



THE OFFICE OF THE INSPECTOR GENERAL



The Global Fund to Fight AIDS, Tuberculosis and Malaria

## **Diagnostic Review of Global Fund Grants to the Republic of Benin**

### **Annexes**

**GF-OIG-12-001  
23 October 2012**

### ANNEXES

#### Annex 1: Abbreviations

ACT	Artemisinin-Combination Therapies
AIDS	Acquired Immune Deficiency Syndrome
ARV	Antiretroviral
BCC	Behavior Change Communication
BSS	Behavioral Surveillance Survey
CBO	Community Based Organization
CCM	Country Coordinating Mechanism
CDM	Centre de diagnostic microscopique
CDT	Centre de diagnostic et de traitement
CPT	Cotrimoxazole Prophylactic Therapy
CHW	Community Health Worker
CSO	Civil Society Organization
CSW	Commercial Sex Worker
DHS	Demographic Health Survey
DOTS	Directly Observed Treatment, Short Course
DQA	Data Quality Assurance
DFRS	La Direction de la Formation et de la Recherche en Santé
DNSP	La Direction Nationale de la Santé Publique
DPP	La Direction de la Programmation et de la Prospective
DSME	La Direction de la Santé de la Mère et de l'Enfant
EFR	Enhanced Financial Review
FBO	Faith-Based Organization
HIV	Human Immunodeficiency Virus
LFA	Local Fund Agent
MARP	Most At Risk Population
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organization
PNT	Programme National Contre la Tuberculose (Principal Recipient)
OI	Opportunistic Infection
OIG	Office of the Inspector General
OVC	Orphans and Vulnerable Children
PLWHA	People Living with HIV/AIDS
PMTCT	Prevention of Mother to Child Transmission (of HIV)
PUDR	Progress Update and Disbursement Request
PNLS	Programme National de Lutte contre le SIDA (Principal Recipient)

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PR	Principal Recipient
PSM	Procurement and Supply Chain Management
RCC	Rolling Continuation Channel
SDA	Service Delivery Area
SEIB	Société d'électricité industrielle et de Bâtiment, SA (Principal Recipient)
SR	Sub-Recipient
SSF	Single Stream Funding
STI	Sexually Transmitted Infection
TB	Tuberculosis
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNFPA	United Nations Population Fund
USD	United States Dollars
UPS	Uninterruptible Power Supply
USAID	United States Agency for International Development
VAT	Value Added Tax
VCT	Voluntary Counseling and Testing
VHW	Village Health Worker
WHO	World Health Organization
ZS	Zone Sanitaire (Health Zone)

### **Annex 2: Principal Recipients**

**Africare:** Africare implements a follow-up of the Round 3 Malaria grant through the Rolling Continuation Channel, working in the 20 regions not covered by CRS (see below). Their objective is to prevent malaria in pregnant women and children under five. In addition, it funds the mosquito net mass campaign distribution with PNL and other partners. It uses CAME services at national level and the 20 dépôts répartiteurs of the MOH to support the health posts and CBOs in the area.

**Catholic Relief Services:** CRS is one of the two Principal Recipients for the Malaria grants, particularly for Round 7 (2008-2012). The program implements a community approach for pregnant women and children under 5 years in 14 health districts of Benin. CRS works with 5 SRs (Plan, Caritas, Africare, CRS Bénin, and MCDI) who in turn work with CBOs. CRS uses the CAME depot in Cotonou and 14 dépôts répartiteurs of the MOH.

**Plan Benin:** Plan Benin was established in Benin in 1994. It was selected as Principal Recipient for the Round 9 grant called “Acceleration of access to services for the prevention of HIV infection, care and treatment and community support”. The objective was to achieve universal access to the prevention, treatment, care and support of persons infected and affected by HIV, through strengthening health and community systems. The program consolidates Round 5 and Round 9 HIV grants and is implemented together with SEIB and the PNL.

**Programme National de Lutte contre le SIDA (PNLS):** The National Program to Fight AIDS is a body under the authority of the National Directorate of Public Health (DNSP) of the Ministry of Health. It was established in 1987, two years after the identification of the first AIDS case in Benin. The PNL has been a Principal Recipient under Round 9 since October 2010 (it had been an SR under R5). Its program was based on the lessons learned from Round 2 and 5 and aimed to ensure that the objectives of the National Strategic Framework for the Fight against AIDS were met by 2015. It encompassed universal access to the prevention, treatment, care and support of persons infected and affected by HIV through strengthening health and community systems. The program consolidated the Round 5 and Round 9 HIV grants and is implemented together with SEIB and Plan Benin.

**Programme National Contre la Tuberculose (PNT):** The National Program against Tuberculosis has been Principal Recipient since July 2009 with the implementation of the Round 9 grant for decentralized ambulatory TB care. The PNT works with 57 screening and treatment centers for tuberculosis, integrated in the country's regular health centers. The PNT works with the Mycobacteria Reference Laboratory at central level, each of which have their own national warehouses.

**La société d'électricité industrielle et de Bâtiment:** SEIB, SA is a private sector recipient for R9. Its program objective is to achieve universal access to the prevention, treatment, care and support of persons infected and affected by HIV, through strengthening health and community systems. The program consolidates Round 5 and Round 9 HIV grants and is implemented jointly with Plan Benin and PNL.

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### Annex 3: Recommendations and Management Action Plan

Risk	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Country agreed action plan	The Global Fund Secretariat comments		
	<b>Program Implementation</b>				
1. The objectives, indicators and target setting do not facilitate performance-based funding	<p><u>Recommendation 1</u></p> <p>The Global Fund Secretariat should:</p> <p>a) Ensure that the NTP's performance framework targets and indicators for Phase 2 reflect the actual programmatic challenge and specifically to revise: i) the targets for HIV-TB co-infection and ii) treatment of MDR TB cases;</p> <p>b) Work with the PR, with technical support from other development partners such as WHO to ensure a study is conducted that will provide current data on TB prevalence and detection rates in Benin. The data from the 2011 study by DHS should also be explored and used to update the estimates and extrapolate future</p>	<p><b>PNT Rec 1 (a):</b> Already done in the review of Phase 2</p> <p><b>PNT Rec 1 (b):</b> PNT is open to any cooperation with development partners for a study on the prevalence of tuberculosis in Benin</p> <p><b>SEIB Rec 1 (d):</b> The mission noted that the objectives and indicators are poorly defined, and that there is a lack of coverage of the indicators. We responded that such a situation is not attributable to the PR SEIB insofar as the framework of the round 9 HIV/HSS Benin proposal had not been changed by SEIB. The goals, objectives and areas of service delivery in the original proposal remained identical in the grant, with the same numbering as approved by the TRP. The same is true for the indicators retained for the Performance Framework which were negotiated and signed in the agreement between the Global Fund, the CCM and</p>	<p>We confirm that we concur with the recommendation and agree with OIG comment. However, concerning the point (b) it worth noting that Benin is not included in the list of priority countries for which WHO intends to conduct a Tuberculosis prevalence study. However, this issue was discussed with stakeholders during the review of the Phase 2 and requirement of an action plan for strengthening the coverage of TB in the GSC.</p>	<p>a) PNT</p> <p>b) PNT</p> <p>c) CRS &amp; Afric are</p> <p>d) SEIB</p>	<p>b) To be defined by the Secretariat</p> <p>c) Already done with the request for renewal of Phase 2 submitted on 30/06/2012.</p>

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	<p>trends, to arrive at realistic targets<sup>14</sup>, if found reliable;</p> <p>c) Ensure that targets and indicators used by CRS and Africare are realistic and reflect the current level of prevalence and taking into consideration the prevention interventions. In addition, the indicators should be revised to ensure they can easily be monitored and evaluated; and</p> <p>d) In collaboration with the CCM and SEIB, consider re-programming the entire HIV/AIDS Round 9 programme and re-define the objectives and indicators to ensure that all domains are captured in proper objectives and indicators and linkages between programmatic domains are clearly presented.</p>	<p>SEIB on 09/11/2010.</p> <p>The mission also made the observation that all provisions of the grant, managed by SEIB are not reflected in the Performance Framework. On the 4 areas of delivery of Technical Services of the SEIB grant ('policy HIV in workplace and co-investment'; RSS: 'Medicines, vaccines and Technologies', RSS: Delivery of Service (Promotion of mutual health insurance) and strengthening civil society and institutional capacity), SDA strengthening of civil society and institutional capacity has no indicator in the Performance Framework. However, the PR has always received from the SR in charge of this SDA a quarterly contract report for implementation and the PR has always integrated data relating to the management of this SDA in different PU/DR submitted to the Global Fund and checked during the LFA reviews. Considering all of the above, the objectives and indicators of the grant cannot be changed during Phase 1 of the implementation.</p> <p>In the request for renewal of Phase 2, the</p>			

<sup>14</sup> The DHS data were dated a few months after the July 2011 mass distribution of LLINs.

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		<p>overall logical framework of the proposal</p> <p>originally submitted in 2009 has not changed. Goals, objectives and service delivery areas have remained the same, but at SEIB.sa level, the SDA "Strengthening civil society and institutional capacity" has been taken into account in the new Performance Framework in relation to the recommendations made.</p>			
2. Global Fund support may result in the creation of parallel systems for data collection	<p><u>Recommendation 2</u></p> <p>The Global Fund Secretariat should ensure that program designs and M&amp;E systems used by PRs are aligned with the national M&amp;E system.</p>		We confirm that we concur with the recommendation		31/12/2013
3. Data quality at PNLs is not assured and data are not consistently used to inform decision-making	<p><u>Recommendation 3</u></p> <p>The PR should:</p> <p>a) Establishes an independent validation and analysis of the quarterly data collected by CIPEC and the results used to inform</p>	<p><b>PNLS:</b></p> <p>The PR provides quarterly quality control of data collected by the CIPEC and an inventory of ARVs on all care sites, which allows the alert system to be triggered.</p> <p><b>Action:</b> Expand the inventory to cover reagents and improve the collection of</p>	We confirm that we concur with the recommendations.	CAME  PNLS	31/12/2012

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	<p>management decisions, particularly with respect to ordering and</p> <p>b) distribution of drugs;</p> <p>c) Ensure the reliability of data on stock-outs of ARV at the service delivery centers; and</p> <p>d) Ensure a data quality audit is carried out at the end of the Phase I of the grant.</p>	<p>information related to the management of incoming goods which are not yet handled.</p>			



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4. The PNLs's capacity to implement all program activities may not be sufficient	<p><u>Recommendation 4</u></p> <p>The PR should:</p> <ul style="list-style-type: none"> <li>a) Ensure that the required capacity to implement HIV/AIDS and HSS programs is in place and/or developed.</li> <li>b) Put in place concrete mechanisms for receiving support from other MOH departments in the implementation of activities.</li> <li>c) Ensure that activities related to high risk populations are implemented by ensuring budget availability and recruitment of CBOs.</li> <li>d) Consider re-programming the PNLs part of the Round 9 proposal and its performance framework such that it only implements activities related to its core mandate within the Direction Nationale de la</li> </ul>	<p><u>PNLS:</u></p> <ul style="list-style-type: none"> <li>a) The Global Fund secretariat has already proposed to the PR that it has accepted the accountability of the coordinating unit for the HSS of the Ministry of Health. The evaluation of this PR is underway.</li> <li>b) The PR provides that the activities of the departments that are part of the HSS are assigned to the same unit.</li> <li>c) The recruitment of the CBO is already done and activities started at the beginning of September.</li> <li>d) Recommendation already taken into account.</li> </ul>	<p>We confirm that we concur with the recommendation</p>	PNLS	In Progress

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	Protection Sanitaire (DNPS) <sup>15</sup> ;				
5. Non-adherence to diagnostic protocols threatens success of the national malaria program	<p><u>Recommendation 5</u></p> <p>The Global Fund Secretariat should ensure that program designs used by PRs are aligned with the national policy by adopting the use of RDTs for testing before treatment in all service centers. Training for personnel may also be needed on the use of those kits.</p>	<p><b>Africare Benin:</b></p> <p>In Phase 1 of the RCC, the grant did not include the purchase of RDTs and the country has not made an inventory available at community level. However, the PR plans to make a request to the GF for the purchase of the RDTs and training from savings to the RCC Phase 1 budget. For the renewal request in Phase 2, the option to strictly adhere to confirmation of cases of fever before the treatment of malaria is observed at community and health facility level.</p>	<p>We confirm that we concur with the recommendation and agree with the OIG comment</p>	Africare Benin	Q1 - 2013
6. Resistance to pyrethroid-impregnated LLINs may result in less effective interventions	<p><u>Recommendation 6</u></p> <p>The Global Fund Secretariat should work with the WHO to establish definitive guidance on LLIN use in Benin under the global plan for insecticide resistance management.</p>		<p>We confirm that we concur with the recommendation.</p>	Global Fund Secretariat	March 2013

<sup>15</sup> For an overview of core tasks of PNLS see <http://www.beninsante.bj/spip.php?article29>

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	<b>FINANCIAL MANAGEMENT</b>				
	<b>Catholic Relief Services - USCCB-Benin</b>				
7. Absence of donor identification on supporting documents for expenses may result in charging the same expenses to multiple donors	<p><u>Recommendation 7</u></p> <p>CRS Benin should strengthen its financial management controls by:</p> <p>a) Establishing a coding system on the expense documents clearly identifying the source of funding for the expenses and where expenses are co-funded from multiple donor sources, indicate the criteria for equitable sharing of those expenses;</p>	<p><b>CRS Benin:</b></p> <p>a) CRS has developed a policy outlining standards for the documentation of all financial transactions. In accordance with this policy, the vouchers carry all the information proving authorization, approval, and validity of all financial transactions. Despite this, partners bills do not bear the reference "Global Fund", references to the funder of the project must be mentioned on all of the other documents (request for purchase, purchase order, contract, requests for payment) internally to support financial transactions. CRS assigns a unique number to each project referred to as DSPN (Donor Source/Project Number). This codification appears on all the documents (request for purchase, purchase order, contract, requests for payment) justifying the costs charged to each project. The DSPN of each project is always mentioned on each journal used for accounting records. In accordance with the documentation of the CRS financial transactions policy, the project code is indicated on the documents attached to a</p>	We confirm that we concur with the recommendation	CRS Benin	1/07/2012

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8. Proper implementation of program activities is not assured in the absence of regular periodic internal audit of the Global Fund grants		log to clearly indicate the project that the cost is associated with. CRS procedures are in accordance with accounting principles generally accepted in the United States. Audit tests of the effectiveness of these procedures have always been satisfactory. No transaction is recorded in the system that does not have this project reference. The risk of recording an expenditure which is not attributable to the grant is clearly mitigated. However, CRS notes that it must establish a stamp to be affixed to all expense documents charged to the grant. CRS provided access to all accounting records detailing all financial transactions of the Global Fund grant. We have not been informed of documentation of financial transactions attributed to subsidies other than that of the Global Fund. This request would have been received positively as CRS remains open to the review of its financial and management procedures. We can consider that this recommendation is being implemented.			
9. Non-confirmation of availability of funds prior to issuing checks could result in bouncing checks					
10. Gaps in classification of expenses and apportioning of common	b) Performing regular internal audit of the Global Fund grants based on a risk assessment;	b) We take note of the willingness of strengthening the internal control system by developing and implementing an annual plan based on the risk assessment. This recommendation will be taken into account in the implementation of the	We confirm that we concur with the recommendation.		1/07/2012

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expenses in the accounting system could result in incorrect financial reporting.	<p>c) Establishing a system of monitoring cash balances before issuing of checks to avoid return checks for lack of sufficient funds;</p> <p>d) Establishing an equitable system of apportioning common/shared expenses funding sources</p> <p>e) Coding of expenses with project details cost categories, service delivery and activity levels in the accounting software for easy reporting</p>	<p>transitional funding mechanism that will begin July 1, 2013 if funding is granted.</p> <p>c) It is a mitigated risk. At the CRS PR level, the system is such that the accountant checks and ensures the availability of funds in bank accounts prior to issuing a cheque. This verification is done through the Sun System accounting system and B-Web (electronic bank balance). We believe that this risk should not be considered in this report<sup>16</sup>.</p>	<p>We confirm that we concur with the recommendation.</p>		1/07/2012
		<p>d) At the CRS level there is a cost allocation policy which is used for all national projects. This common cost-sharing procedure used by CRS was explained to the Global Fund and the LFA during the February 10, 2012 work session. An official communication was sent to the Global Fund on April 11, 2012. The Global Fund has already accepted and validated the common cost-sharing policy and accepted expenditures related to these costs. We can consider that this recommendation is being implemented.</p>	<p>We confirm that we concur with the recommendation.</p>		1/07/2012
		<p>e) Coding of expenses with project details cost categories, service delivery and activity levels in the accounting software for easy reporting</p>	<p>We confirm that we concur with the recommendation.</p>		1/07/2012
11. Improvement in the	<p><u>Recommendation 8</u></p> <p>CRS Benin should strengthen its</p>	<p><b>CRS Benin:</b> The selection procedure of the SR by the CCM during submission of proposals has</p>		CRS Benin	1/01/2013

<sup>16</sup> During the audit, OIG noted that the finance officer did not check the availability of fund either in the accounting system or in their bank account, in order to ensure that for each payment. CRS should take into account the checks already issued but not yet debited from the bank account.

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selection and management of Sub-Recipients would ensure proper implementation of activities and minimize the risk of inadequate accountability	<p>management of sub-recipients by:</p> <ul style="list-style-type: none"> <li>a) Establishing a policy and procedures for the recruitment and selection of SRs which includes advertising, and transparent evaluation criteria;</li> <li>b) Establish monitoring mechanism of SRs expenses by ensuring a periodical review of the accuracy of reports submitted by the SRs. Variances identified should be explained;</li> <li>c) Disbursing funds to the SRs local bank accounts; and</li> <li>d) Including relevant grant agreement clauses in the SRs sub-grant agreements, e.g., holding grant funds in an interest bank account and ensuring compliance by the SRs.</li> </ul>	<p>been much improved. The selection procedure of the SR currently used and at CCM level is transparent and systematic and accepted by the GF since 2007<sup>17</sup>. This recommendation is being implemented and the reference procedure will undergo special attention during the integration of all of all CCM procedures in the project governance manual.</p>	<p>We confirm that we concur with the recommendation and agree with the OIG comment.</p>		

<sup>17</sup> OIG was not provided with the SRs selection process documents (advertisement in the newspapers, proposal assessment, decisions' notes) by the PR or the CCM.

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	<b>Procurement and Supply Management</b>				
	<b>Cross-cutting risks</b>				
12. Required improvements in the quantification, forecasting and tender management by PNLs would minimize the risk of stock outs and expiries of ARVs and diagnostic test kits	<p><u>Recommendation 9</u></p> <p>The PRs should establish an effective LMIS that accurately captures ARV and other health product data at all levels and facilitates proper quantification using average consumption rates. Forecasting should take into consideration the lead times at all stages of the procurement</p> <p>The quantification for the ACTs should take into account the prevention interventions carried out.</p>	<p><b>PNLS:</b></p> <ol style="list-style-type: none"> <li>1. Recruitment of technical assistance</li> <li>2. Adapt the Medistock software to the needs of the PNLs</li> <li>3. Development of a procedures manual for the management of the inputs on the sites (ARV); reagents and laboratory consumables)</li> </ol>	<p>We confirm that we concur with the recommendation.</p>	<p>PNLS, ESTHE RAID project, Global Fund Secretariat</p>	<p>31/12/2012</p>
13. Improvement in forecasting of condoms by Plan Benin		<p><b>Benin Plan:</b></p> <p>The PR will document the current consumption of male condoms using different assumptions and will confirm and correct as distribution evolves. It will therefore be able:</p>	<p>We confirm that we concur with the recommendation.</p>	<p>Benin Plan</p>	<p>Before 31/12/2012</p>

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<p>would decrease the risk of shortages</p> <p>14. There is a risk of over-stocking of ACTs under the CRS and Africare grants due to the over-estimation of needs.</p>		<p>1. to strengthen the testing of usage hypotheses in the condom distribution plan based on consumption for earlier periods.</p> <p>2. to maintain a dialogue with other partners to analyse all the coverage of needs and take action if necessary</p> <p><b>Africare Benin:</b></p> <p>These are aspects which the country took into account in the measurement of ACT needs for the application in Phase 2 of RCC submitted to GF in May 2012.</p> <p><b>CRS Benin:</b></p> <p>CRS takes note of the recommendation on Rapid Diagnostic Tests (RDTs). This risk was discussed at the last visit of our Portfolio Manager. Forecasts of ACT consumption for year 5 and for the period covered by the transitional funding mechanism take into account this recommendation provided that the use of the RDTs starts early enough before the start of quantification; With the delay of the start of the RDTs we reviewed the</p>	<p>We confirm that we concur with the recommendation.</p>	<p>Africare Benin</p> <p>CRS Benin</p>	<p>Already done and approval is underway at GF</p> <p>1/01/2013</p>



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15. Lead times not taken into account may affect the availability of drugs and commodities		<p>quantification of year 5 without the RDTs submitted to GF for approval.</p> <p><b>Benin Plan:</b></p> <p>With all orders, the safety stock will be considered and will include not only delivery delays but also those related to order approval during the GF procurement process</p> <p><b>Africare Benin:</b></p> <p>These constraints are supported currently by PR. For this purpose, the GF supported CAME for an invitation to tender document for the purchase of the ACT. This work will contribute to the reduction of delays during the purchase of the ACT.</p> <p>Also improving the monitoring of the use of ACT allows control of the number of months of inventory and makes purchases more efficient.</p> <p>Africare will work with the NMCP and FRP partners for a good mastery of the national ACT needs to offer everyone the opportunity of effective programming of purchases</p>	<p>We confirm that we concur with the recommendation.</p>	<p>Benin Plan</p> <p>Africare Benin</p>	<p>Before 31/07/2012</p> <p>On going</p>

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16. Incomplete conformity with storage and distribution standards may lead to damage or deterioration of drugs	<p><u>Recommendation 10</u></p> <p>1. PNLS in collaboration with CAME should:</p> <p>a) Improve the storage condition of pharmaceuticals at the central level by</p> <ul style="list-style-type: none"> <li>• Improving the conditions of the central cold chain room, in particular the level of the cold production and the temperature monitoring. Establish an ongoing system of environmental controls;</li> <li>• implement an annual maintenance program of cold chain room</li> </ul> <p>b) Improve the storage conditions at the peripheral sites by:</p> <ul style="list-style-type: none"> <li>• Providing the peripheral sites with adequate storage capacity;</li> <li>• Establish preventive maintenance procedure for equipment and include the maintenance modalities in the equipment contracts with suppliers</li> </ul> <p>2. Africare, CRS and PNT should:</p>	<p><b>1. PNLS:</b> The input management procedure manual under development should satisfy this recommendation.</p> <p>Thermometers and hydrometers have already been ordered. They will be also sent to peripheral sites with forms for recording temperature.</p> <p>Storage capacity will be obtained in Phase 2</p>	<p>We confirm that we concur with the recommendation.</p>	PNLS	31/12/2012
	<p>2. Africare, CRS and PNT should:</p>	<p><b>Africare Benin</b> Quality control has been conducted on the ACTs of RCC Phase 1 at CAME level and at</p>	<p>We confirm that we</p>	Africare	December 2012 for the

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	<p>a) Develop tools (using check list) to monitor and supervise the storage conditions at intermediary and peripheral levels- maintain record of temperature, ensure sufficient space dedicated to storage, at depots (Africare, CRS), at intermediary level (SPPS) for PNT and at CDT, CDM and health post level (PNT, AFRICARE); and</p> <p>b) Speed up the process of upgrading storerooms dedicated to medicines (PNT, Africare).</p>	<p>Ministry of Health distribution centers.</p> <p>CAME, with the support of Round 9, is currently undertaking the construction of several stores and is working towards the improvement of drug storage conditions.</p> <p><b>PNT :</b> CDT and CDM stores are generally not intended to exclusively receive the drugs and other health products due to a lack of adequate infrastructure; which explains the fact that temperature control is lacking. This recommendation can therefore only be applied to the central pharmacy and to the extent possible to the 6 intermediate level stores. The PNT will regularly monitor the temperature at both levels during supervision</p>	<p>concur with the recommendation.</p>	<p>PNT</p>	<p>distribution centers of the 20 health areas.</p> <p>At the end of the construction and equipping of the CAME stores in Round 9</p> <p>Already taken into account</p>

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	3. Plan Benin should undertake post-shipment quality assurance of condoms.	<p><b>Benin Plan:</b> Benin, on the basis of the document on WHO quality insurance addressed to the PR by the GF, will adopt and apply a new quality control procedure which will be included in the SR management manual. Thus, the quality control will be budgeted and carried out systematically in accordance with the standards.</p>		Plan Benin	Before 31/12/2012
17. Incomplete stock inventory records may compromise drug quality	<p><u>Recommendation 11</u> The PRs should:</p> <p>a) Increase supervisions at CBOs premises by using a checklist to ensure that stock management is properly maintained (Africare and CRS);</p> <p>b) Verify that batch number at CBO level and intermediary level is recorded properly on distribution forms (Africare and CRS);</p> <p>c) Establish a systematic recording of batch numbers from CAME until last site of delivery (CDT and CDM) on distribution form and inventory forms and ensure proper filing of those documents (PNT); and</p> <p>d) Monitors that SRs, compile data on</p>	<p><b>Africare Benin</b></p> <p><b>a &amp; b)</b> Africare is developing a check list of drug lot numbers in the distribution stream in order to eliminate this risk. Also under the principle of common management, Africare will work with other partners and CAME for better traceability of ACT batches.</p> <p><b>PNT :</b></p> <p>c) Displaying of lot numbers is already being done in order to ensure the traceability of batches at all levels.</p>	We confirm that we concur with the recommendation.	<p>a &amp; b) <u>Benin Africare</u></p> <p>c) PNT</p>	<p>a &amp; b) on going</p> <p>c) Already taken into account</p>

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Risk	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Country agreed action plan	The Global Fund Secretariat comments		
	consumption with number of patient treated considering safety stock adjustment if needed at CBO level (CRS).				
18. Insufficient quality assurance including proper storage and distribution at PNLs may compromise the quality of drugs	<p><u>Recommendation 12</u></p> <p>PNLS in collaboration with CAME should:</p> <p>a) Strengthen the technical specifications using the WHO Prequalification (diagnostic tests and drugs) and include in the tender file, the product details and manufacturer;</p> <p>b) Establish an annual schedule of quality control with including the monitoring plan of suppliers' deliveries; and</p> <p>c) Develop a quarantine system for defective products.</p>	<p><b>PNLS:</b></p> <p>The PR and CAME have already taken this concern into account in the last DAO which is currently being validated.</p> <p>An annual quality control and follow-up schedule exists in the contract with KABS laboratory (see contract attached)</p> <p>CAME has a monitoring tool that refreshes it regularly.</p> <p>The PR will make arrangements with the DPMED to quarantine defective products.</p>	We confirm that we concur with the recommendation.	PNLS CAME	In Progress
19. Measures needed to be put in place by Plan Benin to ensure that condoms procured met quality standards	<p><u>Recommendation 13</u></p> <p>Plan Benin should define specifications for condom procurement in line with WHO recommended standards, establishes procedures for pre-qualification and pre-shipment quality controls and procedures to ensure proper storage of condoms and</p>	<p><b>Benin Plan:</b></p> <p>All DAOI now put sufficient emphasis on all the technical specifications during the validation of the DAO with CAME and clarify also that the proposed manufacturer must be qualified by the WHO.</p> <p>Similarly, documentation regarding the manufacturer is required specifically on its manufacturing authorization issued by an</p>	We confirm that we concur with the recommendation.	Benin Plan	24/07/2012

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Risk	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Country agreed action plan	The Global Fund Secretariat comments		
	appropriate handling of defective products	<p>official regulatory body from the country of origin.</p> <p>The systematic requirement of the certificate of conformity is part of the requirements listed in the DAO.</p> <p>A procedure that governs the delivery/receipt of the products is established by the Benin Plan and is applied systematically to all purchases of goods and services.</p> <p>Compliance is now done systematically in accordance with the guidelines of the purchase order and specifications of the tender process.</p>			
20. SEIB needs to stipulate the technical specifications of equipment and medical devices to be procure to minimize the risk of receiving poor quality products	<p><u>Recommendation 14</u></p> <p>SEIB and other PRs that procure goods should define technical specifications for products, ensure that supplier bids include adequate manufacturer details and establish procedures for verification of product quality and specifications at the time of delivery by suppliers.</p>	<p><b>SEIB:</b></p> <p>This recommendation is already taken into account. The PR is committed to strictly apply to all suppliers the rules in terms of respecting the technical specifications and the quality of products.</p> <p>It is now expected that suppliers have the technical documents and products from each manufacturer in their offers, as well as their authorization, at the risk of being eliminated from the tendering process.</p> <p>In addition, invitation to tender files, now insist on the qualification terms for</p>	We confirm that we concur with the recommendation.	SEIB	In Progress

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		Country agreed action plan	The Global Fund Secretariat comments		
		<p>installation of large equipment.</p> <p>With each delivery, the PR ensures conformity of supplier delivery before it leaves. Finally, the Global Fund already asked the PR for a revision of its procedures manual, which includes the involvement of external technical skills during the reception of goods so as to ensure that the characteristics of products and quality of specific equipment is met by the suppliers at the time of delivery This has already begun to be implemented.</p>			
	<b>OVERSIGHT</b>				
	<b>Country Coordinating Mechanism</b>				
21. Establishing procedures for selection of PRs and SRs will minimize the risk of engaging entities without the capacity to implement the grants	<p><u>Recommendation 15</u></p> <p>The CCM should:</p> <p>a) Establish a clear and detailed procedure for the selection of PRs. Those procedures should include advertising to call for nominations of PRs, criteria for selection and the tools for evaluation. The procedures may be included in the CCM approved bylaws.</p> <p>b) Document the PR selection process</p>	<p><b>CCM Benin:</b></p> <p>The procedures referred to are already implemented and, as others, will be paid special attention upon the integration of all procedures of the CCM in a project to develop a governance manual. All of the practices of governance procedures will be improved in relation to the standard and, included in the new statutes of the CCM which will be determined with the help of an independent external consultant to</p>	We confirm that we concur with the recommendation	CCM Secretariat	31/03/2013

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Risk	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Country agreed action plan	The Global Fund Secretariat comments		
	for SSF grants; and c) Establish a clear and detailed procedure for the selection of SRs that guarantees competitive and transparent selection of SRS which should be implemented by all PRs implementing Global Fund grants.	ensure that the expectations of all stakeholders are considered.			
22. Scope for effective mitigation of potential conflict of interest in the CCM	<u>Recommendation 16</u> The CCM should: a) Implement the new Conflict of Interest (COI) policy and documents the COI mitigation action taken during CCM meetings; and b) Ensure that CCM members who are PRs or SRs do not take part in decisions affecting the grants for which they are the implementers.	<b>CCM Benin:</b> The new conflict of interest policy has been implemented since February 2012 and the actions taken to apply it are recounted in accounts of the conflict of interest management supervision commission and the minutes of the sessions of the CCM which record the decisions taken.	We confirm that we concur with the recommendation	CCM Secretariat/ Conflict of Interest Management Watchdog Commission	In process of implementation
23. A need to enhance CCM oversight role on the Global Fund Grants	<u>Recommendation 17</u> The CCM should: a) Establish an annual work plan that includes the CCM meeting schedule, agenda for each meeting and the documents to be received from the PRs for each meeting;	<b>CCM Benin:</b> (a) the development of a new work plan is being implemented to include actions brought on by the various types of reforms instituted;  (b) the selection of members of the strategic monitoring committee is made	We confirm that we concur with the recommendation.	CCM Secretariat	31/03/2013



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		Country agreed action plan	The Global Fund Secretariat comments		
	<p>b) Develop procedures for the selection of the strategic monitoring committee (SMC) and include a non-CCM members with technical expertise to this committee;</p> <p>c) Ensure that all CCM members and CCM committees received all reports and documents submitted by each PR to the Global Fund Secretariat (PUDRs, EFRs, audit reports, Annual reports);</p> <p>d) Monitor grant implementation and PR activities by Establishing a detailed dash board that should include important indicators and target (Programmatic and Financial) to be monitored by the CCM;</p> <p>e) Ensure the development, in collaboration with the PRs, of an internal audit plan for each PR. The internal audit reports should be submitted and reviewed by the strategic monitoring committee (SMC);</p> <p>f) Ensure continued regular LFA debriefs to the Oversight Committee;</p>	<p>according to the procedures described in the comment and includes members not belonging to the CCM but who have technical skills;</p> <p>(c) actions are to take care and ensure that the CCM and the CSS members receive all the reports and documents submitted by each PR to the Secretariat of the Global Fund (RA/DD, EFR, audit reports, annual reports);</p> <p>(d) the roadmap of the CSS includes the training of its members for the appropriation of monitoring tools for the implementation of the grant. ;</p> <p>(e) the CCM takes note of this recommendation and will apply it to its implementation via the CSS;</p> <p>(f) the CCM acknowledges this and will handle it</p> <p>(g) the CCM takes note and it will be added to the 2013 Work Plan,</p> <p>(h) the CCM acknowledges this and will handle it</p>			

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Risk	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Country agreed action plan	The Global Fund Secretariat comments		
	<p>g) Receive from the CCM secretariat, before each CCM meeting, detailed update on the CCM budget and actual expenses incurred in each period; and</p> <p>h) Evaluate the performance of the CCM Secretariat on a regular basis, with participation of all CCM members or constituencies.</p>				
<b>Local Fund Agent</b>					
24. A need to strengthen the local LFA team	<p><u>Recommendation 18</u> The Global Fund Secretariat should ensure that the LFA:</p> <p>a) Increases the number of financial officers in order to adequately cover PUDR reviews and verification and checks, e.g., procurement requested by the Global Fund Secretariat;</p>	<p><b>LFA Suisse TPH :</b></p> <p>Concerning this recommendation, the FPM and the LFA have agreed on the following during the financial costs negotiations :</p> <ol style="list-style-type: none"> <li>1. The opening of 2 new positions (juniors) in the area of finance and supply management (non-medical products) that will be based in Benin.</li> <li>2. Establish in Benin a new expert (expat) in the system GAS</li> </ol>		LFA	In-progress 31/12/2012

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		Country agreed action plan	The Global Fund Secretariat comments		
	b) Adopts a risk-based sampling methodology during its reviews of PU/DR and EFRs by selecting representative samples from each reporting budget line to ensure better coverage; and	<p>From the date of these observations:</p> <ul style="list-style-type: none"> <li>• A finance manager (Junior) based in Benin has been recruited and has been operational since July 2012</li> <li>• A Finance manager (Junior) expert in supply managements, based in Benin has been recruited and has been operational since September 2012</li> </ul> <p>The new expert GAS (expat) approved by the GF on part time, will join the portfolio mid-October 2012, and will be based in the country.</p> <p><b>LFA Suisse TPH :</b></p> <p>Initially, examination of the PUDR approach is based on a list of controls in accordance with the review of the PUDR. Integration of the risk-based approach (through new tools) is underway. However, a 'specific financial risk map' (based on the list of alarm signals provided by the OIG during the LFA training) was developed and already submitted to</p>	<p>We confirm that we concur with the recommendation</p>		

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Risk	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Country agreed action plan	The Global Fund Secretariat comments		
	c) Consistently provides the Secretariat with analyses for the causes or explanations for detected problems to allow for quick and appropriate action.	several reviews. <b>LFA Suisse TPH :</b> Noted	We confirm that we concur with the recommendation		