

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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[6. NEWS: Report Recommends Alternatives to Top-Down 100% Condom Use Programmes for Sex Workers](#)

Although 100% condom programmes can be effective in increasing condom use in commercial sex transactions, they should be implemented in ways that do not violate the human rights of sex workers or their clients, according to two human rights organisations.

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1. NEWS: What to Expect in Round 11

All proposals for the three diseases have to be “consolidated proposals”

Proposal form and guidelines will be field tested

Round 11 is expected to be launched on 15 August 2011. Applicants will have until 15 December to submit their proposals. There will be several new features in Round 11. This article describes these features.

In a comment at the end of this article, Aidspace suggests that applicants start working on their Round 11 proposals now, and adds that designing the programmes on which the proposals will be built can be done without waiting for the new forms and guidelines.

In Round 11, for the first time in several rounds, cross-cutting health systems strengthening (HSS) requests can be submitted as separate components (as opposed to being “attached” to a disease component). This means that applicants can include up to four components in each proposal – HIV, TB, malaria and cross-cutting HSS. It also means that an applicant can submit a proposal containing only an HSS component (which had not been permitted for the last several rounds).

Perhaps the most significant change being introduced in Round 11 is that proposals submitted for any of the three diseases must be “consolidated proposals.” Some (but not all) proposals for HSS will also have to be consolidated proposals.

A consolidated proposal is one that includes information (e.g., objectives, service delivery areas, activities, targets and costs) on both (a) new initiatives for which funding is being sought, and (b) all existing grants for the same disease (except for grants that are scheduled to end before the proposed start date of the new initiatives). For example, if Country X has two existing grants for TB, and is applying in Round 11 for new initiatives for TB, Country X must submit a consolidated proposal that includes information on the two existing grants plus the new initiatives.

The requirement to submit a consolidated proposal applies regardless of the number of PRs involved in the existing grants and proposed for the new initiatives.

If the TB proposal from Country X (in the above example) is approved, one or more single-stream-of-funding (SSF) grant agreements will be signed, one for each PR. An SSF grant agreement is very similar to the grant agreements that have been used up to now. The most significant differences are (a) the provisions for periodic reviews (replacing Phase 2 reviews); and (b) the fact that the SSF grant agreements will be revised after each periodic review and when additional funding for that PR is approved in a future round.

(Again referring to the above example, in the event that Country X already has SSF grant agreements, these will be revised, as necessary, to incorporate the new activities.)

Submitting consolidated proposals is not the same as doing grant consolidation, though there is a significant connection between the two (see next article).

It is not known yet which HSS proposals will have to be consolidated proposals. The Global Fund will provide more information on this by the time of the launch of Round 11 on 15 August.

The other significant changes for Round 11 are as follows:

1. New criteria will be in effect for eligibility, counterpart financing and prioritisation – assuming that the new criteria are approved by the board at its meeting on 11-12 May 2011. (See later article in this issue for an explanation of the eligibility, counterpart financing and prioritisation criteria.)
2. New country coordinating mechanisms (CCM) guidelines will be in effect, again assuming that they are approved at the May board meeting. (The guidelines contain minimum requirements for CCMs, sub-CCMs and regional coordinating mechanisms; these minimum requirements form part of the eligibility criteria for proposals.)
3. There will be a number of changes to the proposal form and guidelines.
4. Applicants seeking funding for cross-cutting HSS activities may apply to the Global Fund, or to the Global Alliance for Vaccines and Immunisation (GAVI), or to both. A separate proposal form, developed jointly by the Global Fund and GAVI, will be provided for the cross-cutting HSS component.
5. Applicants will be required to include a log frame with each application. The log frame will provide a consolidated summary of the programmes for which the applicant is seeking funding. It will contain an overview of the goals, objectives, service delivery areas and key activities. The Global Fund will release more information on the log frame at the time of the launch, if not before.
6. To assist applicants to develop their proposals, the Global Fund Secretariat will prepare an applicant profile for each country that has previously applied to the Global Fund. The profile will contain financial and programmatic information for each disease for which an applicant has existing grants. The profiles will be available at the time of the launch of Round 11. In addition, applicants will receive partner reports from UNAIDS, Stop TB and Roll Back Malaria (RBM), containing epidemiological statistics and other relevant information about the disease profile in the country. The partner reports will also be made available at the time of the launch. (Note, however, that most of the information that will be in the applicant profile and the partner reports is already available from the websites of the Global Fund and UNAIDS, Stop TB and RBM.)
7. Applicants will need to ensure that their proposal budgets include funds for a programme and impact evaluation that will occur at the time of the first periodic review.
8. A section on priority interventions will be included on the Round 11 proposal form. It will be similar to the programmatic gap analysis table used in Round 9.

In Round 11, for the first time, the proposal form and guidelines will be field tested. For the field testing, the Global Fund Secretariat is recruiting both successful and unsuccessful Round 10 applicants, plus organisations known to be planning to apply in Round 11. The testing is expected to be completed by the end of May 2011. The feedback will inform the development of the final proposal form and guidelines.

The Global Fund Secretariat told Aidsplan that while it may appear that the field testing will give some applicants an advance look at the core application documents, in fact Global Fund partner organisations have been given drafts of these documents and are welcome to share these drafts with potential applicants – providing they explain that these documents

are still working drafts, and that an applicant will need to download the final versions from the Global Fund website on the day of the launch.

Aidspan Comment

Once Round 11 is launched, applicants will have four months to develop and submit their proposals. This may seem like a long time, but in the past, many applicants have had to rush to meet the deadline. There are a number of steps involved in proposal preparation, including discussing the country's priorities; deciding which components to submit; organising consultations with stakeholders, and providing stakeholders with an opportunity to make suggestions concerning the content of the proposal; reviewing submissions from stakeholders; designing the programmes for which funding is being sought; identifying principal recipients; selecting sub-recipients; filling out the proposal form; and obtaining approval (and signatures) from all members of the CCM for the final proposal.

Add to this the fact that most applicants are not familiar with how to develop a consolidated proposal, and it becomes apparent that four months is not such a long time after all. However, there is no reason for applicants to wait until launch date. Applicants can start working on their proposals now. Most of what is described above can be done without knowing what the final proposal form will look like. In addition, the Global Fund will be publishing a number of guidance documents (e.g., FAQs, information notes, new policies on eligibility, counterpart financing and prioritisation) at its website prior to the Round 11 launch.

As it has done for previous rounds, Aidspan will release a guide to applying for Round 11. The guide will be produced in two volumes. Volume 1 (“Getting a Head Start”) will provide guidance on proposal development, as well as more information on what is new for Round 11. Volume 2 (“The Applications Process and the Proposal Form”) will provide detailed information on the requirements concerning Round 11 proposals, as well as guidance on filling out the proposal form. Aidspan hopes to release Volume 1 several weeks prior to launch date, and Volume 2 as soon as possible after launch date. However, again, there is no reason for applicants to wait for Volume 1 to be released before they start working on their proposals. Applicants seeking guidance may refer to Volume 1 of “The Aidspan Guide to Round 10 Applications to the Global Fund” (available in four languages at www.aidspan.org/guides). The guidance on proposal development which Aidspan will provide in Volume 1 of the Round 11 guide will not differ significantly from the guidance on that topic already available in Volume 1 of the Round 10 guide.

There is another reason to start working on the Round 11 proposal now: When an applicant submits a consolidated proposal, the applicant has an opportunity to “reprogramme” existing grants – i.e., drop some initiatives, modify others. So, when stakeholders are asked to provide suggestions for new initiatives in the country proposal, it would be a good idea to ask them at the same time what changes they would like to see to the existing initiatives.

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2. ANALYSIS: Some approved Round 11 proposals will lead to grant consolidation; others will not

Grant consolidation will be required in certain circumstances

Although submitting a consolidated proposal is mandatory in Round 11 if the applicant is seeking funding for one or more of the three diseases, this does not necessarily mean that grants will be consolidated if the consolidated proposal is approved. Submitting consolidated proposals and doing grant consolidation are **not** the same thing.

A consolidated proposal describes the entire disease programme the applicant wants funded by the Global Fund for the duration of the proposal term (i.e., up to five years). It includes information (e.g., objectives, service delivery areas, activities, targets and costs) on both (a) new initiatives for which funding is being sought, and (b) existing grants for the same disease (regardless of how many PRs are involved). Grant consolidation, on the other hand, involves merging two or more grants for the same PR and disease into one.

In some cases, a consolidated proposal approved for funding will automatically result in some grant consolidation; in other cases, it will not. The rule of thumb is as follows: If an applicant is submitting a consolidated proposal in Round 11; and if the proposal is approved; and if the country has one or more existing grants for the same disease and the same PR; and if any of the existing grants are not scheduled to end before the proposed start date for the new initiatives in the consolidated proposal – then grant consolidation will be required. In other circumstances, grant consolidation will not be required.

The best way to understand this is by using examples (see below). (The examples assume that the existing grants are not scheduled to end before the proposed start date for new initiatives included in the consolidated proposal. In the examples, we use a fictitious country called “Ruritania.”)

First example: Ruritania has an existing TB grant being managed by PR A. Ruritania submits a consolidated TB proposal in Round 11 and nominates PR A to manage the new initiatives in the proposal.

In this example, if the Round 11 proposal is approved, grant consolidation will be required. The existing TB grant will be consolidated with the new initiatives in the Round 11 proposal.

Second example: Ruritania has two TB grants, one being managed by PR A, the other by PR B. Ruritania submits a consolidated TB proposal in Round 11 and nominates PR A to manage the new activities in the proposal.

In the second example, if the Round 11 proposal is approved, grant consolidation will be required for the grant involving PR A. That grant would be consolidated with the new initiatives in the Round 11 proposal. But the grant being managed by PR B would not be included in the consolidation.

Third Example: Ruritania has two TB grants, both being managed by PR A. Ruritania submits a consolidated TB proposal in Round 11 and nominates PR A to manage the new activities in the proposal.

This follows the same pattern as the first example above: If the Round 11 proposal is approved, grant consolidation will be required for the grants involving PR A. Note, however, that if the Round 11 proposal is not approved, Ruritania will not be required to consolidate the two existing grants being managed by PR A. (Ruritania may choose to consolidate the two existing grants, but it is not a requirement.)

Fourth example: Ruritania has two TB grants, both being managed by PR A. Ruritania submits a consolidated TB proposal in Round 11 and nominates PR B to manage the new activities in the proposal.

In the fourth example, if the Round 11 proposal is approved, consolidation of the existing grants being managed by PR A would not be required. A new (single-stream-of-funding) grant agreement would be signed with PR B, and the existing grant agreements with PR A would continue unchanged. (As with the previous example, Ruritania may choose to consolidate the two existing grants being managed by PR A, but it is not a requirement.)

Finally, grants can be consolidated at any time, if they are eligible for consolidation. Countries don't have to wait for a round of funding to consolidate grants. Interested PRs and CCMs should check with their fund portfolio manager in the Global Fund Secretariat.

The examples used in this article are based on the examples used for Aidspace's Q&A on [Grant Consolidation and the Single Stream of Funding](#). Additional information on grant consolidation (as well as single-stream-of funding grant agreements and consolidated proposals) is available on the [new grant architecture pages](#) of the Global Fund website. The Global Fund's Architecture Implementation Project Management Team welcomes questions about grant consolidation; the team can be reached at ARCinbox@theglobalfund.org.

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3. NEWS: Global Fund Board to Discuss New Eligibility Criteria

Two pools of funding are being proposed – “general” and “targeted”

Low income countries may be required to provide at least a minimum level of counterpart financing

Proposed new eligibility criteria will likely be one of the hot topics at the meeting of the Global Fund Board on 11-12 May 2011.

Eligibility criteria are used to determine which countries are entitled to apply to the Global Fund for funding. The current eligibility criteria are based on factors such as country income level, disease burden and whether the proposals focus on at-risk populations. (Applications submitted by country coordinating mechanisms (CCMs) also have to meet certain requirements related to the structure and operations of the CCM.)

The Board is being asked to approve a new set of criteria that encompasses not only eligibility, but also counterpart financing and prioritisation. Counterpart financing refers to the minimum contribution that national governments must make to the disease programmes for which applicants are seeking funding. (Logically, the counterpart financing criteria are part of the eligibility criteria, but the Global Fund treats them as being separate.)

Prioritisation criteria are used to rank proposals recommended for funding by the Technical Review Panel (TRP) when there is not enough money to immediately pay for all of such proposals. New prioritisation criteria were adopted in 2010, but they applied only to Round 10.

Under the current eligibility criteria, the Global Fund can consider applications from low income countries (LICs), lower-middle income countries (LMICs) and upper-middle income countries (UMICs). In recent years, some donors have suggested that at time when resources are scarce, the Global Fund should reconsider whether it ought to be providing money to LMICs and UMICs. This was one of the reasons why the Global Fund Board decided it was time to re-visit the eligibility criteria.

The Board was scheduled to approve new eligibility, counterpart financing and prioritisation criteria at its meeting in December 2010. However, the Board decided that more work and more discussions were required, so this item was re-scheduled for the meeting coming up this month. In the interim, two board committees – the Policy and Strategy Committee, and the Portfolio and Implementation Committee – have been discussing options and have prepared a draft of the proposed new criteria for the Board to consider.

with the investigations. Because of the political turmoil in Cote d'Ivoire, the investigation in that country has not yet started.

GAVI has taken steps to ensure that, despite the suspensions, children in the affected countries continue to receive life-saving vaccines.

Three of the four countries whose programmes are being investigated by GAVI have also been the subject of audits or investigations by the Global Fund's Office of the Inspector General (OIG). The Global Fund has terminated or suspended several grants in Mali following findings of extensive fraud by the OIG. The OIG is investigating several grants in Cote d'Ivoire; the OIG said preliminary indications are that there has been systematic fraud in at least one grant in that country. In 2010, an OIG audit on grants in Cameroon revealed some misappropriation of funds and significant deficiencies in financial management controls.

The GAVI news release is available [here](#).

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5. NEWS: "Is the Global Fund 'Model' Still Relevant?" – OIG

Is the Global Fund "model" still relevant in the current environment? Should the Global Fund retain or redefine its principles of country ownership, additionality and operating solely as a financial institution? These are some of the "strategic" questions posed by the Global Fund's Office of the Inspector General (OIG) in a report released recently on lessons learned from audits concluded in 2010.

If the model is to remain as is, the OIG said, the Global Fund will need to consider how best to manage the risks associated with that model. Logically, this could lead to "a more directive and proactive engagement" in grant management at country level. It could also lead to establishing a country presence. The OIG said that the Global Fund should also "fully embrace" risk management, making it an integral part of the grant management process.

The OIG said that the Global Fund should enforce those policies and requirements that have not been implemented at country level – starting with many of the undertakings in grant agreements – and should monitor compliance by implementers. The OIG also recommended:

- that the Global Fund establish minimum capacity standards for principal recipients (PRs), assess the PRs regularly and hold them accountable when things go wrong;
- establish an accountability framework that clarifies the "roles, responsibilities, authorities and accountabilities" of the various players in the Global Fund architecture; and
- put more emphasis on validating the data being reported by implementers.

The OIG said that when parallel systems are established – for example, for procurement of health products – the Global Fund should incorporate clauses in the relevant grant agreements requiring that the PR ensure a transition to national systems within a specified time frame. The OIG said that its country audits have identified concerns about the capacity of PRs that "are not in line with the generally positive capacity assessments" provided by local fund agents.

The "Report on Lessons Learned from the Office of the Inspector General's Country Audits" contains numerous other findings and recommendations. The report is available [here](#).

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6. NEWS: Report Recommends Alternatives to Top-Down 100% Condom Use Programmes for Sex Workers

“Global Fund should reject proposals that demonstrate lack of human rights protection for sex workers and their clients”

Although 100% condom programmes can be effective in increasing condom use in commercial sex transactions, they should be implemented in ways that do not violate the human rights of sex workers or their clients.

This is one of the recommendations in a report on human rights and the Global Fund recently released by the Canadian HIV/AIDS Legal Network and the Open Society Foundations (OSF).

These 100% condom use programmes (also called 100% CUP) are a central part of national HIV responses in a number of countries, including China, Cambodia, Vietnam, Thailand, Mongolia, Laos and Myanmar. These programmes, which are designed to ensure that condoms are used in all commercial sex transactions, usually target sex workers in brothels or entertainment establishments. According to the report, in most cases, the strategy is to make commercial sex without condoms illegal and to enforce that illegality – which means that local authorities and the police are, inevitably, integrally involved in these programmes.

The report acknowledged that evaluations have found these programmes to be effective in reducing unsafe sex in commercial sex establishments. However, the report added, although they are meant to protect sex workers and their clients, in most cases the programmes have been designed without meaningful participation of sex workers or their NGO allies. Also, sex workers’ experiences have not frequently figured in evaluations of these programmes. Finally, according to the report, several studies have documented abusive practices in these programmes, such as: forced registration of sex workers; mandatory STI testing and health examinations at health facilities where sex workers were mistreated; repressive policing; force-marching of sex workers to health facilities with military or police escorts; and public posting of photographs of sex workers who are accused of having had sex without condoms.

In one of these studies, the report said, sex workers reported that they were forced by brothel and nightclub owners to have sex with police in exchange for the police looking the other way when 100% CUP rules were violated.

The authors argued that there are other ways to achieve the target of 100% condom use, without having to resort to mandatory and abusive measures. The report cited the example of sex worker collectives such as those in the Sonagachi neighbourhood of Kolkata, India. The authors said that these collectives have created an environment that ensures that all workers demand condom use; and that the work of these collectives has resulted in both (a) effective HIV prevention and (b) empowering sex workers to stand up to police brutality and stigma in the community.

However, the report said, it may be that these alternative strategies are not well known to CCMs. The use of 100% CUP continues to be supported by CCMs; for example, in a Round 9 Indonesia proposal, the programme included promulgating and enforcing local regulations so that regular condom use would become the norm where sex is sold.

The Legal Network and the OSF recommended that the Global Fund develop criteria that would allow it to identify and reject proposals that include prevention programmes for sex workers that exhibit a lack of human rights protections for the workers and their clients. The report said that CCMs or other applicants that propose 100 percent condom programmes should be required to provide detailed information about the implementation of these programmes, including, for example:

- the nature and degree of participation of organisations that are legitimate representatives of sex workers in the design, implementation and evaluation of these programmes;
- measures taken to protect sex workers against abuse by clients, police and managers of brothels or entertainment venues; and
- measures taken to consider less top-down alternatives to 100% CUP.

Finally, the authors recommended that the Technical Review Panel (TRP) be fully briefed on 100% CUP and alternatives to it; and that the Global Fund invest in capacity-building for CCMs in this area, including providing them with information on best practices.

“Human Rights and the Global Fund to Fight AIDS, Tuberculosis and Malaria” is available [here](#).

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

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