



National Emergency Response Council on HIV and AIDS



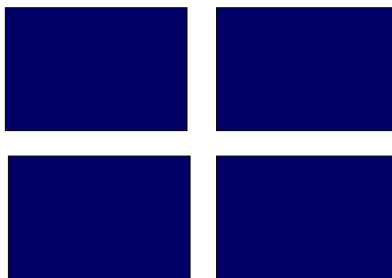
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Front cover pictures



Top left: Dr. Patrick Okoth at the Mbabane ART Centre

Top right: Child feeding at Fonteyn

Bottom left: Mother and child

Bottom right: Nurse and patient at Mbabane ART Centre

Vision

An AIDS-free Swaziland.

Mission

To provide leadership in the coordination and facilitation of the multisectoral emergency response to HIV and AIDS, by creating an environment that supports effective service delivery to the people of Swaziland.

Slogan

A nation at war with HIV and AIDS.



A Swazi child


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Chairperson's Statement



 Chief Ndzabankhulu Simelane,
NERCHA Chairperson

Since its inception in late 2001, the National Emergency Response Council on HIV and AIDS (NERCHA) has worked tirelessly to ensure that the multisectoral response to HIV and AIDS is well coordinated, monitored and resourced. The NERCHA Council and Directorate closed the 2006-2007 financial year after much progress and strategic planning.

During the previous year, the Council oversaw NERCHA's launch of three important national documents:

- The Second National Multisectoral HIV and AIDS Strategic Plan 2006-2008,
- The National Action Plan 2006-07, and
- The National HIV and AIDS Policy 2006

To develop these documents NERCHA led a highly consultative process that involved community input

from every chiefdom in the country. These plans and policy provide a framework for the nation's continued response to the HIV epidemic.

To facilitate the coordination of the Second National Strategic Plan, NERCHA redefined its coordination role, detailing how it will work with both regional and sectoral coordinating bodies. NERCHA also developed additional tools to guide itself and the country in meeting the goals and objectives of the National Strategic Plan. The Council looks forward to overseeing NERCHA's redefined coordination role within a decentralized and multisectoral response.

On behalf of the Council, let me acknowledge, thank and appreciate all funding and technical assistance from the Swazi Government, bilateral and multilateral donors and the private sector. Council applauds the continued work of the Country Coordinating Mechanism (CCM) in overseeing the implementation of Global Fund funded projects in Swaziland.

The Council commends the NERCHA Directorate and all the people who have been contributing to the national response for their unwavering passion and hard work in coordinating the response to HIV and AIDS. Council looks forward to the continued progress of the response and is hopeful that the current declining trend in HIV prevalence continues until Swaziland has defeated HIV. It is only through the passionate dedication of each and every one of us that we can defeat the epidemic that is threatening the existence of this country.

Lastly, my heartfelt gratitude is extended to my colleagues in Council, who have provided leadership in the coordination of the national response.



Director's Statement



 **Derek von Wissell**
NERCHA Director

I am encouraged by the slight decline in the HIV prevalence rates in the country, as shown in the 2006 Ministry of Health and Social Welfare sero-surveillance among pregnant women. This decline in the HIV prevalence rate among women attending ante natal clinics (ANC), down to 39.2% from 42.6% in 2004, slight as it may be, was witnessed across all age groups, regions, as well as in both urban and rural areas. This is indeed a sign that something great is about to happen. We need to work harder and make an effort to harness this positive development and turn the tide against HIV.

The national environment is now conducive for all partners in the national response. During the past year the Government of the Kingdom of Swaziland launched the founding documents that provide the backbone to coordination and implementation of the national response. These are:

- The National Multisectoral Policy on HIV and AIDS 2006
- The National Multisectoral Strategic Plan on HIV and AIDS 2006-08

NERCHA further developed the NERCHA Strategic Management Plan (SMP) to facilitate effective implementation of the coordination of the national response. The SMP clarifies the roles of all partners in the national response. Even NERCHA's coordination approach has shifted, from the previous thematic approach to one that concentrates more on effectively coordinating the response. After only one year, much has been achieved. Regional coordination has been decentralized to the community levels and, through the sectors, NERCHA will be working closely with all HIV implementing partners. Having clarified these roles, it is now time to focus on delivery of services to ensure that we reach all people in Swaziland. The National Minimum Package was designed as a tool to assist in planning for delivery of HIV services to facilitate equitable delivery of services throughout the country. Swaziland faces a generalised epidemic. Therefore, services must be delivered to all chiefdoms and urban areas.

None of the accomplishments of the previous financial year would have been possible without the dedication and hard work of a great many partners in the response to HIV and AIDS. NERCHA thanks stakeholders at all levels, from communities, to regions, to the capital; the passion and commitment of all those in civil society, and the private and public sectors allow us to continue our fight against this disease.

NERCHA would also like to thank development partners and donors for their continued support of the nation's efforts to halt the spread of the

epidemic.

Finally, NERCHA thanks the Council for its unwavering commitment and support to the national response to HIV and AIDS. Council's leadership, combined with the passion and

devotion of the NERCHA staff, have helped the country renew its efforts to fight HIV and AIDS.

We move forward as a nation with hope that we will witness a continued decline in this epidemic until Swaziland is HIV free.

KEY ACHIEVEMENTS IN THE YEAR 2006/07

- Development of NERCHA's Strategic Management Plan.
- Decentralisation of response to - Sectors, Regions
- Establishing Regional and lower level coordination structures, mechanisms and secretaries.
- First Quarterly Service Coverage Report (QSCR) disseminated through the regions.

REGIONAL COLLABORATION:

- Brazzaville meeting
- Abuja II meeting
- TICA support on M&E
- Prevention meetings

WAY FORWARD FOR 2007-2008:

- Strengthening partnerships for coordination of national response, particularly;
At the regional level
With sector bodies
With development partners
Supporting coordination, information forums
- Increased support to prevention and BCC programmes for more effective prevention strategies for HIV.

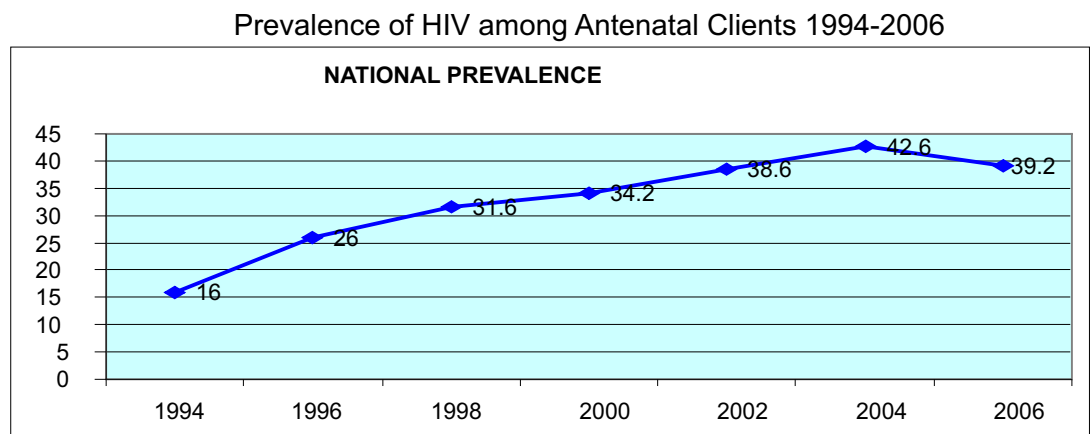


Overview of the epidemic in Swaziland

In line with worldwide commitments to scale up universal access to HIV prevention, Swaziland has built a strong foundation for prevention, making it the mainstay of an effective response to the epidemic. The multisectoral approach to prevention in the country has placed emphasis on behaviour change communication as the key strategy for turning the tide against the epidemic. The ultimate goal is to create a “social movement” against the disease, wherein people “rise up” and actively revolt against HIV. NERCHA believes this can be achieved by creating continued, consistent activity, discussion and debate about HIV across the country for a long period of time. This social movement will contribute to sustaining the declining trends in HIV prevalence recorded in the nation's 2006 sero-surveillance among women attending antenatal care.

National Prevalence of HIV

In 2006 the HIV prevalence dropped for the first time since the country started conducting sero-surveillance among women attending antenatal care. This has been viewed as a positive achievement for the country and could be interpreted as an indication of changing behaviours. The graph below shows the trend in antenatal prevalence over the past 14 years.

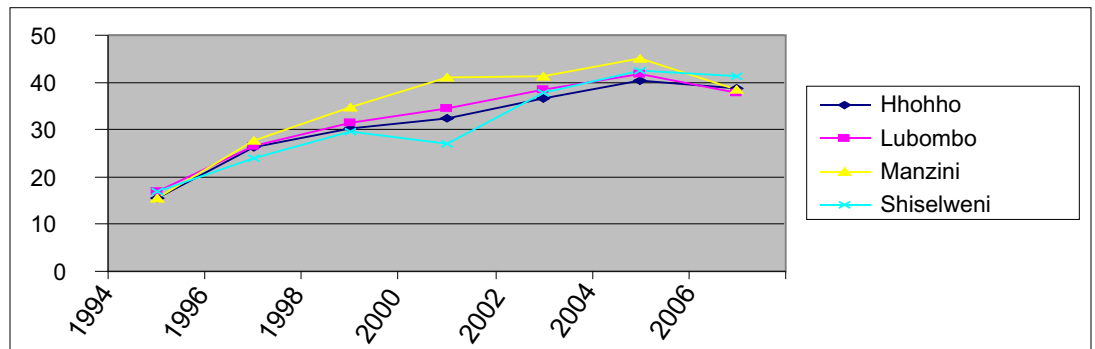


Source: 10th Sentinel Surveillance Information Brochure, 2006

HIV Prevalence by Region

The prevalence of HIV in 2006 showed a decline in all regions. The Manzini region recorded the highest decline, whereas in the Shiselweni region the decline was very minimal. Concerted efforts in the national response are being directed towards ensuring that this decline is maintained and encouraged across all four regions.

HIV Prevalence by Region 1994-2006

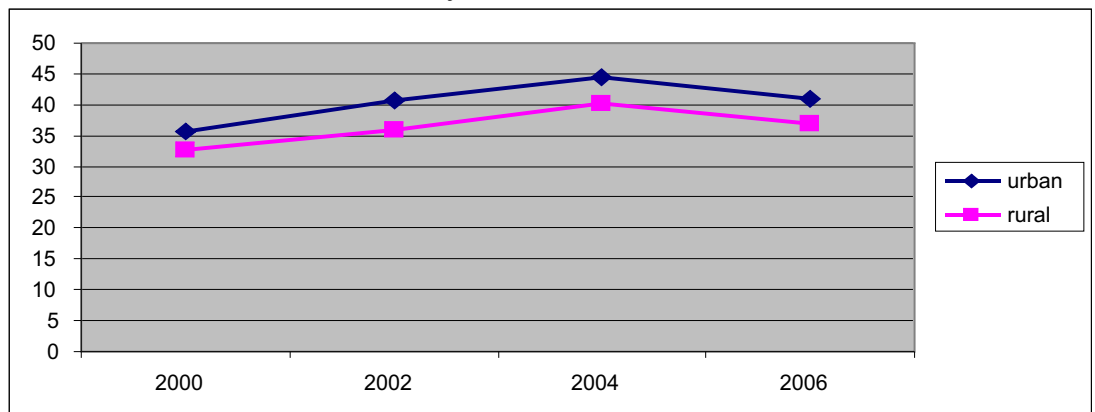


Source: 10th Sentinel Surveillance Information Brochure, 2006

HIV Prevalence in Urban and Rural Areas

The prevalence of HIV in rural areas has always been lower than in urban areas, as illustrated by the diagram below. However, between 2004 and 2006 there was a decline in both the urban and rural prevalence.

Trends in HIV by Urban and Rural Facilities

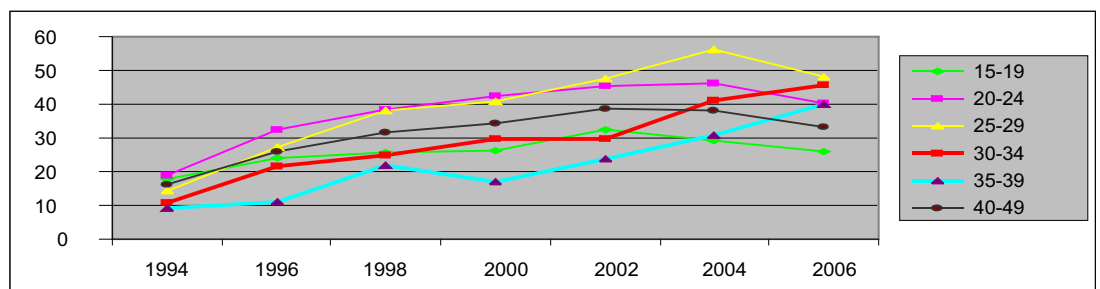


Source: 10th Sentinel Surveillance Information Brochure, 2006

HIV Prevalence by Age Group

The 2006 surveillance showed a decline in prevalence rates amongst most age groups, with the 15-19 year age group having the lowest HIV prevalence. However, the age groups 30-34 and 35-39 still show signs of increasing. This is a major concern as this is the productive age group. High rates within the 20-24 and 25-29 year age groups remain a cause for concern as this is the young and reproductive age group.

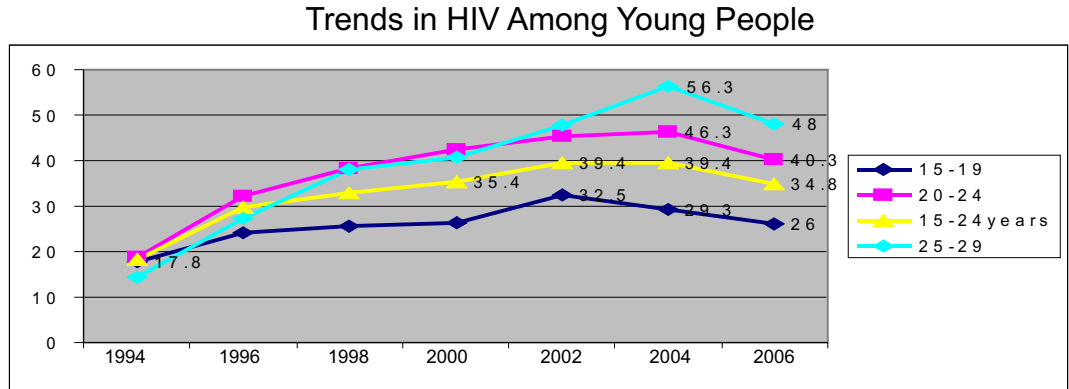
Trends in HIV Among different Age Groups



Source: 10th Sentinel Surveillance Information Brochure, 2006

HIV Prevalence Among Young People

The HIV prevalence has also shown a decline among the younger generation. The decline of HIV prevalence in the 15-19 year age group has been evident since 2002.



Source: 10th Sentinel Surveillance Information Brochure, 2006



Management and Coordination of the Response

NERCHA was first established in December 2001 as a Committee and later in June 2003 was elevated to be a Council by Act of Parliament No. 8 of 2003. NERCHA's mandate as defined in the enabling Act is to coordinate and facilitate the national multisectoral response to HIV and AIDS in Swaziland. From its inception NERCHA has been using the thematic approach to coordinate the national response. This meant coordination was based on the programmatic areas of Prevention, Care and Support, and Impact Mitigation. In line with international trends, and also informed by the Joint Review of the National Response Report of 2004, NERCHA began a process of reviewing its coordination approach. A decentralized coordination approach was then adopted. This new approach entails decentralizing coordination to the four regions and lower administrative structures in the country as well as to sector bodies.

This process of reviewing the coordination approach coincided with the process of developing the Second National Multisectoral HIV and AIDS Strategic Plan 2006-08 (NSP). Stakeholders affirmed this decentralized approach in the National Multisectoral HIV and AIDS Policy 2006 and in the NSP. In addition to these changes, the NSP also introduced a fourth thematic area, the “management of the response”, which outlines the responsibilities to be facilitated by the national coordinating authority to coordinate the national response to HIV.

In accordance with the first National Strategic Plan on HIV and AIDS 2000-2005, NERCHA structured the directorate into two units: a Coordination Unit and a Technical Unit. This new structure is designed to support and maximize the organizational potential of NERCHA in achieving the objectives of the NSP and is supported by the Strategic Management Plan (SMP) mentioned previously. Within this, each coordination unit will be responsible for coordinating each sector more comprehensively than previously achieved. This will include: ensuring the effective and efficient management and coordination of the sector; implementation of programmes within the National Minimum Package (NMP); and ensuring the sector is supporting sectoral monitoring and evaluation efforts in line with the national Monitoring and Evaluation (M&E) system.

The goal for the “management of the response” thematic area is “to create an enabling environment for the effective management and coordination of the national response”.

NERCHA views this thematic area as part of the core functions of the organization. In line with this, NERCHA will work collaboratively with all partners contributing to the national response to facilitate implementation of the eight sub-thematic areas as defined in the NSP. These are outlined within.

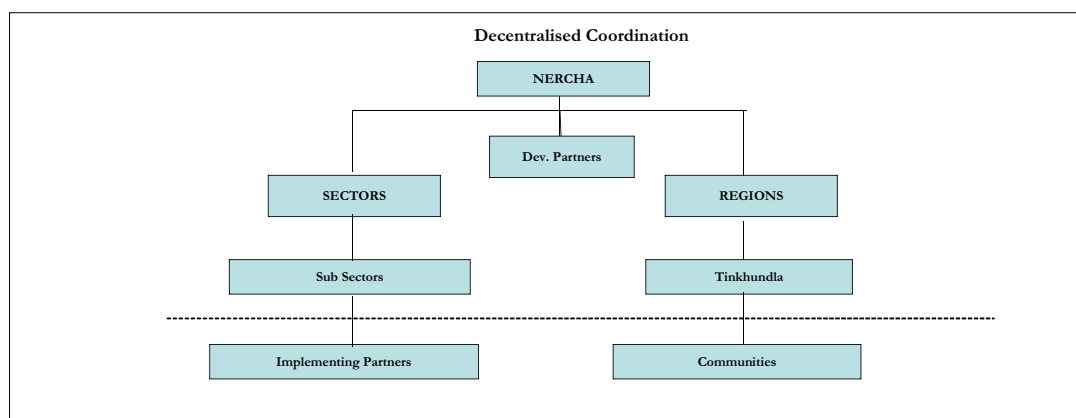
4.1 Institutional Arrangements (and Partnership Development)

The NSP highlights some of challenges faced under this sub-thematic area: the need for enhanced political leadership; lack of clarified roles of partners in the national response; competition between NERCHA and implementing partners; the underdeveloped coordination function; unclear mandates and functions of umbrella bodies; limited coverage of business sector response; limited decentralization of the response; competition between international development partners and national entities; and direct delivery of services by civil society organizations and other implementing bodies. The NSP provides three main objectives for addressing this sub thematic area:

- *Objective 54:* To improve coordination of HIV and AIDS activities at all levels.
- *Objective 55:* To increase ownership and support of the national response by all responding partners and members of the general public.
- *Objectives 56:* To ensure an appropriate structure at NERCHA that facilitates, manages and supports the use of strategic partnerships.

In response to the above issues and since the launch of the national HIV and AIDS documents in July 2006, NERCHA has taken time to reaffirm its coordination approach. This has been a critical and in-depth exercise which involved extensive consultation with stakeholders, both internally as well as outside of Swaziland. This review and redefinition of NERCHA's coordination role, as well as the role of contributing partners in the national response will ensure that the country meets the objectives of thematic area four- **management of the response of the NSP**. With support from the United States Government (USG), the Global fund to Fight AIDS, Tuberculosis and Malaria (GFATM) and technical assistance through the Capacity Development Project, NERCHA developed the NERCHA Strategic Management Plan 2007 for fulfilling its coordination responsibilities under the NSP. As outlined in the SMP, NERCHA remains vigilant in pursuit of its vision of achieving an AIDS free society. NERCHA has come to define coordination within the context of the NSP's decentralisation and multisectoral approach as “the process of bringing together and supporting stakeholders to efficiently and effectively achieve the common goals articulated in the National Multisectoral HIV and AIDS Policy and Strategic Plan.”

NERCHA's method of decentralised coordination of the national response to the regions and the sectors is depicted in the diagram below.



Regional Coordination

NERCHA, working with the Ministry of Regional Development and Youth Affairs (MRDYA), is supporting the four regions in the country to strengthen coordination of HIV and AIDS interventions at the regional level and within lower administrative structures. An outline of progress made to date in relation to the establishment of institutional mechanisms at regional level is provided later in the section on community mobilisation.

Sector Coordination

Subsectoral bodies provide a vital role in supporting NERCHA and the regions in the coordination of the national response. The Sectors are depicted below with the subsectors under each sector. The words 'sector', 'umbrella bodies' and 'subsector' are used interchangeably and refer to the self coordinating bodies referred to below:

Sectors and Subsectors

Public Sector	Civil Society Sector	Traditional Sector	Private Sector	Development Partners
Public Sector on HIV and AIDS Coordinating Committee (PSHACC) (Government ministries)	Coordination Assembly of Non-Governmental Organisations (CANGO)	Khulisa Umntfwana	Business Coalition on HIV/AIDS (BCHA)	United Nations family
SUSAH (Government departments)	Swaziland National Network of People Living with HIV and AIDS (SWANNEPHA)	Regiments	UNIONS	Bilateral Partners
Ministry of Health	Church Forum		Academia	Multilateral Partners
Parliament	Media Institute of Southern Africa (MISA)			
Swaziland National Youth Council (SNYC)	Traditional Healers Organisation (THO)			
African Mayors Initiative for Community Action on AIDS at the Local Level (AMICAALL)	Federation of Disabled Persons in Swaziland (FODSWA)			

In the successful fulfillment of its coordination function, NERCHA will proactively support the coordination efforts of regional and sector (a sector is a group of organisations who share and represent a common interest) bodies in the country. NERCHA's coordination of the national multisectoral response to HIV and AIDS is being pursued in line with the internationally adopted principle of the "Three Ones":

- One National AIDS Action Framework
- One National AIDS Authority
- One Monitoring and Evaluation System

In line with the sector approach to coordinating the response, NERCHA has been working with some sectors in the implementation of individual programmes in the response. These are:

A. Coordination of Youth HIV Programmes with Swaziland National Youth Council (SNYC)

Under the leadership of the SNYC, the Life Skills Education Network has been revived to coordinate life skills programmes targeting young people in the country. Through support from NERCHA and Academy of Educational Development (AED), a standardized National Peer Educators Training Manual was developed. This manual will be used by all organizations in the country engaged in training peer educators.

B. Coordination of the Health Sector with Ministry of Health and Social Welfare

The Ministry of Health and Social Welfare (MOHSW) through the Swaziland National AIDS Programme (SNAP) has developed the Health Sector Response Plan (HSRP) to guide the clinical response to HIV and AIDS in the country. This document provides guiding principles and programme implementation targets for the entire health sector. The HSRP is aligned to the NSP, and was developed with technical and financial assistances from the World Health Organisation (WHO), NERCHA and other development partners.

SNAP has been further assisted to develop a health sector M&E framework through support received from development partners such as WHO, UNAIDS (The Joint United Nations Programme on HIV and AIDS), USG, NERCHA and other partners. With this assistance, the M&E systems within the MOHSW have been strengthened and the M&E framework has been finalized.

C. Coordination of Orphans and Vulnerable Children Programmes

The goal of impact mitigation is to minimise the effect of HIV and AIDS on the country's most vulnerable populations, namely orphans and vulnerable children (OVC). In the absence of a body to coordinate the implementation of programmes addressing OVC, NERCHA, in collaboration with UNICEF, have continued to support coordination of OVC issues in the country

Challenges

- The decentralized multisectoral coordination approach is in its infancy. To develop it requires the concerted effort of all partners in the national response.
- The multisectoral coordination approach is also different in many countries. There is no blue print where reference can be made. Each country has to employ the best strategies suitable in that country.
- The necessary training of the regions and the sectors on the decentralized coordination has been limited.

Priority Actions/ Way Forward

- It is believed that with the introduction of the SMP the roles of all partners contributing to the national response will be clarified and therefore will contribute to creating an enabling environment for effective coordination and management of the national response. This will require the contribution of stakeholders to make the process work effectively.

- Coordination forums for information sharing and sensitisation forums will be supported for an enhanced response.
- NERCHA will be working to strengthen coordination efforts of the regions and the sectors to facilitate effective implementation of the national response.

4.2 Community Mobilisation

The NSP highlights some of the challenges of this sub-thematic area: duplication; gaps and fragmentation of activities; limited community ownership and commitment; lack of initiative by communities; and insufficient behaviour modification. There are two objectives addressing this sub thematic area in the NSP.

- *Objective 57:* To improve involvement and participation of grassroots communities, people living with HIV and AIDS and vulnerable groups in the national response.
- *Objective 58:* To improve coordination of the local community response.

In response to this sub-thematic area NERCHA worked closely with MRDYA to strengthen coordination of HIV intervention at the regional and lower levels. Regional and lower level HIV and AIDS coordination structures are currently being established, mainstreamed and strengthened in the administration structures at the regional and lower levels. This was the first step to bringing coordination of HIV and AIDS services and interventions to the community level. Guidelines on decentralized coordination were produced. These achievements are in line with the Government's Decentralisation Policy of 2005.

Regional HIV and AIDS Offices

All the four regions have regional multisectoral HIV and AIDS coordinating offices under MRDYA.

Regional HIV and AIDS Coordinating Committees

In collaboration with the MRDYA, NERCHA facilitated the formation of Regional Multisectoral HIV and AIDS Coordinating Committees (REMSHACCs). REMSHACCs are a sub-committee of the Regional Development Teams (RDTs) and have the responsibility of coordinating and facilitating the regional response to the HIV and AIDS epidemic. REMSHACCs are composed of stakeholders involved in HIV and AIDS in the region and are chaired by the Regional Secretary.

REMSHACC Secretariat

A secretariat housed at the regional administration office has been established for each REMSHACC. The secretariat is composed of a Regional Multisectoral HIV and AIDS Coordinator and Regional Multisectoral Monitoring and Evaluation Officer. The secretariat will facilitate the functioning of the Committees in each region as well as provide linkages to NERCHA. The secretariat works in close collaboration with the Regional Secretary and other regional structures and has a responsibility to oversee the strengthening of regional and lower level coordination mechanisms.

Inkhundla HIV and AIDS Coordinating Structures

Structures at the Inkhundla level are currently either under development or are being strengthened. The Inkhundla Development Team will mainstream the HIV and AIDS response in the work of the development committee, while the Inkhundla Secretary

provides additional support.

Community Level Coordination Structures

The foundations of the HIV response are the communities themselves. The MRDYA, in collaboration with NERCHA, has built community KaGogo Social Centres (grandmother's house) in nearly all chiefdoms and urban centres. These KaGogo Social Centres act as community (both urban and rural) centres for coordination of the HIV response.

Appointment of KaGogo Social Centre Clerks

A clerk has been appointed to each Kagogo Social Centre. The clerks were trained and to date 288 clerks have been placed in 288 communities; 44 in Lubombo, 70 for Hhohho, 83 in Manzini and 91 in Shiselweni, including those constructed in urban areas.

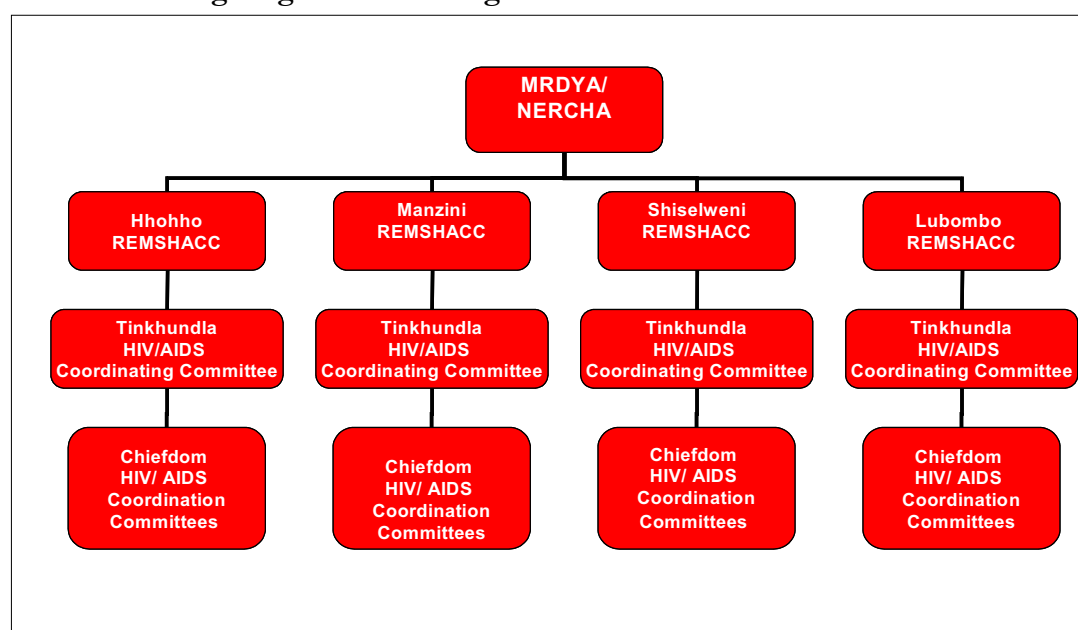
Sensitization and Capacity Building for a Decentralised Response

REMSHACCs have facilitated trainings for community and tinkhundla leaders to ensure that partners understand the importance of the regional multisectoral HIV and AIDS offices and are willing to work with and through these decentralized units.

In addition, NERCHA has supported various capacity building and training of REMSHACCs to strengthen them in the implementation of their functions. Through this support, REMSHACCs have ensured effective service delivery in the regions, facilitated monitoring and evaluation of the regional multisectoral HIV response and began the development of a database of all regional implementing partners and the interventions they are responsible for.

In addition, the chairpersons and regional secretariats for the REMSHACCs have undertaken an educational trip to Botswana to obtain firsthand knowledge of how the country facilitates coordination of its own multisectoral HIV response at regional level. The practical knowledge gained during this tour will assist in strengthening the roles of the nation's regional structures.

Organogram of the Regional Coordination Mechanisms



Strengthening Linkages with the Sectors

The decentralization of coordination of the response will entail similar decentralization of the functions of the sectors. Most sectors are not currently decentralized and as such there is a need to establish linkages between regional sectoral implementers to support effective service delivery. Consultative meetings have been initiated between the regional secretariats and representatives of some of the sectors including representatives from the urban response and the traditional sector. A meeting with the urban sector generated dialogue and strengthened collaboration in the coordination of HIV interventions in towns. While a meeting with the traditional sector supported capacity enhancement for the sector to coordinate HIV and AIDS programmes carried out by its partners in each region. These meetings with the coordinating bodies in each sector will be continued to allow for strengthened coordination and an effective decentralized response.

Challenges

- The regions require capacity building to develop regional work plans.
- Collaboration between NERCHA's decentralization initiatives and the Government's national decentralization process has to be improved to work more closely to support the mainstreaming of initiatives initiated through the regional multisectoral HIV response.

Priority Actions/ Way Forward

- The decentralization unit will continue to facilitate consultative meetings between the regional HIV and AIDS offices and sector coordinating bodies to ensure effective service delivery at grass roots level.
- NERCHA will support the finalization of regional work plans to guide the management of the national response within each region. These regional coordination work plans will clearly reflect the method for coordinating the implementation and monitoring of the National Minimum Package.
- NERCHA will work with the regional offices to develop strategies for effectively utilising Swazi culture in the fight against HIV and AIDS.

4.3 Planning and Program Development

The NSP identifies the following issues as some of the challenges under this sub-thematic area: top down planning; an uninformed national response planning process; the lack of an annual consultative planning and budgeting meeting; and fragmented planning. There are two NSP objectives to address this sub-thematic area:

- *Objective 59:* To upscale the national response and strengthen effective priority actions against HIV and AIDS.
- *Objective 60:* To harmonise and ensure coherence of actions of all cooperating partners especially development partners, civil society organizations and government sectors.

The SMP outlines the roles and responsibilities of the different partners and stakeholders in the planning process. The intention is to ensure that the National Action plan for HIV and AIDS is informed by the activities of different stakeholders who are implementing at community level. Simultaneously, there needs to be a gradual process of supporting communities in planning processes. To facilitate this, NERCHA has been working with

the regions and sectors to facilitate the assessment of capacity needs for enhanced coordination and planning processes. With support from UNAIDS, the Technical Support Facility was engaged to assist the country in developing the first Multisectoral National Action Plan for HIV and AIDS.

As a central element of the decentralised and sectoral approach, NERCHA has developed the National Minimum Package (NMP). The NMP is a basic service delivery package for the HIV and AIDS response in the country and is designed to facilitate the achievement of the objectives of the NSP. Its implementation will be measured by the Swaziland HIV and AIDS Programme Monitoring System (SHAPMoS). The NMP will serve as the foundation for planning, resource mobilization and distribution as well as monitoring and evaluation. As such, the NMP provides a “check list” of services that should be available at grassroots level. As a result, the NMP can be used to determine what is lacking at community level. It outlines the minimum of what is needed in each and every community to respond to HIV and AIDS, yet is not intended to be restrictive. Implementation of additional programs to compliment the NMP is encouraged.

Both clinical and non-clinical components are included in the NMP. The clinical aspects will be delivered by the Ministry of Health and Social Welfare through health facilities and the non-clinical aspects will be delivered by various HIV and AIDS implementing partners at community level. This framework will facilitate the documentation of service needs and service coverage by region, inkhundla and chiefdom, thus providing detailed information of where service coverage needs to be expanded, improving the targeting, transparency and efficiency of service provision.

Challenges

- Most sectors are currently at different levels in terms of coordinating the sectoral responsibilities. This has resulted in delays in initiating the planning processes for implementation of the NMP.
- There is no national capacity development plan that can assist the country to systematically seek out technical assistance for partners.
- The regions have not fully decentralized operations in line with Government policy. The decentralization of planning requires more support to be effective.
- The coordination approach is still to be implemented to build common understanding by all partners.

Priority Actions/ Way Forward

- Solicit support for capacity development and strengthening of the national offices, regions, sectors and implementing partners in planning processes and related capacity development needs.
- Develop a capacity development plan for the national response.
- Initiate development of plans at regional level.

4.4 Advocacy and Communication

The NPS identifies the main challenge in this sub-thematic area as the predominant treatment of HIV and HIV issues with a “business as usual” approach, as well as government's investment in the response not being commensurate with the extent of the problem. There is also no strategy for addressing non-factual public statements that water

down response efforts, generally no organized platforms and publications for information exchange and civil society organizations do not have the capacity to advocate and lobby for the required enabling environment. There are two NSP objectives to address this sub-thematic area:

- *Objective 63:* To create an enabling social, religious, cultural, political, legal and economic environment for the national response to thrive.
- *Objective 64:* To improve information availability on the national HIV and AIDS response as well as responsiveness to information.

Swaziland recently established its first National HIV and AIDS Information Centre in Manzini. The Centre was funded by Global Fund and the Government of Swaziland with technical assistance from SAfAIDS. The Centre serves as a central point for gathering and disseminating HIV and AIDS information. All information, research and resources will be catalogued and tracked making it easily accessible to the general public. As such, it will act as a clearing house for all HIV and AIDS information in Swaziland, as well as a training facility available for conducting trainings on HIV and AIDS related issues. In addition to printed information, the Centre will also provide information on CD and DVD that can be watched on televisions located at the Centre. Internet access is also available on more than seven computers. The Centre will also conduct physical and electronic discussion forums on topical issues so that the Swazi population is constantly informed about developments in the field of HIV.

NERCHA hosted several international journalists throughout the period under review, including a team from the British Broadcasting Company (BBC), the Financial Times, the Independent newspaper and Global Fund/Product RED. With assistance from NERCHA, these teams toured the country to better understand the challenges faced by the nation in confronting the HIV epidemic. These visits created international awareness of the plight of Swazis and serve as potential resource mobilization for the country's response to HIV and AIDS.

NERCHA worked to establish the Media Institute of Southern Africa (MISA) as the sector coordinating body for the media in order to allow NERCHA to begin coordinating the media sector's response to HIV. Part of prevention is ensuring that HIV and AIDS is made a priority in the media. To ensure this the media must understand issues surrounding HIV and be able to report on them in an accurate and unbiased manner. NERCHA continued to work on advocacy with the mass media during the period under review. One important tool in its advocacy programme was a training curriculum and workshop for journalists, editors and government spokespeople. This two-day event focused on helping media and public relations officers understand the basics of the nation's HIV prevalence tools, the sentinel surveillance of pregnant women attending antenatal clinics and the demographic health survey (DHS), as well as how to report on the results from these surveys.

Behaviour Change Communication

Coordination of Behaviour Change Communication

In coordinating the Behaviour Change Communication (BCC) response in the country, a Technical Working Group (TWG) on BCC was established composed of stakeholders involved in prevention and BCC programmes. The main function of this BCC TWG is to provide strategic direction in terms of BCC at the national level.

The BCC TWG has facilitated the drafting of the National Behaviour Change Communication Strategy Framework. This focuses on addressing sexual transmission of HIV, which has been identified as the main transmission mode for HIV in the country.

Stakeholder consultation forums on the draft BCC framework have been facilitated by the BCC TWG, and some stakeholders have been nominated to establish subcommittees to develop work plans on key output areas of the framework.

Partner Reduction Campaign

In collaboration with partners, NERCHA launched a national campaign titled, “Makhwapheni Uyabulala” (Your secret lover can kill you). The campaign was designed to encourage behaviour change and to incite public debate on the common practice of multiple concurrent sexual partnerships, which has been identified as a key driver in the rapid spread of the epidemic -- not only in Swaziland but in the region as a whole. The campaign directly confronted the practice by employing colloquial language and warning people about the consequences of such behaviour. The campaign was a follow-up to other behavioural impact efforts which promoted the delay of sexual debut among young people and faithfulness among sexually active populations.

Adopting a bold and commercial approach, the campaign attracted great attention from the public and sparked widespread debate. CIET International, with support from USAID, conducted an audience reception and impact evaluation of the campaign and found that its messages reached, and were well received by, more than 80 percent of the Swazi population. This campaign was effective and is still the subject of discussion among people in Swaziland in general. However, there were some groups that were opposed to the campaign and in the spirit of conciliation the campaign was repackaged. The second phase of the campaign used the same creative concept but resulted in a weakened campaign and consequently the impact of the second phase became insignificant. The media has continued to use the “Makhwapheni” campaign in its original sense and it continues to be part of the national public debate.

Men's Discussion Forums

The NSP highlights the limited involvement of men in HIV issues. This has been a major concern for the country. In an effort to engage men in discussions that will inform them as well as challenge their perceptions and attitudes on HIV and AIDS, NERCHA supported pilot discussion forums for men called Kudliw' Inhloko (eating a cow's heads and hooves). The concept centres on the Swazi tradition of men gathering to eat the beast's head at Esangweni after a main family or community event. The dialogues used a drama presentation to facilitate lively discussion on the key issues to be addressed. Following a piloting of the programme in 55 communities in 2005, NERCHA supported the use of similar dialogues to reach all chiefdoms with key behavioural impact messages, especially partner reduction. In the year under review, dialogues were held in all 90 chiefdoms of the Hhohho Region. Plans are underway to reach all communities in all the regions by the end of 2008. There is also a need to involve more partners to increase services to men in communities and broaden the scope of the discussions.

Umblanga Reed Dance

The traditional sector is one of the sectors that have been supported to scale-up regiment's involvement in the national response. Khulisa Umnftwana is the organisation coordinating the traditional sector, and together with the SNYC and other organizations serving youth it has coordinated the implementation of behaviour change activities to

promote the delay of sexual debut among maidens attending the traditional Umhlanga dance. Supported by NERCHA, these activities included drama, distribution of IEC materials, peer education and counseling services.

World AIDS Day Campaign

In December the country celebrated the World Aids Day campaign. Events were held throughout the country, including forums held at regional level coordinated by the REMSHACCs. Events included motivational discussions, candle light events, voluntary counseling and testing opportunities and other prevention services. The main national event was held in Manzini where the guest speaker was the Minister of Health and Social Welfare. The event was coordinated by the Swaziland National AIDS Programme (SNAP), with support from NERCHA, UNAIDS, and HAPAC (HIV and AIDS Prevention and Care), and other partners. An intensive 10-day build up ensured visibility of the campaign through banners, posters, candles and red ribbon displays in public buildings and media coverage of activities by various partners. Partners localized the international theme of “Stop AIDS. Keep The Promise” by focusing on the following sub-themes:

- Know Your Status
- Make Sex Safer
- Avoid Casual Sex

Inter-Varsity Games

NERCHA was approached by the University of Swaziland Student Representative Council to promote HIV prevention programmes amongst university students and in particular during the Inter-Varsity Games. NERCHA is in the process of developing a strategy to coordinate the involvement of tertiary institutions in the response to HIV. In 2006, the University began the programme during the Inter-varsity games which were held under the slogan, “HIV is Off-side. Blow the Whistle” which was aimed at motivating students to avoid contracting HIV. NERCHA recognizes this age group to be of particular importance in reducing the spread of HIV in the country.

Emerging Technologies

Following a national male circumcision (MC) stakeholder consultation, MOHSW in collaboration with NERCHA, established a National MC Task Force. The Task Force was created to address MC as part of an overall prevention package. The MC Task Force approved a pilot study called “Circumcision Saturday” at Mankayane Government Hospital which calculated a per procedure cost for potential MC scale up. The pilot also assessed the incorporation of HIV counseling and testing into the standard procedure.

The SMP has made provision for the coordination of the national response to promote coordination forums from technical level up to policy level. There will further be a mechanism for allowing issues raised at technical level to be addressed at higher levels with a view to providing an effective environment for the national response to thrive. Information sharing forums are an important component of coordination of the multisectoral response and these forums will further be made available at regional and sectoral levels.

Challenges

- Mass media campaigns are extremely expensive to implement. There is need to explore

partnerships with media houses such as Swazi TV and Swaziland Broadcasting System to take ownership of HIV and AIDS programming.

- Continued advocacy with national media houses is required so that the mass media treat HIV and AIDS as a national emergency.

Priority Actions/ Way Forward

- To strengthen the media involvement and mainstreaming of HIV response.
- Promote and market the centre with partners for increased utilization of the service.
- Resource mobilization for the National HIV and AIDS Information Centre.

4.5 Cross-cutting Issues

In this sub-thematic area the NSP identifies the following challenges as critical: there are very few behaviour change communication programmes in the country that address the relationship between gender and HIV and AIDS; respect for human rights is a challenge in the country; there are limited interventions that address poverty and HIV and AIDS; and socio-cultural practices are not currently addressed as mainstream in HIV and AIDS interventions. There are two NSP objectives to address this sub-thematic area:

- *Objective 65*: Ensure that by 2008, 100% of responding agencies have integrated human rights, gender, socio-cultural practices and disability into their response activities.
- *Objective 66*: Ensure that by 2008, 100% of registered responding agencies have at least one staff member who has training in HIV and AIDS related areas such as human rights, gender, poverty, socio-cultural practices and disabilities

NERCHA has participated in workshops supported by the Southern Africa Development Community (SADC), AIDS desk and UNDP (United Nations Development Programme) Regional Service Centre on mainstreaming HIV and AIDS in development planning. Within this, a curriculum on mainstreaming HIV and AIDS is being finalized. This curriculum can be adapted by countries, including Swaziland, for use in further training at country level. Participation in this regional training has been increasing, which will increase the number of people also trained at country level. Attention has been placed on providing this training to PSHACC to ensure that government is mobilized to provide continued funding for it.

Challenges

- Adapting the curriculum will be a long process as the SADC curriculum is not yet finalized.
- The curriculum has limitations in that it refers only to mainstreaming HIV and AIDS and excludes gender, poverty and human rights, among a few issues.

Priority Actions/ Way Forward

- Adaptation of the SADC curriculum on mainstreaming HIV and AIDS for the country.
- Resource mobilization for the training of implementing partners after the curriculum is finalized.

4.6 Monitoring and Evaluation

The NSP identifies only one challenge as critical in this sub-thematic area: insufficient monitoring and evaluation of previous national response plans. There are two NSP objectives that address this sub-thematic area:

- *Objective 67:* To produce accurate information and data on the achievement of the objectives and outputs of the national response to HIV and AIDS.
- *Objective 68:* To promote utilisation of available HIV and AIDS data for planning and decision making.

Using the national HIV and AIDS M&E Road Map, the M&E Technical Working Group (TWG) has facilitated the operationalisation of the National Multisectoral HIV and AIDS Monitoring & Evaluation System that was launched in October 2005. In November 2006, NERCHA in collaboration with the MRDYA and TWG launched the Swaziland HIV and AIDS Programme Monitoring System (SHAPMoS). NERCHA has further provided training to implementing partners to strengthen M&E capacity in the country. A series of trainings have been conducted focusing on M&E concepts and on the SHAPMoS. A series of trainings and mentorship sessions with all implementers on non-clinic interventions were held to equip implementers with the skills needed to effectively use SHAPMoS and to ensure that the organisation's reporting systems are aligned to the System. In total, approximately 129 implementers were trained and more training is earmarked for the next financial year. Advocacy sessions for SHAPMoS were conducted among partners and continued throughout the reporting period. On the other hand the Ministry of Health and Social Welfare (SNAP) was supported to finalise the Ministry of Health HIV and AIDS M&E Framework. The Ministry will be developing the Ministry's Road-map to be aligned to the national M&E Road Map.

As outlined in the M&E system the Quarterly Service Coverage Report (QSCR) is the data source for routine programme monitoring. The QSCR covers both health (Ministry of Health routine system) and the non health system (SHAPMoS). In collaboration with the Ministry of Health and Social Welfare NERCHA was able to produce and disseminate the first QSCR for the period July, August and September (Third quarter) in March 2007. The QSCR was disseminated through the REMSHACC in the regions and in all the regions the dissemination meetings were chaired by the Regional Secretaries.

The M&E Operational Plan outlines the advocacy and communication plan to increase visibility of Monitoring and Evaluation and its importance in the response to HIV and AIDS. A series of M & E IEC materials (posters and information pack) used to educate implementers on SHAPMoS were developed. Radio jingles were also used to remind implementers about quarterly reporting to SHAPMoS. NERCHA also facilitated the training of media personnel on the interpretation of HIV statistics to ensure accurate reporting.

In this reporting period the country received ongoing financial and technical support for the implementation of the M and E System from the World Bank's Global Monitoring and Evaluation Team (GAMET), US Government, UNAIDS and Skills Share.

Challenges

- SHAPMoS is still at the early stages. Its implementation is faced with a number of challenges such as:
 - Some implementing partners still have to be trained on the use of SHAPMoS
 - The regional structures have recently been established and are still being trained on SHAPMoS.
- A number of implementing partners are still not reporting on SHAPMoS. At times the submission of SHAPMoS reporting forms is delayed and continues to pose a challenge for compilation of the QSCR.
- A lack of quality data in the implementers' reports necessitates the need for continuous mentorship and quality checks.
- Staff turnover among implementers often results in a change in SHAPMoS focal persons requiring further trainings for new staff appointed as SHAPMoS focal person.
- Limited Funds following the end of the World Bank International Development Fund (IDF) Grant for Monitoring and Evaluation.

Priority Actions/ Way forward

- Training and mentorships will be increased in the coming period through the involvement of REMSHACCs in these activities.
- Increased advocacy sessions on M & E system and particularly SHAPMoS reporting.
- Resource mobilization for M & E implementation.
- Provide support to the Ministry of Health and Social Welfare to strengthen the health M & E System.

4.7 HIV and AIDS Research

The NSP identifies two challenges facing this thematic area: the limited research capacity; and the limited funding for research in the country. There are two NSP objectives that address this sub-thematic area:

- *Objective 69:* To increase the number of HIV related studies that are carried out in the country.
- *Objective 70:* To reduce the number of research studies carried out without approval by the health ethics and scientific committee to facilitate the utilisation of research results.

An Interim Research Committee was established and facilitated the process of developing an HIV research strategy in the country. The Committee commissioned the assessment of research and research capacity in the country. The Assessment addresses four main pillars in establishing a functional research framework for the country. The pillars are:

- A National Research Agenda
- Ethics
- Research use
- Capacity building

Challenges

- Limited resources to support the strengthening of the National Research Council.

4.8 Resource Mobilization and Management

The following challenges are identified in the NSP as critical in this sub-thematic area: insufficient local funding; limited external funding and poor fund flows; limited human resource capacity, as well as uncoordinated response related funding. There are two NSP objectives that address this sub-thematic area:

- *Objective 61:* To increase available funding at all levels on a scale capable of making an impact to the epidemic.
- *Objective 62:* To ensure appropriate, effective and swift use of available resources at all levels of the national response.

Resource mobilization for the HIV and AIDS response has been happening at bi-lateral and multi-lateral level. Unlike other countries, Swaziland Government has not designated a single budget line for the HIV/AIDS response but allocates funding to various Government ministries to respond to the effects of the epidemic. The NERCHA Directorate is collaborating with the AIDS Coordination and Management Section within the Ministry of Economic Planning and Development on resource mobilization and tracking. This section of the report will focus mainly on resources received and channelled through the NERCHA Directorate.

Total funding received and managed by the NERCHA Directorate during the financial year amounted to E140,671,559 In response to the national HIV and AIDS response Government increased the subvention to NERCHA by E5 million, from E25 million to E30million. This annual report does not report on investments towards HIV and AIDS channelled through:

- The Ministry of Health and Social Welfare on prevention, treatment and care and the elderly grants;
- The Ministry of Education for Orphan and Vulnerable children school grant;
- Disaster Fund for food distribution;
- Other Direct Funding of the National Response by bi-lateral and multi-lateral donors including but not limited to the United States Government, the European Union, United Nations agencies and the Italian Government;

The report focuses mainly on the funding received and channelled through the NERCHA Directorate and these are as follows:

Source		Received 2005/6 (E)	Received 2006/7 (E)	% Increase
Swaziland Government		25,000,000	30,000,000	20%
External Funders	Global Fund for HIV and AIDS, Malaria & TB	76,588,014	107,238,678	40%
	Micro Projects	950,000	-	-100%
	SIPAA	3,162,523	1,048,841	-67%
	Action Aid	396,716	-	-100%
	World Bank	-	294,440	100%
	Young Heroes	26,377	687,917	2508%
	African Alliance	-	500,000	100%
	SAFAIDS International	-	35,343	100%
Other		23,254	-	-100%
Interest received		891,728	866,340	-3%
Total Funding		107,038,612	140,671,559	31%
Funds Carried forward from previous year		57,619,351	7,731,907	13%
Total funding available for the Response		164,657,963	148,403,466	-10%

As shown in the table, most of the funding channelled through the NERCHA Directorate comes from the Global Fund. During year two, the grants reached their maturity and these are grants from Support for International Partnership against AIDS in Africa (SIPAA) and the World Bank. The SIPAA project was funded by Action AID Africa and was mainly targeted at building capacity of agencies involved in the national response against HIV and AIDS. The project achieved its intentions and contributed immensely on the establishment of the multi-sectoral coordinating offices under MRDYA, the formation of SWANNEPHA, the Church Forum and CANGO. There is the opportunity for another possible grant from the World Bank in the near future. However, funding for the SIPAA project in Swaziland is unlikely to be renewed due to financial decisions taken by the principal funder.

Included in the table are donations received from Young Heroes and African Alliance (Swaziland). The funds received under Young Heroes are designated for vulnerable orphans. Young Heroes is a Web-based programme that launched on February 3, 2006. Its mission is to help orphan families stay together on their homesteads and in their communities by mobilizing sponsors to provide them with funds for food and clothing. All children under the age of 18 who have lost both parents are eligible to register. African Alliance pledged E500 000 towards rehabilitation of orphans and vulnerable children. At the end of the financial year, E409 649 had been received and used to rehabilitate 20 houses mainly in the Lubombo region.

Application of Resources

Apart from its coordination and resource-mobilizing role, NERCHA is also a financing mechanism for the response against HIV and AIDS. NERCHA's financial objective is to accelerate disbursements for the implementation of HIV and AIDS interventions. Therefore the emphasis of this report is on how the funds received were spent. Total expenditure for the year under review was E134 million against E173 million spent

in 2005/6. The expenditure for 2005/6 included infrastructural costs such as the construction of KaGogo Centres, Youth Centres and the cost of developing the National Strategic Plan 2006- 2008, hence the decrease in spending during the year. Expenditure is summarised in the table below.

	Year 2005/6	Year 2006/7	Y/Y % Inc/ (Dec)
Net Coordinating expenses	10,563,823	12,863,617	22%
Revaluation loss/(Gain)	- 631,572	-3,578,569	467%
Net Expenses	9,932,251	9,285,048	-7%
<u>Program Expenses:</u>			
Prevention	26,057,037	16,181,864	-38%
Care and Support	72,587,176	41,354,227	-43%
Impact Mitigation	46,349,323	33,271,631	-28%
Projects Administration	2,236,828	4,194,805	88%
Monitoring and Evaluation	1,779,823	2,195,312	-23%
Young Heroes	21,751	418,495	1824%
NSP	4,061,257	245,838	-94%
Decentralisation		2,169,203	100%
SIPAA	3,796,173	778,627	-79%
World Bank	439,111	308,447	-30%
Total HIV/AIDS Projects	157,328,479	101,118,449	-36%
Non HIV/AIDS expenditure:			
Malaria	691,612	2,600,332	276%
Tuberculosis	3,630,844	2,851,549	-21%
	4,322,456	5,451,881	26%
Total Projects	161,650,935	106,570,330	-34%
Net Total Expenses	171,583,186	115,855,378	-32%

Nercha Directorate Expenses

The NERCHA Directorate coordinating expenses for the year were E13.7 million, approximately 11.4% of the total expenditure and 12.9% of program expenses. In the 2005/6 report, a staff increase of 12 was reported, from 32 to 44 employees. Most of the employees were engaged towards the end of the 2005/6 financial year and their full impact was realised during the current year, hence the 20% increase in Directorate expenses. The Directorate expenses include expenditures for managing the various grants including grants for Malaria and Tuberculosis programs. During the year, NERCHA stipulated “benchmark” efficiency ratios for the Directorate. The following table presents' performance against these ratios.

Efficiency ratios:					
1. Staff costs / Total costs	12%	9%	5%	4%	7%
2. Administration costs / Total Costs	22%	17%	10%	7%	11%
3. Administration costs / Projects expenses	28%	20%	11%	7%	13%
4. Administration expenses / Government grant	11%	29%	40%	46%	46%
5. Total Costs / Total Income	50%	42%	63%	109%	66%
Allocation ratios:					
6. Prevention / Total Projects	25%	17%	16%	16%	15%
7. Care and Support / Total Projects	38%	48%	42%	45%	39%
8. Impact Mitigation / Total Projects	31%	34%	32%	29%	31%
9. M&E / Total Projects	5%	1%	4%	1%	2%

Management

NERCHA was appointed by the Country Coordinating Mechanism (CCM) to be the Principal Recipient for grants received from the Global Fund to fight HIV/AIDS, Tuberculosis and Malaria. The NERCHA Directorate is the current Secretariat to the CCM. The CCM was formed in line with Global Fund CCM guidelines and is made up of 16 constituencies including NERCHA as the Principal Recipient. During the year the CCM had submitted a country coordinated proposal in response to the Global Fund call for Round 6 proposals. This proposal was not successful and the CCM was encouraged to apply under Round 7. This was completed and a proposal was submitted at the end of June 2007. As at the end of the financial year, the following Grants under the management of the Directorate and supervised by the CCM were as follows:

Source	Pledges	Total Grant	Received	Grant Balance
Global Fund for HIV/AIDS:				
Round 2	52,544,145	52,544,145	36,468,215	16,075,930
Round 4	48,283,310	16,396,810	8,329,940	39,953,370
Global Fund for Malaria	1,820,500	1,820,500	1,137,515	682,985
Global Fund for Tuberculosis	2,506,000	2,506,000	837,640	1,668,360
Total	105,153,955	73,267,455	46,773,310	58,380,645



National Emergency Response Council on HIV and AIDS

FINANCIAL STATEMENTS
for the year ended 31 march 2007

FINANCIAL STATEMENTS

for the year ended 31 March 2007

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COUNCIL MEMBERS' RESPONSIBILITY STATEMENT
for the annual financial statements
for the year ended 31 March 2007

The members of the Council are responsible for the preparation and fair presentation of the financial statements, comprising the balance sheet at 31 March 2007, and the income statement and cash flow statement for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the Council members' report, in accordance with Swaziland and International Financial Reporting Standards and in the manner required by the National Emergency Response Council on HIV/AIDS Act, No 8 of 2003.

The Council members' responsibility includes the designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

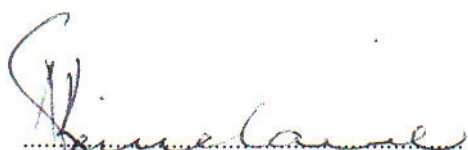
The Council members' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

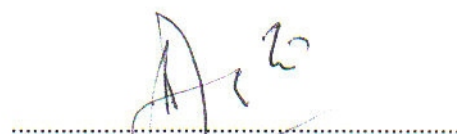
The Council members have made an assessment of the Council's ability to continue as a going concern and have no reason to believe the Council will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the financial statements

The annual financial statements set out on pages 35 to 47 were approved by the members of the Council on 13 August 2007 and are signed on its behalf by:


.....
Member


.....
Member

13 August 2007

Report of the independent auditors

To the members of National Emergency Response Council on HIV/AIDS

We have audited the annual financial statements of National Emergency Response Council on HIV/AIDS which comprise the balance sheet at 31 March 2007, and the income statement and cash flow statement for the year then ended, and the notes to the financial statement, which include a summary of significant accounting policies and other explanatory notes, and the Council members' report, as set out on pages 4 to 20.

Council members' responsibility for the financial statements

The Council's members are responsible for the preparation and fair presentation of these financial statements in accordance with Swaziland and International Financial Reporting Standards and in the manner required by the National Emergency Response Council on HIV/AIDS Act, 2003. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Emergency Response Council on HIV/AIDS as at 31 March 2007, and its financial performance cash flows for the year then ended in accordance with Swaziland and International Financial Reporting Standards, and in the manner required by the National Emergency Response Council on HIV/AIDS Act, 2003.

Other matters

The schedules set out on pages 21 to 22 do not form part of the financial statements. We have not audited these schedules and accordingly do not express an opinion on them.

The logo for KPMG, consisting of the letters 'KPMG' in a stylized, bold, sans-serif font.

Auditors

CHARTERED Accountants (Swaziland)
Mbabane

COUNCIL MEMBERS' REPORT

The members of the Council have pleasure in presenting their report on the activities of the Council for the year ended 31 March 2007.

1. Establishment and objectives of the Council

1.1 Background

The National Emergency Response Council on HIV/AIDS is a multi-sectoral Council established in terms of the National Emergency Response Council on HIV/AIDS Act, 2003 to oversee the co-ordination of the national multi-sectoral response to HIV/AIDS and to review and adopt appropriate HIV/AIDS- related policies and strategies.

1.2 Funding of NERCHA

NERCHA is funded by the Swaziland Government and by grants from the Global Fund to fight, AIDS, Tuberculosis and Malaria ("Global Fund"), bi-lateral and multi-lateral donors and others.

2. Review of activities

The financial results of the Council are fully set out in the financial statements.

3. Management of the Council

NERCHA operates through a directorate. The Council members act in the same manner as a board of directors and guide and oversee the work of the directorate.

The NERCHA directorate is the executive office mandated to convert the National Strategic Plan for HIV/AIDS into an action plan and coordinate the implementation thereof.

3.1 The Council members for the year under review were as follows:

Chief Ndzabankhulu Simelane	-	Chairperson
Ms Thulisile Dladla	-	Deputy Chairperson
Mr Jimson Gwebu	-	Member
Ms Olga Malinga	-	Member
Mr Patrick Muir	-	Member
Dr Zibuse Dlamini	-	Member
Mr Hannie Dlamini	-	Member
Mr Raymond L Nxumalo	-	Member

COUNCIL MEMBERS' REPORT (continued)

3.1 The Council members (continued)

Mr John Hayter	-	Member
Mr Elliot Sihlongonyane	-	Member
Rev Aaron Matsebula	-	Member
Dr John Kunene	-	Member
Ms Bongwe Duma	-	Member
Mr Sandile Ceko	-	Member
Ms Nomathemba Dlamini	-	Member
Dr Nhlavana Maseko	-	Member

3.2 On 31 March 2007 the term of office of the Council members came to an end, subsequent to year end new council members were appointed.

3.2 Directorate

Dr Derek von Wissell	-	National director and secretary to Council
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4. Post balance sheet events

There were no significant post balance sheet events that, in view of the council need to be disclosed.

5. Business and postal addresses

The registered business and postal addresses for the Council in Mbabane are

Cooper Centre
Sozisa Road
Mbabane

P O Box 1937
Mbabane
H100
Swaziland

6. Auditors

Auditors for the Council in the year under review are:

KPMG Chartered Accountants (Swaziland)
2nd Floor
Imfumbe Building
Mahlokohla Street
P O Box 331
Mbabane
Swaziland

ACCOUNTING POLICIES

1. Statement of compliance

The financial statements of the Council are prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the provisions of The National Emergency Response Council on HIV/AIDS Act, 2003.

2. Basis of presentation

The financial statements are presented in Emalangen, rounded to the nearest one. They are prepared on the historical cost basis, except for financial instruments which are stated at their fair values and incorporate the following principal accounting policies which are materially consistent with those adopted in the previous financial year.

3. Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation.

Depreciation is charged on a straight line basis over the estimated useful lives of the assets.

The rates of depreciation used are based on the following estimated useful lives:

Computers	3 years
Leasehold improvements	5 years
Motor vehicles	4 years
Office equipment	5 years
Furniture and fittings	5 years

4. Grants

Grants are not recognised in the financial statements until there is reasonable assurance that the grants will be received by the Council and that the Council will comply with the conditions applying to the grants. Grants are recognised in the income statement on a systematic basis matching them with the related costs for which the grants are intended to compensate. The balance of grants received but not shown as income is classified as deferred income.

5. Financial instruments

Financial instruments reflected on the balance sheet include cash and bank balances, accounts receivable and accounts payable. Cash and bank balances are reflected at their estimated fair values.

ACCOUNTING POLICIES (continued)

6. Provisions

A provision is recognised in the balance sheet when the Council has a legal and constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

7. Foreign currencies

Foreign currency assets and liabilities are translated into local currency at rates of exchange approximating those ruling at the balance sheet date and foreign currency transactions are translated at the rates ruling at the date of the transaction. Translation surpluses and deficits are recognised in the income statement in the year in which they occur.

8. Accounts receivable

Accounts receivable are stated at their cost less impairment losses.

9. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are payable on demand and form an integral part of the Council's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

10. Trade and sundry accounts payable

Trade and sundry accounts payable are stated at their cost.

11. Pension and termination benefits

It is the policy of the Council to provide for retirement benefits, including those in terms of the Employment Act 1980 by payment to a separate retirement fund independent of the Council.

Obligation for contributions to the provident fund are recognised as an expense in the income statement as incurred.

NATIONAL EMERGENCY RESPONSE COUNCIL ON HIV/AIDS

INCOME STATEMENT

for the year ended 31 March 2007

	Note	2007 E	2006 E
Income			
Grant income		115 855 378	171 583 187
Donations		-	22 740
Interest income		866 340	854 277
Foreign exchange gain		3 578 569	613 876
Expenses			
Administration expenses	1	(13 729 957)	(15 487 401)
Project expenses		(106 570 330)	(157 586 679)
Net surplus for the year		<u>-</u>	<u>-</u>
		=====	=====

NATIONAL EMERGENCY RESPONSE COUNCIL ON HIV/AIDS

BALANCE SHEET

at 31 March 2007

	Note	2007 E	2006 E
ASSETS			
<i>Non-current assets</i>			
Property and equipment	2	1 283 743	1 549 546
<i>Current assets</i>			
Cash and bank balances	7.3	34 992 807	3 900 504
Accounts receivable	3	9 194 774	308 320
Other accounts receivable	4	90 351	16 903 855
		<u>44 277 932</u>	<u>21 112 679</u>
Total assets		<u>45 561 675</u>	<u>22 662 225</u>
FUNDING AND LIABILITIES			
<i>Funding</i>			
Deferred grant income	5	31 681 748	7 731 907
<i>Current liabilities</i>			
Accounts payable	6	13 879 927	14 930 318
Total funding and liabilities		<u>45 561 675</u>	<u>22 662 225</u>

NATIONAL EMERGENCY RESPONSE COUNCIL ON HIV/AIDS

CASH FLOW STATEMENT

for the year ended 31 March 2007

	Notes	2007 E	2006 E
Cash flows from operating activities			
Cash generated by operations	7.1	(9 955 472)	10 065 688
Interest received		866 340	854 277
		<u> </u>	<u> </u>
<i>Net cash (utilised)/ generated by operating activities</i>		<u>(9 089 132)</u>	<u>10 919 965</u>
Cash flows from investing activities			
Acquisition of property and equipment		(363 925)	(816 926)
Proceeds on disposal of property and equipment		4 616	-
		<u> </u>	<u> </u>
<i>Net cash outflow from investing activities</i>		<u>(359 310)</u>	<u>(816 926)</u>
Cash flows from financing activities			
Grants received net of amount utilised to finance operations	7.2	40 540 746	(66 788 187)
		<u> </u>	<u> </u>
Net increase in cash and cash equivalents		31 092 303	(56 685 148)
Cash and cash equivalents at beginning of year		3 900 504	60 585 652
		<u> </u>	<u> </u>
Cash and cash equivalents at end of year	7.3	<u>34 992 807</u>	<u>3 900 504</u>

NATIONAL EMERGENCY RESPONSE COUNCIL ON HIV/AIDS

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007

	2007 E	2006 E
1. Administration expenses for the year		
Administration expenses for the year include:		
Auditors remuneration – fees	137 000	297 482
Depreciation of property and equipment	673 014	681 300
Council members fees and emoluments	437 010	329 807
Council members fees – National Strategic Plan	-	195 800
Operating lease payments	606 761	553 529
	=====	=====

2. Property and equipment

	2006 Net book value E	Additions E	Disposals	Depre- ciation E	2007 Net book value E
Motor vehicles	529 684	222 595	(130 886)	(172 588)	448 805
Computer equipment	265 853	156 124	-	(174 040)	247 937
Office equipment	313 434	183 840	(34 704)	(146 312)	316 258
Furniture and fittings	238 267	9 040	(13 720)	(90 156)	143 431
Leasehold improvements	202 308	14 922	-	(89 918)	127 312
	-----	-----	-----	-----	-----
	1 549 546	586 521	(179 310)	(673 014)	1 283 743
	=====	=====	=====	=====	=====

	Cost E	Accumulated depreciation E	2007 Net book value E
Motor vehicles	862 763	413 958	448 805
Computer equipment	975 234	727 297	247 937
Office equipment	758 463	442 205	316 258
Furniture and fittings	445 803	302 372	143 431
Leasehold improvements	454 865	327 553	127 312
	-----	-----	-----
	3 497 128	2 213 385	1 283 743
	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007 (continued)

	2007 E	2006 E
3. Accounts receivable		
Grant receivable from African Alliance	209 649	-
Grant receivable from SAfAIDS	35 343	-
Grant receivable from Global Fund – Malaria	924 340	-
Grant receivable from the Swaziland Government	7 500 000	-
Staff study loans	23 116	23 645
Sundry debtors	95 730	187 735
Prepaid expenses	232 000	96 940
Action Aid	174 596	-
	<hr/>	<hr/>
	9 194 774	308 320
	<hr/> <hr/>	<hr/> <hr/>

4. Other accounts receivable

Other accounts receivable comprise the following amounts due from grant providers in respect of expenses already incurred:

Global Fund	-	16 259 555
World Bank	-	165 227
SIPAA	-	479 073
African Alliance	90 351	-
	<hr/>	<hr/>
	90 351	16 903 855
	<hr/> <hr/>	<hr/> <hr/>

5. Grants

5.1 Grants received from the Swaziland Government:

Balance at beginning of year	7 214 570	14 111 229
Received during the year	30 000 000	25 000 000
Recognised in the income statement	(34 757 964)	(31 896 659)
	<hr/>	<hr/>
Balance at end of year	2 456 606	7 214 570
	<hr/>	<hr/>

Government grants are recognised as income over the period necessary to match them with the related costs which they are intended to compensate on a systematic basis. The Government has no specific period of funding.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007 (continued)

	2007 E	2006 E
5. Grants (continued)		
5.2 Grants received from the Global Fund to fight AIDS, Tuberculosis and Malaria (“Global Fund”):		
Balance at beginning of year	-	42 486 256
Received during the year	107 238 678	76 588 014
Recognised in the income statement	(79 117 114)	(119 074 270)
	<hr/>	<hr/>
Balance at end of year	28 121 564	-
	<hr/>	<hr/>

The Council on behalf of Country Coordination Mechanism has entered into a programme grant agreements with the Global Fund under which the Global Fund will provide funding to the Council to implement or oversee the implementation of the coordinated country response to fight HIV/AIDS and the Swaziland National Malaria Control Programmes. The amount of this agreement is US\$ 72 109 855 to be disbursed over a period from 1 July 2003 through to 30 June 2008.

5.3 Grants received from the World Bank - International Bank for Reconstruction and Development (“the Bank”):		
Balance at beginning of year	-	283 054
Received during the year	294 440	-
Recognised in the income statement	(294 440)	(283 054)
	<hr/>	<hr/>
Balance at end of year	-	-
	<hr/>	<hr/>

The Council has entered into a grant agreement with the Bank whereby the Bank will contribute by way of a grant an amount not exceeding US\$ 492 000. The grant was available until 16 November 2006.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007 (continued)

	2007 E	2006 E
5. Grants (continued)		
5.4 Grants received from The Support to International Partnership against AIDS in Africa (“SIPAA”) Programme:		
Balance at beginning of year	-	144 181
Received during the year	1 048 841	3 162 523
Recognised in the income statement	(800 116)	(3 306 704)
	<hr/>	<hr/>
Balance at end of year	248 725	-
	<hr/>	<hr/>
<p>The Council has entered into a financing agreement with SIPAA whereby SIPAA will contribute by way of a grant from resources of a three year programme funded by the British Government’s Department for International Development (DFID) and managed by Action Aid Africa. The amount of this agreement was GBP 547 000 and agreement was terminated in September 2006.</p>		
5.5 Grants received from SAFAIDS		
Received during the year	35 343	-
Recognised in the income statement	(35 066)	-
	<hr/>	<hr/>
Balance at end of year	277	-
	<hr/>	<hr/>
5.6 Grants received from the American Institute for Research (“AIR”)		
Balance at beginning of year	478 105	595 981
Recognised in income statement	61 676	(117 876)
	<hr/>	<hr/>
	539 781	478 105
	<hr/>	<hr/>

The Council has entered into grant agreements with AIR whereby AIR will contribute by way of grants amounting to US\$ 95 000 for the purposes of supporting the Council’s community based intervention programs targeted at orphans and vulnerable children. The period of performance under the agreement has not been specified.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2007 (continued)

	2007 E	2006 E
5. Grants (continued)		
5.7 Grants received from the Rotary Club of Mbabane:		
Balance at beginning of year	-	(1 350)
Recognised in the income statement	-	1 350
	<hr/>	<hr/>
Balance at end of year	-	-
	<hr/>	<hr/>
The Council entered into an agreement with the Rotary Club of Mbabane whereby the Rotary Club of Mbabane contributed by way of grants an amount of E271 995 to fund the purchase of HIV rapid test kits.		
5.8 Grants received from Young Heroes:		
Balance at the beginning of the year	25 892	-
Received during the year	687 917	26 377
Recognised in the income statement	(409 838)	(485)
	<hr/>	<hr/>
Balance at end of year	303 971	25 892
	<hr/>	<hr/>
These are donations by individuals from all over the world for the support of orphaned and vulnerable children.		
5.9 Grants receivable from African Alliance:		
Receivable during the year	500 000	-
Recognised in the income statement	(500 000)	-
	<hr/>	<hr/>
Balance at end of year	-	-
	<hr/>	<hr/>
African Alliance Swaziland pledged E500 000 to the Council for the construction of twenty orphan houses of which E409 649 had been received at year-end.		
5.10 Small grants received:		
Balance at beginning of year	13 340	-
Received during the year	-	13 253
Recognised in the income statement	(2 516)	87
	<hr/>	<hr/>
Balance at end of year	10 824	13 340
	<hr/>	<hr/>
	31 681 748	7 731 907
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007 (continued)

	2007 E	2006 E
6. Accounts payable		
Creditors and accruals	3 576 331	2 470 103
Global Fund Project creditors	7 551 574	12 063 499
Funds held in trust – Action Aid	-	396 716
Funds held in trust – Ministry of Health	2 735 629	-
Amount to be remitted to World Bank	16 393	-
	<hr/>	<hr/>
	13 879 927	14 930 318
	<hr/> <hr/>	<hr/> <hr/>
7. Notes to the cash flow statement		
7.1 Cash utilised by operations		
Net operating (deficit)/surplus for the period	-	-
Deduct interest received	(866 340)	(854 276)
Adjustment for depreciation	673 014	678 188
Assets transferred to projects	174 694	-
	<hr/>	<hr/>
Operating deficit before working capital changes	(18 632)	(176 088)
(Increase)/decrease in accounts receivable	(8 886 454)	5 704 975
(Decrease)/increase in accounts payable	(1 050 386)	4 536 802
	<hr/>	<hr/>
	(9 955 472)	10 065 688
	<hr/> <hr/>	<hr/> <hr/>
7.2 Grants received		
Grants received during the period	156 396 123	104 793 279
Utilised to finance operations	(115 855 378)	(171 581 466)
	<hr/>	<hr/>
Financing inflow/(outflow)	40 540 745	(66 788 187)
	<hr/> <hr/>	<hr/> <hr/>
7.3 Cash and bank balances		
Closing balances		
Local currency accounts	32 492 232	3 042 309
Foreign currency accounts	2 500 575	858 195
	<hr/>	<hr/>
	34 992 807	3 900 504
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007 (continued)

8. Related parties and related party transactions

Related parties comprise the Swaziland Government and members of the Council. The Council received E30 million (2006 : E25 million) as a government grant during the year. Accounts receivable from the Swaziland Government are disclosed in note 3 to the financial statements.

Details of remuneration paid to members of the Council during the year are set out in note 1.

9. Financial instruments

The Council's financial instruments include cash and bank balances, accounts receivable and accounts payable. Accounting policies for financial assets and liabilities are set out in the statement of accounting policies.

Fair values

The fair values of bank balances, accounts receivable and accounts payable are not materially different from their carrying values.

Interest rates risk

Bank accounts attract interest at rates linked to the prime overdraft rate.

Foreign currency risk

The Council receives foreign currency denominated grants and some of the Council's bi-lateral and multi-lateral partners require the Council to keep unutilised grants in foreign currency bank accounts. As a result the Council is exposed to foreign currency risk on bank balances and grants that are denominated in a currency other than Emlangeni. The currency giving rise to this risk is US Dollars. The Council does not hedge foreign currency risk.

10. Employees

The number of employees during the year was 54 (2006 : 44).

The employment costs during the year totalled E8 150 541 (2006 : E6 609 954).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007 (continued)

	2007 E	2006 E
11. Commitments		
Authorised and contracted for	88 916 981 =====	66 754 020 =====

Commitments represent future expenditure unutilised by the Council for disbursement to various implementing agencies. These commitments will be financed from grants received and future grant income.

12. Operating lease commitments

Non-cancellable operating lease rentals are payable as follows:

Less than one year	921 324	591 584
Between one and five years	4 669 675	2 903 590
	<u>5 590 999</u> =====	<u>3 495 174</u> =====

The leases are renewable at the option of the Council for a further period of between one and three years.

13. Taxation

The Council is considered to be exempt from normal income tax in accordance with the provisions of Section 12(1)(a) (vii) of the Income Tax Order 1975 as amended and Section 19 of the National Emergency Response Council on HIV/AIDS Act, 2003.

DETAILED INCOME STATEMENT

for the year ended 31 March 2007

	Swaziland Government	Global Fund on HIV/AIDS	World Bank	SIPAA	American Institute for Research	Young Heroes & Small	African Alliance	SAFAIDS Grant	Total 2007	Total 2006
	Grants 2007 E	Grant 2007 E	Grant 2007 E	Grant 2007 E	Grant 2007 E	Grant 2007 E	Grant 2007 E	Grant 2007 E	Grant 2007 E	Grant 2006 E
Income										
Grants	34 757 964	79 117 114	294 440	800 116	(61 676)	412 354	500 000	35 066	115 855 378	171 583 187
Donations	-	-	-	-	-	-	-	-	-	22 740
Interest	171 692	664 000	1 875	14 259	3 360	11 154	-	-	866 340	854 277
Net foreign exchange gain	-	3 501 902	16 775	-	59 890	2	-	-	3 578 569	631 572
	<u>34 929 656</u>	<u>83 283 016</u>	<u>313 090</u>	<u>814 375</u>	<u>1 574</u>	<u>423 510</u>	<u>500 000</u>	<u>35 066</u>	<u>120 300 287</u>	<u>173 091 776</u>
Expenditure										
Administration expenses										
Advertising	139 816	-	-	-	-	-	-	-	139 816	62 240
Auditors fees	137 000	-	-	-	-	-	-	-	137 000	420 082
Communications and Travel	767 283	-	-	-	-	-	-	-	767 283	796 612
Bank charges	11 890	117 406	4 644	1 062	1 574	5 015	-	-	141 591	125 981
Depreciation	588 134	50 195	-	34 686	-	-	-	-	673 015	680 320
Fund raising	56 635	-	-	-	-	-	-	-	56 635	-
General expenses	1 740 399	960	-	-	-	-	-	-	1 741 359	721 905
Professional and legal expenses	518 782	-	-	-	-	-	-	-	518 782	637 156
Project sub- committee expense	4 185	-	-	-	-	-	-	-	4 185	17 704
Repairs and maintenance	182 050	-	-	-	-	-	-	-	182 050	275 455
Rent	473 797	132 964	-	-	-	-	-	-	606 761	518 831
Retainer fees	160 500	-	-	-	-	-	-	-	160 500	109 607
Sitting allowances	276 510	-	-	-	-	-	-	-	276 510	220 200
Staff expenses	6 750 573	1 399 968	-	-	-	-	-	-	8 150 541	6 609 954
Stationery	173 929	-	-	-	-	-	-	-	173 929	227 098
	<u>11 981 483</u>	<u>1 701 493</u>	<u>4 644</u>	<u>35 748</u>	<u>1 574</u>	<u>5 015</u>	<u>-</u>	<u>-</u>	<u>13 729 957</u>	<u>11 440 841</u>

DETAILED INCOME STATEMENT

for the year ended 31 March 2007

	Swaziland Government	Global Fund on HIV/AIDS	World Bank	SIPAA	American Institute for Research	Young Heroes & Small	African Alliance	SA/AIDS Grant	Total 2007	Total 2006
	Grants 2007	Grant 2007	Grant 2007	Grant 2007	Grant 2007	Grant 2007	Grant 2007	Grant 2007	E	E
Project expenses										
Prevention	5 006 091	11 140 707	-	-	-	-	-	35 066	16 181 864	26 057 037
Impact mitigation	7 603 792	25 167 839	-	10 096	-	418 495	500 000	-	33 700 222	46 371 074
Care and support	2 028 712	39 325 515	-	-	-	-	-	-	41 354 227	72 587 176
Malaria	-	2 600 332	-	-	-	-	-	-	2 600 332	691 612
Tuberculosis	-	2 851 549	-	-	-	-	-	-	2 851 549	3 630 844
Administration	4 194 805	-	-	-	-	-	-	-	4 194 805	2 236 828
Capacity building	-	-	308 447	768 531	-	-	-	-	1 076 978	4 235 285
Monitoring and evaluation	1 699 731	495 581	-	-	-	-	-	-	2 195 312	1 779 823
Decentralisation	2 169 203	-	-	-	-	-	-	-	2 169 203	-
National Strategic Plan	245 838	-	-	-	-	-	-	-	245 838	4 061 257
Total	22 948 172	81 581 523	308 447	778 627	-	418 495	500 000	35 066	106 570 330	161 650 936
Total expenditure	34 929 655	83 283 016	313 091	814 375	1 574	423 510	500 000	35 066	120 300 287	173 091 776
Net surplus for the year	-	-	-	-	-	-	-	-	-	-

NATIONAL EMERGENCY RESPONSE COUNCIL ON HIV/AIDS

APPENDIX 1 SCHEDULE OF PROJECT COMMITMENTS

at 31 March 2007

	Approved E	Disbursed E	Balance E
GLOBAL FUND PROJECTS			
Round 2			
Impact mitigation			
Sebenta – Non formal school	1 428 400	390 955	1 037 445
Women & Law Swaziland – Legal Response	800 000	416 000	384 000
Swaziland Network of People Living with HIV/AIDS – Support Groups Projects	300 000	709 026	(409 026)
Ministry of Education – Orphaned and Vulnerable Children	7 883 400	4 896 501	2 986 899
	<hr/>	<hr/>	<hr/>
	10 411 800	6 412 482	3 999 318
	<hr/>	<hr/>	<hr/>
Prevention			
Ministry of Health – Sexually Transmitted Infections	1 115 900	394 225	721 675
Ministry of Health –Prevention of Mother to Child Transmission	870 000	80 970	789 030
Ministry of Health – Reproductive Health	2 397 000	257 870	2 139 130
Ministry of Health – Health Education	1 817 700	528 788	1 288 911
	<hr/>	<hr/>	<hr/>
	6 200 600	1 261 853	4 938 747
	<hr/>	<hr/>	<hr/>
Care and support			
Ministry of Health – Laboratory	3 020 000	519 995	2 500 005
Ministry of Health – Post Exposure Prophylaxis	399 050	546 447	(147 397)
Ministry of Health – Voluntary Counselling and Testing	4 896 598	1 772 449	3 124 149
Ministry of Health – Treatment	32 622 674	1 360	32 621 314
	<hr/>	<hr/>	<hr/>
	40 938 322	2 840 251	38 098 071
	<hr/>	<hr/>	<hr/>
Monitoring and evaluation			
Monitoring and Evaluation	395 000	234 639	160 361
	<hr/>	<hr/>	<hr/>
	57 945 722	10 749 225	47 196 497
	<hr/>	<hr/>	<hr/>
Total Round 2	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

APPENDIX 1
SCHEDULE OF PROJECT COMMITMENTS
at 31 March 2007

	Approved E	Disbursed E	Balance E
GLOBAL FUND PROJECTS			
Round 4			
Impact mitigation			
Sebenta – Non-formal schools	718 480	355 200	363 280
Swaziland Action Group Against Abuse – Legal Response	110 880	95 040	15 840
Deputy Prime Minister’s office – Compensation for Caregivers	11 237 450	966 276	10 271 174
Ministry of Agriculture – Food Security	4 536 000	183 397	4 352 603
Ministry of Education – Education grants	9 227 400	6 981 660	2 245 740
	<hr/>	<hr/>	<hr/>
	25 830 210	8 581 573	17 248 637
	<hr/>	<hr/>	<hr/>
Care and support			
Ministry of Health - Treatment	33 912 690	11 914 992	21 997 697
Ministry of Health – Home Based Care	702 450	195 768	506 681
	<hr/>	<hr/>	<hr/>
	34 615 140	12 110 760	22 504 380
	<hr/>	<hr/>	<hr/>
Prevention			
Swaziland National Youth Council – Youth Programme	1 864 940	399 260	1 465 679
Monitoring and evaluation			
Monitoring and Evaluation	501 788	-	501 788
	<hr/>	<hr/>	<hr/>
Total Round 4	62 812 078	21 091 597	41 720 481
	<hr/>	<hr/>	<hr/>
Grand total	120 757 800	31 840 822	88 916 981
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

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LIST OF ACRONYMS

AED	Academy for Educational Development
AIDS	Acquired Immune-Deficiency Syndrome
AMICAALL	African Mayors Initiative for Community Action on AIDS at the Local Level
BBC	British Broadcasting Company
BCC	Behaviour Change Communication
BCHA	Business Coalition Against HIV and AIDS
CANGO	Co-ordinating Assembly of Non-Governmental Organisations
CCM	Country Coordinating Mechanism
DHS	Demographic and Health Survey
FODSWA	Federation of Disabled Persons in Swaziland
GFTAM	Global fund to Fight AIDS, Tuberculosis and Malaria
HAPAC	HIV and AIDS Prevention and Care
HIV	Human Immune Virus
HRSP	Health Sector Response Plan
Inkhundla	Constituency
KaGogo Centers	“Grandmother's” Centres (community centres for coordination of HIV and AIDS related activities)
M&E	Monitoring and Evaluation
MC	Male Circumcision
MISA	Media Institute of Southern Africa
MOHSW	Ministry of Health & Social Welfare
MRDYA	Ministry of Regional Development and Youth Affairs
NERCHA	National Emergency Response Committee on HIV and AIDS
NGO	Non Governmental Organisation
NMP	National Minimum Package
NSP	Second National Multisectoral Strategic Plan 2006-2008
OVC	Orphans and Vulnerable Children
PSHACC	Public Sector on HIV and AIDS Coordinating Committee
RDT	Regional Development Team
REMSHACC	Regional Multisectoral HIV and AIDS Coordinating Committee
SADC	Southern Africa Development Community
SHAPMOS	Swaziland HIV and AIDS Programme Monitoring System
SIPAA	Support for International Partnership Against AIDS in Africa
SMP	Strategic Management Plan
SNAP	Swaziland National AIDS Programme
SNYC	Swaziland National Youth Council
SWANNEPHA	Swaziland National Network of People Living with HIV and AIDS
Tinkhundla	Constituencies
THO	Traditional Healers Organisation
TWG	Technical Working Group
UN	United Nations
UNAIDS	The Joint United Nations Programme on HIV and AIDS
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USG	United States Government
WHO	World Health Organisation

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National Emergency Response Council on HIV and AIDS