

GLOBAL FUND OBSERVER (GFO), an independent newsletter about the Global Fund provided by Aidspace to over 10,000 subscribers.

Issue 69 – 14 December 2006. (For formatted web, Word and PDF versions of this and other issues, see www.aidspace.org/gfo)

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Aidspace has issued a new report entitled “*An Analysis of the Strengths and Weaknesses of Proposals Submitted to the Global Fund in Rounds 3-6.*” The report is based on a review by Aidspace of written comments made by the TRP on individual proposals.

[6. NEWS: Board Agrees Action Plan for Second Attempt at Selecting a New Executive Director](#)

The Global Fund Board has approved an Action Plan for its second attempt at selecting a new Executive Director for the Fund. Candidates must apply by December 17; a Board committee will conduct interviews in mid-January; and the Board will make a final decision on February 8-9.

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1. NEWS: Global Fund and PEPFAR Announce New Treatment Numbers
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The Global Fund and the US President's Emergency Plan for AIDS Relief (PEPFAR) announced on December 1, World AIDS Day, that between them they are now supporting antiretroviral treatment for 1.2 million people living with AIDS. This represents a three-fold increase in the total number of people receiving treatment in low- and middle-income countries since December 2003, and a doubling in the past year.

“Four years ago, almost nobody in Africa and elsewhere in the developing world was receiving treatment. That well over one million people with AIDS are on now on treatment through the support

of Global Fund and PEPFAR is a remarkable achievement,” said Richard Feachem, Executive Director of the Fund. “We must now build on this progress to reach the millions more who are still in urgent need. We look forward to continuing to work closely with PEPFAR and other partners around the world to do so.”

In their joint statement, the Fund and PEPFAR said that at the end of September 2006, 822,000 people received support for treatment through PEPFAR’s bilateral programs in fifteen focus countries. The Global Fund supported treatment for 770,000 people worldwide. Approximately 400,000 people in PEPFAR focus countries received treatment support from both PEPFAR and the Global Fund, and thus are counted in the totals for each organization.

Editor’s note: When the Global Fund and PEPFAR say that they “support” treatment for a specific number of people worldwide, this does not mean that their grants “provide” all aspects of treatment to that many people. This is because other funders, including national governments, employers, and the infected people themselves, make significant contributions to the costs of providing treatment to many of the people included in the Global Fund and PEPFAR numbers. For instance, in some Country X, the Fund and/or PEPFAR might pay for something like clinical testing or second line medications, with all other costs for those same patients being covered by other players.

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2. NEWS: Global Fund Suspends Grants to Chad
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The Global Fund has temporarily suspended its two grants to Chad. The Chad CCM has been told to “put in place a new structure” that will ensure effective management of the grants. The two grants – one each to fight HIV/AIDS and TB – have a total five-year value of \$21 million, of which \$8 million has been disbursed thus far.

The Fund’s decision was based on several reviews undertaken by auditors and the Local Fund Agent which, in the words of the Fund, “revealed evidence of misuse of limited amounts of funds at several levels and the lack of satisfactory capacity by the Principal Recipient (PR) and sub-recipients (SR) to manage the Global Fund’s resources.” The Fund noted, however, that grant activities have yielded substantial results in terms of people reached, infections prevented, and lives saved. The PR is The Fonds de Soutien aux Activités en matière de Population (FOSAP, Support Fund for Population Activities), a government entity.

The grant suspension is not directly linked to the ongoing military conflict in Chad.

A mission from the Fund went to Chad to discuss the situation, and the CCM was told to rapidly develop a feasible plan. Grant disbursements have been suspended until a satisfactory new structure can be agreed upon. In the meantime, the Fund will work with the PR to ensure that life-saving treatment and other essential services for people in need are not interrupted.

Early warnings of these problems can be found in the Fund’s Grant Scorecards regarding the two grants. Comments made by Global Fund staffers nearly a year ago include:

- Nonresponsiveness [by the PR] to GF requirements and lack of pro-active communication and coordination ... are of major concern. Deadlines are hardly respected.
- For most of the Phase 1 period the PR has demonstrated little understanding of the principles and rules of the Global Fund operational framework.
- The PR did not transparently and routinely inform CCM members on programmatic progress and issues as they arose. For example, the external audit report which detailed a series of important recommendations has not been shared with CCM members.
- Quality of collected data is very low. The Fund Portfolio Manager detected inconsistencies with reported results.

- [The CCM] has not played its oversight role effectively.
- Development partners regularly participate in CCM meetings and technical committees, but demonstrate a "wait and see attitude" (except WHO), always ready to criticize the non-functioning of the CCM or under-performance of the PR, but do not actively contribute to overcome implementation and governance constraints.

These Grant Scorecards, dated January and April 2006, are accessible at the Fund's website, as are Grant Scorecards for all other Global Fund grants that have completed the Phase 2 assessment process. To access Grant Scorecards, go to www.theglobalfund.org, choose the desired country (just below the "Search Center" button on the left), then click on "Find Documents" at the bottom of the screen. If there are any Grant Scorecards for the chosen country, they will then be listed.

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3. ALERT: The time to start working on Round 7 Proposals is NOW!

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In the past, the most common problem faced by applicants to the Global Fund was that the time period between the Fund issuing its "Call for Proposals" and applicants having to submit the completed proposal was not sufficient for all the work that had to be done. Applicants could not start that work early, because they did not know when the Call for Proposals would be issued.

However, this issue no longer arises, because at the Fund's last Board meeting it was "pre-announced" when Rounds 7 and 8 will take place. For Round 7, the Call for Proposals (when the proposal form and guidelines will be published) will be on or before 1 March 2007, with proposals to be submitted by early July 2007 and Board approval in mid-November 2007. The Round 8 dates will be one year later.

Therefore, potential Round 7 applicants can and should start their work now; there is no need to wait for the Call for Proposals. Furthermore, applicants that start their work now have a good chance of submitting stronger proposals than are submitted by applicants that wait until the Call for Proposals.

However, even applicants that start now will find the work requirement somewhat daunting. The Fund does not just require CCMs to fill in a highly complex proposal form; it also requires them to start by developing and documenting fair, transparent processes to ensure input from a broad range of stakeholders – both CCM members and non-members – in the proposal development process. (Requirements for the few non-CCM applicants are somewhat different.)

Global Fund requirements state, in effect, that the process to be followed by CCMs should be as follows:

1. The CCM publicly invites a broad range of stakeholders within the country to submit their suggestions as to what should be included in the proposal to be sent to the Global Fund.
2. The stakeholders prepare their suggestions and send them to the CCM.
3. The CCM reviews the suggestions, and decides which ones will be incorporated into the CCM proposal.
4. The CCM completes the Fund's proposal form, gets it signed by all CCM members, and submits it to the Fund.

Doing this thoroughly will take some applicants longer than the four months between the Call for Proposals and the application deadline. But there's no reason not to start the process now. Steps (1) through (3) can all be worked on before the Fund issues its Call for Proposals and publishes the Round 7 proposal form. Furthermore, applicants can review the Round 6 proposal form and guidelines (at www.theglobalfund.org/en/apply/call6) to see the basic conceptual approach – goals, objectives, service delivery areas, major activities, indicators, targets and budgets – that has been used in recent rounds and will be used again in Round 7.

A CCM that wants to be ahead of the game will invite suggestions from a broad range of stakeholders, review the suggestions and do serious work designing the project(s) that it wants the Global Fund to finance – BEFORE the Fund issues its Call for Proposals two-and-a-half months from now.

Note: As Aidspace (publisher of GFO) has done since Round 4, we will prepare an “Aidspace Guide to Round 7 Applications to the Global Fund,” to be issued as soon as possible after the Call for Proposals is made. We would like to hear from people who used the Round 6 version of this Guide (accessible at www.aidspace.org/guides). We are looking for constructive feedback that will enable us to improve the Round 7 version. If you are willing to provide feedback, please contact David Garmaise, Aidspace’s Senior Analyst, at garmaise@aidspan.org.

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4. ANALYSIS: Lessons for Round 7 Applicants from the TRP Comments on Round 6 Proposals
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CCMs and other organizations that are considering applying for Global Fund Round 7 grants will definitely benefit if they take account of the major issues identified by the Technical Review Panel (TRP) in its comments on Round 6 Proposals. In this article, we summarize those issues. Most of them were “new” to Round 6, meaning that were not present, or at least were not very prominent, in previous rounds.

Linkages with activities funded through previous Global Fund grants. The TRP indicated that in Round 6 many applicants failed to draw adequate connections between their Round 6 proposals and their approved grants from previous rounds. This issue has several aspects to it.

First, the TRP was impressed with applications that provided clear evidence that previous Global Fund grants were proceeding well.

Second, when previous Global Fund grants were not proceeding well, the TRP was less likely to recommend Round 6 proposals for approval. However, in such situations, the chances of being recommended for approval were improved if applicants candidly acknowledged the difficulties faced in previous grants, provided clear evidence that steps had been taken to address the problems, and explicitly described these steps.

Third, when an applicant country had previous grants for the same component as in their Round 6 application, the TRP paid particular attention to whether there existed sufficient absorptive capacity to handle a Round 6 grant.

Finally, the TRP identified some problems concerning the timing of the Round 6 application for countries with a previous grant for similar activities. In some instances, applicants indicated that funding from a previous grant would still last for another two years or more, and proposed a delayed start date for their (potential) Round 6 grant that would enable it to take over when the previous grant ended. In the opinion of the TRP, in most cases it would have been inappropriate to tie up scarce Global Fund resources in this fashion. In other instances, when countries applied for funding for activities that were also supported by a previous grant which was at a very early stage of implementation, the TRP sometimes took the view that there was already sufficient funding in the country for the proposed activities, and so recommended against funding the Round 6 proposal.

Information on Sub-Recipients (SRs). In Round 6, the TRP began to praise proposals that provided a good description of the process that would be (or had been) used for selecting SRs, and that identified the SRs that had been chosen or that might be chosen. The TRP found that it was much easier to evaluate the implementation plans in the proposal when the potential SRs are known.

Addressing TRP comments from prior rounds. The TRP indicated that while many Round 6 applicants took the TRP’s comments on previous unsuccessful submissions into account when they re-submitted their proposals, many other applicants had repeatedly ignored such comments. The TRP noted that where applicants do take the TRP comments into account, they are more likely to be recommended for funding.

Technical support. The TRP noted that a small group of countries have had their proposals “rejected” (i.e., not recommended for funding) for several rounds in a row, including Round 6. Other countries had all three components of their proposals – HIV/AIDS, TB and malaria – rejected in Round 6. The TRP said that these countries would be well advised to take advantage of the technical support that is available from various parties to assist them in preparing their Round 7 proposals.

Managing the programme. In Round 6, more than in previous rounds, the TRP praised those proposals that contained a good description of how the programme would be managed or coordinated.

Importance of getting the indicators and targets right. In Round 6, more than in previous rounds, the TRP praised proposals that contained solid information on indicators and targets (including proposals with indicators and targets that were simple, achievable and realistic), and proposals that contained a good mix of impact and service-related indicators.

Regional proposals: working with CCMs. Only one proposal from a Regional Organisation or a Regional Coordinating Mechanism (RCM) was recommended for funding in Round 6 (out of ten such proposals that were considered). The TRP observed that these proposals tended to be developed by external organizations, often outside of the framework of the needs and priorities of recipient countries, and then presented to the relevant national CCMs for endorsement. The TRP suggested that a better approach would be for Regional Organizations and RCMs to work much more closely with CCMs, and to involve them in all stages of the development of the proposal.

Note: This analysis is based primarily on the very detailed “Report of the TRP on Round 6 Proposals” (accessible at www.theglobalfund.org/en/about/board/fourteenth/boardmeetingdocs), which potential Round 7 applicants are strongly encouraged to read. An additional resource is the new Aidspan report mentioned below.

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5. NEWS: Aidspan Issues Analysis of Strengths and Weaknesses of Proposals to the Fund
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Aidspan, publisher of GFO, has issued a new report entitled “An Analysis of the Strengths and Weaknesses of Proposals Submitted to the Global Fund in Rounds 3-6.” The report is an extract from the forthcoming “Aidspan Guide to Round 7 Applications to the Global Fund”, which will be published in early March 2007, shortly after the Fund issues its Round 7 Call for Proposals.

The report is based entirely on a review by Aidspan of written comments made by the TRP on individual proposals.

CCMs and other organisations that are planning to submit Round 7 applications to the Global Fund can use this report to help them get a sense of proposal-development approaches that are – and are not – worth considering.

The report is available at www.aidspan.org/guides.

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6. NEWS: Board Agrees Action Plan for Second Attempt at Selecting a New Executive Director
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The Global Fund Board has approved an Action Plan for its second attempt at selecting a new Executive Director for the Fund. (As reported in GFO Issue 68, the first attempt failed when none of the shortlisted candidates gained the support of two-thirds of the “donor group” of the Board plus two-thirds of the “recipient group”.)

The Action Plan was originally drafted by the Board's Nomination Committee. GFO's summary of the key points in the plan is as follows:

- The position was advertised in The Economist on 1 December. (It is also advertised on the Fund's website at www.theglobalfund.org/en/jobs/ed.asp.)
- Candidates who apply directly must do so by December 17.
- The Board's Nomination Committee (NC), at its discretion, will also consider some of the candidates who applied last time, particularly the original shortlisted five (unless they withdraw).
- Board members can suggest additional names to the NC that they think are worthy of consideration. This too must be done by December 17. The NC may then ask the NC Chair to approach some of these people, direct or via intermediaries, to ascertain their interest in being considered for the position.
- The NC, based in part on input from the full Board and representatives of the Secretariat staff, will develop a weighting and ranking of the selection criteria.
- The NC, assisted by an executive search firm, will decide by 2 January which candidates to interview, and will conduct the interviews on 14-16 January.
- The NC will then, based on the interviews and the weighting/ranking of the selection criteria, choose the five best candidates, and will rank them. (The purpose of the ranking within the top five will simply be to inform the full Board of the NC's views.)
- Each of the five shortlisted candidates will then be informed of his/her ranking, and will be given the opportunity, if they wish, of withdrawing from the process at that point, thereby preventing their just-ended candidacy from becoming known by the Board or the wider world. (The NC will be transparent regarding its procedures, but the names of the people it considers will be treated on a completely confidential basis. NC members serve in their personal capacities, and have signed a confidentiality agreement.)
- By 19 January, the full Board will be informed of the names and rankings of the five shortlisted candidates (unless any of them withdraw). The Board will then meet the shortlisted candidates at a retreat on February 7.
- The full Board will then choose one of the shortlisted candidates at a board meeting in Geneva (to be attended only by board members and alternates) on February 8-9. The decision-making procedure to be followed at this board meeting may possibly involve using (or, as needed, falling back to) a less demanding standard than the "double two-thirds majority" requirement. Whether this will be the case will be decided by the Board by 12 January.

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

GFO is an independent source of news, analysis and commentary about the Global Fund to Fight AIDS, TB and Malaria (www.theglobalfund.org). GFO is emailed to over 10,000 subscribers in 170 countries at least twelve times per year.

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