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## THE OIG'S REPORT ON MALAWI IDENTIFIES DEFICIENCIES IN PROGRAMS IMPLEMENTED FOR THE THREE DISEASES

The OIG last reviewed Malawi in 2010 with that audit being published in August 2012. That audit identified weaknesses in financial management, sub-recipient management, procurement and supply chain management. Malawi has since had to repay \$3.3 million of the \$36 million it utilized due to findings of improper spending unearthed by a 2012 audit. As a result, in February 2015, ActionAid took over the administration of Fund grants in the country (for MWI-C-AA (HIV/TB), after the National AIDS Commission (NAC) was stripped of its status as PR.

2016's audit noted improvement in the financial management of the portfolio. However, management of sub-recipients, data quality assurance arrangements and inventory management, particularly at the facility level, remain inadequate.

As the Fund's new funding model grants started exactly one year ago in January 2016, the 2016 audit focused on the previous grants (malaria and TB) implemented by the Ministry of Health, and the HIV/AIDS grant implemented by the National AIDS Commission and their sub-recipients, from January 2014 to December 2015.

As a result of the 2016 audit, the OIG concluded that significant improvement is still needed to address services provision with regard to the three diseases in the country, and focussed on three main areas for concern, as described below.

More effective mechanisms to ensure quality of services of the three diseases

## The HIV program

There is room for improvement to comply with the national HIV guidelines on testing and effective monitoring of people on treatment. There is now a low proportion of HIV exposed infants and children tested within the recommended timeframes, and inadequate monitoring of CD4 counts and viral load testing for HIV patients.

## The TB program

Due to a lack of training and human resources capacity, case notification targets are not met. GeneXpert diagnostic machines remain underutilized, and there is a lack of screening for children. Inadequate measures to address TB infection control increase the risk of health facility-based transmission. These deficiencies are critical in fighting TB when taken in the context of the 2014 TB prevalence survey which indicated that prevalence had doubled compared to previous estimates.

## The malaria program

There exist significant weaknesses related to vector control and case management. Significant delays in a mass distribution campaign of insecticide-treated nets, which were delivered after the peak season, limited the effectiveness of the campaign in preventing malaria. These delays may have contributed to an increased number of cases, requiring treatment and further contributing to stock-outs at the national level.

Malaria is often treated without confirmed diagnosis in health facilities and in communities. 60% of patients treated for malaria at health facilities are not tested, and suspected malaria cases are reported and treated through the country's integrated Community Case Management program without a confirmed diagnosis. Data quality limitations in the Health Management Information System and the District Health Information System compromise decision-making, quantification and forecasting.

## Improvement of supply chain systems

Gaps are prevalent in the supply chain system which affect the country's ability to effectively store and account for, quality health commodities. Issues identified in the report are:

- Poor record-keeping, inadequate facility-level storage, and weak accountability are issues identified in the audit. Malaria medicines financed by international donors can be openly procured in public markets as a result of drug theft.
- Absence of pharmacovigilance systems and weak monitoring of the quality of medicines and commodities. Stock-outs of malaria commodities and expiries of TB drugs remain a significant challenge, presenting the risk of potential treatment disruptions.

At the time of the audit, the country faced a severe stock-out of anti-malaria medicines caused by the weak quality of data to inform quantification and forecasting as well as challenges in addressing drug theft. As a result, donors have decided not to hold buffer stocks. Some anti-TB medicines funded by the Global Fund, have expired due to inadequate data analysis, lack of inventory monitoring and facility-level deliveries that are not based on consumption patterns. Therefore, the OIG concluded that significant improvement is needed to ensure that quality assured products are effectively stored, delivered and accounted for in a timely manner.

## Low absorption rate of the Fund's grants and under-achievement of grant objectives

The overall absorption rate of Global Fund grants to Malawi, which were mainly concerned with the procurement of pharmaceuticals and health products from 2009 to 2015, was 82%. However, ineffective program management of the portfolio by the Global Fund Country Team resulted in a low use of funds dedicated to in-country activities and delays in the implementation of them. The OIG concluded that mechanisms to ensure efficient absorption of grant funds and achievement of grant objectives are only partially effective.

### Solutions for improvement

The audit report outlined 5 Agreed Management Actions to improve the performance of services provision in Malawi:

#### Action #1:

The Secretariat, in collaboration with the Ministry of Health and partners, will facilitate the development of an action plan to strengthen the quality of testing and laboratory services across HIV and TB programs in Malawi. The report states that this plan will include the training of relevant health workers on HIV counselling and testing; a mapping of existing investments in laboratory systems strengthening for HIV and TB and measures to fill remaining gaps, with a focus on optimizing the use of existing infrastructure and staffing; strengthening management of laboratory commodities; and improving sample transportation. The target date for implementing this is 31 December 2017.

#### Action #2:

The Secretariat in collaboration with the Ministry of Health will undertake an assessment of case management under the Continuous Quality Improvement work stream. The current practices will be benchmarked and assessment is expected to provide actionable information for improving case management. Implementation date: 30 June 2017.

#### Action #3:

The Secretariat will follow-up with the Ministry of Health and partners to strengthen the oversight of the Drug Security and Availability plan. The Secretariat will ensure that the implementation of the Action Plan is delegated to a focal person in the Ministry of Health who will be responsible for planning and coordinating the actions, monitoring progress, mobilizing resources, reporting and ensuring the overall success of all interventions. Implementation date: 30 June 2017.

#### Action #4:

The Secretariat will collaborate with the Pharmacy, Medicines and Poisons Board (PMPB) and USAID to enable the PMPB identify and contract a WHO prequalified or ISO 17025 certified laboratory to monitor the quality of medicines. Implementation date: 30 June 2017

#### Action #5:

The Secretariat will complete a Risk and Assurance plan for the Malawi portfolio. This plan will consider a comprehensive review of mitigation measures (fiscal agents, logistics agent, Programme Implementation Unit etc.) and assurance providers (LFA, external audit etc.) reflecting any changes in agents' contracts, manuals and working documents to ensure effective implementation of the programs. Implementation date: 31 March 2017.

On the Malawian side, the government has set up a Program Implementation Unit (PIU) that it is confident will monitor the reporting on, and use of funds given by the Fund and its partner(s).

Some information for this article was taken from the Global Fund's website. The full text of the report can be accessed here: <http://www.theglobalfund.org/en/oig/reports/>

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