



Independent observer  
of the Global Fund

## Global Fund Responds to Concerns about Slow Implementation of HIV Grant in Nicaragua

Slow implementation of a Global Fund grant delayed the delivery of much-needed treatments for HIV-related opportunistic infections (OIs) in Nicaragua. The issue was brought to the attention of the Global Fund Secretariat, which took steps to fix the problem.

Nicaragua had an HIV proposal approved in Round 8, which led to a grant agreement with the Nicaraguan Social Security Institute (INSS) as PR. Implementation of the grant, which includes funding for the provision of medication for OIs, started in January 2010.

According to an article written in August 2010, the Global Fund had disbursed \$10 million dollars (almost 20% of the programme total) to the PR, of which \$300,000 was for the purchase of OI medicines, but the medicines had not yet been purchased. Spokespersons for the INSS attributed the delay to (a) the fact that the INSS needed time to adapt to its new role as PR; and (b) the fact that the INSS lacked experience in purchasing products following Global Fund guidelines. The spokespersons said that the INSS started the process of acquiring OI medicines as soon as it became PR, but that the INSS has been unable to finalise the process.

The article said that “other key actors attributed the delay to the Global Fund’s Voluntary Pooled Procurement (VPP) mechanism, stating that this service has not responded quickly enough to the requirements of the PR.”

The Global Fund Secretariat was notified of the problem concerning OI medicines. Richard Stern, one of the authors of the article, said that by mid-September 2010, the Global Fund had taken “strong and apparently effective measures to correct the problem. A conversation with the physicians at the Roberto

Calderon Hospital indicated that they now have supplies of medications for opportunistic infections.”

José Gabriel Castillo, a fund portfolio manager with the Global Fund, told GFO that there had indeed been a problem with the supply of OI medicines in the first part of 2010, but that the Secretariat had taken several steps to address the problem. These steps included approving the use by the PR of emergency procurement procedures; negotiating loans of health products from national HIV programmes in other countries; convincing national authorities to provide emergency funds to hospitals to acquire critical products from the national market; and accelerating the process in the VPP unit to clarify the request from Nicaragua and proceed with the necessary procurement.

Castillo pointed out that the problem affected only OI medicines, and that the supply of antiretrovirals was not interrupted.

Meanwhile, research conducted for the International Treatment Preparedness Coalition (ITPC) between November 2009 and January 2010 in six countries – India, Kenya, Latvia, Malawi, Swaziland and Venezuela – revealed that stock-outs of medicines to treat OIs have become more common.

Information for this article was taken from “Nicaragua: In Spite of Millions of Dollars Made Available, Hundreds of People Continue to Die from HIV-related Infections,” by Lídice López Tocón, Gustavo Chinchilla and Richard Stern, 25 August 2010, at [www.aguabuena.org](http://www.aguabuena.org) (in Spanish); and “Rationing Funds, Risking Lives: World Backtracks on HIV Treatment,” ITPC, April 2010 at [www.itpcglobal.org](http://www.itpcglobal.org).

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