



Independent observer  
of the Global Fund

## US GENERAL ACCOUNTING OFFICE RELEASES REPORT ON GLOBAL FUND

The US General Accounting Office (GAO) released on May 7 a long-awaited 75-page report on the Global Fund. The views of the report are captured in its title: “Global Fund to Fight AIDS, TB and Malaria Has Advanced in Key Areas, but Difficult Challenges Remain.”

The GAO is the audit, evaluation, and investigative arm of the US Congress. The report, available at [www.gao.gov/new.items/d03601.pdf](http://www.gao.gov/new.items/d03601.pdf), did not contain serious criticisms of the Fund as had been anticipated by some anti-Fund members of Congress. The report summarises its findings as follows

- “The Fund has made noteworthy progress in establishing essential governance and other supporting structures and is responding to challenges that have impeded its ability to quickly disburse grants. A key challenge involves locally based governance structures, many of which are not currently performing in a manner envisioned by the Fund.
- “The Fund has developed comprehensive oversight systems for monitoring and evaluating grant performance and ensuring financial accountability and has issued guidance for procurement; however, the oversight systems face challenges at the country level and some procurement issues have not been finalized.
- “The Fund’s ability to approve and finance additional grants is threatened by a lack of sufficient resources. Pledges made through the end of 2003 are insufficient to cover more than a small number of additional grants and without significant new pledges, the Fund will be unable to support all of the already approved grants beyond their initial 2-year agreements.
- “Improvements in the Fund’s grant-making processes have enhanced its ability to achieve its key

objectives, but challenges remain. These challenges include ensuring that grants add to and complement existing spending on HIV/AIDS, TB, and malaria and that recipients have the capacity to effectively use grants.”

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