Global Fund
HIV/AIDS Annual Progress Report

January- December 2006

Prepared by the Global Fund Coordination Unit
Ministry of Finance and Development Planning
Lesotho

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Abbreviations Used

AIDS	-	ACQUIRED IMMUNE DEFICIENCY SYNDROME
ANC	-	ANTI – NATAL CARE
ART	-	ANTIRETROVIRAL THERAPY
ARV	-	ANTIRETROVIRAL DRUGS
CCM	-	COUNTRY COORDINATINIG MECHANISMS
CCL	-	CHRISTIAN COUNCIL OF LESOTHO
CHAL	-	CHRISTIAN HEALTH ASSOCIATION OF LESOTHO
CRIS	-	COUNTRY RESPONSE INFORMATION SYSTEMS
CRS	-	CATHOLIC RELIEF SERVICES
CBO	-	COMMUNITY BASED ORGANIZATIONS
CHBC	-	COMMUNITY HOME BASED CARE
DATF	-	DISTRICT AIDS TASK FORCE
FIDA	-	FEDERACION INTERNACIONAL DE BOGADAS
GFATM	-	GLOBAL FUND TO FIGHT AIDS, TB AND MALARIA
CFCU	-	GLOBAL FUND COORDINATINIG UNIT
GOL	-	GOVERNMENT OF LESOTHO
HBC	-	HOME BASED CARE
HIV	-	HUMAN IMMUNODEFICIENCY VIRUS
H.S.A	-	HEALTH SERVICE AREA
HTC	-	HIV TESTING AND COUNSELLING
IEC	-	INFORMATION, EDUCATION AND COMMUNICATION
KYS	-	“KNOW YOUR STATUS” CAMPAIGN
LANFE	-	LESOTHO ASSOCIATION OF NON-FORMAL EDUCATION
LRC	-	LESOTHO RED CROSS
M&E	-	MONITORING AND EVALUATION
MOET	-	MINISTRY OF EDUCATION AND TRAINING
MOFDP	-	MINISTRY OF FINANCE AND DEVELOPMENT PLANNING
MOHSW	-	MINISTRY OF HEALTH AND SOCIAL WELFARE
MOGYSR	-	MINISTRY OF GENDER, YOUTH AND SPORTS RECREATION
NAC	-	NATIONAL AIDS COMMISION
NAS	-	NATIONAL AIDS SECRETARIAT
NDSO	-	NATIONAL DRUG SERVICE ORGANIZATION
NGOs	-	NON-GOVERNMENTAL ORGANIZATION
OVC	-	ORPHAN AND VULNERABLE CHILDREN

PDG	-	PEKA DEVELOPMENT GROUP
PLWHAs	-	PEOPLE LIVING WITH HIV/AIDS
PMTCT	-	PREVENTION OF MOTHER TO CHILD TRANSMISSIO
PSI	-	POPULATION SERVICE INTERNATIONAL
VCT	-	VOLUNTARY COUNSELING AND TESTING

CHAPTER 1

1. Introduction

This annual report provides an update of implementation of the HIV component of the Round 2 Global Fund grant against implementation targets for 2006. The report is divided into two main sections: progress with regard to operational performance and progress with regard to grant performance.

2. Progress to date

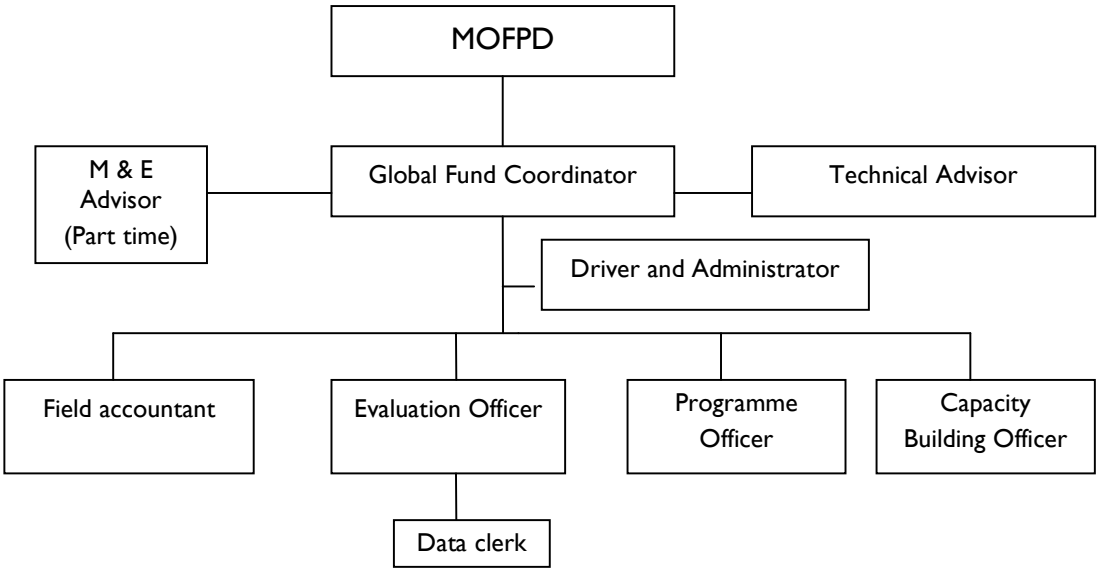
It is important to note that activities were undertaken in the absence of significant disbursements from the Global Fund due to a delay in approval of funding from the Fund. This needs to be taken into account in considering progress to date and challenges outlined in this report.

2.1 Operational Performance

This section is divided into four sections: technical and program management, procurement and supply chain management systems, monitoring and evaluation and financial management systems.

2.1.1 Technical and Program Management

One of the weaknesses identified in the management of the Global Fund grants by the Principal Recipient was the lack of capacity, particularly with the awarding of an additional Global Fund grant. The Global Fund Coordination Unit (GFCU) thus engaged the services of a Field Accountant, Programme Manager (for Round 5) and an Evaluation Officer. The GFCU is now fully staffed as follows:



In addition to ensuring that the unit is fully staffed, the following initiatives have enhanced the technical and programme management of the Grants:-

- Relocation of the GFCU to its own offices
- All agreements with Sub-recipients reduced to formal contractual arrangements and managed as such
- Training programmes for potential implementers
- Data verification systems implemented
- Data validation system being implemented with field visits by the GFCU staff.
- Regular financial information monitoring

2.1.2 Procurement and supply chain management systems

Procurement of health and non-health products in relation to the Global Fund Grants (and the World Bank HIV Technical Assistance Grant) is undertaken by the Procurement Unit located within the Ministry of Health.

For health related procurement (ARV, drugs for OIs, condoms etc), Global Fund requirements are followed in terms of compliance with the Price Reporting Mechanism. This requirement enables a global comparison of prices for health commodities procured for the implementation of activities related to the Global Fund Grants. The specific procurement of drugs is supported by the Clinton Foundation in terms of utilizing ARV Excel spreadsheets to model future drug requirements. One main area of activity has also been the support to the NDSO for the management of drugs procured both managerially in terms of systems

and processes, currently being undertaken by HERA, as well as the construction of a new warehouse at NDSO specifically for the storage of ARVs.

A challenge that remains with the supply chain management systems has been the follow up of the degree and extent of community distribution of items such as Home Based care kits and condoms once these have been distributed to local points such as clinics and hospitals. The monitoring of this will be a focus of activity in the future.

2.1.3 Monitoring and evaluation systems

A technical Advisor was appointed by the NAC/GFCU in June 2006. During the period under review significant progress was made in strengthening both the GF and the national monitoring and evaluation system. Key achievements during the period under review include:

- The training of global fund implementers in fundamentals of M & E with Measure Evaluation Assistance
- The development of the National M & E plan
- The development and roll out of a CRIS database
- Training of district data officers in monitoring and evaluation
- Establishment of data audit and verification guidelines and tools

Key challenges centre around health sector monitoring and evaluation, particularly concerning consistent availability of registers for PMTCT, ART and HTC and training of recently recruited district AIDS Officers in summarising data accurately. In addition, late reporting of program data for the health sector remains a persistent and continuing challenge. It is envisaged that with the appointment and orientation of the new district aids officers this should improve considerably

2.1.4 Financial management systems

The Project Accounting Unit (PAU) located within the Ministry of Health and Social Welfare has significantly strengthened its financial management capacity during the year under review. An accountant was appointed to provide much needed support to the existing complement of staff within the PAU. In addition the GFCU has appointed a field accountant to support financial management of grants. The most persistent challenge with regard to the work of the PAU remains continued delay in disbursement of grant funds. The PAU will require additional support to enable it to disburse grants resources timorously.

CHAPTER 2

2.2 Grant performance

2.2.1 Prevention

Objective 1: To expand life skills and peer education and HIV/AIDS prevention services to adolescent and pre-adolescent young people with specific focus on girls.

Implementers responsible for the achievement of this objective

Implementer	Focus areas
Ministry of education and Training	Life skills education for adolescents in school
PSI, MOHSW, World Vision, MOYGSR	Life skills/peer education for out of school youth

Global Funds disbursed for the achievement of this objective in 2006	M 2, 534, 500

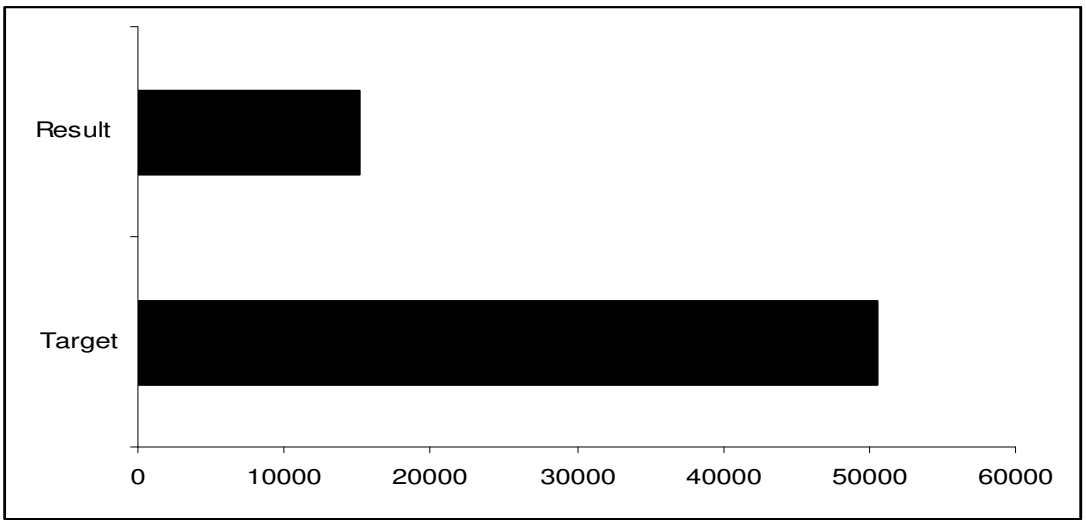
Key Results

Indicator	Targets	Results
Total number of young people in school taught life skills education	50,545	15,088
Total number of young people out of school taught life skills education	228,438	376,318
% of women and men aged 15-24 who correctly identify ways of preventing sexual transmission of HIV and who reject major misconceptions about HIV	30%	30%
Number of adolescent health corners in operation		22
Number of operational youth resources	10	0

As the table above notes, there has been exceptional progress made in expanding access to life skills education among young people out of school where 168% of the target has been achieved. However, only 30% of the target was achieved in expanding access to life skills education among young people in school and this remains a matter of concern.

In addition, unsatisfactory progress has been made with regard to construction and operationalisation of youth resource centres since implementation began in phase 1.

Graph 1: Young people taught life skills in school



Challenges

- The major challenges relate to accelerating access to life skills education in primary and secondary schools particularly the fact that there were inordinate delays in the revision of materials for the intervention and their subsequent printing, delays in the roll out of the trainer of trainer (TOT) programme and there fact that the programme has only been rolled out in only 49 primary schools
- The quality of life skills interventions for young people out of school as yet to be assessed since implementation began.
- Continuous delays in the construction and renovation of youth resource centres

Recommendations

- Discontinue the construction and renovation of youth resource centres and reallocate Global Fund investments to support life skills education in and out of school and to expand the number of adolescent health corners
- MOET needs to aggressively roll out the interventions to 100% of primary and secondary schools. In order to ensure this is done.

Objective 2: To expand access of condoms for sexually active youth by installing condom vending machines in 70% of all youth friendly corners in the HSAs by 2007.

Implementers responsible for the achievement of this objective

Implementer	Focus areas
PSI, MOHSW, LRC, Lebone Consultants, ADH corners	Condoms distribution

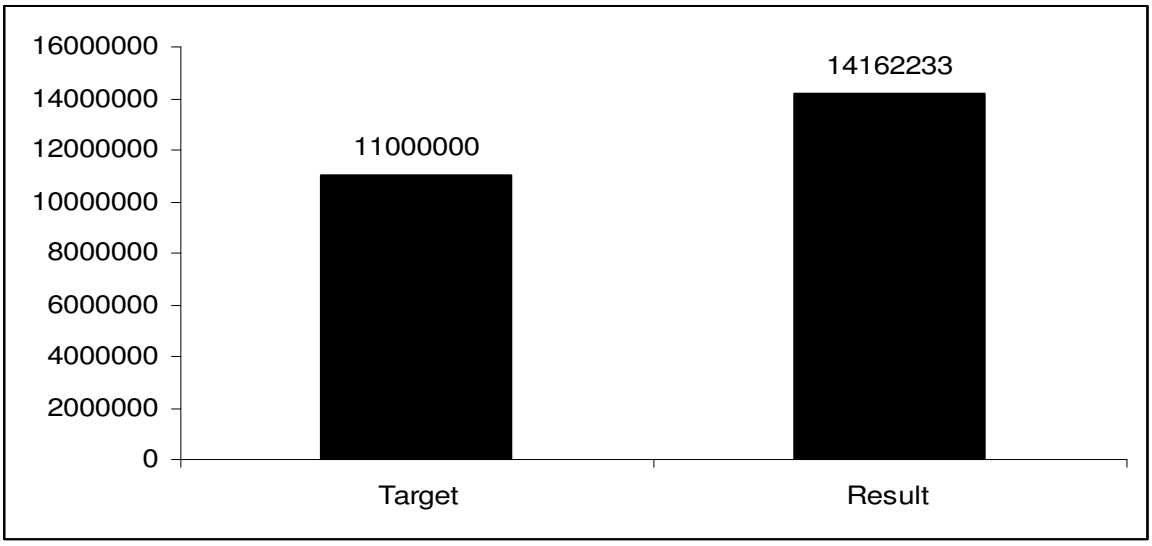
Global Funds disbursed for the achievement of this objective in 2006	M 1,410,103.09

Key Results

Indicator	Targets	Results
Total number of condoms distributed	11000 000	14,162 233

The target for condom distribution was exceeded by 128%. This performance has been consistent since implementation began.

Graph 2: Condom distribution



Challenges

- Major challenge remains with the distribution of condoms by the Ministry of Health and Social Welfare from health centres to end users. The MOHSW does not have a defined strategy to ensure that this takes place resulting in health centres holding large stocks of condoms despite the latent demand for condoms as condom sales and distribution data from PSI and Lebone continue the demonstrate.

Recommendations

- The Ministry of Health and Social Welfare be supported to establish partnerships with local NGOs, CBOs and support groups operating within the catchment areas of health centres to distribute condoms to end users

Objective 3: To reduce the proportion of infants infected by 20% by establishing PMTCT programme in the HSAs by 2008.

Implementer	Focus areas
MOHSW, CHAL	PMTCT services

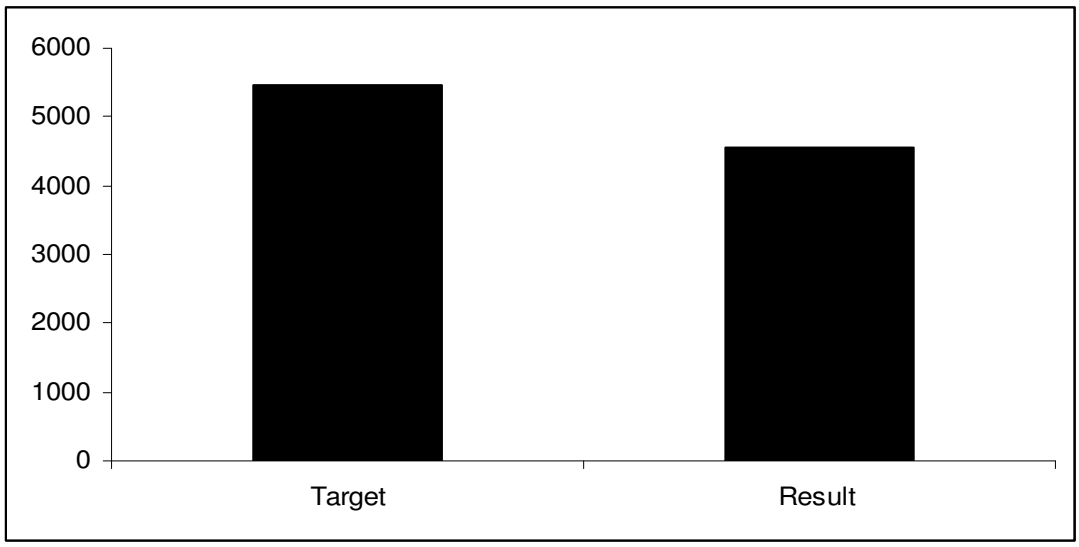
Global Funds disbursed for the achievement of this objective in 2006	M 0

Key Results

Indicator	Targets	Results
Number of pregnant counselled and tested for HIV within a PMTCT setting	24 308	33 319
HIV infected pregnant women receiving a complete course of ART prophylaxis to reduce the risk of MTCT	5460	4543
% of infants born to HIV mothers receiving ARV prophylaxis	83%	55%

As the results above show and the table below illustrates, Lesotho, as is the case with other countries in the region, excluding Botswana continues to consistently under perform in the achievement of targets set. Of particular concern remains the low number of HIV positive pregnant women receiving ARV prophylaxis. In 2006, 4543 women had received prophylaxis, yet the 2005 sentinel survey reveals a HIV prevalence rate of 27% among pregnant women that attend ANC services (approximately 24,000 pregnant women are pregnant). The PMTCT programme is thus reaching only 19% of pregnant women that actually require prophylaxis.

Graph 3: HIV infected pregnant women provided with a complete course of ARV prophylaxis



Challenges

- The key challenge relates to the fact that not all service providers at ANC facilities have received appropriate training in the provision of PMTCT services
- Community mobilization for PMTCT while ongoing has not been implemented at the scale necessary to achieve universal access
- Monitoring of babies for HIV status continues to be a challenge. This is largely due to the fact that Lesotho does not a PCR machine for testing and as a result DNA PCR is done in South Africa resulting in severe delays in results of tests

Recommendations

- Expand community mobilization for PMTCT
- Procure a DNA PCR machine and train relevant staff in its use
- Aggressively roll out training to service providers at all ANC facilities
- Strengthen monitoring and supervision of the PMTCT programme.

2.2.2 Care and Treatment

Objective 1: To provide services of continuum of care in 100% of HSAs in Lesotho by 2007.

Implementers responsible for the achievement of this objective

Implementer	Focus areas
LRC, DATF Maseru, Quthing and Berea, World Vision, CHW, MOHSW	Home Based Care support

Global Funds disbursed for the achievement of this objective in 2006	M 2,482,580.88

Key Results

Indicator	Targets	Results
# of people living with HIV and AIDS receiving community home based care and support	62000	66196

As the table above shows, Lesotho has exceeded targets by 106%. Lesotho continues to make good progress in going to scale.

Challenges

- A major challenge relates to the distribution of home based care kits. Recent assessments conducted by the GFCU team show that many of these kits are lying undistributed at District Administrator offices and that some have even begun to expire. This is of particular concern given the fact there continues to be unprecedented demand for home based care kits by care givers involved in the provision of HBC services all over the country.
- A second related challenge relates to inconsistent replenishment of kits
- A third challenge relates to the fact that the quality of service provision of these interventions has yet to be systematically assessed.

Recommendations

- Strengthen the supply and distribution system for home based care kits
- Conduct a quality of service assessment of home based care projects funded with Global Fund investments

Objective 2: To provide ARVs therapy to 50% of clinically eligible PLWHAs
Implementers responsible for the achievement of this objective

Implementers responsible for the achievement of this objective

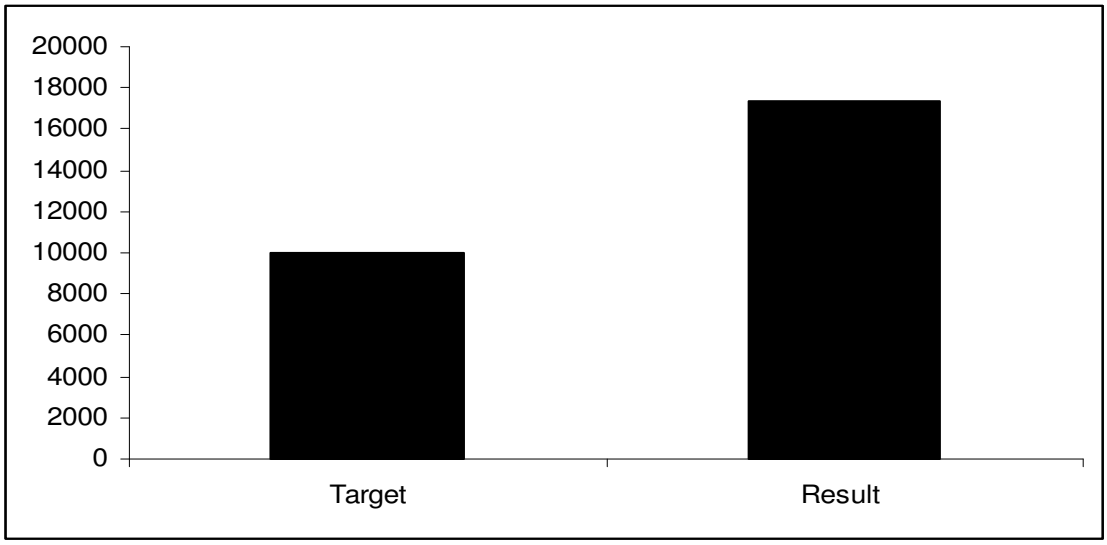
Implementer	Focus areas
MOHSW, CHAL	ARV therapy services

Global Funds disbursed for the achievement of this objective in 2006	M 0

Key Results

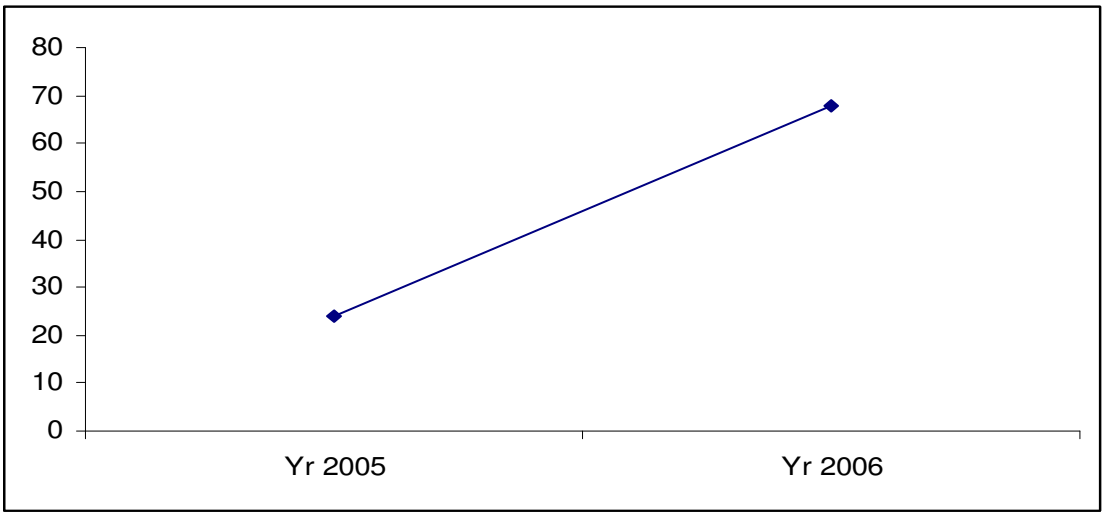
Indicator	Targets	Results
# of people receiving ART treatment	10 000	17 352

Graph 4: Number of people receiving ART treatment



Significant progress has been made in the year in strengthening the provision of ART for eligible Basotho. The target for the number of people on ART was exceeded by 173%. This is largely due to the almost three fold expansion of ART sites from 24 sites at the end of 2005 to 68 sites at the end of 2006.

Graph 4: Number of service points providing ART



By the end of 2006, 68 ART sites were operational - about three folds increase from 24 sites at the end of 2005. Currently, 19 hospitals, 13 private practitioners, 3 filter clinics and 34 health centers are offering ART services.

Challenges

- Monitoring of the ART programme remains a constant challenge. This is due to the fact Lesotho does not have an electronic patient management system in place that will enable it to capture information on defaulters and those who died whilst on treatment.

Recommendations

- Train ART staff at health facilities on correctly filing the forms in order produce accurate and consistent data.
- Procure and deploy a patient management system

Objective 3: To establish VCT services in all the 10 districts by 2007

Implementers responsible for the achievement of this objective

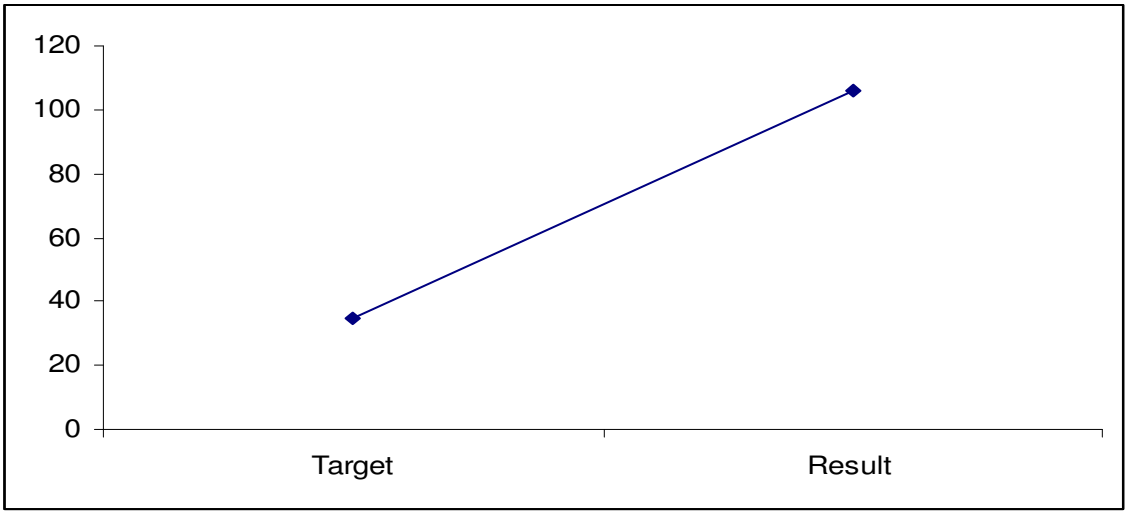
Implementer	Focus areas
MOHSW, CHAL, PSI, LPPA,etc	VCT services

Global Funds disbursed for the achievement of this objective in 2006	M 490,706.20

Key Results

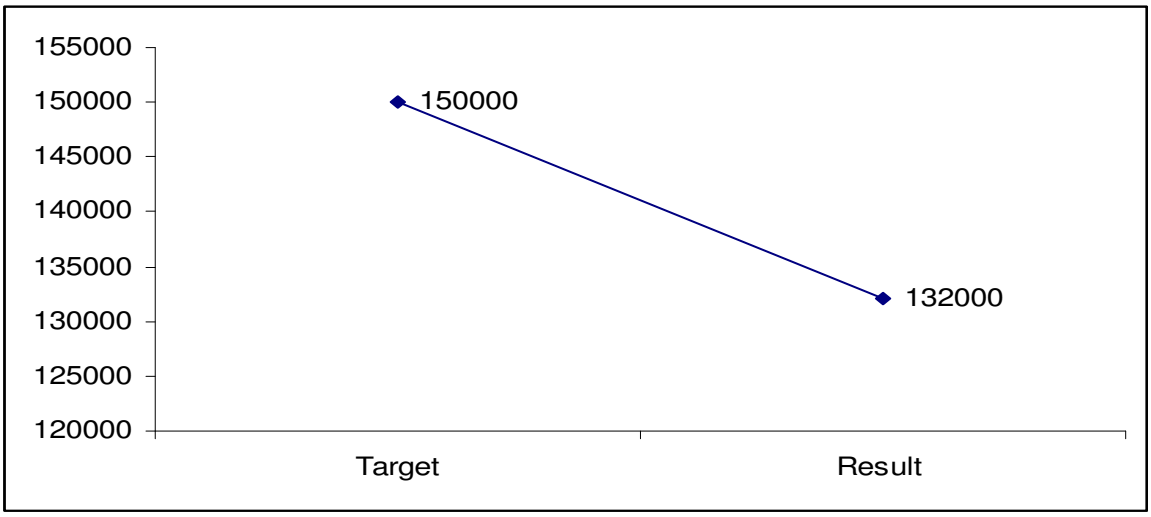
Indicator	Targets	Results
# of HIV Testing and Counselling(HTC) Service points operational	35	106
# of people provided with HIV testing and counselling services	150 000	132 068

Graph 5: Number of HTC service points operational



As the table illustrates, tremendous progress has been made in increasing the number of service points offer HIV testing and counselling services in the country (target exceeded by 302%).

Graph 6: Number of people counselled and tested for HIV



However, this expansion has not been met by an appropriate increase in the number of people taking up HIV testing and counselling services (where only 88% of the target) as the table above shows. This is due to the fact that the Know Your Status (KYS) campaign has yet to kick off due to a lack of resources to fully implement the campaign as well as other implementation challenges.

Challenges

- Lack of resources to fully implement the KYS campaign
- Challenges within the Directorate to manage the implementation of the Campaign
- Under reporting of testing results due to poor monitoring systems in place between facilities and HAS/DHMTs
- Quality control and supervision of HTC services remains considerably weak
- Quality of counselling and testing services provided have not been routinely assessed

Recommendations

- Conduct a detailed review involving all stakeholders in order to identify all impediments to the implementation of the KYS campaign and to develop a revised, results focused and appropriated costed operational plan for the campaign
- Mobilise resources from Government as well as development partners to support the implementation of this revised plan
- Strengthen the monitoring systems
- Strengthen quality control and supervision systems
- Commission an assessment of the provision of HTC services

2.2.3 Mitigation

Objective 1: To scale up the provision of a basic package of care, support and protection to 60% of orphans and vulnerable children by 2007.

Implementers responsible for the achievement of this objective

Implementer	Focus areas
PDG, LRC, World Vision, DATFS in Maseru, Berea and Maseru, CCL, CHAL, LANFE,TDG, Ts'oanelo Orphanage, Sisters of Charity, MOHSW	Supporting environment for orphans and vulnerable children

Global Funds disbursed for the achievement of this objective in 2006	M 5,880,000

Key Results

Indicator	Targets	Results
Total number of OVC receiving a basic package of care and support.	48000	43503
Total number OVC provided with financial support to attend school	2000	6748

As the table shows, the bursary programme for orphans and vulnerable children has grown from strength to strength. Targets have been exceeded by over 337% ensuring that more children than initially targeted have benefited from support to enable them to attend both primary and secondary school. However, despite the fact that recent statistics suggest that there over 100,000 OVC in the country, only 90% of the target of children has been reached with care and support

Challenges

- The quality of OVC interventions has yet to be assessed
- Income generating activities have not yielded the financial or nutritional benefits required to ensure that targeted children residing within the communities in which they are been implemented benefit from a minimum package of care
- Income generating activities are unsustainable and cannot go to level of scale required to ensure that they contribute significantly to the care and support of children

- The Bursary programme is unsustainable in the long term. The Global Fund cannot continue to provide financial support for this activity indefinitely

Recommendations

- Commission an assessment of the quality of OVC care and support interventions supported with Global Fund investments
- Review the utility and effectiveness of Income generating activities as a source of resources to provide OVC with a basic package of care and support
- Identify and develop a local sustainable financing mechanism to support the bursary scheme

Objective 2: To increase the general awareness of human rights of PLWHAs in Lesotho by 40% by 2007.

Implementers responsible for the achievement of this objective

Implementer	Focus areas
FIDA	Supporting environment for orphans and vulnerable children

Global Funds disbursed for the achievement of this objective in 2006	M 0

Key Results

Indicator	Targets	Results
Number of individuals reached with outreach programs focusing on the human rights of PLWHAs.	500	292

A lack of resource was a major impediment to the achievement of this target. It is expected that the target will be exceeded significantly once resources have been made available.

2.2.4 Governance

Objective 1: To operationalize and strengthen NAS coordination mandate in the implementation of NSP 2006-2010

Achievements under objective 1: M&E

The National M&E plan for the National Strategic Plan (NSP) was finalized and approved. This document outlines how NSP will be monitored from 2006- 2011. It is envisaged that all sectoral M&E plans will draw from the National M&E plan. An M&E plan for both R2 and R5 were for both HIV/AIDS and TB were integrated and operationalised.

The CRIS data base has been developed. This database will store both the Global Fund and NSP indicator data and be able to generate graphs and tables as required by the user.

Data Officers were trained on activity monitoring system, development of tools for monitor community based HIV/AIDS activities. The training included introduction to national M&E framework and implementation plan. Program monitoring tools for HIV/AIDS implementers were finalized.

Objective 2: To establish and strengthen NAS coordination units in all public sectors and at least 80% private sector and NGOs sector

Achievements under objective 2: Coordination

A coordination framework has been developed by the NAC but has yet to be fully implemented. Coordination remains a significant challenge

Objective 3: To strengthen the capacity of the District HIV/AIDS coordination mechanism in all the sectors in and outside government

Coordination at the district level remains a challenge. While staff and district aids committees are in place at the district level, these structures require significant capacity building to enhance their effectiveness.

3. Overall conclusions and recommendations

The past year (2006) witnessed little implementation on activities supported by Global Fund due unavailability of funds. However, despite the limited availability of resources, Lesotho has made tremendous progress achieving 9 out of 14 commitment targets (64%). PMTCT and VCT targets remain the most concern and concerted efforts will need to be made to improvement programme implementation to enable the country to achieve its targets. In addition, the

sustainability of both the income generating activities as well as bursary scheme for OVC remains major issues that need further consideration and analysis.

Annex 1: Budget and expenditure analysis

Two disbursements were received from the GF Secretariat during 2006 as interim measure to pay the accrued debts during Q8 and to continue with activities while waiting the signing of Phase II agreement. The funds provided were the remaining money from Phase I Round 2. The total amount available for 2006 was US$ 2,750,913, and this was made up of balance in the bank account to the tune of US$489,475, the first disbursement FROM GF Secretariat was $912,926 received on 19 March, 2006 and the second disbursement received on 29 June 2006 to the tune of US$1,348,512.

FINANCIAL REPORT 2006 INTERIM IMPLEMENTATION WHILE AWAITING RENEWAL OF PHASE II

#	Macro-category	**2006 Budget** (1st Jan 06 - 31st Dec 06)
1	Prevention	914,049
2	Treatment	549,437
3	Care and Support	1,117,667
4	Other - *Governance and Monitoring and Evaluation*	169,760
	TOTAL	**2,750,913**

2- BREAKDOWN* BY IMPLEMENTING ENTITY				
#	**PR/SR**	**Name**	**Type of Implementing Entity**	**2006 Budget** (1st Jan 06 - 31st Dec 06)
1	PR	Ministry of Finance and Development Planning	Other Government	163,550
2	SR	National AIDS Commission (NAC)	Other Government	60,333
3	SR	Ministry of Health and Social Welfare	Ministry Health (MoH)	1,097,878.05
4	SR	LENEPWA	NGO / CBO / Academic	35,167
5	SR	Ministry of Gender , Youth Sport and Recreation	Other Government	413,984.95

…	SR	Ministry of Education and Training	Other Government	980,000
			TOTAL	**2,750,913**

3- TOTAL COSTS** PER HEALTH PRODUCT		
#	**Type of Health Product**	**2006 Budget** (1st Jan 06 - 31st Dec 06)
1	ARV	0
2	Condoms	US$ 662,623.84

EXPENDITURE - 2006 INTERIM IMPLEMENTATION WHILE AWAITING RENEWAL OF PHASE II

ITEM	Year 3	Q9	Q10	Q11	Q12	Total 2006
	CARE AND SUPPORT					
PROCUREMENT (Condoms, IEC and HBK)	665,873.84	665,873.84				665,873.84
Salaries (Counselors)	494,774	127,460	122,438	122,438	122,438	494,774
TRAINING	0	0	0	0	0	
M&E	0 0	0	0	0	0	
Sub-total	1,160,647.84	793,333.840	122,4380	122,4380	122,4380	1,160,647.84
	MITIGATION					

PROCUREMENT	**0**	0	0	0		
RECRUITMENT	0	0	0	0	0	0
TRAINING (OVC SCHOOL FEES)	980,000	0		980,000	0	980,000
M&E						
ADMINISTRATION						
Sub-total	**980,000**	**0**	**0**	**980,000**	**0**	**980,000**

PREVENTION

	YEAR 3	Q9	Q10	Q11	Q12	TOTAL 2006
CONSTRUCTION (Youth Resource Centres)	**413,984.85**	413,984.85	0	0	0	413,984.85
CONSULTANCY AND RECRUITMENT	0	0	0	0	0	**0**
TRAINING	0	0	0	0	0	**0**
M&E	0	0	0	0	0	**0**
ADMINISTRATION	0	0	0	0	0	**0**
Sub-total	**413,984.84**	**413,984.85**	**0**	**0**	**0**	**413,984.85**

GOVERNANCE	YEAR 3	Q9	Q10	Q11	Q12	TOTAL 2006
CONSTRUCTION AND PROCUREMENT	0	0	0	0	0	0
SALARIES (GFCU)	163,550	24,338	46,404	46,404	46,404	163,550
TRAINING	0	0	0	0	0	0
M&E (M&E Advisor and M&E Officer	32,730.32	8,182.58	8,182.58	8182.58	8,182.58	32,730.32
ADMINISTRATION	0	0	0	0	0	**0**
Sub-total	**196,280.32**	**32,520.58**	**54,586.58**	**54,586.58**	**54,586.58**	**196,280.32**
TOTAL	**2,750,913**					