

GLOBAL FUND OBSERVER (GFO), an independent newsletter about the Global Fund provided by Aidspace to over 8,000 subscribers in 170 countries.

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Organisers of an online petition seeking full funding for the Global Fund are hoping to obtain 500,000 signatures by 30 September 2010, and are planning to submit the petition to world leaders at the Global Fund's replenishment meeting in New York on 4-5 October 2010.

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In a report prepared for the last Board meeting in April 2010, the Secretariat says that it has acted quickly and decisively whenever Global Fund monies were at risk, but acknowledges that it has not done all it could have done to systematically tackle issues related to its grant-management processes raised by the Office of the Inspector General.

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### [6. NEWS: Recent Developments in Global Fund's Gender Equality Strategy](#)

Forthcoming revisions to the CCM Guidelines will include strategies to strengthen gender expertise and achieve balanced gender representation on CCMs. In addition, gender-related indicators in the Global Fund's CCM funding policy will allow the Fund to monitor the number of CCM members with gender experience.

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In the last decade, official development assistance from donor countries has been increasing, as has the proportion of this assistance going to health, according to a report released by the Global Fund.

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**1. NEWS: Petition to Fully Fund the Global Fund Seeks 500,000 Signatures**  
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An online petition campaign has been organised in support of an effort to “fully finance” the Global Fund. The campaign is aiming to get 500,000 signatures by 30 September 2010. Organisers plan to submit the petition to world leaders at the Global Fund’s replenishment meeting in New York on 4-5 October 2010.

The campaign is being organised by the Communities Delegation on the Global Fund Board, with assistance from other concerned organisations. Individuals interested in signing the petition can find it at [www.globalfundreplenishment.org](http://www.globalfundreplenishment.org). The petition is available in English, French, Spanish, Russian and Chinese.

The petition says that the replenishment “must raise at least \$20 billion if the extraordinary gains made by the Global Fund over the past decade are to be sustained and accelerated.... If adequately resourced, the Global Fund can eliminate malaria in endemic areas, prevent millions of new HIV infections, virtually eliminate the transmission of HIV from a mother to her child, and achieve significant declines in TB prevalence and mortality by 2015.”

The petition also says that some international donors have “pre-empted” the outcome of the replenishment meeting by “calling for caps on the amount of funding to be made available for each round. This would be a disastrous consequence....”

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**2. NEWS: Global Fund Secretariat Responds to  
OIG Reports**  
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The Global Fund Secretariat acknowledges that it has not done all it could have done to systematically tackle issues related to its grant-management processes raised by the Office of the Inspector General (OIG). But it says that it has acted quickly and decisively whenever Global Fund monies were at risk.

This information is contained in “*Secretariat Follow-Up on Inspector General Findings and Recommendations*,” a report prepared for the Global Fund Board meeting in April 2010. The report was written in response to concerns raised by the OIG about the low implementation rate of OIG recommendations, about the Secretariat’s commitments to improving its processes and approaches, and about weaknesses in the Global Fund model.

In the report, the Secretariat said that the low implementation rate of OIG recommendations “should not be misread for Secretariat acceptance of unmitigated risk. Where OIG recommendations have touched upon immediate risk for Global Fund resources (as was the case recently in the Philippines, Mauritania, or Mali), the Secretariat has put in place immediate and comprehensive measures to safeguard its assets and protect patients’ access to treatment.”

The Secretariat, which said that it is caught in a “constant fire-fighting mode,” added that its “rate of delivery against OIG recommendations is in direct relation to the nature of the threat identified – adequate when the situation to be addressed poses an immediate threat to funding and programs, but not satisfactory when longer-term but nevertheless critical improvements are at stake.”

**REMINDER**  
**Recently issued by Aidspan**

Grant Consolidation and the Single Stream of Funding – An Aidspan Q&A

See [www.aidspace.org/otheraidspacepublications](http://www.aidspace.org/otheraidspacepublications)

## **Country-focused recommendations**

When it prepared its report on lessons learned from country audits and reviews, in September 2009, the OIG said that only 48% of its 66 “in-country” recommendations had been fully implemented. In its report to the Board, the Secretariat said that by February 2010, the implementation rate had gone up to 73%. However, the Secretariat added, by the beginning of that same month, seven new reports, with a total of 357 recommendations, had been issued by the OIG.

The Secretariat said that, in each country, the PR is responsible for developing and implementing an action plan addressing the OIG’s recommendations, with support and oversight from the CCM and the Fund Portfolio Manager. The Secretariat acknowledged that it has not focused sufficiently on the CCM’s role with respect to OIG reports, but added that this is now being addressed.

## **Recommendations addressed to the Secretariat**

In its report, the Secretariat said that by September 2009, the OIG had issued three reports focusing on the Secretariat, but that only 14% of the 76 recommendations in these reports had been implemented by February 2010. The Secretariat added that another 78% were on track to be implemented “within the next three to six months.”

The Secretariat said that, in a number of areas, it and the Board were already well aware of deficiencies in key functions of the grant model, including CCM oversight of implementation, sub-optimal use of technical assistance, variable quality of LFA services, variable quality of PR and SR reporting – and of challenges within the Global Fund model caused by total reliance on the PR for oversight of SRs. However, the Secretariat said, it is vital that it now “take the lead in defining those areas where improvements are needed – rather than letting the schedule of improvements be exclusively driven by the outcomes of audits,” and that it was ready to do so.

The report said that Office of the Executive Director has now assumed direct responsibility for “transforming the way in which the Secretariat prioritizes and carries forward OIG recommendations and findings; and, more generally, organizes itself to identify strategic gaps in its grant operations and implement improvements.” Three specific initiatives are underway: (1) the establishment of three cross-Secretariat task forces to work on improved processes for disbursements and signing, and on a more systematic approach to prioritising and implementing OIG recommendations; (2) the drafting of two protocols between the Secretariat and the OIG; and (3) reinforcement of the “Country Team” approach.

One of the protocols defines the working relationship between the OIG and the Secretariat for country audits; the other protocol outlines the coordinated approach that the Secretariat and the OIG will adopt when allegations of wrongdoing have been made and the OIG decides to investigate.

The Country Team approach, originally set up to improve the effectiveness of the grant negotiations process, brings together all Secretariat actors involved in grant operations to promote a culture of team work and accountability across clusters and units. The Secretariat said that it will develop terms of reference and detailed workplans for the country teams, including a clear definition of roles and work processes in relation to the OIG.

## **Tanzania audit**

An audit of Tanzania grants from the early rounds of funding was conducted in early 2009. The audit identified serious problems, particularly with respect to supply chain management and financial and programmatic reporting. GFO reported on the results of the audit in [GFO 108](#).

In its report, the Secretariat said that a number of steps have been taken to address problems with these grants. The report said that both the Global Fund Secretariat and the OIG consider that the response to the Tanzania audit findings represents an example of best practice in the joint country-Secretariat response to OIG recommendations.

When the results of the audit were released, the Government of Tanzania, with support from USAID, hired a consulting firm to help build capacity at the programme’s procurement management unit; the

Medical Stores Department procured a new IT system; and storage capacity was enhanced. In addition, a recently-signed Round 8 HIV grant contained requirements to ensure that the PR develops a comprehensive plan of action to strengthen supply chain management, enhance storage and distribution, instil better forecasting, and ensure better inventory control and stock management.

The report said that in the area of financial and programme management, coordination and financial reporting capacity for the HIV Program was being strengthened at the Ministry of Finance (a PR), the Tanzania Commission for AIDS (TACAIDS, an SR), and the district government offices; and that a programme management unit was being set up at the Ministry to ensure improved oversight. In addition, under the Round 8 grant, TACAIDS will hire additional staff, including accountants and 21 regional coordinator positions, to facilitate better management and quality control at regional and district levels.

In the M&E area, the national HIV management information system was being strengthened; and satellite monitoring stations at district level have been established to enhance the quality and timeliness of data.

The Secretariat said that a “quick and comprehensive” response was achieved because the regional team in the Secretariat maintained close working relationships with the OIG and with country players; because the CCM and in-country partners were actively involved in the response; because the role of the LFA was enhanced; and because of good follow-up and coordination of feedback.

*“Secretariat Follow-Up on Inspector General Findings and Recommendations,” is available as Document GF/B21/12 at [www.theglobalfund.org/en/board/meetings/twentyfirst](http://www.theglobalfund.org/en/board/meetings/twentyfirst). GFO 128 contains an interview with John Parsons, the Global Fund’s Inspector General. Recently, GFO has written about the reports issued by the OIG in GFO 127, 126, 125, 119, 116, 115, 113, 108 and 107. All issues of GFO are available at [www.aidspace.org/gfo](http://www.aidspace.org/gfo).*

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### **3. NEWS: Global Fund Releases Detailed Operational Guide**

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The Global Fund has issued a new Operational Guide targeted primary at implementers of Global Fund grants. Entitled “Operational Guide: The Key to Global Fund Policies and Processes,” the 118-page document is available (in English) at [www.theglobalfund.org/en/policies](http://www.theglobalfund.org/en/policies). French- and Spanish-language translations are underway.

The purpose of the guide is to help implementers understand Global Fund policies and to provide guidance on the various processes that have to be followed during the lifetime of a grant. Most of this information already exists on the Global Fund website and in existing guidelines; the Operational Guide brings the information together in a single document.

To keep the guide to a manageable size, some of the information is in shortened form. For example, the Operational Guide may summarise a policy and then provide information on where to obtain the full policy. However, the Operational Guide is still quite detailed. For example, the part on grant signing lists the documents required for signing, explains how grant negotiations are organised within the Global Fund Secretariat, discusses the roles of the LFA and CCM in grant negotiations, and provides guidance on issues such as how much money the PR can expect upon signing, and whether the PR can access grant funds prior to signing.

In addition to the section on grant signing, there are sections on implementing grants, requesting continued funding, closing grants, and risk management. Although the guide is targeting implementers, there is also a section on accessing funding, as well as an introduction to the Global Fund. In addition, there is a section describing the new grant architecture.

The Global Fund used to have an Operations Manual, which covered some of the same areas as the Operational Guide, but the manual was not widely available and has not been kept up to date. The Fund plans to release some “operational policy notes” in the near future. These notes will provide more in-depth information on some of the implementation topics covered in the Operational Guide.

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**4. NEWS: Call for the Global Fund to More Actively Fund and Promote Harm Reduction**

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The Global Fund is underperforming when it comes to support for HIV-related harm reduction programmes. The Fund urgently needs to increase the amount that it spends on harm reduction, and encourage applicants to build harm reduction into their proposals. These observations and recommendations come from a report recently released by the International Harm Reduction Association (IHRA), entitled “Three Cents a Day Is Not Enough.”

The IHRA said that all applications for funding from the Global Fund should be required to state whether and how they have addressed drug use issues; and if they have not, to explain the reasons why. The IHRA also stated that the Global Fund must also take measures to ensure that NGOs and organisations that represent drug using populations are properly involved in proposal development, and to facilitate more NGO-led applications.

The IHRA said that although it is difficult to measure how much of global HIV spending actually goes into harm reduction, there is no doubt that the amounts are very small. According to the IHRA, a generous estimate for 2007 is that approximately \$160 million was invested in HIV-related harm reduction in low and middle income countries. This spending equates to \$12.80 for each injector each year in low and middle income countries, or just three cents per injector per day. To put this \$160 million in context, the IHRA said, UNAIDS estimates that the resources needed for harm reduction were \$2.13 billion in 2009 and \$3.2 billion in 2010.

The IHRA report said that the Global Fund invested \$45 million in harm reduction in 2007, and a total of \$180 million in the three-year period from 2007 to 2009. [The source for these figures is an article by R. Atun and M. Kazatchkine, “The Global Fund’s leadership on harm reduction: 2002–09,” *International Journal of Drug Policy* 21(2).]

The IHRA said that resources for harm reduction and HIV services for people who use drugs should be proportionate to the need within countries. The IHRA recommended that, globally, 20% of prevention funds be allocated to harm reduction.

“Three Cents a Day Is Not Enough: Resourcing HIV-Related Harm Reduction on a Global Basis,” is at [www.ihra.net/reports](http://www.ihra.net/reports).

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**5. NEWS: Global Fund Launches Its SOGI Strategy**

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The Global Fund plans to monitor and publicise cases where funding proposals have been, or might be, rejected due to policy environments where human rights violations are impeding the implementation or impact of interventions against AIDS, TB and malaria. This is one of the highlights of the Global Fund’s policy and implementation plan on Sexual Orientation and Gender Identity (SOGI), collectively referred to as the “SOGI Strategy,” adopted by the Fund during the course of 2009.

The Global Fund says that its SOGI Strategy applies “to all people whose sexual orientation, gender identity and/or sexual behaviors do not conform to majority norms and values, focusing on adults engaging in consensual sexual behaviours that increase their health-related vulnerabilities.” In practice, this primarily means men who have sex with men (MSM), transgenders, and female, male, and transgender sex workers.

Earlier, the Global Fund adopted a policy and an implementation plan on Gender Equality (see [GFO 100 and 113](#).) The Global Fund says that while its SOGI Strategy and its Gender Equality Strategy have been developed as two separate documents through separate consultations, they are considered to be components of a single Global Fund Gender Strategy.

HIV/AIDS disproportionately impacts MSM, transgenders and sex workers. HIV prevalence among sex workers is higher than in the general population. Among MSM, both the incidence and prevalence

of HIV/AIDS is high in all regions of the world, with recorded HIV prevalence rates as high as 25% in Africa, 11% in the Caribbean, 28% in Southeast Asia, and 51% in some parts of Latin America. Among transgendered persons, HIV prevalence is believed to be even higher than among MSM.

### **SOGI and Global Fund Proposals**

*The following are some of the key findings from an analysis of Rounds 8 and 9 HIV proposals performed by the Global Fund.*

Four out of five proposals included at least one activity related to sexual orientation and gender identity targeting MSM, transgender persons or sex workers. Most of the activities related to MSM or sex workers; transgendered persons were mentioned much less frequently.

In Round 9, 27% of HIV proposals indicated that there was representation from MSM, transgender persons or sex workers on the CCM, up from 10% in Round 8.

HIV applicants are more likely to be funded if they include interventions targeting MSM, transgender persons or sex workers. They are even more likely to be funded if these interventions address structural barriers and promote enabling environments.

Criminalisation of people due to their sexual orientation or gender identity impacts their ability to negotiate health and health services. In some countries on every continent, rights related to SOGI populations and access to health are still explicitly or implicitly denied through laws, religion, social institutions and cultural traditions. This includes vocal hostility and incitation to violence by political leaders and religious leaders. Sex between consenting adults of the same gender is criminalized by approximately 85 countries, including 34 African countries, with 10 countries having death penalties for homosexual relations between consenting adults.

The SOGI Strategy acknowledges that in terms of being able to access or benefit from Global Fund grants, MSM, transgenders and sex workers face serious challenges. They face limited access to decision-making or control in CCMs, PRs and SRs, and there are many social and structural barriers to the realisation of health and rights for these populations. Around the world, even in countries where SOGI populations are nominal beneficiaries of Global Fund funding, there are consistent and extensive reports of funds not being allocated to appropriate interventions, a severe lack of services related to health and rights, and continued disregard for human rights.

The strategy acknowledges that work in this area is “difficult and sometimes controversial in many part of the world,” and that “there is no one approach for every situation.”

The SOGI Strategy contains 19 activity areas, including the following:

- strengthening CCMs;
- strengthening the proposal and application process;
- strengthening the expertise and capacity of the Technical Review Panel; and
- ensuring that monitoring, evaluation and reporting is positively oriented toward work addressing sexual orientation and gender identities.

The strategy also contains a “logical framework,” which identifies, for each activity area, activities, planned outcomes and indicators. For example, for strengthening CCMs, the following activities are listed:

- Analyse CCM capacity related to SOGI.
- Review and strengthen CCM guidelines and tools.
- Include SOGI training and briefings during regional CCM meetings, and other relevant national and regional meetings.

*“The Global Fund Strategy in Relation to Sexual Orientation and Gender Identities (SOGI)” is at [www.theglobalfund.org/en/publications/other](http://www.theglobalfund.org/en/publications/other). Some of the information for this article was taken from “Sexual Orientation and Gender Identities Strategy: Plan of Action 2009-2012,” 11 December 2009, and “Analysis of Sexual Orientation and Gender Identity Related Activities in Round 8 and 9 Global Fund Proposals,” undated. Neither document is currently available on the Global Fund website, but both are mentioned in “The Global Fund, HIV and Sexual Orientation / Gender Identities Strategy*

Update,” a report prepared for the Global Fund’s Third Replenishment meetings in 2010, available at [www.theglobalfund.org/en/replenishment/hague/documents](http://www.theglobalfund.org/en/replenishment/hague/documents).

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## **6. NEWS: Recent Developments in Global Fund’s Gender Equality Strategy**

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When the Country Coordinating Mechanism (CCM) Guidelines are revised later this year, they will include strategies to strengthen gender expertise and achieve balanced gender representation on CCMs. In addition, gender-related indicators in the Global Fund’s CCM funding policy will allow the Fund to monitor the number of CCM members trained on gender-related issues or representing organisations with a documented gender-related mandate.

The guidelines will also include sections on strengthening representation from sex workers, men who have sex with men, transgender people and/or other sexual minorities. The revised CCM Guidelines will be submitted to the Global Fund Board in December.

The above information is included in two reports prepared for the Global Fund’s Third Replenishment meetings that took place in March 2010. The reports said that a framework to assess the scope of activities that promote gender equality in the overall Global Fund portfolio has been developed and will be finalised in collaboration with partners during the first half of 2010. They also said that a gender analysis of HIV proposals approved in 2008 and 2009 is underway, and that the findings should be available shortly.

Other related developments include the following:

- a key performance indicator on gender and key affected groups has been developed, for use in measuring the overall performance of the Global Fund;
- gender issues will be integrated into the Grant Scorecard (used to measure the performance of individual grants at Phase 2 renewal);
- partner organisations – such as UNAIDS, the World Health Organization (WHO), the United Nations Development Programme (UNDP), the German development agency GTZ, the United Nations Children’s Fund (UNICEF), and the Open Society Institute – have supported countries to include strong gender components in their Round 10 proposals; and
- three technical seminars and two induction courses on gender have been conducted, reaching more than 250 staff at Global Fund headquarters.

In addition, a gender toolbox has been developed by UNAIDS and the WHO, consisting of technical resources to assist in the planning of gender programmes. See [“Addressing Gender Inequalities: Strengthening HIV/AIDS Programming for Women and Girls.”](#)

*Information for this article was taken from “Implementation of the Global Fund Gender Equality Strategy,” and “The Global Fund, HIV and Sexual Orientation/Gender Identities.” Both documents are at [www.theglobalfund.org/en/replenishment/hague/documents](http://www.theglobalfund.org/en/replenishment/hague/documents). Also available on that site is a report entitled “Investment in the Health of Women and Children: Global Fund Support of Millennium Development Goals 4 and 5.”*

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## **7. NEWS: Report Documents Rise in Official Development Assistance**

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In the last decade, official development assistance from donor countries has been increasing, as has the proportion of this assistance going to health. This information is contained in a report recently released by the Global Fund.

In 2008, development assistance reached its highest level ever at \$121.5 billion, up from \$53.7 billion in 2000. In terms of the proportion of gross national income (GNI) of donor countries, development assistance rose from 0.22% in 2000 to 0.31% in 2008. Of the total development assistance, 70

percent was provided through bilateral organisations, with the remaining 30 percent disbursed through multilateral organisations.

The proportion of official development assistance that was earmarked for health increased from less than 10% in 2000 to 17.6% in 2007. Over this period, development assistance for health (DAH) grew at an annual rate of 17%. In dollar terms, DAH went from \$10.7 billion in 2000 to \$21.8 billion in 2007.

The report says that the increase in DAH in the last decade is attributable to a significant rise in funding from the U.S. through the President's Emergency Plan for AIDS Relief (PEPFAR) and the President's Malaria Initiative (PMI); and large flows of resources from new global health actors such as the Global Fund, the Global Alliance for Vaccines and Immunisation (GAVI), and the Bill and Melinda Gates Foundation. In 2007, the Global Fund, GAVI, the Gates Foundation and NGOs accounted for over 40% percent of total DAH.

Sub-Saharan Africa has benefited significantly from the increases in DAH. Sub-Saharan Africa's share of global DAH grew from 33% in 1990 to over 50% in 2007.

*Editor's note:* This report covers the period from 2000 to 2008. In 2009 and 2010, development assistance has either levelled off or begun to decline.

*"Trends in Development Assistance and Domestic Financing for Health in Implementing Countries," is available at [www.theglobalfund.org/en/replenishment/hague/documents](http://www.theglobalfund.org/en/replenishment/hague/documents).*

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This is an issue of the *GLOBAL FUND OBSERVER (GFO)* Newsletter.

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*GFO* is an independent source of news, analysis and commentary about the Global Fund to Fight AIDS, TB and Malaria ([www.theglobalfund.org](http://www.theglobalfund.org)). *GFO* is emailed to over 8,000 subscribers in 170 countries at least twelve times per year.

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*GFO* is currently provided in English only. It is hoped to provide it later in additional languages.

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