



Independent observer
of the Global Fund

STATE PRINCIPAL RECIPIENTS' FIND WAYS TO IMPROVE GLOBAL FUND GRANT ABSORPTION

Low absorption of Global Fund grants has been a long-standing challenge among recipient countries, especially those in sub-Saharan Africa. Previously, the Global Fund had estimated that countries failed to use close to \$1.1 billion from the 2014-2016 allocation period. Discussions on the absorption of Global Fund resources are therefore likely to take center stage in the coming months as most countries draw closer to the end of their grants for the 2017-2019 allocation period, by the end of December 2020 or mid-2021.

The Global Fund and implementing countries have had to come up with strategies in the current implementation period, 2018 to 2020, to address the bottlenecks to effective absorption of funds, whether at the Secretariat- or country level, and ensure that countries use all their available funding. In this article, we highlight impediments to the absorption of Global Fund grants in three sub-Saharan African countries (Malawi, Sierra Leone, and Uganda) and the strategies that these countries have put in place to address them.

Editor's note: In July 2019 the GFO published a desk review on the [challenges at Global Fund Secretariat and implementer levels](#) found to impede absorption.

Data for this article comes from publicly available information and documents from the Global Fund website, a literature review, and interviews with officials from state Principal Recipients (PRs) from the three countries as well as from the Uganda Country Coordinating Mechanism (CCM). The State PRs include Malawi's Ministry of Health (MOH), Sierra Leone's Ministry of Health and Sanitation (MOHS), and Uganda's Ministry of Finance, Planning and Economic Development (MOFPED). Sierra Leone has another state PR, the National AIDS Secretariat, which was not interviewed for this analysis.

The three countries vary in disease burden and size of allocation

The countries vary in the Global Fund's [portfolio categorization](#), size of the allocation and operating environment. Malawi and Uganda are high impact countries i.e. they have a large portfolio and a mission-critical burden, whereas Sierra Leone is a core country (larger portfolios, higher disease burden, and higher risk). The Global Fund also classifies [Sierra Leone as a challenging operating environment](#) (COE) as the country is still in recovery from the 2014 Ebola outbreak. It has instituted additional safeguards, including a fiscal agent and limited cash policy, to strengthen fiscal and oversight controls in Sierra Leone.

State PRs are managing most of the current grants in the three countries: 85% in Malawi, 95% in Sierra Leone and 93% in Uganda (Table 1). The State PRs have established units to manage the grants that bear different names depending on the country: Program Management Unit (PMU) in Malawi, Funds Coordination Unit (FCU) in Uganda, and Integrated Health Projects Administration Unit (IHPAU) in Sierra Leone.

Table 1: Type of Principal Recipient for active Global Fund grants in Malawi, Sierra Leone and Uganda

Country	Principal Recipient	Grant number	Signed amount (\$)	Proportion (%) of the total grants
Malawi	State PR	Ministry of Health	394,382,867	85%
	Non-state PRs	Action Aid Malawi World Vision Malawi	69,654,963	15%
Total			464,037,830	
Sierra Leone	State PR	Ministry of Health and Sanitation (MOHS) National AIDS Secretariat	93,011,179	

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