

39th Board Meeting

Agreed Management Actions (AMAs) Progress Report

GF/B39/09

For Board information

09-10 May 2018

Skopje

 **The Global Fund**

Office of the Inspector General

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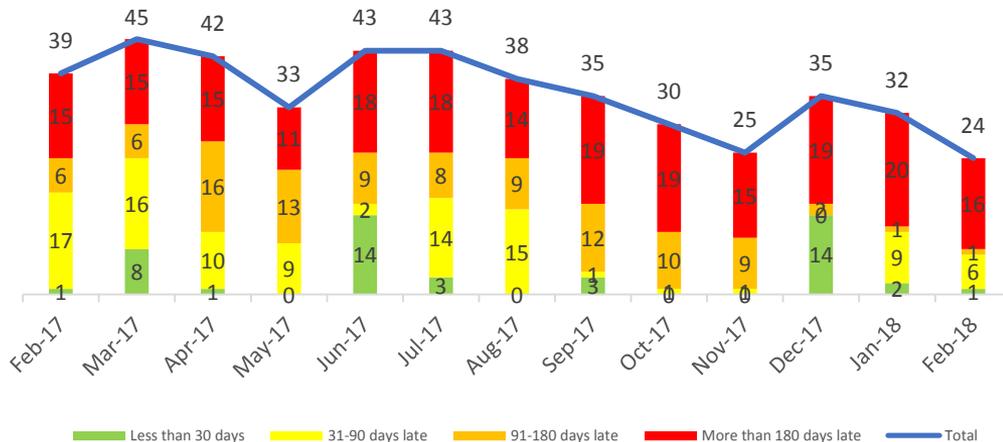
PART 1

OIG SUMMARY OF LONG OVERDUE AMAS As of February 2018

Year over Year Overdue AMA Aging

As of February 2018

	Less than 30 days late	31-90 days late	91-180 days late	More than 180 days late	TOTAL
Grant Management		5	1	12	18
SIID				1	1
Finance		2		3	5
Other				0	0
TOTAL	1	6	1	16	24



- The Secretariat has improved in closing AMAs:
 - 74% of AMAs due during the period were closed (vs 67% in the prior period).
 - However, of those AMAs, 31% were closed on time (vs 37% in the prior period).
- The total number of overdue AMAs has decreased by 38% since Feb 2017
- The Secretariat has made significant improvements in closing recent AMAs before they are 180 days late

March Update:

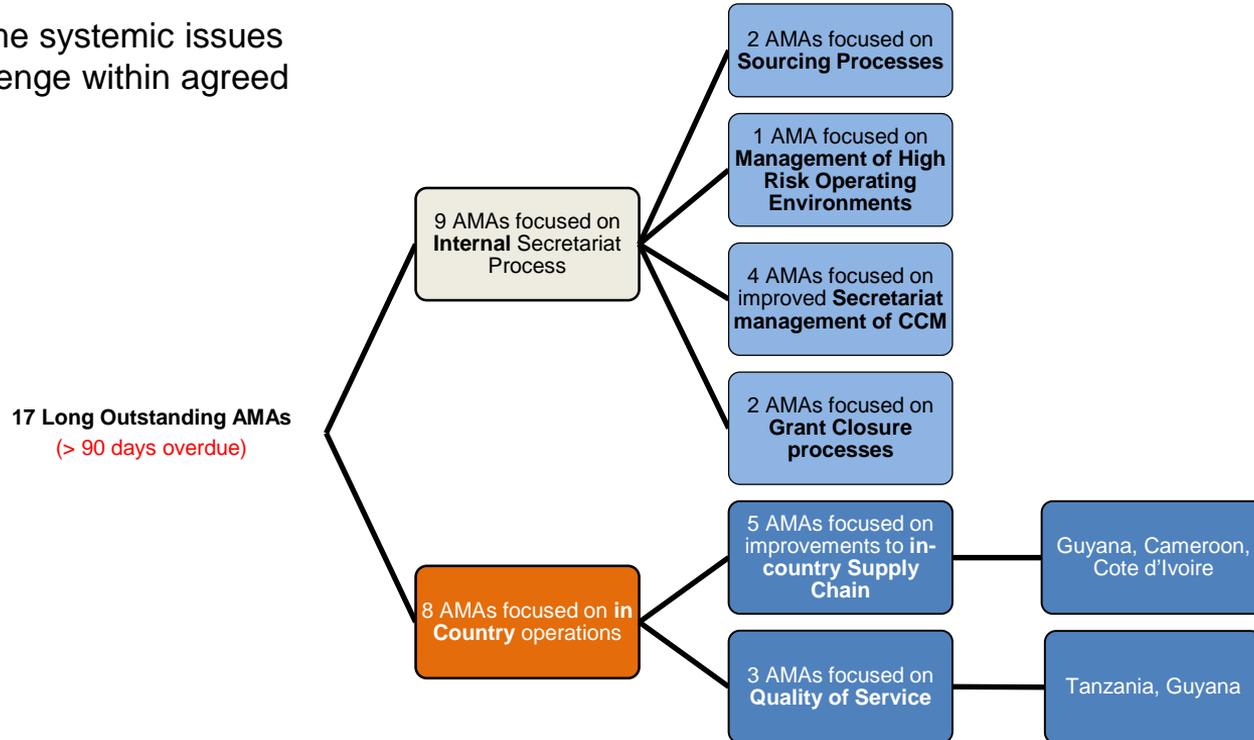
27 AMAs are currently overdue

23 AMAs are currently more than 90 days late

Long-outstanding AMAs

Are almost evenly split between Internal Secretariat Processes and Country Grant portfolios

- Addressing some systemic issues remains a challenge within agreed timelines.



Sourcing Processes¹

Gaps found in audits from 2014 and 2015 still remain open

Progress has been made:

- With the introduction of a revised Procurement Framework (Policy, Regulations and Procedures), *and*
- On defining approaches for calculating key performance indicators

Gaps remain on:

- The need for up-to-date and reliable data to forecast global needs in order to optimize procurement and order management
- Developing an management information system to capture and provide data to drive procurement decision making
- Key operational controls around the procurement process: the effective implementation of Preferred Supplier Lists, monitoring of compliance with procurement procedures and availability of documentation to justify procurement activity.

GF-OIG-14-007	Audit of the quantification and forecasting arrangements for antiretroviral medicines supported by the Global Fund in six African high-impact countries	Recommendation 4	In conjunction with the Sourcing Department and in line with the Procurement for Impact project, a platform to automatically aggregate data for the global health product forecast for the three diseases will be implemented. As an intermediate measure of progress, manual aggregation will be completed by 30 September 2014.	30/09/2015	FISA
GF-OIG-15-008	Procurement and Supply Chain Management at the Global Fund	Agreed Management Action 3	The Secretariat will strengthen the Sourcing Department's operational capacity function to properly support and monitor procurement activities (health and non-health products). In close collaboration with the Grant Management Division, these will include, at a minimum: i. Updating its procurement regulations; ii. Implementing strong financial controls around procurement activities; iii. Defining the methodology and approaches for calculating key performance indicators; iv. Strengthening the Department's capability with regard to non-health products; and v. Implementing an appropriate management information system to capture relevant data and to support its procurement related decision making. A thorough needs analysis to identify the required functionality will be developed and presented to the Management Executive Committee for approval.	30/09/2015	FISA

¹The 2018 Audit plan includes a follow up audit of Sourcing, which will audit the implementation and effectiveness of all Sourcing AMAs

Management of High Risk Operating Environments

Need for guidance enabling effective crisis response

The Secretariat had a limited policy framework to guide or support grant management in high risk environments. This has resulted in inconsistent identification or classification of high risk countries, and in gaps in response to the identified issues.

Progress has been made:

- The Secretariat has approved an Operational Policy Note for COEs, which addresses one of the mitigating measures identified.

Gaps remain:

- There is still a need for processes and tools to support contingency planning or crisis and emergency response by grant management and implementers.

GF-OIG-17-002	Global Fund Grant Management in High Risk Environments	Agreed Management Action 1	The Secretariat will develop: a) Operational Policy Note for Challenging Operating Environments (COEs) that clarifies the process for classification of countries as COEs including further sub-classifications and the flexibilities available to the countries and how such flexibilities are approved. b) Guidance for contingency planning for countries facing crisis and emergencies.	30/06/2017	Grant Management
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Secretariat Management of Country Coordination Mechanisms

Gaps remain in CCM oversight and implementation of CCM policies and procedures

The outstanding AMAs are related to the following issues:

- Oversight of Global Fund grants by CCMs is weak and requires improvement
- CCMs are duplicating other structures, with limited integration into national systems or harmonization and coordination with these parallel entities
- Management of conflicts of interests is weak
- Sustainability issues of CCMs after GF withdrawal are not adequately planned for

GF-OIG-16-004	Audit of the Global Fund Country Coordinating Mechanism	Agreed Management Action 2	The Secretariat will develop a mechanism to strengthen CCM oversight. This will include: Revising and rolling out the CCM Oversight Guidance Paper to clarify the content and level/extent of oversight expected from CCMs; and Analyzing options for enhancing effective engagement of CCM members in oversight, including consideration of annual participation schedules for members, more flexible participation of members in meetings where their skillsets or roles are essential etc.	30/06/2017	Grant Management
GF-OIG-16-004	Audit of the Global Fund Country Coordinating Mechanism	Agreed Management Action 3	The Secretariat will in collaboration with partners, devise a structured process to evaluate the readiness, willingness, and possible gains for CCMs to identify and prioritize countries that can: partially/ fully integrate some of their functions into national systems or other entities; or enhance their functions beyond Global Fund including areas where the coordinating structures of partners can work together in-country.	30/06/2017	Grant Management
GF-OIG-16-004	Audit of the Global Fund Country Coordinating Mechanism	Agreed Management Action 4	The Secretariat will strengthen the management of conflict of interest by developing principles for ethical conduct and integrity in CCM operations, including integrating replicable features from the Global Fund Ethical and Integrity Framework.	30/06/2017	Grant Management
GF-OIG-16-004	Audit of the Global Fund Country Coordinating Mechanism	Agreed Management Action 6	Once the Sustainability and Transition Policy is approved by the Board, the Secretariat will update the CCM guidelines and procedures to reflect key principles of the policy, including evaluating, on a differentiated basis, the need for continuing CCMs or alternative mechanisms post-transition along with alternative options.	30/06/2017	Grant Management

Grant Closure Processes

Limitations in the GF's implementer management and transition

- Grant tracking systems and related documentation do not facilitate timely closure
- There is no specific guidance over asset management and asset transfers as part of grant closure

These gaps lead to:

- Inadequate management oversight to ensure compliance with Global Fund internal policies on grant closure
- Weak controls over the use of assets financed from Global Fund grants, which could make them susceptible to misuse, misappropriation and embezzlement.

GF-OIG-16-017	Grant Closure Follow-up Audit	Agreed Management Action 2	The Secretariat's financial reporting requirements for implementers will be revised to include cash balance reporting and recoveries at the end of the grant closure period, to ensure compliance with grant closure requirements before administratively closing a grant.	30/09/2017	Grant Management
GF-OIG-16-017	Grant Closure Follow-up Audit	Agreed Management Action 3	Grant Management will ensure that a risk based approach is defined and implemented for recording, utilization and transfer or disposal of assets (particularly for those with a long useful life and including but not limited to infrastructure and other equipment). This approach will be embedded into ongoing grant management procedures through additional guidance given to Country Teams to ensure effective asset management for all material assets procured through the Global Fund grants	31/03/2017	FISA

In-country Supply Chain

5 long-outstanding AMAs are focused on improving in-country supply chains in 3 countries

Weaknesses in supply chain continue to affect the delivery of health products and services. Significant gaps remain in quantification of needs, management of drug inventories, or accountability for delivered commodities.

The outstanding AMAs listed below relate to countries that have been budgeted to procure and distribute \$284M during the 2016-2017 period (e.g. Cameroon budget is 69% commoditized).

GF-OIG-16-020	Global Fund Grants to the Republic of Cameroon	Agreed Management Action 2	<p>Taking into account the findings of the institutional audit of CENAME performed by the Ministry of Public Health and the Ministry of Finance, the Secretariat, in cooperation with in-country partners and relevant ministries, will develop an operational plan to improve in the short and medium term the storage and distribution services at CENAME level, including the responsibilities of the disease programs.</p> <p>Based on the content of this operational plan, the Secretariat will review its assurance arrangements, including the use of the Local Fund Agent and the Ministry of Public Health's dedicated internal audit unit, with more emphasis on inventory and distribution reviews.</p>	31/03/2017	Grant Management
GF-OIG-16-020	Global Fund Grants to the Republic of Cameroon	Agreed Management Action 1	The Secretariat, in co-operation with technical partners and the Ministry of Public Health, will organize and finance an assessment of the supply chain in Cameroon. Such assessment shall be directed towards long-term systematic improvement of the supply chain (e.g. cost effectiveness of the current/future model, considering options for outsourcing to the private sector, etc.). The Secretariat will support the Government and partners to develop a road map based on the findings of this assessment.	30/06/2017	Grant Management
GF-OIG-16-025	Audit of Global Fund grants to the Republic of Côte d'Ivoire	Agreed Management Action 3	<p>The Secretariat, together with NPSP, MPH and the national disease programs, will strengthen the accountability mechanism over the supply chain and the oversight capacities of the disease programs through the following actions:</p> <ul style="list-style-type: none"> - NPSP and the disease programs, in coordination, will perform regular reconciliation of NPSP inventory with the disease programs' stock data and investigate any differences; - the disease programs will validate product orders received by NPSP from the health districts and the largest health facilities; - a technical assistance mission will be supported to implement recommendations tailoring the Enterprise Resource Planning system (known as SAGE) to NPSP requirements. 	31/07/2017	Grant Management
GF-OIG-16-12	Investigation Report of Global Fund Grants to Guyana	Agreed Management Action 5	The Secretariat will request the Principal Recipient to develop and implement an improved procurement and supply management (PSM) plan which will address the shortcomings in the ordering, inventory management and distribution of Global Fund financed health products identified by the investigation. The implementation of the new PSM plan will be verified by the Local Fund Agent.	30/09/2016	Grant Management
GF-OIG-16-12	Investigation Report of Global Fund Grants to Guyana	Agreed Management Action 1	The Secretariat will request the Principal Recipient to develop and implement an improved process for recording the distribution of bed nets to beneficiaries which includes recording their identification and contact information. The implementation of the improved process will be verified by the Local Fund Agent.	30/09/2016	Grant Management

Quality of Services

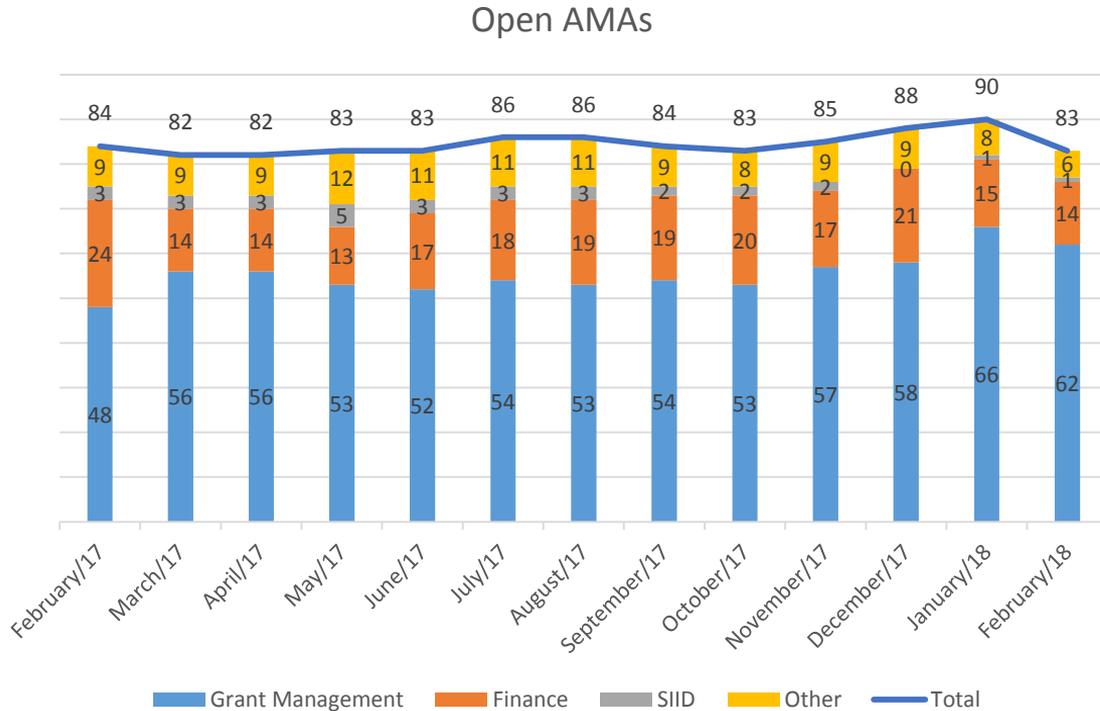
Quality of services remains a major challenge

Common issues and gaps address by these AMAs include:

- Treatment of patients without testing
- Unreliable programmatic data or documentation
- Ineffective systems for health
- Gaps in supervision and training

GF-OIG-16-12	Investigation Report of Global Fund Grants to Guyana	Agreed Management Action 3	The Secretariat will request the Principal Recipient to implement a system for recording malaria surveillance program activity which makes use of Global Positioning System or similar technology to record the date and the location where the activity takes place. The implementation of the system will be verified by the Local Fund Agent.	31/03/2017	Grant Management
GF-OIG-16-002	Audit of Global Fund Grants to the United Republic of Tanzania	Agreed Management Action 3	The grants that have been signed and/or will be signed under the new funding model are an opportunity for the Secretariat to work with in-country stakeholders (including technical partners) to find solutions to the quality of service issues that are affecting the grants. Specifically, the Secretariat will: <ul style="list-style-type: none"> a. Work with in country stakeholders to ensure that the quantification and forecasting of malaria medicines and test kits is revisited before additional investments are made. Different quantification methods will be applied and results triangulated to ensure an optimal result. b. Ensure that the Principal Recipient identifies a suitable entity to manage the Co-Payment Mechanism. c. Ensure that the Principal Recipient prepares a supervision and training plan that details the objectives of different types of training and supervision that will be undertaken, specifically addressing the quality of services that are found to be sub-optimal, i.e. the retention of patients on treatment and treatment of malaria patients without diagnosis. 	30/09/2016	Grant Management
GF-OIG-16-002	Audit of Global Fund Grants to the United Republic of Tanzania	Agreed Management Action 2	The Secretariat working in concert with partners will engage with governments in five countries including Tanzania to analyze the gaps in funding due to scale-up following the latest normative guidance from the WHO on testing and treatment for HIV, which may have implications for the continuity of treatment for existing patients. Accordingly, the Secretariat in collaboration with partners will encourage governments to develop action plans and monitor the implementation of the plans to address such gaps, including considering the possibility of increased government financing.	31/12/2016	SIID

Total Open AMAs

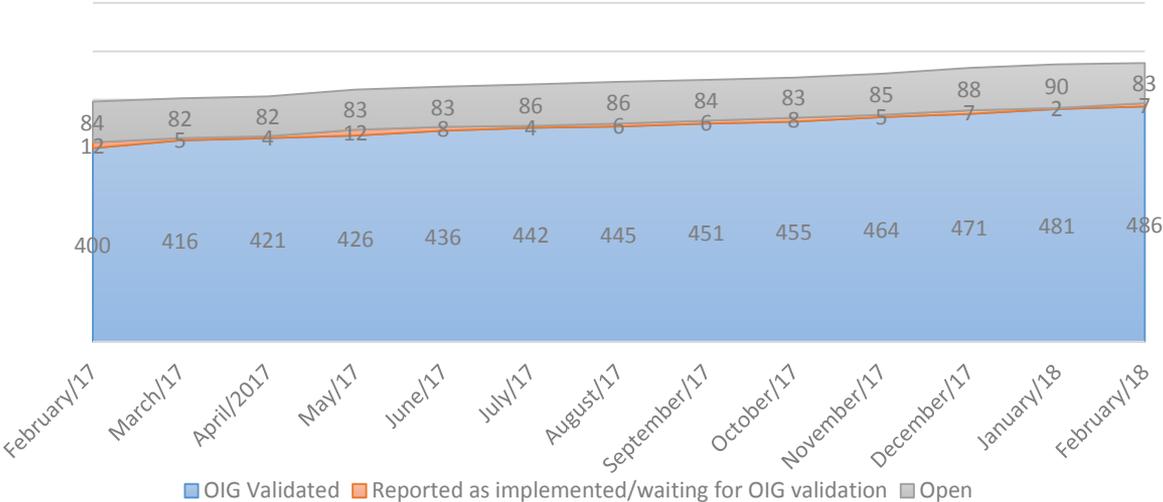


- Total number of open AMAs has largely stabilized and is not in itself a concern

March Update:
80 AMAs are currently open

Cumulative AMA Implementation Progress

Cumulative Implementation Progress
Since 2014



- Number of implemented and open AMAs remain stable as the rates of issuance and closure of AMAs are now similar

PART 2

SECRETARIAT'S UPDATE ON LONG OVERDUE AMAS As of February 2018

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Secretariat Long Overdue AMA Summary Update:

	Grant Management	SIID	FISA	Risk	Total
Total July 2017	16	3	2	3	24
Total March 2018	13***	1**	3***	0	17

*Note that these figures do not reflect the numbers of AMAs added or closed, but only the ending totals as of the relevant cut-off date.

**Validated as implemented by OIG since reporting cut-off date

***FISA and GMD numbers each include one shared AMA concerning grant closures

Secretariat Long Overdue AMA Summary Update:

- The Secretariat-level AMAs have become long overdue because they:
 - Relate to or have been superseded by ongoing initiatives and have been rolled into large-scale work which requires alignment
 - Grant closures
 - CCMs
 - Procurement and Supply Chain
 - COEs
- The country-level AMAs have become long overdue because:
 - They relate to or have been superseded by ongoing initiatives
 - Supply chain (Cameroon AMA 1)
 - We need to determine if the cost may now outweigh the benefit
 - Guyana AMA 3
 - They require action by third parties and over which the Global Fund has little control
 - Guyana AMA 1 & 5, Cameroon AMA 5, Cote d'Ivoire AMA 3, Tanzania AMA 3

GRANT MANAGEMENT

Agreed Management Action (AMA)

AMA 3: The Secretariat will request the Principal Recipient to implement a system for recording malaria surveillance program activity which makes use of Global Positioning System or similar technology to record the date and the location where the activity takes place. The implementation of the system will be verified by the Local Fund Agent. **(Investigation GF-OIG-16-012)**

Due: 31 March 2017

Progress Update

The Global Fund **investment in the country has been reduced significantly, leading to reduction in many of the activities in the interior of the country.** The full 3-year allocation for malaria is only USD 1.6 million. The CT is reviewing again the budget and work plan for the grant to assess the risk exposure related to trips and activities in the interior and estimate the time and funding that will require to roll out the GPS system. The Ministry of Health has recruited 2 companies to conduct a **feasibility study** in two different regions in Guyana. The report will be available in September 2018.

Target date: TBD, depending on study results and cost-benefit analysis

Agreed Management Action (AMA)

AMA 1: The Secretariat will request the Principal Recipient to develop and implement an improved process for recording the distribution of bed nets to beneficiaries which includes recording their identification and contact information. The implementation of the improved process will be verified by the Local Fund Agent. **(Investigation GF-OIG-16-012)**

Due: 30 September 2016

AMA 5: The Secretariat will request the Principal Recipient to develop and implement an improved procurement and supply management (PSM) plan which will address the shortcomings in the ordering, inventory management and distribution of Global Fund financed health products identified by the investigation. The implementation of the new PSM plan will be verified by the Local Fund Agent. **(Investigation GF-OIG-16-012)**

Due: 30 September 2016

Progress Update

The PR developed the new process and forms some time ago to record the distribution of bed nets. The Country Team has shared comments to strengthen the forms and they will be adopted by country.

The implementation of the new process and forms can only be validated during the bed net mass campaign distribution, which was significantly delayed and should be concluding shortly. The LFA is conducting spot check verification. **Target date: May 2018**

There was **delay in getting a consultant in place** to support development and implementation of the new plan. While planned for much earlier, the consultant was only able to begin in January, with finalization of the plan intended for this month. Implementation of the new PSM plan will be verified by the LFA. **Target date: June 2018**

Cameroon

Agreed Management Action (AMA)

AMA 1: The Secretariat, in co-operation with technical partners and the Ministry of Public Health, will organize and finance an assessment of the supply chain in Cameroon. Such assessment shall be directed towards long-term systematic improvement of the supply chain (e.g. cost effectiveness of the current/future model, considering options for outsourcing to the private sector, etc.). The Secretariat will support the Government and partners to develop a road map based on the findings of this assessment. **(Audit GF-OIG-16-020) Due: 30 June 2017**

AMA 5: Taking into account the findings of the institutional audit of CENAME performed by the Ministry of Public Health and the Ministry of Finance, the Secretariat, in cooperation with in-country partners and relevant ministries, will develop an operational plan to improve in the short and medium term the storage and distribution services at CENAME level, including the responsibilities of the disease programs. Based on the content of this operational plan, the Secretariat will review its assurance arrangements, including the use of the Local Fund Agent and the Ministry of Public Health's dedicated internal audit unit, with more emphasis on inventory and distribution reviews. **(Audit GF-OIG-16-020) Due: 30 Sept. 2016**

Progress Update

The assessment, initially planned for January 2017, was **delayed by 6 months to align with the Supply Chain Initiative**. The final report was presented to in-country stakeholders in October 2017, while the country was focused on 4 grant negotiations. To satisfy the AMA, the country should endorse the report through a steering committee. This work is advancing well and a high level steering committee (with several Ministries as well as the main technical and financial partners) is launching. The CT is using this opportunity to push for meaningful change and lasting improvements. The road map is in the process of finalizing accountabilities and responsibilities and should be completed in coming months. **Target date: June 2018**

The audit, engaged and funded by the Ministry of Finance, was delayed due to local procurement regulations and then extended due to underestimation of the level of effort by the selected firm. A first draft circulated in November 2017, but still requires a significant amount of work. The Global Fund is coordinating with the Ministry of Health and partners to accelerate finalization. **To satisfy the AMA, the country will have to endorse the audit report and launch a working group to implement the necessary changes.** The Global Fund is advocating to have this task taken over by the supply chain steering committee (see AMA 1). **Target date: September 2018**

Côte d'Ivoire

Agreed Management Action (AMA)

AMA 3: The Secretariat, together with NPSP, MPH and the national disease programs, will strengthen the accountability mechanism over the supply chain and the oversight capacities of the disease programs through the following actions:

- NPSP and the disease programs, in coordination, will perform regular reconciliation of NPSP inventory with the disease programs' stock data and investigate any differences;
- the disease programs will validate product orders received by NPSP from the health districts and the largest health facilities;
- a technical assistance mission will be supported to implement recommendations tailoring the Enterprise Resource Planning system (known as SAGE) to NPSP requirements. **(Audit GF-OIG-16-025)**

Due: 31 July 2017

Progress Update

The first two bullets are essentially completed and documentary evidence is being collected for validation. **The upgrades to the warehouse management (SAGE) are in their final stages and once completed will be validated.**

Target date: August 2018

Tanzania

Agreed Management Action (AMA)

AMA 3: The grants that have been signed and/or will be signed under the new funding model are an opportunity for the Secretariat to work with in-country stakeholders (including technical partners) to find solutions to the quality of service issues that are affecting the grants. **(Audit GF-OIG-16-002)**

Specifically, the Secretariat will:

- a) Work with in country stakeholders to ensure that the quantification and forecasting of malaria medicines and test kits is revisited before additional investments are made. Different quantification methods will be applied and results triangulated to ensure an optimal result.
- b) Ensure that the Principal Recipient identifies a suitable entity to manage the Co-Payment Mechanism.
- c) Ensure that the Principal Recipient prepares a supervision and training plan that details the objectives of different types of training and supervision that will be undertaken, specifically addressing the quality of services that are found to be sub-optimal, i.e. the retention of patients on treatment and treatment of malaria patients without diagnosis.

Due: 30 September 2016

Progress Update

Parts (a) and (c) have been completed to the satisfaction of the Country Team. **This AMA has been fully implemented save for part (b), which requires the Principal Recipient to identify a suitable entity to manage the Co-Payment Mechanism.** The PR has twice nominated the entity already in place, which was not accepted. The Global Fund also disagreed with a third nomination, this time of a new entity, due to related risks. The relevant grant ended in 2017 and the question is currently being revisited in the context of the new grant.

Target date: August 2018

Agreed Management Action (AMA)

AMA 1: The Secretariat will develop:

a) Operational Policy Note for Challenging Operating Environments (COEs) that clarifies the process for classification of countries as COEs including further subclassifications and the flexibilities available to the countries and how such flexibilities are approved.

b) Guidance for contingency planning for countries facing crisis and emergencies.

(Audit GF-OIG-17-002)

Due: 30 June 2017

Progress Update

The spirit of the COE policy indicates that the differentiated approach for COEs should allow for faster reprogramming, which would facilitate the shift from standard to emergency implementation mode. **The COE OPN in place since January 2017 encourages CTs to pre-define alternative scope of implementation in advance and to integrate this into the funding request for TRP approval.**

Beyond this, a crisis room protocol is being developed to allow CTs to rapidly respond to emergencies in coordination with humanitarian partners. The crisis room aims to have quick, informed decisions from senior management and disease advisors on proposed reprogramming and alternative implementation arrangements with humanitarian partners. The crisis room protocol will be aligned to existing coordination mechanisms established by relevant partners such as WHO, IOM, UNHCR, UNICEF. To this end the Global Fund has been expanding partnerships with humanitarian partners including the Global Health Cluster, WHO Emergency Team, UNHCR, WFP, ICRC, CDC emergency branch to support CTs in case of natural disaster, conflict, refugee crisis to develop adaptive responses. The Emergency Fund guidelines, currently under review, will also refer to the crisis room protocol to assist CT decision making.

Target date: August 2018

CCMs

Agreed Management Action (AMA)

AMA 2: The Secretariat will develop a mechanism to strengthen CCM oversight. This will include:

Revising and rolling out the CCM Oversight Guidance Paper to clarify the content and level/extent of oversight expected from CCMs; and analyzing options for enhancing effective engagement of CCM members in oversight, including consideration of annual participation schedules for members, more flexible participation of members in meetings where their skillsets or roles are essential etc. **(Audit GF-OIG-16-004)**

Due: 30 June 2017

AMA 3: The Secretariat will in collaboration with partners, devise a structured process to evaluate the readiness, willingness, and possible gains for CCMs to identify and prioritize countries that can: partially/ fully integrate some of their functions into national systems or other entities; or enhance their functions beyond Global Fund including areas where the coordinating structures of partners can work together in-country. **(Audit GF-OIG-16-004)** **Due: 30 Sept. 2016**

Progress Update

The individual actions anticipated under the 4 overdue AMAs from the Audit of the CCM have been **superseded by the CCM Evolution Project**, for which a separate update is being provided to the Committees and Board.

Timeline depends on decisions to be made by Committees and the Board.

CCMs

Agreed Management Action (AMA)

AMA 4: The Secretariat will strengthen the management of conflict of interest by developing principles for ethical conduct and integrity in CCM operations, including integrating replicable features from the Global Fund Ethical and Integrity Framework. **(Audit GF-OIG-16-004)**

Due: 30 June 2017

AMA 6: Once the Sustainability and Transition Policy is approved by the Board, the Secretariat will update the CCM guidelines and procedures to reflect key principles of the policy, including evaluating, on a differentiated basis, the need for continuing CCMs or alternative mechanisms post-transition along with alternative options. **(Audit GF-OIG-16-004)**

Due: 30 Sept. 2016

Progress Update

The individual actions anticipated under the 4 overdue AMAs from the Audit of the CCM have been **superseded by the CCM Evolution Project**, for which a separate update is being provided to the Committees and Board.

Timeline depends on decisions to be made by Committees and the Board.

Shared GMD/FISA

Grant Closures

Agreed Management Action (AMA)

AMA 2: The Secretariat's financial reporting requirements for implementers will be revised to include cash balance reporting and recoveries at the end of the grant closure period, to ensure compliance with grant closure requirements before administratively closing a grant. **(Audit GF-OIG-16-017)**

Due: 31 March 2017

AMA 3: Grant Management will ensure that a risk based approach is defined and implemented for recording, utilization and transfer or disposal of assets (particularly for those with a long useful life and including but not limited to infrastructure and other equipment). This approach will be embedded into ongoing grant management procedures through additional guidance given to Country Teams to ensure effective asset management for all material assets procured through the Global Fund grants. **(Audit GF-OIG-16-017)**

Due: 30 September 2017

Progress Update

Revision to the Operational Policy Note (OPN) on Grant Closures has been **timed to align with development and roll-out of key processes in the new Grant Operating System**, both of which should be completed in coming months.

Target date: June 2018

FISA

In-Country Tools

Agreed Management Action (AMA)

Recommendation 4: Audit of the quantification and forecasting arrangements for antiretroviral medicines supported by the Global Fund in six African high-impact countries. In conjunction with the Sourcing Department and in line with the Procurement for Impact project, a platform to automatically aggregate data for the global health product forecast for the three diseases will be implemented. As an intermediate measure of progress, manual aggregation will be completed by 30 September 2014. **(Audit GF-OIG-14-007)**

Due: 30 September 2015

Progress Update

OIG team clarified that this AMA requires a systematic process for consolidating health product forecasts, and the AMA can be closed even if the process is manual, but generates desired forecasts. OIG also clarified that the forecasts needed are for health products in Global Fund grants, and not just PPM component. **The two concerned Departments, Sourcing and Supply Chain are currently being reorganized.** This AMA will be addressed following the reorganization.

Sourcing and Information Technology

Agreed Management Action (AMA)

AMA 3: The Secretariat will strengthen the Sourcing Department's operational capacity function to properly support and monitor procurement activities (health and non-health products). In close collaboration with the Grant Management Division, these will include, at a minimum: i. Updating its procurement regulations; ii. Implementing strong financial controls around procurement activities; iii. Defining the methodology and approaches for calculating key performance indicators; iv. Strengthening the Department's capability with regard to non-health products; and v. Implementing an appropriate management information system to capture relevant data and to support its procurement related decision making. A thorough needs analysis to identify the required functionality will be developed and presented to the Management Executive Committee for approval.

(Audit GF-OIG-15-008)

Due: 30 September 2015

Progress Update

The OIG is currently conducting a follow up audit to GF-OIG-008. The Audit will update this AMA.

SIID

Tanzania

Agreed Management Action (AMA)

AMA 2: The Secretariat working in concert with partners will engage with governments in five countries including Tanzania to analyze the gaps in funding due to scale-up following the latest normative guidance from the WHO on testing and treatment for HIV, which may have implications for the continuity of treatment for existing patients. Accordingly, the Secretariat in collaboration with partners will encourage governments to develop action plans and monitor the implementation of the plans to address such gaps, including considering the possibility of increased government financing.

(Audit GF-OIG-16-002)

Due: 31 December 2016

Progress Update

Gaps in funding for treatment were analyzed for the 6 countries (Zimbabwe, Zambia, Malawi, Tanzania, Mozambique and Ghana) as part of the country dialogue leading up to the submission of the country funding requests to The Global Fund. Countries have set ambitious national targets for the lifespan of their current HIV national strategic plans, in line with the global 90-90-90 targets (i.e. 90% of PLHIV diagnosed, 90% of PLHIV who have been diagnosed and who are on treatment i.e. 81% of estimated PLHIV, and 90% viral suppression for those on treatment), and considering the feasibility of achieving targets. The programmatic and funding gaps for treatment, care and support for 2018, 2019 and 2020 are calculated and specified in programmatic gap and funding landscape tables. All the 6 countries have included details of plans and efforts by the governments to increasingly take up program costs, and actions to improve sustainability of Global Fund financed programs including those related to HIV treatment, care and support

The Secretariat completed all actions required in 2017 and AMA is now validated as implemented.