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The Global Fund
To Fight AIDS, Tuberculosis and Malaria

Grant Scorecard

Grant Number: IDA-405-G07-M

GENERAL GRANT INFORMATION

Applicant:	CCM
Country:	India
Round:	4
Component:	Malaria
Grant Title:	Intensified Malaria Control Project (IMCP)
Grant Number:	IDA-405-G07-M
Principal Recipient:	The Department of Economic Affairs, Ministry of Finance, Government of India
Related Grants (same proposal):	n/a
Proposal Lifetime:	5 years
Lifetime Budget:	USD 69,044,954
2-Year Budget:	USD 30,158,833
Disbursed to Date:	USD 13,419,026
Signature Date:	27-Jun-2005
Program Start Date:	01-Jul-2005

A. SECRETARIAT PHASE 2 RECOMMENDATION

Phase 2 Recommendation Category:	Conditional Go
Incremental Phase 2 Amount Recommended for Board Approval (USD):*	$ 33,386,121
Euro Equivalency:	€ 0

*The maximum funding amount available for Phase 2 of each proposal shall be the sum of the incremental amount approved by the Board and the amount of any funds approved for Phase 1 that have not been disbursed by the Global Fund at the end of the Phase 1 period

Rationale for Recommendations:

Program performance:
Overall, the program has achieved good results against targets. The program met or exceeded expectations in a number of key activities. These include:

- 107,111 cases of severe and complicated malaria treated with artemisinine injections (286% of target);
- 156,189 cases of uncomplicated malaria treated with artemisinine therapy (90% of target); and
- 2,544,882 households owning at least 2 bed nets (ITNs) have been treated with insecticides (100% of target).

There has also been good performance in the majority of capacity building and training activities, which sets a strong foundation for scale up in Phase 2.

The only area of programmatic concern relates to the number of ITNs distributed in Phase 1 to date. At the time of Phase 2 review only 36% of the target had been achieved for this activity. This has been attributed to procurement delays resulting from (i) procedural delays related to World Bank processes, (ii) recruitment of an international procurement agent and (iii) tender cancellation based on complaints received against an approved ITN supplier. The procurement department, Empowerment Procurement Wing, of the Ministry of Health and Family Welfare (MoHFW) is now undergoing capacity building with technical assistance from Crown Agents funded by World Bank and DFID. An international procurement agent has also been appointed who started work from June 2007. Notwithstanding, the ITN related low performance to date has compelled the Secretariat to include a condition to this recommendation that requires the purchase and distribution to households of at least 80% of targeted ITNs by June 30, 2008. The implementing entity the National Vector Borne Disease Control Program (NVBDCP) of the Ministry of Health and Family Welfare NVBDCP has confirmed that 2.2 million ITNs have been procured and will be distributed by September 2007. For the first time, NVBDCP has also decided to introduce LLIN as a pilot program.

Program management and governance:
The Principal Recipient (PR) is the Department of Economic Affairs of the Ministry of Finance, but the implementing entity is NVBDCP. NVBDCP faced a number of start-up challenges in Year 1, largely related to procurement of health products and staff recruitment. These challenges were further accentuated by the fact that this malaria grant was the first of its kind to cover 10 of the most challenging states to implement activities in India. Realizing these challenges, the PR has been proactive in arranging the necessary technical assistance from organizations such as WHO, World Bank, DFID, and Crown Agents. The PR's management team has also been strengthened only recently with the appointment of a new Director and additional staff. In order to improve oversight of program implementation, a very senior Ministry of Health official (an Additional Secretary) has been tasked to lead regular program review and ensure acceleration of implementation. Additional input from the Secretariat has mobilized WHO support and political commitment to further accelerate implementation. The latest results have been promising with a significant improvement in implementation, particularly over the last six months. Nevertheless, for implementation to proceed at an optimum pace in Phase 2, the PR still requires further technical capacity to reinforce its management systems.

The PR has good systems in place to disburse funds to sub-recipients (SRs) and to ensure unimpeded implementation. However, the PR needs to strengthen SR financial reporting and its own monitoring of the programmatic performance of the state SRs. The current low-level of monitoring could potentially result in inaccurate information regarding each state's performance, which in turn could lead to improper utilization of grant funds in Phase 2. Accordingly, NVBDCP has initiated steps to strengthen M&E at the state level, including districts.

There is concern regarding the program's compliance with the Global Fund's procurement Quality Assurance policy. For example, ACTs classified as C2 were procured when in fact C1 classified ACTs were available. In addition, no notification of this was made to the Secretariat and consequently no testing was organized. The Secretariat has an established process in place to address such breaching of PSM policy and the PR will be notified in due course. Accordingly, the Secretariat includes a condition to this recommendation to strengthen procurement practices and to address procurement systems improvement and compliance with Global Fund requirements (refer to page 3 below for details).

The CCM has strong multi-sectoral representation. In Phase 2, it will be focusing on improving its grant oversight responsibility. Detailed plans have been developed to improve overall CCM oversight of the programs.

The Secretariat classifies this Request as a "Conditional Go". Prior to and during Phase 2, the PR will be required to fulfill the suggested conditions and time bound actions as stated on page 3 of this Grant Score Card.

Rationale for Phase 2 Recommended Amount :

In light of programmatic and financial performance to date, the Secretariat concludes that an amount of US$50,125,928 (90% of total proposal amount) is appropriate for the entire program. The PR has certain committed expenditures which will be met from undisbursed funds of US$16,739,807 of Phase 1. In order to ensure full implementation of phase2 activities, the Secretariat recommends to the Board to commit an incremental Phase 2 funding amount of US$33,386,121 for this program.

SUGGESTED TIME-BOUND ACTIONS		
ISSUES	**DESCRIPTION OF TIME-BOUND ACTIONS**	
CONDITIONS 1. PSM / Quality Assurance weaknesses.	CONDITIONS 1. Prior to signing the Phase 2 extension, the PR shall deliver to the Global Fund a PSM plan for approval by the Global Fund. The plan shall include activities that will ensure PR compliance with Global Fund requirements and accelerated procurement of all products. The plan shall also address the changes to the implementation plans compared to the proposal in terms of switching from ITNs to LLITNs. The PSM plan will include a summary of what has been procured to date and what is planned under Phase 2 period.	Delete
2. Underachievement of bed-net related targets.	2. By not later than 30 August 2008, the Principal Recipient shall deliver evidence that it has distributed 4,000,000 ITNs as at 30 June 2008 (80% of the target in the proposal for Year 3). Failing which the grant amount shall be reduced accordingly.	Delete
TIME BOUND ACTIONS 1. The program has weak technical capacity at the state level	TIME BOUND ACTIONS 1. The Principal Recipient shall provide evidence to the Global Fund by not later than 31 October 2007 that it has entered into an agreement with a technical assistance provider for support to the Program.	Delete
2. Unfulfilled recruitment of necessary personnel, particularly at district levels.	2. By not later than: (a) 31 December 2007, the Principal Recipient shall provide evidence that it has appointed, under terms of reference acceptable to the Global Fund, a sufficient number of people to implement the Program; and (b) 30 June 2008, the Principal Recipient shall provide evidence that it has completed training of all staff.	Delete
3. The program have weak monitoring system at the state and district level.	3. By not later than 30 November 2007, the NVBDCP shall complete M&E Systems Strengthening Tool and update the national M&E plan.	Delete
		Add

B. PHASE 2 BUDGET AND IMPLEMENTATION ARRANGEMENTS

1. Estimated funds available for Phase 2

	Year 3	Year 4	Year 5
Original Phase 2 Adjusted Proposal Amount (*)	USD 16,918,082	USD 10,646,898	USD 11,321,141

(*) Adjustments to the original Board approved proposal amount may be a consequence of TRP review and grant negotiation before Phase 1.

Particulars	Total
Original Phase 2 Ajusted Proposal Amount (table above)	USD 38,886,121
Expected undisbursed amount at the end of Phase 1	USD 16,739,807
Estimated Maximum Phase 2 Amount	USD 55,625,928

2. Phase 2 Budget and Recommended Amount

	Year 3	Year 4	Year 5	Total Phase 2 Amount	% of maximum Phase2 Amount	Incremental Phase 2 Amount	% of original Phase 2 Proposal Amount
CCM Request(**)	USD 16,870,366	USD 16,155,975	USD 16,302,497	USD 49,328,838	89%	USD 32,589,031	84%
Global Fund Recommendation (**)	USD 21,524,159	USD 14,227,623	USD 14,374,146	USD 50,125,928	90%	USD 33,386,121	86%

(**) Including any partial or total roll-over into Phase 2 of undisbursed Phase 1 amounts.

1. Does the Phase 2 Budget include a material amount of un-disbursed Phase 1 funds?

(•) Yes ( ) No

If yes, please explain how the CCM anticipates that these extra funds will be absorbed in Phase 2 (e.g. increased scope of activities, increased targets, activities initially planned during Phase 1 to be undertaken in Phase 2, unanticipated increases in program costs, etc.)

The original Phase 2 budget amounted to US$38,885,120. The un-disbursed fund amounts to US$16,739,807. However, PR proposes to carry forward US$ 10,443,717 from Phase 1 to Phase 2. Accordingly, the revised Phase 2 budget amounts to US$49,328,837.

Budget allocation for the activities Human Resources, Drugs, Planning and Administration has been increased whereas budget allocation for the activities Training, Commodities & Products and Others has been revised downwards.

2. Is the budget within the permitted maximum?

(•) Yes ( ) No

The budget is within the Phase 2 upper limit of US$55,625,928.

3. Is the budget in line with:

3.1. Usage of funds in Phase 1?

(•) Yes ( ) No

Budget till March 31, 2007 amounts to US$28,368,507 while expenditure reported against the said budget amounts to US$10,432,979 (US$9,091,684 at PR level and US$1,341,295 at SRs level); representing only 37% utilization.

Beyond this, committed expenditure of US$7,930,950 as also projected expenditure for Q8 amounting to US$1,790,326 has been provided for. The total Phase 1 expenditure totals to US$20,154,255 against a budget of US$30,158,833, representing 67% utilization.

Over all utilization till March 31, 2007 is significantly low than amount budgeted for. LFA was advised that due to certain administrative issues, PR could not recruit the budgeted staff. Also, procurement under GFATM for IMCP was merged with the World Bank assisted program VBDCP. There was a considerable delay by in getting the World Bank approval for the procurement of Bed nets; resulting in less expenditure under 'Commodities and Drugs.'

Low expenditure is primarily attributable to slow implementation of the activities. Supply of mosquito bed nets had been delayed on account of procedural formalities and complains received against the approved suppliers. There has been overall delay in procurement process as the commodity procurement under the IMCP was merged with the proposed World Bank assisted Vector Borne Disease Control Program (VBDCP). Thus delay in approval of the World Bank for retro-active financing of commodity procurement under the proposed VBDCP led to overall delay in initiating procurement process.
It was advised that 25 out of 50 sanctioned posts have already been approved by the Ministry and for the balance, approval under process.

3.2. Anticipated program realities for Phase 2?

Yes No

Considering that Phase 1 was for two years whereas Phase 2 is for 3 years and ramp up in terms of targets is going to happen in Phase 2 with larger targets to achieve (including shortfalls of Phase 1). The budget for Phase 2 seems reasonable give the objectives and targets.

However, it may be noted that differences between the targets of the work plan and those projected in the budget have been observed. LFA for its computations, have considered the figures provided in the budget. The PR may be requested to reconcile the variance in the Attachment 3 to annexure A.

4. Do the budget and workplan show sufficient detail (including key budget assumptions)?

Yes No

Human Resources: Government of India norms: Copy of GOI norms was not made available. However, since all expense incurred on payment of salaries is through a government missionary (Pay and accounts office). Every release of payment has to be within the salary structures laid down and duly authorized through a sanction. The HR expenditure has therefore been estimated based on the prevailing scales which LFA found to be reasonable.
Commodities: Lowest purchase price: Even though the LPP was not made available to LFA, release of payments for any procurement by the GOI was based on elaborate purchase procedures. In case of non compliance of the same, funds by the government cannot be released.

5. Are there any other comments on the budget?

Yes No

The budget is being currently revised to reflect the WHO TA, procurement of LLINs, strengthening M&E at district and central level, and other issues and verified by the LFA.

6. Please comment on any changes or proposed changes in implementation arrangements.

Implementation arrangements remain the same. Much stronger support is expected from the technical partners. WHO will be providing TA and assisting with the emergency procurement. Synergy and close coordination will be ensured with the forthcoming World Bank assisted USD 200 mln Vector Borne Disease Control Project.

C. PROGRAM DESCRIPTION AND GOALS

1. Program Description Summary

The project aims to build capacities of the provincial health departments of the ten States of Assam, Arunachal Pradesh, Meghalaya, Mizoram, Manipur, Nagaland, Tripura, West Bengal, Jharkhand and Orissa. The population of the area covered by this Program represents about 10% of the total population of the country but represents 25% of the total malaria cases in the country and 47% of all deaths due to malaria in the country. The main components are: (i) training of existing laboratory technicians in the public, private and voluntary sectors to improve access to diagnosis and treatment; (ii) use of Rapid Diagnostic Test (RDT) kits in remote or sparsely populated areas where laboratory services are not available; (iii) supply of anti-malarial drugs and bed nets, and insecticides for bed net treatment; (iv) provision of artemisinine combination therapy (ACT) in drug resistant areas; (v) promotion and use of larvivorous fishes; (vi) establishment of a community-based drug distribution mechanism; (vii) selective insecticidal residual spray, and (viii) conducting malaria control awareness and education programs. There interventions are done through the public health sector as well as in partnership with the civil society organizations. Confederation of Indian Industries (CII), Associated Chambers of Commerce and Industry of India (ASSOCHAM), medical professional bodies, NGOs/CBOs, and Women Self Help Groups(WSHGs) are involved.

The Program scales up existing successful interventions currently funded under the World Bank's Enhanced Malaria Control Program (EMCP).

PROGRAM GOALS AND IMPACT INDICATORS								
Goal	To reduce malaria morbidity in the 100 million population in the Ten States by 30% and mortality by 50% within five years.	Baseline		Target				
		Value	Date	Year 1	Year 2	Year 3	Year 4	Year 5
Impact indicator	Annual parasite incidence-annual number of laboratory confirmed malaria cases per 1000 population in target areas	4.6	2002	N/A	N/A	N/A	N/A	3
Impact indicator	Incidence of clinical malaria cases (reported) in target areas.	461,083	2002	N/A	N/A	N/A	N/A	322,758
Goal		Baseline		Target				
		Value	Date	Year 1	Year 2	Year 3	Year 4	Year 5
Impact indicator	Number of deaths due to malaria (in target areas)	464	2002	N/A	N/A	N/A	N/A	232
Impact indicator	Percentage of households owning at least one ITN	40% usage of bed nets	2002-03	N/A	N/A	50	N/A	60

D. SUMMARY OF Y1-2 GRANT PERFORMANCE

1. Overall Grant Rating

B1. Adequate

This section contains the assessment of performance by service delivery area (SDA). Each grant is structured into goals, objectives, and SDAs.
• Goals are broad and overarching and will typically reflect national disease program goals. The results achieved will usually be the result of collective action undertaken by a range of actors. Examples include "Reduced HIV-related mortality", "Reduced burden of tuberculosis", "Reduced transmission of malaria".
• Objectives describe the intention of the programs for which funding is sought and provide a framework under which services are delivered. Examples linked to the goals listed above include "To improve survival rates in people with advanced HIV infection in four provinces", "To reduce transmission of tuberculosis among prisoners in the ten largest prisons" or "To reduce malaria-related morbidity among pregnant women in seven rural districts".
• SDAs describe the key services to be delivered to achieve objectives. The service delivery area is a defined service that is provided. Examples for the objectives listed above include "Antiretroviral treatment and monitoring for HIV/AIDS", "Timely detection and quality treatment of cases for Tuberculosis" or "Insecticide-treated nets for Malaria". A standard list of service delivery areas agreed and used by international partners is contained in the Monitoring & Evaluation Toolkit.
The table below lists the objectives for this grant (numbered for easy reference and for linking with the SDAs). The "Goal Number" column indicates which goal each objective is linked to.

Objective Number	Objective Description	Goal Number
1	Increasing access to rapid diagnosis and treatment in remote and inaccessible areas through community participation.	
2	Malaria Transmission Risk Reduction through integrated vector control	
3	Enhance awareness about malaria control and promote community, NGO and private sector participation	

2. Service Delivery Area (SDA) Ratings

As stated, Service Delivery Areas (SDAs) are linked to an Objective (the 1st column on the left contains the objective number). Some SDAs may appear under different Objectives.
SDAs are typically measured through coverage indicators, categorized into three levels: Level 3, people reached; Level 2, service points supported; and Level 1, people trained (the 3rd, 4th and 5th columns display the number of indicators per level that have been assessed for the SDA indicated).
Based on results achieved against targets for each indicator, SDAs are given a rating: A= Expected or exceeding expectations; B1= Adequate; B2= Inadequate but potential demonstrated; C=Unacceptable (the 6th column contains the SDA rating and the 7th contains the rating's justification).

Objective	SDA	Level3	Level2	Level1	Rating	Evaluation of Performance (at the SDA level)
1	SDA - Treatment: Prompt, effective anti malarial treatment	2	2	2	A	Excellent progress. However, the Level 1 indicator of lab technicians trained achieved only 71%.
2	SDA - Prevention: Insecticide-treated nets	2	2	0	B1	Two indicators are fully reached. However, the key level 3 indicator achieved only 36% due to severe procurement constraints.
3	SDA - Prevention: Behavioral Change Communication - Community Outreach	0	2	2	B1	very good progress in all indicators; but no reporting of 'people reached'.

3. Indicator level Performance

PROGRAM OBJECTIVES, SERVICE DELIVERY AREAS (SDAS), INDICATORS, TARGETS AND RESULTS.

The numbers to the left of the indicators refer to their coverage level: Level 3, people reached; Level 2, service points supported; and Level 1, people trained. These early grants typically reported on a quarterly basis, so each period usually represents one quarter. Therefore, results reported in Period 6 are typically from month 18 of the grant term and are the most recent results available. Coverage indicators that have reached more that 80% of their targets are green and others red.

Increasing access to rapid diagnosis and treatment in remote and inaccessible areas through community participation.

SDA	SDA - Treatment: Prompt, effective anti malarial treatment				
Level	Indicator	Charted Period	Target	Actual	0% 50% 100% 150%
Level 3-People reached	Indicator 1.1 - Number of uncomplicated Pf cases treated with SP-ACT	6	173,333	156,189	90%
Level 3-People reached	Indicator 1.2 - Number of cases of severe and complicated malaria treated with artemisinine injections.	6	37,500	107,111	286%
Level 2-Service Points supported	Indicator 1.3 - Number of health facilities equipped with ACT, arteether injection and RDKs	6	4,000	7,908	198%
Level 1-People trained	Indicator 1.4 - Number of medical officers of the state health services and of IMA, NGOs and private organization trained in treatment of severe and complicated malaria	6	2,100	2,302	110%
Level 1-People trained	Indicator 1.5 - Number of Lab. Technicians trained in malaria microscopy	6	1,867	1,323	71%
Level 2-Service Points supported	Indicator 1.6 - Number of sentinel sites established for monitoring anti-malaria drug resistance	6	10	29	290%

Malaria Transmission Risk Reduction through integrated vector control

SDA	SDA - Prevention: Insecticide-treated nets				
Level	Indicator	Charted Period	Target	Actual	0% 50% 100% 150%
Level 2-Service Points supported	Indicator 2.1 - Number of households owning at least 2 Insecticide-treated Nets (ITN)* includes baseline	6	2,535,000	2,544,882	100%
Level 3-People reached	Indicator 2.2 - Number of ITNs distributed	6	3,000,000	1,092,432	36%
Level 3-People reached	Indicator 2.3 - Number of community owned nets treated	6	4,806,768	3,037,067	63%
Level 2-Service Points supported	Indicator 2.4 - Number of sentinel sites established for monitoring insecticide resistance	6	20	20	100%

Enhance awareness about malaria control and promote community, NGO and private sector participation

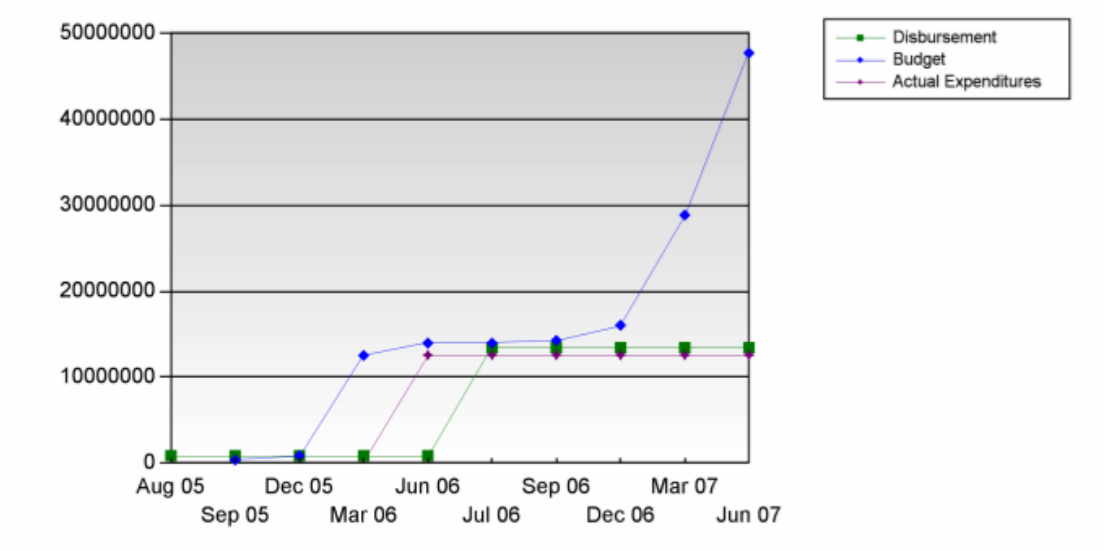
SDA	SDA - Prevention: Behavioral Change Communication - Community Outreach				
Level	Indicator	Charted Period	Target	Actual	0% 50% 100% 150%
Level 2-Service Points supported	Indicator 3.1 - Number of networks of CBOs developed at district level	6	1,880	2,193	117%
Level 1-People trained	Indicator 3.2 - Number of local NGOs/CBOs service deliverers trained at district level.	6	230	2,746	1193%
Level 1-People trained	Indicator 3.3 - Number of community volunteers trained in malaria control strategies	6	52,793	59,623	113%

Level 2-Service Points supported	Indicator 3.4 - Number of awareness camps organized at village level for treating the bednets	6	23,574	21,114	90%

4. Disbursement History

*Note: In the absence of previous agreements, and noting in the future we will have agreed amounts and dates for disbursement, we have created an expected amount.
The Expected Amount is calculated by subtracting the first disbursement from the 2 year approved budget and spreading the remaining portion evenly over 6 additional disbursement. The Expected Date is calculated by assuming that quarterly updates and disbursement requests are due within 45 days after completion of each quarter.

Expected vs. Actual Disbursements



5. Estimated under-disbursement in Phase1

Estimated under-disbursement in Phase 1	Amount	Amount (in %)
Phase 1 grant agreement amount	USD 30,158,833	0%
Less: actual disbursed to date	USD 13,419,026	44%
Less: expected additional disbursement until the end of Phase 1 grant agreement	USD 0	0%
Expected undisbursed amount at the end of Phase 1	USD 16,739,807	56%

1. How many months of the program lifetime are covered by the actual disbursements to date, including buffer period (e.g., 18, 21, 24 etc.) ?

18 Months

2. Are actual disbursements to date significantly behind original disbursement schedules?

If yes, please comment:

(•) Yes ( ) No

The third disbursement request was received on 2 May 2007. The analysis showed slow use of funds, low performance in a number of critical indicators, and a large unspent balance with the PR. Therefore, no additional disbursements will be made.

3. Do the expect additional disbursements until the end of Phase 1 appear to be high compared to amounts previously disbursed?

If yes, please comment:

( ) Yes (•) No

n/a

4. Is it anticipated that there will be undisbursed funds of a material amount at the end of Phase 1 period?

If yes, please explain why and provide other relevant comments if any:

(•) Yes ( ) No

Against the budget of US$28,439,792, expenditure incurred amounts to US$10,432,979 (US$ 9,091,684 at PR level and US$1,341,295 at SRs level); representing only 37% utilization. The actual expenditures until end of June will be available at the end of August. They are expected to be higher that 37%. The major reasons for the funds underspent are delayed procurement and recruitment.

6. Expenditures and Cash Balance

Principal Recipient Cash Balance	Amount (in USD)	Amount (in %)	Date
Actual disbursed to date by the Global Fund (to PR)	USD 13,419,026	100%	31-Mar-2007
Less: Direct payments for PR Expenditures	USD 9,091,684	68%	31-Mar-2007
Less: PR disbursements to sub-recipients	USD 3,418,043	25%	31-Mar-2007
PR cash-balance	USD 909,299	7%	31-Mar-2007

1. Are there any significant PR commitments to date that will be expended during the current or the next reporting period?

If yes, please give detailed comments:

○ Yes ● No

In accordance with the copy of contracts made available by the PR, the contracted procurement value for commodities amounts to US$7,672,570, out of which, PR has incurred an expenditure of US$4,141,619 and the balance amount of US$3,530,950 is proposed to be expended by September 30, 2007. Further, due to certain legal issues, PR was yet to finalize the contracts with 2 vendors for procurement of bed nets, of which the PR shall be placing the order (approximately US$4,400,000). Recently, the same has been approved and PR shall be placing orders. Thus, the total expected procurement is approximately for US$7,930,950. PR's cash balance amounts to US$909,299 against which the committed expenditure is US$7,930,950.

2. Is the PR cash-balance of a material amount (relative to disbursements received from the Global Fund)?

If yes, please explain why and provide any other relevant comments, if any: (e.g., if disbursements received from the Global Fund cover a period beyond the expenditure period, unpaid commitments, implementation delays, etc)

● Yes ○ No

Since the Reserve Bank of India is the custodian of the grant, the account is in the name of the Ministry of Health and Family Welfare, the Government of India. Hence, PR does not maintain cash/bank book and does not have a bank account. Based on the LFA computations, PR's cash balance as at March 31, 2006 amounts to US$909,299 which is 6.77% of the actual disbursed amount (US$13,419,026) by the Global Fund.

PR has a committed expenditure of US$7,930,950 comprising of US$3,530,950 for procurement of drugs & commodities and approximately US$ 4,400,000 for procurement of bed nets. Considering the same, PR shall require a further disbursement of US$7,930,950 specifically for procurement and US$1,790,326 for other GFATM activities. Thus, the total funds required in the ensuing period of Phase 1 shall then amount to US$9,721,276. However, PR (including SRs) has a cash balance of US$2,986,047. Accordingly, the funds required shall amount to US$6,735,229.

E. CONTEXTUAL CONSIDERATION

1. Have there been significant adverse external influences (force majeur)?

○ Yes ● No

However, the outbreak of dengue and Chikungunya during 2006 and 2007 led to the political decision made by the Parliament and Prime Minister to divert all the MoH vectro borne disease related resources to address the outbreaks.

1.1. If yes can they be alleviated?

○ Yes ● No

2. Are there any unresolvable internal issues (e.g. , non-functioning CCM)?

○ Yes ● No

3. Are there any program and financial management issues (e.g., slow or incomplete disbursements to sub-recipients or issues with the PR)?

● Yes ○ No

Significant difficulties have been experienced with the procurement, delayed due to the WB approval delays, and recruitment, which required special approval of the Ministry of Finance. Strengthening the program and finanicial management capacities is required. Additional training on financial management has been delivered by the Global Fund in July 2007, which was attended by the number of the PR representatives.

4. Are there any systemic weaknesses in:

4.1. Monitoring and evaluation?

● Yes ○ No

NVBDCP has weak monitoring controls over the sub recipients. No follow ups are made for receipt of SOEs on timely intervals. Lack of monitoring control may result in the PR remaining unaware about the states performance resulting in inaccurate fund utilization. Overall situation is improving; however, further strengthening the M&E capacity at district and central level is required.

4.2. Procurement and suppy management?

● Yes ○ No

There was a substantial delay in the implementation of PSM plan, as the project started in July 2005, while the plan got approved only in March, 2006. Further, procurement of mosquito bed nets was delayed on account of procedural formalities and complaints received against the approved suppliers. Thus, there was an overall delay in procurement process as the commodity procurement under the IMCP was merged with the proposed World Bank assisted Vector Borne Disease Control Program (VBDCP). Delay in approval of the World Bank for retro-active financing of commodity procurement under the proposed VBDCP led to overall delay in initiating procurement process. Overall situation has improved.

Delays in procurement formalities due to lack of approvals resulted in the PR not being able to undertake procurements required for curbing malaria. Thus, requisite preventive measures could not be taken, resulting in excessive expenditure on treatment of malaria cases.

There is also concern regarding the program's compliance with the Global Fund's procurement Quality Assurance policy. ACTs classified as C2 were procured when in fact C1 classified ACTs were available. In addition, no notification of this was made to the Secretariat and consequently no testing was organized.

4.3. Any other areas?

ī Yes ĵ No

Due to GOI administrative issues, the PR could not recruit the budgeted staff in Phase 1. TA will be provided by the WHO to improve the technical capacity of central and state level personnel.

5. Are there any material issues concerning the quality or validity of data?

ĵ Yes ī No

6. Have there been any major changes in the program-supporting environment? (e.g., recent initiation of capacity strengthening, support of implementation by technical partners, changes in the intervention context or political commitment?)

ī Yes ĵ No

WHO will be providing TA and assisting with the emergency procurement. Synergies and close coordination with the forthcoming World Bank assisted US$ 200 million Vector Borne Disease Control Project have been discussed and will be ensured, in view of common goal and objectives as well as interventions.

7. Has the program demonstrated significant improvements in implementation over the last 6 months?

ī Yes ĵ No

The program has constantly been improving in terms of implementation and ensuring desired coverage. The first two quarters after commencement of the program did not see much activity and results recorded in respect of many indicators were zero. It was much later that the program picked up momentum and in the case of certain coverage indicators exceeded the targets.

8. Have there been any changes in disease trends?

ĵ Yes ī No

9. Is there information that would indicate that the program was not advancing the Global Fund's operating principles to:

9.1. Promote broad and inclusive partnerships?

○ Yes ● No

9.2. Promote sustainability and national ownership through use of existing systems and linkages with related strategies and programs?

○ Yes ● No

9.3. Provide additional resources?

○ Yes ● No

10. Are there any synergies between this grant and the Global Fund financed programs (e.g., grants to be signed, other on-going grants, etc.)?

○ Yes ● No

This is the 1st Malaria grant in the country.