



Independent observer  
of the Global Fund

## GLOBAL FUND BOARD APPROVES “RE-LAUNCH” OF MALARIA GRANT IN MOZAMBIQUE

In June 2012, the Global Fund Board approved the “re-launch” of a health systems strengthening (HSS) grant in Mozambique. After two years of inactivity, the grant was re-launched as a three-year re-programmed grant. It is believed to be the first time a grant has ever been re-launched.

The grant, bearing the number MOZ-809-G08-S, was from a Round 8 proposal that was approved for funding in November 2008 with a five year ceiling of \$31.2 million. The Phase 1 grant agreement was signed in November 2009 with a budget of \$11.8 million. Most of the activities of the grant were in four service delivery areas: health information systems, human resources, pharmaceutical supply chain management, and laboratories. The principal recipient was the Ministry of Health (MOH).

However, no disbursements were made during Phase 1 because the MOH was not able to fulfil the conditions precedent in the grant agreement designed to ensure that its financial reporting systems met Global Fund requirements. In addition, the National Audit Authority in Mozambique delayed providing audit reports of previous grants for more than two years.

Technical assistance was provided by the US government to try to clear the conditions precedent. Meanwhile, however, an external audit was commissioned, the results of which revealed serious weaknesses in the financial controls at the MOH.

By the time the various audit reports became available the grant should have been already invited for a Phase 2 review which, according to the Fund’s performance-based policies, would have resulted in an automatic No-Go decision.

In November 2011, the OIG undertook an audit on the MOH (see [separate article](#)). The findings showed that serious weaknesses in the financial management, supply chain management and health information management systems in Mozambique posed a serious risk to the performance of the disease programmes, as did a lack of human resources capacity at the MOH. The OIG recommended providing funding for systems strengthening and capacity building.

Technically, the grant had never started because there had been no disbursements. Nevertheless, the Global Fund Secretariat invited the CCM to submit a request for continued funding and to ask for the grant to be re-programmed. With significant support from partner organisations, the CCM submitted a request for \$17.5 million over three years with a focus on the following:

- expanding the capacity and ensuring the quality of financial management system at the MOH;
- improving the capacities of the supply, distribution and warehousing procedures of the national health service;
- expanding the capacity and ensuring the quality of the health information systems at the MOH;
- increasing the number of trained health workers in country; and
- strengthening laboratories and other diagnostic services.

The Secretariat decided to ask the Global Fund Board to approve the request for continued funding as a “re-launch” of the original grant. The Board did so on 24 June 2012.

The Board decision is contained in Document GF-B27-11 which is available on the Global Fund website at [www.theglobalfund.org/en/board/meetings/twentyseventh](http://www.theglobalfund.org/en/board/meetings/twentyseventh). Additional information for this article was taken from Document B26/ER/03 which was sent to Global Fund Board members at the time the decision was taken. This document is not available on the Fund’s website.

[Read More](#)

---