Independent observer of the Global Fund

Global Fund Observer

NEWSLETTER

Issue 278: 13 January 2016

GFO is an independent newsletter about the Global Fund.

GFO Live >> | Aidspan Website >> | Contact GFO >>

CONTENTS OF THIS ISSUE:

grants related to the notes are approved, a process that usually takes several months. Aidspan called it a step in the right direction, but said that further steps are required.

6. NEWS: Latest wave of funding approvals: $433 million for 20 grants from 12 countries

Twenty grants from 12 countries were awarded $433 million in funding in late December as the Global Fund Board approved the recommendations of its Grant Approvals Committee. The Board also approved $30 million for a regional grant in Southern Africa.

7. NEWS: The TERG recommends measures to enhance health systems strengthening

In a position paper on health systems strengthening, the Technical Evaluation Reference Group has advanced a number of recommendations to enhance the impact of the Global Fund's HSS investments. The Secretariat has been asked to prepare a workplan with timelines for implementing the recommendations.

ARTICLES:

1. NEWS: Aidspan releases new strategic plan for 2016-2018

Plan is based on an external review and other factors

Aidspan staff 9 January 2016

Aidspan has released a new strategic plan for 2016-2018. The plan is the product of a reform effort spearheaded by the Aidspan Board. *(Editor's note: The link is to an abridged version of the strategic plan. To obtain the full version, please send a request via email to info@aidspan.org.)*

The board's decision to reform Aidspan, some 13 years after its initial establishment in 2002 when the Global Fund (TGF) was set up, was based on several factors, including: (a) changes in the donor environment, in the health systems in many countries and in TGF; (b) the results of an independent external evaluation of the organization in June 2015; and (c) financial constraints faced by Aidspan.

At its meeting at the end of August 2015, the Aidspan Board determined that Aidspan should remain as a stand-alone organization but slimmed down and more focused. The reform process will involve changes to the board and management structures, and areas of program focus, and significant changes to the budget. Aidspan's brand as an independent watchdog of the Fund will be strengthened to provide more value for money and a more penetrative critique that hits at the key issues in a dynamic global health arena on a more compact budget.

The Aidspan Board of Directors approved the strategic plan during its meeting of 24 November 2015, held in Nairobi, Kenya. The plan will be implemented using a phased approach.

Under the new strategic plan, Aidspan's mission remains essentially unchanged: To be an effective watchdog of TGF at global and country levels by providing information, critical analysis and commentary on developments at the Fund.

The strategy contains three strategic objectives, as follows:

1. TGF policies, processes, structures, and effectiveness improve as a result of Aidspan's critical assessment.
2. TGF becomes more transparent with more accurate and complete data made available.
3. Aidspan becomes stronger and more sustainable.

The goal of the plan is to have a positive effect on TGF operations by 2018.

In a Foreword to the strategic plan, Ida Hazinka, the chair of the board of Aidspan, said that for the last decade, Aidspan has highlighted the need for better reporting and analysis of TGF. Since 2011, she said, Aidspan has critiqued Board- and Secretariat-level policies and processes and has increased tracking of events at country level.

"This strategy is the next step – an indication of our learning," Ms Hazinka said.

For each objective, the strategic plan identifies specific areas of focus. These are described in the table below.

Table: Specific areas of focus, by strategic objective

Strategic objective	Specific areas of focus
Objective 1: Fund policies, processes, structures, and effectiveness improve as a result of Aidspan's critical assessment	1.1 Effectiveness of funding processes, assurance mechanisms, and governance and management structures at global and country levels.
	1.2 Contribution of the Fund to sustaining impact in countries transitioning from Global Fund financing.
	1.3 Effectiveness of policies and processes in enhancing involvement of key populations in country-level processes, the response to gender inequalities and violence, and the attention to human rights issues in the response to the three diseases.
	1.4 Effectiveness of the Fund's role in increasing domestic funding for health as one step towards sustainability.
Objective 2: Fund becomes more transparent with more accurate and complete data made available	2.1 Extent of transparency with respect to Fund-related documents.
	2.2 Availability of quality data at country level for effective grant making and measuring success of Global Fund investments.
	2.3 Collaboration with experts and organizations working on transparency and data quality.
Objective 3: Aidspan becomes stronger and more sustainable	3.1 Improving board governance and oversight.
	3.2 Strengthening management structure, systems and processes.
	3.3 Efficient mobilization of financial resources.

The strategic plan identifies three enablers that will contribute to the success of the strategy: (1) a strong focus on strategic alliances and collaboration; (2) enhanced use of digital tools and communication media; and (3) a dynamic, adaptable, learning organization.

For each area of focus, the strategic plan identifies major activities that are planned for the three-year lifespan of the plan. For example, while Aidspan's communications flagship product – the Global Fund Observer newsletter – will continue to publish news about the Fund regularly, a new quarterly publication will feature more in-depth analysis.

Other major activities planned include the following:

- assess the extent to which country level oversight bodies enhance effectiveness and accountability;
- assess the impact of TGF policies on strengthening national health systems;
- assess the strategy and policies the Fund adopts with respect to its role in the development and implementation of transition planning;
- investigate the impact of TGF withdrawal from supported countries, particularly on key affected populations;
- highlight gaps in information that should be made public by the Fund at all levels; and
- assess the Fund's efforts to access quality country level data.

The strategic plan describes a revised organization structure for Aidspan. There will be three functional areas – Policy Analysis; Communications; and Finance & Administration – headed by senior managers who report to an executive director, and supported by a pool of experts who will be engaged as needed.

Finally, the new strategic plan will form the basis for a new fundraising strategy that aims to raise almost $3.3 million for the three years of the strategic plan.

TOP

---

2. COMMENTARY: Let's shift our thinking: Tailoring Global Fund support to country needs

Reinhard Tittel-Gronefeld 7 January 2016

The recently adopted Global Fund Strategic Framework 2017-2022 sets important parameters for the partnership to support countries in ending the three epidemics. The new strategic framework will strengthen systems for universal health coverage in line with the Sustainable Developments Goals. It focuses our efforts on those countries and populations with the greatest needs, and challenges us to find tailored (i.e. "differentiated") approaches. It puts resilient and sustainable systems for health, based on human rights and gender equality, at the core of the Global Fund's agenda. If we take our joint vision to end the epidemics seriously, these principles have to guide the Global Fund's future work.

We now need to find modalities to translate the principles into programming. Drafting the next strategy in detail and refining the Global Fund's allocation methodology are crucial next steps. What considerations and questions should guide us on this path?

A focus on flexibility, sustainability, and systems

We have to bear in mind how increasingly diverse the epidemiological, systemic, and financial needs of countries truly are. If we were to create the Global Fund today, would we really institute the same procedures for Nigeria and Nepal, for South-Sudan and South Africa? We need to tailor the Global Fund's support to individual country contexts, both in terms of *what* is funded as well as *how* grants are managed. This requires more flexibility in our systems.

We are on the right track in allocating funding where the need for external support is greatest: 92% of the allocation for 2014-2016 is focused on low- and lower-middle income countries, 95% on countries with a high to extreme burden of disease. We should continue in this direction.

With respect to the allocation methodology for the next period, we argue for refinement, not revolution. The reports by the Technical Review Panel and the Technical Evaluation Reference Group provide valuable insights on what has worked and what has not. The allocation methodology can certainly be improved, especially with regards to the qualitative adjustments. But can we really expect to find a "magic formula" which covers all relevant dimensions and, at the same time, is easily understood by country stakeholders?

The real challenge is how to tailor our support to the countries experiencing significant changes in their allocation, i.e. previously "under" or "over-allocated" countries and countries gradually transitioning out of Global Fund support. This requires a focus on building country systems able to absorb the allocated funding, rather than simply reducing funding if systems show symptoms of being overburdened. It also requires increased attention to programmatic and financial sustainability, which is a joint responsibility of implementing countries and the Global Fund. While the allocation methodology provides a general framework, solutions to specific challenges need to be developed on a country-by-country basis. The Secretariat should be entrusted with the necessary flexibility to do so.

This also applies to those elements in the allocation methodology that go beyond the "indicative funding." These funds could be used more flexibly to respond to specific country (and multi-country) needs not reflected adequately in the formula-based allocation, such as humanitarian emergencies or malaria elimination efforts. While making sure that strategic priorities – such as human rights, women and girls, key populations and health and community system strengthening – remain integral to the core programming of the Global Fund, such flexible funding lines could also be used to set incentives for catalyzing progress in these areas. This should, of course, not a mean a separate "Fund" for each of these priorities, but certainly more leeway for the Secretariat – with accountability for the results.

Leaving the silos behind

Health systems strengthening is pivotal to success. The next Global Fund Strategy should provide a clear direction on how the Global Fund will contribute in this regard. But again, concrete solutions must be found for each individual country. Global Fund support for health systems will of course look very different in countries with concentrated epidemics as compared to countries scaling up services in generalized epidemics.

If we want to extend and sustain our gains, we need to develop and promote a more systemic perspective. This perspective is still lacking in too many country dialogues and country coordinating mechanisms. Too often, we still see a focus on disease systems rather than the health system as a whole. Could a combined allocation envelope encourage stakeholders to engage with a more comprehensive view? Will we use the preparation for the next implementation period to rethink our approach to in-country structures and systems? Will we still need concept notes in places where sound and costed national strategies already exist?

Shifting our thinking

Hopefully, soon we will no longer talk about *how the Global Fund can best use country systems* but rather *how countries are using the Global Fund to achieve impact*. This shift will not happen overnight. But increasing the flexibility, sustainability and systemic orientation of the Global Fund partnership now will be crucial for making it happen.

Reinhard Tittel-Gronefeld is Head of the Division for Health, Population Policies and Social Protection at Germany's Federal Ministry for Economic Cooperation and Development (BMZ). He has been involved in Global Fund governance since 2011, first as the Board Member of the (former) Germany-Canada-Switzerland Constituency. He is currently the Alternate Board Member for the Germany Constituency and a member of the Finance and Operational Performance Committee, and will serve in these positions until his retirement in March 2016.

TOP

---

3. NEWS: E-marketplace (Phase 1) to be launched this quarter

Between 10 and 20 countries are expected to participate in 2016

David Garmaise 11 January 2016

The phased launch and roll-out of the Global Fund's e-marketplace is scheduled to begin this quarter. The e-marketplace is an online procurement platform where buyers will be able to view and procure a broad range of products to be used in health programs. The e-marketplace will operate within the framework of the Fund's pooled procurement mechanism. Its objectives are to increase procurement efficiency, reduce costs, and reduce stock-outs.

The information for this article on the e-marketplace comes from a paper prepared for the Global Fund Board meeting in November 2015 and from discussions with Secretariat staff.

The e-marketplace is expected to provide principal recipients with information on pricing and availability, as well as a means to purchase qualified medicines, diagnostics, and health and non-health commodities. The Global Fund anticipates that this will lead to increased market transparency and competition, and facilitate the adoption of innovative products.

In this first phase, the buyers will be limited to Global Fund PRs. However, Phase 2 of this initiative could see the e-marketplace spun off on its own. The Global Fund believes that the tool has the potential to become a veritable "global public good," available to broader global public health community. Buyers could include governments procuring with their own funds (in transitioned countries, for example), PRs procuring with funds from development partners other than the Fund, NGOs, and partner organizations.

However, at this point Phase 2 is just a concept. The implications of an e-marketplace spin-off, and what would be required to make it happen, are currently being discussed. So far, the Board has only approved Phase 1.

Nevertheless, the Secretariat is of the view that the spin-off phase is essential if the financial and non-financial benefits of the platform (in terms of price, quality, and processes) are to be fully realized.

The e-marketplace will provide product specifications and costs for each product, and will eventually include estimated shipping and other associated costs. A "search and discover" feature will enable buyers to access and compare product catalogs from various qualified suppliers with pre-negotiated prices, availability, and delivery estimates.

The buyer will be able to "select and buy," filling a shopping cart with multiple items across categories, gathering information on specific delivery times, and specifying packaging requirements. This feature will track whether the buyer has sufficient financial means in a grant to pay for the requested good or service. A "pay and track" feature to automate the payment process and track orders will provide visibility of payment, shipping, and delivery status.

Buyers will have the option to procure commodities via three mechanisms:

- **e-order from LTAs:** Buyers purchase from a catalogue of products based on long-term framework agreements (LTAs) between the Global Fund and manufacturers, which reflect the outcome of pooled procurement mechanism tenders. For each product category, the catalogue will show the pre-negotiated reference price;
- **e-order from catalogue:** Buyers purchase product categories which are not covered by LTAs, but rather are available in catalogues maintained by the Global Fund or other organizations, in conformity with the Global Fund's quality assurance policy; or
- **other online mechanisms such as e-RFQs (requests for quotes) and e-auctions:** The platform could be used by buyers as an electronic tool to automate and facilitate the procurement process (e.g. tenders, auctions) and optimize quality and price outcomes.

When it is launched this first quarter of 2016, the e-marketplace will facilitate procurement of long-lasting insecticide-treated bed nets via the e-order from LTA mechanism. Artemisinin combination therapies will be made available in Q2 2016, followed by malaria and HIV rapid diagnostic tests and antiretrovirals in Q3 2016, all via the e-order from LTA mechanism. Condoms and vehicles are scheduled to become available via the e-order from catalogue mechanism in Q3 2016. The Secretariat is in discussions to make available a number of other product categories, such as viral load HIV diagnostics (Q2 2016), and additional sole-sourced TB diagnostics that could be prioritized, such as MGIT (Mycobacteria Growth Indicator Tube), GeneXpert (Q2 2016), and Hain (Q4 2016) via the e-order from LTA mechanism.

The number of PRs expected to participate in the e-marketplace will be small initially, but will grow over time until mid-2017. The primary selection criteria for pilot countries includes (a) the level of readiness of a country or PR to participate; and (b) a sufficient amount of orders planned for the respective quarter.

The Secretariat expects that between 10 and 20 countries will use the e-marketplace in 2016.

The Global Fund sees the e-marketplace as a tool that can help countries to build sustainable procurement processes.

The Board paper contains considerably more detail, including the financial business case for the e-marketplace, an analysis of the risks involved; an explanation of the strategies to mitigate the risks; a description of the implementation process; and a section on the strategic partnerships to implement the e-marketplace.

Board Document GF-B34-24, "Development of an E-marketplace for Procurement of Public Health Commodities," is available on the Global Fund website here.

TOP

4. PROFILE: Implementer Group provides a forum where issues of concern to implementers are discussed

David Garmaise 12 January 2016

Although the Implementer Group is not formally part of the governance structure of the Global Fund Board, it nevertheless plays an important role at and between Board meetings. The group is made up of representatives of the 10 implementing constituencies of the Board (Eastern and Southern Africa; West and Central Africa; Eastern Mediterranean Region; Eastern Europe and Central Asia; South East Asia; Western Pacific Region; Latin America and the Caribbean; Communities; Developed Country NGOs; and Developing Country NGOs).

For each implementing constituency, the Board member and alternate, the communications focal point, and other members of their delegation can attend Implementer Group meetings.

The purpose of the Implementer Group is to strengthen implementers' participation in, and engagement with, in the Global Fund Board. The group also aims to be accountable to the people it represents by collecting their views, relaying then to the Board and providing feedback on the outcomes of the Board's deliberations.

Members of the individual constituencies review papers prepared for Board meetings and brief other members on the major issues in the papers as they affect implementers.

Prior to the 20th Board meeting in November 2009, the Implementer Group was led by either the chair or vice-chair of the Board – i.e. whichever one was nominated by the implementer constituencies. Since then, the group has elected its own chair and vice-chair.

Currently the chair is Allan Maleche, from the Developing Country NGO constituency, and the vice-chair is Nataliya Nizova, from the Eastern Europe and Central Asia constituency. Both were elected in October 2015 and will serve for two years. Although terms of reference for the Implementer Group have not yet been developed – Allan Maleche says that this is one of his priorities – there are existing TORs for the chair and vice-chair. The positions of chair and vice-chair rotate between the implementing country delegations and the NGOs/communities delegations.

The Implementer Group meets at each in-person Board meeting, usually a day or two prior to the start of the meeting. Since 2013, the group has held a retreat each year. At these meetings, the group discusses items that are on agenda of upcoming Board meetings as well as items that it would like to see added to the agenda. The Implementer Group itself does not take an official position on any issue. Nor does it try to influence its members to vote as a bloc on any issue.

In a communiqué issued after its third retreat in October 2015, the Implementer Group described the progress it had achieved in the previous year. The group said that there had been significant growth among implementers, demonstrated by increased collaboration and participation and stronger implementer group interventions in Board and committee meetings and in other consultation platforms.

The communiqué also noted improved and strengthened constituency internal operations and governance, including revision of constituency terms of reference. (The Implementer Group aims to ensure that each constituency has rules and regulations in place that govern how it elects it members and that the rules and regulations are kept up to date.)

The communiqué noted that while there had been progress in several areas, there were still challenges, including communication within and among constituencies due to language barriers; limited feedback; and inadequate resources. Other challenges listed in the communiqué include maintaining members' participation between Board meetings, spreading the workload evenly, and not having the capacity to do everything that needs to be done.

As a result of advocacy from the previous leadership of the Implementer Group, the Global Fund provides an allocation of approximately $100,000 annually to support the work of the leadership of the group. Mr Maleche told GFO that starting in 2016, he expects that this

money will go directly to the constituency that hosts the chair.

The Implementer Group would like to see a resource mobilization effort to support the core functions of the group. In addition, the group successfully advocated for an increase in the annual allocation to each implementing constituency from $80,000 to $100,000. This will take effect in 2016.

Mr Maleche said that during his term as chair one of his priorities is to ensure that the interests of implementers are safeguarded during ongoing governance reform. He would also like to see improved communications among implementers and a strengthened relationship with the Board's Donor Group.

TOP

---

5. NEWS: Attachments to the concept notes are now being posted on the Fund's website

The attachments are posted only after the grants related to the concept notes are approved

Aidspan welcomes the move but calls for further steps

David Garmaise 23 December 2015

The Global Fund is now publishing on its website three attachments to concept notes – the modular template attachment; the financial gap analysis and counterpart financing attachment; and the programmatic gap attachment. As with the concept note itself, which the Fund was already publishing, the attachments are only posted once the concept note makes it through the system and the grants emanating from the concept note are approved for funding.

Following representations made by Aidspan, the Fund informed GFO in June 2015 of is intention to publish the attachments.

The attachments, and the concept notes themselves, are available on the funding decisions page on the Global Fund's website. Click on the name of a country to be taken to the country page. Look for the concept note section. It contains zip files for each approved concept note. Download and open the zip files to obtain the concept notes and the attachments.

The grant agreements will also be posted on this site as they become available.

Note that the concept note and the three attachments reflect what the applicant originally submitted. Invariably, changes are made to the proposed program when the concept note is reviewed by the Technical Review Panel and the Grant Approvals Committee and goes through the grant-making stage, a process which usually takes several months. As changes are made to the proposed program, the concept note and its attachments are not updated.

Aidspan comment:

We welcome the move to post the concept note attachments because it makes more information available and is consistent with the Global Fund's commitment to transparency. It is a step in the right direction. However, there are two problems with the current system. The first is that the concept notes and the three attachments are made public only after the grants emanating from the concept notes are approved for funding. As we noted above, this process can take several months. (It took over a year for the Nigeria grant approved in December, though this was exceptional case.) There is no reason why the concept notes and the attachments should not be made public when they are submitted.

The second problem is that for each grant there are no documents being made public that provide a detailed description of the program that will be implemented. We only know what the applicant originally proposed. We don't know what changes were made to the proposed program during the review of the concept note and during grant-making. The performance framework that forms part of the grant agreement does not provide the level of detail that is contained in the modular template. Aidspan has suggested to the Secretariat that the modular template be updated to reflect the changes and then made public.

TOP

---

6. NEWS: Latest wave of funding approvals: $433 million for 20 grants from 12 countries

Another $30 million approved for regional grant

David Garmaise 5 January 2016

In late December 2015, the Global Fund Board approved $433 million in funding for 20 grants emanating from concept notes submitted by 12 countries. Of the $433 million, $297 million represented new money; the balance was existing funding that had been approved prior to the new funding model but was nevertheless included in the NFM allocations to countries. The Board was acting on recommendations from the Grant Approvals Committee and the Technical Review Panel.

Included in the $433 million was $136 million in incentive funding. In addition, the Fund placed interventions worth $58 million in the registry of unfunded quality demand. See the table for details.

The Board also approved $30 million for a regional grant to address the growing problem of tuberculosis among Southern Africa's miners.

Table: Funding for country grants approved by the Global Fund, December 2015 ($ million)

Country (component)	Grant name	Principal recipient	Approved Funding			Of which, incentive funding	Added to UQD register
			Existing	New	Total		
Botswana (TB/HIV)	BWA-C-ACHAP	African Comp. H/A Partnerships	NIL	16.8 m	16.8 m	3.5 m	7.4 m
	BWA-C-BMOH	Ministry of Health	0.4 M	9.8 m	10.2 m		
Chad (malaria)	TCD-M-UNDP	UNDP	5.1 m	60.1 m	65.2 m	2.7 m	NIL
Djibouti (mal.)	DJI-M-UNDP	UNDP	NIL	7.8 m	7.8 m	NIL	NIL
Djibouti (TB)	DJI-C-UNDP	UNDP	0.4 m	8.6 m	9.0 m	NIL	NIL
Haiti (HIV)	HTI-M-PSI	Pop. Services Intl.	1.6 m	15.7 m	17.3 m	NIL	7.5 m
Indonesia (TB/HIV)	IDN-H-MOH	Ministry of Health	19.5 m	18.3 m	37.8 m	107.5 m	27.8 m
	IDN-H-NAC	Natl. AIDS Comm.	6.6 m	13.9 m	20.5 m		
	IDN-H-SPIRITI	Spirita Foundation	1.1 m	23.2 m	24.3 m		
	IDN-T-MOH	Ministry of Health	3.3 m	35.1 m	38.4 m		
	IDN-T-AISYIYA	Cen. Bd. of Aisiyah	4.8 m	17.0 m	21.8 m		
Mali (TB/HIV)	MLI-H-UNDP	UNDP	40.9 m	14.1 m	55.0 m	NIL	NIL
Paraguay (mal.)	PRY-M-OIM	Intl. Org. for Migr.	NIL	2.8 m	2.8 m	NIL	NIL
S.T. & P. (mal.)	STP-M-UNDP	UNDP	1.5 m	4.4 m	5.9 m	NIL	NIL
Senegal (TB)	SEN-S-MOH	Ministry of Health	NIL	4.8 m	4.8 m	0.4 m	NIL
Sierra Leone (TB/HIV)	SLE-H-NAS	Natl AIDS Secretariat	27.6 m	5.6 m	33.2 m	17.8 m	14.2 m
	SLE-H-MOHS	MOHS (NLTP)	1.3 m	12.2 m	13.5 m		
Sri Lanka (HIV)	LKA-H-FPA	Family Pl. Assoc.	0.9 m	4.5 m	5.4 m	NIL	NIL
	LKA-H-MOH	MOH and Indig, Med.	1.6 m	3.9 m	5.5 m		
Togo (malaria)	TGO-M-PMT	PM's Office	20.6 m	5.5 m	26.1 M	3.7 m	NIL
Tunisia (HIV)	YUN-H-ONFP	Office Nat. de la Famille et de la Pop.	1.1 m	10.5 m	11.6 m	NIL	0.7 m
TOTALS			**138.3 m**	**294.3 m**	**432.9 m**	**135.6 m**	**57.6 m**

The grants to Chad, Mali, Senegal and Togo were in euros which were converted to dollars at the rate of 1.0933. Discrepancies in totals due to rounding.

Indonesia received the most money of any country – $143 million for five TB/HIV grants; Chad was awarded $65 million for a malaria grant; and Mali got $55 million for a TB/HIV grant.

Indonesia

In its report to the Board, the GAC said that following an "extensive and consultative" grant-making process, $9 million of Indonesia's "upper funding ceiling" remained unprogrammed ($4 million from the HIV component and $5 million from the TB component). The upper funding ceiling is the upper limit set by the GAC when it decides that a grant is ready to move into grant-making. The GAC report does not mention what the upper funding ceiling

was. The GAC noted that the funding that it recommended requires "nearly doubling the program's absorption over the upcoming two years" and that the country's capacity has "already been set to the upper limit."

The GAC appeared to be saying that the country's HIV and TB programs were already operating at full capacity and so could not absorb the additional $9 million. The GAC said that it supports the idea of investing $3 million of this money in an existing Multi-Donor Trust Fund set up by the World Bank and Australia's Department of Foreign Affairs and Trade. Some money from the Trust Fund will be used to provide technical assistance to Indonesia to strengthen aspects of its health systems, and to conduct studies on ways to reduce the country's dependence on donor funding for health. The GAC said that the remaining $6 million will be returned to the general funding pool.

Paraguay

Paraguay was awarded $2.8 million for a malaria grant. The country is in the malaria elimination phase. No malaria-related deaths have been reported since 2000. This is Paraguay's first grant for malaria from the Global Fund (and probably its last, according to the GAC). The program goal is to obtain certification from the World Health Organization as a country free from malaria, and to prevent the reintroduction of malaria to Paraguay with a priority focus on mobile and vulnerable populations.

Paraguay's allocation was $5.4 million and the country coordinating mechanism submitted a concept note for the full amount. However, based on recommendations from the Technical Review Panel, the GAC set an upper funding ceiling for grant-making of $3.0 million because, it said, only activities critical to implementing the malaria control strategy and building resilient and sustainable systems for health that are currently not covered by domestic resources should be included in the final grant. The GAC reasoned that the Global Fund financial support to Paraguay malaria program would not contribute directly to a reduction in malaria disease burden nor impact malaria morbidity and mortality. It said that the money would be used instead "as a catalytic investment to ensure that the systems for health are in place to achieve malaria elimination certification and ensure the prevention of the reintroduction of malaria in Paraguay."

The GAC recommended that the grant be structured in two stages. The first stage would be the three-year implementation period covered by the $2.8 million funding award. In the second stage, the GAC said, "a possible award contingent upon the attainment of certification of malaria elimination may be considered within the Global Fund's results-based financing policy during the next allocation period." However, the GAC said, that decision would be made based on the policies in effect at the time on results-based financing and country allocations, as well as the availability of funding for such an award.

The GAC recommended that Paraguay's remaining allocation of $2.3 million be returned to the general funding pool.

Sierra Leone

Sierra Leone was awarded $47 million for TB and HIV. According to the GAC, the Sierra Leone TB/HIV program submitted its funding request through a simplified approach in order to link with the post-Ebola health sector recovery plan, which was developed in consultation with a full range of stakeholders and reflected extensive country dialogue. In addition, the funding request underwent accelerated grant-making and the grant agreement was negotiated in advance, to avoid any gap in funding when the then current grants expired at the end of December.

Sierra Leone was the country most significantly affected by the Ebola outbreak, with 8,400 cases reported and 3,600 deaths (as of March 2015). Poor early recognition of suspected cases and inadequate infection prevention and control standards led to 296 infections and 221 deaths among health care workers, including 11 specialized physicians. The closure and decreased capacity of health units to treat other medical issues resulted in a 23% drop in institutional deliveries, a 39% drop in children treated for malaria, and a 21% drop in children receiving basic immunization. The outbreak also had a profound impact on the HIV and TB disease programs. All programmatic activities were affected, particularly care and prevention. There were significant rates of default, loss to follow-up, stock-out of commodities and fear of both health workers and community members to visit the health facilities.

Not surprisingly, the GAC concluded that investments in human resources for health in Sierra Leone are essential to successful implementation of Global Fund–supported TB/HIV, malaria and other national health programs.

Other countries

Here is some information on some of the other grants approved for funding:

Botswana (TB/HIV). The grants include activities to improve the ethical and legal environment to support the response to HIV, including training and sensitization of policymakers and implementers, such as police and court personnel. In addition, the capacity of civil society organizations to deliver HIV and TB services will be strengthened by addressing gaps in areas such as finance and administration, program monitoring and evaluation, and human resources management.

Chad (malaria). The GAC said that total domestic financial commitments amount to $21 million, which is 66% higher than for the previous implementation period. However, the GAC noted that the decline in oil prices and the Boko Haram conflict have had an impact on the level and availability of state funds for the health sector in 2015, and will likely continue to have an impact during the implementation period of this grant. The Secretariat plans to monitor government commitments through government budget and expenditure reports to be submitted on a quarterly basis, and by maintaining ongoing dialogue with the country coordinating mechanism, the National High Coordination Council and a multisectoral counterpart financing committee responsible for the monitoring of government commitments.

Djibouti (malaria). The GAC noted that the Secretariat has been pursuing the recovery of $4 million stemming from fraudulent and ineligible expenditures identified by the Office of the Inspector General in 2012. To date, $1.75 million has been repaid in accordance with a repayment schedule agreed between the Global Fund and Djibouti. Full repayment is expected by the end of 2016. However, the Secretariat is currently reviewing the findings of an independent audit firm in order to determine how much of the remaining expenditures found to be non-compliant by the OIG should be repaid by Djibouti.

Mali (TB/HIV). Although Mali submitted a a joint TB/HIV concept note, funding for only one HIV grant covering treatment was approved in December. An HIV prevention grant with Plan Mali as principal recipient will be presented to the GAC for final review once grant-making is completed. A TB grant will be implemented by a different PR and will be reviewed by the GAC at a future meeting, even though it went through the grant-making process with the HIV grants.

Senegal (HSS). The GAC said that this grant, for which the PR is the Ministry of Health, will pilot "a shared-service approach on financial management" with the MOH's financial department, which also works with other donors and the government. The report did not elaborate further.

Sri Lanka (HIV). One of the objectives of the two grants is reach 80% of key populations and other vulnerable groups with targeted prevention and outreach programs. Although Sri Lanka was awarded $10.9 million, this amount could yet be reduced. According to the GAC, as a result of an investigation by the Office of the Inspector General and the review of progress update disbursement requests submitted, certain ineligible expenditures were identified. Should the Secretariat be unable to recover the full amount, the GAC said, the Secretariat intends to withhold an amount to be determined from the country's allocation, as has been done in several other cases.

Togo (malaria). Malaria is the leading cause of mortality and morbidity in Togo, a low income country. The entire population of 6.8 million is at risk of transmission. Up to now, the government's contributions to the malaria program have gone to staff salaries and to the administrative expenses of the program. Given that the core components of the malaria program are financed through external resources and that significant funding gaps exist, the Secretariat made leveraging additional domestic resources a clear focus of country dialogue. As a result, the GAC said, the government has taken a significant decision to co-finance 50% of the costs of long-lasting insecticide-treated nets and 40% of the procurement and supply management costs required for the mass distribution campaign planned for 2017. The GAC stressed the importance of the domestic commitments materializing in order for the planned distribution campaign to go ahead.

Tunisia (HIV). The $11.6 million award from the Global Fund will be used to, among other things, intensify prevention efforts among sex workers, men who have sex with men, and people who inject drugs. Tunisia is an upper-middle-income country. The GAC said that the Secretariat will continue to engage with the stakeholders, including the government, to support the country in the development of a sustainability plan. Currently, the government's investments go toward HIV care and treatment.

Regional grant

The TB in the Mining Sector in Southern Africa program seeks to address TB and related illnesses among mineworkers, ex-mineworkers and their families and communities in 10 countries: Lesotho, Swaziland, Mozambique, South Africa, Botswana, Namibia, Zambia, Zimbabwe, Tanzania, and Malawi. These ten countries have some of the highest TB incidence rates in the world, averaging 591 per 100,000 population. Mineworkers have dramatically higher rates of TB infection than the general population as a result of crowded living and working conditions with inadequate ventilation; a high incidence of silicosis, particularly among gold miners; and co-infection with HIV.

The ministries of health and national TB programs of each of the respective countries included in the program were engaged throughout the grant-making process to ensure that the strategies of the regional program were aligned with those at the national level. According to the GAC, the program will not create parallel systems to those that already exist, but rather work to ensure dialogue and coordination between the respective programs.

The regional proposal was submitted by the Southern Africa Regional Coordinating Mechanism. The grant will be implemented by the WITS Health Consortium.

Information for this article comes from the December 2015 report of the Secretariat's Grant Approvals Committee to the Board (GF-B34-ER02). This document is not available on the Fund's website.

TOP

7. NEWS: The TERG recommends measures to enhance health systems strengthening

The Secretariat will prepare a workplan to implement the recommendations

Nathalie Abejero 24 December 2015

The Technical Evaluation Reference Group has developed a position paper on health systems strengthening, in which it advances a number of recommendations. The Secretariat has been asked to prepare a workplan with timelines for implementing the recommendations.

The workplan will be presented at the next meeting of the Strategy, Investment and Impact Committee, which is likely to happen in February or March 2016. This process will produce an enhanced approach to HSS, and will also feed into the development of the Global Fund 2017-2022 Strategy.

Background

Since its founding in 2002, the Global Fund recognized the key role that health systems strengthening plays in the fight against HIV, TB, and malaria. To date, the Fund has invested

more than $2 billion into HSS, either through stand-alone HSS grants or HSS activities embedded in HIV, TB, and malaria grants. Support for HSS began with a narrow disease focus in the earliest funding rounds, and progressed to the concept of cross-cutting HSS to address broader health system issues that affect outcomes in all three diseases.

The Ebola outbreak brought into sharp focus the importance of a strong, overarching system in which communities can effectively respond to emerging health threats. The experiences of countries affected by Ebola contributed to an understanding of how countries can be supported to strengthen their health systems.

Meanwhile, with the introduction of the new funding model, the Global Fund revised its approach to HSS in an effort to optimize the impact of its investments. The new approach was outlined in the Global Fund 2012-2016 Strategy, and explained in a recent concept paper released by the Secretariat.

The emphasis in the concept paper is on building resilient and sustainable systems of health. The paper outlines seven main approaches for building such systems, including providing support for national health strategies and integrated service delivery; strengthening community responses; involving communities in national decision-making; and tailoring investments to the specific needs of each country.

The NFM has seen a significant increase (compared to the rounds-based system) in funding requests and approvals for cross-cutting HSS programming. However, reviews of the concept notes by the Technical Review Panel flagged large variability in the quality of HSS proposals (see GFO coverage here and here), specifically with respect to ensuring that the necessary support mechanisms and processes are operational at the country level.

Thematic review

In response, the TERG commissioned the Euro Health Group to conduct a thematic review in a dozen countries that have had some success in their health systems investments, and to identify lessons learned that could inform future Global Fund investments in this area. The review focused on four themes that had previously been identified as important factors influencing the quality of proposals and subsequent implementation.

The four themes are listed below, along with a summary of the consultants' major findings.

- **Coordination, alignment and harmonization.** Strong government leadership in required to ensure that HSS activities are coordinated and aligned with national priorities. A lack of coordination of HSS investments leads to fragmentation and duplication.
- **Technical assistance.** Even in countries that have had some success in strengthening their health systems, there is no systematic approach to identifying TA needs, assessing what TA is available for HSS, coordinating TA provision, and evaluating its quality. Well-coordinated TA is critical to mobilizing stakeholders to work together in building country capacity. A lack of a systematic approach to providing TA undermines the concept of cross-cutting HSS.

- **Funding mechanisms.** Pooled funding and the use of joint donor financing mechanisms improve the coordination of HSS investments and reduces fragmentation and duplication.
- **Monitoring and evaluation.** Systematic, rigorous evaluations can help reduce inefficiencies and improve the quality of programming.

In addition, the consultants said that the use of integrated concept notes, where countries combine HIV, TB, malaria and cross-cutting HSS requests under one application, leads to improved programmatic quality, increased efficiency and more impact.

TERG recommendations

Based on findings from the thematic review and other inputs, the TERG put forward a number of recommendations. Many of them are described below.

1. The Global Fund should take a more active role in efforts to promote universal health care. The principles of UHC are consistent with the work the Fund is doing with respect to both its disease-specific programming and its efforts to build resilient and sustainable systems for health. The Global Fund is well positioned to mobilize its global and bilateral health partners around this issue.

2. The Global Fund should also use its leverage to get partners to collaborate on harmonizing their various HSS investment guidance documents. This could also lead to harmonizing HSS funding application timeframes, review processes, and materials.

3. The Global Fund should build the capacity of its country teams to strengthen HSS. The teams play a critical role in supporting the country dialogue and concept note development processes. It makes sense, therefore, to ensure that country team members are well versed on issues related to health systems. Although the Secretariat has developed online training programs on HIV, TB, malaria, and HSS, their uptake has been low.

4. The Global Fund should maximize the use of strategic partnerships. This includes facilitating and supporting mechanisms at the country level to enable development partners to coordinate their activities so that they align with the national priorities. One way the Global Fund could work with partners is to identify technical implementers with well-established presence in key countries and recognized expertise in areas relevant to the Fund's mandate, and develop contractual mechanisms to engage them in TA provision, either under the umbrella of the Fund's current agreement with the World Health Organization, or through separate mechanisms.

5. The Global Fund should develop a policy on differentiated approaches to HSS investments in order to ensure that current guidance on such approaches is applied consistently.

6. The Global Fund should increase the support it provides countries to develop integrated concept notes.

7. The Global Fund should promote the use of the country dialogue process to maximize investments in HSS. When the Fund informed countries of their allocations, it provided a suggested split a for HIV, TB and malaria, but not for HSS. Since most disease programs are underfunded, countries are reluctant to take money away from the disease programs to support HSS. The Fund needs to more actively encourage countries to set-aside funding for HSS from the overall allocations.

8. The Global Fund should establish a mechanism for systematically evaluating HSS investments, something that has been sorely lacking. Consideration should be given to conducting these evaluations in conjunction with the national disease program reviews to best capture the broader outcomes and impact of health systems investments.

9. The Global Fund should consider other innovative approaches, such as exploring the feasibility of establishing an inter-agency HSS Coordination Task Force to serve as a mechanism for implementing some of the recommendations in the TERG report and to provide a corporate framework for HSS partners' actions at the country level.

The workplan that the Secretariat is drafting will presumably be discussed at the next SIIC meeting and then modified based on the input from the committee. It is not clear whether the workplan itself will need to be approved by the Board. In any event, the new Strategy for 2017-2022 is expected to describe in general terms what the Fund's approach to HSS will be going forward. The new Strategy is expected to be adopted at the next Board meeting on 27-28 April 2016.

Editor's Note: The two reports cited in this article – the thematic review conducted by the Euro Health Group and the TERG position paper – are not available on the Global Fund website. Both reports were prepared as inputs into the meeting of the SIIC in October 2015. The Secretariat told GFO that we could report on the contents of the reports but that there were no plans to make the reports public.

TOP

This is issue #278 of the GLOBAL FUND OBSERVER (GFO) Newsletter. Please send all suggestions for news items, commentaries or any other feedback to the GFO Editor at david.garmaise@aidspan.org. To subscribe to GFO, go to www.aidspan.org.

GFO Newsletter is a free and independent source of news, analysis and commentary about the Global Fund to Fight AIDS, TB and Malaria (www.theglobalfund.org).

Aidspan (www.aidspan.org) is a Kenya-based international NGO that serves as an independent watchdog of the Global Fund, aiming to benefit all countries wishing to obtain and make effective use of Global Fund resources. Aidspan finances its work through grants

from foundations and bilateral donors. Aidspan does not accept Global Fund money, perform paid consulting work, or charge for any of its products. The Board and staff of the Fund have no influence on, and bear no responsibility for, the content of GFO or of any other Aidspan publication.

GFO Newsletter is now available in English and French. Some articles are also available in Russian.

GFO Editor: David Garmaise (david.garmaise@aidspan.org).

Are you a newcomer to Global Fund issues? See Aidspan's "A Beginner's Guide to the Global Fund – 3rd Edition" at www.aidspan.org/node/934.

GFO archives are available at www.aidspan.org/page/back-issues.

TOP