



Independent observer
of the Global Fund

Global Fund Observer

NEWSLETTER

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1. NEWS: EECA initiative is improving the continuum of HIV care across the region

Regional Consultation in Kiev made substantive step to make action plan evidence based, contextual and operational

Tinatin Zardiashvili

19 October 2016

The EECA region saw the launching of an initiative improving the effectiveness of HIV treatment. The initiative addresses the high HIV incidence, the maintaining of the HIV care cascade, which remains a problem in most EECA states. According to WHO data from 2014, 55% of HIV-positives are aware of their status, while only 71% of those who know their status are officially registered. 39% of registered patients are involved in ART and on average 23% achieve viral suppression.

Earlier this year the Global Fund approved its [new policy on sustainability, transition and co-financing](#). The fund provides strong support to countries in transitioning and the EECA puts significant efforts on increasing program sustainability. Therefore, the improved continuum of care is the basis of improved access, coverage, and quality of care at all stages and also means increased value for money invested in the services and a solid contribution to stabilizing and decreasing HIV epidemics.

The first step of the initiative is the development of the “Regional Community Action Plan on Increasing Access to Quality and Uninterrupted Care in Connection with HIV-infection for

All Those Who Need It”, complemented by the national action plans of seven EECA countries: Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Russia, Uzbekistan and Estonia.

On October 11-12, Kiev, Ukraine hosted a regional consultation meeting to discuss the background, content and process of the regional action plan. The main goal of the meeting being to achieve a consolidated position for all partners in regards to content and implementation of the initiative. Up to 80 participants involved in the consultation representing regional community networks, the ministries of health, international organizations (UNAIDS, UNDP, UNICEF, UNFPA, GF and MSF), got together with staff of different GF supported projects and CBOs from many EECA countries. The two-day consultation facilitated presentations, thematic discussion sessions and group workshops with active the participation of KAPs communities.

East Europe & Central Asia Union of People Living with HIV (ECUO) led the project with the implementing partner, Eurasian Harm Reduction Network (EHRN). The initiative is a part of the Global Fund supported regional program entitled: “Partnership for equitable access to HIV care continuum in Eastern Europe and Central Asia region”. GFO has written about this project [here](#) and [here](#).

The three-year project with an approximate EURO 4 million budget. started in November 2015 and covers 15 countries of the region, with special focus on the afore-mentioned seven countries. During its life span, the project aims to fully contextualize and operationalize the regional and national plans and start implementation from 2017. The regional project partners believe that increased effectiveness, access and sustainability of ARV treatment are common objectives uniting all KAPs communities.

One of the strengths of the regional plan is its evidence-based grounding: the project has conducted reviews of the barriers preventing access to the HIV care continuum. During the consultation, ECUO presented preliminary findings of the study describing main system barriers, such as legal, political, organizational, medical, social and cultural issues. Findings, conclusions and recommendations of this review will serve as a starting-point for developing mitigation measures. The last stage of the process will be costing of the care protocols that should inform budgeting process of services. The complete report of the review will become accessible to the public by the end of 2016.

The President of the ECUO, Vladimir Zhovtyak, has summarised what is unique with this regional consultation and how it relates to the sustainable transition of the region towards domestic funding, in addition to what the roles of the communities are in the process. According to Mr. Zhovtyak, “The ECUO has consolidated all communities around one objective: to decide which packages of care have to be included in costed transition plans and within which timeframes. In general, communities have reasonable concerns about the rapid transition to domestic funding and realize risks for KAPs services to be left out from state budgets. On the other hand, within 12-13 years of support by the Global Fund, countries have as yet, still not managed to get ready for taking over the programs, to develop effective systems and approaches, and have not resolved legal and human rights challenges. Now, the

reality is that countries can take over just part of the programs, and during this meeting, we have discussed the principles of the decision criteria of what to include into the state program, while not undermining services for KAPs, the need to address opportunistic infections such as TB and hepatitis-C and problems determining highest mortality rates among HIV positive individuals”.

On the question posed by Aidspace on what the most important element of the regional consultation was, Nicolas Cantau, EECA regional director, the Global Fund, said: “In my opinion, the good coming out of the meeting in Kiev was that it enabled all the different networks representing various key population around EECA to meet and exchange opinions around common challenges related to access to care and human right issues. I am hopeful that the expected outcome, a regional community prioritised action plan to increase access continuum of services, will serve as strong base for community response to scale up the response through increased domestic co-funding against HIV and TB.”

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2. COMMENTARY: Reflections on replenishment: Montreal, Malawi, and doing better

Charlie Baran

19 October 2016



Global Fund Replenishment meeting closing, Montreal.

I had the privilege of attending my first Global Fund Replenishment meeting last month in Montreal, Canada, as a GFO correspondent. My reports on the formal meeting and side events appeared in [GFO 296](#). The event was split over two days: an afternoon of speeches and a pledging session, in which countries, one-by-one, announced their contributions from the stage, followed by a morning of more speeches and panel discussions. The overall feel

was of celebration and optimism. Canadian Prime Minister Justin Trudeau, playing host this year, praised the Global Fund and its track record of saving lives and averting new infections, and backed up his talk with a US\$720 million pledge to kick things off. The various other heads of state, health ministers, and private sector leaders all commended the Fund and the work that it supports—and, of course, themselves for contributing. The meeting closed with a heartwarming visual: Trudeau on stage, with a rainbow of people behind him—ostensibly representing all the types of people who are helped by the Fund—proclaiming, “We have reached our goal! Together, we have raised almost US\$13 billion, and in doing so we have saved eight million lives.”

Theatrics aside, this is fantastic. Over the next three years, the Global Fund is on track to prevent the deaths of as many people as live in all of New York City, because thirty-five some odd countries came together to do the right thing. It is a truly remarkable achievement in a world we so often think about as being defined by conflict and suffering. There are some bright spots after all. The Global Fund, the countries that contributed, and all of the tax paying citizens of those countries who motivate their governments to contribute, should be commended.

But honestly, they could do better. [Health GAP](#)'s Matthew Kavanagh pointed this out clearly in his article [Fuzzy Math at the Global Fund Replenishment?](#) “...The Global Fund replenishment goal of \$13 billion was adopted despite the fact that ... leaves a 20% gap in what's needed to adequately address AIDS, tuberculosis, and malaria over 2017-2019,” based on the Global Fund's own [assessment](#) of the total cost of effectively addressing the three diseases over this period. And Canadian philanthropist and advocate Stephen Lewis minced no words on the eve of the meeting: “The Global Fund should be asking for much more money.”

Donor governments should be doing everything they can to end the epidemics of HIV, TB, and malaria. These epidemics, and the poverty that drives them, are part of the legacy of colonialism and the continued pillaging of African and other “developing” countries' wealth and resources by rich nations. The donor countries are doing something, but not enough. And no one country could be doing more than it is now than China.

China can do better

Frankly, China should be ashamed of its contribution. In a room where countries with significantly smaller economies were pledging hundreds of millions of dollars, the Chinese government representative came, as he put it, “with empty hands.” A few days after the meeting, however, China did announce an US\$18 million pledge. For a country like China, to call that paltry is an understatement. According to the website [Trading Economics](#), China's economy accounts for almost 18% of all economic activity on the planet. In 2015 China's GDP exceeded US\$10 trillion. That US\$18 million contribution represents just 0.0001% of China's GDP. For comparison, Italy, which has a GDP of about US\$2 trillion, pledged about US\$175 million, or 0.008% of its GDP. So Italy contributes an amount,

relative to its economy, 80 times larger than China does. But this isn't about numbers, it's about doing the right thing.

One cynical argument to be made—and one that I would ordinarily entertain—is that the European powers contribute to the Global Fund, among other aid programs, out of a sense of guilt over, or in rectification of, colonialism. It's a form of atonement for Europe's past sins, past sins that China simply didn't commit.

Past sins, maybe not. But the level of current Chinese economic activity in Africa is significant and visible. It too is deriving massive wealth from Africa, at Africa's expense. Where China's hands were empty in Montreal, they are certainly full in Africa.

About a week after the Replenishment meeting in Montreal, I visited Malawi (another great privilege). According to [the World Bank](#), Malawi is the fourth poorest country on Earth, with a per capita GDP of around US\$380 per year. That's about the cost of 1.5 nights at the Chinese hotel in Lilongwe. That's right, in Lilongwe there is a big hotel which specifically targets a Chinese clientele. And from what I could tell, it's one of only two or three large business hotels in the whole city. Also, there is a Chinese pagoda overlooking Malawi Square, near the Parliament Building. What this all suggested to me was that there are significant Chinese economic interests in Malawi. So significant that they might account for half of all business visitors to the capital.



Pagoda on Malawi Square, Lilongwe.

Presumably there are some benefits for Malawi and Malawians that come with the Chinese investment. But it's not an endeavor of altruism. It's business. So was colonialism. And the Chinese government should not be allowed point to its business endeavors as how it is contributing to the wellbeing of Malawi's people. China needs to do better, in Malawi and everywhere. It should take every opportunity to give back to those countries, and those people, whom it is extracting vast wealth from. The Global Fund is as important and impactful of an opportunity that they will find. Moving the Chinese contribution towards

numbers more like Italy's would be a great way to begin embracing that opportunity wholeheartedly.

The Fund is also not doing the best it can in Malawi

The Global Fund, too, is present in Malawi in a big way. The Global Fund has disbursed nearly US\$900 million in Malawi since 2003. According to [a 2014 analysis](#) by the University of California, San Francisco, Malawi is the tenth largest recipient of Global Fund disbursements overall. And with an HIV prevalence rate of about 10%, and nearly 10% of annual deaths being due to malaria, if the retargeting of Global Fund grants to “high burden, low income” countries means anything, the Fund's investment in Malawi should only increase in coming years. The Malawian response to the three diseases is profoundly dependent on the Fund and other donors, and as such, donors can set much of the tone of the responses.

The Fund talks often about country ownership of the responses. In fact, “Country Ownership” is one of the Fund's [four guiding principles](#). The Fund thinks of its model as reaching, “beyond the mindset of paternalistic aid,” and having “countries take the lead in determining where and how best to fight diseases.” That approach is right and good. But coming out of Montreal, where there was great talk of community partnership and the importance of countries managing their own responses, it was striking, to say the least, to find that local civil society organizations in Malawi are largely being left out of the response, in favor international players.

There are two Principal Recipients for the main Malawi HIV/TB grant: the Ministry of Health, and a civil society PR, Action Aid, which is based in Johannesburg. Of the nine civil society sub-recipients on the Action Aid grant, exactly three of them are domestic. The local civil society representatives I spoke with expressed frustration and feelings of powerlessness in the face of international NGOs which have deemed them to have “insufficient capacity” to manage grants, and thereby ineligible as sub-recipients. Although the responsibility for selection and supervision of PRs is the job of CCMs, these decisions are reached through a collaborative process involving the Global Fund country team and grants management division, which held considerable sway in the process that led to the selection of the current civil society PR.

It's hard to reconcile the marginalization of Malawian civil society with the mantra of country ownership. There may very well be legitimate concerns about the capacity of local organizations. But that concern should inform solutions, not sidelining. From what I heard, there has not been any effort on the part of the PR, or any other actors to build the capacity of local organizations so that, sometime soon, they can meet the standards required to be SRs or PRs. It should be everyone's priority to empower local communities and organizations to take on the leadership and management of their response. And international PRs should be accountable for carrying that effort forward. Because the current arrangement doesn't look

like “country ownership;” It looks like foreign ownership, which is what colonialism looks like.

Which brings me back to Montreal. The process that unfolded there is essential to the Fund: it is how the money is raised to then be sent to the countries who need it. The Replenishment meeting was mostly about dollars. But it was also about replenishing the *commitment* of donors to the cause of ending HIV, TB, and malaria. That commitment was replenished by praising their generosity, describing the impact of their contributions, and affirming them as members of, as Chris Collins, president of [Friends of the Global Fight](#), put it, “a club that these countries want to be a part of.”

But I wonder if all the praise and affirmation wasn’t a bit off the mark. As donors, they, quite literally, just sign the checks. It is the people in recipient countries who are living the realities of these epidemics and doing everything they can to end them who should be receiving the applause. They should be celebrated, not told that they have “insufficient capacity.”

So just as we replenish the Fund and the resolve of its donors, I hope we can find more and bigger ways to replenish the spirits and resolve of those who bear the biggest burden in all of this: the women, men, transgender people, children, advocates, outreach workers, and healthcare providers without whom none of the great achievements of the Global Fund would be possible. They make the most valuable contributions of anyone. The money is simply the gas in their tank. And with the miles they’re putting on, they can always use more of that. China, would you like to start the pump?

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3. NEWS: Global health leaders discuss emerging trends in financing for HIV, TB, and malaria

“Detailed, optimistic, and thoughtful” discussion highlights coordination and innovation

Charlie Baran

19 October 2016

On 6 October [Friends of the Global Fight](#), in partnership with [Malaria No More](#) and [Nothing But Nets](#), hosted a 90-minute panel discussion on future directions for global health financing at the [Henry J. Kaiser Family Foundation](#) in Washington, DC. Speakers included US Ambassador-at-Large and Global AIDS Coordinator Dr. Deborah Birx, who heads up the President’s Emergency Plan for AIDS Relief, or PEPFAR, U.S. Global Malaria Coordinator Rear Admiral Timothy Ziemer, who heads the US [President’s Malaria Initiative](#), Dr. Nomonde Noluthungu of the South African Embassy in Washington, and Kate Roberts of the [Maverick Collective](#) and [Population Services International](#). Dr. Jennifer Kates of the

Kaiser Family Foundation moderated the panel and Chris Collins, as its new president, represented Friends of the Global Fight.

The event, which was billed as “A conversation on emerging trends in public, private and domestic financing on the heels of the Global Fund’s Fifth Replenishment and the UN General Assembly,” was open to the public and was webcast live online. It was a unique opportunity to hear the informal reflections of high-level officials in a somewhat intimate space.

The clearest message to emerge from the discussion was the need to build upon and promote recent successes in the responses to HIV, TB, and malaria so greater resources can be mobilized and the targets of ending the epidemics can be reached. Speakers highlighted key areas for greater investment and for how to stretch limited resources further. Like the Global Fund Replenishment meeting in Montreal last month, the mood was fairly upbeat and optimistic.

Mr. Collins opened the event by recounting the recent [report](#) by the Kaiser Family Foundation which described a decline in donor government funding for HIV in 2015, the first time funding has decreased in five years. However, he sought to set the tone for the day’s discussion by recalling the successful Global Fund replenishment, and the opportunities which may be presented by imminent changes in the US Government as a result of elections of a new president and congress this November.

Mr. Collins also referred to [a study reported on the same day](#) in *The Guardian* showing that in the last 35 years, the world has added a decade in average life expectancy, thanks in part to global efforts to tackle infectious diseases. He concluded his opening remarks by asking, “How do we remake the case to the general public about the need for increased investment in global health? How are we going to transform funding and ensure marginalized populations are not left behind? Ultimately, how will we bring together donor commitment, domestic funding, and innovative finance to meet that goal to end these epidemics?”

Before introducing the panelist, moderator Jennifer Kates made some brief comments on the current landscape of global health financing. In particular, she pointed to a 2016 [Kaiser Family Foundation poll](#) which found that 68% of Americans supported the US government being part of global efforts to improve health.

The first question, directed to Ambassador Birx, was “What is the case for investment?” “I want to be clear on where we have been successful,” replied the Ambassador. She described success in reaching women with HIV testing, and said that we should focus on “How we will bring that same level of success” to areas which have proved more challenging. Dr. Birx offered as an example the [DREAMS](#) initiative. DREAMS is a new partnership between PEPFAR, the [Bill and Melinda Gates Foundation](#), [Girl Effect](#), and pharmaceutical companies Johnson & Johnson, Gilead Sciences, and ViiV Healthcare, which is focused on reducing HIV infections among young women and girls in 10 African countries.

Referencing the unprecedented level of African countries’ contributions to the Global Fund replenishment this year, Dr. Kates then asked Dr. Nomonde Nolutshungu of South Africa

how these pledges, and increasing levels of domestic investment in Africa, could be further built upon. After acknowledging that, as the country with the largest HIV and third largest TB epidemics on Earth, “We have no choice but to be friends of the Global Fund,” Dr. Nolutshungu further emphasized the importance of using data to build an investment case for health. She noted that we now have much more and much better data at our disposal which allows us to develop long-term plans, ones that all stakeholders are engaged in developing; a more democratic processes than in the past.

Rear Admiral Timothy Ziemer commented on the need for, and benefits of, greater coordination among donors and implementers, and heralded the US relationship with the Global Fund as, “a great example of effective partnership.” He stated that when the President’s Malaria Initiative (PMI) began, only three of the fifteen recipient countries were receiving support from the Global Fund. However, based on the work of a Harmonization Working Group, which PMI, the Global Fund and Roll Back Malaria are part of, he said, “today all nineteen of our focus countries are beneficiaries [of the Global Fund].”

Kate Roberts, of PSI’s “Maverick Collective,” discussed the need for greater involvement of philanthropists in the ongoing dialogue about responding to the three diseases. In particular, Ms. Roberts highlighted a “massive gap” at the innovation stage of these responses. “We felt that we were missing a ton of resources by not engaging philanthropists...right from the beginning, to really help us pilot new innovation so we could measure it, and go to our existing partners and leverage it.”

Dr. Kates asked the US government panelists, if they had more money next year, where would they spend it? Ambassador Birx said her first priority would be to target the prevention of new infections in young people under 25, with a comprehensive package such as DREAMS. Mr. Ziemer declared that if more money were to become available, we must not “play a shell game” in which the same money is moved around, rather than increasing the total money available. He also pointed to a number of areas where more investment in needed, such as scaling up existing programs that work and buying more malaria nets. He also noted that with more funding, the US could help countries who are currently in malaria pre-elimination stages, to move towards full elimination.

As the final and convening panelist, Chris Collins was asked what he would do with all the insights shared. “I would take these folks on the road! What you’ve heard up here is people who are innovating, who are asking questions about effectiveness, and who are expecting results. So you don’t have people here who are saying, ‘Well, this is the way we’ve always done it, so that’s the way we need to do it. We just need to make it bigger. That’s the opposite of what you’re hearing.” Mr. Collins then further discussed the need to match the (American) public’s support for investing in global health with campaigns to increase those investments.

After the panel members had each spoken, the floor was opened to the audience for the final thirty minutes. About ten questions were asked, of varying depth and specificity, by the audience, which was primarily comprised of global health and development professionals.

One of the most notable audience questions was posed by Denys Nazarov, of AIDS Healthcare Foundation. Mr. Nazarov said that, with regard to the Global Fund, China is “conspicuously missing in action,” and he asked Mr. Collins how we might motivate China to contribute at higher levels, to be more in alignment with the size of its economy. While Mr. Collins said he didn’t have the answer to that question, he reflected on being in the room during the September replenishment meeting and how, for the ministers of health and prime ministers who were also in the room, “it felt like it was a club that people wanted to be a part of. The Global Fund is a global meeting point that you want to be a part of.” Mr. Collins said that perhaps this would lead to China coming around to seeing the Global Fund as an important entity for significant investment. Ambassador Birx added, “We have to recognize that over the last decade China went from not treating people with HIV until they were very sick, to having a very comprehensive response to their HIV problem.” She urged patience in interpreting China’s miniscule contribution of US\$18 million to the Global Fund for 2017-2019.

The event was streamed live online by Friends of the Global Fight. A [complete recording](#) is now viewable on YouTube.

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4. NEWS: OIG audit reveals serious deficiencies in how money is being utilized in grants to the DRC

Despite the progress made by the Fund in operating in what it defines as a challenging operating environment, difficulties operating in the DRC remain an issue.

Larson Moth

19 October 2016

If one were to read the message by the Fund’s Executive Director Mark Dybul in an annex to the [report](#) of the Office of the Inspector General on its audit in the Democratic Republic of Congo, one would come away with the impression that with some minor exceptions, the Global Fund’s grants to the DRC are performing very well. This contrasts with the report itself which identified significant weaknesses in all areas of program delivery and financial management.

The review covered active grants implemented by the principal recipients (Ministry of Public Health; SANRU; Population Services International; Cordaid; and Caritas Congo) and their sub-recipients, from January 2014 to April 2016. The audit assessed four key areas of operational risk and assigned a rating to each. There are four possible ratings, ranging from “ineffective” to “effective.” “Needs significant improvement” is the second lowest rating. As the table below indicates, the OIG rated all four areas of operational risk as “ineffective” or “needs significant improvement.”

Table: OIG ratings for grants to the DRC

Operational Risk	Rating
Effectiveness of Global Fund supported programs to ensure adequate access to care and quality of health services.	Needs significant improvement
The design and effectiveness of internal controls over procurement and supply chain management in country.	Ineffective
The design and effectiveness of internal controls over programmatic data and grant performance	Needs significant improvement
The design and effectiveness of internal controls over financial and fiduciary management.	Needs significant improvement

Source: OIG audit report on grants to the DRC

Quality of health services

With regard to quality of health services the report found inadequate programmatic oversight at all levels and limited mechanisms to prioritize activities which enhance the quality of health services and which left unchecked, may reduce the impact of the program.

The report goes on to state that the Global Fund’s strategic approach has not always proved effective at the operational level in DRC. In its concept notes, the country has estimated that only 16% of funds needed to achieve strategic targets are available for HIV, 44% for tuberculosis, and 57% for malaria. The Global Fund and its partners continue to scale-up interventions on the three diseases in spite of the funding gap. However, this is not being met by commensurate improvements in the quality of services for people suffering from the three diseases.

The report found that the Ministry of Public Health continues to have limited capacity to ensure program oversight at all levels. The report goes on to state the OIG found weak supervision and training activities by the national programs, particularly in overseeing quality of services.

To rectify this, the Global Fund Secretariat has agreed to work with the principal recipients to develop an integrated supervision plan for HIV, TB and malaria services supported by the Fund.

Control over procurement and supply chain

The report highlights further deficiencies in the management of health products. In the absence of effective programmatic supervision, defined accountability for drugs consumption, and formal transportation arrangements from the central level to the health facilities, stock-outs are pervasive along the supply chain and expiries of drugs are not controlled.

Stock-outs and expiries of drugs were noted at all levels of the supply chain by the OIG. The OIG observed that one of the country's largest regional warehouses, in Kinshasa, was out of stock of all formulations of artemisinin-based combination treatment on the day of the OIG's visit, and it noted that three out of 19 regional warehouses were out of stock of all artemisinin-based combination treatment (ACT) medicines at the time of the audit.

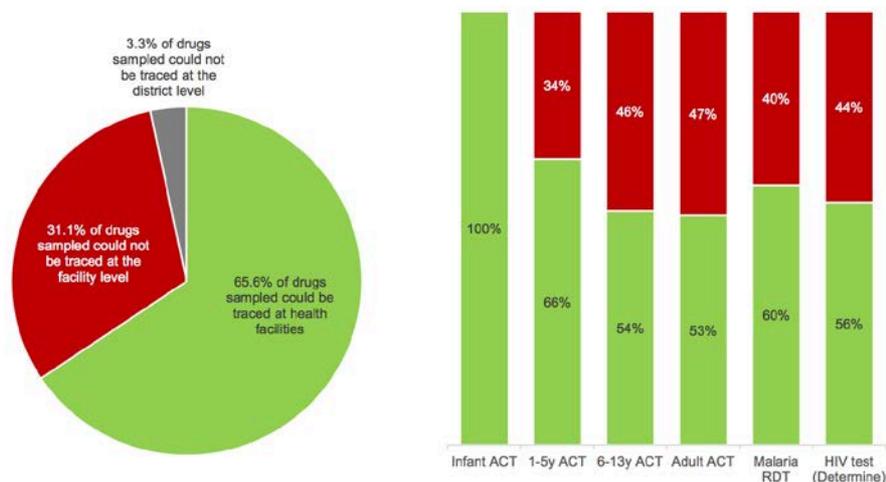
The OIG also found that certain types of drugs were often unavailable and that different formulations of ACTs were out of stock for one to four months on average. HIV tests and certain types of antiretroviral treatment drugs were unavailable for up to two months on average. Anti-tuberculosis drugs were also affected: In one hospital, stock-outs of up to a month were detected. These stock-outs were pervasive and affected both reference hospitals, and health centers.

Auditors could not trace 31.1% of products shipments originally dispatched from regional warehouses, between their expeditions from health zones and the expected reception at the health facilities. This lack of documentary evidence to prove that drugs reach health facilities affected certain drugs more than others. For example, 47% of adult formulation of ACTs and 40% of "Determine" HIV tests could not be traced. By contrast, the auditors were able to track the infant formulation of artemisinin combination therapy down to the health facility level.

There are examples of other issues in addition to those involving drugs. An example of an expense as a result due to lack of oversight can be found in a finding of the report which states:

"A review of mosquito nets unit price procured by two implementers under the same specifications and the same 'Free-On-Board' international commercial terms, but from different suppliers, shows a unit price difference of about 12%. This difference represents a missed opportunity for one implementer to save about US\$2.5 million."

Figure: Traceability along the supply chain



Source: OIG audit report on grants to the DRC

In the figure above, the pie chart shows Global Fund drugs traceability along the supply chain. The bar graph shows the traceability of drugs dispatched from health zones, with the figures in red showing the percentage of untraceable drug by type.

To address the problems raised by the OIG, the Global Fund Secretariat will present an analysis to the Global Fund’s Supply Chain Task Force of on-going and planned actions and pilot initiatives to strengthen the DRC supply chain arrangements for HIV and malaria health products financed by the Fund.

According to the OIG report, the analysis will describe expected results, timelines, and the geographical focus of the actions and will cover warehousing, distribution and the last mile delivery arrangements managed by SANRU and Cordaid. The work will include a risk assessment and mitigation response options of the current last mile distribution arrangements for ACT and ART commodities. The analysis will also present options for the Global Fund in collaboration with other partners to sponsor a transformative supply chain project for essential medicines under the leadership of the Government of DRC, in line with the new National Supply Chain Strategy.

Control over programmatic data and grant performance

The report also highlights that the quality of data in reporting is lacking and that inaccurate data continues to be reported, leading to decisions made without optimal information. The audit uncovered serious weaknesses with regards to both quality of the data compared to source documents, and internal controls around data transmission from one level to another.

The report noted limited mechanisms exist to ensure data quality including a lack of guidance from the implementers on data quality. The data quality process heavily relies on sub-recipient attendance of monthly and quarterly data validation meetings at the health zone and provincial levels, and sub-recipient reports to principal recipients.

The report states that the local fund agent in DRC conducts data quality audits through spot-checks or on-site data verification but that they are not done on a regular basis, with no independent data quality audit having been undertaken since 2012, and no regular data verification done in 2015 *across all the diseases*. The report makes specific mention of the fact that the total antiretroviral treatment population reported to the Global Fund was 4% higher than that reported by the health facilities.

The actions the Fund management has agreed to take include indicating that the Global Fund Secretariat work with the principal recipients to develop a monitoring and evaluation capacity strengthening plan for the three diseases with a focus on data collection, quality and analysis. This plan will include appropriate strengthening measures to improve data quality such as the roll-out of DHIS 2 and Tiernet systems.

Control over financial and fiduciary management

The design of financial controls for civil society implementers has improved since the last OIG review in 2013 and was found to be adequate in spite of marginal compliance lapses identified. In contrast, serious weaknesses were identified in management and internal control capacities at the program management unit, which handles a portfolio of US\$76.61 million on behalf of the Ministry of Health.

To mitigate the financial and fiduciary risk present in this challenging operating environment, the Global Fund put in place a fiduciary agent in 2012 with a view to building stronger financial management capacity. The report states, however, that the first agent was replaced in 2014 because of weak performance.

Also, the report states that The Global Fund Secretariat will transmit to the Cellule d'Appui et de Gestion (CAG) within the Ministry of Health, a set of minimum performance requirements (financial and procurement) to be implemented in order for the CAG to continue to be considered as PR. Subsequently, the Global Fund Secretariat will complete an assessment of the (CAG) to determine progress against the set of minimum requirements communicated to the CAG. The assessment's findings and recommendations will inform a plan of action.

Although the audit report did not identify any potential amounts to be recovered due to ineligible or undocumented transactions, the report is clear in stating there is much room for improvement in the way initiatives are implemented in the DRC.

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5. NEWS: Ecobank Foundation and its renewed Global Fund commitment

More on the Foundation's three-year, \$3 million commitment made at the Global Fund replenishment conference

Andrew Green

19 October 2016

The Ecobank Foundation renewed its partnership with the Global Fund, announcing a three-year, \$3 million commitment during the Fund's September Replenishment Conference in Montreal, Canada as reported by Aidspace [here](#).

Highlighting the importance of its partnership with the Global Fund, Ecobank took the opportunity of the conference to re-launch its Foundation at the Replenishment through a high profile event and related marketing campaign.

Over the past three years, the Ecobank Foundation has been fulfilling an earlier commitment that included a mix of cash, but also in-kind services in the form of training sessions for Global Fund recipient organizations. The trainings help them improve their risk management assessment, budgeting and accounting system skills, among other areas. That combination was also valued at \$3 million.

In its new agreement, the Foundation pledged to build its existing partnership with the Global Fund into an "engagement and advocacy platform for organizations and individuals who share a vision of accelerating the transformation of Africa," according to the Foundation's [news release](#). Ecobank Foundation CEO Julie Essiam, in her speech announcing the new agreement, said the commitment would specifically continue to help Global Fund recipients develop their financial management capacity.

"This leans on Ecobank's core skills to ensure that available resources lift communities effectively," she said.

The Global Fund, [on its website](#), said trainings held under the previous three-year commitment from the Foundation improved grant applications and implementation and evaluation processes.

"The partnership is unique because of its African origination: a pan-African institution invited a global organization to partner to solve problems we face on the continent," Ecobank Group CEO Ade Ayeyemi [wrote](#) on the company's website. "It's not a solution being imported, but a solution being developed locally."

The earlier round of trainings specifically benefited organizations in Nigeria, Senegal, and South Sudan. That is now set to expand.

"What was done in Senegal, Nigeria and South Sudan is scalable," Essiam said. "To go the extra mile and in time, we need to continue to work together."

Spurring African development

Ecobank was incorporated in Lomé, Togo, in 1988 and was one of the first banks to be owned and managed by the African private sector. It now has a presence in 36 African countries. The Foundation is supported by a portion of Ecobank's post-tax profits.

Because of its unique position in Africa, Essiam said the Foundation tries to focus on assisting in areas that are most likely to spur the continent's development.

“When Ecobank and the Global Fund entered into a partnership to advance Africa's socio-economic transformation, we both recognized that health is a key determinant of prosperity, especially when it is not eroded by HIV/AIDS, tuberculosis and malaria,” she said. “We are working together to address one of the core issues to be resolved to uplift and empower Africans in our lifetime.”

In addition to the cash contributions and in-kind services, Ecobank is also a vocal champion of the Global Fund. The partnership won Ecobank an [African Banking Award](#) for corporate social responsibility from the magazine EMEA Finance last year. This year, Ecobank won the [Euromoney Excellence Awards](#) for Best Bank for Corporate Social Responsibility.

Collaborations

The commitment, Essiam said, underscores Ecobank's belief that collaborations are key to effectively leveraging the resources that are available in the global fight to end HIV, malaria and tuberculosis.

“The African transformation agenda is at risk if we continue to spread our resources alone,” she said. “To partner, to share, to transform is our value proposition.”

The announcement of the renewed partnership with the Global Fund came as part of a larger repositioning of the Ecobank Foundation. While the Foundation remains committed to helping improve the health sector in countries across the African continent, Essiam said the realignment comes from a belief that “health alone will not unlock prosperity.”

As a result, the Foundation will also fund interventions to improve education and financial inclusion, with an overarching focus on gender issues.

Partnerships with banking institutions

The Global Fund has partnered with banking institutions for almost ten years as part of its strategy to leverage the skills and resources of the private sector in the fulfilment of its mission. For example, the South Africa-based company Standard Bank pledges \$4 million at the Replenishment Conference, as part of its longstanding commitment to the Global Fund.

Banks provide vital support to both the Global Fund Secretariat and implementing partners in a range of important areas:

- contributing funds towards Global Fund programmes. To date these have been through direct cash contributions, and in the future will also include innovative joint fundraising campaigns;

- providing valuable insight and expertise to help solve common challenges faced by implementing partners worldwide – for example, the application of new technologies such as mobile money to improve efficiency and reduce costs associated with cash payments in remote areas;
- funding training and mentoring programmes to improve the financial management capabilities of implementing partners, enabling them to optimise their performance and impact. For example, a programme funded by Ecobank now entering its third year, has supported nearly 20 implementing partners in Senegal, South Sudan, and Nigeria (grant portfolios in the three countries worth a combined US\$2.1 billion); and
- leveraging their employee, customer and partner networks to support advocacy and profile-raising initiatives in support of the Global Fund’s mission.

Patrik Silborn, the Global Fund’s Head of Private Sector Engagement, commented: “It’s difficult to overstate the importance of the banking sector to the Global Fund. As a financial institution itself, the Global Fund reaps significant benefits from the resources and insights of our valued banking partners, while enabling them to make a powerful contribution to the health and prosperity of communities where they operate.”

In addition to Standard Bank and Ecobank, partnerships are in development with banking institutions in other regions. The Global Fund also engages significantly with the broader financial services industry, through partnerships with reinsurer Munich Re and global alternative asset manager Duet Group, among others.

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