



## OFFICE OF INSPECTOR GENERAL

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# AUDIT OF USAID/VIETNAM'S SOCIAL MARKETING PREVENTION AND SUPPORTIVE SERVICES PROGRAM

AUDIT REPORT NO. 5-440-11-009-P  
JULY 27, 2011

MANILA, PHILIPPINES



*Office of Inspector General*

July 27, 2011

**MEMORANDUM**

**TO:** USAID/Vietnam Director, Francis A. Donovan

**FROM:** Acting Regional Inspector General/Manila, William S. Murphy /s/

**SUBJECT:** Audit of USAID/Vietnam's Social Marketing Prevention and Supportive Services Program (Report No. 5-440-11-009-P)

This memorandum transmits our final report on the subject audit. In finalizing the audit report, we considered your comments on the draft report and have included those comments in their entirety in Appendix II of this report.

This report contains ten recommendations to assist the mission in improving the efficiency and effectiveness of its program. On the basis of information provided by the mission in its response to the draft report, we determined that final action has been taken on recommendation 8, while management decisions have been reached on the remaining nine recommendations—1, 2, 3, 4, 5, 6, 7, 9, and 10. Please provide the Audit Performance and Compliance Division of USAID's Office of the Chief Financial Officer with evidence of final action to close the open recommendations.

I want to thank you and your staff for the cooperation and courtesies extended to us during this audit.

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## Abbreviations

The following abbreviations appear in this report:

ADS	Automated Directives System
BTC	Break the Cycle
COTR	contracting officer's technical representative
HIV/AIDS	human immunodeficiency virus/acquired immunodeficiency syndrome
M&E	monitoring and evaluation
PEPFAR	President's Emergency Plan for AIDS Relief
PMTCT	prevention of mother-to-child transmission
SMPSS	Social Marketing Prevention and Supportive Services Program
SW-ID	sex workers who inject drugs

# SUMMARY OF RESULTS

USAID/Vietnam's Social Marketing Prevention and Supportive Services (SMPSS) Program supports the U.S. Government's HIV/AIDS efforts in Vietnam under the President's Emergency Plan for AIDS Relief (PEPFAR). The goal of this program is to reduce HIV prevalence among the most-at-risk populations through promoting HIV-prevention commodities and services, increasing safer behavior, and reducing the initiation of drug use among core transmitters and vulnerable populations. The most-at-risk populations were identified by the program as (1) injecting drug users, (2) men who have sex with men, (3) sex workers, (4) sex workers who inject drugs, and (5) clients of sex workers. Pregnant women were also identified as a high-risk population to be targeted under the program.

To implement the program, USAID's Regional Development Mission for Asia<sup>1</sup> signed a cost-plus-fixed-fee task order (contract) with Population Services International (contractor) for approximately \$15.5 million. The period of the contract is from October 1, 2008, to September 30, 2013. As of December 31, 2010, cumulative obligations and expenditures under the program totaled approximately \$11.6 million and \$8.2 million, respectively. The SMPSS program is one of seven<sup>2</sup> PEPFAR-supported programs managed by USAID in Vietnam with a combined worth of approximately \$122.3 million.

The program's goal to reduce HIV prevalence among the most-at-risk populations is being carried out through three general activities:

- *Increasing access to HIV-prevention products*, such as male and female condoms and water-based lubricants, through social marketing and through free distribution of such products to targeted groups.
- *Promoting HIV prevention services* supported by other PEPFAR-supported programs, such as voluntary counseling and testing sites. The program also promotes services relating to the prevention of mother-to-child transmission of HIV through a PEPFAR-supported program being managed by the U.S. Centers for Disease Control and Prevention.
- *Using behavior-change communications* (both direct and indirect) to help increase safer behavior among at-risk populations. The program is directly involved in outreach to potential male clients of sex workers, as well as to sex workers who inject drugs. The program engages male clients of sex workers because none of the other PEPFAR-supported programs engages in outreach directed at male clients. Similarly, the program directly targets sex workers who inject drugs because this group spans two high-risk populations and warrants specific messaging in addition to the efforts already conducted by the other PEPFAR-supported programs. The program also provides training to outreach workers in the other PEPFAR-supported programs to help improve the delivery of behavior-change messages to other at-risk populations—injecting drug users, men who have sex with

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<sup>1</sup> USAID's Regional Development Mission for Asia provides contracting and financial management support for missions including USAID/Vietnam.

<sup>2</sup> The other programs are operated by Pact (486-A-00-06-00007), Family Health International (486-A-00-06-00009), the United Nations Resident Coordinator (486-G-00-05-00017), Abt Associates (GPO-I-01-05-00026), Chemonics International (GHS-I-03-07-00004), and Nordic Assistance to Vietnam (GHH-A-00-07-00018). The program with Nordic Assistance expired in January 2011.

men, and sex workers. This training provides interpersonal communication tools, which help outreach workers to provide a clear, consistent message and to engage the target groups with an interactive presentation.

The program also provides training in using a unique identifier code assigned to each at-risk individual targeted under the other implementers' outreach programs (one such pilot program is under way in Hai Phong Province). This unique identifier code provides an anonymous tracking system to help implementers monitor the services provided to the targeted individuals under their programs.

The program also provides training to communicate the so-called Break the Cycle (BTC) message, designed to discourage injecting drug users from assisting anyone else in initiating injecting drug use. The BTC message is packaged into three separate messages in which the outreach worker attempts to convince the targeted individual that he or she should not (1) help noninjecting drug users inject for the first time; (2) inject in front of noninjecting drug users; or (3) talk about injecting, or the benefits of injecting, with noninjecting drug users. Training in outreach using this specific message is also being offered to other implementers in selected PEPFAR-priority provinces.

The objective of the audit was to determine whether the SMPSS program was achieving its main goals of promoting the increased use of HIV-prevention products and services, increasing safer behavior, and reducing the initiation of drug use to decrease HIV prevalence among the most-at-risk populations in Vietnam.

The audit found that while the promotion of HIV-prevention products and services has shown some success, the program has demonstrated only limited progress in increasing safer behavior and in reducing the initiation of drug use. This underperformance resulted from a fundamental breakdown in monitoring and reporting on the program, as well as from uncertainty as to whether reported results were attributable to program efforts.

As noted above, the program has made progress in promoting products and services relating to HIV prevention. The availability of condoms in venues where high-risk sexual activities tend to occur has steadily increased over the life of the program, as demonstrated by both the number of condoms sold and the number of nontraditional outlets providing condoms to clients—mainly guesthouses and hotels. In fact, the number of guesthouses and hotels reportedly selling the program's socially marketed condom brand (Number One) increased from 1,723 in fiscal year 2008 to 2,954 in fiscal year 2010. Condom sales through the program increased from 3.5 million to 5.6 million during the same period—a 60 percent increase.

In addition, the program's promotion of voluntary counseling and testing services—branded under the Chan Troi Moi name—through billboards, posters, and other informative materials has increased public awareness of the availability of counseling and testing services and, to some degree, increased client visits to these counseling and testing sites. While not completely attributable to the program's efforts, visits by the most-at-risk clients to Chan Troi Moi locations have increased dramatically, from 33,960 in fiscal year 2008 to 79,653 in fiscal year 2010. The proportion of clients in one of the identified most-at-risk populations also increased from 44 to 51 percent during the same period.

The audit team observed the program's direct behavior-change outreach to potential male clients of sex workers and sex workers who inject drugs. According to feedback from members of these at-risk populations, they generally appreciated the messages provided to them as well

as the interpersonal communication tools used to convey the intended messages. Most of the targeted at-risk individuals we spoke with felt the presentations were interesting and easy to understand. Outreach workers conducting the behavior-change interventions (pictured below) demonstrated comprehension of the messages they were providing and appeared confident in delivering them. They were also able to respond to clients' questions and to challenges to their presentations.



An outreach worker presents behavior-change communications to potential male clients of sex workers at a beer garden. In his hands are interpersonal communication tools used to promote the program's message. On the table are socially marketed Number One condoms as well as a pamphlet sharing information about voluntary counseling and testing sites. (Photo by Office of Inspector General, April 2011)

The interpersonal communication training provided to outreach workers working for other PEPFAR-supported program implementers also appeared to have been received positively. These outreach workers appreciated this kind of training, saying it had increased their ability to provide clear, consistent messages and to encourage clients to be responsive and interactive.

The program recently began implementing a training-of-trainers strategy to help develop the capacity of Provincial AIDS Centers to conduct their own training. These governmental entities appreciated the assistance and viewed this approach as a way to help bring about the sustainability of HIV prevention intervention efforts.

Despite these successes, however, the audit found numerous problems:

- The program lacked required monitoring and evaluation tools (page 6).
- Unauthorized changes were made to the contract's terms and conditions (page 7).
- Outreach to sex workers who inject drugs was inefficient (page 8).
- Outreach workers misrepresented condom effectiveness to the targeted population (page 10).
- Some outlets sold expired and about-to-expire condoms (page 11).
- USAID did not coordinate or communicate effectively with its PEPFAR implementers (page 12). Specifically, program training on implementing the unique identifier code was not being put to use, there was confusion as to the use of a contractor-developed name and logo to brand counseling and testing sites, and coordination among the various PEPFAR-related implementers was lacking.

The report recommends that USAID/Vietnam:

1. Work with the contractor to develop and approve a monitoring and evaluation plan, which would include output, outcome, and impact indicators directly attributable to the program's efforts. The plan should also include baseline data, cumulative program targets, etc. (page 7).
2. Conduct a data quality assessment of the information being reported in the program's monitoring and evaluation plan once it is approved (page 7).
3. Either ratify the unauthorized changes relating to the elimination of activities to prevent mother-to-child transmission of HIV, or disallow the change in the program's scope (page 8).
4. Assess the program's current intervention for sex workers who inject drugs to determine whether there is a more efficient way to reach this group (page 10).
5. Direct the contractor to provide guidance to outreach workers on reporting accurate information on condom failure rates, and incorporate accurate information on condom failure rates into future training (page 11).
6. Direct the contractor to monitor and report regularly on the condition of condoms stocked in nontraditional outlets, to help ensure the quality of these condoms (page 12).
7. Select a sample of the nontraditional outlets in An Giang Province to test for condom quality (page 12).
8. Clearly communicate the need to implement the unique identifier code to those implementing the pilot program in Hai Phong Province (page 13).
9. Clarify to all PEPFAR implementers in Vietnam its expectation of how and when PEPFAR-supported voluntary counseling and testing sites are to be branded with the Chan Troi Moi logo (page 14).

10. Provide specific guidance to its PEPFAR implementers on how the mission wants them to coordinate their efforts (page 15).

Detailed findings follow. Our evaluation of management comments appears on page 16. The audit scope and methodology are described in Appendix I, and USAID/Vietnam's comments, without attachments, are included in Appendix II.

# AUDIT FINDINGS

## Program Lacked Required Monitoring and Evaluation Tools

The program's contract states that the contractor must develop and execute a monitoring and evaluation (M&E) plan, which includes output, outcome, and impact indicators. For each indicator, the M&E plan must provide interim and final targets, data sources, collection methods, and baseline information or a timeline for collecting such information. These indicators must be reported on annually.

The contractor provided an illustrative M&E plan as part of its proposal but did not develop an official M&E plan for the program. The mission did not require the contractor to develop an M&E plan because the contracting officer's technical representative (COTR) seemingly misinterpreted an earlier clause in the contract (Part C.5) stating that contractor performance would be evaluated based on specific tasks outlined in the task order (contract), adherence to the work plan, and reports submitted to the COTR. This clause, however, relates to evaluating the *contractor's* performance in conducting its work rather than evaluating the performance of the program itself.

The SMPSS program was slightly over halfway through its 5-year life and still lacked life-of-program goals, impact-related measurements, and performance standards for the contractor.

Furthermore, the indicators that the contractor reports on annually measure mostly outputs, such as the number of condoms sold and the number of individuals trained. In addition to not including impact-related indicators in the program's reporting, there does not appear to be an organized approach for collecting impact-related data either for the SMPSS program or for the other PEPFAR-funded programs managed by the mission.

In addition, a data quality assessment—required by USAID's Automated Directives System (ADS) 203.3.5.2—had yet to be completed, although the ability to conduct one is greatly hindered by the absence of a formal M&E plan. ADS 203.3.5.1 states that data quality standards are to ensure that reported performance data are valid, precise, reliable, and timely. This means the data should (1) clearly and adequately (validly) represent the intended result, (2) be sufficiently precise to present a fair picture of performance, (3) reliably reflect stable and consistent data collection processes and analysis, and (4) be timely enough to influence management decision making. Ensuring data integrity is also important, to reduce the possibility that data might be wrongfully manipulated. The above-mentioned standards help ensure that the mission is aware of the strengths and weaknesses of the data being provided.

Slightly more than 2.5 years into the program, the mission had yet to complete a data quality assessment of the reported results of the program's activities. Consequently, the reported results for several performance indicators for fiscal year 2010 (Appendix III) do not clearly represent their intended results or present a fair picture of performance. For instance, annual performance reports stated that 3,974 and 6,632 sex workers were reached through direct interventions in fiscal years 2009 and 2010, respectively. These two figures combine to 9,756 unique individuals, as some are counted during both years. However, the program's goal in this case is to conduct outreach interventions specifically aimed at sex workers who inject drugs,

because other PEPFAR-supported programs—different from the SMPSS program—already target sex workers in general. Counting only the sex workers who inject drugs reached under the program, auditors found that the number of unique individuals reached over both years was only 873, considerably less than the numbers reported for the two fiscal years.

Another example of reported results not clearly representing the program's intended objectives is the indicator measuring the flow of clients seeking counseling and testing (Indicator 2.1, Appendix III). This indicator is meant to document the increase in access to and use of voluntary counseling and testing services among the most-at-risk populations. For fiscal year 2010, the reported accomplishments for this activity were 156,285, though this number included the general population in addition to people identified as the most-at-risk individuals. The actual number of individuals most-at-risk who received voluntary counseling and testing services in fiscal year 2010 was 79,653, or approximately 51 percent of the reported number.

According to mission personnel, no data quality assessment has been completed for this program because the mission's resources have been tight, and it has been difficult to conduct data quality assessments amid other demands on time. Without an M&E plan, the risk of the program going without an assessment of data quality for approved performance indicators is also increased. Without any formally approved performance indicators, and without any assessment of the quality of the data reported on the current indicators, the mission is unable to ensure that the program's objectives are being met as successfully as it intends. We are therefore making the following recommendations.

***Recommendation 1.*** *We recommend that USAID/Vietnam work with the contractor to develop and approve a monitoring and evaluation plan, which would include output, outcome, and impact indicators directly attributable to the program's efforts. The plan should include baseline data, cumulative program targets, etc.*

***Recommendation 2.*** *We recommend that USAID/Vietnam conduct a data quality assessment of the information being reported in the program's monitoring and evaluation plan once it is approved.*

## **Unauthorized Changes Were Made to the Contract's Terms and Conditions**

According to the Vietnam Ministry of Health's 2006 sentinel surveillance report (referenced in the SMPSS contract), HIV prevalence rates among pregnant women are higher than 1 percent in several provinces, including Hanoi, Quang Ninh, Thai Nguyen, Dien Bien, and Lang Son. This prevalence translates into approximately 6,000 HIV-positive pregnant women giving birth to 1,700–2,100 HIV-positive newborns in the absence of activities to prevent mother-to-child transmission. In light of those numbers, the Government of Vietnam has made the prevention of mother-to-child transmission (PMTCT) a national priority.

To address this priority, the SMPSS contract states that the contractor must expand the promotion of voluntary counseling and testing services to pregnant women and support them in seeking related PMTCT services in early pregnancy. The contractor must also strengthen referral networks so that pregnant women who are found to be HIV-positive can be referred for counseling and advice on how to prevent transmission of the virus to their children. The program's original budget set aside approximately \$2.5 million to accomplish these efforts—or 16 percent of the program's total budget of \$15.5 million.

During the first two years of implementation, the contractor trained hundreds of individuals to promote PMTCT services, and thousands of individuals were reached through community mobilization and outreach activities. However, while planning the program's third annual work plan, the COTR gave the contractor a written directive to cancel all activities relating to the program's PMTCT efforts.

According to the COTR, this directive stemmed from program data showing low HIV-positive rates among all pregnant women; on the basis of the data, the COTR stated that encouraging all women to take the HIV test is no longer a PEPFAR strategy in Vietnam. Conversely, we saw no documentation to indicate this shift in overall PEPFAR strategy. In fact, we found that the U.S. Centers for Disease Control and Prevention was still engaging in PMTCT outreach activities.

According to the COTR designation letter, the COTR does not have the authority to direct the contractor, either in writing or verbally, to make changes to the contract's statement of work or the terms and conditions of the contract that could affect the quantity or quality of the work. Further, the Contracting Officer's Authority Clause (G.1) of the program's contract states that the contracting officer is the only person authorized to make or approve any changes in the requirements of the contract. In the event that the contractor makes any change at the direction of any person other than the contracting officer, the change shall be considered to have been made without any authority.

In completely removing the PMTCT activities from the program's fiscal year 2011 plan, the COTR made an unauthorized reduction in scope of contract requirements budgeted at approximately \$500,000 (based on the originally approved Year 3 annual budget for such activities). Additional budgeted funds of approximately \$1 million for both Year 4 and Year 5 of the program remain at risk if PMTCT activities are not reinstated, unless the contracting officer approves the change in direction through a contract modification.

More importantly, thousands of women are no longer benefiting from program efforts to promote voluntary counseling and testing services and other related PMTCT services in early pregnancy—in accordance with the Government of Vietnam's national priority. We therefore make the following recommendation.

***Recommendation 3.*** *We recommend that USAID/Vietnam, through its contracting officer, either ratify the elimination of activities to prevent mother-to-child transmission of HIV, or disallow the change in the program's scope. If the change in scope is ratified, the contract should be modified; if disallowed, the contracting officer should determine the appropriate corrective action to be taken.*

## **Outreach to Sex Workers Who Inject Drugs Was Inefficient**

The SMPSS program specifically identified sex workers who inject drugs as one of the most-at-risk populations not specifically targeted by other HIV intervention programs in Vietnam. Sex workers who inject drugs are at a particularly high risk of contracting and transmitting HIV because they engage in more than one risky behavior. In fact, per a USAID-funded surveillance report, the HIV prevalence rate among these particular sex workers has been estimated to be as much as 31 times higher than that of non-drug-using sex workers in some provinces.

Thus, the program designed behavior-change interventions targeting this group in four priority provinces to discourage the initiation of new injecting drug users and to reduce other risky behaviors. Among the interventions, outreach workers conduct interpersonal communication sessions with entertainment-based and street-based sex workers to deliver a mix of communications, including messages on breaking the cycle of initiating injection drug use; reducing drug demand; visiting voluntary counseling and testing clinics; and using water-based lubricants and male and female condoms.

The BTC message is the priority message to be conveyed to sex workers who inject drugs. It is presented as three separate messages: the outreach worker attempts to convince the targeted individual that she should not (1) help noninjecting drug users inject for the first time; (2) inject in front of noninjecting drug users; or (3) talk about injecting, or the benefits of injecting, with or around noninjecting drug users.

However, while the program reported a cumulative result of 10,965 individual sex workers reached as of March 31, 2011 (shown in the following table), it appears that program resources have not been focused efficiently on targeting the specifically identified population of sex workers who inject drugs. Only 932 of the 10,965 sex workers reached by these program activities actually were injecting drug users; the rest were sex workers who engaged in other drug use or did not use drugs at all.

**Reported\* Results of Outreach to Sex Workers Who Inject Drugs (SW-IDs)  
as of March 31, 2011**

Description of Accomplishments	Number of Individuals	Percent
<b>Total number of sex workers reached</b>	10,965	
Number of sex workers who inject drugs (SW-ID) reached	932	8.5
Number of the 932 SW-IDs who have not received the priority Break the Cycle (BTC) message at all	338	36.3
Number of the 932 SW-IDs who received at least one part of the three-part BTC message	594	63.7
Number of the 594 SW-IDs who received the BTC message who potentially could have received the entire three-part message	273	29.3
<b>Of the 594 SW-IDs who received at least one part of the three-part Break the Cycle message, the number of times they received it</b>		
Number of SW-IDs who received a part of the message 1 time	241	40.6
Number of SW-IDs who received a part of the message 2 times	80	13.5
Number of SW-IDs who received a part of the message 3 times	58	9.8
Number of SW-IDs who received a part of the message 4-10 times	126	21.2
Number of SW-IDs who received a part of the message 11-35 times	89	15.0
<b>Total</b>	<b>594</b>	100.0

\* Figures obtained from contractor's management information system using unique identifier codes.

Moreover, the BTC priority message has not been delivered efficiently. Only 29.3 percent of the sex workers who inject drugs that were reached by this program activity could have been given the entire three-part priority message. The program's information system does not indicate which of the three BTC messages were delivered in any particular visit, so we can only deduce

with skepticism that the entire three-part message was delivered in three visits. In addition, 36.3 percent of the 932 aforementioned women have not been given the BTC message at all—instead receiving nonpriority messages such as using water-based instead of oil-based lubricants, using female condoms, and negotiating condom use with male clients.

Compounding the program's inefficiency at reaching out to sex workers who actually inject drugs, the audit found that 15 percent of the sex workers who inject drugs who received one of the three-part BTC messages received the message from 11 to 35 times, instead of also receiving nonpriority messages. This observation indicates an inefficient and potentially wasteful effort.

In summary, only 2.5 percent of the individuals reached under this program activity (or 273 individuals) were sex workers who injected drugs who could have received the entire BTC message. In light of these statistics, and taking into consideration that other PEPFAR implementers conduct outreach to targeted sex workers in these areas, we make the following recommendation.

***Recommendation 4.*** *We recommend that USAID/Vietnam assess the program's current intervention for sex workers who inject drugs to determine whether there is a more efficient way to reach this group. If not, the mission should decide whether it wishes to continue the program's efforts, or incorporate Break the Cycle outreach for sex workers who inject drugs into the outreach of other PEPFAR implementers already targeting sex workers.*

## **Outreach Workers Misrepresented Condom Effectiveness to the Targeted Population**

One of the program's main goals is to increase safer behavior in the most-at-risk populations. To accomplish this, the contractor conducts behavior-change interventions directly targeting two at-risk populations—male clients of sex workers, and sex workers who inject drugs. The contractor also provides technical assistance to other PEPFAR implementers who perform outreach work targeting other at-risk populations including injecting drug users, sex workers, and men who have sex with men. One of the core messages provided to all targeted populations is the need for consistent and correct condom use when engaging in sexual acts.

We found that the outreach workers generally provided clear and consistent messages in line with the program's message. Appropriate referrals to the voluntary counseling and testing sites, Chan Troi Moi, were also made. Nevertheless, despite these generally positive results, 15 of 16 outreach workers interviewed during the audit overstated the effectiveness of condoms in protecting the user from HIV infection. Specifically, seven outreach workers guaranteed condom effectiveness of 100 percent, while the other eight workers stated the user was afforded a near-guarantee of 98 to 99 percent (though one outreach worker clarified to us that while she knew condoms did not really protect against HIV 100 percent of the time, she merely wanted to encourage greater condom use). The remaining outreach worker understated condoms' effectiveness by saying they protected against HIV 70 to 80 percent of the time.

PEPFAR and USAID guidance requires that condom-use programs provide full and accurate information about correct and consistent use in reducing, but not eliminating, the risk of HIV infection. According to both guidelines, studies demonstrate that condoms provide 80 to 90

percent protection when used consistently. The contract for this program echoed this guidance, stating that information provided about the use of condoms as part of programs or activities “shall be medically accurate and shall include the public health benefits and failure rates of condom use.”

The failure rate of condoms is not included in the program’s training curriculum provided to outreach workers. Instead, the training focuses more on the delivery of the condom-use message through the interpersonal communication tools. As a result, clients targeted by this program have not received accurate information on the effectiveness of condoms in protecting against HIV infection. As more outreach workers are trained by the contractor, this omission of information on the effectiveness of condoms in preventing HIV transmission from the program’s general training increases the risk that targeted populations will receive inaccurate and incomplete information. Therefore, we make the following recommendation.

***Recommendation 5.*** *We recommend that USAID/Vietnam direct the contractor to provide guidance to outreach workers on reporting accurate information on condom failure rates, and incorporate accurate information on condom failure rates into future training.*

## **Some Outlets Sold Expired and About-to-Expire Condoms**

Social marketing approaches—the systematic application of marketing, along with other commercial concepts and techniques, to achieve specific behavioral goals for a social good—are essential to ensure that at-risk populations, once sold on HIV-prevention products such as condoms, have sustainable access to them. In fact, the social marketing of condoms and other products is an essential element of the PEPFAR-supported HIV-prevention portfolio in Vietnam.

As a result, the SMPSS program includes efforts to strengthen the social marketing of condoms in nontraditional outlets such as guesthouses and hotels where high-risk sexual acts are likely to take place. To help accomplish this, the contractor maintains a sales network for the distribution of condoms. Sales representatives receive a list of these venues to visit and then encourage the outlet owners to buy condoms to provide or sell to their clients. The sales representatives regularly visit these outlets to check on the availability of products and deliver orders.

To measure the success of supplying condoms to targeted outlets, we visited 28 such outlets across four provinces to see how condoms were being made available to targeted at-risk clients. During these visits, we found that the entire Number One condom supply in 3 of the 28 outlets (or 11 percent) was either expired or about to expire. Of these three outlets, one (located in An Giang Province) was providing condoms that had expired months before, in July 2010. The other two outlets (which we visited on March 23 and 29 in Hanoi and Hai Phong Provinces) were supplying condoms set to expire in April 2011. The rest of the outlets generally had condom stocks set to expire in May 2013, highlighting the deficiency in coverage for the other three outlets.

The presence of expired and expiring condoms at 3 of the 28 outlets we visited resulted from insufficient monitoring by the sales representative at each venue to ensure that expired product was not provided. Providing clients with expired condoms increases the risk of condom failure, which unnecessarily exposes the clients to the transmission of HIV and other sexually transmitted diseases.

While visiting the above-mentioned nontraditional outlets, we encountered an audit scope limitation in An Giang Province. Instead of providing us a list of establishments to select from at the onset of our visit as we requested, contractor staff in the province provided a list of ten nearby establishments to pick from. We refused this approach and once again asked for a complete listing of nontraditional outlets being serviced by the program in An Giang. The contractor staff then provided a list of 27 nontraditional outlets and assured us, after several requests and clarifications, that these were the only additional outlets available through the particular local sales representative accompanying us.

We, therefore, randomly selected nontraditional outlets from the list of 27 options to verify that the program's socially marketed condoms were being provided to high-risk clients in An Giang. In one instance, the sales representative took us to a guesthouse other than the one we had selected, despite our specific direction. In the end, we were only able to visit five outlets that we had selected. Of those five establishments, one was providing condoms that expired in July 2010, one had no condoms at all, one had been closed for two months, and two had no exceptions.

However, toward the end of our review of outlets in An Giang, we discovered an additional collection of over 120 nontraditional outlets supported by the program that the sales representative had withheld from us, despite multiple requests for complete disclosure of information. We had no time to visit any of these 120 outlets. It is difficult to determine what effect this withheld information may have had on our audit results, but the withholding of information by contractor staff limited our scope.

To enhance the effectiveness of the program's 100 percent condom-use campaign, the mission should take measures to ensure that products provided in nontraditional outlets are of acceptable quality—i.e., not expired. The sales representatives' frequent visits to the outlets can be utilized to check the condition of the products in stock at the outlets. Additionally, the mission should follow up on program activities relating to socially marketed condoms in An Giang Province to verify reported results and ensure that the marketing of expired condoms is not a systemic problem in the province. Therefore, we make the following recommendation.

***Recommendation 6.*** *We recommend that USAID/Vietnam direct the contractor to incorporate regular monitoring and reporting on the condition of condoms stocked in nontraditional outlets, to help ensure the quality of these condoms.*

***Recommendation 7.*** *We recommend that USAID/Vietnam select a sample of the nontraditional outlets in An Giang Province to test for condom quality.*

## **USAID Did Not Coordinate or Communicate Effectively With Its PEPFAR Implementers**

The SMPSS program's contractor has been tasked with providing both technical assistance (training) and promotional services to other PEPFAR program implementers. Deficiencies in the mission's communication and coordination with the various PEPFAR implementers, however, have hampered their smooth cooperation and resulted in inefficiencies and some wasted efforts. These inefficiencies and wasted efforts include the provision of training that no one uses (the unique identifier code training discussed below), as well as difficulties in coordinating the promotion of voluntary counseling and testing sites. In addition, the various PEPFAR program

implementers were not coordinating their efforts effectively. These three inefficiencies are discussed below.

**Training in the Use of the Unique Identifier Code.** USAID approved a pilot program where the SMPSS contractor provides training to all PEPFAR implementers operating in Hai Phong Province in assigning a unique identifier code to each at-risk individual targeted by PEPFAR programs. The unique identifier code provides an anonymous tracking system, using a special combination of personal information from the at-risk individuals, for implementers to better monitor and tailor services for clients. Despite the mission's approval for the contractor to train other implementers to integrate the use of the unique identifier code into their outreach activities, USAID has not provided clear direction to the other implementers to incorporate the code into their HIV outreach work.

Consequently, although the SMPSS program contractor has provided multiple training courses to several PEPFAR implementers to help them implement this unique identifier code, no one was using it. Outreach workers working for other implementers said that they thought the training was interesting and the code could help them in managing the clients they visit, but that they were not using the codes because they had not received any instruction to do so from their supervisors. Some implementers had not been convinced to use the unique identifier code, and the SMPSS contractor found itself attempting to convince them to use it rather than the mission communicating that need. As a result, the time and resources spent in the unique identifier code training, by both the contractor and the other implementers, appear to have been wasted. We therefore make the following recommendation.

***Recommendation 8.*** *We recommend that USAID/Vietnam clearly communicate the need to implement the unique identifier code to those implementing the pilot program in Hai Phong Province.*

**Promotion of Voluntary Counseling and Testing Sites.** Several PEPFAR implementers provide funding support and technical assistance to voluntary HIV counseling and testing sites in PEPFAR priority provinces. These sites provide crucial HIV testing for clients, as well as counseling on how to reduce risky behaviors. If clients are found to be HIV-positive, the sites provide guidance on what clients should do next. The SMPSS contractor has been tasked with promoting these sites to encourage their use by targeted at-risk populations. The contractor does this through both mass media campaigns (posters, billboards, etc.) and direct marketing to these targeted groups.

The mass media campaigns use Chan Troi Moi, meaning “New Horizons,” as the name and logo for the sites (shown on the next page). The name and logo, developed by the contractor, have been approved by USAID as well as by the Government of Vietnam. These Chan Troi Moi sites are promoted as providing free, friendly, confidential, and accurate services.



A Chan Troi Moi sign, provided by the SMPSS program, promotes voluntary counseling and testing services available at this location. The site itself is supported by Family Health International, an implementer of a separate PEPFAR-funded program. (Photo by Office of Inspector General, April 2011)

However, despite USAID tasking the contractor to promote these voluntary counseling and testing sites, the contractor has had difficulties in getting other PEPFAR implementers to adopt the Chan Troi Moi logo and signage at supported locations. For example, officials from one implementer expressed frustration that the SMPSS program contractor kept pushing them to adopt the Chan Troi Moi signage the moment they opened a new site, before they felt it was of high enough quality to warrant the connection to Chan Troi Moi. USAID has yet to establish clear expectations about how and when PEPFAR-supported voluntary counseling and testing sites should be linked to the Chan Troi Moi image and has not communicated its expectations to all PEPFAR implementers. We therefore make the following recommendation.

**Recommendation 9.** *We recommend that USAID/Vietnam clarify to all PEPFAR implementers its expectation of how and when PEPFAR-supported voluntary counseling and testing sites are to be branded with the Chan Troi Moi logo.*

**Coordination Among Implementers.** In an effort to encourage further coordination among the various PEPFAR implementers, USAID/Vietnam recently required that all implementers detail how they will be coordinating their efforts with each other in their upcoming annual work plans. However, this measure may not be sufficient to bring about such coordination, as the mission has been relatively silent on how the implementers should coordinate those efforts.

For example, staff at one of the Provincial AIDS Centers spoke of the need for someone to take the lead in directing and focusing condom social marketing efforts and its total market approach. To do this, partners would need to agree on where, how, and to whom to provide free condoms, while encouraging condom sales and social marketing at other venues. Without a clear leader

to direct those efforts, methodologies remain inconsistent, and implementers are vulnerable to undermining one another.

Rather than merely telling the PEPFAR implementers to coordinate with each other, it may be a more productive and efficient use of resources for USAID to direct certain implementers to take the lead in particular efforts (after the mission's approval of that particular strategy) and other implementers to defer to the assigned implementer's lead. We therefore make the following recommendation.

***Recommendation 10.*** *We recommend that USAID/Vietnam provide specific guidance to its PEPFAR-supported implementers on how it wants them to coordinate their efforts and which implementing organization shall take the lead in critical program areas.*

# EVALUATION OF MANAGEMENT COMMENTS

The Office of Inspector General has reviewed the mission's response to the draft report and determined that final action has been taken on one of the ten recommendations (recommendation 8), while management decisions have been reached on the remaining nine recommendations—1, 2, 3, 4, 5, 6, 7, 9, and 10.

The mission undertook the following action on recommendation 8:

The mission held a meeting with all its partners on April 22, 2011, to discuss the unique identifier code. As a result, all partners started collecting unique identifier codes in June 2011. We conclude that final action has been taken on this recommendation.

The mission intends to perform the following actions for each of the nine remaining recommendations:

For recommendation 1, the mission worked with the contractor to develop a monitoring and evaluation plan for measuring results attributable to program efforts. Approval and execution of this monitoring and evaluation plan is expected by August 1, 2011. We conclude that a management decision has been reached on this recommendation.

For recommendation 2, the mission plans to conduct a data quality assessment of the information to be reported on in the program's monitoring and evaluation plan. The monitoring and evaluation plan is expected to be approved and executed by August 1, 2011 with the data quality assessment to begin then. We conclude that a management decision has been reached on this recommendation.

For recommendation 3, USAID's Regional Development Mission for Asia agreed to ratify the elimination of the prevention of mother-to-child transmission of HIV activities from the program. The Regional Contracting Officer is currently negotiating a modification to the contract to reflect the elimination of these activities from the program. We conclude that a management decision has been reached on this recommendation.

For recommendation 4, the mission is working with the program's contractor to address this recommendation by analyzing a recent behavioral survey to assess the project's coverage of sex workers who inject drugs, as well as further opportunities to apply BTC lessons and approaches to other partners' programs. The mission expects to have reviewed necessary data and made a decision on future programming for sex workers who inject drugs by September 30, 2011, incorporating any changes deemed necessary into the fiscal year 2012 work plan. We conclude that a management decision has been reached on this recommendation.

For recommendation 5, the mission has directed the contractor to conduct refresher training sessions for all field supervisors and project-supported outreach workers on the effectiveness of male condoms. The contractor also has been directed to review and revise its behavior-change communication tools to ensure accurate, appropriate, and consistent messaging regarding male

condom effectiveness. The target date for completion of these actions is September 30, 2011. We conclude that a management decision has been reached on this recommendation.

For recommendation 6, the mission directed the contractor to update sales, supply chain management, and monitoring and evaluation policies and tools to ensure comprehensive, routine efforts to identify and remove expired product from all points in the supply chain, including nontraditional sales outlets. All outlets will be checked monthly by sales representatives. The target date for completion of these actions is August 1, 2011. We conclude that a management decision has been reached on this recommendation.

For recommendation 7, the mission will work with the contractor to conduct routine monitoring of all nontraditional outlets in An Giang and other provinces to identify and remove expired product. The regular monthly monitoring will start August 1, 2011. We conclude that a management decision has been reached on this recommendation; final action will be taken when the mission demonstrates the first successful series of condom product testing in An Giang.

For recommendation 9, the mission asked the contractor to work with the Vietnam Administration for AIDS Control on an accreditation process for all voluntary counseling and testing sites that meet an established standard of quality in Vietnam. Any voluntary counseling and testing site, including PEPFAR-supported sites and sites supported by other donors, reaching the required quality standard will be branded with the Chan Troi Moi logo. The target date for completion of these actions is October 1, 2011. We conclude that a management decision has been reached on this recommendation.

For recommendation 10, the mission is working with partners to collaborate more closely at provincial levels. As a pilot effort, the mission plans to involve all PEPFAR, World Bank, Global Fund, and Government of Vietnam implementing partners in developing a joint work plan for one province. The target date for completion of these actions is October 1, 2011. We conclude that a management decision has been reached on this recommendation.

# SCOPE AND METHODOLOGY

## Scope

We conducted this performance audit in accordance with generally accepted government auditing standards.<sup>3</sup> Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our audit objective. We believe that the evidence obtained provides that reasonable basis.

The purpose of this audit was to determine whether USAID/Vietnam's Social Marketing Prevention and Supportive Services Program was achieving its main goals of promoting HIV-prevention products and services, increasing safer behavior, and reducing the initiation of drug use to decrease HIV prevalence among the most-at-risk populations in Vietnam. To implement the program, USAID signed a \$15.5 million cost-plus-fixed-fee task order with Population Services International, covering a 5-year period from October 1, 2008, through September 30, 2013. As of December 31, 2010, cumulative obligations and disbursements under the program totaled \$11.6 million and \$8.2 million, respectively.

The audit covered program activities over roughly a 2-year period, from the inception of the program on October 1, 2008, through September 30, 2010 (the latest available formal reporting period). Ongoing program activities through April 13, 2011, were also covered to the extent that data were available. In general, the audit involved conducting site visits to selected program-supported activity sites to observe outreach interventions and interview beneficiaries. The audit also made an effort to validate reported results for selected performance indicators through testing and analytical procedures, though this was limited in effectiveness because of an absence of approved performance indicators for the program in general. Since this testing was based on a judgmental—not a statistical—sample of indicators and provinces, the results and overall conclusions related to this analysis were limited to the items tested and cannot be projected to the entire audit universe.

As part of the audit, we assessed the significant internal controls used by USAID/Vietnam to monitor program activities. The assessment included controls related to whether the mission (1) had an approved monitoring and evaluation plan in place; (2) required and approved an implementation plan; and (3) conducted and documented site visits to evaluate progress and monitor quality. We also examined the mission's fiscal year 2010 annual self-assessment of management controls, which the mission is required to perform to comply with the Federal Managers' Financial Integrity Act of 1982,<sup>4</sup> to determine whether the assessment cited any relevant weaknesses.

Audit fieldwork was performed at the USAID/Vietnam mission as well as at the contractor's office in Hanoi from March 21 to April 13, 2011. In that period, the audit team conducted field trips through five provinces (Hanoi, Hai Phong, Ho Chi Minh City, An Giang, and Can Tho) to conduct site visits to observe program activities and interview beneficiaries as well as contractor staff and provincial and national government officials. During these site visits, the auditors

<sup>3</sup> *Government Auditing Standards*, July 2007 Revision (GAO-07-731G).

<sup>4</sup> Public Law 97-255, as codified in 31 U.S.C. 3512.

obtained input from 43 outreach workers, 74 program beneficiaries considered to be members of most-at-risk populations, 3 additional PEPFAR implementers/subimplementers, and 6 separate government entities.

Over the course of audit fieldwork, we encountered a scope limitation—relating to the program's condom social marketing activities—when contractor staff withheld requested documentation from us despite repeated requests. It is difficult to determine what effect, if any, this withholding of information had on our audit results. The details of what occurred resulting in this scope limitation are explained in the condom expiration finding on page 11.

## **Methodology**

To determine whether the program was achieving its main goals, the audit team initially interviewed key staff in USAID/Vietnam's Office of Public Health and at the contractor's office to gain an understanding of the program, the key players and their roles and responsibilities, and the reporting procedures and controls in place for monitoring the program. Additional work to answer the audit objective focused on conducting field trips to selected provinces to observe program activities and interview a sample of targeted program beneficiaries. Analytical procedures were also conducted in conjunction with some document review in an effort to validate data reported under selected performance indicators.

To view a wide range of program activities, the audit visited selected activity sites in five of the program's eight PEPFAR-priority provinces. These activities included the observation of direct behavior-change communications to most-at-risk populations, interviews with the outreach workers conducting the behavior-change communications, as well as the targeted individuals themselves. The audit also interviewed the outreach workers of other PEPFAR-supported program implementers who had received training and other technical assistance from the SMPSS program. Additionally, the audit visited nontraditional outlets, to which the program sells socially marketed condoms, and voluntary counseling and testing sites promoted by the program to speak with owners and managers, respectively, to solicit feedback on the program's level of support and interaction.

To assess the test results, the audit team established a materiality threshold of 85 percent that was based in part on the challenging environment in which the program operated. For example, if at least 85 percent of tested results data reported under a specific performance indicator for a selected province were found to be adequately supported, the auditors concluded that the reported results were reasonably accurate.

# MANAGEMENT COMMENTS



**USAID | VIETNAM**

FROM THE AMERICAN PEOPLE

## MEMORANDUM FOR THE CONTRACTING OFFICER

TO: Regional Inspector General/Manila, Bruce N. Boyer

FROM: USAID/Vietnam Mission Director, Francis A. Donovan /s/

DATE: July 7, 2011

SUBJECT: Mission Response to the Audit of USAID/Vietnam's Social Marketing Prevention and Supportive Services Program (Report Number 5-440-11-00X-P)

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Thank you for the opportunity to respond to the draft audit report regarding:

USAID/Vietnam's Social Marketing Prevention and Supportive Services Program (SMPSSP) - (Report Number 5-440-11-00X-P)

The stated objective of this audit was to determine whether the SMPSS Program was achieving its main goals of increasing safer behavior practices, and reducing the initiation of injecting drug use to decrease HIV prevalence among the most-at-risk populations in Vietnam. The overall conclusion was that the program has made progress and success in a number of program areas, and the audit team made ten recommendations to strengthen overall program implementation and monitoring.

USAID/Vietnam accepts these recommendations, and has begun taking steps to address the concerns as discussed below.

**Recommendation 1: We recommend that USAID/Vietnam work with its contractor to develop and approve an M&E plan for the SMPSS program. This M&E plan should include output, outcome and impact-related indicators directly attributable to the program's efforts. The M&E plan should also include baseline data, life-of-program targets, etc.**

**Management Response:** USAID/Vietnam agrees with the recommendation, and we have worked with the contractor to develop an M&E plan. The COTR and the Strategic Information (SI) Team have been working closely with PSI to develop an M&E plan that is aligned with the revised contract. We are ensuring that the indicators are attributable to its efforts and that each

indicator provides interim and final targets, data sources, collection methods, baseline information (or a timeline to collect it) and will be reported annually. Furthermore, the M&E plan will include process, output, outcome and impact indicators. Approval and execution of the M&E plan is expected by August 1, 2011.

*(Please find enclosed the draft M&E plan)*

**Recommendation 2: We recommend that USAID/Vietnam conduct a data quality assessment of the information being reported in the program's M&E plan once it is approved.**

**Management Response:** USAID/Vietnam agrees with the recommendation to conduct a data quality assessment (DQA) of the information being reported in the program's M&E plan. The Strategic Information (SI) Team has developed standardized DQA tools to ensure that the performance data being reported are *valid* (i.e., data clearly, directly and adequately represent the result that was intended to be measured), *precise* (i.e., sufficiently accurate to present a fair picture of performance), *timely* (i.e., sufficiently frequent and current to inform management decision making) and *reliable* (i.e., consistent data collection process); and that the reported data have *integrity* (protected from manipulation for political or personal reasons). The SI Team will work with the contractor to develop a calendar for bi-annual DQAs. Implementations of these actions are expected to commence on August 1, 2011.

**Recommendation 3: We recommend that USAID/RDMA either (1) ratify the elimination of PMTCT activities from the SMPSS Program, or (2) disallow the change in the program's scope. If the change in scope is ratified, a modification to the contract should be established. If disallowed, USAID/RDMA should determine the appropriate corrective action to be taken.**

**Management Response:** USAID/RDMA agrees with the recommendation to ratify the elimination of PMTCT activities from the SMPSS Program, and the Regional Contracting Officer (RCO) is currently negotiating a modification to the contract to incorporate the elimination of activities to prevent mother-to-child transmission of HIV. The COTR originally recommended this change in scope to the RCO on 27 August 2010. After discussion with the COTR, and at the direction of the RCO, the RCO's Contracting Specialist informed the COTR on 1 December 2010 that this change would be incorporated into the contract upon completion of the scheduled midterm evaluation. This course of action was chosen to enable USAID to integrate any recommendation from the evaluation with this change in scope, as well as eliminate duplicative paperwork. The RCO acknowledges that this course of action should have been communicated to the contractor in the form of an official letter from the RCO at that time. The RCO was at all times informed of and in agreement with the COTR's recommendation.

**Recommendation 4: We recommend that USAID/Vietnam assess the program's current intervention for sex workers who inject drugs to determine whether there is a more efficient way to reach this group. If not, the Mission should decide whether it wishes to continue the program's efforts, or incorporate Break the Cycle (BTC) outreach for sex**

**workers who inject drugs into the outreach of other PEPFAR implementers already targeting sex workers.**

**Management Response:** We agree with the recommendation and are now working with PSI to address this recommendation by:

- Analyzing SW-IDU behavioral survey data (collected in 2011) to assess the project's coverage of this group as well as positive correlation between exposure to project-supported interventions (including BTC) and behavior change; and
- Considering options to improve the efficiency and effectiveness of project-supported interventions targeting SW-IDU, as well as further opportunities to leverage BTC lessons and approaches into other partners' programs.

Decisions regarding the future of the SW-IDU program will be made following careful consideration of the following factors: i) PSI is the only partner supporting outreach targeting this critical group facing dual risk for HIV/AIDS; ii) the SW-IDU intervention is intricately linked to a pilot initiative--involving multiple partners in Hai Phong including PEPFAR implementing partners, World Bank supported program and Government of Vietnam supported projects-- to improve monitoring of HIV-prevention outreach programming using an Unique Identifier Code (UIC) approach and tools; and, iii) the Ministry of Health recently indicated plans to integrate BTC into the national curriculum for MARP outreach.

We are working closely with PSI on their FY11 workplan, which starts implementation on October 1, 2011. We expect to have reviewed necessary key data and made a decision on future programming for SW-IDU by September 30, 2011.

**Recommendation 5: We recommend that USAID/Vietnam direct the contractor to provide guidance to outreach workers on reporting accurate information on condom failure rates, and incorporate accurate information on condom failure rates into future training.**

**Management Response:** We agree with the recommendation and we are working with PSI on this and have directed PSI to take the following steps:

- Conduct refresher trainings for all Field Supervisors and project-supported Outreach Workers on male condom effectiveness. This initial training will be followed by periodic training for new hires and/or group refresher training as needed; and
- Review and revise (as appropriate) all project behavior change communication tools to ensure accurate, appropriate and consistent messaging regarding male condom effectiveness.

We expect that the review of the communication tools will be completed by July 15, 2011, and the refresher trainings will be completed by September 30, 2011.

**Recommendation 6: We recommend that USAID/Vietnam direct the contractor to incorporate regular monitoring and reporting on the condition of condoms stocked in nontraditional outlets, to help ensure quality of these condoms.**

**Management Response:** We agree with the recommendation and will address this recommendation by:

- Directing PSI to update sales, supply chain management and M&E policies, as well as, related tools to ensure comprehensive, routine efforts to identify and remove expired product from all points in the supply chain, including non-traditional sales outlets.
- Starting August 1, 2011, PSI will use the revised M&E policies and tools to ensure quality condoms are stocked in nontraditional outlets. All outlets will be checked on a monthly basis by sale representatives.

**Recommendation 7: We recommend that USAID/Vietnam select a sample of the nontraditional outlets in An Giang Province to test for condom quality.**

**Management Response:** We agree with the recommendation and will address the finding and recommendation by working with the contractor to conduct routine monitoring of all Non-traditional outlets (NTOs) in An Giang and other project provinces to identify and remove expired product. The regular monthly monitoring will start August 1, 2011. This approach will ensure that all NTOs in provinces supported by the contractor maintain condom quality.

**Recommendation 8: We recommend that USAID/Vietnam clearly communicate the need to implement the unique identifier code (UIC) to those implementing the pilot program in Hai Phong Province.**

**Management Response:** We agree with the recommendation. A meeting was held with all partners on April 22<sup>nd</sup>, 2011. All partners provided an update on progress made on the unique identifier code (UIC). A representative from the Hai Phong Department of Health actively shared the provincial plan for rolling out and scaling up UIC. As a result, all partners started collecting UIC in June 2011. We will organize a follow-up meeting in August, 2011 in Hai Phong to assess progress with UIC implementation. PSI will provide training and technical assistance as appropriate and/or requested.

*(Please find enclosed the meeting minutes with all partners on UIC pilot in Hai Phong on April 22<sup>nd</sup>, 2011)*

**Recommendation 9: We recommend that USAID/Vietnam clarify to all PEPFAR implementers its expectation of how and when PEPFAR-supported voluntary counseling and testing sites are to be branded with the Chan Troi Moi logo.**

**Management Response:** We agree with the recommendation. In response, USAID requested PSI to work with the Vietnam Administration for AIDS control (VAAC) on an accreditation process for all VCT sites which meet an established standard of quality in Vietnam. Any VCT site, including PEPFAR-supported sites as well as sites supported by other donors, that reaches the required quality standard will be branded with the Chan Troi Moi logo (which is registered and owned by the Government of Vietnam and the VAAC). We expect this accreditation and branding system to be developed and implemented starting in FY 2012.

**Recommendation 10: We recommend that USAID/Vietnam provide specific guidance to its PEPFAR-supported implementers on how it wants them to coordinate their efforts and which implementing organization shall take the lead in critical program areas.**

**Management Response:** We agree with the recommendation. In fact, USAID Vietnam already directs our partners to collaborate under a lead technical agency in critical program areas. For example, PSI leads condom programming across all PEPFAR partners, and coordinates other stakeholders (PEPFAR and GVN) to work toward the Total Market Approach (TMA); Family Health International (FHI) leads service delivery of and technical assistance for Vietnam's entire methadone program, including GVN, World Bank, and Global Fund; SCMS is responsible for all ART and methadone procurement and supply chain management for all PEPFAR-supported projects (including USAID and CDC); and HPI leads PEPFAR's efforts for HIV policy reform. We continue to work with partners to improve coordination, maximize synergies across partners, and increase clarity of understanding among partners of their complementary roles and responsibilities. We are also working with partners to collaborate more closely at provincial levels, and we plan to pilot joint provincial work plan development across all PEPFAR, World Bank, Global Fund and GVN implementing partners beginning in FY2012.

**Fiscal Year 2010 Reported Performance Indicators That Do Not Clearly Represent Their Intended Result or Are Not Directly Attributable to Program Efforts**

Indicators as Reported in the Program's Fiscal Year (FY) 2010 Performance Report		Reported Actual	Target	Audit Concerns
<b>RESULT 2:</b> Increased access to and uptake of <i>voluntary counseling and testing</i> among most at-risk populations				
2.1	Voluntary counseling and testing client flow	156,285	184,118	The reported accomplishment does not clearly represent the intended result. Result 2 means to track increased use of services among targeted at-risk populations, not everyone. The actual number of at-risk populations receiving such services in FY 2010 is 79,653, not 156,285. The reported result is also not entirely attributable to program efforts, as several other PEPFAR implementers also refer clients to voluntary counseling and testing sites.
<b>RESULT 3:</b> Increased uptake of <i>Prevention of Mother to Child Transmission (PMTCT)</i> services among pregnant women				
3.1	Number of pregnant women reporting early HIV testing	47,465	27,915	The reported data are not entirely attributable to program efforts, as Life Gap (another PEPFAR implementer) supports PMTCT services.
<b>RESULT 4:</b> Reduction in the demand for drugs and in initiation of injecting drug use (IDU) among groups at high-risk of initiating IDU ( <i>Break The Cycle &amp; Sex Worker-IDU intervention</i> )				
4.5	Number of sex workers reached with...interventions that are based on evidence and/ or meet the minimum standard required	6,632	4,500	The reported data does not clearly represent the intended result. Result 4's behavior-change intervention intends to reach out to sex workers who inject drugs, not all sex workers. Other PEPFAR-supported implementers target sex workers. As of 9/30/10, the program had cumulatively reached only 873 sex workers who inject drugs, not 6,632 during FY 2010 as reported.
<b>RESULT 5:</b> Increased capacity for local partners to implement social marketing activities				
5.1	Number of individuals trained on condom social marketing and behavior change communications	44	20	These reported data do not clearly represent the intended result for increasing the capacity of local partners under Result 5. The contract specifically identifies (1) Provincial Health Departments, (2) Provincial AIDS Centers, and (3) local nongovernmental organizations (NGOs) in the requirement to build the capacity of local partners. The audit questions whether the program's capacity-building objective is satisfied by the training of international NGO personnel, which constitutes the majority of the program's reported accomplishments under this result. These international NGOs are implementers of other PEPFAR-supported programs.
5.3	Number of individuals trained to promote voluntary counseling and testing services and consistent condom use	775	600	

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