Global Fund Uses Enhanced Financial Reports To Improve Grant Management

About two years ago, the Global Fund introduced a template for an Enhanced Financial Report (EFR), which all principal recipients (PRs) are required to submit annually (and also at the 18-month mark, in preparation for Phase 2 renewal). The EFR replaced the old Annual Report. The purpose of the EFR is to improve grant management, performance measurement, transparency and accountability.

The EFR requires that the PR provide a minimum set of budget and expenditure information for each grant, broken down in the same way as the grant agreement budget summary – i.e., (a) by standard cost categories (human resources, infrastructure, health products, etc.); (b) by program objectives and service delivery areas; and (c) by implementing entity (PRs, sub-recipients [SRs] and sub-sub-recipients [SSRs]).

There are separate templates for HIV, TB and malaria. The templates are sent directly to PRs by the Global Fund Secretariat. The Secretariat says that it expects to post copies of the templates on its website in the near future.

Unlike the Progress Update and Disbursement Request (PU/DR), which is based on the PR's own expenditures and the PR's disbursements to SRs, the EFR asks for all grant expenditures – i.e., the expenditures of the PR, SRs and SSRs.

Currently, the completed EFRs are not available at the Global Fund's website. The Secretariat says that because of a backlog of reports to be entered into its new Grant Management System, it will be at least several months before the EFRs are posted for public access.

Several documents related to the EFR are publicly available. "Guidance for Completion of Financial Reporting Template," dated November 2007, is available at

www.theglobalfund.org/documents/lfa/VerificationOfImplementation/GuidelinesForCompletingTheEFR.pdf
. The "LFA Review Template" and the "LFA Statement of Work" are available at
www.theglobalfund.org/en/lfa/documents/ (look for "Enhanced financial reporting" in the section "Verification Of Implementation").

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