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SUCCESS STORY

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South Africa's experience as a Global Fund Principal Recipient



Department of Health staff at a team-building workshop

“If HIV/AIDS and TB were a snake, I can assure you the head would be here in South Africa,” said Dr Aaron Motsoaledi, South Africa’s Minister of Health, referring to the high rates of HIV and Tuberculosis (TB) co-infection in the country. According to World Health Organization statistics, six in ten people living with HIV are also infected with TB. Someone living in South Africa is 20 times more likely to be infected with TB than elsewhere in the world. Therefore, integrating programs to address both TB and HIV is particularly important for South Africa to improve treatment and health outcomes.

Funding from The Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) has been instrumental in this process. The South African National Department of Health (NDOH) has received more than \$100 million in an agreement titled “Increasing Access to Integrated Tuberculosis and HIV services at Primary Health Care and Community Level.” The Global Fund Program Management Unit (PMU) located at the NDOH has the task of managing grant implementation by the nine government and civil society sub-recipients.

Management of the grant has proven to be a challenge. Although signed in December 2011, Phase 1 of the grant ran from July 2011-March 2013, various conditions precedent and special conditions had to be addressed before funding could be disbursed for implementation. In 2012, the Office of the Inspector General highlighted a number of weaknesses in the management of the grant.

“It was hectic, everything was urgent, but we could only work on addressing the conditions precedent at the expense of everything else...70% of the staff were new and had not received orientation on the Global Fund requirements—the expectations of the Local Fund Agent, the role of the principal recipient in mentoring the sub-recipients,” recalls Donald Demana then acting Cluster Manager of the PMU.

Following a request for assistance, the Building Local Capacity for Delivery of HIV Services in Southern Africa Project (BLC) supported the PMU to address capacity challenges within their staff; structures and systems; and leadership and management practices. This capacity-building intervention coincided with preparations for the close-out of Phase 1 of the Global Fund grant and preparations for Phase 2 (2013-2016). As of June 2013, the grant rating of the NDOH had been upgraded from a B2 rating “inadequate but potential demonstrated,” to a B1 rating of “adequate.” The PMU continues to improve, Sesupo Makakole-Nene, the Cluster Manager Global Fund PMU, stated, “The extent to which we implement what we have learned is now up to us as a team. We need to sustain the momentum and build on it.”

BLC and the PMU have learned valuable lessons along the way on important elements that contribute to successful management of a Global Fund grant:

- **Build a strong, motivated management team**

A brief but intensive team-building workshop paved the way to develop a shared vision for the PMU; agreed on core values, and gained consensus on grant management priorities. PMU staff were now ready to work as a single team, recognizing the importance of each member playing their role: “I now realize that ensuring

that M&E [monitoring and evaluation] and finance work together is critical for the successful management of the grant,” stated Tuki Matsaneng, PMU’s M&E Deputy Director. Finance Manager Mzu Kashe added, “From now on, no more silos. I’m going to work closely with the M&E people, sharing information and having regular meetings.”

- **Improve the quality of the quarterly reports**

For the first time in its grant history, the PMU submitted the quarterly Periodic Disbursement Update and Disbursement Request (PUDR) to the Global Fund on time in November 2012. Late submission of reports can delay funding disbursements from Global Fund, consequently disrupting those dependent on the funds for much needed services. The PMU also strengthened its data verification and sub-recipient management systems and procedures for the completion of the PUDR. The PMU worked with the various sub-recipients to analyse financial and programmatic data, on budget forecasting; and to compile their respective reports, which were then merged into a single report. The result was a comprehensive PUDR outlining progress made in grant implementation and actions taken to mitigate financial and program risks, as well as addressing conditions precedent.

“It is like a relay race, where you have to hand the stick to the next person. When you run, you must not delay, you must think about what the last person to receive the stick needs to win the race,” said Donald Demana, explaining the interdependencies between the finance and M&E teams to complete the PUDR.

With the assistance of BLC, the PMU continues to refine their reporting tools and templates to

make them user-friendly for the sub-recipients. Preparation for Phase 2 is currently underway. This process includes mapping of the reporting processes and designing, streamlining, and rolling out the reporting tools.

- **Work closely with the sub-recipients**

The PMU has changed its role from remote monitoring to providing hands-on technical assistance to the sub-recipients to ensure effective implementation of their work plans. “Regular interaction is a priority for us. We would like to see more regular interaction and feedback between us and the sub-recipients, not just to prepare good reports, but to ensure delivery of quality services to the communities. Success for me is when everyone who needs life-saving drugs is assured of a regular supply,” said Sesupo Makakole-Nene.

Launched in 2010, the USAID-funded Building Local Capacity for Delivery of HIV Services in Southern Africa Project (BLC) strengthens government, parastatal, and civil society entities to effectively address the challenges of the HIV and AIDS epidemic.

Throughout the Southern Africa region and with specific activities in six countries, BLC provides technical assistance in organizational development, including leadership, management, and governance in three key program areas: 1) care and support for orphans and vulnerable children; 2) HIV prevention; and 3) community-based care.

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