



MADAGASCAR CASE STUDY

SAIs’ right to decide not just the what, but the where and when

In February 2022, the Court of Accounts of Madagascar completed four audit reports scrutinizing 581 million USD made available to the Government to relieve the impact of Covid-19.



IDI in action Eduardo Ruiz Garcia, Madagascar

The audits followed an emergency financing commitment made to the IMF, who provided 58% of the emergency funds, for the Court of Accounts to carry out an independent audit and to publish the results.

The audits covered topics such as the accounting of the financial flows, the organisation of the Government in responding to the crisis, the social measures put in place to help the most vulnerable, and the procedures for procuring goods and services.

Apart from some difficulties in accessing documentation and obtaining responses from Government officials to the audit reports’ findings and recommendations, the Court of Accounts did not encounter major constraints in its ability to undertake the audits – but then it came to publication.

Despite the Court having the legal right to publish the reports, resistance from high-level government officials meant that publication proved challenging. Missing the Court’s deadlines, the reports were finally published after some delay – but not on the Court of Accounts’ website. Instead, they appeared on the webpage of the Ministry of Justice. This was perceived as an attempt to challenge the Court of Accounts’ independence.

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So, what had the audit reports revealed? The auditors found that the Government was poorly prepared to face the pandemic. The legal framework was incomplete and unsuited to managing emergency situations; responsibilities were not clearly allocated among the relevant departments, and coordination mechanisms were lacking. All these shortcomings led to inefficiencies and waste of funds.

The audit reports also identified potential instances of fraud and irregularity as well as more widespread problems, such as misuse of resources, violations of the procurement regulations, conflicts of interest, deficient oversight and excessive use of cash payments.



Court des comptes delivering the Report

Although the government delayed and undermined the process of putting these reports in front of Madagascar's citizens, coordinated advocacy from international financial partners towards the Government for the independence of the auditors was highly instrumental in unblocking publication. These combined efforts have led media and Civil Society Organisations to praise the work of the Court of Accounts. A national platform for 11 NGOs issued a press communiqué that underlined the high value of the reports and called for the government to grant more resources and independence to the audit institution.

Madagascar's government is now preparing an action plan to address weaknesses and recommendations made by the Court of Accounts. Those recommendations include passing a new set of regulations and streamlining the governance structure to better manage emergencies. Other recommendations aim at improving budgetary and accounting procedures and reinforcing control systems, in particular regarding public procurement.

The Court's auditors will follow up and report on the achievement of the action plan. Already, as a result of the audits responding to commitments made to the IMF, the Court of Accounts is gaining credibility and visibility, positioning itself as a reliable partner for promoting transparency, accountability and strong financial management in Madagascar.

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