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OIG LAUNCHES INVESTIGATION OF GLOBAL FUND GRANTS IN NIGER

Extension granted for the signing of the country's Round 10 TB grants

There are currently no active Global Fund TB grants in Niger

The Office of the Inspector General (OIG) has launched an investigation into Global Fund grants in Niger following allegations of fraud. The investigation has delayed the signing of Niger's Round 10 TB grants.

This information is contained in a paper prepared for the Global Fund Board in which the Secretariat sought approval for an extension to the period allowed for the signing of the Round 10 grants in Niger. The Board agreed to the extension in March.

It is not clear which grants in Niger the OIG is investigating. The Board paper said only that the Niger LFA conducted a special financial verification in 2011.

Niger has a Round 5 TB grant which closed in 2011. Thus, there are currently no active Global Fund TB grants in Niger, one of the poorest and least developed countries in the world. The Global Fund has provided most of the funding for TB treatment in Niger. In the Board paper, the Secretariat said that given the lack of any other Global Fund funding for TB in the country, "there are significant public health risks to not signing the Round 10 grants."

The Round 10 TB proposal approved by the Board, which had a five-year budget of \$54.9 million, contained three components – treatment; health systems strengthening (HSS); and behavioural change

communication – in support of Niger’s new national tuberculosis strategy for 2011-2015.

Under Global Fund rules, grants must be signed within 12 months of the date of approval of the proposal, but this can be extended by up to three months at the discretion of the Secretariat. In the case of Niger’s Round 10 TB grants, the Secretariat exercised this discretion, extending the signing deadline to 15 March 2012. However, in the Board paper, the Secretariat said that the grants would not be signed by then. The Board agreed to extend the deadline “until such time as the Secretariat has established appropriate safeguards and implementation arrangements” for the three grants. In the Board paper, the Secretariat said that it hoped that negotiations could be finalised within the next six months.

According to the Board paper, the Secretariat has addressed, and will continue to address, the risks identified in Niger, including by restricting disbursements to recipients being investigated by the OIG, increasing the amount and scope of LFA verification exercises, and commencing the process of establishing an “international fiduciary agent” for all grants in Niger. The paper does not say precisely what an international fiduciary agent is or how it differs from a local fund agent.

In the original proposal that was approved by the Global Fund Board, two PRs were nominated: the national TB programme (PNLT) and Catholic Relief Services (Niger). The Secretariat has already rejected the nomination of the PNLT because it failed to meet minimum capacity requirements. Negotiations are ongoing with the CCM and prospective PRs to determine the final implementation arrangements. It is not known yet how many PRs will ultimately implement the proposal.

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