

CASE STUDY | 2008–2013

KENYA

**HOW UNAIDS SUPPORTED
KENYA IN THE GLOBAL
FUND GRANT PROCESS.**

KENYA

“The lessons learnt through the Kenya Global Fund reform process are invaluable. Effective coordination, governance, and alignment of Global Fund grant oversight mechanisms has resulted in sector-wide benefits. The long-term partnership with UNAIDS in this process has demonstrated that Government-led and owned reforms coupled with appropriate technical and financial investment has the potential to change poor performance trends to commendable results.”

James Macharia,
Cabinet Secretary of Health

Introduction

In 2011, the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) awarded Kenya with one of the largest single grants it had ever extended to a country to finance its response to HIV. The US\$ 318 million five-year grant was as much as the five previous Global Fund awards combined. Through this grant, the Global Fund was acknowledging that Kenya was developing high-impact strategies, investing funds effectively and using effective systems to monitor Global Fund programmes to benefit people most in need.

But it had not always been like that. For a long time Kenya’s use of Global Fund assistance was deemed poor, with the Fund officially rating it somewhere between B1 (adequate) and B2 (inadequate).

Up to the start of 2008, Kenya had succeeded in only 30% of its grant applications to the Global Fund. And as of the end of that year, nearly one-third of all assistance awarded had not been used by the time the grants expired. But within two years, the situation had improved dramatically.

This case study will look at how that change took place. In particular it will examine UNAIDS’ provision of technical support to the Government and stakeholders to improve governance and accountability and remove barriers to implementing grants. It will also highlight the organization’s work in increasing local ownership of Global Fund-backed programmes and in promoting a commitment to deeper and sustainable domestic financing of the overall AIDS response.

The HIV challenge

Over the past decade, Kenya has made progress in containing the spread of HIV. But the number still stands at around 1.6 million people, making Kenya the world’s fourth largest epidemic. New infections have declined from 140 000 in 2001 to 98 000 in 2012. Progress has been particularly notable among children, where there has been a 44% decline in new HIV infections since 2009. AIDS-related deaths among adults have fallen by 40% since 2007, thanks to a rapid scale up of antiretroviral therapy (ART), which is available to more than 80% of people eligible according to the 2010 WHO treatment guidelines. As a result of increased testing, knowledge of HIV status among people living with HIV has tripled from 16% in 2007 to 47% in 2012. In addition, around half a million voluntary medical male circumcisions have been carried out in the past five years, which is expected to prevent over 50 000 new HIV infections.

But not all the news is good. New HIV infections among adults have declined just 11% in the past five years and in women of reproductive age they have stalled at a high level, and access to ART for children is seriously low.

What was wrong?

Kenya relies on international assistance to finance some 75% of its AIDS response. Although the Government's goal is eventually to reverse that ratio, external funding will remain very important for some time to come. One of its principal partners is the Global Fund. In 2008, UNAIDS was asked, together with the Italian development agency Italian Cooperation, to help carry out a new, root-and-branch assessment of funding and bottlenecks.

The highly consultative process found a number of issues with the management of Global Fund grants. Among the key problems identified were: The Country Coordinating Mechanism (CCM), a multi-sectoral national body that—in the Global Fund architecture—should manage all Fund-related matters, was isolated and not integrated with any national structure. Stakeholders had little involvement and the CCM exercised poor oversight of grant implementation. There were few performance reviews, which meant there was no way to identify and analyze bottlenecks and take informed decisions.

Sweeping changes

With the assessment as its guide, a special team supported by UNAIDS and working closely with the CCM, supported some major reforms. The reforms had two main objectives:

1. Improve overall governance and accountability for a lasting solution to the management issues, along with the development of a stronger mechanism for stakeholder engagement
2. Improve the flow of existing resources and the capacity to develop proposals for leveraging new funds

Within these objectives UNAIDS provided technical support that focused on four areas:

1. Strengthen stakeholders' engagement and reinforce their oversight role
2. Unblock barriers to existing grants and make the money flow
3. Improve monitoring, accountability and reporting on grants
4. Strengthen Global Fund grant development processes

A key structural change was the introduction of the Kenya Coordination Mechanism (KCM), which houses a National Oversight Committee (NOC) and three Interagency Coordinating Committees (ICC)—one for each disease. The NOC is high-level and chaired by the Permanent Secretary of the Ministry of Health. The ICC's do the bulk of proposal development and they are also the first entry point for monitoring and reporting. It is here that a range of national stakeholders can make their voice heard.

The Global Fund's Country Team Approach also played an important role in providing support to Kenya mainly through greater engagement with key stakeholders. The Global Fund's annual disbursement schedule also enabled faster disbursements and greater flexibility in reallocating efficiency gains to fund key gaps.

UNAIDS assisted in the development of guidelines and supporting documents, including a governance manual and a code of conduct to prevent conflict of interest among committee members, along with strategies for communication and resource mobilization. Over two years, UNAIDS invested some US\$ 470 000

“Civil society's meaningful participation in Global Fund grant processes needed a head-on confrontation; we were increasingly misinformed on the grants' status and largely relied on rumours and even incorrect reporting by the media. UNAIDS' support to reform the Country Coordinating Mechanism transformed and organized civil society representation and resulted in a focused team that remains accountable to the beneficiaries of the grant.”

Allan Ragi, civil society representative on the Kenya Coordinating Mechanism

in providing technical support. This money came through a partnership with the United Kingdom's Department for International Development. The UNAIDS office also dedicated a full-time staff member and recruited two UN volunteers, based at the Ministry of Finance, to support the Government in the reform process. In addition, it provided the Ministry with a full-time staff member to help with quantification and the elimination of delays in procurement through capacity building.

Return on investments

The reforms have led to an effective oversight tracking system, which ensures accountability and the implementation of NOC decisions. But the adjustment was not painless. It was important for confidence and belief in the changes that the efforts should yield quick results.

In 2010, when Kenya presented its proposal under the Global Fund's Round 10, the Fund approved a total US\$ 483 million, including US\$ 137 million for malaria. In 2011, Kenya's grant performance (rounds 7 and 10) broke with the previous record of poor performance and was rated A1 (exceeds expectations). Then in 2013, Kenya was invited by the Global Fund to participate as an interim applicant for additional funding of US\$ 13 million for tuberculosis and US\$ 53 million for HIV. This invitation was a further vote of confidence in Kenya's grant performance and a sign that the reforms were benefiting responses to all diseases covered by the Global Fund, not just HIV.

However, the shift to the new structures also revealed some important gaps and inequities and highlighted the vulnerability and sustainability of the national response and its dependency on external finances. Complementing the extensive reforms of the management of Global Fund programmes in Kenya in recent years, the government of Kenya began an analysis of sustainability. It also adopted an investment approach to its HIV response with the aim of maximizing the efficiency and effectiveness of resources. Between 2008 and 2010 the Government doubled domestic HIV spending. In December 2012, the Cabinet agreed to establish a trust fund for HIV and priority non-communicable diseases, with the aim of ensuring at least 70% of the cost of the responses is covered with domestic funds.

Takeaways

The continued engagement of multilateral agencies and institutions, providing technical assistance at country level, is vital for the effectiveness of global financing mechanisms, like the Global Fund. Without this in-country presence, and the accompanying capacity for rapid response, diagnostics and financing support—value for money and high-quality results cannot be guaranteed. This is more important than ever as the Global Fund moves to its new funding model, which more closely aligns international financing with national plans, timeframes and budgets, but increases technical assistance demands.

“Kenya has made remarkable progress in reducing its HIV prevalence by one-third since 1996. Strong reforms in the implementation of health programmes have made a difference. In addition, Kenya has made efforts to stratify the epidemic, identifying areas of concentration throughout the country and allowing the country to better focus on vulnerable populations.”

Mark Dybul, Executive Director
Global Fund to Fight AIDS,
Tuberculosis and Malaria

“Good governance, accountability and stronger consultation have become the hallmarks of the management of Global Fund resources in Kenya. If the second stage of reforms – aiming to guarantee future domestic financing – goes through, Kenya could be one of the first countries in Africa to demonstrate a dual track approach of ‘more money for health and more health for the money’.”

Michel Sidibé
Executive Director
UNAIDS