



**MINISTRY OF HEALTH IN SURINAME
THE HEALTH SERVICE IMPROVEMENT PROJECT
No.4593/OC-SU
FINANCIAL REPORT
FOR THE PERIOD YEAR ENDED DECEMBER 31, 2021**

Submitted to:

Ministry of Health in Suriname Project Implementation Unit
The Health Services Improvement Project (HSIP)
Attn.: Ms. Kamla Madho, Project Manager
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Submitted by:

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Ministry of Health in Suriname
The Health Services Improvement Project (HSIP)

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INDEPENDENT AUDITOR'S REPORT

To the Ministry of Health in Suriname

Program Implementation Unit of the Health Service Improvement Project (HSIP)
(SU-L1054) Loan No.4593/OC-SU
Attn.: Ms. Kamla Madho (Project Manager)
Henck Arronstraat 64

Report on the audit of the financial statements 2021

Our opinion

We have audited the accompanying financial statements 2021 of the Health Services Improvement Project (further refer to as 'The Program'), executed by the Ministry of Health and financed with funds from the Inter-American Development Bank Loan Agreement NR 4593/OC-SU-L1054.

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash flows and cumulative disbursements of the Program as of December 31, 2021, in accordance with the accounting policies described in Note 2.

The financial statements comprise:

1. the statement of cash flows;
2. the statement of cumulative disbursements as at 31 December 2021; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with International Standards on Auditing and specific requirements of the Inter-American Bank.

Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Program in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

The project management of the Health Services Improvement Project is responsible for the preparation and fair presentation of the financial statements in accordance with Cash Basis Accounting and specific requirement of the Inter-American Development Bank.

Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Program's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the Program's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with International Standards on Auditing, ethical requirements and independence requirements.

Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control;
- evaluating the appropriateness of accounting policies used and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Program's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with Program execution regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Report on other legal and/or regulatory requirements

We did not observe any situations suggesting non-compliance with the financial clauses in the Inter-American Development Bank Loan Agreement No. 4593/OC-SU-L1054 during the period reviewed by us. **The basis of accounting and restriction on use and distribution**

We draw attention to Note 2 to the accompanying financial statements which describes the basis for accounting. The accompanying financial statements are prepared to comply with the specific reporting requirements of the Inter-American Development Bank. As a result, the accompanying financial statements may not be suitable for another purpose. Our opinion is not qualified in respect of this matter.

The accompanying financial statements and our auditor's report thereon are intended solely for the Health Services Improvement Project, Ministry of Finance of the Republic of Suriname and the Inter-American Development Bank and should not be used for other purposes.

Paramaribo, May 5, 2022

Crowe Burgos Accountants N.V.

Romeo K. Burgos MSc. CA RA
Managing Partner

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

FOR THE PERIOD JANUARY 01, 2021 TO DECEMBER 31, 2021

(Expressed in US Dollars)

	Notes	In US\$
CASH RECEIVED		
Accumulated cash at beginning of period		1,570,170
Activity during the year:		
Disbursements (Advances, reimbursements, and direct payments)	4	11,245
Total cash received		1,581,415
DISBURSEMENTS MADE		
Cumulative cash disbursed at beginning of period		358,804
Activity during the year:		
Payments for goods and services	5	91,385
Bank charges		171
Currency exchange losses	3	3,654
Total cash disbursements		454,014
Available cash balance, December 31	3	1,127,401

The accompanying notes on pages 7 to 23 form an integral part of the financial statements.

STATEMENT OF CUMULATIVE DISBURSEMENTS AS AT DECEMBER 31, 2021

(Expressed in US Dollars)

IDB Nr	Category of disbursement	Notes	December 31, 2020	Movement during 2021	December 31, 2021
1	Institutional strengthening of the MoH for evidence-based policymaking		-	-	-
2	Expansion of the Chronic Care Model		-	-	-
3	Increase access to priority services for communicable diseases in at risk population	5	66,068	45,903	111,971
4	Project administration and management	5	177,609	45,482	223,091
	Contingencies		114,391	-	114,391
	Total		358,068	91,385	449,453

The accompanying notes on pages 7 to 23 form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2021

1. GENERAL INFORMATION

The Health Services Improvement Project (HSIP) was developed to contribute to the improvement of the health status and health outcomes for all people in Suriname. To finance the project, on the 16th of October 2018 the Republic of Suriname and the Inter-American Development Bank (IDB) signed a loan agreement (No. 4593/OC-SU) of twenty million US Dollars (US\$ 20 million). The project is being implemented through a Program Implementation Unit (PIU), under the Directorate of Health of the Ministry of Health (MoH), the Executing Agency. The PIU was established in October 2019.

1.1. Program background

Suriname is currently in the advanced stages of an epidemiological transition, marked by a sharp rise in the prevalence of Chronic Non-Communicable Diseases (NCDs) in the general population, while high rates of Communicable Diseases (CDs) persist in specific population subgroups. This context, referred to in the literature as the double burden of disease, requires that health authorities reorient and strengthen their approach towards a renewed primary health care system that can offer integrated and comprehensive care for both NCDs and CDs.

The MOH is responsible for the provision of care for all citizens. The MOH is responsible for governance functions through the Central Office (inspectors, planning and monitoring), and the Bureau of Public Health (surveillance, environmental health, national referral laboratory, disease- and population specific programs). In 2014, Suriname mandated all residents to have health insurance, provided via a public-private mix. Approximately 78% of the population is covered by public insurance (the State Health Insurance Fund (SZF) affiliates primarily government employees, poor, and near poor) or private insurance (2% of all insured). Since 2014 total health and public health expenditures as a proportion of GDP have been around 6% and 3% respectively, lower than the average of other upper-middle income countries in the Latin American and Caribbean (LAC) region (7 and 4%).

Supply of health services is concentrated in the Northern coastline, where about 85% of the population resides. MoH funded primary care in this area (the focus of this program) is provided by the Regional Health Services (RGDs in Dutch) through a network of 43 general primary care facilities. Around 146 private clinics serve people covered by the SZF, by a private insurance, or who are self-paying. Secondary and tertiary health care services are supplied by five hospitals, four located in Paramaribo and one in Nickerie. Outpatient specialized care is provided in polyclinics linked to hospital facilities.

1.2. Project scope and objective

The program objective is to contribute to the reduction of the burden of disease in Suriname by improving access to high-quality, integrated primary care services and enhancing the effectiveness of the health sector to address priority epidemiological challenges. To achieve this objective, the program comprises the following components:

Component 1:

Institutional strengthening of the Ministry of Health (MOH) for evidenced-based policymaking

This component seeks to improve the ICT and physical working environment platforms for the MOH to exercise core policy and technical functions. Subcomponent 1.1 till 1.6 - Improved Health Information System. This component seeks to improve the Health Information System in Suriname. Subcomponent 1.7 - MoH headquarters and central services infrastructure. This will consist of improvement to the physical working environment for the MoH to perform its core business functions, enhancing productivity and hence a more effective management of the health sector's priorities.

Component 2:

Expansion of the Chronic Care Model

The objective of this component is to improve accessibility and quality of clinical pathways for non-communicable diseases. It will support improvement and expansion of an integrated, patient-centered healthcare model for diabetes in the OSS of Paramaribo and Nickerie, and within approximately 18 RGD primary care facilities that already operate in these areas. Facilities will be selected based on results of a health care network demand and supply analysis.

Component 3:

Increase access to priority services for communicable diseases in at risk population.

The objective is to sustain and improve the response to communicable diseases. This component will finance the following activities targeting the gold mining population: (i) design and implementation of culturally appropriate BCC strategies to reduce exposure to risk factors for malaria and HIV (i.e. promoting use of bed nets, increasing health seeking behavior) and improve adherence to treatment by at-risk population; (ii) specialized training for the MP and National Reference Laboratory personnel; (iii) training of MP personnel in BCC; (iv) equipment upgrades for the national reference laboratory and TropClinic surveillance; (v) technical studies; and (vi) training and laboratory and field equipment for HIV screening.

Component 4: Program Administration and Evaluation

This component will support the operation of the PIU and project administration and evaluation activities, including the design and implementation of an impact evaluation.

1.3. Cost and financing structure of the Project

Category of disbursement		US\$	%
1	Institutional strengthening of the MoH for evidenced-based policymaking	12,372,000	62
2	Expansion of the Chronic Care Model	3,840,000	19
3	Increase access to priority services for communicable diseases in at risk population	1,500,000	8
4	Project administration and evaluation	1,665,000	8
	Contingency reserve	623,000	3
	TOTAL	20,000,000	100

1.4. The Status of the project as at the end of 2021

Progress Update on Component 1

I. Subcomponent: Institutional strengthening for the MOH for evidenced-based policymaking.

This component seeks to improve the ICT and physical working environment platforms for the MOH to exercise core policy and technical functions. Subcomponent 1.1 will focus on assessment and data collection for Improving the Health Information System. Subcomponent 1.2 will focus on governance roles, structures, and plans at MOH level to support and govern the Health Information Systems. Subcomponent 1.3 will focus on improving ICT infrastructure at the MoH and RGD and Medical Mission. Subcomponent 1.4 will focus on info structure, technical enterprise business architecture and the Health Information Exchange platform. Subcomponent 1.5 will focus on key information systems and components to support the MoH, like the Financial Management Solution and dashboards for decision making, Electronic Health Records to support the CCM and disease registries.

Subcomponent 1.6 will focus on strengthening the IS4H team, data standards, governance and policies, data sharing and privacy and connecting to regional networks.

- On the 1st of October 2021, the IT Specialist for the PIU was contracted and commenced with its work.
- In collaboration with IDB Specialists and hired Experts, the Pluri-Annual Plan (PEP) is being updated whereby activities are (re)defined.
- Activity 1.1.1. The re-installed STEPS Committee (April 2021) of the MoH finalized in December 2021 the Terms of Reference (ToR) to conduct the STEPS Survey, which will be submitted to the IDB in January 2022. The STEPS Survey is expected to commence in 2022.
- For activity 1.1.4, a delegation of Health Care Israel (HCI) visited Suriname during the week of Nov 01-05, 2021. The visit was meant to do an assessment of the IS4H organizational structure for the Integrated Information System to make the future shift from curative to preventive healthcare for Suriname as reflected under activity 1.1.4. The final report containing the recommendations is expected to be submitted in January 2022. This assessment feeds into the strategic development of Health Information Exchange.
- Activity 1.5.5 “Cancer registry”: An informative meeting was held with a team of oncologists and MoH to determine the technical support requirements. After this there was a meeting with the developer to review the current application and discuss the architecture/etc. A report has been drawn up of this meeting and the findings have been recorded. A dedicated Cancer Program Manager at the national level would be key to ensure that the Cancer Registry fits into the broader approach for Cancer Control in the country and for overall system strengthening. The MoH is in the process of appointing a Program Manager for the Cancer Registry. To proceed it is important to know what the guidelines and indicators are that apply nationally with regard to cancer registration and what the specific functionalities are required for the facilities. The idea has been suggested to plan educational meetings in this regard in the upcoming year.
- Activities 1.3.1 and 1.3.2: On the basis of Gap assessment of MoH, RGD and MM and the amount of time that has been passed since the assessment was conducted, it was necessary to determine if there were any changes in the needs of the institution. After feedback was provided by RGD and MM the inventory needs list was updated and a cost overview was made based on estimated prices. The updated list of MM and RGD was send on December 11 to the Program Manager accompanied by a report with recommendations and findings. It is worth mentioning that the Acting Deputy Director of Public Health has also asked in this context to find out what the needs are of the Dermatology Service and the BOG.

II. Subcomponent Information Systems for Health (IS4H)

The National IS4H Governance Structure got approval from the MoH for its members and therefore was formally installed on July 12, 2021.

With the hiring of the ICT Specialist, the PIU commenced with the process of hiring the IS4H Lead team, a team consisting of six consultants with different areas of expertise that is led by the IS4H Director. This IS4H Director is also amongst the 6 consultants that will be recruited in this process. The IS4H team supports the Ministry of Health in the technical and strategic implementation of the activities of the loan and will be under the direct supervision of the ICT Specialist and the Program Manager of the PIU.

The six different positions are:

- 1.6.1.1 - Program Director - This lead is responsible to drive the development of a renewed strategic plan for Information Systems for Health, and to oversee the implementation of approved strategic and tactical initiatives to fulfil both specific and general tasks led by the Project Manager and as stated in the Project Operations Manual.
- 1.6.1.3 - IT Solutions and Infrastructure Lead - The IT Solutions and Infrastructure Lead, will develop and support solutions across the entire spectrum of infrastructure technologies including hosting,

network and end-user services, meeting the needs of the MOH and the IS4H stakeholders. This position will not be filled in during this time.

- 1.6.1.4 - Health Data and Info Structure Lead - This consultant is responsible for the planning and development of health data related activities and products in the Info structure section of the project, including but not limited to data dictionary, data source mapping, indicator definitions, application of international interoperability standards and architectures.
- 1.6.1.5 - Digital Health Clinical Lead - This consultant is primarily responsible for collaborating with clinicians and other end users of clinical and business information systems to plan, design, test, train, implement, evaluate, and maintain these systems.
- 1.6.1.6 - Change Management and Communications Lead - The primary function of this consultant is to create and implement change management strategies and plans that maximize stakeholder adoption. The Change Manager will work to drive faster adoption, have higher ultimate utilization of- and proficiency with the changes that impact stakeholders.
- 1.6.1.7 - Governance and Policy Lead - This consultant will play a critical role in identifying policy gaps and requirements and facilitate the development of legislation, regulation, and policy to ensure that the national IS4H strategy can be fully implemented.

The Request for Expression of Interest (REOI) for this activity was published for the third time in the local daily newspapers, Times of Suriname on the 09th of August 2021 and in Dagblad Suriname on the 21st of August 2021. The submission date was set for 06th of September 2021. The evaluation report for the shortlisted candidates was prepared and sent to the Bank for no-objection. After receipt of the Bank no-objection on 17th of November 2021, the necessary preparation was made by Procurement for the interviews, which took place on December 09, and December 13, 2021. The Evaluation report of the Selection of the Consultants is in preparation. Worth mentioning is that candidates are being recommended for all the positions except for IT Solution and Infrastructure lead, because of the fact that only 1 person applied for the position and that applicant did not achieve the required 75 points to be shortlisted. This position will be re-advertised by the PIU once again in the first quarter of 2022.

- III. Activity 1.5.4: IDB EHR-S Assessment. The EHR-S methodology and an overview of the process as well as a document on the detailed methodology/questions was shared with the following institution SZF, RGD and MM who are working with an EMR solution. After the online forms had been filled in by the institutions and or the vendors then a meeting with the institutions and the vendor was planned for a demonstration of the application. The IDB team is in the process of finalizing these assessment reports.
- IV. Below are activities that have been carried out by the ICT Specialist in conjunction with the IDB and relevant stakeholders that are of major importance to the Ministry of Health, but which are not detailed in the PEP. These activities will be included in the PEP in the upcoming year.
 - DHIS2 support: To register and track the COVID-19 vaccines, the MoH has implemented a Vaccine Management Solution called DHIS2 with the support of PAHO and the University of Oslo who has offered its technical support till the end of 2021. To ensure that maintenance and management of the application is guaranteed in the new year, meetings have been held regarding reviewing the technical support and maintenance requirements for DHIS2 for the development of a ToR. An initial draft of the support roles and functions were created and finalized after feedback was provided. This draft should serve as a basis for determining which roles should be filled internally by MOH and which will need to be outsourced. The IDB will develop ToRs for the Project Manager Role (DHIS2 Implementation and Operations), Data Analyst Role, and Trainer Roles. These are the roles we will need to outsource. It is suggested that in the short-term the IS4H Lead could coordinate these PM activities until a PM can be recruited. It is also recommended to take some of the courses on the DHIS2 Academy. In the longer term this role needs to be address as

part of the human resource plan for sustainability within MOH. E-gov will identify an individual for the Project Manager and the System Administration role. In the short-term it is necessary to consider whether the need exists to contract further support from University of Oslo. The DHIS2 academy is there to support all countries rolling-out DHIS2. Furthermore, it was necessary to consider whether a development server should be purchased for the DHIS2 application. Recommendation from the Oslo team was not to buy a server separately but to look at the possibilities to increase the memory to 24 GB. Current there is 16GB of memory that is shared between production and development instance. The Oslo team could then allocate 8 GB to development server and 16 GB to production server. CPU usage is very low, it only spikes when analytics is run to summarize the data that has been entered.

- **Perinatal Information System:** In accordance with the Ministry of Health (MoH) priorities for reduction of maternal and perinatal mortality and promotion of improved availability of data, the Pan American Health Organization (PAHO) was requested by MoH to support the introduction of the web-based Perinatal Health Information System (SIP Plus). Some work has been done in this regard before, but for some reason there has been a delay. MoH is working on regrouping the stakeholders so that it can be checked what the current status of the project is and what the next steps should be.
- **COVID-19 digital certificates:** The LACPass is the project to advance in the implementation of the digital vaccination certificate for the countries of Latin America and the Caribbean. Within this project, the international interoperability standards that are being defined by the WHO are agreed upon and adopted by the countries participating in the project; this so that its inhabitants can carry a valid digital vaccination document, which can be cryptographically verified by whoever requires it. On behalf of the MOH the E-gov team is charged with the implementation of the digital cov19 certificates. The E-gov team has attended several workshops and made presentations to the Minister of MoH. There are some technological issues for e.g., service for digital signature and finding the best method for users to get digital certificates. There are some processes that still need to be developed by e-Gov. To move on to implementation they must work together with the University of Oslo and are in the process of establishing contacts.

V. Subcomponent 1.7: “Ministry of Health Infrastructure Improved”

For Subcomponent 1.7: “Ministry of Health Infrastructure Improved”, the following activities were conducted between the period July to December 2021:

Activity 1.7.1.2: Design and supervision:

In the initial Project Loan document with regards to activity 1.7.2, the construction of one (1) new MoH compound (Building C) and rehabilitation of two (2) buildings A and B were incorporated. On the 30th of June 2021, the BOG building (A) was destroyed by a devastating fire. This fire caused the Government of Suriname and the MoH to review the initial approach and set up of activity 1.7.2. The MoH decided and communicated to the Bank their intention to rather have a new MoH compound build at A on area 1 and the rehabilitation of B and C on area 2. The contract for the Design and Supervision of the new building of the MOH was signed on 15 September 2021 and on 30 September 2021 the Architect Firm WE Architects commenced its work. In the week of 25 – 29 November 2021, the Architect Firm conducted a work visit in preparation to the Design phase. On the 24th of November 2021, the Firm submitted their Final “Concept Design Report” and the 29th of November 2021, a presentation on their first observations and recommendations were provided to MoH Management. One important recommendation was that the existing asbestos in the bearing columns on the ground floor, should be better demolished, and given that the building and its structures are also more than 90 years old and renovating it, would not be feasible with the projected budget. Based on the observations

and the recommendations, 3 different scenarios were presented in their report. After review and deliberations, the Ministry of Health has decided that option 3 is viable, whereby in total two new buildings will be designed and constructed: one (1) new MoH compound in area 1 and one (1) new BOG building in area 2. The total construction cost for the new BOG building has been calculated at \$ 4,767,955.61 of which \$ 1,750,000.00 has already been budgeted in the Loan for rehabilitation purposes. This given, there is a shortage of \$ 3,017,955.61. The Government of Suriname (hereafter referred to as GoS) and the MoH understand that this shortage in financial resources for the construction of a new BOG building cannot be financed through Loan resources. The GoS and the MoH therefore are currently looking into the option of having the shortage of \$ 3,017,955.61 financed through own financial resources. Nevertheless, the design of the new MoH building is in progress, based on the previous Architectural Programming, with some minor Organizational updates, while the PIU is awaiting the final decision on financing a new BOG building on area 2. This decision will impact the design for the new BOG building. Up till now, the delivery date for all Design documents for WE-Architect, is scheduled for the end of May 2022.

VI. Demolition of the burned down BOG Building

On the 30th of June 2021 there was a fire of the BOG building (Building A), this not only impacted the planning but also resulted in the scope of the works needed to be adjusted. The MoH reached out to the PIU and requested assistance to include the demolition of the existing building in its activities.

The no-objection of the IDB was requested.

On December 03, 2021, the Bank granted its non-objection to the Request for Quotations for the bidding documents related to the demolition of the burned down building. The Request of Quotation was sent out to nine (9) suppliers specialized in demolition and asbestos removal on December 07, 2021, inviting them to submit their quotations. A site visit to inspect the premises will be held on January 07, 2022. The Bid opening ceremony will take place on 17 January 2022. The demolition activities are scheduled to commence in March 2022 with a duration of 20 working days.

Component 2: Expansion of the Chronic Care Model (CCM)

The following updates can be provided on Component 2:

- The MoH submitted a request for support to the PAHO and the IDB. The PAHO agreed to hire a consultant that will do the assessment on the current applied Model in Suriname while the Bank agreed to hire a consultant who will do the assessment on the existing policies and guidelines with regard to the Chronic Care Model to do a final recommendation on the best CCM to be used by the MoH and the Health sector in Suriname.
- The HEARTS Model was chosen and presented to the Ministry of Health with recommendations on Friday Sept 17, 2021. A CCM Coordinator assisting the PIU on the implementation of this model and related to this the Strategy will be hired and a CCM Focal point within the MoH is to be appointed in 2022.

Contingencies:

COVID-19 Contingency Fund

This activity represents the procurement of Emergency supplies and medicines through the COVID-19 Fund Under this Loan, US\$ 1 Million was redirected to the purchase of essential medicines and supplies for COVID-19 support. After review of both the MoH and the BGVS, a needs list of medicines was finalized and arranged to be procured through PAHO who will act as the procurement intermediary.

On July 7, 2021, the Program Manager and the Procurement Officer met with the BGVS staff regarding the "Common Drugs" List approved by the IDB. During this meeting it was agreed that the BGVS Team will do its part by contacting potential (BGVS) suppliers and the PAHO for quotations

Later, the MOH decided to purchase the COVID-19 Medicines through direct contracting from the PAHO. On September 15, 2021, the MoH sent a letter to the PAHO that the Ministry intends to purchase COVID-19 Supplies through PAHO. To outline the steps that the PIU has to go through to purchase the medicines, a meeting was planned with the Procurement Specialist of the Bank to outline the steps.

The RFQ was prepared and sent to the Bank for no-objection on 28 September 2021. The Bank granted no-objection to the revised draft contract and revised RFQ on 7 October 2021. On October 14, 2021, the RFQ from the MoH to the PAHO for the BGVS Common Medicine List was sent to the PAHO. The contract negotiations between parties are since then taking place and were still ongoing in December 2021. The needs list of medicines is valued at approximately US\$ 850.000 which PAHO is requesting to be paid upfront and in full. Parties are in negotiation regarding the delivery time and payment terms of the medicines.

Component 3: Increasing the access to priority CD preventive services for targeted population

For Component 3, many of the scheduled activities are in execution. The MoH staff, namely the Malaria Program under which component 3 falls, not only has experience with the activities of this component but also manages to regularly meet with the PIU, whereby approximately 90% of the activities are on schedule.

According to the approved Procurement Plan, two (2) activities have been fully completed. These activities concern:

1. Activity 3.1. The purchase of the 8 Parasitological microscopes. These 8 items were delivered on 20 July 2020 and received by TropicClinic.
2. Activity 3.12.2. The purchase of the first batch of HIV equipment and supplies for the National Reference Laboratory (Bureau of Public Health). These purchases were delivered between January and March 2021 by the different companies (Harson, Triangle and Orchant).

Below is an overview of the activities of Component 3 which are in execution and the status as per December 2021:

- **Consultancy to Design the Behavior Change Communication Campaign and Consultancy to Conduct and Elaborate a Prevalence Survey (HIV/TB/Leishmaniasis/Leprosy) in migrant populations**

The respective contracts “Consultancies to design the Behaviour Change Communication Campaign and “Consultancy to Conduct and Elaborate a Prevalence Survey (HIV/TB/Leishmaniasis/Leprosy) in migrant populations” were both signed on September 15, 2021.

- **“Consultancy to coordinate the Behavior Change Communication annual campaign (coordinator)”**

On September 29, 2021 and on October 1, 2021, the Expression of Interest of the activity advertised in the local newspapers Dagblad Suriname & Times of Suriname. The deadline for submitting the EOI's was October 15, 2021. Three (3) individuals responded and submitted their Expression of Interest for the Consultancy assignment to the PIU and the evaluation report was prepared and submitted by the PIU. On December 1, 2021, the Bank granted its non-objection to the evaluation report of the shortlisted candidates. The interviews took place on December 22, 2021.

- **“Consultancy to develop a Quality Assurance and Quality Control guide”**. The contract with the individual consultant, Uselencia Esajas-Zeegelaar, to develop a Quality Assurance and Quality control guide for the Malaria Program was signed on August 19, 2020. On June 27, 2021, the MoH received a letter from the Consultant Uselencia Esajas-Zeegelaar that she would like to terminate the contract. The reason for contract termination was because the first payment was made against a much lower exchange rate than the official exchange rate of the Central Bank of Suriname. The MoH had no chance but to accept this withdrawal and request non-objection to terminate this contract. On 21 July 2021 the Bank granted its non-objection to the termination of the contract with Mrs. Uselencia Esajas-Zeegelaar.

- **Print and copy services to develop material in the Annual Behavior Change Communication (first campaign)** This activity is for printing of Children's booklets and posters as part of the outreach activities of the Behavior Change Campaign Strategy. These materials will be distributed amongst the target groups of 5th and 6th grade schoolchildren of approximately 400 primary schools in Suriname. The RFQ was sent to the suppliers on 6 October 2021 and the bid submission date was set on 21 October 2021. The Evaluation Report and the Draft Contract were sent to the Bank on 1 December 2021 and No objection was received on 3 December 2021. The notification for award of contract has been sent to the selected suppliers including the draft contract. Art Sabina N.V. signed their contract on December 24th 2021.
 - **Logistics services for the Annual training for Malaria Service Deliverers and lab staff in Quality Assurance and Quality Control.**
The resubmission for the request for Non-Objection for the MSD Training was submitted to the Bank on 17 august 2021 (Regarding the Second part of the refreshment training for the new lab Personnel") and No objection was received on August 19, 2021. On 13 September 2021 a request regarding increasing the budget for this activity was submitted again to the Bank as it was foreseeable that a higher budget would be needed due to the increase in prices because of inflation, and higher prices in transport to the remoter areas of the hinterland. Bank No objection was received on 22 September 2021. The payments for accommodation location (Amice guesthouse), travel expenses (Gum Air), preparation expenses (Payments to MSD Trainer) took place on 18 October 2021 and 30 November 2021. Pending the justification of the receipts to continue with the justification and the replenishment.
 - **Consultancy to conduct Knowledge Attitude and Practices (KAP) studies and the Consultancy for the Basic Language training (Portuguese) provided to medical mission clinics personnel located near mining areas:**
In collaboration with the Component Owner, it was decided to change the initial procurement method of these two activities from Individuals Consultants to Consultancy Firm. On 12 July 2021, the Bank granted their non-objection to the cancellation of the current procurement process (Individuals Consultants) to change activity 3.1.4.1 in the Consultancy Firms category. The procurement method in the procurement plan April'21 - September'22 has also been adjusted from Individual Consultants to Consultancy Firm. Preparations have been made to change the current ToR. The Bank approved this in September 2021. While preparing the evaluation sheet, it appeared that the requirements for the research team were not stated clearly enough in the ToR and for this reason the ToR was revised again and submitted to the Bank for approval.
1. **Purchase of long-lasting mosquito bed nets**
In the period from August 2021 to September 2021, the procurement method for this activity was changed from International Competitive Bidding (ICB) to Direct Contracting (DC). The reason for DC is that the Malaria Program is heading towards a national stock out, and the long-standing experience the MOH had with the quality of the bed nets (over 5 years) the decision was taken to purchase directly from the supplier. The IDB's approval was received on October 22, 2021, to move to DC, and the contract negotiations began shortly after. The contract with the supplier was signed on 19 November 2021. Until the end of December 2021, the PIU, and the supplier Yorkool International were in contact regarding the shipment of the bed nets.
- **"Purchase of ICT equipment for Tropic Clinic with software and hardware for data analysis and processing"** a Special Procurement Notice (SPN) was advertised during the week of August 11, - 13, 2021 to obtain eligible bidders for this tender. The evaluations of the 4 bids were conducted on respectively Friday 15 October 2021, Wednesday 26 & 27 October 2021, Monday 1 November 2021 and Friday 12 November 2021. The evaluation report for this activity is in preparation (December 2021).

- **“Consultancy for the Basic language training (Portuguese) provide to medical mission clinics personnel located near mining areas.** On the 27 September 2021 the RFQ was sent to the Bank and No objection was received on 5 October 2021. The Request for no objection on the EOI & evaluation sheet was submitted to the Bank on 2 November 2021. On 19 November 2021, the Bank returned the EOI & Evaluation sheet with some comments. After adjustment, the documents were resubmitted on December 13, 2021, along with the ToR as requested by the Bank.
- **“Consultancy to Design a National Strategy for Provision of Health Services for Priority Infectious Diseases to (mobile) migrant population”**, the second ranked candidate Mrs. Juanita Malmberg indicated by email on August 16, 2021, that she was no longer available for this assignment. Therefore, on August 22, 2021, the MoH requested, the existing Procurement Process and relaunched this Project activity. On October 5, 2021, the Bank granted its non-objection to the cancelation and restart of his activity. The Expression of Interest was published in the daily newspaper on 13, 17 and 27 November 2021. The deadline for submitting the EOI was set at December 1, 2021. Three persons responded to the EOI, and the evaluations will be conducted.
- **Purchase of condoms for gold mining areas.**
The Evaluation report was prepared in the first half of the year and was sent to the Bank on 16 July 2021. The Evaluation Report stated that all the bids will be rejected because none of the bids responded substantially to the requirements of the RFQ. On July 21, 2021, the Bank informed the Ministry that it has no-objection to the evaluation report, resulting in the rejection of all bids. After the Bank’s no objection, the procurement team restarted the procurement process for this activity. The RFQ was sent to the suppliers on September 23, 2021. The deadline for receiving the quotations was set at October 7, 2021. A Pre-bid meeting took place on September 30, 2021. The Evaluation Report and the Draft Contract were sent to the Bank for approval on 1 December 2021.
- **Purchase of HIV tests for HIV screening in gold mining areas**
The draft RFQ was sent to the Bank on August 18, 2021, and no objection was received on September 2, 2021. This approved RFQ was sent to the suppliers on September 10, 2021, and the submission date has been set for September 24, 2021. Justification for Direct Contracting, the Request for Quotation and the draft contracts were sent to the Bank on September 27, 2021, and no objection was received on October 11, 2021. The final contract was signed on December 9, 2022. It was worth nothing that the negotiation took longer than expected, the supplier does not provide a timely response and communication with the supplier is very difficult in this process.

1.5. Institutional background

Program Management

The Program Implementation Unit (PIU) members as at December 31, 2021 are as follow:

Responsibility		Name
Program Manager		Kamla Madho
Construction Specialist		Previen Mahabir
Procurement Officer		Dyorn Menig
Financial Specialist	*	Charissa Zeegelaar
Operations Specialist		Priscilla Dompig
IT Specialist		Vijay Sewradj

*) The position of the Financial Specialist is vacant as of March 2021. At the moment Ms. C. Zeegelaar is temporarily filling this position.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Cash basis of accounting

The financial statements of the Project for the year ended December 31, 2021 have been prepared using the cash basis of accounting, which recognizes transactions and acts only when the cash and or its equivalent is received or disbursed by the entity, and not when they give rise to accrue or originate rights or obligations.

2.2. Currency

The functional currency of the Project is US\$, and its accounting records are kept in its functional currency. Transactions in SRD are translated at the foreign exchange rate of the Central Bank of Suriname ruling at the date of the transaction, unless otherwise stated.

The financial statements are presented in American dollars, rounded off to the nearest whole U.S. dollar value, unless otherwise stated.

Cash receipts and cash disbursements denominated in the currency other than the U.S. dollar were translated using the applicable rate of the Central Bank of Suriname at the date of the transaction.

The exchange rates at December 31 were:

	12-31-2021	12-31-2020
	SRD	SRD
US\$ 1	20.893	14.018

3. AVAILABLE CASH BALANCE

The available cash balance at December 31, 2021 consisted of the following:

	Account no	In SRD	In US\$
Central Bank of Suriname US\$ account	0313100-001-136-840		1,122,575
Central Bank of Suriname SRD account	0313100-001-236-968	79,704.21	3,815
Cash on hand - Petty cash		-	-
Cash on hand - Operations cash		21,121.87	1,011
Total			1,127,401

The exchange rate for the US\$ went from SRD 14.018 at the beginning of the year 2021 to SRD 21.50 in June and at yearend SRD 20.893. This resulted in an exchange rate loss of approx. US\$ 3,654.

4. ADVANCES PENDING JUSTIFICATION

The project receives funds from the IDB based on disbursement request. When reaching 80% disbursement out of the funds received, the project justifies the expenditures before requesting the next funds.

	January to December 2021
	In US\$
Balance December 31, 2021	1,456,152
Cash advances received from IDB during the period	-
Less: Justification of advances	-
Balance December 31, 2021	1,456,152

The advance of funds balance of US\$ 1,456,152 is composed of the following:

	January to December 2021
	In US\$
Cash available balance (Note 3)	1,127,401
Payments made after last justification of funds 2020	244,050
Payments made after last justification of funds 2021	91,385
Bank charges & currency exchange losses (cumulative)	4,561
Refunds from local consultants paid in previous year	-11,245
	1,456,152

The payments made after the last justification of funds (March 24, 2020) amounted to US\$ 335,435. This amount will be part of first justification to be submitted to the IDB in 2022.

5. PROCUREMENT OF GOODS, SERVICES AND WORKS

5.1. Procurement of services

The following are the services procured by the Project from 01 January 2021 to 31 December 2021:

Contractor/supplier	Description of services	Investment category	Amount in US\$
Stephen Vreden	Consultancy to conduct and elaborate a Prevalence Survey (HIV/TB/Leishmaniasis/Leprosy) in migrant populations" -Project Activity 3.8.2	Comp. 3	6,276
Malaria Program	Distribution Long lasting Bed nets (Gum Air)	Comp. 3	4,131
Ms. Astrid Huur	Logistics services for the Annual training for Malaria Service Deliverers and lab staff in Quality Assurance and Quality Control	Comp. 3	17,058
Guesthouse Amice	Logistics services for the Annual training for Malaria Service Deliverers and lab staff in Quality Assurance and Quality Control	Comp. 3	14,248
K. Madho	Program Manager	Comp. 4	14,892
D. Boldewijn-Menig	Procurement Officer	Comp. 4	1,675
P. Van Doorn-Dompig	Operations Specialist	Comp.4	1,055
V. Sewradj	IT Specialist	Comp.4	2,155
P. Mahabir	Construction Specialist	Comp. 4	9,308
M. Weidum	Finance Specialist (Jan- March 2021)	Comp. 4	3,138
R. Sedoc	Finance Specialist (Oct 2021)	Comp. 4	720
Crowe Burgos Accountants N.V.	Independent External Auditor	Comp. 4	9,246
Self-Reliance	Medical cost Michael Weidum	Comp. 4	144
Total			84,046

The payment to Crowe includes an exchange rate correction (US\$ 1,595.81) for 2020 invoice.

5.2. Procurement of goods

The following are the goods procured by the Project from January 1, 2021 to December 31, 2021:

Contractor/supplier	Description of services	Investment category	Amount in US\$
Harsons Meditech	HIV Equipment and supplies for the National Reference Laboratory	Comp. 3	3,006
Medistro N.V.	HIV Equipment and supplies for the National Reference Laboratory	Comp. 3	163
Triangle N.V.	HIV Equipment and supplies for the National Reference Laboratory	Comp. 3	270
Total			3,439

		Investment category	Amount in US\$
Logistics and other petty cash expenses	Publications, Water, Office supplies and other consumption items	Comp. 4	3,913
Total			3,913

6. DISBURSEMENT CATEGORIES

	Category of disbursement	In US\$
1	Institutional strengthening of the MoH for evidence-based policy making	-
1.1	Improved Health Info System	-
1.6	IS4H Team contracted and delivered	-
1.7	Ministry of Health Infrastructure	-
2	Expansion of the chronic care model	-
3	Increase the access to priority CD preventive services for targeted population	45,903
3.2.1	Annual Training MSDs and lab staff	17,144
3.2.2	Annual Training MSDs and lab staff	14,913
3.1.5	Distribution Long lasting Mosquito Bed nets	4,131
3.8.2	Consultancy to Prevalence Survey	6,276
3.12	HIV Equipment	3,439
4	Project Administration & Evaluation	45,482
4.1	PIU Basic staff salaries	32,943
4.2.1	Financial Audits	9,246
4.3	Logistic and Minor Management costs- Cumulated expenses	3,149
	Medical cost PIU staff member	144
4.4	Cost to setup PIU office	-
	Contingencies	-
	COVID-19 contribution to the Government	-
	TOTAL	91,385

7. DISBURSEMENT MADE

Disbursement request number	Type	Date	US\$
1	Advance of Funds	12 November 2019	186,100
3	Advance of Funds	14 April 2020	1,384,070
			1,570,170
2	Justification	24 March 2020	114,018

8. RECONCILIATION BETWEEN THE STATEMENT OF CASH FLOW AND THE STATEMENT OF CUMULATIVE INVESTMENTS

	Total in US\$
Cumulative cash received as at December 31, 2021	1,570,170
Add: Refunds	11,245
	1,581,415
Less:	
Cumulative investments at December 31, 2021	449,453
Bank charges & currency exchange losses	4,561
Available cash balance at December 31, 2021	1,127,401

9. RECONCILIATION BY DISBURSEMENT CATEGORIES BETWEEN THE PROJECT'S RECORDS AND THE IDB'S RECORDS

Category	Per Project's records	Per IDB's records	Difference
Institutional strengthening of the MOH for evidenced-based policymaking	-	-	-
Expansion of the chronic care model	-	-	-
Increase the access to priority CD preventive services for targeted population	111,971	12,862	99,109
Project administration and evaluation	223,091	81,374	141,717
Contingency reserve	114,391	19,782	94,609
Total	449,453	114,018	335,435

	Per Project's records	Per IDB's records
	US\$	US\$
Total investments	449,453	114,018
Cash available balance-IDB	1,127,401	-
Cash advance of funds	-	1,456,152
Bank charges & currency exchange losses	4,561	-
Cash refunds local consultants	-11,245	-
	1,570,170	1,570,170

Appendix 1: BUDGET VERSUS REALIZATION

Components	Total Budget	Realization per 31 December 2021	Under realization
1. Institutional strengthening of the MOH for evidenced-based policymaking	12,372,000	-	12,372,000
2. Expansion of the CCM	3,840,000	-	3,840,000
3. Increase access to priority services for communicable diseases in at risk population	1,500,000	111,971	1,388,029
4. Program administration and evaluation	1,665,000	223,091	1,441,909
5. Contingency reserve	623,000	114,391	508,609
TOTAL	20,000,000	449,453	19,550,547