Independent observer of the Global Fund

Global Fund Observer

NEWSLETTER

Issue 282: 8 March 2016

GFO is an independent newsletter about the Global Fund.

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

CONTENTS OF THIS ISSUE:

survey. Concept note development was seen as the most open part of the new funding model process.

5. NEWS: OIG audit reveals serious weaknesses in management of grants in Uganda

In a recent audit report, the Office of the Inspector General says that the governance, management and oversight of grants to Uganda have been ineffective. Many of the problems have been identified before. Civil society organizations called the current situation "completely untenable."

6. NEWS: In Tunisia, legal issues regarding the framework agreement cause delay in an HIV grant

In Tunisia, some provisions of the framework agreement to which the government objects have delayed the signing of the agreement as well as disbursements for an HIV grant approved last December. Civil society organizations are worried that the suspension of key activities will soon have an impact on HIV patients.

7. NEWS: OIG identifies deficiencies in grant-making process

There are numerous inefficiencies in the grant-making process caused by cumbersome processes at the Secretariat level, duplicated documentation, and inadequate systems, according to an audit conducted by the Office of the Inspector General.

8. NEWS: Risk management processes during grant-making are inefficient and ineffective: OIG

Current risk management processes during grant-making are inadequate, according to an audit conducted by the Office of the Inspector General. In addition, the 3-month target for completing grant-making is often not met.

9. NEWS: Kyrgyzstan is implementing transition planning for TB and HIV

A multi-disciplinary working group is leading the process for Kyrgyzstan's TB and HIV programs to transition from Global Fund support. Civil society organizations and communities are playing an active role in the transition planning process.

10. NEWS: Changes to Board committee structure confirmed

Changes to the structure of Board committees, approved in principle at the Board's November 2015 meeting, have been confirmed. The Board has appointed the chairs and vice-chairs for each of the three new committees.

11. NEWS: Funding approved for malaria grant to Guinea-Bissau

February was a slow month for new funding approvals; only a malaria grant to Guinea-Bissau was awarded funding. An existing HSS grant to South Sudan was reprogrammed, with an increase in the budget. And two grants to Eritrea saw their total budgets increased thanks to savings from two rounds-based grants.

12. ANNOUNCEMENT: Information note on drug policy reform

An information note on drug policy reform, issued almost a year ago, remains relevant today.

ARTICLES:

1. INTERVIEW: What The Global Fund replenishment means to people on the ground – a personal story

Anna Maalsen 3 March 2016

In this fast-paced world, it is easy sometimes to forget the individual stories of those affected by the three diseases. These personal stories resonate with all of us as global citizens. They are critical in highlighting the significance of the work of Global Fund–supported programs, bringing true meaning and value to the $13 billion replenishment target.

World TB Day is on 24 March. GFO took some time this week to talk with Ms Louie Zepeda-Teng, a speaker for the Global Fund Advocates Network Speakers' Bureau, about her life which took a dramatic unexpected turn when she contracted tuberculosis in 2007.

***GFO**: Could you please tell us about your personal experience with TB?*

Louie: In 2007, I contracted tuberculosis (TB) meningitis. I remember it all so clearly. It was New Year's Eve, and I didn't feel right, I couldn't enjoy the night. The next day, I fell at home, it felt like my body couldn't follow the command of my brain. My parents rushed me to hospital, the second best in Manila, Philippines. It took them two weeks to diagnose me with TB meningitis. By this stage I couldn't recognise my family anymore. Everyone thought that I had only hours to live. The priest had even been called to give a blessing.

A private physician specialising in internal medicine put me on four lines of TB medication, and sent me home. After three weeks of being on treatment, I started to lose my vision. Things got worse, I became paralysed down one side, and had a mild stroke. My parents called the ambulance and rushed me to hospital. This time I was taken to the premier hospital in the Philippines, the one where the President goes. It was in this hospital that they were able to confirm that three of the drugs I was on were not working. They diagnosed me as having multi-drug resistant TB (MDR-TB), changed my treatment regimen and told me that I would be on this treatment course for 24 months. I was 24 years old, and had been about to take my board exam to become an architect.

***GFO**: Was it difficult to access the correct treatment when you were first diagnosed?*

Louie: What I didn't know at the time was that many of the doctors were not accredited. No one told me that I should see a TB-accredited doctor – the ones that had been trained by the National Tuberculosis Program. The private physician I first saw had not been trained in TB,

and therefore did not prescribe treatment according to the guidelines. Also tuberculosis meningitis is rare. Back in 2007, most who had it would die very quickly, particularly those who were living on or below the poverty line and could not afford to pay to see a doctor. I was lucky that my family could afford to pay.

***GFO**: As a result of that initial care and treatment, how did that affect your recovery from TB? What support did you get when you were being treated for MDR-TB?*

Louie: As a result of the first incorrect treatment, I lost my vision permanently, experienced partial paralysis, muscle spasms, hypothyroidism, symptoms of Parkinson's, signs of early menopause, and severe depression. Had I been correctly treated on my first hospital visit, my life today would be very different.

When I was admitted to hospital the second time, it was fortunate that the Tropical Disease Foundation (TDF) – the principle recipient for The Global Fund in the Philippines for TB at the time – was supporting the TB DOTS program in the hospital. They immediately put me on the correct treatment regimen after confirmation. I was the first person in the Philippines to access MDR-TB treatment free of charge because of the Global Fund–supported program. After I received injections for two months, the TB abscesses (microtubercles) in my neck and brain reduced quickly.

Louie Zepeda-Teng

My recovery from TB has been long and difficult. Whilst I had access to free MDR-TB treatment, I had to pay for the ancillary drugs and doctor's appointments for the other side-effects and symptoms. I live two hours away from TDF DOTS centre, and there was no support to get to and from the centre. That was why for the first three months of MDR-TB treatment, I stayed in hospital. I had to manage my own care, I had to do everything for myself. I had to learn about the disease, and the other side effects, there was no information out there. My depression was very severe, and again, there was no support for me. The only thing that I knew I could depend on was the quality of the medications being provided through the Global Fund.

***GFO**: You have been a strong public advocate for TB and disability since you became ill. Can you tell GFO readers why that is so important to you?*

Louie: When I was in the last three months of my treatment, the Philippines had signed the UN Convention on the Rights of Persons with Disability. The district where I live was calling for people to establish a disability federation. The local district administration had been told about a "blind girl" and they contacted me. This was the start of my advocacy work.

I heard so many stories of a patient who was hearing impaired and went to the clinic because he had a cough for more than three weeks, and had read about TB. At the clinic, the nurses avoided the patient because they didn't know how to communicate with him, so he returned home, didn't go out anymore, and never received a diagnosis or treatment. I was recommended for an ASEAN (Association of Southeast Asian Nations) scholarship and undertook a degree in in public policy, so I could continue to advocate and speak out on their behalf.

Even The Global Fund does not have data on disability in their programs. My role is to advocate so they know how to take care of us, to include us, and take this forward and also have us included as a key population. I am a member of the country coordinating mechanism and we were able to list persons with a disability in our recent concept note. However, much work still needs to be done, patient-led care remains very much rhetoric, but rarely practiced.

***GFO**: How have Global Fund–supported TB programs in the Philippines assisted in increasing access to the correct diagnosis and treatment?*

Louie: A lot has changed since I was diagnosed. There are now over 80 TB MDR treatment centers and diagnostic facilities throughout the country, a mix of public and private DOTS facilities. The DOTS program giving the standard six-month regimen has been decentralised, and responsibility devolved to local government. The Philippine Business for Social Progress (PBSP), a non-government organisation and the current PR for the TB grant, is working with the Department of Health and mayors of each city to intensify and accelerate DOTS delivery, and mainstream the programmatic management of drug-resistant TB. A specific focus is on addressing the inequitable service provision, targeting the poorest 300 municipalities in the country with high TB burden. The grant is also supporting the procurement of the second-line drugs for drug-resistant TB, and the critical training of the health care providers in the diagnosis and management of TB – something close to my heart, given my experiences! The mayors cover the costs of the fees for nurses and doctors, and also the ancillary medications.

There remains much to do, despite the program improvements from when I was diagnosed. There is still a lack of awareness by both health care workers and patients. Many patients still do not know that the treatment is free, and the professional fee is covered by the mayors. Health care workers lack skills in patient-centred care, and negative attitudes towards patients persist.

***GFO**: What do you think the greatest benefit of The Global Fund has had in the fight against TB in the Philippines?*

Louie: Frankly speaking, before The Global Fund grants, no one really cared if people were dying from TB. The attitude existed that it was an ancient disease that we cannot do anything about, and that there are more pressing diseases. The Global Fund investment has meant that there are now many people in the Philippines assisting with the TB efforts of the country. When I was undergoing my TB treatment, I had never heard about it [TB] and what were my rights. Now, the messages are out there, the treatment is available and is free, training of physicians is being conducted, and the country dialogues have given us a voice.

***GFO**: Lastly, can you tell our GFO readers why it is important to you to "Unite to End TB" this World TB Day?*

Louie: Its important to unite for my daughter. I am scared for her every day when someone coughs in front of her, I don't want what happened to me to happen to her. Its unnecessary, we have the tools, we have the treatment to cure TB. Its unacceptable that this ancient disease is still the sixth leading cause of mortality in the Philippines in 2016.

TOP

---

2. NEWS: OIG audit reveals significant weaknesses in how CCMs are managed, and how CCMs coordinate and oversee grants

OIG says little attention has been given to retaining CCMs after countries have transitioned from Global Fund support

David Garmaise 6 March 2016

The Office of the Inspector General has identified significant weaknesses in (a) the adequacy of the country coordinating mechanism model in coordinating and overseeing grants; and (b) the effectiveness of CCM policies and procedures at the Global Fund Secretariat level and at the country level.

The OIG has just released a report on the first-ever audit it conducted on CCMs. The audit work included:

- a desk review of documents from 50 CCMs;
- detailed in-country reviews of CCMs in seven countries as part of the audits of these countries conducted in 2015;
- reviews of the 800 responses to questionnaires the OIG sent to CCM members, CCM secretariats, technical assistance providers, Global Fund Secretariat staff, civil society organizations, and representatives of key populations; and
- interviews with a large number of people from Global Fund Board and committees, development partners, TA providers, and Global Fund Secretariat staff.

The seven countries that were audited in 2015 were Ghana, Honduras, Indonesia, South Sudan, Tanzania, Pakistan, and Uzbekistan.

Adequacy of the CCM model in coordinating and overseeing grants

Despite some progress, oversight continues to be weak in most CCMs, the OIG found. Its desk review identified various operational gaps, including the absence of oversight committees, weaknesses in oversight plans, lack of feedback from key populations, inadequate discussions on key grant issues, and no sharing of oversight reports with relevant stakeholders, including the Global Fund Secretariat.

Specifically:

- 10% of the 50 countries reviewed did not have the required oversight committee;
- more than half of the countries did not have specific information on roles, timelines, and budget in their oversight plans, or they had oversight plans that were outdated;
- 62% of the CCMs were non-compliant with the requirement of seeking feedback from non-CCM members and from people living with and/or affected with the disease;
- more than half of the 45 CCMs that have oversight bodies did not adequately discuss challenges with the PRs to identify problems and explore solutions;
- 58% of the CCMs had not shared oversight reports with country stakeholders and The Global Fund Secretariat in the previous six months; and
- 26% did not share the oversight reports with relevant stakeholders in a timely manner that could have ensured well-timed remedial action.

The OIG said that possible root causes of weak oversight included time constraints of members; poor planning, documentation and follow-up of oversight activities; inadequate resources; and weak CCM secretariat functions. Role ambiguity among different stakeholders on the nature and extent of CCM oversight was also a factor, the OIG said.

The OIG said that if the Global Fund were to strengthen its efforts to improve the oversight function of the CCMs, this would likely produce results. It cited a study by Grant Management Solutions which showed that 79% of grants that were rated B2 or C improved to B1 or better after training was conducted to strengthen the oversight by CCMs over these grants.

The OIG said that while some countries have had some success in integrating CCMs into the broader country health architecture, in all seven countries audited in 2015, the OIG noted weak coordination and stakeholder engagement with other health forums or structures, particularly for strengthening health systems. For five of these seven countries, the OIG added, the CCM was not integrated into national systems.

Effectiveness of CCM policies and procedures at Secretariat and country level

The OIG found that there are multiple issues in the overall performance management of CCMs by the Secretariat. For example:

- As of October 2015, only 9% of the CCMs assessed by the Secretariat were fully compliant with the relevant eligibility criteria (assessed as part of the performance appraisal of CCMs conducted before they can submit concept notes for each allocation period).
- There is no active measurement of the ongoing performance of CCMs in areas such as oversight, concept note preparation, and principal recipient selection.
- There is a lack of systematic evaluation of the role of CCMs in country portfolios.

- There are no documented terms of reference for the CCM Hub; and no one responsible for managing the performance of CCMs in the country team responsibility matrix.

One of the products of the performance appraisal is an improvement plan for the CCM. The OIG said that implementation of improvement plans for 88% of CCMs has been delayed for more than three months.

The OIG said that its analysis indicated a strong positive correlation between CCM performance and the level of country portfolio risk, with all of the 20 highest portfolio risk countries having non-compliant CCMs.

The OIG found that there were generally effective policies for managing conflicts of interest on CCMs, but that there were still gaps, particularly around compliance. The OIG noted that the Secretariat not yet developed the code of ethical conduct for CCM members which had been directed by the Board.

The OIG said that although significant improvement has been made in the involvement of civil society and affected communities in designing and implementing programs, some gaps remain. It said that membership and meaningful engagement of civil society and key populations is not optimal. Of the 50 CCMs reviewed, 12 did not meet the minimum civil society representation eligibility requirement. In addition, almost half of the 50 CCMs were not fully compliant with the requirement for nongovernmental constituencies to directly and transparently select their representatives. Further, 42 CCMs did not have clearly defined processes for soliciting inputs from and proving feedback to constituencies.

The OIG cited a recent study by Stop TB Partnership that found that half of TB high-burden countries had no civil society representative with TB expertise on their CCMs.

Sustainability

The OIG noted that of the nine countries from which the Global Fund has withdrawn, only one has retained its CCM; that The Global Fund does not have a policy on sustainability and the role of CCMs in post-transition disease programs; and that the Fund has recently identified about 30 countries where transition is expected to occur in at least one of the disease components over the next ten years. "Without CCMs," the OIG said, "this might adversely impact advocacy for the three diseases, resource mobilization and continued meaningful engagement of civil society and affected communities in those countries post-transition."

Management actions agreed by the Secretariat

The OIG report described actions that the Secretariat has agreed to take in response to the audit findings. These included the following:

- assign and document clear responsibilities relating to CCMs (by 31 December 2016);

- develop mechanisms to strengthen CCM oversight, including revising its CCM oversight guidance paper; and analyzing options for an effective engagement of CCM members in oversight;
- strengthen the management of conflict of interest by developing principles for ethical conduct and integrity in CCM operations;
- develop a plan to enhance civil society and key populations engagement and accountability in CCMs; and
- once a sustainability and transition policy is approved by the Board, update the CCM guidelines and procedures to reflect key principles of the policy, including evaluating, on a differentiated basis, the need for continuing CCMs (or alternative mechanisms) post-transition along with alternative options.

See also separate GFO article on reactions to the OIG's audit on CCMs.

TOP

---

3. NEWS: Reaction to the finding of the OIG in its audit on CCMs

Aidspan staff 5 March 2016

Aidspan solicited feedback from several entities on the findings of the Office of the Inspector General in its audit on country coordinating mechanisms. (See GFO article on the findings.) We heard back from two organizations – AIDS Accountability International and UNAIDS – and a member of the CCM in Zimbabwe. This article summarizes the feedback.

==========

PHILLIPA TUCKER, CO-FOUNDER/RESEARCH AND COMMUNICATIONS DIRECTOR, AIDS ACCOUNTABILITY INTERNATIONAL (AAI)

==========

Asked whether she thought the OIG "got it about right," Phillipa Tucker said, "Yes, and No. The issues they discovered are indeed issues. How members are chosen, their voluntary status, their engagement and their abilities are all hindrances."

However, Ms Tucker said there were a number of other barriers to CCM members being effective in their work, at least in the countries of the Southern African Development Community. These include the following (we have paraphrased some of Ms Tucker's points):

- Most civil society organizations are short of funds, and staff have huge workloads. Attending a CCM meeting unprepared is possible and happens often. CCM members are able to sit and not engage. At one meeting, none of the civil society CCM members could name all five principal recipients, even though they were complaining about their lousy performance. They were also unaware of the major details of the

previous round of funds received from The Global Fund. This reflects an accountability issue.

- There is a struggle for many non-profits to stay funded and many of them lose their independence from government in order to get funds. CSOs as watchdogs are becoming rarer, and CSOs as service deliverers are growing. This affects politics and power in the CCM spaces.

- CCM members do not take their role seriously enough. The OIG report alludes to their voluntary status. CCMs can receive funding support from The Global Fund, but the guidelines prohibit the use of those funds to pay members for fulfilling their role. CCM members should be paid to do this work and should be allowed to focus on it, and it alone. Not many CSOs can afford to carry the cost of a CCM member when it contributes nothing to their own work deliverables.

- Lack of training on theories of change, the use of spreadsheets, and other practical issues form real barriers in some CCM members and staff. Just because a person is a formidable activist does not mean that they know how to work with a spreadsheet. AAI has seen first-hand how form-filling can delay CCMs being able to get work done. This bias towards the formally educated and people from the North is deeply troubling.

- Conflict of interest is often misunderstood. The concept needs to be teased out, discussed, and debated in a frequent and ongoing manner.

- There needs to be greater dialogue around whether and how CCM members represent their constituency and provide feedback to their constituency. A lack of understanding on how to formally, thoroughly and, on a timely basis, create a feedback loop is an enormous barrier to CCM members being effective. This is a huge accountability issue.

Asked whether she agreed with the OIG that it would be desirable for countries that transition away from Fund support to retain their CCMs, Ms Tucker responded in the negative. “In theory, they are a good idea, but that is being idealistic. In reality, CCMs are totally ineffective instruments for greater equality or accountability. The best results are achieved by those who are able to manipulate events and who do so beyond the scope of the CCM and in a variety of other national arenas, using their position of power on the CCM as leverage.”

The question The Global Fund should have asked itself, Ms Tucker said, was: “What would the funding process have looked like without CCMs? How could the Fund have engaged with national stakeholders to ensure that the funding goes where it should? These are questions every other funder asks itself.”

“Kudos to The Global Fund” for having tried a different model, Ms Tucker said. “It failed. But at least they tried.”

==========

OSCAR MUNDIDA, MEMBER OF THE CCM IN ZIMBABWE

==========

Oscar Mundida said that the OIG should also have looked at funding for CCMs. "This can either motivate people to attend the meetings and participate in the process, or hinder their interests in the business of the CCM," he said.

Mr Mundida cautioned against a one-size-fits-all approach. Requiring that every CCM have an oversight committee "may create challenges in some countries." He said. "Some countries provide oversight even though they do not have a body called "Oversight Committee."

Mr Mundida would like to have seen mention in the audit report of the fact that "most civil society representatives in the CCM have challenges of providing feedback to their constituencies since such meetings are not normally funded." This makes it hard to have regular interaction among civil society members, he said, "which, at times, results in apathy."

Mr Mundida applauded the OIG's call for CCMs to be retained even after a country transitions away from Global Fund support. "As noted by the OIG," he said, "CCMs play a very important role in providing oversight… Therefore, even for those countries that are transitioning there is still need for the oversight role to ensure equal participation in decision-making. This is the only platform where the marginalized societies can be heard in the planning and implementation of programs that concern them."

==========

VERONIQUE COLLARD, PROGRAMME ADVISOR, OFFICE OF GLOBAL FUND AND GLOBAL PLAN AFFAIRS, UNAIDS

==========

"The OIG report highlights some challenges facing the CCM mechanism but does not take into account other factors that impact the work and operational functioning of CCMs," Veronique Collard said, noting that not all partners consulted by the OIG have an in-country presence and that this could influence the OIG's findings.

"CCM performance is also impacted by the nature of the relationship set up between the PRs and the country teams," Ms Collard said. She thought that the actions agreed to by the Secretariat concerning (a) differentiating CCM policies and tools and (b) improving CCM oversight would be strengthened by ensuring the country teams also direct PRs to regularly and fully share information, including challenges, with the CCM.

Regarding integration with national systems, Ms Collard said that this is a complex issue. "The CCMs' mandate is generally more clearly understood around governance of Global Fund grants and how these relate to other donor and domestic resource streams, but this varies depending upon country context," she said. "The membership structure of the CCM does not require deep expertise in matters such as health systems strengthening, supply chains etc. and hence CCMs may not be able to effectively play a full role in cross-cutting technical aspects related to health systems. The CCM does play a vital role in bringing in the

voice and perspectives of key populations and civil society to issues of how health systems meet the needs of beneficiaries."

The OIG finding "that 82% of CCMS reported their work is Global Fund–specific and not a coordinating platform for all HIV, TB and malaria programs in the country can be misinterpreted," Ms Collard said, "as it is primarily a Ministry of Health and NAC (national AIDS commission) responsibility to coordinate all programs. The CCM mechanism should be seen as a contribution to the coordination function, but not necessarily as the only means to coordinate, given its composition as an external body comprised of diverse stakeholders."

Regarding CCM membership, Mr Collard said she thought the action agreed by the Secretariat will strengthen this. "It is worth noting that the broad span of civil society/key population actors and organizations in many countries can make it difficult for a given representative to be recognized as providing adequate feedback to all constituents," she said.

On the issue of whether countries should maintain a CCM after The Global Fund has pulled out, Ms Collard said that there is merit in the Global Fund considering strategies that strengthen the capacity of civil society and affected communities to be strong participants in policy- and decision-making processes once the Fund leaves. However, she said that it was really up the countries themselves to decide if they wish to continue the CCM mechanism currently in place, or look at other options.

In conclusion, Ms Collard said that the OIG's CCM report "is an excellent opportunity for strengthening in-country dialogue on investment priorities for the future, inclusive planning and implementation, driving efficiencies and maximising impact."

TOP

---

4. NEWS: More evidence of NFM participation gaps for African key populations

Survey of CSOs and communities finds that concept note development is the most open part of the NFM

Gemma Oberth 4 March 2016

There is lesser participation from key populations than from civil society organizations in country and regional dialogues, according to survey conducted by the Eastern Africa National Networks of AIDS Services Organizations on civil society and community perspectives on Global Fund processes. EANNASO has released a short report on the survey.

The report was produced by the Regional Platform for Communication and Coordination for Anglophone Africa, which EANNASO hosts. The Regional Platform is funded by The Global Fund as part of the Community, Rights, and Gender (CRG) Special Initiative.

The regional platforms (of which there are six, globally) are intended to build knowledge and capacity of civil society and community groups on the Global Fund, as well as to promote

access to technical assistance. The aim of the survey was to guide the CRG Special Initiative in Anglophone Africa, providing important information on knowledge gaps and capacity development needs in the region.

A total of 33 people from 15 Anglophone African countries completed the survey. The majority of respondents were from the East African region (61%), followed by Southern Africa (27%) and West Africa (12%). Respondents were from a wide range of constituencies including civil society, key populations, young people, PLHIV networks, technical assistance providers, multilateral and bilateral partners, women's groups, and community-based organizations.

Findings

Two thirds of respondents had heard about the Global Fund's CRG Special Initiative before. Knowledge on the Regional Platform was slightly lower: 58% of respondents said that they knew about the platform.

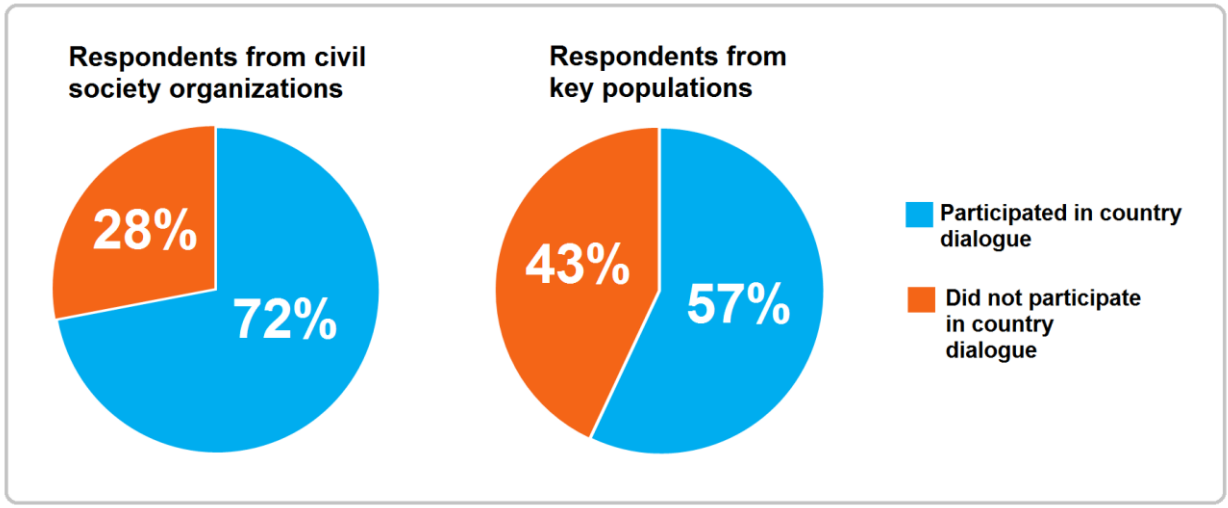
The survey found distinct gender imbalances in knowledge about the Regional Platform. Although equal numbers of men and women were surveyed, those who identified as male were much more likely (71%) to have prior knowledge of the Regional Platform than those who identified as female (53%). Of the two respondents who identified as being transgender, neither had previous knowledge of the Regional Platform.

The majority of respondents said that concept note development was the most open part of the new funding model for civil society organizations and community groups. Most of those surveyed had participated in at least one country dialogue or regional dialogue as part of concept note development. However, respondents from civil society organizations were far more likely to have participated in country dialogue than respondents from key populations (Figure 1).

The same is true for regional dialogues (the consultative processes that led up to the development of regional concept notes): 53% of respondents from civil society organizations participated in at least one regional dialogue, compared to 43% of respondents from key populations surveyed. It is noteworthy that participation in regional dialogues was lower for both civil society and key populations, as compared to participation in country dialogues.

Just over half of those surveyed agreed that the biggest challenge with regional grants is a lack of accountability, monitoring, and oversight. This challenge is likely exacerbated by the limited understanding of regional grants among civil society and key populations: The survey revealed that the majority of respondents perceived a lack of understanding of regional grants to be their largest Global Fund knowledge gap.

Figure 1: Participation in country dialogue among civil society and key populations



Just as key populations were less likely to have participated in dialogues, they were also less likely to be aware of available support to help improve their engagement. Indeed, the most commonly-cited benefit of Global Fund TA was that it enables meaningful participation of civil society and key populations in Global Fund processes. But, compared to respondents from civil society organizations, respondents from key populations were half as likely to know that they could request TA from the Global Fund CRG department and its partners.

Among respondents who had previously accessed TA, the most commonly cited providers were the German Back-Up Initiative (GIZ) (33%) and the UNAIDS Technical Support Facility (33%). In addition, 27% of those surveyed had accessed TA through the Global Fund CRG department itself, and 21% had received it through the Stop TB Partnership.

Importantly, the majority of survey respondents said there needs to be more TA available after concept note submission to support watch-dogging of implementation.

Analysis

The fact that concept note development (including country dialogue) was perceived to be the most open part of the NFM for civil society and communities is consistent with the findings of a previous survey conducted by The Global Fund. The Fund's CCM and Country Dialogue Participant Survey (a global survey with 2,070 responses) found that country dialogue and inclusivity was cited by the greatest number of respondents as the best part of the NFM.

The results of the EANNASO survey presented in Figure 1 may help explain some of the findings from the Global Fund survey. The Fund's survey found that fewer key populations than other respondents indicated that their recommendations were discussed and considered seriously in their country concept notes. With lower levels of country dialogue participation, it is perhaps not surprising that key populations felt their issues did not carry equal weight.

If key populations are to participate at a greater rate in dialogues, and if their issues are to be included in concept notes, key populations' access to TA must be improved. A targeted effort

to boost awareness of available TA among key populations could be a useful follow-up to the EANNASO survey.

The Global Fund's CCM and Country Dialogue Participant Survey covered concept notes submitted in windows 1-8 under the NFM. The survey results are not currently available on the Global Fund website.

TOP

---

5. NEWS: OIG audit reveals serious weaknesses in management of grants in Uganda

Many of the problems are not new

CSOs call the situation "completely untenable"

David Garmaise 3 March 2016

For the second time in a month, the Office of the Inspector General has released a report of an audit into grants to a major recipient of Global Fund money that revealed serious deficiencies in the way the grants have been managed. First, it was Tanzania (see GFO article); this time, it is Uganda.

A theme common to both audits is that many of the problems revealed by the OIG had been identified previously and had not been addressed.

The report on the Uganda audit was released on 26 February. The OIG rated both (a) governance, oversight and management and (b) the management of health services and products as "ineffective," meaning that internal controls, governance and risk management processes were not adequate, appropriate, or effective – and there was no plan in place to address the issues. The OIG rated both (a) programmatic and performance management and (b) financial and fiduciary management as "partially effective."

Despite the problems, the OIG said, Uganda has made "great headway" in fighting the diseases. For example:

- annual new HIV infections have declined from 140,000 in 2010 to less than 100,000 at the end of 2014;
- the proportion of people living with HIV who were receiving antiretrovirals rose from 21% percent in 2010 to 50% in 2014; and
- malaria prevalence in young children has decreased from 42% in 2009 to 19% in 2015.

The audit reviewed seven grants managed by two principal recipients: The Ministry of Finance Planning and Economic Development, and The AIDS Support Organization. The

Ministry of Finance had delegated its implementation responsibilities to the Ministry of Health. The audit covered the period January 2013 to June 2015.

The audit included visits to four sub recipients and sub-SRs, field visits to 50 hospitals and health facilities, the National Medical Stores, the Joint Medical Store, and district medical offices. Of the 50 facilities, 40 were public and 10 private.

Approximately 90% of Global Fund grants to Uganda are spent on the procurement of medicines and health products. The Secretariat's pooled procurement mechanism acquires all health commodities with the exception of tuberculosis drugs which are procured by the Global Drug Facility. This means that the audit focused only on the 10% of expenditures under the control of the PRs. Most of the problems identified by the OIG appeared to relate to the grants for which the Ministry of Finance was PR.

The audit found that Uganda's supply chain system "remains" ineffective in distributing and accounting for medicines and other commodities. The audit identified stock-outs of at least one key medicine in 70% of 50 health facilities visited. In addition, more than 54% of the health facilities visited had some expired medicines. The OIG said that pervasive stockouts of important medicines will result in treatment disruptions if the situation is not addressed.

Uganda's decision to follow the latest World Health Organization guidelines for antiretroviral treatment has resulted in an increase of 260,000 in the number of people on ARVs by 2016. The OIG noted that it has also resulted in a marked increase in the funding gap to support the scale-up. At the time of the audit, the OIG said, the funding gap for Uganda's HIV program was $92 million. Because the additional funding is not readily available, the Global Fund has had to front-load the provision of antiretroviral medicines in order to cover treatment gaps (see GFO article).

The audit identified unexplained stock differences at various levels of the supply chain. For example, differences of $21.4 million were noted between book and actual stocks at the National Medical Stores for 15 commodity types procured by the government and the Global Fund. The audit could not apportion the variance between the government and the Global Fund since the stores' inventory system does not segregate physical stocks by source. The audit did not establish whether any misuse of funds occurred, but the case has been referred to the OIG's Investigations Unit for further review.

The PR attributed the accounting differences to errors in the inventory management system, but the audit team was unable to verify this.

The OIG said that issues identified in past reviews initiated by the Secretariat "still remained pervasive and persistent." For example, the installation of an accounting software has been pending since 2011. Also, management of advances was weak, with some remaining outstanding for over 20 months. Further, value added taxes amounting to $300,000 had not been refunded to the programs.

Although the Ministry of Health uses an integrated financial management system, transaction for the programs financed by the Global Fund were not reported through this system. Instead,

the transactions were recorded using excel spread sheets which, the OIG said, are prone to human error and are not secure.

The audit identified expenditures of $3.9 million that were inadequately documented.

Among other findings:

- 16.5 million condoms that should have been distributed for free were sold through social marketing. The funds generated from the sales ($200,000) remain unaccounted for;
- data quality "remains" a challenge due to the shortage of data collection tools, and inaccurate and incomplete data reported by health facilities;
- only 32 of the 102 Gene-Xpert machines purchased were in use. The 32 machines had an average utilization rate of 5% in the third quarter of 2015;
- 12% of the 50 facilities visited were performing HIV tests with expired test kits;
- 14% of facilities visited did not perform confirmatory tests on clients diagnosed as HIV-positive;
- 43% of patients were treated for malaria without confirmed diagnosis and/or with negative results; and
- only 46% of the funds disbursed to the Ministry of Finance between January 2013 and June 2015 had been spent at the time of the audit.

The OIG said that the issues in its report raise questions about the adequacy and effectiveness of the two PRs in overseeing their SRs, and about ensuring recommendations from the Secretariat are implemented on time. Recommendations made from numerous reviews were often repeated, the OIG said, because prior agreed management actions were not implemented by the Ministry of Health. In addition, the OIG said, known program implementation challenges, such as the delayed procurement and recruitment processes, have not been adequately addressed.

The OIG said that the recurring nature of the issues also raises questions about the level of oversight provided by senior management of the Ministry of Health in ensuring that activities are effectively implemented.

Actions agreed by the Secretariat

In response to the audit findings, the Secretariat agreed, among other things, to:

- assist the government to identify treatment gaps as well as a mechanism for raising additional funding;
- ask the Ministry of Health to develop an action plan that addresses the implementation issues identified in the audit report; and
- work with the government and partner organizations to develop an operational plan to improve accountability throughout the supply chain.

Reaction

In a statement, civil society organizations in Uganda said that they are not convinced that the corrective actions being proposed "are substantial enough to trigger the changes that are urgently required."

"This is a crisis," said Joshua Wamboga, Executive Director of the Uganda Network of AIDS Service Organizations (UNASO). "In almost all cases, the problems that the audit found have been known to the Ministry of Health for years – but no effort has been made to resolve them. Meanwhile, Ugandans with HIV are suffering entirely preventable stockouts of medicines. These failures are completely untenable – there is no committed leadership, no action, no accountability, and no sign that government is taking these problems seriously."

"We are sick of unacceptable delays in the procurement of life saving interventions – such as food for people with drug-resistant TB or condoms – being delayed because those responsible for procurement are seeking kickbacks," said Rachel Nandelenga of the International Community of Women Living with HIV Eastern Africa (ICWEA). "This impunity must end today."

The CSOs recommended that the Ministry of Health be replaced as the main implementer of fund programs, and that the government double financing for HIV treatment to 200 billion shillings ($60 million) in the budget due in June.

In addition to UNASO and ICWEA, the statement is signed by the Coalition for Health Promotion and Social Development (HEPS Uganda); the Civil Society Inter Constituency Committee (CICC); and networks of AIDS service organizations in 17 districts.

Troubled history

Global Fund grants to Uganda have experienced problems in the past. All grants to that country were temporarily suspended in August 2005 due to serious mismanagement in the program management unit established in the MOH to coordinate implementation (see GFO article). The suspensions were lifted four months later (see GFO article).

In March 2007, two grants were terminated because of unsatisfactory performance (see GFO article). In December 2009, a review by the OIG concluded that The Global Fund should continue to use the Ministry of Finance as PR despite reservations about the performance of the MOF and its designated implementer, the MOH (see GFO article).

The statement by CSOs is on file with the author.

TOP

6. NEWS: In Tunisia, legal issues regarding the framework agreement cause delay in an HIV grant

Three provisions of the agreement are not compatible with the new Constitution

Stéphanie Braquehais 4 March 2016

For several weeks, civil society organizations in Tunisia have organized demonstrations and issued press releases to ask for the signature of the framework agreement that is required prior to funding. An HIV grant worth $11 million was approved in December 2015 but can only be disbursed after the agreement is signed.

According to Souhaila Bensaid, director of the Association pour la Prévention Positive, three provisions of this framework agreement (which incorporate Global Fund grant regulations) are not compatible with the new Constitution adopted in 2014: *indemnification* and *arbitration* (which were already included in the previous grant agreement) and *privileges and immunities* which confer on the Global Fund the status, capacities, privileges, and immunities equivalent to those enjoyed by other international organizations.

The principal recipient of the grant which was approved on 24 December 2015 is the Office National de la Famille et de la Population, an entity of the Ministry of Health. "The Global Fund has been in contact with the Ministry of Health since September 2015 in order to obtain the signature of the framework agreement before signing the grant confirmation," Marcela Rojo, a Global Fund spokesperson said. "The legal department informed The Global Fund that they are not in a position to sign the agreement and that it needs to be approved in parliament under the country's constitution."

So far, discussions have not resulted in a concrete solution. "I don't think it is possible to change the laws that fast in order to keep the provisions in the agreement," Ms Bensaid said. "Our country has been in a very peculiar situation since the Revolution. The Global Fund should have thought about initiating a specific dialogue for developing countries that are going through major political changes like Tunisia."

Because the Global Fund grant focuses primarily on prevention activities and only covers 10% of some HIV drugs, "it is our understanding that there is no likelihood of treatment disruptions," Ms Rojo said. "A consequence of the delay, however, is the potential loss of human resources. If staff moves to other organizations, this could incur a loss of know-how should the prevention program resume when the framework agreement is signed."

The grant covers key services that have been suspended since 1 January 2016, such as food support, procurement of complementary medicines, psychological and social support, sensitization among key populations, and support to hospitalized patients. "To get ARV treatment without the crucial services that go with treatment is not very useful," Ms Bensaid said.

According to Ms Rojo, discussions are ongoing and no date has been set for the signature.

TOP

---

7. NEWS: OIG identifies deficiencies in grant-making process

Cumbersome processes, inadequate systems cited

David Garmaise 1 March 2016

While grant-making under the new funding model is better than it was under the rounds-based system, there are still many inefficiencies caused by cumbersome processes at the Secretariat level, duplicated documentation, and inadequate systems.

This was a central finding of an audit conducted by the Office of Inspector General on The Global Fund's grant-making processes. A report on the audit, which was conducted in the Summer of 2015, was released on 24 February. For the audit, the OIG reviewed the grant-making process for 20 grants.

On average, 22 documents are prepared during grant-making. The OIG said that the information contained in the documents is sometimes duplicative, and that only four of the documents are critical for decision-making by the Grant Approvals Committee.

The volume of documents required means that some of them are not submitted to the GAC on a timely basis. The Secretariat does not track the timeliness of document submissions, the OIG said, "but it is widely acknowledged that country teams do not submit grant documents on time. There are also no defined consequences for late submission. Consequently, there is risk that documents submitted late place additional burden on approvers' ability to undertake meaningful reviews of these documents."

The OIG observed that 33 grants account for a $8.8 billion of allocated funds, with 202 grants accounting for the remaining $6 billion. However, it said, the grant-making process for all grants, regardless of size, has remained substantially the same.

The OIG noted that at the time of the audit, the Secretariat was already developing plans to differentiate the grant-making process in order to reduce the workload for smaller and less risky portfolios. However, it said, there has been limited progress in putting the plans into practice. The volume of documents required to sign grants has remained the same for all portfolios regardless of grant size and risk. Also, while under differentiation the country teams have an option to tailor the capacity assessment tool, almost half of them have chosen not to do so.

In the view of the OIG, the limited progress in portfolio differentiation is due to inadequate guidance about its application to different circumstances. "In the absence of a defined risk appetite," the OIG said, "decision-makers feeling disempowered to take measured, risk-based decisions."

The Global Fund had planned to have an integrated information system in place for capturing, processing and sharing information at the Secretariat and country level during grant-making. The process to develop an automated system started in February 2014, with a projected completion date of February 2015. The OIG said that the completion date and other timeline extensions have not been met. Following further complications, the OIG added, the Secretariat commissioned an independent diagnostic review which identified significant project execution issues and resulted in a complete overhaul of this initiative.

As a result, the grant-making process depends on multiple stand-alone systems and tools into which the same data must be entered multiple times. The OIG said that this creates inefficiencies and the potential for errors. In addition, it said, the tools are not user-friendly and have functionality issues. For example:

- Some in-country stakeholders have had trouble coping with the "heavy macros" embedded in the tools that require high bandwidth as well as high capacity computers to run. (The OIG said this was caused by the inadequate involvement of the information technology team in developing the tools.)
- The capacity assessment tool cannot be used offline, which creates significant challenges for recipients where internet access is not reliable or readily available. The tool also lacks an auto-save functionality, resulting in the loss of data when tools crash or where there is an electricity outage. As a result, Secretariat staff and in country stakeholders spend considerable time re-entering lost information.
- The operating systems on which the capacity assessment tool runs, Infopath, is not compatible with typical systems at country level, which slows the systems down.
- Tools, such as the budget template, contained formula errors which result in the Secretariat and in-country stakeholders wasting time waiting for the bugs to be fixed. (The OIG said that the errors and bugs were due to the fact that the tools were not piloted before the full roll-out. In addition, technical support for the tools was limited because their usage was expected to be temporary.)

Stakeholders at both the Secretariat and country levels expressed a high degree of dissatisfaction with the grant-making tools. In a survey conducted by the OIG, 81% of respondents said the grant-making tools were ineffective. Respondents estimated that they spent 25% of their time dealing with tool-related matters. To reduce the issues they experience, most stakeholders have resorted to working off-line and then re-entering data online, which also is inefficient, the OIG said.

The OIG said the Secretariat missed an opportunity to learn from pilot test cases that were undertaken and to strengthen processes before rolling out the new model. It noted that the grant-making process was not allowed to stabilize before further changes were made and that, as a result, stakeholders had to continuously adapt to new changes in the process.

Secretariat responses

In response, the Secretariat said that as part of its differentiation project, it will consider various options in addressing the challenges, including: (a) tailoring the required documents

for GAC decisions in line with size of portfolio and risk involved; (b) simplifying the grant-making processes for defined grants; and (c) allocating resources to support significant and high-risk portfolios when necessary. The target date for implementing the option or options is 31 December 2016.

With respect to the problems with the systems and tools, the Secretariat said that they were being addressed through Project AIM (Accelerated Integration Management). However, in the short term, the Secretariat will enhance the functionality of the existing grant-making tools – including the capacity assessment tool and the budget template – by fixing known functionality issues (target date: 31 December 2016).

See separate GFO article on the findings of the OIG audit with respect to risk management processes during grant-making.

TOP

---

8. NEWS: Risk management processes during grant-making are inefficient and ineffective: OIG

Three-month target for completing grant-making often not met

David Garmaise 2 March 2016

Current risk management processes are inefficient and ineffective in supporting the identification of risks during grant-making. This is a critical weakness because grant-making aims to identify and pre-empt potential implementation challenges so that implementers "hit the ground running" once grants are signed.

This was one of the key findings of an audit conducted by the Office of Inspector General on The Global Fund's grant-making processes. A report on the audit, which was conducted in the Summer of 2015, was released on 24 February. For the audit, the OIG reviewed the grant-making process for 20 grants.

Under grant-making, risk management is a stand-alone process that has not been integrated into other risk-related tools and processes at the Secretariat, the OIG said. It does not build on risk-related assessments previously undertaken and overseen by the operational risk committee. In addition, there is no mechanism to ensure that risks identified during grant-making are tracked once implementation is underway.

Country teams are required to complete multiple risk management tools during grant-making, including the implementation map and the capacity assessment tool. The audit noted that because there is limited interface between the different risk assessment tools, the information has to be entered several times. There are no mechanisms in place to prevent discrepancies in the information entered, the OIG said.

According to the OIG, current risk management processes during grant-making do not effectively support the identification of risks. For example:

- The tools primarily focus on checking the adequacy of internal controls to safeguard funds. There is limited attention paid to key strategic risks that affect achievement of impact. For instance, the tools do not detect the risk of low absorption which has been consistently identified as a challenge to the timely disbursement of funds.
- Risk assessments typically focus only on the principal recipient and do not cover sub-recipients, despite the fact that the latter often receive majority of funds and implement program activities.

The audit found that risk assessments and the resulting mitigation measures are not subject to quality checking. For example, it said, the Secretariat does not validate the assessments undertaken by country coordinating mechanisms concerning the PR's compliance with the minimum standards.

The OIG said that the Risk Department started to perform an independent quality check of the risk assessments and mitigation measures proposed by country teams in August 2015. "However, it remains unclear how the outcome of such reviews are factored in the grant approval process."

The guidelines for grant-making require that the regional managers or department heads involve other functional managers in reviewing high risks and complex portfolios. However, the OIG said, with the exception of the Legal Department, this has not been consistently implemented.

Secretariat response

In response, the Secretariat said that these findings would be addressed through a previously agreed management action in the October 2015 report on an audit conducted by the OIG in Ghana. In that action, the Secretariat undertook to continue to work on improving the existing risk management tools and processes.

Grant-making timelines

The OIG audit also found that that the 3-month target for completing grant-making is often not met. In a survey of key stakeholders at Secretariat and country levels, only 19% said there was sufficient time available for grant-making. The OIG said that at the time of the audit, the Secretariat had not analyzed the underlying causes for country teams' failure to meet its timelines. It cited country team members as saying that grant-making is often rushed to meet the 3-month target "and that this often comes at the cost of quality."

See separate GFO article on the deficiencies in the grant-making processes identified by the OIG in its audit.

TOP

9. NEWS: Kyrgyzstan is implementing transition planning for TB and HIV

A working group has brought together representatives from The Global Fund, government, civil society and communities to work on the transition

Tinatin Zardiashvili 3 March 2016

The Ministry of Health of Kyrgyzstan has formed a multi-disciplinary working group of specialists to plan, coordinate, and implement transition planning for TB and HIV. The group is already staffed by management, procurement, public health, and finance specialists. Representatives of civil society organizations and communities are also included. Other positions will be added.

The working group will be assisted by a technical support group consisting of representatives from international organizations – the United Nations Office of Drugs and Crime, the World Health Organization, Open Society Foundations, UNAIDS – and communities.

The representatives of CSOs and the communities are actively engaged at the decision-making level in the working group, and have suggested most of the initiatives that the working group has adopted, according to Aibar Sultangaziev, executive director of the Partnership Network, an association of 26 local CSOs.

Consultation with the CSOs and the communities are ongoing. The discussion is focused mostly on service provision – in particular, which services should be covered, what elements should be included for each service, and how much they will cost.

The working group has already started developing a road map for the transition. The goal is to have the road map approved by government decree. Once approved, the road map will be made public.

Transition planning is one of the components of Kyrgyzstan's 3-year TB and HIV grant, which is scheduled to start later this year. A total of $220,000 has been budgeted to develop the capacity of the MOH to manage state disease programs and ensure a smooth transition. Other components of the grants are treatment and referral services; prevention activities for key populations (persons who inject drugs, sex workers, prisoners and men who have sex with men); prevention of mother-to-child transmission of HIV; strengthening of the communities; and human rights.

Although the program has not yet officially started –the framework agreement between the Fund and the government will be signed in March – the MOH, with support from civil society and communities, has already defined the priority directions of the transition. These directions are as follows: (a) strengthening the coordination within vertical disease programs funded by different sources; (b) developing new financing mechanisms to allow for smooth transition and coordination; and (c) developing or improving (as required) the legislative framework to ensure that all program activities are in line with national legislation.

The priority directions are based on previous program experience and informed by recommendations of the Global Fund and other donors.

Reform of the country coordinating mechanism is perceived as one of the key elements of strengthening program coordination during and after the transition process. The reform started several years ago and still going on.

Two issues that the working group will take up are (a) procurement of medicines; and (b) provision of services. Most medicines currently used by HIV and TB program are not registered in Kyrgyzstan. The working group will need to ensure that all medicines that are prequalified by WHO can be allowed into the country without registration by the time the Global Fund grants end in 2018 to avoid delays or other potential difficulties that might cause stock-outs.

Although, according to the law, ministries are allowed to contract NGOs to provide services, and there are precedents in other ministries for contracting NGOs, the MOH lacks the capacity to organize and manage tenders for procuring prevention services. The working group will ensure that training is provided to address this gap. It will also develop quality standards and policies governing the tenders.

The working group expects that as a result of the transition, the programs will be better coordinated and managed. The need for better coordination is underscored by the fact that the programs are currently supported by multiple funders – i.e., not only The Global Fund and the government, but also OSF and PEPFAR. The working group believes that this will lead to better program quality. Mr Sultangaziev said that a recent evaluation of the HIV program, not yet published, revealed several quality-related challenges, such as low adherence rate; limited coverage of testing, resulting in low detection rates; and high default rates from opioid substitution therapy.

“For many years we were seen as a poor country and we thought it was only natural that someone else should resolve our problems by giving us money,” Mr Sultangaziev said, “We needed that support, but now it is time for Kyrgyzstan to learn to be responsible and not have to depend on grants.”

TOP

---

10. NEWS: Changes to Board committee structure confirmed

Board appoints chairs and vice-chairs for each of the new committees

David Garmaise 5 March 2016

On 28 January 2016, the Global Fund Board confirmed changes to its structure that were approved in principle at its meeting last November (see GFO article). On 4 March, the Board appointed chairs and vice-chairs for the reconstituted committees. The changes and appointments will come into effect on 1 May 2016.

There will still be three committees, as follows:

- Strategy Committee
- Audit and Finance Committee
- Ethics and Governance Committee

The mandate of the Strategy Committee will remain essentially unchanged from the Strategic Investment and Impact Committee it will replace. It will provide oversight of the strategic direction of the Fund and ensure the optimal impact and performance of its investments in health. The committee will continue to have primary oversight over grant portfolio operations.

The Strategy Committee will be composed of 10 constituency-nominated voting members (five donor, five implementer), a non-voting chair and vice-chair, and four non-voting members: the chair of the Technical Review Panel; the chair of the Technical Evaluation and Review Group; and two representatives of non-voting Board constituencies. The composition is unchanged from the existing Strategy, Investment and Impact Committee.

Dorothée Kinde-Gazard has been appointed Chair of the Strategy Committee, and Julia Martin Vice-Chair.

The new Audit and Finance Committee will exercise the mandate of the current Finance and Operational Performance Committee, which is to oversee financial management of the Fund's resources, and ensure optimal performance in the operations and corporate management of the Secretariat. But it will also take on responsibility for overseeing internal audit, including the Office of the Inspector General, a responsibility which currently resides with the Audit and Ethics Committee.

The Audit and Finance Committee will be composed of 10 constituency-nominated voting members (five donor, five implementer), a non-voting chair and vice-chair, and four non-voting members: the representative of the World Bank; a representative of another non-voting Board constituency; an independent person with audit expertise; and an independent person with investigations expertise. The composition is the same as for the existing Finance and Operational Performance Committee, except for the addition of the independent persons with audit and investigations expertise.

Greg J. Ferrante has been appointed Chair of the Audit and Finance Committee, and Beatrijs Stikkers Vice-Chair.

The new Ethics and Governance Committee will retain the ethics-related responsibilities of the existing Audit and Ethics Committee, and also take on the responsibility to oversee governance matters. The Ethics and Governance Committee will be composed of six constituency-nominated voting members (three donor, three implementer), a non-voting chair and vice-chair, and one non-voting member with ethics expertise. This is a significant change from the composition of the existing Audit and Ethics Committee which has five independent members and only three constituency-nominated members.

Mohamed Salah Ben Ammar has been appointed Chair of the Ethics and Governance Committee, and Jan Paehler Vice-Chair.

The chair and vice-chair appointments are for two-year terms effective 1 May. The appointed candidates are participating as observers in the meetings of the three existing committees on 8-10 March.

To reflect the changes to the committees' names and responsibilities, the charters (i.e. terms of reference) of each committee have been modified, and changes have been made to the Fund's Bylaws, the terms of reference of the Board's Coordinating Group and the Operating Procedures of the Board and Committees.

As a result of discussions at the Board's November 2015 meeting, and subsequent consultations, some governance responsibilities currently with the Board's Coordinating Group will shift to the new Ethics and Governance Committee.

Information on the changes to the names and responsibilities of the committees comes from Decision Point GF-B34-EDP07, contained in Board Document GF-B34-ER06. Annexes to this document contain the revised charters of the committees; the revised TORs of the Coordinating Group; amended and restated Bylaws; and amended and restated Operating Procedures of the Board and Committees. GF-B35-ER06 and its annexes are not available on the Global Fund website. However, the information contained in the annexes should eventually be posted the Fund's website.

Information on the appointments to the new committees comes from Decision Point GF-B34-EDP14, contained in Board Document GF-B34-ER10. This document is not available on the Global Fund website.

TOP

---

11. NEWS: Funding approved for malaria grant to Guinea-Bissau

Existing HSS grant to South Sudan re-programmed

David Garmaise 5 March 2016

The Global Fund Board has approved funding in the amount of € 16.4 million ($18.4 million) for a malaria grant to Guinea-Bissau. The Board also approved additional funding for an existing health services strengthening grant to South Sudan. The Board was acting on recommendations from the Technical Review Panel and the Grant Approvals Committee.

Guinea-Bissau

Guinea-Bissau is considered a challenging operating environment and has been under the Additional Safeguard Policy since 2012. The grant aims to:

- increase the proportion of pregnant women attending antenatal clinics who received three or more doses of intermittent preventive treatment for malaria from 18% in 2014 to 55% in 2017;
- reduce annual inpatient malaria deaths per 1,000 population from 30 in 2012 to 25 in 2017;
- reduce the malaria test positivity rate from 31% in 2014 to 21% in 2017; and
- increase the proportion of health facilities reporting no stock-outs of essential drugs from 81% in 2014 to 92% in 2017.

Among the strategies to reach these targets is the scale-up of integrated community case management interventions.

According to the GAC, as an interim measure, the budget includes funds for the payment of incentives for key staff members of the national malaria control program who are critical to successful grant implementation. At the Secretariat's request, the GAC said, the CCM submitted a proposal in December 2015 for the harmonization of incentives across Global Fund grants. Discussions are being held with the CCM to ensure that the payment of incentives is linked to the performance of the grant and that a phase-out plan is provided. Furthermore, the GAC said, a condition has been included in the grant confirmation to ensure that incentives are paid only upon the Secretariat's approval of the CCM's proposal.

South Sudan

The Board approved $0.6 million in funding to support re-programming of an existing HSS grant (SSD-910-G12-S) that dates from the round-based period. The reprogramming will support a public reference library to improve diagnosis and blood bank services; allow for renovating and equipping regional medical stores; address the shortage of skilled human resources by supporting training, and providing scholarships and salary support for tutors; and strengthen community systems (which was not part of the existing grant). The grant was given a one-year no-cost extension to allow for the new initiatives to be implemented.

Actually, South Sudan submitted an HSS concept note to implement these initiatives in October 2014. The TRP did not consider the note strategically focused or technically sound, so it sent it back for reiteration. Subsequently, it was revealed that there was no money set aside for HSS in the approved program split for South Sudan. Hence, the decision to reprogram an existing HSS grant instead.

In November 2015, the Secretariat informed South Sudan that it would continue to fund grants in that country under a non-CCM approach, meaning that the CCM was not able to operate effectively. The United Nations Development Programme is the principal recipient for the HSS grant. Non-CCM countries are not required to meet counterpart financing and

willingness-to-pay requirements. However, the GAC decided that the WTP requirements would not be waived for South Sudan, as a way of encouraging the government to sustain its investments in the heath sector.

Eritrea

The Board also approved additional funding of $2.4 million for a malaria grant and a TB grant to Eritrea that had previous been approved for funding. The additional funding comes from in-country cash balances from two rounds-based grants. The GAC said that the additional amounts are "within the allocation." While the amount of the original allocation for Eritrea and the suggested program split are known publicly, the Global Fund has not released the final approved program split for Eritrea (or for any other country).

The information for this article is taken from GF34-ER09-EDP12-13, the GAC report to the Board for February 2016. This document is not available on the Global Fund website.

TOP

12. ANNOUNCEMENT: Information note on drug policy reform

Aidspan staff 26 February 2016

Some readers may not be aware of an important information note on drug policy reform released in April 2015.

The information note, produced by the International Drug Policy Consortium, the International HIV/AIDS Alliance, and Open Society Foundations, targets Global Fund applicants and grant recipients.

The note contains sections on why drug policy matters, drug policy guidance provided by The Global Fund and the United Nations, and how to incorporate drug policy interventions in Global Fund proposals.

TOP

This is issue #282 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