



Independent observer  
of the Global Fund

## MAIN DECISIONS MADE AT NOVEMBER BOARD MEETING

On Friday and Saturday (November 7-8), the Global Fund Board held its eighteenth board meeting, in Delhi, India. GFO was present, with observer status.

The main decisions made at the meeting were, in chronological order, as follows. (For precise wording of what the Board agreed, see the Decision Points document at [www.theglobalfund.org/en/about/board/eighteenth](http://www.theglobalfund.org/en/about/board/eighteenth). Background documentation will also, in time, be posted by the Fund at the same location.)

1. Replenishment mid-term review: The Board agreed that the mid-term review of the Second Voluntary Replenishment will take place some time prior to the 6-8 May 2009 board meeting. (At the mid-term review, donors will evaluate progress thus far with donations to the Fund for the 2008-10 period, and may agree to provide top-up donations for this period.) [See Decision Point 4.]
2. In-kind donations: In June 2004, after a very difficult discussion, the Board failed to agree on any procedures whereby the Fund would accept in-kind donations. (At that time, some donor countries, plus private sector and private foundations, felt that certain forms of in-kind donations should be accepted. But this was defeated by most developing countries, some developed countries, and the NGO delegations.) Then two years ago, the Board set up a Joint Steering Group on Product and Service Donations, consisting primarily of Global Fund board members, but backed by a technical working group consisting of outside experts from all sectors. The Steering Group, and then, at this latest board meeting, the GF Board, agreed that the Fund: (a) should develop guidelines for the Secretariat to accept service donations and to facilitate the provision of such donations to GF grant recipients; (b) should not accept health product donations, at least until the Voluntary Pooled Procurement Mechanism has operated for at least two years; and (c) should not accept non-health product donations until adequate information is available to assess the implications of doing so. [See Decision Point 5.]

3. Budget: The Board agreed that the 2009 Operating Expenses Budget will be formally approved by December 15. The budget will be for an amount not to exceed \$240 million, and will allow for no more than 570 staff positions. (The Fund generally has found that staffing needs to increase approximately on a straight-line basis as grant commitments increase.) [See Decision Point 6.]
4. Affordable Medicines Facility for Malaria (AMFm): The most effective anti-malaria drug is artemisinin combination therapy (ACT), but for many people it is too expensive. To help in this regard, the Board agreed a year ago to look into the Fund hosting the Affordable Medicines Facility – malaria (AMFm), formerly known as the Global ACT Subsidy. The idea is to help reduce the price for ACTs by negotiating with drug companies as well as by providing co-payments or subsidies to purchasers of the drugs. Over the past six months, a policy framework and implementation plan has been developed by the Secretariat under the oversight of an Ad Hoc Committee of the Board and others. The Board approved this plan, and asked the Secretariat to start hosting and managing the AMFm for an initial Phase 1 in a limited number of countries. The Ad Hoc Committee will continue to provide oversight. At its next meeting, in May 2009, the Board will decide on the governance structure for the oversight and performance monitoring of the implementation of Phase 1. Approximately two years from now, after the completion of an independent technical evaluation, the Board will decide whether to expand, accelerate, terminate or suspend the AMFm business line. [See Decision Point 7.]
5. Quality assurance for pharmaceutical products: The Board approved a new quality assurance policy for pharmaceutical products, to come into effect in July 2009. Thereafter, the Board will consider the issue of quality assurance for diagnostic products. [See Decision Point 11.]
6. Reducing TB mortality and prevalence: The Board encouraged applicants for and implementers of Global Fund TB grants to take various specified actions that could lead to their grants being more effective. [See Decision Point 12.]
7. Approval of Round 8 grants and delay regarding Round 9: The Board approved Round 8 grants that will cost up to \$2.75 billion over the first two years. This is 2.5 times the largest amount approved in any previous round. However, because of financial shortfalls, the Board asked for “efficiency savings” averaging ten percent in the budgets of the Round 8 grants, and also delayed by six months the date at which Round 9 grants will be approved. The closing date for Round 9 proposals was changed from 21 January 2009 to 1 June 2009 (not 31 May, as was reported in GFO Issue 98). For full details, see GFO Issue 98, accessible at [www.aidspace.org/gfo](http://www.aidspace.org/gfo). See also the Editor’s Note on dates for Round 9 and later, below. [See Decision Points 13 and 14.]
8. Gender Equality Strategy: The Board approved a “Strategy for Ensuring Gender Equality in the Response to HIV/AIDS, TB and Malaria.” The strategy document focuses on four main areas of action: (a) Ensure that the Fund’s policies, procedures and structures (including the CCM, and TRP) effectively support programs that address gender inequalities. (b) Establish and strengthen partnerships that effectively support the development and implementation of programs that address gender inequalities and reduce women’s and girls’ vulnerabilities, provide quality technical assistance, and build capacity of groups who are not currently participating in Global Fund processes but should be. (c) Develop a robust communications and advocacy strategy that promotes the Gender Equality Strategy and encourages programming for women and girls and men and boys. (d) Provide leadership, internally and externally, by supporting, advancing and giving voice to the Gender Equality Strategy. [See Decision Point 18.]
9. Changes to Global Fund architecture: The Board agreed that with effect from Round 10: (a) the Fund will have a new round every six months rather than every twelve months; (b) an applicant whose proposal is recommended as “Category 3” by the TRP will be entitled to re-submit, in the next round, a revised version of the same proposal; and (c) the TRP may, when recommending a proposal for approval, make its recommendation conditional upon the removal of a limited set of specific elements from the disease proposal. For further details, see the article “Board Takes Further Steps Towards Single-Stream Funding,” below. [See Decision Point 19.]
10. National Strategy Applications: In April 2007, the Board decided to create a new way in which countries can apply for Global Fund funding, in addition to the current rounds-based approach. In

this new approach, a country that has developed a solid national strategy for tackling HIV/AIDS, TB or malaria will be able to apply for Global Fund support for implementation of this strategy. However, the Fund's requirements for "National-Strategy Applications" (NSAs) will be very strict. The strategy must be inclusive, costed, comprehensive and prioritized, and must include a workplan and budget. And the strategy must have successfully undergone a rigorous technical certification by an "independent review mechanism" (IRM). A key objectives of this whole approach is to make it possible for a country that has developed a high-quality national strategy to submit that strategy for certification by a single IRM and then to obtain support for the implementation of that strategy from the Global Fund and from other funding sources. This approach is intended to support alignment and harmonization, by being flexible enough to fit with the preferred timing cycles and planning approaches both of the applicant country and of the various funders. At the just-completed board meeting, the Board agreed that the Fund will seek applications for, and then approve, an experimental "First Learning Wave" of NSA grants, in a limited number of countries, with each such grant being funded for no more than two years. Early next year, the Secretariat will report to the Board's Policy and Strategy Committee on progress with the First Learning Wave. [See Decision Point 20.]

11. Five-Year evaluation: Two years ago, the Fund asked the Fund's Technical Evaluation Reference Group (TERG) to conduct a five-year evaluation of the Fund. The report for Study Area 1 of this evaluation, on the Fund's organizational efficiency and effectiveness, is accessible at [www.theglobalfund.org/en/about/terg](http://www.theglobalfund.org/en/about/terg). At the just-completed board meeting, the Board welcomed the TERG's report for Study Area 2, on "the Global Fund partner environment at global and country levels." In that report, the TERG called for the Fund to work with partners to strengthen country monitoring and evaluation systems for performance and impact, to build analytical capacity in countries, and to support development of country-owned impact evaluation platforms. [See Decision Point 21.]
12. HIV-related travel restrictions: A year ago, during the weeks leading up to the board meeting that was about to take place in China, the government of China unexpectedly updated its visa application form to include, for the first time, a question regarding whether the applicant was infected with HIV. Arising from this incident and other factors, an international task team was asked to review HIV-related travel restrictions world-wide. And arising from the recommendations of that task team, the Board resolved at this just-completed board meeting: (a) that no board meeting, board committee meeting, or Partnership Forum will be held in a country that restricts entry, stay or residence based on HIV status; (b) to support country-led efforts to eliminate such restrictions; and (c) to work with partners to ensure that countries have access to the latest guidance and information on such matters. [See Decision Point 22.]
13. Countries in which the Inspector General has found serious problems: The Board affirmed in principle, with final details to be agreed at the next board meeting, that the Fund will not sign a grant agreement with a Principal Recipient (PR) if the Fund's Inspector General has determined that there is clear evidence of fraud, abuse, misappropriation or corruption by that PR. [See Decision Point 23.]
14. Other points: Other Decision Points dealt with amendments to the policy on ethics and conflicts of interest (Decision Point 10), the relationship between the Fund and the UN (Decision Point 15), an MOU with the Islamic Development Bank (Decision Point 16), and an MOU with the Stop TB Partnership (Decision Point 17).

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