



Independent observer  
of the Global Fund

## Global Fund Terminates Nigeria HIV Grants for Inadequate Performance

In a dramatic development, the Global Fund has terminated two HIV grants to Nigeria on the grounds that their performance has been inadequate. This action was recommended a few months ago by the Fund's Secretariat, but at first, when discussing the matter by email, some board members dissented. However, by the time the issue reached the Board meeting last week, no board members spoke up in defence of Nigeria's handling of the grants, and the decision to terminate the grants passed easily.

Because all grants are supposed to be "performance-based", the Fund theoretically has the right to terminate grants at any stage; but the most likely point for such action is when, towards the end of Phase 1 (Years 1-2), the Fund assesses grants for "Phase 2 Renewal" (covering Years 3-5). Prior to the decision about the two Nigerian grants, the Fund had issued what it calls a "No Go" decision for only three out of 130 grants. These were a Senegal malaria grant, a South Africa HIV/TB prevention grant, and just last month, a Pakistan malaria grant.

The two terminated Nigerian grants were a Round 1 grant providing ARV treatment, and a Round 1 grant providing PMTCT (Prevention of Mother to Child Transmission) services. The amount of funding that Nigeria will not receive as a result of these grants being denied Phase 2 funding is \$81 million.

According to documentation provided by the Secretariat to Board members:

- Nigeria's ARV grant was supposed to have 14,000 people on treatment by the end of the fourth quarter, but the actual number was zero. And it was supposed to have 24,000 on treatment by the end of the seventh quarter, but the actual number was 6,865.
- Multiple other targets have not been met.

- Funds have been spent at a much lower rate than they should have been.
- Questionable data has been provided to the Fund by the Principal Recipient, NACA (National Action Committee on AIDS) – in particular, at one point, numbers of people that the PR reported as being on treatment turned out instead to be numbers of people who could have been treated if all the drugs sent to health facilities had been used.
- Funds have been spent on inappropriate activities – for instance, \$50,000 was spent to send fourteen people on information missions to Botswana at a time when the grant was not performing.
- The CCM rated these grants as “B1: Adequate” when this clearly was not the case. The CCM failed to acknowledge or report many of the problems.
- Promised CCM reforms have not taken place.

The people who are currently receiving ARV treatment under these grants will, despite the termination, continue to have their treatment financed by the Fund for up to two years while alternative options are pursued. Furthermore, Nigeria was approved for a major ARV grant in Round 5 that will be administered by a different PR once the grant agreement is signed.

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