

Strengthening Government Control in the Face of the Covid-19 Health Emergency: Strategies of the Office of the Comptroller General of the Republic of Peru



APRIL 2020

 **LA CONTRALORÍA**
GENERAL DE LA REPÚBLICA DEL PERÚ

The current pandemic in various regions of the world has consequences in all nations, covering economic, social, political and cultural aspects and creates an enormous challenge for health systems, but also for the productive, service, educational, organizational, regulatory, security and financial sectors, among many others that substantially affect the daily lives of citizens in our countries. In this sense, it is relevant to highlight the work of the Supreme Audit Institutions (SAIs) within this global emergency, given that these bodies monitor, supervise and audit the enormous resources that governments have been allocating to this health emergency in all sectors, but above all in alleviating the main needs of vulnerable populations, with the aim of ensuring that they are used in a proper and timely manner to contribute to improving the quality of life of citizens.

The Office of the Comptroller General of the Republic of Peru (*Contraloría General de la República* - CGR), as a priority and in a timely manner, created the Emergency Management Group led by its Comptroller General, designing and implementing different strategies such as the "Mega Control Operation - Health Emergency 2020", through which it sets up control actions to the activities of public entities such as regional and local governments, hospitals, national police, among others. We are aware of the difficulties of accompanying these processes in the middle of a pandemic, but we also know that we must give all our institutional support to the entities using the funds, in order to improve the processes for the proper use of public funds in such a short term to address the emergency. This has the goal of guiding and providing the main early warnings in the handling of the emergency, within the framework of a concurrent control without prejudice to any subsequent control.

Visit this website to find out more about the activities of the CGR relating to the Covid-19 Health Emergency:

<https://emergenciasanitaria.contraloria.gob.pe/>



Indeed, the CGR will apply concurrent control to make sure that public entities are aware of the adverse situations identified by the specialized control teams and apply corrective measures in time to guarantee the correct execution of the works and the procurement of goods and services within the context of the COVID-19 Health Emergency. In this way, concurrent control constitutes a support and assistance to public institutions and their public servants, applying a component of transparency in order to communicate to the population about decisions, risks and aspects to be improved in the different public interventions. On the other hand, a rapid deployment was developed early so that Parliament would approve the Law to allow the concurrent control of public funds used by the authorities in the face of the emergency.

The priority component of this Mega Operation is the control strategy for the Covid-19, which comprises 4 objectives:

<p>1. Contribute to strengthening the responsiveness of health services</p>	<p>In relation to the strengthening of health services, the CGR is focusing on the verification of the procurement and distribution of medical equipment and supplies; the verification of implemented medical infrastructure; as well as the procurement of hygiene kits for the institutions.</p> <p>The health emergency has prompted the creation by the CGR of a permanent audit team in the health sector, which has been supervising and issuing control reports on the procurement of rapid tests for the detection of Covid-19, conditions and equipment of hospitals, purchases of materials, among others. The goal is for the population to have access to better health services that will enable them to overcome the pandemic.</p>
<p>2. Provide support in mitigating the social and economic effects of health emergency</p>	<p>Within the context of the Mega Control Operation - Health Emergency 2020, the CGR is verifying the process of procurement and distribution of basic need products. In addition, it is ascertaining the legality of the actions undertaken within the framework of the law for the payment of subsidies to vulnerable populations.</p>

	<p>Accordingly, the SAI of Peru has implemented the "Platform for Transparency in Public Management in the Covid-19 Health Emergency". This is a tool for local governments throughout the country to register online the procurement process, the execution of the contract for the registration and delivery of basic family baskets (basic need products) to vulnerable populations, contributing to the efficient performance of these processes and guaranteeing the timely use of public funds. In addition, the CGR audits on site the deliveries of the aforementioned baskets in various regions of the country.</p> <p>The platform has a web version and an app, which can be accessed from anywhere in the country via the Internet. In this way, transparency in accountability is promoted, facilitating the recording of information that makes it possible to follow up on what is procured and delivered to the beneficiaries.</p> <p>To learn more about the platform, go to: http://doc.contraloria.gob.pe/emergenciasanitaria2020/</p> <p>For its part, the Government of Peru has passed laws to help reduce the impact on the Peruvian economy as a result of social distancing measures. One of them focuses on providing a cash subsidy of S/ 760.00 (seven hundred and sixty soles or approx. USD 225.00) to households in conditions of poverty and extreme poverty. In this sense, the SAI of Peru is working on supervising the correct and timely delivery of these subsidies to the population most in need.</p>
<p>3. Help to implement the containment measures in the context of the health emergency</p>	<p>This objective allows the SAI of Peru to verify the procurement and distribution of goods within the context of epidemiological surveillance and investigation of cases of Covid-19, in the country's entities that use public resources, especially in regional and local governments, as well as hospitals.</p>

	<p>As part of the control actions, the CGR has been accompanying various public entities in the procurement processes, with the goal of making them more transparent and acquiring adequate and necessary supplies to protect the health of public servants. To cite an example, the SAI of Peru will audit all purchases made by the Peruvian National Police in the context of the state of emergency, in order to make purchases with better price and quality.</p> <p>Likewise, the CGR has been supervising the correct application of the measures of social distancing, isolation and immobilization, as a measure to contain the Covid-19 virus, whose purpose is to reduce the increase of the rates of contagion in the population.</p>
<p>4. Monitor Policies for Financial Support and Revival of the Private Sector</p>	<p>In relation to the various measures and policies implemented by the Government of Peru, in order to provide financial support and foster the reactivation of the private sector affected by the pandemic situation, the CGR will focus on monitoring the adequate implementation of the funds allocated to these programs to help in their optimal and transparent execution.</p> <p>As part of its work in this regard, the CGR has issued a Preliminary Report related to the "Reactivate Peru" Program, which seeks to secure continuity in the chain of payments in the face of the impact of Covid-19, by granting guarantees from the National Government). Likewise, the CGR will continue to issue reports on similar measures that the government will adopt in the context of the emergency. Said reports contain a series of recommendations for the consideration of the Ministry of Economy and Finance, and on which its implementation will be followed up.</p>

The 4 objectives indicated are directly related to the subject matter to be examined, which are the different measures that the Peruvian government has been taking, and

which have been able to materialise thanks to a series of actions that the SAI of Peru has implemented, which are set out below:

1. Promotion of a regulatory framework for extraordinary control in the face of emergency

The Economist Nelson Shack Yalta, head of the SAI of Peru, has coordinated with the Legislative and Executive powers of the country, with the goal of establishing a legislative framework for simultaneous control in its modality of concurrent control. Thus, the Congress of the Republic approved Law No. 31016 "Law establishing measures for the deployment of Simultaneous Control during the health emergency caused by Covid-19". This way, the Executive Branch provides the budgetary resources necessary to apply simultaneous control to public resources allocated to the health emergency.

In addition, the CGR has issued regulations regarding the mandatory use by local governments of the "Platform for Transparency in Public Management in the Covid-19 Health Emergency". The purpose of this resolution (R.S. No. 102-2020-CG) is to help ensure the proper use and allocation of public assets and resources, and to timely identify situations that may affect such purpose.



Comptroller General Nelson Shack in Congress

2. Protection and strengthening of the institution's Human Talent

The CGR has established a series of internal measures to safeguard the health and well-being of public servants in all lines of work. For this reason, it has established, through Institutional Directives, work-at-distance or teleworking for employees who are in the at-risk groups. This consists of carrying out the work from home, reporting their progress to their boss and accessing conveniences such as using the servers, management systems and laptops assigned by the CGR, among others.

Likewise, the SAI of Peru has proceeded to disinfect the offices at its branches throughout the country, and has established biosecurity measures to preserve the health of the staff while they carry out their work both inside and outside the institution. These include: providing personal protection kits (mask, gloves, alcohol, protective eyewear, among other implements depending on the specific task of the employee), as well as taking the temperature of all personnel entering the premises of the institution and establishing distancing measures. Webinars are being held with medical specialists on pandemic issues and a helpline has been set up for any consultations by staff members about healthcare issues.

Furthermore, a set of webinars were prepared to be disseminated on our virtual platform of the National School of Control (the SAI of Peru's Training Center) for all the institution's employees, on such important topics in the face of the emergency as Concurrent Control, internal control, budgetary modifications for the emergency, among many others.



Entry of staff to the headquarters of the SAI of Peru.

3. Successful communications and promotion of citizen participation

In terms of communication, the SAI has been developing various products such as press releases, communiqués and publications, both on its website and on its official social media accounts and newsletters, with regard to all the actions it has been carrying out in the context of the health emergency, in order to promote its role in tackling the pandemic and to inform the population that the resources of all Peruvians are being monitored.

In the digital arena, it has created the hashtag #MegaOperativoEmergenciaSanitaria, which offers a search of all the operations taking place in the country, as well as infographics and educational videos, through which it explains the actions of the CGR in the face of the epidemiological situation.

With regard to citizen participation, the SAI of Peru has been promoting the active participation of the population through its citizen complaints portal, a service aimed at citizens for dealing with complaints about alleged irregularities occurring in a public entity, with regard to the collection, use and allocation of State resources and assets, as well as compliance with legal regulations.

Along these lines, the Citizen Control Monitors (MCC) Program, which promotes citizen participation by training and accrediting citizen volunteers who participate in favor of their community by exercising social control over the execution of public works, has recently expanded its scope to include the service sector. The MCCs, in the context of the Covid-19 emergency, will carry out social control through remote surveillance and post-social isolation visits to public entities. Already accredited Citizen Monitors will be summoned via email and their knowledge will be complemented. Likewise, the strategy to be applied to attract new applicants will be carried out through the CGR's social networks.

Likewise, the CGR continues to promote the search engine for audit reports, a platform that allows the citizen to know the results of audits and control activities carried out at various public entities, at the central, regional and local government levels, through a friendly system within the context of the pandemic. Thus, transparency and access to public information is promoted.



Dissemination of supervision activities in health facilities

Promoting good practices in control services against Pandemics that can be shared in OLACEFS and INTOSAI

The SAI of Peru holds the Chair of the Organization of Latin American and Caribbean Supreme Audit Institutions - OLACEFS, for the 2019-2021 triennium. This tenure has as its pillar the exchange of information in a timely, inclusive and participatory manner among the 22 member SAIs. That is why, in the current context, the Chair has been promoting the exchange of knowledge and progress made by its members with regard to the pandemic, and establishing approaches with international organizations such as the World Bank, the Inter-American Development Bank - IDB, the German Cooperation – GIZ, the United States Agency for International Development – USAID, the INTOSAI Development Initiative – IDI, among others, in order to disseminate all the support of those organizations in the face of the emergency situation we are experiencing today.

The strategies presented are underway and are being analyzed in order to carry out greater activities that have as their main beneficiary the Peruvian people, mainly the most vulnerable populations, who like many other nations around the world, are being highly affected by the current pandemic. In this sense, the CGR will spare no effort to ensure that public resources are directed towards improving the quality of life of all Peruvians in the face of the health emergency.

All these initiatives will generate a model that will be shared with INTOSAI as well as OLACEFS.