Independent Joint Anti-Corruption Monitoring and Evaluation Committee

December 2017

Following up the implementation of recommendations in the MEC Special Report 'Vulnerability to Corruption in the Afghan Ministry of Public Health'

Fifth Quarterly Monitoring Report

Kabul-Afghanistan

Fifth Quarterly Monitoring Report November 2017

MEC published its analysis of corruption vulnerabilities in the Ministry of Public Health on June 4th, 2016, making 115 recommendations. The Minister, His Excellency Dr. Feroz, supported the analysis, and, in June 2016, established a Working Group comprised of MOPH senior managers and external health sector stakeholders. A smaller *"Coordinating Group"* was subsequently formed from among senior Managers within MOPH, led by Dr. Ahmad Jan Naeem, Deputy Minister of MOPH Policy & Planning.

This is MEC's fifth follow-up report. In the current reporting period, covering July, August, and September 2017, progress has been limited, having slowed significantly at the start of the second year of monitoring. In some specific areas, there was evidence of progress, though the Ministry continued to struggle with taking effective steps toward accountability, good governance, and increased transparency on key issues of human resources, strategic communications, and follow-through on suspected cases of health sector corruption. This 5th follow-up report will detail the areas of progress and areas of struggle.

This quarter, progress on implementing the anti-corruption recommendations has slowed markedly. Whilst there is still significant progress in some areas, the strong commitment that has been evident in the previous 12 months seems to be dipping. MEC calls on the Minister and his colleagues to review where the blockages are and to re-establish a good rate of progress.

Areas of progress during the fifth monitoring period:

- The MOPH formally launched its *Anti-Corruption Strategy and Action Plan* on 15th August 2017. This closely aligned with MEC's recommendations.
- The Referral Department of MoPH has developed a new Referral Committee Terms of Reference to support the MOPH *Referral Guidelines*, which have now been translated into Dari. An initial publication of 2000 copies of the *Guidelines* has been distributed in Kabul hospitals. These specify processes to approve and manage patient referrals with coordination among the Patient Representative Office, Complaint Handling Office, and Management Team of each hospital.
- During the fifth monitoring period, the Grants and Contracts Management Unit (GCMU) undertook coordinated monitoring of official working times at health sites operated by implementing NGOs and INGOs in Saripul Province. More broadly, MEC recorded evidence of GCMU actively engaging with Provincial Health Directorates in monitoring of NGO and INGO contract performance. The GCMU also articulated its cooperation to work with the Community Based Health Care Department to support the expanded role of Health *Shuras* for increased community engagement with these monitoring processes.

- The MOPH National Medicine and Health Product Regulatory Authority (NMHRA) continued to press for expanded oversight of importers of medicines and other health products. During the fifth monitoring period NMHRA has submitted a new Concept Note and Implementation Plan to the High Economic Council (HEC) for limiting importation licenses. This has been approved by the HEC. NMHRA's goal of bulk importation by a limited number of registered and licensed companies, combined with strengthened Quality Assurance and third party monitoring, should reduce the public's exposure to fraudulent and expired medicines and health products.
- An unspecified number of new cases of suspected corruption have been referred from the MOPH Internal Audit Department to the Attorney General's Office for investigation during the 5th monitoring period. MEC was unable to verify specific outcomes of these cases, or the outcomes of cases sent to the AGO since the release of MEC's MOPH Special Report. MEC continues to seek clarification from the AGO.

In the sixteen months since MEC's MOPH VCA was released, MOPH actions have barely begun on 20% of the recommendations. Many of these are still in the *'study underway'* or *'started'* phase, without evidence of significant implementation in the 5th monitoring period.

Areas struggling to demonstrate progress during the fifth monitoring period:

- **Conflicts of interest** and **mismanagement of referrals** continue to plague the health sector. *Referrals Guidelines* have now been developed and adopted by MOPH, but MEC has not observed enforcement of systematic controls over referral within the current health service contracts. A separate *Conflicts of Interest policy* is still has not been finalized, though a new *Code of Conduct* was approved during this monitoring period.

  Community distrust over perceived conflicts of interest and opaque referrals processes are linked to both real conflicts of interest and the perception of personal enrichment by those working in the health sector. Until these concerns have been addressed in a transparent and systematic way, it remains unlikely that trust and confidence in MOPH (and health sector NGOs and INGOs) will be improved.

  Notably, MEC's monitoring field mission in this reporting period recorded evidence of MOPH and NGO cooperation in management of referrals – in this single Province – an observation wholly unrelated to the development of the new MOPH *Referral Guidelines* or newly adopted *Code of Conduct*.

  The identification of these 'better than standard practices' in this particular Province will be further explored with the MOPH-MEC Coordinating Group and raised with the MOPH Strategic Health Coordination Committee and Grants and Contracts Management Unit to detail the lessons learned and encourage application across other NGO and INGO health contracts.

- Despite a broad range of achievements by the **National Medicine and Health product Regulatory Authority (NMHRA)**, the community still routinely accesses low quality and fraudulent medicine and health products at pharmacies across the country. MEC notes that negative perceptions about these long-standing issues have not shifted among members of the public.

  Until the public observes that fraudulent and expired medicines are being actively removed from circulation, the negative perception is likely to persist – and confidence in MOPH's role as 'steward of the health sector' will suffer. This is partly an issue of taking measureable actions, but just as importantly this is an issue of effectively publicizing the actions that have been taken.

- The **Grants and Contracts Management Unit (GCMU)**, where fully 90% of health services originate, continues to attract criticism for its lack of transparency, low accountability, and inconsistent decision-making. Public dissatisfaction and skepticism about the contracted-out health services provided by NGOs and INGOs, including ambulance service and medications, have kept confidence in the health sector at persistently low levels.

  Previous MEC concerns and criticisms of the GCMU have been further articulated during the 5th monitoring period by detailed communications from the Agency Coordinating Body for Afghan Reconstruction (ACBAR) to HE The Minister.

- **Monitoring and oversight** remains an unresolved issue. So far, there has been no differentiation of the 'classical' audit functions of MOPH, which are primarily financial, from the much broader range of monitoring and oversight functions in the health sector. The distinction is important because examining all types of performance by MOPH and the contracted NGOs and INGOs will provide MOPH the opportunity to publicly highlight its successes as well as better focus on improvements in performance.

  MEC has initiated and shared analyses to distinguish MOPH Internal Audit Department functions on finance monitoring from other performance monitoring and oversight elements within MOPH and NGOs and INGOs.

- **Public Relations/Public Affairs/strategic communications:** Despite achievements during the first five monitoring periods that promote transparency, good governance, implementation of anti-corruption policies, and system–wide changes – so far, there have not been corresponding improvements in MOPH's public messaging about these accomplishments.

  MEC continues to press for development of strategic communications from within MOPH to build the public's trust and confidence in the health sector.

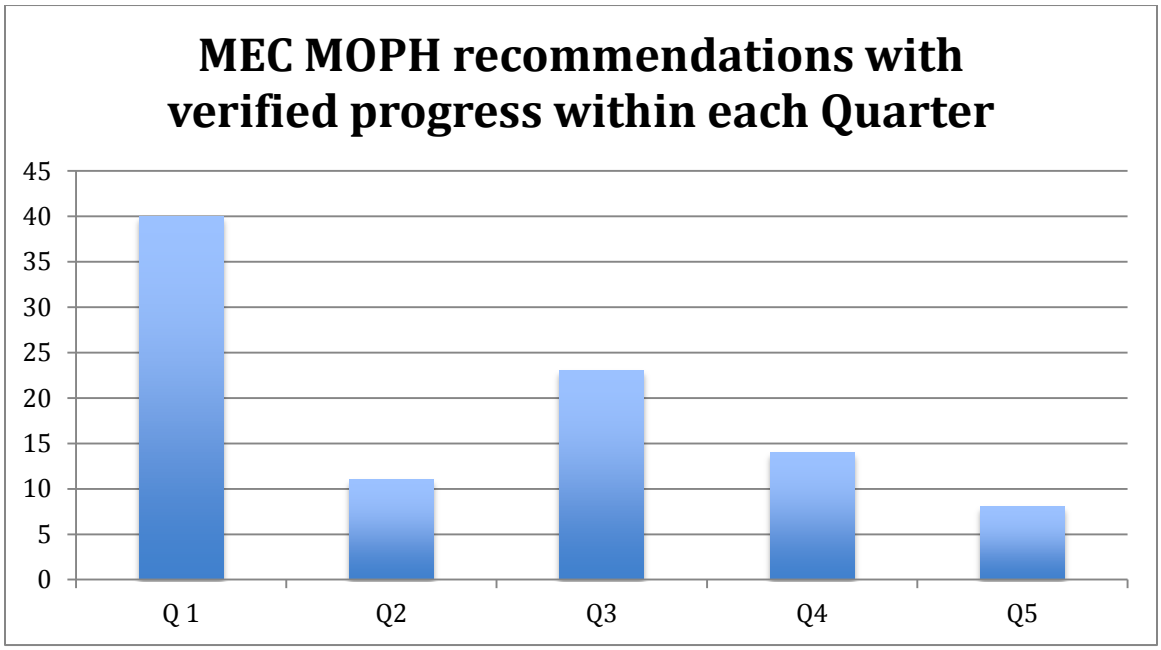
- Twenty-five of the MEC recommendations relate to the role and functions of the **Strategic Health Coordinating Committee** (SHCC), the highest-level management entity within MOPH and a key forum for the critical external relationships of MOPH to the rest of the Government and health sector stakeholders.

Across the first five monitoring periods, there has been only marginal success in leveraging the SHCC to advance the MOPH anti-corruption agenda, or its potential role in oversight of the performance monitoring of NGOs and INGO on 90% of health sector implementation.

- **Formal complaint processes** have been routinized and expanded by the Complaint Handling Office, though implementation has been limited to Kabul and other major cities. So far, while complaints are being systematically collected and resolved, an overall analysis of the issues being raised by end users is still lacking.

  The core issues of these complaints continue to be focused on quality of care, all aspects of access to care, quality of medicines, patient transport, and referrals management (including perceptions of conflicts of interest.) MEC believes that the Strategic Health Coordinating Committee is best positioned to take-up an overall analysis of complaints aimed at improving MOPH stewardship of the health sector and enforcing better NGO and INGO contract performance.

Compared to all previous monitoring periods, there were fewer MEC recommendations with verified progress in the fifth Quarter.



Status of implementation of the MEC recommendations

MEC reviewed the status of the 112* remaining recommendations:

- 57 (51%) have been fully implemented.
- 50 (45%) have been partially implemented. These are further broken down as follows:
  - 21 started or *study underway*
  - 8 achieved up to 25%
  - 21 achieved up to 50%
- 5 recommendations (4%) are either pending, or for future implementation, compared to eleven that were classified this way in the last monitoring period. In 2 of these remaining cases there are substantiated reasons for delay. However, while there are just 5 pending/future recommendations in the fifth monitoring period, MEC remains concerned that 4 of these 5 are due to reversals from their previous *'study underway'* status. Notably, all 5 with pending/future implementation status are related to human resource management.

** The MEC monitoring team recommended that three MEC recommendations were dropped from monitoring in the 4th Quarter: Two had required independent funding solutions, which are not within MOPH's power to enact, and one related to pharmaceutical licensing that has been addressed by new regulations. Percentages in this monitoring period have been calculated from the 112 remaining recommendations.*

Status of implementation according to the priority area: systemic issues, integrity issues, and leadership issues

Three priority issues were identified in the original MOPH VCA, with key recommendations suggested for their implementation.

Implementation to date:

100%	Up to 50%	Up to 25%	Work/Study started	No Activity	(Pending/Future)

Priority Systemic Issues – *From the original MOPH VCA*

Action	Area of Focus	Status of Relevant Recommendations								
Integrate	Health Management Information System	2.7	2.11	1.2	10	12	6.1	8		
Complete	Translations of all MOPH Policies into *Dari* and *Pashto*	5	6.1							
Integrate	Complaints Mechanisms	1.1	12	13	14	15				
Integrate	Training Needs Assessments and Allocation of Training Opportunities	10	11							
Establish	Development and Oversight of Key Performance Indicators	1.1	6.2	10	11	12	14	15	8	9

Priority Leadership Issues – *From the original MOPH VCA*

Action	Recommendation Focus	Status of Relevant Recommendations								
Enforce	Controls Over Absenteeism	1.2	10	12	6.1					
Enforce	Controls to Prevent Nepotism and Promote Competency-Based Recruitment	10.1	16	10.2						
Expand	Health Shuras	12	13	14	15	18	9			
Convene	Commission on Health Sector Integrity	15								

Priority Integrity Issues – *From the original MOPH VCA*

Action	Recommendation Focus	Status of Relevant Recommendations								
Enforce	Reliable Pharmacy Importation/Safe Drug Supply	2	17							
Establish	Liaison within the Attorney General's Office	15	16	17	19	4				
Enforce	Authenticity Checks of Certificates and Diplomas	10.1	16							
Enforce	Transparent Private Sector Referrals	1.2	6.2	12	18					
Enforce	Transparent and Effective Grants and Contracts Management Unit	3	7							
Enforce	Control of Assets (especially ambulances)	1.2	8							

Establish	Reliable Audits and Inspections	1.1	10	12	13	16	17	9	

Implementation:

100%	Up to 50%	Up to 25%	Work/Study started	No Activity	(Pending/Future)

Note: Not all of the recommendations appear in these tables since some were not applicable to the stated Priority Issues in the original MOPH VCA.

Significant achievements

1. Improvements in Oversight of Pharmacy and Health Products: The National Medicine and Health Product Regulatory Authority (NMHRA) has continued to implement interventions to focus on improving systems for managing the quality of medicines and health products:

- NMHRA had formally proposed reforms to the Pharmaceutical Law to better regulate the volume and diversity of pharmaceuticals entering the country, as well as elimination of conflicts of interest by government officials with a stake in importing pharmaceutical companies. During the fifth monitoring period, the Ministry of Justice commented that the proposed changes amount to more than 50% revision of the current Pharmaceutical Law, and therefore, these could not be considered as an *amendment* (تعدیل). Instead, the proposed changes will be dealt with as a *renewal* (تجدید) of the Pharmaceutical Law, which would ordinarily take longer to achieve. The NMHRA sent a formal request to HE the President's office to instruct Ministry of Justice to process the enforcement of the changes to the Pharmaceutical Law through a Presidential Decree (until the changes can be processed through the normal procedure.)
- Another aspect NMHRA's effort to reduce the public's exposure to fraudulent or expired pharmaceuticals and medical products relates to reforming how importing companies are registered and licensed. Following approval by the High Economic Council (HEC) in this monitoring period, a centralized registration and licensing process has been introduced through an online system (www.nmhra.gov.af) to provide NMHRA greater oversight and control over these companies and their imports.
- NMHRA has initiated quarterly Quality Assurance assessments of pharmaceutical products manufactured by foreign companies for importation into Afghanistan. The first market survey on medicine was conducted in Kabul by newly assigned NMHRA staff during the fifth monitoring period. Surveys of Diagnostic Labs will be conducted in the next quarter by NMHRA. *Notably: Provincial market survey activities will be dependent on budget availability.*
- NMHRA has finalized the procedures for independent third party sampling of imported pharmaceuticals by the Central Drugs Standard Control Organization

(CDSCO). The Afghan and Indian governments approved the MOU for CDSCO's sampling and audit during the 5th monitoring period; activation is anticipated during the 6th monitoring period.

2. Health Management Information Systems: During the fifth monitoring period, the General Directorate for Evaluation and Health Information Systems (GDEHIS) was actively engaged in implementations and fulfillment of prior commitments:

- The long-awaited data health information management system known as "DHIS2" was launched on 29 August 2017. Orientation trainings were conducted for technical monitoring and evaluation staff from implementing NGOs, INGOs, MOPH stakeholders, and donors.

  MOPH departments and donor technical monitoring and evaluation focal points were provided access to DHIS2. Dashboards for data review have been created allowing those with a DHIS2 identification credential to access health system data. GDEHIS provided MEC with evidence of DHIS2 sustainability and detailed planning for DHIS2 capacity development at various levels.

- GDEHIS provided extensive evidence of the fifth round of third party monitoring, conducted jointly by the Dutch Royal Tropical Medicine Institute (KIT) and the Silk Route Training Research Organization (SRTRO).

  The KIT/SRTRO verification of HMIS key performance output indicators and functionality covered the breadth of BPHS, EPHS, and Drop-In Center (DIC) facilities being implemented by NGOs and INGOs (31 Provinces) and under the MOPH-Strengthening Mechanism (3 Provinces). The latest verifications examined 444 sampled facilities, including 436 BPHS and EPHS facilities and 8 DIC facilities.

3. Strategic Communications: During the fifth monitoring period, the Department of Public Relations (DPR) conducted a technical development workshop for DPR Focal Points from all 34 Provinces to build their capacity and understanding about strategic communications tasks. This workshop was a particular goal of DPR in addressing MEC's recommendations – to further enable activation of the *MOPH Communication Strategy for Public Relations 2016–2020.*

4. The Complaint Handling Office (CHO): The CHO has continued to expand community awareness of its Call Center through actively engaging in public information campaigns during the fifth monitoring period, with more than 10 TV and radio interviews for awareness raising about complaint procedures during the fifth monitoring period. The CHO and DPR have agreed to jointly approach the task of informing the public about health sector complaint handling procedures.

Notably, during MEC's Provincial monitoring field mission, community members again identified media as a key source for information – including for those living outside major cities.

5. Enforcement of Official Working Times within MOPH: The General Directorate of Human Resources provided evidence to MEC that 41 MOPH employees received punishment because of irregularity in their attendance during official working hours over the months of July, August and September.

Additionally, GDHR officially informed all MOPH General Directorates and Directorates, BPHS and EPHS implementers, and private health sector officials on requirements of staff presence during official working hours, according to the Afghanistan Labor Law; leaders and the Directors were directed to assure routine enforcement and take actions in cases of absenteeism.

6. Misuse of Public Assets: The Grants and Contracts Management Unit (GCMU) provided evidence of monitoring (scanned copy of an ambulance logbook) of the use of ambulances and other official vehicles (rental and governmental), as per the GCMU *Contract Monitoring Checklist* and the rules, regulations, and conditions of BPHS and EPHS contracts.

MEC continues to question if logbooks are an effective source of verification for monitoring misuse of ambulances – as formats for logbooks vary significantly across implementing agencies and do not necessarily document the occupancy of the vehicle (nor the purpose of journeys undertaken by ambulances or other official vehicles). However, MEC notes that the GCMU has energetically embraced the newly expanded oversight role for Health *Shuras*, brought about by the Community Based Health Care Department, which will include *direct monitoring* of ambulance usage.

7. Liaison between MOPH and Afghanistan Independent Human Rights Commission (AIHRC): The MOPH Complaints Handling Office provided evidence of action to develop a liaison between MOPH and the AIHRC. This new committee will be comprised of the MOPH Complaints Handling Office, the AIHRC, representatives from civil society, the Health Committee of Parliament, and health forums and associations.

Challenges and Constraints

Defeating corruption in the health sector is an ongoing task. Implementation of the *MOPH Anti-Corruption Strategy and Action Plan*, like MEC's recommendations, will be difficult, and there are major challenges. Limited financing, limited capacity, and variable levels of cooperation by some senior officials in the Ministry and among BPHS and EPHS contract implementers, are all complicating constraints to successful implementation.

Monitoring and Oversight: MEC continues to press for a more coherent management of monitoring and oversight responsibilities within the Ministry. MEC has raised this concern in the 2nd, 3rd, 4th, and 5th monitoring periods, including offering an initial analysis of the distinctions between routine *financial auditing* and oversight-related *performance monitoring* within the broader health sector.

During the 6th monitoring period, MEC anticipates a significant shift to more suitable assignments for the oversight-related performance monitoring tasks – away from the Internal Audit Department and its formally designated role in financial oversight. The IAD Terms of Reference have been closely examined by MEC and a shift would be both logical and appropriate. A distinction between routine financial auditing and oversight-related performance monitoring will better support IAD in overcoming the constraints faced by this small team during the first five monitoring periods – and re-assigned oversight tasks within

the Ministry (to more appropriate Focal Points) should yield more coherent performance monitoring and more transparency.

Public Relations and Public Affairs: A critical element of the anti-corruption effort relates to informing the public and the wider group of health sector stakeholders about accomplishments and achievements in fighting and preventing corruption. Getting the message out, so that the information is heard, read, or seen, is essential.

Every Afghan can tell of experiences with corruption. Building the public's trust and enhancing their confidence in the health sector will come from both changes in their experience and in the information they get about what has happened to improve the situation. Strategic communications are necessary to inform the public about progress on health sector anti-corruption achievements. MEC continues to encourage the Directorate of Public Relations (DPR) to *actively engage* in this kind of messaging, internally and externally, to communicate changes and improvements so the public and health sector stakeholders will be better informed.

During the 6th monitoring period, MEC will continue to engage the DPR on development of comprehensive public messaging focused on anti-corruption actions being taken within the Ministry. This will also include:

- *Coordinated messaging about anti-corruption achievements taking place in the health sector.*
- *Continued and expanded activation of MOPH's "Communication Strategy for Public Relations 2016–2020."*
- *Ongoing efforts to connect the MOPH DPR team with peers at other GOIRA Ministries for new ideas about tactics and effective approaches.*
- *Ongoing efforts to connect the MOPH DPR team with colleagues at international organizations for technical support, advice, guidance, and possible resources.*

Unresolved Issues

Management of Referrals: MOPH Referral Guidelines have been developed and distributed throughout the health sector. The public now needs to see and experience real changes in the way this element of their health care is managed. Patients and their families are especially vulnerable at the times they need referral to another level of specialty, to another facility, or to another region. A key element of this is related to informing the public that changes have taken place in how referrals are managed in order to build the public's confidence in improvements.
→ *This will be an area of ongoing exploration during the second year of MEC's active monitoring of MOPH's implementation of the MEC recommendations.*

General Directorate of Human Resources: Health sector staffing, whether in the MOPH or NGOs and INGOs, has been persistently criticized as vulnerable to fraudulent documentation, specifically the use of faked Diplomas and certificates to gain employment. The GDHR has stated repeatedly that the systems in place within MOPH are robust and reliable, though MEC has concerns about this claim based on interviews and observations from within MOPH, NGOs and INGOs, and health sector stakeholders from across the country.

→ *This will be an area of ongoing exploration during the 6th monitoring period of MOPH's implementation of the MEC recommendations – many of which directly relate to health sector staffing, recruitment issues, and access to training and professional development.*

Next MEC monitoring report

MEC will continue to monitor progress on implementation of anti-corruption actions in MOPH, and will produce its next report in January 2018 covering October, November, and December 2017.