



Independent observer
of the Global Fund

OIG RELEASES REPORT ON DIAGNOSTIC REVIEW FOR GAMBIA GRANTS

There are several good practices in the implementation of Global Fund grants in Gambia, but there are also weaknesses in financial management, procurement and supplies management, and oversight, according to a diagnostic review carried out by the Office of Inspector General (OIG).

The review was conducted from 14 November to 2 December 2011, with additional fieldwork performed from 24–30 January 2012. It covered all seven active grants to Gambia, totalling \$59 million, of which \$48 million had been disbursed at the time of the audit. Six principal recipients implemented the grants: the National AIDS Secretariat, the National Malaria Control Program, the National Tuberculosis and Leprosy Control Program, the Medical Research Council, Catholic Relief Services and ActionAid International.

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 OIG review identified several good practices. For example, there was good inventory control for health products in the Central Medical Stores (CMS), health centres and ART centres. (ART centres are clinics where patients go to get antiretroviral drugs.) The OIG also observed that some PRs acted promptly to procure additional condoms when it became apparent that shortages were imminent.

However, the OIG noted some challenges in programme implementation. For example, targets for delivery of prevention of mother-to-child transmission (PMTCT) services, counselling and treatment were not reached because implementers faced difficulties in recruiting children for treatment and most pregnant women did not receive a complete course of ART.

In addition, the OIG review found several weaknesses in financial management, procurement and supplies management, and oversight.

Financial management

The OIG said that although all PRs had written policies and procedures for processing advances made to regional AIDS centres and for submission of invoices and adjustments, these procedures were not followed. The dates of some invoices, in particular fuel receipts, did not correspond to the period for which the advances were made. The practice was to issue prepaid coupons to drivers for fuel, the OIG said, but sufficient internal controls were not in place regarding their use. Payments were issued against pro forma invoices, which were undated, rather than against actual invoices.

The OIG noted that coordinators at the regional level paid locally based suppliers in cash. Invoices were not stamped as "Paid." In addition, original third party documents such as invoices, contracts, receipts and delivery notes related to Global Fund expenses were not stamped with the Global Fund name and project code.

Several PRs received funds from different donor organisations. The OIG said that neither the Global Fund nor the LFA had access to the books of account of these PRs to ensure that the same expense was not charged to more than one donor.

Procurement and Supplies Management

The OIG found that drugs and commodities such as condoms were procured without meeting the quality assurance requirements of the Global Fund.

The OIG found that tenders for the purchase of drugs were awarded unfairly. Two manufacturers awarded contracts for the procurement of quinine tablets and sulfadoxine-pyrimethamine, for instance, were not on the list of manufacturers authorised by the Global Fund.

In addition, the OIG said that the number of new adult patients in need of ART was underestimated.

Oversight

CCM. The OIG report said that the country coordinating mechanism (CCM) did not have a documented, transparent process for the nomination of PRs. Specifically, the OIG said, the CCM did not advertise a call of interest in the national press and did not disclose the number of expressions of interest received. In addition, the results of the evaluation of the expressions of interest, as well as the selection criteria and scoring system used to select the nominated PR, were not documented by the CCM.

On one of the CCM's committees, the OIG report said, six of the seven members were people working for PRs. But there was no evidence that CCM members who represent PRs or SRs had formally declared their interests.

The OIG found that oversight of grants was insufficient. The CCM's oversight committee had only recently been created. At the time of the audit, there was no work plan for this committee, including no plans for site visits to be undertaken by its members.

LFA. The OIG said that the local fund agent (LFA), Swiss Tropical and Public Health Institute (Swiss TPH), did not provide strong oversight of the grants because it primarily operated from outside the country. Only the M&E officer in the Swiss TPH team was present in the country. The OIG also noted that there was significant turnover of financial officers on the team.

Follow-up

In its report, the OIG said that the Global Fund is working with the CCM and PRs in Gambia to correct weaknesses identified in the audit. In a letter accompanying the report, the Fund's General Manager, Gabriel Jaramillo, said that some of the measures recommended by the OIG had already been implemented.

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