

GLOBAL FUND CLOSE TO NEARLY FULL RECOVERY OF MALAWI REFUND

Malawi has a \$938,000 balance remaining on some \$3.3 million it has been asked to return to the Global Fund following a 2010 audit (see GFO article).

The Global Fund sent a letter in February to the National AIDS Commission (NAC) executive director, Dr Thomas Bisika, confirming that the latest tranche of money, some \$938,000, had been received and that the refund had been applied to a Round 1 HIV grant: one of seven that were audited.

The audit covered seven grants that ran from October 2003 to June 2010, involving all three disease components as well as health system strengthening. Three of the grants were administered by the National Aids Commission, and the other four by the Ministry of Health.

Cumulative value of the grants was \$460 million, of which \$343 million (75%) had been disbursed at the time of the audit.

Released in August 2012, the Office of the Inspector General's audit report identified \$3.9 million in ineligible and unsupported expenditures that should be returned to the Fund. According to a table released during the 31st Board meeting in Jakarta in March, as of December 2013, that figure was revised downward with a 'management adjustment' worth around \$652,000. Another \$29,000 is being subject to an additional review. Repayment began in November 2012, and has continued at roughly six-month intervals, with the latest payment made in December 2013.

A commitment letter drafted by the country coordinating mechanism would repay a final tranche of \$938,000 — should the outcome of the review still pending favor Malawi.

Under the terms of the country allocations announced in March 2014, Malawi is eligible for \$574.4 million in Global Fund support over the period 2014-2016. In the allocations letter received by the CCM, a copy of which was seen by Aidspan, the country was advised that access to this allocation may be conditional upon the Fund's satisfaction with actions towards repayment. Aidspan understands that Malawi's commitment to refunding those payments are providing a considerable degree of confidence of a satisfactory resolution of the issue.

Owen Nyaka lives in Malawi and is a member of the <u>Key Correspondents network</u> which focuses on marginalised groups affected by HIV, to report the health and human rights stories that matter to them. The network is supported by the <u>International HIV/AIDS Alliance</u>.

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