



Independent observer
of the Global Fund

FUNDING APPROVED FOR SHORTENED HIV GRANT TO UGANDA

On 3 August 2016, the Board approved additional funding of \$37 million to ensure that all essential services for a shortened HIV grant to Uganda can be provided through to 31 December 2017. The money will come from the \$700 million which the Fund has identified as being available for portfolio optimization. The Board was acting on recommendations of the Technical Review Panel (TRP) and the Grant Approvals Committee (GAC).

The original grant had an end date of 30 June 2018, but was exceptionally considered shortened because there was only enough money in the budget to fund antiretrovirals (ARVs) to 30 June 2017. The gap to fund ARVs until the end of 2017 was \$37 million.

By the end of 2017, Uganda aims to reach 66% coverage, with 1,115,985 people living with HIV on ART. The principal recipient (PR) for the HIV grant is the Ministry of Finance, Planning and Economic Development.

The Global Fund also decided that the prevention activities previously budgeted for the period January to June 2018 will be reprogrammed so that both the prevention and treatment parts of the grant will end on 31 December 2017.

The main risk within the Uganda HIV program is treatment disruption caused by the limitations of funding and what the GAC called “insufficient visibility of the Government’s contribution to ART funding where a firm commitment and contribution is needed for ambitious scale-up.” The GAC said that the Secretariat will develop a mechanism to track delivery of government commitments and will work with the government and with partners to mobilize additional domestic financing.

The GAC identified two financial risks. The first is fraud, given that Uganda ranks 139th among 168

countries on the Transparency International Corruptions Perception Index for 2015. The GAC said that this risk is being addressed by strengthening controls primarily at the sub-recipient level.

The other source of risk is the delayed retirement of advances which restricts the program's cash flow and makes the advances susceptible to misuse. This risk is being addressed through, among other measures, requiring the PR to reimburse the Global Fund for ineligible expenditures.

Additional risks related to insufficient logistics management, storage, and distribution arrangements are being mitigated by the Secretariat in collaboration with in-country partners through measures designed to streamline the procurement and supply chain management system. They include supporting the construction of a warehouse to improve storage capacity at the central level; and the implementation of "ART enterprise resource planning" for the national medical store and warehouse management system in collaboration with the U.S. President's Emergency Plan for AIDS Relief (PEPFAR).

In its review of the request for funding, the TRP and the GAC raised several concerns which were addressed by Uganda. These included the following:

- Sustainability of ART. The Government has committed \$28 million for ARVs for the fiscal year from July 2016 to June 2017 and the ARV budget will be "ring-fenced" to ensure the committed amount is used for ARVs as intended. The Government budget allocation of domestic resources for health has increased, and a number of initiatives have been put in place aimed at leveraging domestic resources for health, including the HIV/AIDS Trust Fund (see [GFO article](#)). A national health insurance scheme is under consideration by Parliament.
- Attention to people who inject drugs. The program is collaborating closely with the Global Fund-supported Kenya AIDS NGOs Consortium (KANCO) regional grant to increase access to essential HIV and harm reduction services for people who inject drugs. Additionally, a mapping exercise of this population and peer training exercise for service access were recently concluded.
- Gender-based violence. A civil society grant under The AIDS Support Organization (TASO) will implement activities to remove legal barriers to access services and to improve service delivery, including interventions addressing gender-based violence and advocacy for legal rights, from which lessons learned will be documented by the CCM.
- Legal barriers to access services. The Anti-Homosexuality Act, which was passed in December 2013, was challenged by petitioners, including academics, journalists, and both ruling party and opposition Members of Parliament, and rights groups. The petition led to the annulment of the Act by the Constitutional Court.

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