



THE OFFICE OF THE INSPECTOR GENERAL

The Global Fund to Fight AIDS, Tuberculosis and Malaria

Audit of Global Fund Grants to the Republic of Angola

Annexes

GF-OIG-12-002

7 September 2012

ANNEXES**Annex 1: Abbreviations**

ACT	Artemisinin-based Combination Therapy
CCM	Country Coordinating Mechanism
CUAMM	Collegio Universitario Aspiranti Medici Missionari
DNME	Direcção Nacional de Medicamentos e Equipamentos
DNSP	Direcção Nacional de Saúde Pública
DOTS	Directly Observed Treatment, Short Course
DPS	Direcção Provincial de Saúde
GMS	Grant Management Solutions
GOA	Government of Angola
IPT	Intermittent Preventive Therapy
LFA	Local Fund Agent
LLINs	Long-Lasting Insecticide-treated Nets
LMIS	Logistics Management Information System
MDR-TB	Multi-Drug Resistant Tuberculosis
M&E	Monitoring and Evaluation
MINSa	Ministério da Saúde (Ministry of Health)
MIS	Malaria Indicator Survey
MSH	Management Sciences for Health
NGO	Non-Governmental Organization
OIG	Office of the Inspector General
OSDV	On-Site Data Verification
PEN	Plano Estratégico Nacional
PNCM	Programa Nacional de Controlo da Malária
PNCT	Programa Nacional de Controlo da Tuberculose
PR	Principal Recipient
PSI	Population Services International
PSM	Procurement and Supply Management
PUDR	Progress Update and Disbursement Request
PWC	PricewaterhouseCoopers
RDT	Rapid Diagnostic Test (for malaria)
SR	Sub-Recipient
TB	Tuberculosis
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
USD	United States Dollars
UTG	Unidade Técnica de Gestão do Fundo Global
WHO	World Health Organization

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Annex 2: Summary of Global Fund Grants to Angola

Disease & Round	Principal Recipient	Grant Number	Grant Amount (USD)	Amount Disbursed (USD)
Malaria Round 3	United Nations Development Programme, Angola	AGO-305-G01-M 1 Apr. 05 to 30 Sep. 08	35,029,872	34,833,588
TB Round 4	United Nations Development Programme, Angola	AGO-405-G02-T 01 Aug 05 to 30 Sep 10	10,318,689	10,318,689
HIV/AIDS Round 4	United Nations Development Programme, Angola	AGO-405-G03-H 1 Oct 05 to 30 Sep 12	86,120,215	62,225,761
Malaria Round 7	Ministry of Health (MINSA)	AGO-708-G04-M 01 Nov. 2008 to 31 Jan. 11	32,512,648	27,171,691
TB Round 9	Ministry of Health (MINSA)	AGO-911-G05-T 20 Dec. 11 to 19 Dec. 13	6,357,572	966,144
Total			170,338,996	135,515,873

(Global Fund website, 24 May 2012)

Annex 3: Background and Context

Country Context

A protracted civil war in Angola, following independence in 1975, ended with a peace accord in 2002. During the decade following the cessation of conflict, there was strong economic growth fueled by increasing revenues from oil, with an annual government budget of USD 40 billion.

Key challenges facing the country after the long conflict include deficits in infrastructure and human resources. In the past decade the Government of Angola has embarked on a massive infrastructure development program that included construction/rehabilitation of hospitals and health centers and training of staff working in the health sector.

Because of inadequate technical management capacity in the public health sector, the first three Global Fund grant programs for malaria, TB and HIV/AIDS (from 1 April 2005 to 31 October 2010) were managed by the United Nations Development Programme (UNDP) as Principal Recipient (PR). It was envisaged that UNDP would build the capacity of the Ministry of Health (MINSA) to take on the responsibilities of a Principal Recipient. On 1 November 2008, the Global Fund signed the first grant with the MINSA as PR.

The Government of Angola has implemented a decentralization program that included the strengthening of the 164 local government municipalities to improve public services, including health services for the general population. In April 2012, the Government of Angola, in partnership with the World Bank, launched a new strategy to revitalize primary health care (PHC) at the municipal level through a USD 71 million Municipal Health and Revitalization Project.

The CCM

The Country Coordinating Mechanism (CCM) in Angola was created in May 2002. It has a membership of 29 people representing all sectors as per GF guidelines. In April 2012, a new Vice Chair was elected from the private sector to replace a member from the government sector. Four technical working groups were established in 2011 covering the following areas: resources, oversight, governance and information and communication. Until September 2011, the Program Management Unit (UTG) of the MINSA served as the secretariat of the CCM; now, the Secretariat is independent.

The Local Fund Agent

From inception of the grants programs in April 2005 to December 2008 PricewaterhouseCoopers (PWC) was the Local Fund Agent (LFA). It had one staff based in Angola. Grant Thornton assumed the role of LFA in January 2009. Until March 2012, it had no Angola-based staff. Oversight of the grants was performed by the Grant Thornton team based in Mozambique. In March 2012, Grant Thornton recruited a country-based M&E officer. It had plans to strengthen its country-based staff with a financial management specialist.

Key oversight services provided by the LFA include initial and repeat PR capacity assessments before grant signature; review and assessment PUDRs which in the case of Angola it is quarterly; assessment of PR after the initial two years of grant implementation; on site data verification; and procurement reviews. In addition, the LFA reviews PR training plans and PR independent annual audit reports.

Development Partners

The national response to fight malaria was supported notably by USAID through its technical partners; namely, the President's Malaria Initiative (PMI) for provision of ACTs and RDTs, and the Mentor Initiative that trained health staff in malaria case management. Other USAID technical partners involved in the malaria program included Management Sciences for Health (MSH) through the Systems for Improved Access to Pharmaceutical Services (SIAPS) project, which supported public sector pharmaceutical management through technical assistance to DNME in stock management, training and capacity-building of warehouse managers and development of integrated supervision tools for provincial warehouses and pharmacy units of public health facilities. United States Agency for International Development (USAID) also supported indoor residual spraying (IRS) in three provinces implemented by Abt Associates. The Government of Cuba provided technical assistance and supported malaria vector control and health education. As sub-recipients of the Round 7 malaria grant, United Nations Children's Fund (UNICEF) was responsible for purchasing Long-Lasting Insecticide-treated Nets (LLINs), while the World Health Organization (WHO) procured anti-malaria medicines (ACTs) and rapid diagnostic tests for malaria (RDTs).

The TB program has received technical assistance support from KNCV, but its major partner has been the Global Fund. In Cabinda province, Chevron Corporation supported the TB program through the provision of drugs and medical equipment.

The Principal Recipient (MINSA) and its Program Management Unit (UTG)

Through its UTG, the MINSA was responsible for programmatic results and maintaining adequate financial systems, processes and controls to assure sound financial management of grant funds. The Director of Planning and Statistics in MINSA has direct responsibility for the UTG.

Principal Recipient's Annual Independent Grant Audits

According to the grant agreements between the Global Fund and the PRs, each grant was subject to an annual audit to be performed by an independent auditor. The audit team reviewed the principal recipient's compliance with this requirement and the effectiveness of the audits performed by the external auditors, Deloitte Angola.

MINSA and the Public Health System

Each of the 18 provinces of Angola had a Provincial Health Service (DPS) responsible for management, monitoring and oversight of public health services. Each DPS was headed by a provincial medical director assisted by a provincial technical team. There were focal point persons for coordination of malaria and TB program delivery. The same model was replicated in 164 Municipal Health Services. To improve health services at the decentralized level, from 2011 the Government of Angola had provided USD 2 million annually to each municipality for public health sector service delivery.

Public health services for malaria and TB were delivered at four levels of care in the country's health care system: national hospitals, provincial and municipal hospitals and health centers/health posts.

The national response to malaria and TB were led respectively by the PNCM and PNCT which were program units under the DNSP (National Directorate of Public Health).

Malaria Program: PNCM

The PNCM was led by a Program Coordinator responsible for program implementation, management and supervision. The Global Fund supported grant program (Round 7 malaria) was managed as a project within the PNCM. There was a Global Fund Project Manager supported by a technical team comprising two officers responsible for monitoring and evaluation and procurement/logistics. Further, malaria focal points person were recruited under the grant and assigned to the 18 Provincial Health Services. These grant-financed malaria focal point persons assisted provincial malaria supervisors employed by the state. In addition, at the municipal level, there were malaria focal point persons employed by the state, but who were provided incentive allowances/stipends under the grant to improve program supervisions.

In May 2012 the Round 10 malaria grant agreement approved by the Global Fund in February 2011 was still under negotiation with the Global Fund Secretariat for consolidation with Phase 2 of the Round 7 malaria grant.

Tuberculosis in Angola

Tuberculosis is widespread in Angola. In 2010, the national notification rate (for all forms of TB) was 219.7 per 100,000 inhabitants, of which 49% were sputum-positive. The incidence of sputum-positive TB is estimated 150 per 100,000. The magnitude of multidrug-resistant TB (MDR-TB) is unknown, although there are firm indications that MDR-TB is a significant public health problem (e.g., TB cases not responding to treatment). In 2010, only six MDR-TB cases were identified in the country, in part due to inadequate MDR-TB diagnostic facilities. In 2011, it was estimated that 14.6%¹ of the estimated number (5, 359) of HIV and TB cases are co-infected and receive ART and TB treatment.

Tuberculosis Program: PNCT

Round 4 TB was the first Global Fund grant to support the national TB program. UNDP was the PR and CUAMM, an Italian FBO, was responsible for technical management and implementation of the TB grant program activities. The Round 4 TB grant covered 11 out of 18 provinces representing 80 percent of the national population. The World Bank financed HAMSET project covered the other seven provinces. There was long transition between the end of the Round 4 TB grant (ended 30 Sep 2010) and the start of the Round 9 TB grant (start date. The grant agreement was signed on 17 February 2011 with a program start date of September 2011. There were many conditions precedent for disbursement of funds. Although the first disbursement of funds took place in February 2012, program activities had not started in May 2012, by the end of audit field work.

Under the Round 9 TB grant, the PNCT will be responsible for program management and implementation of program activities. The grant program will again be managed as a project. A Global Fund Project Unit had been created to manage and implement grant program activities. To strengthen the technical management capacity of the PNCT to manage the grant, contracted staff will be recruited led by a Global Fund Project Coordinator who will be supervised by the PNCT Program Coordinator who is ultimately responsible program implementation management and supervision. CUAMM has been designated as the SR responsible for supervision, while PNCT will focus on training, logistics, and data management. Procurement of anti-TB medicines and health supplies will be financed by the Government of Angola.

¹ WHO 2011 estimate

There was low availability of TB services in the country. Only 146 out of a total of 1,900 health facilities in the country had DOTS (according to baseline data that were not verifiable). The Round 9 TB grant aimed at scaling up the availability of TB services from 11 provinces (under Round 4 TB grant, with UNDP as the PR) to all the 18 provinces in the country.

PSM Arrangements

Approximately 55 percent of grant funds for Phase 1 of the Round 7 malaria grant were allocated to procurement of medicines, health products and related costs. Further, approximately 45 percent of the Round 9 TB budget has been allocated for procurement of health equipment.

WHO and UNICEF served as the procurement agents for PNCM. ACTs and RDTs were procured by WHO while UNICEF procured LLINs. During phase 1 of the Round 7 malaria grant WHO delivered ACTs and RDTs to the central medical store, Angomedica, which then distributed the anti-malarial medicines and diagnostics to the 18 provincial warehouses which in turn delivered these commodities to the 164 municipal ware houses for onward delivery to health centers and health posts. LLINs were shipped by UNICEF to the municipal warehouses which distributed the bednets to health facilities. But under the phase 2, Neofarma, a private company, has been earmarked to provide storage facilities for LLINs. The costs for Neofarma will be funded through the state budget.

Due to inadequate storage conditions, MINSA had decided to rehabilitate Angomedica in order to meet Global Fund and WHO requirements. Under the Round 9 TB program, anti-TB drugs will be paid by the Government of Angola (GOA) and stored at NEOFARMA, while civil works was being carried out at Angomedica. All costs for health products management including rent will be supported by MINSA. Other TB health products (reagents and equipment) procured, using Global Fund grant, will also be stored at NEOFARMA. CUAMM, as sub-recipient, will be responsible for transportation of medicines, reagents, and equipment from NEOFARMA to all the provinces.

Annex 4: Recommendations and Management Action Plan

	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	OVERSIGHT				
1	Recommendation 1 (Critical) The CCM should : a) Seek operating funds to enable it to perform its governance, coordination and oversight functions; b) Activate its technical working groups in order to obtain and analyze program and financial reports to support and facilitate its oversight functions; c) Ensure that MINSA and UTG, and all sub-recipients include the CCM Secretariat in the communication loop regarding issues affecting the grants. Progress Updates and Disbursement Requests (PUDR) and external audit reports should be routinely shared with the CCM by the PR; d) Work with MINSA to develop and implement a time-bound action plan to integrate contracted Global Fund project staff in the PNCM and PNCT as regular government staff; e) Strengthen its technical capacity, as recommended by Grant Management		CCM and MINSA agree with the recommendation in full	a) and b) MINSA CCM c) MINSA-UTG d) MINSA e) MINSA and development partners	31 December 2012 subject to confirmation from new Government nt that will be appointed in October 2012

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	Solutions, to provide effective oversight of the grant programs; and f) Work with MINSA to involve national oversight institutions, such as the Tribunal de Contas and MINSA's health inspectorate department, in the oversight of the grants programs.			f) MINSA-MCN	
2	Recommendation 2 (Critical) The Global Fund Secretariat should ensure that: a) The Local Fund Agent (LFA) has staff based in Angola to facilitate its review activities and interaction with the Principal Recipient, the CCM and implementing organizations; b) All PR capacity assessments include assessment of capacity of key sub-recipients to manage grant funds; and time-bound action plans should be prepared to address any weaknesses found to mitigate any risks to the grants; c) The Global Fund Secretariat, the LFA and the PR work together to avoid implementation gaps such as the one experienced in the transition from Phase one to Phase two of the Round 7 malaria grant; d) It reduces the high turnover of its grant management staff for the Angola portfolio; and.	The Secretariat agrees with the recommendation and has already taken steps to correct the situation. The Secretariat is retendering the LFA services in Angola and a new LFA is expected to start its functions as from September 2012.			31 December 2012

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	e) The external auditors improve upon the quality of their oversight work on the grants programs as per Global Fund audit guidelines.				
PROCUREMENT AND SUPPLY MANAGEMENT					
3	Recommendation 3 (Critical) MINSA and PNCM, in coordination with their technical and development partners, should review the underlying assumptions of the quantification/forecasting model in order to adapt it to prevailing practice of malaria case management. To mitigate the risk of stock-outs, adequate buffer stocks of malaria products should be established. p.	The Secretariat agrees with the recommendation	Concerning the stock out of antimalarial drugs, this situation is due to the lack of compliance in the supply of these products by partners committed to cover the gap identified and subsequently discussed between the NMCP and these partners. The stock outs at the level of health units is also due to the lack of timely notification by all levels and will be addressed through the implementation of a (this moment already being piloted in the province of Huambo) warning system based on telecommunication technologies (mobile phone and Internet). It is important to outline that the new malaria case management based on laboratory confirmation by microscopy or TDR was introduced officially in Angola (through a NMCP circular) since	MINSA(GEPE) PNCM	30 June 2013

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
			December 2010 and is currently mandatory at national level - a measure that will contribute in a evident manner to the consumption of Coartem and other anti-malarial drugs for confirmed (positive) cases, which will result in a notable reduction in the consumption of these medicines.		
4	Recommendation 4 (Important) MINSA and PNCM should monitor and assess procurement planning and related procurement processes managed by WHO for malaria commodities to ensure timely procurement and delivery of products.		This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which an appropriate response will be provided.		31 December 2013
5	Recommendation 5 (Critical) To strengthen quality control of pharmaceuticals, the PR should seek technical assistance to develop, adopt and implement a quality assurance plan that includes testing of health products for malaria and tuberculosis in line with the Global Fund QA policy.	The Secretariat takes note of the recommendation and will follow up with the CCM and PR to agree on the timeline for its implementation	MINSA agrees with the recommendation		
6	Recommendation 6 (Important) MINSA and DNME should:		a) The best practices manual for medicine management, 2nd	MINSA and Partners	30 June 2013

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	a) Provide provincial and municipal warehouses with manuals that give guidance on standard operating procedures including archiving of stock records and documents; b) Adopt and implement the policy of carrying out regular independent physical inventory counts in provincial and municipal warehouses to ensure transparency and accountability; c) Improves stock management at the central store and health facility levels by establishing minimum and maximum stock levels for malaria health products; d) Consider installing alarm systems or cameras to reinforce warehouse security; and e) Monitor temperature and humidity in provincial and municipal warehouses to ensure that medicines and health supplies do not rapidly deteriorate		edition 2008, is to be reproduced with support from USAID/MSH and will be distributed during training initiatives for medicine managers included within the scope of this SSF financing year 1. b) Physical stock taking for health products in warehouses is already carried out and will continue to be improved c) The on-going plan for the construction and fitting out of warehouses drawn up by the Procurement Centre involves the installation of alarm systems and video cameras in order to enhance warehouse security d) The equipment acquired by USAID/PMI includes temperature and humidity monitors, and to date 24 monitors have been installed in health units and municipal and provincial warehouses. Installation will continue within the scope of the SSF year 1 loan (Activity: Quality assurance of RDTs)	(Global Fund and PMI)	

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	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
7	Recommendation 7 (Important) The PR should strengthen its oversight of malaria health commodities (ACTs, RDTs and LLINs) to ensure proper records (including for distribution) are maintained. Direct distribution of health commodities (ACTs and RDTs) by PNCM should cease.		The Supervision and Training activities provided by the SSF address this concern. The direct distribution of anti-malaria products by the PNCM will cease entirely.	MINSA	30 November 2012
8	Recommendation 8 (Important) The PR should ensure that PNCM and UTG coordinate and implement a common program of supervision in order to avoid overlap. The objectives and technical aspects of the supervision should be clearly defined. Checklists should be developed taking into account the different competencies of the PNCM and UTG teams. Findings and recommendations of supervisions should be shared with all stakeholders, particularly the provinces and SRs. Periodic follow-up of actions taken by health facilities should take place and be documented.	The Secretariat takes note of the recommendation. In principle the UTG doesn't have a separate supervision plan, but follows PNCM supervision plan and should be accompanying PNCM during the supervision visits	MINSA accepts this observation. Fulfilment is guaranteed in that the supervision plan will be prepared and implemented in an integrated fashion by the UTG and PNCM.	MINSA and PNCM	30 November 2012
9	Recommendation 9 (Critical) MINSA and the PNCT should work with technical partners (e.g., WHO) to prepare and implement a time-bound action plan to prevent the sale of TB medicines in the private sector as per national regulations. Furthermore, regulation of the pharmaceutical	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline for its implementation	MINSA agrees with this recommendation. However, it believes that the evaluation of the Programme scheduled for the period from 25 September to 12 October 2012 will also consider this topic and present proposals.	MINSA	29 March 2013

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	sector needs strengthening to mitigate the risk of fake/counterfeit medicines being sold in the private pharmaceutical sector.				
FINANCIAL MANAGEMENT AND CONTROLS					
10	Recommendation 10 (Critical) The PR should ensure that UTG implements the following improvements in its financial system and internal controls : a) Develop financial procedures and operations manuals for SRs; and provides appropriate training to SR financial and program staff; (Critical) b) Develop and adopt guidelines for review of SR quarterly reports and grant expenditures. The guidelines should also require the following: (i) verification that financial controls are being applied, and (ii) feedback to the SRs and monitoring of SR follow-up actions; (Critical) c) Assess the capacity of sub-recipients to manage grant funds; and develops time-bound action plans to mitigate risks to grant funds; (Critical) d) Cancel invoices as “paid” and indicate appropriate dates on the invoices to mitigate the risk of double payment	With the support of GMS, the PR has developed a draft manual for financial procedures, which includes SR management. The LFA is expected to verify the final manual and the implementation thereof.	MINSA accepts this observation in its entirety. The Manuals have already been prepared with support from GMS and activities are under way for their application within the financial areas of the projects.	MINSA	31 December 2012
11	Recommendation 11 (Important) The PR should ensure that UTG implements	The Secretariat takes note of the recommendation and	Based on this recommendation, qualified personnel are already	MINSA	31 December

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	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	the following improvements in its financial system and internal controls: <u>Financial controls and sub-recipient oversight</u> a) Consider the need for additional qualified accounting staff to strengthen the capacity of the UTG to provide adequate financial oversight of SRs; (Significant) b) Adopt a policy that requires the program coordinator to ensure that bank reconciliations are reviewed and approved on a monthly basis; and <u>Salaries</u> c) Consult a tax expert in order to ascertain the individual and institutional liability arising from not having paid income tax.	will follow up with the CCM and the PR to agree on the timeline for its implementation	being recruited for the financial department and measures will be implemented within the scope of bank reconciliations and payment of income tax.		2012
12	Recommendation 12 (Critical) The PR should ensure that PNCM implements the following improvements in its financial system and internal controls: <u>Financial controls, documentation and financial reporting</u> a) Obtain accounting software and the required training for two users; b) Introduce a policy that requires that its program coordinator verifies monthly that the financial procedures and controls, such as review and approval of payments and bank		MINSA accepts the recommendation and is about to recruit a professional accounts technician, in coordination with the PNCM, to strengthen the PNCM's financial management. The software has already been purchased. Training of technicians will begin from September. The trainer has already been contracted for this purpose.	MINSA	31 December 2012

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	reconciliations, are applied; c) Recruit a qualified professional accountant in addition to the current book-keeper; and <u>Bank and cash management</u> d) Adopt and implement a policy of using checks instead of cash for payments where it is practical, and articulates a reasonable petty cash ceiling.				
13	Recommendation 13 (Critical) The PR should ensure that PSI implements improvements in its financial system and internal controls by: a) Adopting and implementing a policy that does not allow reclassification of prior years' expenditures from a donor account to the Global Fund grant without the written approval of the Global Fund Secretariat; b) Adopting a policy on cost-sharing/allocation of common costs amongst its donor-funded programs; and c) Refunding any amounts charged to the Global Fund grant that were not eligible under the grant agreement or that were not sufficiently documented.	The Secretariat takes note of the recommendation and will follow up with the PR and PSI to agree on the timeline for its implementation	MINSA agrees with this recommendation and it will work with PSI to put all measures in place required to implement it. However, PSI stated The following: a) This is a standard rule which already exists; b) From September PSI Angola will implement a common cost policy which will provide clear guidance on how costs are allocated each month; c) All expenditure made and recorded in the PSI financial management system has been documented and was made in	MINSA and PSI Gaspar Cuambe-DCR	31 December 2012

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	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
			accordance with the financing agreement. If any expenses are deemed to fall outside the amounts approved under the agreement, the PSI must be informed and given the opportunity to provide evidence. And if the PSI is unable to prove it, the amount must be withdrawn from the negative balance and must be returned to the PSI within the scope of R7 Phase 1 of the GF.		
14	Recommendation 14 (Important) The PR should ensure that PSI implements improvements in its financial system and internal controls by: a) Recruiting qualified accountants for grant financial management in order that financial controls, e.g. bank reconciliations, are routinely done; b) Seeking technical support to enable PSI's QuickBooks accounting software to produce the Global Fund's quarterly financial reports. Reconciliation between expenditure reports to the PR and reports produced using QuickBooks should be done and documented;c) Providing PSI/Angola	The Secretariat takes note of the recommendation and will follow up with the PR and PSI to agree on the timeline for its implementation	MINSA agrees with this recommendation and MINSA will work with PSI to put in place all measures necessary to implement it. However, PSI notes the following: a) The restructuring is under way. PSI is interviewing candidates to occupy the positions of financial manager and senior accountant. This process will be completed in September 2012.	MINSA and PSI Gaspar Cuambe-DCR	31 December 2012

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	copies of supporting documentation for grant expenditures paid in in the United States ; <u>Bank and cash management</u> d) Reducing the petty cash fund to a reasonable level; payments from petty cash should be made only for transactions of low value and needs should have manager approval; e) Performing monthly bank reconciliations respecting segregation of duties. Staff preparing, reviewing and approving reconciliations should sign and date them; <u>Fixed asset management</u> f) Carrying out and documenting the results of regular physical verification of fixed assets and document the results; <u>Payroll management</u> g) Verifying that personal advances and loans to staff have not been charged to the grant; h) Considering acquiring a payroll software for payroll management		b) PSI established the system which allows the direct translation of data from Quick Books into the financial format currently used by the GF. This will allow PSI to submit the quarterly financial report; c) PSI will be ready to provide support for this documentation by 30 August 2012; d) By the completion of the audit, petty cash had been reduced from \$9,500 to \$2,500. Plans are under way to reduce this level to \$1,000 depending on the dynamic of the market in Angola; e) This is a standard procedure which is being duly monitored; f) This is a standard procedure which is being duly monitored; g) This is a standard procedure which is being duly monitored;		

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			h) PSI is testing the Primavera payroll management system. If approved it will be implemented from October 2012		
15	Recommendation 15 (Critical) The PR should : a) Recruit technical staff approved in the grant budget for PNCT without further delay; b) Provide financial and operations manuals to its sub-recipients including the PNCT; and c) Provide orientation for two PNCT accounting staff and the required training to use the accounting software.		MINSA agrees with the recommendation. It should be noted that both the PR and the SR are already working to implement it by recruiting personnel who will receive the training and guidance required for this purpose.	MINSA and Malaria and TB programmes	31 December 2012
PROGRAM REVIEW: THE MALARIA PROGRAM					
16	Recommendation 16 (Critical) The PR should work with its development partners to ensure regular supply of ACTs and RDTs in order to facilitate adherence to the policy of treating only confirmed malaria cases. Focused supervisory visits to health facilities should also be carried out.		This recommendation is a matter which MINSA is concerned about and in order to guarantee regular supply it has already approved the regulation of the committee for Inter-Agency Coordination for the revitalisation of Municipal Health Services (Regulamento Do Comité De Coordenação Inter-Agencias Da Revitalização Dos Serviços Municipais De Saúde) which includes a logistics sub-	MINSA	This action does not depend only on Minsa, it also involves other institutions which are currently

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
			committee whose role is to guarantee the regular provision of essential medicines to all first level health units see annex 3		changing in the country, we will be in a position to tackle this issues more precisely later, with the new elected government
17	Recommendation 17 (Important) The PR should work with development partners to secure resources to support the national strategy for integrated quality assurance of laboratory services. This may also be considered during the re-programming of the Round 9 grant.	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which an appropriate response will be provided.		This action does not depend only on Minsa, it also involves other institutions which are currently changing

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
					in the country, we will be in a position to tackle this issues more precisely later, with the new elected government
18	Recommendation 18 (Important) The PR should ensure that the PNCM establishes close working relations with the National Reproductive Health Program in order to develop strategies to increase the coverage of IPT at antenatal care clinics.	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	MINSA agrees, and notes that the PNCM is working with the National Reproductive Health Programme to implement the IPT through the planning, scheduling and execution of this strategy for the prevention of malaria during pregnancy. The strengthening of the capacity of the National Reproductive Health Programme (PNSR) is carried out by the PNCM's National Official for Malaria during Pregnancy, who works permanently together with	MINSA	31 August 2013

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			the PNSR team in this programme's office. The Health Information, Education and Communication Service (IEC) of the PNCM has supported the PNSR in awareness-raising, mobilisation and communications activities about the importance of ITP as well as convincing pregnant women to adhere to this prevention strategy by attending antenatal appointments.		
19	Recommendation 19 (Critical) The PR should: a) Finalize the M&E system strengthening plan. To this end, the UTG should consider requesting for M&E technical assistance from development partners; and b) Ensure that the profile of the new position of deputy coordinator at the UTG should include strong technical competence and experience in M&E. Further, s/he should have direct responsibility over UTG's technical staff.	The M&E strengthening plans for Malaria and Tuberculosis were received in June/July this year and are currently under review by the Secretariat and the LFA Recommendation well taken. The PR has finalized the plan and submitted to the Global fund for review. The position of the Deputy Coordinator is also under review considering the	Recommendation is agreed, since work is already under way to recruit Technical Assistance with support from USAID and advertise the recruitment of the Assistant Coordinator, the Financial Analyst and the Controller. The personnel are expected to have been hired by September 2012.	MINSA	31 December 2012

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
		Technical Assistance to be provided by USAID to the UTG in grant management and M&E			
20	Recommendation 20 (Important) .The PR should increase resources for M&E, training and supervision in order to strengthen the data management capacity at the central, provincial and municipal levels of the public health system.	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	MINSa accepts this recommendation. The Government is already acting in accordance with the terms of this recommendation. As evidence of this, additional funds were recently approved for the various programmes (See annex 4).	MINSa	31 December 2012
21	Recommendation 21 (Critical) To avoid gaps in the procurement and supply of malaria health products, the PR should work with the Government of Angola to prepare a financing plan to progressively replace donor support with funds from the central government	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which an appropriate response will be provided		31 December 2012
PROGRAM REVIEW: THE TUBERCULOSIS PROGRAM					
22	Recommendation 22 (Critical) The PR should ensure that PNCT provides refresher training and guidance to health staff involved in TB control on strategies to pro-actively identify new tuberculosis patients and on the importance of retention of TB patients	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its	MINSa agrees with the recommendation and will put this measure into practice during implementation of the approved Training Plans with financing guaranteed by the GF and	MINSa	31 March 2013

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	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	on treatment.	implementation	MINSA.		
23	Recommendation 23 (Critical) MINSA and PNCT should train healthcare staff on the DOTS strategy. In addition, supervision tools/instruments needs to be updated to check on adherence to DOTS	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	MINSA agrees with the recommendation and will put this measure into practice during implementation of the approved Training and Supervision Plans with financing guaranteed by the GF and MINSA.	MINSA and PNCT	31 March 2013
24	Recommendation 24 (Important) The PR should ensure that it completes the development of a comprehensive national strategy on community-based health care; and that it adopts and implements the planned strategy of involving community health workers in TB control activities such as identification of new TB cases, case-holding and DOTS therapy.	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which an appropriate response will be provided		
25	Recommendation 25 (Critical) The PR should be more precise in its definition of indicator 1.5 in line with international standards for DOTS. Alternatively, indicator 1.5 should be combined with indicator 1.8 which addresses the quality and completeness of DOTS. The baseline data should be adjusted accordingly, but agreed targets in the	Preferable option would be to improve definition of the indicator 1.5.	MINSA agrees with the recommendation and measures are in place to implement it.	MINSA and PNCT	31 March 2013

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	Recommendation	Comments and Agreed Actions		Responsible Party	Due Date
		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	performance framework should be maintained. ²				
26	Recommendation 26 (Important) MINSA and the PNCT should adhere to the WHO 2009 recommendation of a six-month TB treatment regimen.	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	MINSA accepts this recommendation. Note that this matter will be considered in the external evaluation of the PNCT scheduled for the period from 27 September to 12 October 2012.	MINSA and PNCT	31 March 2013
27	Recommendation 27 (Important) The PR should work with development partners to support the national strategy on integrated laboratory supervision. In addition, there is scope for national supervisors to monitor and supervise peripheral laboratories for TB, malaria, HIV and other priority diseases	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which an appropriate response will be provided		
28	Recommendation 28 (Critical) To improve diagnosis and treatment of MDR-TB, the PR should : a) Implement the decision made by the inter-ministerial commission to establish three MDR-TB regional laboratories; b) Develop guidelines for MDR-TB case	MDR TB is not part of the program supported by the Global Fund. While we recognize the importance of addressing MDR TB under the TB program, this seems to be a role that is more	This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which		31 March 2013

² The PNCT annual report for 2011 mentions that 115 municipalities would have DOTS centers.

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		Global Fund Secretariat (Responsible for ensuring that the recommendation is implemented)	Country Coordinating Mechanism and Principal Recipients (Responsible for the actual implementation of the recommendation)		
	management based on the policies laid out in the 2012 TB guidelines; and c) Require PNCT and CUAMM (Sub-recipients of the Round 9 TB program) to prepare training and supervision schedules to educate all peripheral TB staff on managing MDR-TB cases.	appropriate to be taken on by the technical partners. The upcoming TB program review in September/October 2012 will be a good opportunity to raise this issue.	an appropriate response will be provided		
29	Recommendation 29 (Critical) The PR should engage with the Government of Angola to provide additional government funding to strengthen the human resource and technical capacity of the PNCT, according to the decisions made in February 2012 by the “Commission on <i>Grandes Endemias</i> ”.	The Secretariat takes note of the recommendation and will follow up with the partners, CCM and the PR to agree on the timeline and conditions for its implementation	This recommendation depends on Government institutions and at this time the country is in transition with elections being held on 31 August 2012. The new Government is expected to be in place in October 2012 after which an appropriate response will be provided		31 March 2013