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Kenya Red Cross Society has been a successful Global Fund PR

The Kenya Red Cross Society (KRCS) has been a successful principal recipient (PR) for an HIV grant (KEN-H-KRCS) entitled “The road towards an HIV free society” based on the ratings of the grant over the years. Its success was due to a number of factors, including: supportive leadership; semi-autonomy in the management of the grant; extensive support provided to their sub-recipients (SRs); and a good tracking system for activities and expenditure data.

The KRCS grant aims at reducing new HIV infections and AIDS-related morbidity and mortality. The target groups are key populations: sex-workers and their clients, men who have sex with men (MSM), people who inject drugs (PWID), persons living with and affected by HIV and AIDS, and pregnant women. According to the latest grant performance [report](#) (last updated in August 2017), the total signed amount of the grant is \$67.0 million.

The KRCS has developed and sustained a good track record, obtaining ratings of either A2 (meeting expectations) or A1 (exceeding expectations) for each period since the performance of the grant was first rated in 2012. Funding for this HIV grant for the period January 2018 to June 2021 was recently approved by the Global Fund Board. The KRCS was nominated by the Kenya Coordinating Mechanism (KCM) to continue as the PR and has been confirmed in this role.

This article describes the factors that led to the KRCS' success as PR and the challenges it faced. The information comes from "grant closure" meetings that the KRCS held with SRs and associated documents; an interview with Emily Muga, Global Fund program head at the KRCS; publications by the KCM; and grant documents available online. (They were not really grant closure meetings since the grant is not closing; rather, they were meetings with SRs in counties where the KRCS won't be continuing to operate in the next implementation period.)

Leadership, systems and structures

The KRCS became a PR in a particular context: The Global Fund's Office of the Inspector General (OIG) had just [audited](#) all Global Fund grants to Kenya, some of which were implemented by government PRs and others by NGO PRs. The audit, which covered over \$200 million in disbursements, detailed instances of financial mismanagement, and poor selection of civil society organizations acting as SRs "without sufficient capacity to implement, report or absorb funds." The KRCS secretary general, Dr. Abbas Gullet, explaining that he was determined to learn from the other PRs' experience, proactively designed systems and structures to mitigate the risks of corruption and mismanagement, and to avoid the pitfalls of low absorption of funds. He emphasized the values of service to beneficiaries, integrity, "accountability to the last dollar," and efficiency of the team selected to run the grant.

Autonomy in the management of the grant and pre-financing from the KRCS

The KRCS created a Special Program to run the Global Fund grant and selected a dedicated team. Currently, the program employs 42 members spread out across headquarters and the KRCS' five zones (or "provinces"). Each provincial team is composed of a coordinator, an M&E Officer, a finance officer and a nurse, plus assistants and other support staff.

The program is autonomous in terms of program and financial management, as well as monitoring and evaluation. However, whenever it needs it, the program receives support from the KRCS. For instance, the KRCS pre-financed (with Global Fund approval) activities for the grant initiation because of delays in receiving the first disbursements from the Global Fund. Those activities — acquiring office space, hiring staff, purchasing basic equipment, tendering for sub-recipients — were deemed vital for the operations of the program. The pre-financed funds (\$273,498) were reimbursed six months after initiation, according to the grant performance report. Pre-financing of this magnitude requires an organization with robust finances.

Program staff believed that that waiting for the first disbursements before implementing the initiation activities would have resulted in a delay that could not be caught up — which, in turn, would have reduced absorption and negatively affected the performance of the PR.

Support for SRs

The KRCS had 54 sub-recipients — community organizations active in HIV outreach, prevention and treatment in the 27 counties with the highest burden of HIV. The KRCS team told Aidspace that implementing services and other interventions happens at the SR level. Thus, the KRCS conducts two kinds of actions: (a) overall management of the grant; and (b) support for the SRs. Management involves supervision and coordination of SRs, monitoring of their activities, data quality reviews, and reporting to the Global Fund.

The SR support involves capacity building in grant management, including finance and M&E. Moreover, the KRCS offers onboarding training, support for activities, mentorship and coaching, and support for reporting. For instance, when an SR has new employees, the newcomers receive an orientation into the program conducted by the PR staff and on-site support from PR staff to write their first report. This hands-on training and support process helps ensure good quality and timely reports, which benefits not only the SRs but also the KRCS. The support is facilitated by the fact that each KRCS team member is assigned a limited number of SRs (about nine to 13).

As a PR, the KRCS is extremely vigilant concerning issues of non-performance and fraud. "When we detect any sign of fraud, we do not hesitate to suspend the contract of the SR, conduct immediate investigations and terminate an SR

as necessary” said Muga. This prompt and vigorous reaction is motivated not only by the desire to comply with the Global Fund’s “zero tolerance for corruption” but also “to avoid reputational risk to the Kenya Red Cross Society.” The KRCS has terminated seven SRs in the last six years.

Planning, tracking and absorption

The KRCS’ grant absorption rate is 94% from the inception of the grant, according to the grant performance report. The KRCS attributes this high absorption rate to participatory planning by the PR and SRs, continuous tracking of activities and funds, and the commitment to grant performance on the part of the SRs. The program stresses tracking of expenditures versus budget, prompt identification of budget savings, and re-directing those savings every six months (with the approval of the Global Fund country team). According to the Program Head, “it was easier to obtain Global Fund approval to spend the savings on the beneficiaries, with more activities targeting them, than on other items like, say, personnel at the PR office.”

Challenges

The journey has been challenging especially as Kenya now implements a devolved form of government where a substantial part of the health care delivery is within the purview of county governments (there are 47 counties). In practice, this means that the KRCS and its SRs have to work not only with the Ministry of Health and other agencies at the central level but also with county governments which may lack adequate information on the Global Fund grant. Expectations of some government officials often include support for health-related activities that are not planned for in the grant.

Another challenge is to set only targets that are fully within the control of the PR. The KRCS team members believe that their recent rating slide from A1 to A2 is correlated with the fact that some indicators were not fully within their control. For instance, sexually transmitted infection (STI) screening and treatment among key populations is to be done in accredited health facilities that are not under KRCS management.

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