Uganda
The Pearl of Africa

THE REPUBLIC OF UGANDA

Office of the Auditor General

ENVIRONMENTAL AUDIT: the Ugandan experience

by Mrs Kayemba Keto Nyapendi,

A paper presented at the 11th Working Group of Environmental Audit
25th– 28th June 2007

SESSION OBJECTIVES

- To give an overview of the relevant legal framework within which the Environmental Audit (EA) was carried out
- To share with you our experiences as first time Environmental Auditors

INTRODUCTORY REMARKS

- Mandate of the OAG enshrined in the constitution: As an independent external auditor of Government, the role of the Auditor-General is to provide an independent oversight of government operations through financial and value for money audits.

INTRODUCTORY REMARKS (cont'd)

- The objective of the audits conducted by the Auditor General is to:-
  1. determine whether public funds are spent efficiently, effectively, and in accordance with applicable laws
  2. evaluate internal controls and help improve governance in Government and in public sector agencies
  3. determine whether public sector agencies are in compliance with applicable laws and regulations; Rules and procedures and,
  4. To provide assistance to the Parliament and the Public Accounts Committee in support of their oversight and decision-making responsibilities.
- EA therefore carried out as part of verification of compliance aspects of an entity.

TOPIC OF THE EA

- MANAGEMENT OF MEDICAL WASTE IN SELECTED REFERRAL HOSPITALS

AUDIT OBJECTIVES

- To ascertain whether the Hospitals Waste management system complies with international environmental treaty obligations, national environmental laws and regulations and government policies and programs. (In line with ISA 250)
- To ascertain whether the Hospitals Waste management system is economical, efficient and effective.

The relevant Environmental Laws in Uganda

- The National Environment Statute 1995
- The Land Act 1998
- The Public Health Act
- The National Environment (waste management) regulations, 1999
- The Environment Impact Assessment (EIA) guidelines
- The Wetlands Act
- The Labour Act
- International laws ratified by Uganda

ISA 250 Consideration of laws and regulations

- The purpose of this standard is to establish standards and provide guidance on the Auditor's responsibility to consider laws and regulations in an audit of Financial Statements (FS).
- The Auditor should recognize that non compliance by the entity with laws and regulations may materially affect the FS

IAPS 1010

- In addition, the International Federation of Accountants (IFAC), the worldwide International Organisation for the accountancy profession, through its organ the Audit and Assurance Standards Board (IAASB) has issued the International Audit Practice Statement (IAPS) 1010, the consideration of environmental matters in the audit of financial statements.

METHODS USED TO COLLECT EVIDENCE DURING OUR AUDIT

- **Interviewing** responsible officials in Ministries, NEMA, Hospitals concerned Local communities, etc.
- **Observation/physical inspection** of how hospital staff effect the waste management system.
- Taking **photos/pictures** where necessary to support audit findings
- Making use of any **media/press articles** related to waste management.
- Reference to any **minutes of management meetings, management reports, external publications/reports** about the activities of the Hospital in particular concerning waste management issues
- **Inspection reports** by the Ministry of Health and NEMA

SUMMARY OF AUDIT FINDINGS

- Lack of medical waste policies and strategies
- Lack of awareness of the legislation in place
- Lack of standards
- Waste management records are limited, incomplete and almost non-existent
- Lack of waste recycling system
- Poor monitoring by the lead agency, NEMA

SUMMARY OF AUDIT FINDINGS (cont'd)

- Lack of proper incinerators

Fig.1 Opening to the incinerator

Fig.2 Incinerator entrance-steps

Fig.3 Pit used for burning medical waste; access not restricted

Fig.4 Pit used for burning medical waste; access not restricted

SUMMARY OF AUDIT FINDINGS (cont'd)

- No strict Internal medical waste control systems
- Lack of waste recycling system

Fig.5 People scavenging waste at the municipal dumping site (un-separated medical waste is dumped here)

Fig.6: Waste dumped under a tree (note people cooking under the tree)

Fig.7: Blocked drainage from a bathroom next to male ward - note water flowing to the kitchen in the background

Fig.8. Improvements done following the audit

Recommendations made

- Central Governments, Local Governments, agencies and public officials should transform their mindset and take a leading role in observing environmentally sound practises.
- Sensitizing the stakeholders about the environmental laws and regulations is a priority.
- Policies and strategies of the hospitals need to have an environmental section drafted to address the medical waste management issues
- The management of the hospitals need to set strict internal waste management systems with clear duties and responsibilities of all concerned.
- Proper risk evaluation should be done to determine the impact of environmental issues on financial statements
- There should be improved monitoring by lead agencies on environmental compliance

Report to Parliament

- Environment report forms part of the main audit report. This report sets forth any issues that the Auditor General wishes to bring to the attention of Parliament.
- The report is addressed to the Speaker of Parliament who normally passes it to the relevant committee like PAC, LGPAC COSASE for detailed discussions.
- The committee normally invites the Accounting Officer/ PS and his/her team. Auditor General participates effectively in the discussions on the side of PAC/ LGPAC/ COSASE.
- After the committee's discussions' the report is submitted to the plenary for further debate/ adoption
- Government is expected to implement the recommendations.

What is the impact of the audit on OAG and on Government activities

- Création of awareness of environmental issues within the office and at the auditee organisations
- Value additon to the usual OAG reports; the environmental audit reports.
- Some findings already corrected by auditees as a result of the audit
- Operationally, a unit has been created to handle EA within the OAG

What were the challenges met in the execution of this audit?

- Lack of a clear mandate;
- Resentment by auditees; tendency not to see the EA as being important and therefore assign junior staff to handle the auditors
- Reporting structure not clear; OAG reports go to PAC where as environmental issues have to be considered by the committee on environment
- Inadequate resources in terms of staff, equipments, etc for use during the EA.
- Involvement of experts necessary

Way forward for EA in the OAG

- The OAG plans to fully adopt EAs; a unit has been created for carrying out EA and EA activities have been included in the OAG strategic plans for full implementation.
- Additional financial resources have also been obtained.

Thank you for your attention !!

- Remember " a chain is never stronger than its weakest link". "OAG IS A RELIABLE PARTNER IN AFROSAI-E / INTOSAI"
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