Pillar.

Missing 50KVA Generator donated by the Chinese Embassy, valued at Le190 million⁴⁰

A 50KVA generator with an estimated value of Le190 million (US\$18,536), donated to the MoHS by the Chinese Embassy in Freetown has gone missing. It could not be found at the Zimmi Makpele Community Health Center (CHC), where the Ministry claimed it was transferred to the Medical Stores in Freetown.

Substandard Goods and Services

Inadequate Service Delivery Leading to the Loss of Le229 million:⁴¹

According to the Service Level Agreement (SLA) with Sierratel, the required and contracted bandwidth for the NaCOVERC headquarters at Kingdom was 200mbps. Several tests however showed that Sierratel delivered on average a bandwidth capacity of 77.55 megabytes per second (mbps).

The service provider meanwhile invoiced the contracted 200mbps for June and July, thereby resulting in an unjustifiable charge of Le229 billion (US\$22,379).

³⁸ Ibid.

³⁹ Ibid, at p.17

⁴⁰ Ibid.

⁴¹ Ibid.

**Contract Worth Le9.7 billion
Awarded to Sierratel, a party with
conflict of Interest: ⁴²**

After Sierratel was part of the team that carried out a needs assessment of the ICT requirements of the NaCOVERC around the country, they were later awarded a contract for 12

months with an estimated value of Le9.7 billion (US\$946,341) leading the audit to conclude a case of conflict of interest.



⁴² Ibid.

06



Recommendations

Recommendations

The Sierra Leone health architecture was established because, to a reasonable extent-the country had learnt painful lessons from the Ebola pandemic. This means that the outlook for the COVID-19 health response is one that ought to take these lessons into consideration. However, with the lifting of the inter-district movement and relaxation of measures during the festive season, the risk of a second wave was imminent.

In this regard, the Response posture was to repurpose resources to curtail the emergence of community spread by surging surveillance, testing and case management. Emphasis will be shifted to strengthening the emergency response system and infrastructure (E-surveillance system, increasing testing capacity and treatment care facilities at the primary border) and on community engagement and local ownership.

As for the transparency and accountability mechanisms, the first port of call should be providing support to the nation's supreme audit institution -the Audit Service of Sierra Leone. This entity showed a level of commitment to its duty to ensure that procedures are followed.

Though it remains to be seen if the Executive will follow through with any meaningful prosecution and arrest of persons found to be wanting, it does show that there are interests that can take the drive for improved governance to where it matters. Internal Audit units within the Sierra Leone government would benefit from the example laid by the ASSL but this would mean surmounting the problems of political will that are all too present in the country.

Part of this problem could be managed and improved by a greater interaction between the Supreme Audit Institutions and civil society in Sierra Leone. Vivek and Krafchik noted that there are pathways for collaboration that audit entities and civil society can explore that can enhance the institutionalisation of transparency and accountability. On the side of the audit institutions, they possess a level of skill and qualification to understand and acknowledge the dense and oftentimes technical nature of government finance. However, they can share this knowledge with civil society.

On the side of civil society, the latter possesses networks and methods of

⁴³ See Vivek, R., and Krafchik, W. The Role of Civil Society Organizations in Auditing and Public Finance Management, at pages 20-23, op. cit.



agenda-setting that they can use to influence the government and actors that can influence the government to take certain decisions. These methods and networks may be beyond the purview of persons that belong to supreme audit institutions but this only means that the need for supreme audit institutions and civil society to collaborate can be all the more meaningful and integrative. This is not the solution, however, but the makings of one.

There is still the role of the Executive and the issuance of sanctions. This is because of corruption and graft, afterall, there is no institutionalisation of sanction for errant duty bearers. Where the requisite punishments follow, the system will have the opportunity to begin to correct itself. But until that happens, the mistakes of the past will remain 'on repeat'.

