



Independent observer  
of the Global Fund

## While Global Fund grants to Burkina Faso are generally well structured, improvements in PR capacities are required, OIG says

Global Fund grants to Burkina Faso are generally well structured, and there are functioning governance and control process in place, but improvements are still required with respect to the capacities of the principal recipients (PRs). This are the main conclusions of an audit conducted by the Office of the Inspector General (OIG). A [report](#) on the audit was released on 22 November.

The audit examined five active grants, three of which (TB, malaria and HSS) are managed by the Programme d'Appui au Développement Sanitaire du Burkina Faso (PADS). The other two PRs are the Secrétariat Permanent du Conseil National de Lutte contre le Sida et les IST du Burkina Faso (CNLS), for HIV; and the Initiative Privée et Communautaire contre le VIH/SIDA au Burkina Faso (IPC) for TB/HIV. Collectively, the three PRs manage grants worth \$117.7 million.

The audit, which covered the period from the start date of the grants in 2015 to June 2017, concluded that the program management, oversight capacity and financial management of PADS are all in need of improvement. In addition, the OIG stated, "PADS could be more transparent towards donors regarding budgets and governance."

The OIG said that the fiduciary agent is effective in supporting all three PRS, and that internal controls on key expenditures, such as travel and human resources, are adequate for CNLS and IPC. However, the OIG added, controls need to be strengthened in PADS' human resources management at the central level and expenditures at the regional and district levels. The OIG also said that improvements are needed in all three PRs in the management of community health organizations and workers.

The table lists the three areas assessed in the audit, and the OIG's ratings and summary comments for

each area.

#### Table: Audit findings at-a-glance

AREA 1: Institutional adequacy and effectiveness of PADS to manage the grants for malaria, TB and HSS. Rating: Partially

OIG comments: There is a need for improvements in augmenting project management for health system strengthening; there is an adequate treasury system to guarantee timely disbursement to implementers; revisiting the role of the community-based approach and data systems; and establishing fraud prevention and reporting mechanisms; strengthening capacity of programmatic management; monitoring and evaluation activities; and improving governance and transparency processes.

AREA 2: Design and effectiveness of activities to achieve grant objectives, including the community-based approach and data systems. Rating: Partially

OIG comments: There are improvements needed in ensuring effective roles of community health organizations.

AREA 3: Adequacy of internal financial controls for travel-related costs and human resources expenditures. Rating: Partially

OIG comments: There are improvements needed to improve control and oversight of regional and district expenditures and resources management at PADS' central level.

The OIG has a four-tiered rating scheme, as follows: Effective; partially effective; needs significant improvement; ineffective.

#### ACHIEVEMENTS AND GOOD PRACTICES

The audit revealed the following achievements and good practices:

Decreasing malaria mortality despite a high disease burden. Although Burkina Faso has the eighth largest malaria burden in the world, the malaria program has helped to reduce mortality from 3.2% in 2003 to 1.5% in 2012.

Well-structured grant implementation arrangements. For example, the flow of funds and the reporting lines, including roles and responsibilities, are adequately designed for health workers in the public, private and community sectors.

Adequate risk mitigation processes put in place by the Global Fund Secretariat. In addition to the fiduciary agent, the measures include a direct cash payment policy and a restricted cash policy.

#### KEY ISSUES AND RISKS

The audit report identified concerns in the following areas:

- recruiting, training and overseeing community-based organizations (CBOs) and community health workers (CHWs);
- PADS' institutional arrangements;
- disease detection and treatment adherence for HIV and TB;
- data collection, management and use; and
- financial controls over regional- and district-level expenditures.

#### Recruiting, training and overseeing CBOs and CHWs

CBOs and CHWs are cornerstones of Burkina Faso's health system at the local level. The CBOs and the

health workers provide information, raise awareness, and conduct prevention and treatment activities in collaboration with district and local health facilities. The government covers 75% of the costs for the CHWs.

The audit identified the following concerns:

Delays in the recruitment of CBOs. When the Global Fund took over from other donors in providing support for CBOs, the number of organizations was increased from about 180 to 252. This prompted a new recruitment process for all CBOs, a process that started officially in October 2015, when the HSS grant was signed. There were problems with the recruitment process. As a result, the CBOs did not receive their first disbursements until June 2016, a substantial delay in a three-year grant lifecycle.

Lack of a coordination mechanism to manage CBOs. The CBOs receive funding from different sub-recipients (SRs), but there is no mechanism to coordinate among the SRs to ensure synergies and avoid duplication.

Community health workers are not yet functional. The health workers have been recruited and trained, but at the time of the audit they had not yet received the necessary equipment kits that would allow them to provide services.

#### PADS' institutional arrangements

(We have used illustrations to summarize the OIG's findings in this area.)

In addition, the OIG reported that PADS does not regularly share detailed budgets with donors showing which activities are funded by which donor. PADS produces an annual report on budget absorption and completed activities, but the report does not explain how salaries and common costs are allocated among donors.

These weaknesses in funding and budget transparency result from a lack of clear reporting mechanisms and also a lack of coordination among the donors, the OIG stated. The Global Fund, as the main donor to PADS, is not a member of its Steering Committee, the main governance body.

#### Disease detection and treatment adherence for HIV and TB

The OIG identified challenges related to case detection, testing and treatment adherence. The TB case detection rate is 31 per 100,000, compared to an estimated incidence rate of 52 per 100,000. Only 70% of people receiving antiretroviral (ARV) treatment remain on treatment after 12 months; the target is 90%. In the second half of 2016, only 35% of infants born from HIV-positive mothers received an HIV test, versus the target of 70%.

The OIG said that the limited effectiveness of case detection, testing and treatment adherence are the result of the following factors:

- CBOs and health workers are not used efficiently to systematically follow up;
- there have been delays in implementing task shifting;
- there is a lack of laboratory capacity (a number of additional laboratories are scheduled to come on stream by the end of 2017); and
- people receiving ARVs have to pay for part of their follow-up testing.

## Data collection, management and use

The OIG identified the following concerns related to the collection, management and use of data:

Inadequate process for quality control of data. A quality control process for data is in place at the regional level, but not at the primary health facility and district levels. There are no formal guidelines on data quality control. PRs, SRs and staff at the regional and district health units do not have access to tools to verify data quality. Staff at primary health facilities have not been trained in data recording and collection.

Limited use of data to inform program management. Data is used by the PRs and SRs for quantification purposes, to elaborate progress reports and to inform grant-making processes. However, data is not used to inform the daily supervision and management of programs. Different types of data are not cross-checked.

## Financial controls at regional and district levels

More than 42 % of PADS' in-country expenditure is in the form of payments to regional and district levels and CBOs. The OIG said that the quality of the controls need strengthening. For example, there is no standardized verification approach; the monthly reports produced by regional accountants are inconsistent and do not identify root causes of anomalies.

## PREVIOUSLY IDENTIFIED ISSUES

An OIG investigation in Burkina Faso in 2015 found sub-standard and untreated counterfeit mosquito nets valued at € 9.1 million. The nets did not meet the requisite World Health Organization recommendations, posing a significant public health risk. The Government of Burkina Faso has already repaid around € 1.57 million; the remaining amount will be paid in annual instalments through to September 2020.

In addition, the Secretariat has implemented several mitigation measures. These include procuring all health products through the Pooled Procurement Mechanism; local procurement of all major non-health products through independent third parties such as UNICEF and UNOPS; and the installation of a fiscal agent to verify and provide assurance on different program activities. (See [GFO article](#).)

Another OIG investigation concluded in September 2017 that a local supplier deceived a PR when it delivered 35 counterfeit and low-quality motorbikes in June 2014. The Global Fund Secretariat will seek to recover the lost funds and take appropriate action against the supplier. (See [GFO article](#).)

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