



Independent observer
of the Global Fund

Reflections on Challenges Facing the Global Fund

Editor's Note: We invited several observers of the Global Fund to prepare a short commentary on what they see as the main challenges facing the Fund at this time. Here are contributions from Owen Ryan; Victoria Fan and Amanda Glassman; Jorge Saavedra; and Jason Wright.

[Owen Ryan](#)

Deputy Director, Public Policy, amfAR (Foundation for AIDS Research)

Two years ago, the greatest question facing the Global Fund was whether or not it would exist to see another decade. Thankfully, the hard work of many individuals has made such doubts seem hyperbolic. Instead, the issues of greatest relevance today focus on the game-changing new funding model (NFM).

Where should the Global Fund provide financing?

Economic development in many parts of the world has not led to similar gains against the three diseases in those same locations. As more of the world's poor become concentrated in middle-income countries, the Global Fund must seriously evaluate if its "high-impact countries" approach is tackling the three diseases in the most efficient and effective way possible. Given expanding HIV, TB and malaria epidemics outside of sub-Saharan Africa, a strategy that focuses significantly on that region will miss much of the world's disease burden and the world's poor.

....and for what?

We know a good deal more about fighting the three diseases today than we did when Round 10 was awarded. At the time, few could have predicted the scientific and technological innovations that were on the horizon (e.g. treatment as prevention for HIV and GeneXpert for TB). Yet, many Global Fund grants

continue to operate under antiquated understandings of these epidemics, often because they were proposed five or more years ago or because the process of reprogramming has only recently been embraced. To remain relevant, the NFM must be reliable enough to encourage long-term planning but flexible enough to adopt innovation as it arises.

...and to whom?

Success against the three diseases hinges on the Global Fund's ability to build strong civil society partners who have the technical capacity to act as principal recipients. While current efforts have increased civil society's consultative role, sustainability requires creating the next generation of civil society implementers by investing in effective capacity building today.

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[Victoria Fan](#) and [Amanda Glassman](#)
Global Health Policy, Center for Global Development

The Global Fund's biggest challenge: Shifting from audits to results

In our report [More Health for the Money](#), we outline an agenda for the Global Fund and its partners to obtain more health for the money invested. One critical area is the Global Fund's performance-based financing and local fund agent system, which to date has been dominated by an emphasis on financial [audits instead of results](#). Indeed, in the Fund's manual for local fund agents, the organisations charged with verifying performance, the word "audit" appears 279 times and the word "risk" 376 times.

Not surprisingly, indicators are plentiful but there are few important coverage and outcomes measures. Worse, the Global Fund's performance measurement is not robust: with 6-8 reserved consultant-days, the measurement doesn't capture a representative sample of the population or health facilities. Finally, disbursements don't match the amounts that would be expected given performance scores.

All this adds up to weak incentives for performance and value for money. The Global Fund can redesign its performance-based financing to create incentives for value for money by adopting three recommendations:

1. Reduce the number of key performance indicators by excluding input and output indicators (e.g. such as number of bed nets distributed), and refocus measurement on key outcomes and coverage (e.g. percentage of households sleeping under a bed net). Recent use of "impact profiles" isn't sufficient if performance measures are not linked to payment.
2. Set aside a tranche of funding for which payments are directly connected to performance, without deference to discretionary or contextual factors.
3. Use robust and representative methods to verify self-reported results.

We invite you to read our online consultation draft in full.

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[Jorge Saavedra](#)
Global Ambassador, AIDS Healthcare Foundation

Increased demand for HIV treatment, opportunity for a higher impact

The new antiretroviral treatment (ART) guidelines from the World Health Organization, launched just two weeks ago, are institutionalising something what many doctors already knew and that was clearly

demonstrated with the HPTN052 study published in 2011: ART, as happens with TB treatment, not only saves lives but significantly reduces the possibility of transmitting the virus to others, in fact by 96%. Moreover, for the HIV-positive individual's health, it is better to start treatment earlier when they have 500 CD4 cells and not to wait until their immune system deteriorates to 350 CD4 or less.

Now, with the challenge of this new reality, what should the Global Fund do? Opportunity for reprogramming grants was part of the reforms approved by the Fund's Board. Hence, I strongly believe that with the help of technical partners – and the involvement of countries, civil society organisations and communities – most of the projects running, including those selected under the new funding model, need to be reviewed and reprogrammed.

For example, in Zimbabwe, when the new grant was planned, the baseline of treatment coverage was around 80%. However, under the new WHO guidelines, coverage will drop to 50% or less, which means that the proportion of people in need for treatment (but not receiving it) will increase from 20% to 50% or more.

This should not be seen as frightening, but rather as an opportunity to make better use of resources for a rapid and effective control of the HIV epidemic. The resources need to follow the logic of science on how to save more lives – and not follow preconceptions based on old, formerly attractive ideas, because not everything that sounded right is the right thing to do.

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[Jason Wright](#)

[US Director, International HIV/AIDS Alliance](#)

I will not reiterate what I wrote in my [blog posting](#) for the Center for Global Development in late 2012, in which I discussed national ownership, balance and accountability.

As the US Director of the [International HIV/AIDS Alliance](#), I would like to focus on the great challenge of civil society engagement. Civil society has played indispensable roles from the beginning in Board governance, grant implementation (as principal recipients and sub-recipients), and grant oversight (as members of country coordinating mechanisms [CCMs]). In the nomenclature of the HIV/AIDS [Investment Framework](#), civil society engagement is crucial to target key populations and to address critical enablers.

The need for the Global Fund to reform was widely recognized, but the new funding model (NFM) presents both opportunities for increased civil society engagement and threats to hard-fought gains, including dual-track financing and the enforcement of the revised [CCM guidelines](#).

Alliance linking organisations were fortunate to participate in the country dialogue and concept note development processes in two of the first three early applicant countries, El Salvador ([Atlacatl](#)) and Myanmar ([Alliance Myanmar](#)). In these countries, as well as in Zimbabwe, the Global Fund Secretariat – from Executive Director Mark Dybul* to the fund portfolio managers and the rest of the country teams – made a good-faith effort to engage civil society, including key populations.

There seems to be a broad and deep institutional commitment to civil society engagement, but the Alliance maintains its concerns about the disbanding of the civil society team and the downsizing of the CCM team to a hub under General Manager Gabriel Jaramillo. It will be extremely difficult to effectively roll out the NFM from the few early applicant countries to all recipient countries with so few staff with expertise and focus on civil society and CCMs.

The Alliance and other NGOs have committed themselves to supporting civil society engagement at the global and especially national levels, but we need the interlocutors to do so.

* For full disclosure, as the USAID Liaison to the Global Fund, I had the privilege of working with Mark when he was US Global AIDS Coordinator.

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