Independent observer of the Global Fund

Global Fund Observer

NEWSLETTER

Issue 292: 20 July 2016

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There is considerable work being done on transition planning in Eastern Europe and Central Asia. This article provides a summary.

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An audit on grants to Zimbabwe by the Office of the Inspector General yields mixed results. Internal controls and grant implementation arrangements were judged to be effective. However, the OIG said improvements were needed in the quality of the services and in supply chain management.

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Prompted by findings from an audit of grants to South Sudan conducted in 2015, the Office of the Inspector General undertook an investigation which identified more than $500,000 in non-compliant expenditures by a sub-recipient.

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More than 600 NGOs from 151 countries signed a Joint Civil Society Statement calling on the U.N. Human Rights Council to appoint an Independent Expert to address human rights violations based on sexual orientation and gender identity.

ARTICLES:

1. NEWS: Report calls for a fully funded Global Fund and a focus on the leadership of networks of key populations

Mark Daku and Gemma Oberth 18 July 2016

To achieve the Sustainable Development Goals (SDGs) requires not only a fully funded Global Fund, but also an approach that focuses strongly on the leadership of networks of key and vulnerable populations to deliver results. This is the central message of a report entitled

"Key Populations and the Global Fund: Delivering Key Results," which was released on 20 July 2016, at a press briefing at the 21st International AIDS Conference (AIDS 2016) in Durban, South Africa.

(In early June, GFO published a summary of an advocacy brief based on the research done for this report, which targeted stakeholders involved in the 2016 High Level Meeting on Ending AIDS. In that article, we committed to publishing a follow-up article on the full report when it was released.)

The report is a collaborative initiative of the Global Fund Advocates Network (GFAN) and the Free Space Process partnership, supported by the International Council of AIDS Service Organizations (ICASO) and International Civil Society Support (ICSS).

The report contains five key advocacy messages related to the need for a fully funded Global Fund:

1. Investment in key and vulnerable populations is needed now more than ever.
2. The Global Fund invests in rights- and evidence-based interventions for key and vulnerable populations.
3. The Global Fund plays a catalytic role in improving national responses.
4. The Global Fund amplifies key and vulnerable population voices and leadership.
5. The Global Fund places key and vulnerable populations at the heart of its work.

We have structured this article based on these five messages, as we did in our article on the advocacy brief. We have focused on new content in the full report that was not part of the brief.

Key Message #1: Investment in key and vulnerable populations is needed now more than ever.

The key argument of this section of the report is that in order to achieve the objectives of the Global Fund, the Sustainable Development Goals (SDGs), and other global partners, higher levels of engagement with key and vulnerable populations is needed. Specifically, to achieve the UNAIDS Fast-Track targets, an additional 6.9 million men who have sex with men (MSM), 4.9 million sex workers, and 2.2 million people who inject drugs (PWID) need to be reached with a comprehensive package of services. The report provides a detailed year-by-year breakdown of the investments for HIV needed for key populations programs. See Table 1 for a summary of the figures.

Table 1: Resource needs for key populations to end AIDS by 2030 ($ millions)

Intervention	2016	2020	2025	2030
Sex worker outreach	422 m	536 m	573 m	612 m
MSM outreach	440 m	603 m	642 m	681 m
Transgender	25 m	34 m	36 m	39 m
PWID: Outreach	546 m	653 m	702 m	753 m
PWID: Drug substitution	435 m	812 m	704 m	409 m
Prisoners	33 m	60 m	80 m	102 m
Cash transfers for girls	130 m	560 m	1,027 m	397 m
Pre-exposure prophylaxis (PrEP) for key populations	90 m	669 m	1,067 m	1,112 m

Importantly, the paper also argues that above these numbers, investment is also needed in reaching, strengthening, and empowering networks of key and vulnerable populations. It is not simply that these populations are most vulnerable to these three diseases, but also that in order to reach these populations and address their vulnerabilities, key and vulnerable populations organizations must lead the response.

Key Message #2: The Global Fund invests in rights- and evidence-based interventions for key and vulnerable populations.

The report argues that, historically, the Global Fund has contributed much to the expansion of rights- and evidence-based interventions to key and vulnerable populations. It remains a large (often the largest), stable and consistent source of funding for these populations in contexts where funding can be volatile. Even in a country like South Africa, where the government funds upwards of 80% of the HIV and TB response, the Global Fund is still the single biggest investor in key and vulnerable populations (see GFO article). The Global Fund's unfunded quality demand (UQD) register is an unique and important mechanism for attracting attention and funding to under-resourced areas, particularly for key populations. The Russian Federation alone has a $44.17 million funding gap for key populations. Vietnam needs $18.7 million specifically to address HIV in people who inject drugs. GFO has previously reported on how the UQD register provides valuable insights into funding gaps for these interventions.

Key Message #3: The Global Fund plays a catalytic role in improving national responses.

The report argues that the Global Fund, beyond funding interventions and identifying resource gaps, plays a catalytic role in improving national responses in three key ways: (1) identifying additional sources of domestic funding; (2) encouraging the creation of policies that have an effect that extends beyond Global Fund programs; and (3) prioritizing key and vulnerable populations in the new funding model. Through tools such as counterpart financing and the willingness-to-pay policy, the Global Fund encourages increased domestic investment in key and vulnerable populations. Referencing Aidspan's recent publication on

willingness-to-pay, the report points out that Suriname will invest $18.4 million to build and fund a clinic that specifically meets the HIV, TB, and malaria needs of migrant populations in mining areas; Botswana will provide $68 million for antiretroviral treatment for all sex workers who test positive; and Bulgaria will invest $14.5 million in active case finding among TB key populations.

Key Message #4: The Global Fund amplifies key and vulnerable population voices and leadership.

The report argues that the Global Fund also has been, and continues to be, an important vehicle for the voices and views of key and vulnerable populations. It highlights several critical areas where key populations have achieved considerable impact, including governance, engagement in concept note development, and implementing programs. The report is rich with personal accounts from key populations from around the word, sharing first-hand experiences in Global Fund processes. The full report builds on the Zambia and Botswana case studies that were shared in the advocacy brief, highlighting cases from Suriname and Costa Rica, where key populations have meaningfully engaged in Global Fund decision-making. To emphasize this key message, there is a supplementary report which shares an extended bank of case studies, interviews, and quotes.

Key Message #5: The Global Fund places key and vulnerable populations at the heart of its work.

Finally, the report highlights how the Global Fund has historically been committed to developing a comprehensive package of strategies, policies, and processes that enables its commitment to key and vulnerable populations to become a reality. This support includes technical assistance; policies that encourage the participation of key and vulnerable populations in country coordinating mechanisms and concept note development; and the production of tailored information specific to particular diseases and groups. Once again, the report emphasizes the critical nature of a fully funded Global Fund, so that the programs proposed by and for key and vulnerable populations can be implemented at scale.

Conclusion

The report closes by reminding the reader of the Global Fund's investment case. For every US$100 million contribution to the Global Fund, it is possible to:

- save up to 60,000 lives through programs supported by the Fund;
- avert up to 2.3 million new infections across the three diseases;
- support partners in domestic investment of $300 million toward the three diseases; and
- spur $2.2 billion in long-term economic gains.

Lead author of the report, Michael O'Connor reflects on these figures, saying, "The return on investment in the fighting the three diseases is high and the consequences of inaction are severe." O'Connor is a special advisor to ICASO, one of the report's co-sponsors.

"In preparing this report, we were struck that such an important topic had not been tackled previously," O'Connor remarked. "We quickly discovered that the leaders among the key and vulnerable population networks were emphatic that a fully funded Global Fund is essential; otherwise gains made will be reversed."

This is Mark Daku's first article for GtO. Dr. Daku is a Postdoctoral Fellow at the Institute for Health and Social Policy at McGill University in Montreal, Canada. He can be reached at: mark.daku@mcgill.ca. Dr. Gemma Oberth is a regional correspondent for GFO, specializing in issues related to sub-Saharan Africa, health financing and key and vulnerable populations. Oberth is a co-author of the GFAN/Free Space Process/ICASO/ICSS report, written in her capacity as the Technical Support Consultant to the Regional Platform for Communication and Coordination for Anglophone Africa, hosted by EANNASO.

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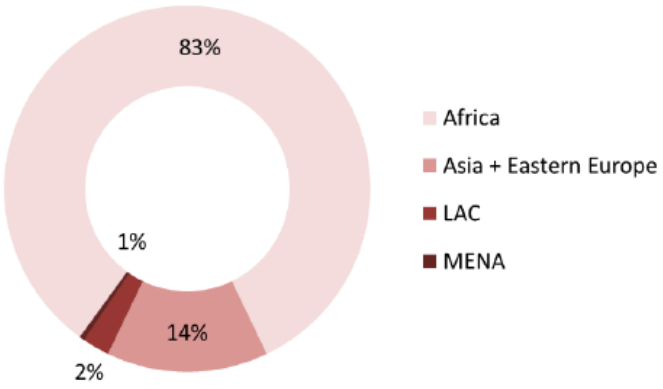
2. NEWS: End-2015 results released

Number of people on ARVs through programs supported by the Global Fund reaches 9.2 million

David Garmaise 20 July 2016

In the second half of 2015, through programs supported by The Global Fund, another 641,000 people were put on antiretroviral treatment (ART) for HIV, bringing the total to date to 9.2 million, a 7.5% increase over mid-2015 results and a 14.5% increase over the numbers a year ago. Three countries account for 47% of the increase from mid-2015: Côte d'Ivoire (23%, previously excluded for not meeting Global Fund criteria on national results reporting); Mozambique (15%) and India (10%).

Figure 1: Regional breakout of the number of people on ART

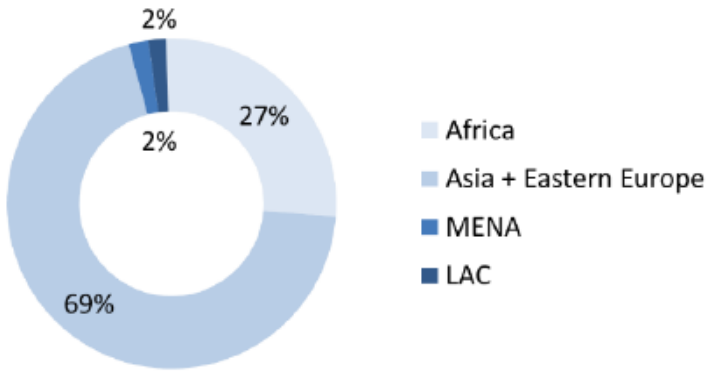


Source: The Global Fund Results Factsheet July 2016

In that same period, the number of smear-positive TB cases detected and treated increased by 357,000, bring the cumulative total to 15.1 million, an 4.9% increase over mid-2015 results

and a 15.0% increase over the numbers a year ago. High-impact Asia countries – India (17%), Bangladesh (13%) and Indonesia (10%) – account for 40% of the overall increase from six months ago.

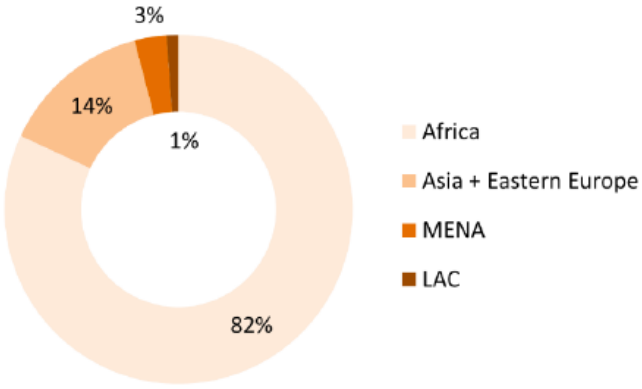
Figure 2: Regional breakout of the number of smear-positive TB cases detected



Source: The Global Fund Results Factsheet July 2016

Also in the second half of 2015, just over 59 million mosquito nets were distributed, bringing the total to date to 659 million, an increase of 9.9% over mid-2015 results and an 20.2% increase over the numbers a year ago. The greatest number of nets was distributed in Angola, the Democratic Republic of Congo, and Nigeria. Together, they accounted for about 45% of the increase from June 2015.

Figure 3: Regional breakout of the number of nets distributed



Source: The Global Fund Results Factsheet July 2016

These results were announced on 13 July 2016 by the Global Fund in a factsheet.

Other HIV results

With respect to the number of people on ART, the Global Fund notes that Namibia and Swaziland are excluded from the end-2015 ARV therapy results as they did not meet the criteria for reporting national results. In addition, the Fund reports 10% of the national number of people on ARV therapy in South Africa, as it provides 10% of the ARV drugs. It reports 50% of Kenya national results for the same reason.

Other HIV results are shown in Table 1.

Table 1: Other HIV results to end -2015

Indicator	End-2015 (cumulative)	% increase	
		6 months	12 months
Seropositive pregnant women receiving ARV for PMTCT	3,600,000	8.3%	17.4%
Counseling and testing sessions	509,000,000	7.7%	20.2%
Basic care and support services provided to orphans and other vulnerable children	7,860,000	0.7%	4.4%
Associated infections: People receiving treatment for sexually transmitted infections	23,200,000	0.5%	4.0%
Condoms distributed	5,270,000,000	1.9%	4.4%

Other TB results

In the second half of 2015, the number of people treated for MDR-TB reached 267,000 (cumulative), an increase of 15.3% since mid-2015, and 27.4% over the numbers a year ago.

In that same period, the number of TB cases successfully treated reached 11,700,000 (cumulative), an increase of 5.2% since mid-2015, and 9.7% over the numbers a year ago.

Other malaria results

In the second half of 2015, the number of structures covered by indoor residual spraying reached 63,900,0000 (cumulative), an increase of 5.1% since mid-2015, and 9.4% over the numbers a year ago.

In that same period, the number of malaria cases successfully treated reached 582,000,000, an increase of 3.9% since mid-2015, and 13.0% over the numbers a year ago.

The fact sheet includes an explanation of how the results were calculated and verified, as well as the criteria for reporting on national results.

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3. NEWS: Another 18 grants okayed for funding

$364 million approved for 12 countries

David Garmaise 20 July 2016

In July 2016, the Global Fund Board approved $364 million in funding for 18 grants emanating from concept notes submitted by 12 countries. Of the $364 million, $152 million represented new money; the balance was existing funding that had been approved prior to the new funding model (NFM) but was nevertheless included in the NFM allocations to countries. The Board was acting on recommendations from the Grant Approvals Committee (GAC) and the Technical Review Panel (TRP).

The funding awards included $18 million in incentive funding. As well interventions totaling $63.3 million were added to the registry of unfunded quality demand. See the table (on the next page) for details

The Board added $1.2 million to the program budget for a previously approved HIV grant to Iran. The money comes from uncommitted funds from a Round 8 grant.

The Board also approved additional funding of $388 million for six shortened and early applicant grants. GFO plans to provide further details on these awards in a future issue.

The largest award went to Haiti ($65.2 million for an HSS grant), and Madagascar ($59.6 million for two malaria grants).

The following is a summary of the GAC's comments on some of the grants awarded funding.

Haiti (HSS)

As a country with a high rate of TB/HIV co-infection, Haiti submitted a joint TB/HIV concept note. The HIV component was reviewed and approved first to align with the national planning cycle. Then the TB component was reviewed and approved, and the funding for both HIV and TB was consolidated under one grant, HTI-C-PSI. Funding for the HSS component will be added to the same grant.

According to the GAC, the health system in Haiti faces substantial challenges, including a shortage of health workers, decaying infrastructure, and risk of natural disasters. The HSS component is designed to support the implementation of the disease-specific Global Fund–supported programs. It will invest in health information systems, monitoring and evaluation, health and community workforces, and a results-based financing program for health facilities. A total of 415 community health workers will be recruited and trained.

The Global Fund believes that managing the three disease components and HSS under a single principal recipient (PR) will enhance synergies between the programs and make it easier to overcome the difficulties of working in a challenging operating environment.

Table: Funding for country grants approved by the Global Fund, June 2016 ($ million)

Country (component)	Grant name	Principal recipient	Approved funding		
			Existing	New	Total
Angola (TB/HIV)	AGO-H-UNDP	UNDP	1.3 m	28.7 m[1]	30.0 m[6]
Angola (malaria)	AGO-M-MOH	Ministry of Health	12.5 m	18.1 m	30.6 m
	AGO-M-WVI	World Vision International	0.0 m	8.2 m	8.2 m
C.A.R. (malaria)	CAF-M-IFRC	IFRC	8.2 m	11.7 m[2]	19.9 m
Haiti (HSS)	HTI-C-PSI	Population Services International	61.1 m	4.1 m[3]	65.2 m
Honduras (HIV)	HND-H-CHF	Cooperative Housing Foundation	2.2 m	13.0 m	15.2 m
Kosovo (HIV)	KOS-711-G04-H	Community Development Fund	0.2 m	1.5 m	1.7 m
Liberia (malaria)	LBR-M-MOH	Ministry of Health	21.9 m	5.7 m[4]	27.6 m[7]
	LBR-M-PII	Plan International Inc.	3.1 m	9.0 m[4]	12.1 m[7]
Madagascar (malaria)	MDG-M-PSI	Population Services Intl.	39.7 m	1.0 m	40.7 m
	MDG-M-MOH	Ministry of Health	18.9 m	0.0 m	18.9 m
Mauritania (TB)	MRT-T-SENLS	SENLS	0.0 m	4.8 m	4.8 m
Mauritania (HIV)	MRT-H-SENLS	SENLS	1.6 m	7.6 m	9.2 m
Mauritania (malaria)	MRT-M-SENLS	SENLS	0.0 m	15.6 m	15.6 m
Namibia (TB)	NMB-T-MOHSS	Min. of Health and Soc. Serv.	15.3 m	0.0 m	15.3 m
Peru (HIV)	PER-H-PATH	Path	5.9 m	6.6 m	12.5 m[8]
Sierra Leone (malaria)	SLE-Z-MOHS	Min. of Health and Sanitation	14.7 m	16.0 m[5]	30.7 m[9]
	SLE-M-CRSSL	Catholic Relief Services	5.3 m	0.0 m	5.3 m[9]
TOTALS			**211.9 m**	**151.6 m**	**363.5 m**

The awards to the Central African Republic and Kosovo were in euros, which we have converted to US dollars at a rate of 1.10303.

[1] The new funding for Angola (TB/HIV) includes $3.9 million in incentive funding.
[2] The new funding for Central African Republic (malaria) includes $2.3 million in incentive funding.
[3] The new funding for Haiti (malaria) includes $1.9 million in incentive funding.
[4] The new funding for Liberia (malaria) includes $7.3 million in incentive funding.
[5] The new funding for Sierra Leone (malaria) includes $2.8 million in incentive funding.
[6] An additional $39.5 million was added to the unfunded quality demand (UQD) register.
[7] An additional $3.0 million was added to the UQD register.
[8] An additional $410,000 was added to the UQD register.
[9] An additional $2.4 million was added to the UQD register.

Madagascar (malaria)

Malaria is a major public health issue in Madagascar; 88% of the population live in high transmission areas. In 2014, in public health facilities, malaria was the fifth biggest cause of death for all age groups and the eighth biggest for children under the age of five. However, data from health care facilities show that the malaria morbidity rate for all age groups fell

from 18.8% in 2003 to 5.5% in 2014. The goal of the Madagascar malaria program is to reduce malaria-related deaths to zero, and to reduce the test positivity rate to less than 5% percent in all districts by the end of 2017.

Funding was awarded to two grants, for which the PRs are the Ministry of Health and Population Services International. Among other things, the grants plan to reduce the malaria test positivity rate from 49.6% in 2015 to less than 10% in 2018; and to increase the number of long-lasting insecticide-treated nets (LLINs) distributed through social marketing from 122,756 in 2015 to 225,000 in 2018, and to targeted risk groups from 118,926 in 2015 to 723,418 in 2018.

The GAC said that for the new grants, the number of staff receiving performance incentives will be drastically reduced from rounds-based grants and will use up less than 0.03% of the total malaria grant budget.

To address issues that have been identified with respect to the capacity of the PRs as well as procurement and supply chain management, the following actions will be taken:

- technical assistance will be obtained;
- a fiscal agent will be hired;
- to improve reporting, new accounting software will be installed, existing software will be updated, and PR accounting specialists will be trained;
- a technical support unit will be established within the MOH to undertake program management, monitoring and evaluation, and procurement and supply chain management; and
- to avoid over- and under-stocking, the PR will submit stock status reports to the Secretariat for all commodities before new orders are confirmed.

The grant for which funding has been approved has an end date of 30 June 2018. The GAC pointed out that a mechanism will have to be found to allow Madagascar to access new funds prior to this date in order to place orders for long-lasting insecticide-treated nets (LLINs) for a mass campaign planned for the end of 2018. The GAC suggested this order be placed before the end of 2017 to ensure timely arrival of the nets. The Secretariat told the GAC that such a mechanism will be in place because it will also be needed for other countries. A spokesperson for the Secretariat explained to GFO that “mechanism” in this context means finding a way to advance money to countries from their expected 2017-2019 allocations. A Board decision may be required to allow this to happen.

Angola (TB/HIV, HSS, and malaria)

According to the GAC, the TRP initially reviewed the Angola TB/HIV and malaria concept notes in June 2015 and recommended further iteration, noting that the significant health system barriers that affect quality of services across the country were not addressed in the applications. In November 2015, the revised TB/HIV and malaria concept notes were resubmitted together with a cross-cutting health systems strengthening (HSS) concept note.

The TRP and the GAC recommended an incentive funding award of $3.9 million for the TB/HIV program but made it conditional on the Government of Angola matching the amount with domestic funding in its 2017 health budget.

During the grant-making process, the GAC said, Angola contended with a number of challenges, notably a significant increase in malaria transmission, an outbreak of yellow fever, and a leadership change at the Ministry of Health (which included a reshuffle of senior management staff). According to the GAC, to address these developments, and some long-standing challenges with respect to grant implementation – such as treatment disruptions, stockouts, poor data quality, and the failure of the government to live up to its commitments – Angola and the Secretariat have agreed to adopt innovative implementation arrangements. They include a pilot project approach which focuses investments and service delivery on geographical areas with highest transmission rates (hotspots) and highest potential for scale-up.

The goal of the Global Fund-supported malaria program in Angola is to reduce morbidity and mortality of malaria by 60% between 2014 and 2020.

The malaria grant to be implemented by World Vision includes a "community workforce module" that was included in the HSS concept note. The GAC said that young women and girls are considered a priority by Angola; and that the Secretariat is working on strengthening community-level systems through health workers in order to provide test and treat services.

Central African Republic (malaria)

The goal of the malaria program is to reduce malaria-related morbidity and mortality in the general population by 50% between 2010 and 2017. The PR for the malaria grant is the International Federation of Red Cross and Red Crescent Societies.

The GAC said that the fragile political context and conflict in Central African Republic has resulted in operational challenges and has posed barriers to measuring expected impact and outcomes of the proposed programming, such as limitations in terms of the reporting, the completeness, the quality and the timeliness of data, as well as the analysis and use of the data. Therefore, the Secretariat was unable to provide baselines and targets for the program at the time that this funding was recommended for approval. However, a malaria indicator survey planned for 2016 is expected to provide the necessary information to establish a sound epidemiologic basis for the program. In addition, the grant is funding five positions in the PR's monitoring and evaluation unit to improve data collection and management.

The malaria program has faced challenges in stock management. To address these challenges, the Secretariat and the PR have agreed to establish a nine-month buffer stock of malaria health products.

The Central African Republic was placed under the Additional Safeguard Policy in 2014. According to the GAC, security has steadily improved since the last outbreak of violence in September and October 2015, but the situation remains uncertain and some grant activities have been delayed as a result.

Honduras (HIV)

Honduras has an HIV prevalence rate of 0.4% among the general population. The epidemic is primarily concentrated among men who have sex with men (MSM), transgender females, female sex workers and the Garifuna indigenous population. The goals of the Global Fund-supported Honduras HIV program, to be implemented by the Cooperative Housing Foundation, are to:

- reduce the number of new cases of HIV infection by at least 50%;
- reduce the rate of mother-to-child HIV transmission to 0.3 cases or fewer in every 1,000 live births; and
- reduce TB co-infection among persons diagnosed with HIV by at least 10%.

None of the goals or planned achievements mentioned in the GAC report related to the key affected populations mentioned above.

Kosovo (HIV)

The Kosovo HIV program initially submitted a concept note to the TRP in Window 5 in March 2015, which the TRP recommended for further iteration. Considering that the Kosovo HIV program had previously been extended twice for the total duration of 24 months to allow for the development of the funding request, less than 40% percent of Kosovo's allocation remained available for the revised concept note. In light of the above, the GAC said, Kosovo was allowed to undergo a simplified application process through an extension, under two conditions: (1) the applicant address the issues raised by the TRP or provide plans outlining how outstanding issues would be addressed during implementation; and (2) a full request be submitted to the TRP for review during the 2017-2019 allocation period.

While only 100 cases of HIV infection have been officially registered in Kosovo, a country of 1.8 million, the country is regarded as vulnerable to HIV epidemic due to its high rates of poverty and unemployment; increasing drug use and high-risk sexual behavior, particularly among young Kosovars and other vulnerable groups; high mobility of Kosovars to and from Europe and Balkan countries that have higher prevalence rates of HIV; and the presence of large international community, the majority of whom are unaccompanied workers.

The goal of the Kosovo HIV program, to be implemented by the PR, the Community Development Fund, is to maintain the low prevalence of HIV and improve the quality of life of people living with HIV in Kosovo by:

- ensuring equitable access to high quality prevention, treatment, care, and support with a focus on key populations;
- strengthening the health and community systems that enable needs-based, sustainable and integrated interventions for key populations most affected by the HIV epidemic; and
- creating a supportive environment for a sustainable response to HIV in Kosovo.

Performance-based incentives in the grant are provided for four positions, which are to be used to put in place a system of HIV case management. According to the GAC, the incentives will be phased out following the extension and the associated duties will be integrated into the terms of reference of the relevant individuals.

Liberia (malaria)

The Liberia malaria program, through the CCM, was allowed to submit a simplified funding requests in March 2016 based on the Investment Plan for Building a Resilient Health System in Liberia 2015-2021, which was written in response to the Ebola virus disease outbreak of 2014-2015. Funding was awarded for two grants, for which the PRs are the MOH and Plan International.

The GAC said that poor early recognition of suspected cases of Ebola because of inadequate infection prevention and control standards led to a disproportionate infection rate among health care workers. Ebola had a devastating impact on the already fragile health system and severely affected the Global Fund-supported programs. Health service provision declined significantly because of facility closures; the refusal of health workers to provide routine health services in the absence of protective equipment; and fear in the community to attend health services. Communities turned to private, traditional, and informal health providers, with the number of outpatient visits in the public sector dropping by 61%. Women and children were most affected: Antenatal care provision declined by 43%, and institutional deliveries by 38%. A significant decline in immunization coverage was also reported.

Reporting through routine channels such as logistics or health management information systems was also severely disrupted. By the time Liberia was first declared Ebola-free in May 2015, it was estimated only 30% of facilities were functioning adequately. By March 2016, the ministry succeeded in re-opening all of the health facilities closed during the Ebola outbreak. The outbreak had a profound impact on the malaria disease program, with malaria testing, community-level activities and planned scale-up all suspended throughout the outbreak.

In the post-Ebola context, 3% of the approved funding will go to support malaria positions directly working for the malaria program and the supply chain management unit at the MOH. Under the rounds-based grants, the Global Fund and Liberia had been working towards a gradual transition of Global Fund-supported salary incentive payments to the government payroll. Obviously, the Ebola outbreak has negatively impacted this work. Nevertheless, the MOH grant includes a condition that the PR submit an updated budget to the Global Fund with respect to the transition of salary and incentive to the government payroll by no later than 31 July 2016, reflecting a transition in two tranches by the end of 2017.

In addition, to mitigate risks related to procurement and supply chain management, further actions will be put in place to strengthen the recording and storage system at the central medical store; and consideration will be given to expanding the fiscal agent team in-country.

Mauritania (HIV, malaria, and TB)

The goal of the HIV program is to reduce new infections by 70% by 2018 and to ensure that at least 80% of adults living with HIV and 50% of children living with HIV receive ARV therapy. The malaria program aims to reduce confirmed malaria cases per 1,000 population from 46 in 2013 to less than three in 2018. The objectives of the TB program include testing at least 90% of notified TB cases for HIV, and ensuring a treatment success rate of 80% of TB/HIV co-infected patients by 2018; and successfully treating at 85% of new confirmed TB cases by 2018.

The CCM nominated the Secrétariat Exécutif National de la Lutte contre le Sida as PR for all three grants. The PR is currently undergoing a restructuring. With the support of the French 5% Initiative, three international staff will support the restructured PR to efficiently manage the grants, including the selection of civil society sub-recipients. The Secretariat is currently recruiting a fiduciary agent to provide financial oversight as well as capacity building for the PR.

Peru

In 2013, HIV prevalence rate among adults in Peru was estimated to be 0.3%. The epidemic is concentrated in key and vulnerable populations, mainly MSM and transgender women in urban areas. The goal of the Global Fund–supported program, implemented by Pathfinder International, is to contribute to the reduction of new HIV cases in the most affected populations in Peru by bridging the gaps in HIV screening, prevention, and care. Expected outcomes of the planned programming include increasing condom use among MSM and transgender sex workers from 50% in 2011 to 70% in 2017; and increasing the rate of people living with HIV on treatment 12 months after initiation of ART from 31% in 2013 to 80% in 2019.

Sierra Leone

Sierra Leone is another country hit hard by the Ebola outbreak. According to the GAC, the Sierra Leone malaria 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 reflects extensive country dialogue.

Poor early recognition of suspected Ebola cases and inadequate infection prevention and control standards led to 296 infections and 221 deaths among health care workers, including 11 specialized physicians. The Ebola outbreak had a direct impact on the malaria program. Gains made in malaria control regressed with halting of confirmatory testing of suspected malaria cases, as well as limited continuity and scale-up of malaria key control activities as the country prioritized the response to the Ebola epidemic. The number of antenatal care visits declined by 27% and the number of LLINs distributed in antenatal care clinics declined by 63%. However, to try to address malaria in the context of Ebola, mass drug administration with antimalarials was conducted in highly endemic Ebola areas to attempt to reduce febrile cases presenting to Ebola treatment units and provide short-term protection for malaria.

Information for this article comes from the July 2016 report of the Secretariat's Grant Approvals Committee to the Board (GF-B35-ER07). This document is not available on the Fund's website.

TOP

4. NEWS and ANALYSIS: Tracking Global Fund investments in human rights programs

Gemma Oberth 13 July 2016

In a recent GFO commentary, Ralf Jürgens, Senior Human Rights Coordinator at the Global Fund, flagged the need for increased Global Fund investment in programs which reduce human rights barriers to HIV, TB, and malaria services. Jürgens mentioned that far less than 1% of Global Fund money is spent on such programs, despite international consensus that this figure should be much higher. This article provides a closer look at how and where the Global Fund is investing in human rights programming; and explains that the Fund is being more transparent around where the funding gaps are, and how they may be addressed.

Overall, the Global Fund is investing $32.1 million in human rights programs at country level, with an additional $15 million being spent at regional level.

Human rights activities are typically contained in the removing legal barriers module of the concept note. They include approaches such as reducing stigma and discrimination; training or sensitizing health care workers or law enforcement agents; providing legal literacy and services; and conducting policy and legal advocacy. Table 1 presents a breakdown of the human rights activities that the Global Fund is currently investing in.

Table 1: Current Global Fund investments in human rights, by program area

Human rights program	Current Global Fund investment ($US)
Legal environment assessment and reform	4.0 m
Legal services and legal literacy	4.9 m
Human rights trainings	4.9 m
Community monitoring of human rights	2.9 m
Policy advocacy	4.2 m
Other human rights interventions (including reducing stigma and discrimination, and gender-based violence)	11.2 m

Specific examples include activities in South Sudan's HIV grant, where the Global Fund is supporting access to justice programs, including legal services. In Tajikistan, as part of the country's TB grant, the Global Fund is investing in advocacy for the rights to health and social protection.

Proportionally, the Global Fund invests far more in human rights programming in some regions than others (Table 2). In Latin America and the Caribbean, human rights funding makes up about 2.3% of all requested indicative funding. In Eastern Europe and Central Asia, it is about 1%. By contrast, in Sub-Saharan Africa, human rights funding comprises just 0.26% of total Global Fund investments. In the Middle East and North Africa, the proportion is about 0.33%. The UNAIDS Fast-Track approach calls for investments in programs to reduce human rights-related barriers to accessing services and other social enablers to reach 8% of total program funding for HIV by 2020. Similar resource needs analyses do not (yet) exist for TB and malaria.

Table 2: Current Global Fund investments in human rights, by region

Region	All requested indicative funding ($US)	Human rights investment ($US)	Human rights investment as a proportion of total
Latin America and the Caribbean	277 m	6.3 m	2.27%
Eastern Europe and Central Asia	414 m	4.3 m	1.04%
Asia Pacific	1.7 b	5.1 m	0.30%
Middle East and North Africa	550 m	1.8 m	0.33%
Sub-Saharan Africa	5.5 b	14.2 m	0.26%

One of the reasons for the underfunding of human rights programs is that they are often implemented on a very small scale and, as a result, are not monitored and evaluated separately. Another reason is that human rights programs for TB and malaria have not been sufficiently defined and costed, as they have been for HIV. However, the main reason why human rights programs receive less Global Fund money than they should (according to UNAIDS Fast-Track modeling) is more straightforward: Countries are simply not requesting funding for these interventions.

According to Tinashe Mundawarara, who is with Zimbabwe Lawyers for Human Rights, there is less appreciation of the need to cultivate human rights-based responses in Southern Africa and, hence, less inclination to include them in proposals. “The composition of writing teams for concept notes has not included human rights experts, and country dialogue mechanisms have not made use of human rights consultants,” Mundawarara explained. “As a result, there is a concentration of medical and other expertise in writing committees.” In addition, many CCMs in sub-Saharan Africa are having to choose among conflicting priorities, including care and treatment, which may help to explain why human rights programming is often crowded out.

Out of 119 concept notes submitted to the Global Fund in Windows 1 to 5, 72% identified human rights barriers to access but only 10% actually requested funding for the

corresponding removing legal barriers module (see GFO article). New information from the Global Fund reveals that there is a steep "human rights funding cascade" (Figure 1).

Figure 1: The Global Fund human rights funding cascade – From narrative to investment

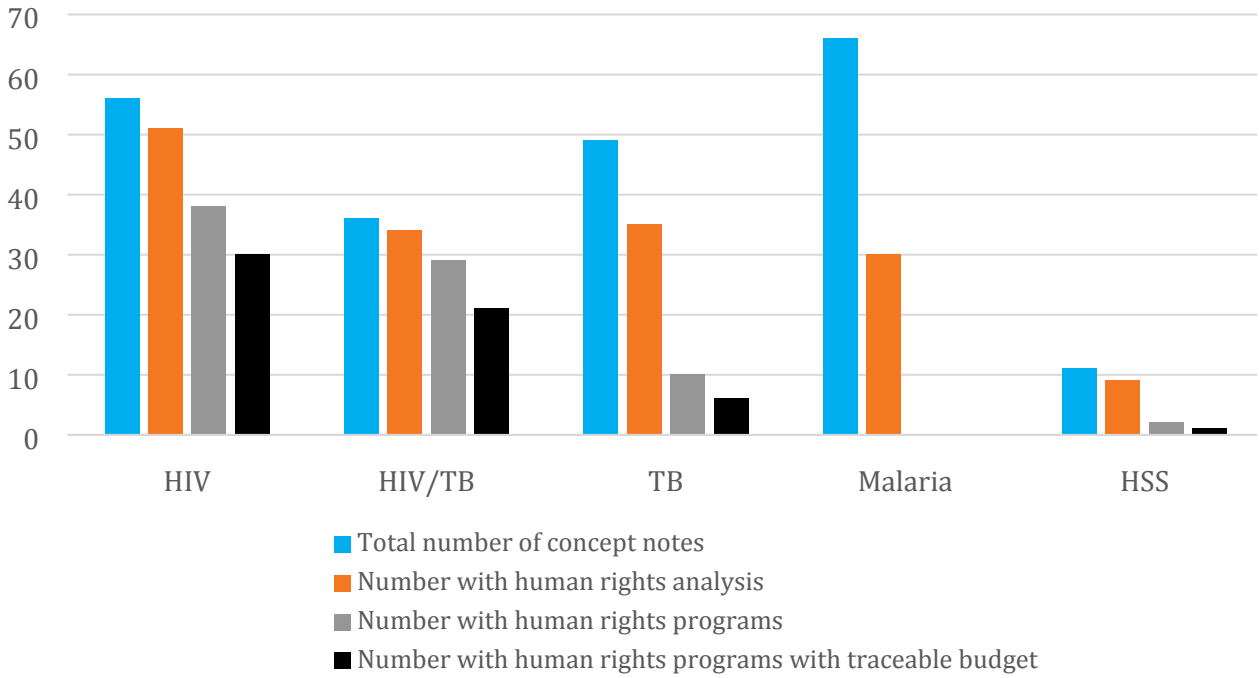

Figure 1 clearly shows that the cascade is much steeper for TB and malaria applications than it is for HIV or integrated TB/HIV submissions. For example, although 35 countries submitted TB concept notes containing human rights analysis, just six have human rights programs with a traceable budget in their signed grants. For malaria, although 30 concept notes contained analysis of human rights barriers, not one grant has a budget line to address them.

It remains unclear how the Global Fund's initiative to prioritize 15-20 countries for intense human rights efforts will reduce the imbalances in human rights funding among the three diseases. The programs supported as part of the initiative will be designed around the seven key interventions to reduce stigma and discrimination and increase access to justice identified by UNAIDS, suggesting they will be largely HIV-focused. According to the Fund, more work will be done in the second half of 2016 to clarify how human rights for TB can be elevated as part of the initiative, and there will be a second phase in 2017 to do the same for malaria.

With respect to how the countries will be selected for intensive human rights efforts, the Global Fund is using several criteria, as follows:

- representation from across Global Fund regions;
- at least five countries are high-impact countries;
- at least two countries have challenging operating environments;
- at least one country is 5-10 years from transition;

- at least five countries have epidemics concentrated among vulnerable or key populations;
- at least three countries are also part of the Global Fund's *Strategic Actions for Gender Equality* (SAGE) initiative or are priority countries for PEPFAR's DREAMS investment.

(SAGE is how the Global Fund is operationalizing its commitment to gender equality in its new strategy, ensuring that the strategic objective to promote and protect human rights and gender equality translates into strategic, impactful investments and quality programs for women and girls.)

The Fund intends to track these intensive human rights efforts through a new key performance indicator (KPI). This indicator will monitor progress towards establishing programs that reduce human rights barriers to services, focusing on the 15-20 priority countries. In anticipation of transition, the KPI will specifically monitor the scale-up of programs that reduce human rights barriers for key and vulnerable populations in middle-income countries, especially the degree to which governments are supporting and taking over these programs.

In addition to the new KPI, human rights advocates at country level advise focusing on strengthening local expertise and engagement. "There is need to build capacity of CCM [country coordinating mechanism] constituencies in human rights, so that they can begin to have human rights lenses and evolve rights-based interventions," Mundawarara said. "Only then will these issues will be included in future concept notes."

Information in this article comes from a presentation delivered by the Global Fund on a partners call organized by the Community, Rights, and Gender Department of the Global Fund Secretariat on 7 July 2016. A copy of the presentation is available from the author on request (gemma.oberth@gmail.com).

TOP

5. ANALYSIS: Overview of activities in the EECA related to transition planning

Tina Zardisahvili and David Garmaise 18 July 2016

Considerable work is being done in Eastern Europe and Central Asia (EECA) on transition planning. Discussions about transitioning from Global Fund financing started even before grants under the new funding model were approved for funding.

Civil society organizations (CSOs) in the EECA were particularly concerned by the experiences of the countries such as Serbia, Bulgaria, and Romania, where the Global Fund and other donors stopped providing funding and few or no arrangements were made to ensure that the services provided under these programs would continue. (See GFO articles here, here and here.)

In the next year or two, the Fund is expected to withdraw funding from additional components and countries as more and more EECA countries become ineligible for Global Fund support.

This is happening against a backdrop of the EECA being the only region in the world where the HIV epidemic is still worsening, and where many countries have a high incidence of multi-drug-resistant and extensively drug-resistant TB. Actual and potential risks include migration between countries; particularly high HIV epidemics in the Russian Federation and Ukraine; conflict zones, including internally displaced people; high stigma and discrimination of key affected populations; and restrictive drug policies. In most countries drug use, sex work, and homosexual contacts are not yet seen as public health problems.

In most cases, preparation for transition means persuading governments to invest more, and finding alternative ways to finance CSOs. However, and perhaps more importantly, the preparations also involve strengthening the capacities of CSOs and support systems.

The Global Fund is pushing and supporting countries to prepare and execute transition plans. Countries have been required to describe in their concept notes how they will promote sustainability and transition planning. Where necessary, the Global Fund has included the preparation of transition plans as a special condition in grant agreements. In addition, the Fund has required governments to commit in writing to increase domestic funding during grant implementation.

Countries have used increased government investments in different ways to support transitioning. In many countries, the increased contributions were used to enable governments to take over some or all of the responsibility to fund antiretroviral treatment, first and second line TB medication, and other medical supplies. In some countries, the funding has been used to build the capacities of national principal recipients (e.g., Belarus, Tajikistan). Finally, some countries piloted the social contracting initiatives as a way of allowing funds to flow from governments to CSOs to provide services (e.g. Moldova, Kazakhstan).

Regional initiatives

In June, a training workshop was organized in Yerevan, Armenia where representatives of Armenia, Moldova, Kyrgyzstan, and Uzbekistan learned how to use the transition preparedness assessment tool developed by Curatio International Foundation (CIF). (See GFO article.) The training was part of a project funded by the Global Fund and UNAIDS. The project also provides funding to support transition working groups in other EECA countries.

(CIF has become a leader in providing transition planning support in the region. CIF has expertise in health research. Another important regional player is the Eurasian Harm Reduction Network [EHRN] which, as its name suggests, focuses specifically on harm reduction.)

In last year, the Global Fund has organized or co-organized a number of events, including the following:

- A technical consultation in July 2015 in Istanbul, Turkey on transition to domestic funding of HIV and TB responses and their programmatic sustainability in EECA; and
- a high-level regional dialogue in September, in Tbilisi, Georgia on successful transition to domestic funding of HIV and TB responses in EECA, where partners agreed on the core guiding principles of transition.

In order to better understand transition processes and experiences in the region, the Global Fund supported the development of transition case studies, some of which were conducted by the Global Fund's Technical Evaluation Reference Group (TERG) and others by EHRN. See GFO articles here and here.

In one way or another, most of the EECA regional programs are supporting transition planning. These include a TB regional grant which focused on TB system reform advocacy; an EHRN regional grant on community systems strengthening for harm reduction advocacy; and a program of the Eastern Europe and Central Asia Union of People Living with HIV (ECUO), which is focused on sustaining the HIV continuum of care using domestic resources.

National initiatives

Ukraine and Belarus have already developed transition plans with local stakeholders and with TA provided by CIF. In March 2016, Ukraine developed a Sustainability and Transition Strategy for the period 2016-2020. The process was overseen by the Ministry of Health, with participation of national and international partners. The strategy was based on a transition readiness assessment by CIF and the similar studies carried out by PEPFAR and UNAIDS. This strategy should be signed off by top-level officials in about a month.

In Belarus, a transition readiness assessment was carried out in third quarter of 2015 by CIF and the first round table on transition and sustainability was organized in April 2016. A working group under the Ministry of Health was established in June. Finalization of the transition and sustainability plan is planned for end of October 2016.

In Georgia, a transition plan is expected to be finalized by December 2016. The Georgian CCM has established the policy advisory and advocacy council (PAAC) group that is leading the process (see GFO article). CIF and EHRN are providing technical assistance. The first outline has already been discussed by CCM. The next steps are: developing the M&E plan; and budgeting for the activities under the plan. EHRN is developing the standard package of harm reduction services, including costing. This is important element for the transition planning because it the government has pledged to fully take over harm reduction programs by 2019.

Armenia intends to start the transition readiness assessment process as a follow-up of the June training session mentioned above. The country expects the entire process of assessment

and plan development to be completed within the next six months. The assessment will be performed by a working group comprised of principal recipients, the Ministry of Health, an NGO (Mission East) and several sub-recpients. The Ministry of Finance, international partner organizations, and NGOs working with KAPs will be also involved.

Kyrgyzstan has already started development of the transition plan. A dedicated working group under the MOH has outlined the core objectives of the plan and the main targets. The plan is expected to be finalized and approved by February 2017 (see GFO article).

In Azerbaijan, a working group has been formed to develop a transition and sustainability plan. The group planned to hold an initial meeting with the fund portfolio manager for Azerbaijan, Uldis Mitenbergs, during the week of 18 July.

Part of the grant that the Russian Federation has obtained under the NGO rule is being used to empower key populations to fight for the removal of legal barriers (see GFO article). Another part of that grant is being used to strengthen the capacity of NGOs providing HIV services to do TB control (see GFO article). Both programs are important elements of transitioning.

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6. NEWS: The OIG's latest audit of grants to Zimbabwe shows mixed results

Internal controls and grant implementation rated as effective; improvements needed in service quality and supply chain management

David Garmaise 18 July 2016

Zimbabwe received a mixed report card in an audit performed by the Office of the Inspector General. The OIG rated internal controls and grant implementation arrangements as effective, but said that improvements were needed in supply chain management and the quality of services provided. A report on the audit was released on 13 July.

The audit covered all three active grants, one for each disease, for the period January 2014 to December 2015. The principal recipient for the HIV grant is the United Nations Development Program (UNDP). The PR for the other two grants is the Ministry of Health and Child Care (MOH). The audit included visits to six sub-recpients and sub-SRs, 30 hospitals and health facilities, the national and one provincial warehouse of the National Pharmaceutical Company of Zimbabwe (NatPharm), and district health offices.

As a nation, Zimbabwe faces many challenges. It was ranked 155 out of 188 countries in the UNDP's human development index for 2015; and 150 out of 167 countries in Transparency International's 2015 Corruption Perceptions Index. Allocations to the health sector have declined in recent years due to budgetary constraints. The limited funding provided by the government is spent mostly (90%) on salaries, leaving few resources available to support other interventions not funded by the Global Fund and development partners. As a result,

Zimbabwe remains heavily reliant on development partners to fund public health interventions. The Global Fund and USAID are the top donors.

The OIG said that grant implementation arrangements were adequate and effective. It also rated internal controls as effective. However, the OIG said, the quality of services needs to be significantly improved. And it rated the supply chain system as being only partially effective. See Table 1 for a summary of the ratings.

Table 1: OIG ratings of grant performance in Zimbabwe

Performance area	Rating
Adequacy and quality of current grant implementation arrangements	**Effective**
Quality of services provided	**Needs significant improvement**
A supply chain that delivers and accounts for quality assured medicines and other health products in a timely manner	**Partially effective**
Internal controls that result in economic, efficient, and effective use of grant funds	**Effective**

The OIG is currently using a four-tier rating system. Table 2 provides information on how each rating is defined.

Table 2: The OIG's audit rating classifications

Effective	No issues or few minor issues noted. Internal controls, governance and risk management processes are adequately designed, consistently well implemented, and effective to provide reasonable assurance that the objectives will be met.
Partially effective	Moderate issues noted. Internal controls, governance and risk management practices are adequately designed, generally well implemented, but one or a limited number of issues were identified that may present a moderate risk to the achievement of the objectives.
Needs significant improvement	One or few significant issues noted. Internal controls, governance and risk management practices have some weaknesses in design or operating effectiveness such that, until they are addressed, there is not yet reasonable assurance that the objectives are likely to be met.
Ineffective	Multiple significant and/or (a) material issue(s) noted. Internal controls, governance and risk management processes are not adequately designed and/or are not generally effective. The nature of these issues is such that the achievement of objectives is seriously compromised.

Quality of service

Despite its problems, the OIG said, Zimbabwe has made significant progress in fighting the three diseases. In the last two years, the country has successfully scaled up interventions: The number of people on antiretrovirals (ARVs) is up 30%; almost all malaria cases are diagnosed before treatment; and the TB treatment success rate had increased from 79% to

83%. However, the OIG found that this scale-up has not always been accompanied by corresponding increases in the quality of services, especially for HIV and malaria.

For example, contrary to national guidelines, confirmatory tests on HIV-positive patients were not consistently performed (among the 30 facilities visited by the OIG, only 13% were performing the tests). In addition, the tests required prior to and after initiation of treatment have not consistently been done.

Citing National Malaria Control Program data, the OIG said that 40% of 179 malaria outbreaks were detected on time but not effectively responded to in a timely manner. These outbreaks accounted for 20% of malaria related deaths. (The OIG noted that grant funds have been subsequently identified to support the implementation of an emergency response plan.)

The OIG said that the challenges in providing quality service stem partially from the fact that the poor economic conditions in Zimbabwe have negatively impacted the government's ability to invest in the disease programs. The government has been unable to pay health workers salaries and has frozen employment in the public sector. As a result, health workers have migrated to other countries, causing a shortage of health workers at facilities in Zimbabwe.

(The Global Fund and other donors are providing incentives to retain workers at heath facilities.)

Another reason for the service quality problems, the OIG said, is the delays in procuring critically-needed diagnostic machines and the sub-optimal deployment of available machines.

Supply chain

About two-thirds of grant funds are spent on procurement, storage, and distribution of health products. The OIG said that Zimbabwe's supply chain management system has improved since its last audit in 2012, but that challenges remain which affect the country's ability to effectively distribute and account for medicines and commodities. These challenges include the following:

- the irregular supply of anti-malaria medicines to facilities without an effective redistribution mechanism resulted in both under- and over-stocking and expiries at facility level;
- inaccurate or incomplete record keeping has affected accountability of medicines and commodities. At the central level, 50% of supplies distributed under the "informed push" system could not be traced and the OIG identified stock differences amounting to $2.0 million at facility level due to inadequate record keeping; and
- the successful implementation of a new distribution system could be hampered by storage constraints at the provincial level, the limited capacity of facility staff to ask for medicines, and a large outstanding government debt of $23 million to NatPharm.

Internal controls

Although the OIG rated internal controls as effective, it nevertheless identified non-compliant expenditures amounting to $0.4 million. It also identified gaps in the management of advances, resulting in 40% of advances remaining outstanding for over 120 days. The OIG said that the Secretariat had already identified some of the issues noted by the OIG, but added that corrective actions had not been fully implemented at the time of the audit.

Grant implementation

The OIG said that the country coordinating mechanism provides the required oversight and helps to make course corrections when challenges are faced. For instance, at the time of the audit, the CCM had approved an accelerated implementation plan to address the low absorption of funds by the MOH when it became a PR.

The OIG said that UNDP's effectiveness as PR has been adversely affected by inadequate collaboration between UNDP and its main sub-recipient, the MOH.

AIDS levy

The OIG noted that despite the challenges, Zimbabwe has devised innovative ways to raise domestic financing for HIV. An AIDS levy, established in 1999, procures an estimated $35 million annually and is recognized as good practice within the region. However, the OIG said, deepening economic difficulties in the country could affect the income that can be generated from this levy since it relies on tax receipts.

Management actions

In response to the OIG's findings, several management actions are planned. The Secretariat will ensure that the MOH develops an action plan to strengthen the quality of services across Global Fund–financed programs in Zimbabwe. The plan will include measures to improve:

- diagnostic and laboratory services under the three programs;
- compliance with national policies and guidelines including HIV diagnosis, monitoring of patients on ARVs, diagnosis and management of malaria outbreaks and active case finding for TB and drug-resistant TB; and
- human resources capacity within the health sector.

In addition, an operational plan will be developed and agreed upon between the Secretariat, the government, and partners to support the ongoing rationalization of the distribution systems in the supply chain, and implementation of an electronic management information system.

According to the OIG, the Global Fund has awarded 19 grants to Zimbabwe amounting to $1.1 billion, of which $930 million had been disbursed at the time of the audit.

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7. NEWS: The Global Fund at the AIDS 2016 conference

David Garmaise 19 July 2016

There are numerous sessions on Global Fund–related topics at the 21st International AIDS Conference (AIDS 2016) which is being held in Durban, South Africa on 18-22 July 2016.

Durban was the site of the 13th International AIDS Conference in 2000. That was considered a landmark conference because it significantly advanced the agenda in terms of providing access to antiretrovirals to people living with HIV in developing countries.

An important satellite session was held on Tuesday 19 July on the *Collapse of AIDS Funding*, to discuss new data from the Kaiser Family Foundation and UNAIDS showing that 13 of 14 donor governments reduced funding for AIDS in low and middle-income countries, a drop that the satellite organizers said is "unprecedented in the history of the AIDS response." (See separate GFO article in this issue.)

On Wednesday, 20 July, there will be an oral abstract presentation on *Measuring the Impact of Advocacy: Civil Society's Influence over Global Fund Concept Notes in Eight African Countries.* The presenter is Gemma Oberth, who is, among other things, a correspondent for GFO. Her presentation is part of a session entitled *Pulling the Levers: Policy, Advocacy Approaches to Influence* at 16:30-18:00 in Session Room 12.

A panel discussion, entitled *A Dialogue with the Global Fund Executive Director: What Does the New Global Fund Strategy 2017-21 Mean for Communities?* will take place in the Community Dialogue Space on Wednesday 20 July from 10:00 to 11:00.

Networking zone

The conference Global Village, an area focused on communities and open to the pubic, features a Global Fund Networking Zone, organized by the Global Fund Advocates Network (GFAN) and the Eastern Africa National Networks of AIDS Service Organizations (EANNASO).

The following sessions will take place in the Global Fund Networking Zone on Wednesday 20 July:

- *Global Fund Jeopardy! And Post-Game Panel*, presented by Save the Children, 11:00-12:15.
- *"You Just Find Things Happening in a Cloud over Your Head": How Communities Can Engage with Global Fund Regional Grants*, presented by EANNASO, 12:30-13:45.
- *Meet Your Reps! Involvement with the Global Fund and UNITAID*, presented by STOPAIDS, 15:30-16:15.

- *"Show Us the Money for Health!" – Advocating for Funding for Key Population-Led Interventions in the Context of the Global Fund*, presented by the Aids & Rights Alliance for Southern Africa, 17:30-18:15.

The following sessions will take place in the Global Fund Networking Zone on Thursday 21 July:

- *Why It Matters!: Advocacy by Women's Organizations for the Global Fund 5th Replenishment*, presented by Women4GF and ICW, 11:00-12:15.
- *A Technical Assistance (TA) Marketplace: Linking Providers with Communities to Share Needs and Opportunities for Accessing Global Fund TA*, presented by EANNASO, 12:30-13:45.
- *TA Needs and Ways to Address Them for Better Involvement of Key Affected Communities into Decision-Making in the Area of HIV/TB Response in EECA: Assessment Results*, presented by the EECA Regional Platform and Alliance for Public Health (Ukraine), 14:00-14:45.
- *GFAN in Asia Pacific*, presented by GFAN Asia Pacific, 15:00-16:15.
- *Engage: Discussion on New Global Fund Allocation, Eligibility, and Transition Policies*, presented by the Global Fund Advocates Network, 16:30-17:45.

Earlier, on Monday 18 July, sessions were held in the Networking Zone on the following topics: (a) *Handing Over Health: the Role of Communities in Responsible Global Fund Transitions and Domestic Resource Mobilization*; (b) *Are Communities Being Heard in Global Fund Decision Making?: Effective Representation and Accountable CCMs*; (c) *Assessment Results on Information Needs about the Global Fund Technical Assistance in Francophone Africa*; and (d) *Human Rights and the OIG's iSpeak Out Campaign*.

On Tuesday, 19 July, the Networking Zone was host to sessions on the following topics: (a) *Integrating Rights-Based and Gender Transformative Programming in Asia-Pacific*: *Priorities and Approaches of the Community, Rights & Gender Platform*; (b) *Meet the Global Fund Leadership*; (c) *How to Empower Asia-Pacific Key Populations and Civil Society in Global Fund Processes: Regional Needs Assessments and Concept Note Reviews*; (d) *Building the Capacity of Sex Workers to Engage in Global Fund Processes*; (e) *One Day in Our Lives on Earth: Impacts of the War on Drugs;* and (f) *Discuss the Added Value and the Lessons Learned of the Partnership Between the Global Fund and the Robert Carr Civil Society Networks Fund*.

Elsewhere, there is a session on *Gender Equality and Human Rights in the Global Fund Strategy 2017-2022*, in the Women's Networking Zone on Thursday 21 July, from 17:30-18:30.

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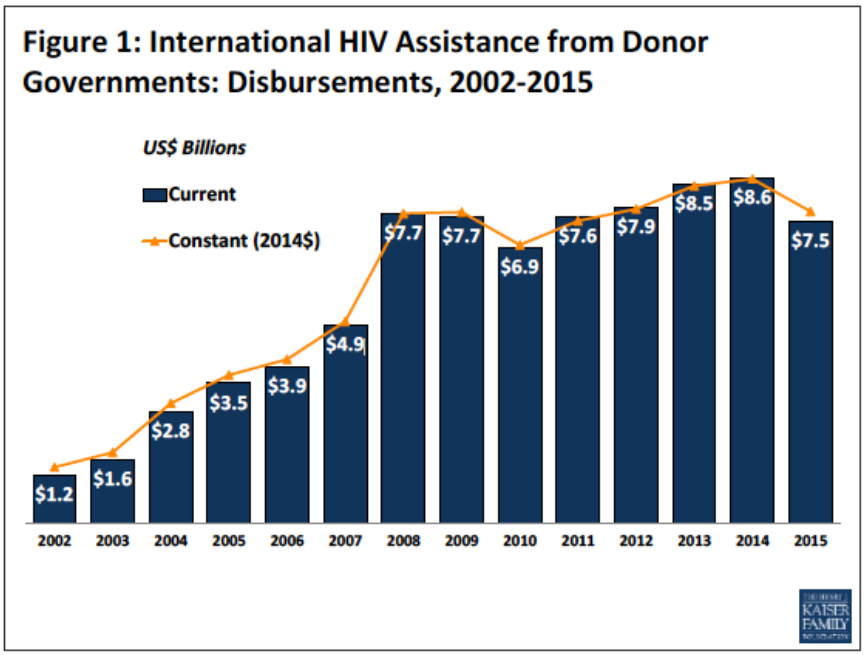
8. NEWS: Donor funding for HIV declines for the first time in five years: report

David Garmaise 19 July 2016

Funding for HIV from donor governments decreased in 2015, by more than $1 billion, compared to 2014, according to a report just released by the Kaiser Foundation and UNAIDS. The report said that funding declined in 13 of 14 donor governments assessed.

According to the report, the decline is due to a complex set of factors. These include the significant appreciation of the U.S. dollar. However, the report said, even in their currencies of origin, funding declined for 11 of 14 governments. Other factors include a delay in disbursements by the U.S. government. Still, even after accounting for these factors, the report said, funding went down in 2015.



Source: Financing the Response to HIV in Low- and Middle-Income Countries

The report was discussed at a satellite session on the *Collapse of AIDS Funding* at the 21st International AIDS Conference in Durban, South Africa, on 19 July.

Between 2014 and 2015, bilateral funding declined by $715 million, or 11%. The decline occurred in all 14 countries and in 12 of the 14 currencies of origin. Multilateral contributions were down for 12 of 14 governments.

According to the report, contributions to the Global Fund were down by $305 million. Some of this decline was due to unique factors, including a subset of donors who front-loaded their contributions to the Global Fund in 2014 as part of a three-year, 2014-2016 pledge made during the Fund's last replenishment period. Donor government contributions to UNITAID were also down.

In 2015, three quarters of HIV funding (74%) was provided bilaterally, primarily driven by the size of U.S. bilateral disbursements. Seven donors provided most of their funding through bilateral channels – Australia, Denmark, Ireland, the Netherlands, Norway, the U.K., and the U.S. Seven donors – Canada, France, Germany, Italy, Japan, Sweden, and the European Commission – provide most of their HIV funding through the Global Fund.

The U.S. remains the largest donor to HIV, the report said. In 2015, the U.S. accounted for two-thirds (66.4%) of donor government disbursements for HIV. The U.K. was the second largest donor (13.0%), followed by France (3.5%), Germany (2.7%), and the Netherlands (2.3%).

Kaiser and UNAIDS said that drop in funding for HIV marks the first decline in five years. "Whether this decline remains a single year event or a harbinger of more to come remains to be seen, although donor governments are facing many competing funding demands, including humanitarian emergencies and the refugee crisis, all against a backdrop of fiscal austerity in a number of countries." The two organizations said that with UNAIDS estimating that in-country resources for HIV, including from donor governments, will need to increase by at least $7.2 billion by 2020 to put the world on a trajectory to end AIDS by 2030, it will be critical to monitor donor government spending going forward.

TOP

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9. NEWS: OIG investigation into a South Sudan SR uncovers more than $0.5 million in non-compliant expenditures

David Garmaise 18 July 2016

An investigation conducted by the Office of the Inspector General (OIG) has determined that Caritas Torit, a sub-recipient (SR) for three grants to South Sudan, exercised weak financial management and controls over the disbursement of program funds, including lack of or inadequate supporting documents, proper bookkeeping, and accounting records.

Caritas Torit was an SR for a malaria grant managed by Population Services International (PSI), and for an HIV grant and a TB grant managed by UNDP.

The investigation was prompted by an audit of Global Fund grants to South Sudan conducted by the OIG in April 2015. The audit revealed significant financial management weaknesses in the programs managed by Caritas Torit.

The OIG investigation confirmed the weaknesses uncovered by the audit and identified over $500,000 in expenditures which were non-compliant the Caritas Torit's agreement with PSI.

The OIG found that between January 2012 and April 2015, $1,112,081 was deposited by PSI into Caritas Torit's malaria program bank account, and that the full amount was spent. Ninety-seven transactions totaling $447,564 were found to have no supporting documents to

verify the nature of the transaction or the actual use of the program funds involved. The OIG considered these expenditures to be non-compliant and, therefore, potentially recoverable.

The investigation also found that $53,000 was withdrawn from the malaria program bank account to pay salaries associated with an HIV program funded by another donor. This amount was also considered non-compliant and potentially recoverable.

The investigation found that the SR did not have complete records, such as invoices and cash vouchers, to support a number of transactions appearing in the malaria program bank statement. The OIG also discovered that many documents, including bank statements, trial balances, and cash ledgers were not available, despite repeated requests for them to be provided.

The investigation found that, contrary to its SR agreement with PSI, Caritas Torit did not make its foreign exchange transactions through the banking system. It transferred program funds to the personal accounts of project staff with no evidence of the actual foreign exchange or end use of the funds. Caritas Torit provided the OIG with details of an account it claimed was a local currency malaria program account; however, the SR was not able to show any bank statements relating to this account.

The investigation found that a former Caritas Torit staff member held the dual role of cashier and accountant, and transferred large sums of money to her own account. It also found that malaria program funds were diverted to pay salaries for a health program funded by another donor.

The OIG said that the weaknesses in internal financial controls were not addressed by either Caritas Torit or PSI.

The OIG also found that prior to the OIG audit in the first quarter of 2015, the Global Fund's local fund agent (LFA) did not have a role in checking quarterly expenditure records at the SR level.

Management actions

By the time of the investigation, the Secretariat's country team for South Sudan had engaged the LFA to undertake sub-recipient expenditure verification on an annual basis.

As a result of the investigation, the Secretariat will:

- finalize and pursue an appropriate recoverable amount;
- request PSI to develop and implement a supervision plan to ensure that SRs apply appropriate financial policies and procedures to the disbursement of grant funds; and
- require PSI to verify sub-recipients' project costs before reimbursement.

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10. NEWS: CSOs call on the U.N. to appoint Independent Expert on human rights violations related to SOGI

David Garmaise 19 July 2016

Over 600 NGOs from 151 countries have signed a Joint Civil Society Statement calling on the Human Rights Council of the United Nations to appoint an Independent Expert to address human rights violations based on sexual orientation and gender identity (SOGI).

The statement says that:

> "in countries and regions around the world, individuals experience grave human rights violations on the basis of their actual or perceived sexual orientation or gender identity. These include murder, rape, assault, torture, arbitrary arrest, discrimination in access to health care, employment, housing and education, repression of freedom of expression and association, attacks and restrictions on human rights defenders, denial of police services, extortion, bullying, denial of one's self-defined gender identity, and other abuses."

The statement acknowledges that the Human Rights Council mandated the UN High Commissioner for Human Rights to produce two ground-breaking reports focusing on discrimination and violence against persons based on their sexual orientation and gender identity. But the statement said that "while these are welcome steps, it is time to move beyond one-off initiatives and piecemeal measures."

The statement said that the Independent Expert should, among other things, monitor and document human rights violations; prepare regular reports on issues; engage with countries to build awareness of SOGI issues; identify good practices and encourage reforms; and support civil society and NGOs working on these issues.

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