



Independent observer  
of the Global Fund

## OIG RELEASES REPORT ON DIAGNOSTIC REVIEW FOR PERU GRANTS

The government of Peru has taken up funding for many activities that were initiated with Global Fund support over the past eight years and has achieved considerable success in the fight against the three diseases. This was one of the conclusions of a diagnostic review of Global Fund grants to Peru conducted by the Office of Inspector General.

The review sought to identify and share good practices, identify key risks to which grant programmes were exposed, and make recommendations for risk mitigation where weaknesses and gaps were identified.

A diagnostic review is different from a country audit in that no overall opinions are provided and no assurance is given regarding how grant funds were spent. This review sought to identify and share good practices as well as identify key weaknesses in the implementation of Global Fund grants.

The diagnostic review was carried out between 20 November and 13 December 2011.

The review focused on three active grants: Round 6 HIV (Phase 2), Round 6 HIV (Phase 2) and Round 8 TB (Phase 1). These grants were worth \$45 million, of which \$39 million had been disbursed at the time of the audit. The grants were managed by three principal recipients (PRs): CARE Peru, Parsalud and Pathfinder International.

The OIG observed good practices which may serve as lessons for other countries receiving Global Fund support. The OIG noted that Peru is far advanced in the process of decentralizing administrative and financial authority and responsibility to health regions, districts and sub-districts. The OIG said that although this is not without problems, it has greatly contributed to increasing public participation in the

planning and implementation of health services. For instance, several health districts have already started to include the work of peer health promoters in their budgets and work plans.

The OIG said that the gradual expansion of the system of allocating budgets based on performance has helped to strengthen human resources in health facilities, including improving staff retention and performance.

The OIG also noted that expansion of rapid drug sensitivity testing for TB, using a network of regional reference laboratories supported by the Global Fund grant administered by Parsalud, has greatly reduced the time for the diagnosis of multiple drug resistant TB (MDR-TB) and has shortened the time for getting people into treatment.

Among the activities initiated with Global Fund support and then taken over by the Government of Peru were the provision of antiretroviral treatment, treatment for STIs, and treatment for MDR tuberculosis free of charge.

The OIG said that the programme for respiratory health promotion among secondary students, implemented by the Ministry of Education under the Global Fund grant agreement with Pathfinder, is well integrated into the Ministry's "healthy school" initiative. The material designed to support this initiative, the OIG reported, uses a state of the art approach to health promotion that compares favorably to the more narrowly focused TB education seen in other countries.

The OIG said that Pathfinder Peru has developed an on-line monitoring and evaluation system (SIME) in which all sub-recipients (SRs) post expenses incurred, scanned copies of their invoices, work plans, monthly activity reports, result reports and any other information required for programmatic and financial monitoring. The system allows for timely on-line monitoring of programme activities.

The OIG noted several weaknesses with Global Fund grants in Peru. The OIG said that there were no national guidelines for the distribution of lubricants for male and female sex workers and for men who have sex with men under the Round 6 HIV grant. Groups of sex workers, which the OIG met, confirmed that there was a high demand for lubricants which is generally not met.

The OIG said that there is poor coordination between the TB programme supported by the Global Fund and the national TB programme. The OIG pointed out that the Ministry of Health and the Pan-American Health Organization (PAHO) had voiced similar opinions.

The OIG said that TB control in Peru is deteriorating and that proven public health standards for effective TB control are not being implemented. The OIG team noted that a non-standard DOTS protocol was being applied in the maintenance phase of TB treatment. In addition, the OIG mentioned the absence of fixed-dose combination drugs, and a failure to consistently obtain a second sputum sample for diagnosis among patients with respiratory symptoms.

In a letter accompanying the report, Global Fund General Manager Gabriel Jaramillo said that the Global Fund Secretariat, the CCM and the PRs have drawn up an action plan to implement the OIG's recommendations.

The OIG diagnostic report on Peru, and all of the other OIG reports, are available on the Global Fund website [here](#).

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