



Independent observer  
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## FUNDING REQUEST FOR NEPAL GRANTS WERE SUBMITTED BY THE PR

In June, Nepal was among the countries awarded funding by the Global Fund Board (see [GFO article](#)). It received funding for all three diseases: HIV, TB, and malaria.

The funding request was submitted by the principal recipient, Save the Children Federation, because Nepal doesn't currently have a country coordinating mechanism that is allowed to submit a concept note. According to the Grant Approvals Committee, the CCM was deemed ineligible in early 2015 because it experienced "serious challenges" in functioning in recent years. At the time, the Nepal portfolio was placed under the additional safeguard policy, which gave The Global Fund more flexibility in decision-making on a number of important issues, including the nomination of a PR. In June 2015, the Save the Children Federation was appointed PR for Nepal's HIV, TB, and malaria grants.

According to the GAC, Save the Children worked closely with stakeholders on the content of the funding request and will continue on as PR. Save the Children will contract with between six and 29 sub-recipients under each of the three grants, which is a significant reduction in the number of SRs from the previous grants. Because Save the Children is currently completing the selection of SRs, parts of the budget and workplan still need to be finalized. Under a management action that accompanied the funding awards, Save the Children is required to submit a detailed budget and the Secretariat is required to approve it before disbursements to SRs can begin. The Secretariat has put forward a management action requiring the PR to submit and agree on a detailed budget with the Global Fund, for the use of funds prior to disbursements to SRs.

According to the GAC, the Secretariat will work with Save the Children to ensure that an effective coordination mechanism is in place that will allow the PR to work not only with all SRs, but also with

technical partners and other bilateral and multilateral partners engaged in the national programs and the broader health sector, to ensure the alignment and harmonization of investments. In the meantime, the GAC said, “the Secretariat is working on the modalities of a non-CCM approach in Nepal until the CCM can be deemed eligible, while coordinating with the country implementers and partners on reforming the CCM to address in particular issues of conflict of interest, a proper mechanism of grant oversight and to establish a proper platform for taking into account the inputs of the civil society representatives.”

Referring to Nepal as a “high-risk environment,” the GAC said that the Secretariat will work with the PR and partners to ensure a holistic risk mitigation plan is defined and implemented. As an international nongovernmental organization, Save the Children already provides extra controls and safeguards. In addition, the local fund agent will exercise increased controls over procurement processes and expenditures reviews to ensure the safety of funds.

In the coming months, the Secretariat will work to define what strengthened controls will be needed to safeguard funds in the future. Technical assistance will be provided to design interventions for key populations based on updated size estimates and geographical information; to scale up prevention of mother-to-child transmission services; and to increase the capacity of the PR’s program management units as well as the national disease programs.

Considering the significant challenges to implementing grants in Nepal, the Office of the Inspector General has been planning for two years to conduct what the GAC termed “a pro-active review.” The review was postponed several times due to two earthquakes and civil unrest, but is expected to start shortly.

Information for this article comes from the June 2016 report of the Secretariat’s Grant Approvals Committee to the Board (GF-B35-ER03). This document is not available on the Fund’s website.

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