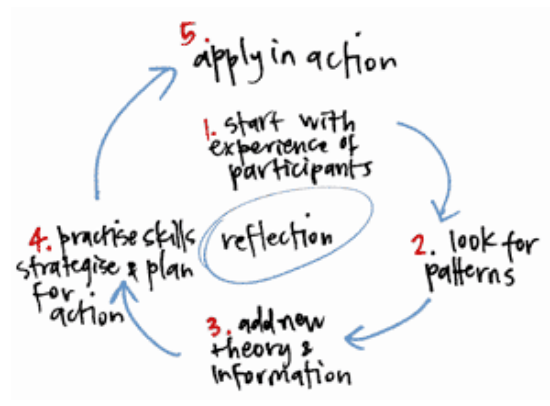




Independent observer  
of the Global Fund

## ANNUAL REPORT 2013



*Africa Health Watch – a new Community of Practice*

### **AIDSPAN**

P.O. Box 66869–00800, Nairobi, Kenya

TEL +254 (0) 774 135 984 EMAIL [info@aidspan.org](mailto:info@aidspan.org)

[www.aidspan.org](http://www.aidspan.org)

## Table of Contents

PREFACE .....	2
ACRONYMS .....	2
ACKNOWLEDGEMENT .....	2
LETTER FROM THE CHAIR.....	3
OVERVIEW OF 2013 .....	4
KEY ACHIEVEMENTS .....	6
FINANCIAL INFORMATION .....	9
ANNEXES.....	11

## List of tables

Table 1: Grants Received and Contractual Commitments, \$ '000 .....	9
Table 2: Cash Expenditure (budget vs. actual), \$ '000* .....	9

## List of figures

Figure 1: Aidspan Strategic Framework 2010-2013.....	5
Figure 2: Donor pledges and contributions pages.....	6
Figure 3: Proportion of cash expenditure in 2013 .....	10

## PREFACE

Aidspan ([www.aidspan.org](http://www.aidspan.org)) is an international NGO based in Nairobi, Kenya, whose mission is to reinforce the effectiveness of the Global Fund. Aidspan performs this mission by serving as an independent watchdog of the Fund, and by providing services that can benefit all countries wishing to obtain and make effective use of Global Fund financing.

This Annual Report is one of many Aidspan key documents available at [www.aidspan.org](http://www.aidspan.org).

Aidspan publishes news, analysis and commentary articles in its Global Fund Observer (GFO) newsletter<sup>1</sup> and on GFO Live.

Aidspan and the Global Fund maintain a positive working relationship, but have no formal connection. Aidspan does not allow its strategic, programmatic or editorial decision-making to be influenced by the Global Fund or by relationships with actual or potential funders. Furthermore, the Global Fund and Aidspan's funders bear no responsibility for the contents of any Aidspan publication. Aidspan finances its work through grants from governments and foundations and does not accept funding of any kind from the Global Fund.

## ACRONYMS

CCM	Country Coordinating Mechanism
CSO	Civil Society Organisation
GFO	Global Fund Observer
MoU	Memorandum of Understanding
MTR	Mid Term Review
PR	Principal Recipient
SR	Sub-Recipient

## ACKNOWLEDGEMENT

The Aidspan staff compiled this Annual Report between January and March 2014.

We thank our donors who, in 2013, were: the UK Department for International Development DFID, the Ford Foundation, GIZ Backup Initiative, Irish Aid, NORAD and HIVOS.

---

<sup>1</sup> To receive GFO Newsletter, send an email to [receive-gfo-newsletter@aidspan.org](mailto:receive-gfo-newsletter@aidspan.org)

## LETTER FROM THE CHAIR

It has been a fast-moving and challenging year for Aidspace. The work moves on apace as we watch the world of the Global Fund and its implementing partners.

A newly translated website and our products have attracted a substantial increase in visits from 50,000 per week to 186,000 per week in one year. Our new digital platform for demonstrating donor pledges and contributions and the "donor generosity score" is applauded widely, and a newly founded Community of Practice (called Africa Health Watch) has been co-founded with 40 other voices to encourage, support and raise the production of younger watchdogs in the Eastern and Southern African Regions.



Aidspace's analysis of the first steps of the New Funding Model and its summaries of the process the early applicants have been through help many. The research completed using the existing data on procurement of commodities on the Global Fund's website has been peer-reviewed and published. One result was an invitation to present our model at the prestigious Open Government Partnership 2013 meeting in London in October.

I am honored and excited to be the new Chair of Aidspace's Board of Directors. I step into the "big shoes" of Michael Hirschberg who was a founder/director back in 2002 when Aidspace began. His dedication and support were always present, his words always wise. I am proud to be associated with Aidspace in its second decade, and, with its new Strategic Plan for 2014- 2016, I know we are going to go places and watch many people and activities that we have not watched before.

Earlier this year I helped announce the translation of the new website into French, Spanish and Russian in Nairobi in March, and have personal experience of how this opens up Aidspace's work to so many more communities. The development of the newsletter *GFO* in a regular French edition, to be called *Observateur du Fonds Mondial*, is also very exciting.

None of this work would be possible without my fellow Board members, the organization's supporters, our partners in civil society and in governments all over the world, and the donors who so enthusiastically fund our work. I must also thank all the staff and contributors who work hard to meet the mission of Aidspace – making the Global Fund work better.

From Rwanda, where I live and work, the Global Fund is a vital piece of our work in fighting AIDS, tuberculosis and malaria, but I know that many challenges remain in countries and at the global level, and that Aidspace has vital role to play as it observes, analyzes and comments on all that goes on.

Bravo.

A handwritten signature in blue ink, appearing to read 'Ida Hakizinka'.

Ida Hakizinka

## Overview of 2013

This was the final year of Aidsplan's 2010 – 2013 Strategic Plan (see Figure 1). This meant some focused planning as the staff and Board developed the new Strategic Plan 2014 – 16. Preparation for the new Plan included a rapid evaluation of the previous four years' performance, an organizational audit and health check, and a series of meetings as the Strategic Plan took shape.

Equally, 2013 was a second year of transition for the Global Fund as it prepared the final details and began to roll out the New Funding Model (NFM). Aidsplan watched this major effort. Reviews of the experiences of the early applicants produced important articles in GFO, and analysis of the details of the NFM content produced briefs and articles at several points in the year.

Aidsplan also reviewed the grant data on a new web-services platform, testing them and identifying the strengths and weaknesses. Aidsplan concluded that grant data now on the Fund's website are much cleaner, but the depth of changes necessary suggest that there were clearly major problems previously. To time with the Global Fund's 4<sup>th</sup> Replenishment Conference, we revised and launched our Donor Page – showing historical pledges and commitments since the start of the Fund for all donors.

If Aidsplan is evaluated by traffic to its website, 2013 was a stellar year with hits increasing from 50,000 per month in March to 186,000 per month by December – a nearly 900% increase. The website monitoring is being calibrated to detect downloads and to give much more information on usage, which of course, is not measured well by merely measuring "hits."

Aidsplan hired two new members of staff, - an Editor in Chief and a senior monitoring and evaluation/ research officer, and was finalizing the recruitment of two more senior staff as the year closed. As a result of our new Editor in Chief, Lauren Gelfand, we are witnessing an increase in the number of correspondents reporting from around the globe. The work of M&E for an organization like Aidsplan is never done, but it will also never be the same again under the watchful eye of Illah Evance.

Sadly, Aidsplan also said good bye to a number of staff. Charles Marwa, Grace Mogaka and Frank Wafula left at different points during the year and they shall be missed.

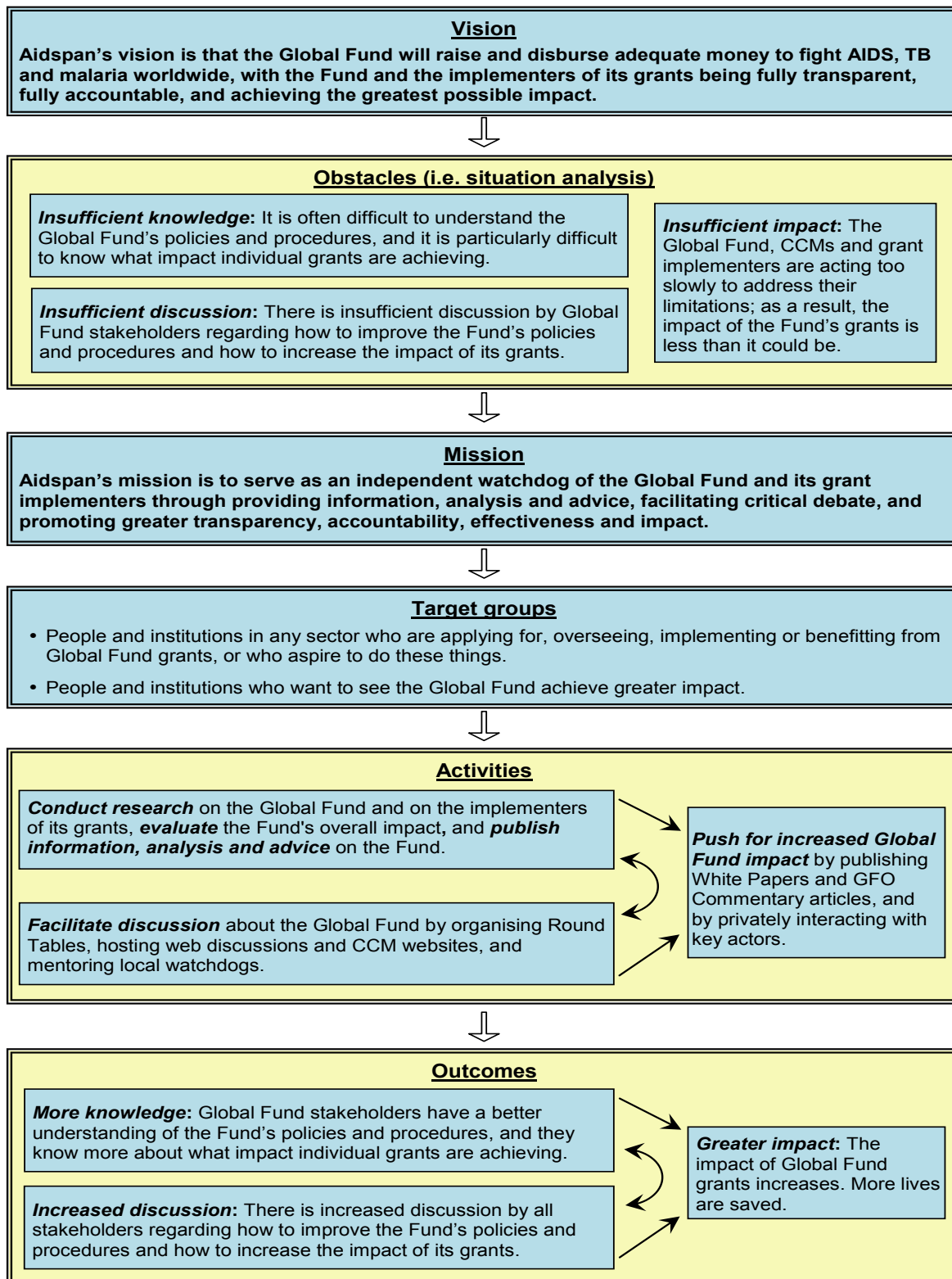
### Main Outputs

- NFM Explained – paper
- Mid term review and analysis of strategic direction of the local watchdog project
- Launch of the community of practice – the Africa Health Watch
- CCM Self-assessment Tool tested in 6 countries – Final Report
- Analysis of the difference between the grant data on old and the new web-services – article
- Revamped database technology using web services mining technology.
- Donor pledges and contributions tool
- Multi-lingual website: French, Spanish and Russian.
- Study on Conflicts of Interest on CCMs
- PR Survey – Final Report
- PQR Analysis – Final Report
- Invitation to Open Government Partnership 2013, London - poster.
- Strategic Plan 2014-2016

Note: A full list of outputs is provided in Annex C – Technical Annex.

This year more attention has been placed on re-orienting Aidsplan's focus to watching country-level challenges, examining the quality of governance and implementation of the programs at the country level, while still keeping an eye on the activities in Geneva. This will be the work of the next 3 years under our new Strategic Plan (2014-16), but Aidsplan began this in 2013. Please see p 8 for the new Strategic Framework for 2014-16.

Figure 1: Aidspan Strategic Framework 2010-2013



## KEY ACHIEVEMENTS

### Outreach Department

The Outreach Department works with organizations at the country level to promote accountability, transparency and effectiveness of Global Fund grants. In 2013, the unit focused on expanding Aidspan's reach and visibility at the country level.

The Mentoring Watchdogs project launched in 2011 was redesigned this year based on a Mid Term Review (MTR) completed in February 2013. The project's new direction was to identify a reduced number of enthusiastic and engaged local organizations that Aidspan could mentor into effective local watchdogs. To invigorate the selection of these local watchdogs, a new way to review partnerships and evaluate performance was created, with a stricter use of Memoranda of Understanding (MoUs).

Aidspan's watchdogs' training manuals were reviewed and a new curriculum developed.. On-site training was done in Zambia on data analysis, watchdog work and effective monitoring of aid systems.

The culmination of several years of work in developing the local watchdog project was the launch in November of a new Community of Practice (CoP) model for health watchdogs in the Eastern and Southern African region, [Africa Health Watch](#). The CoP is a network of peers that will, amongst other aims, support the mentoring project.

Aidspan commissioned two studies to support the in-country accountability work: one on social change theories and the second on country-level accountability frameworks to describe existing accountability mechanisms in health financing.

Aidspan continued to help CCMs in 6 countries (Botswana, Malawi, Mozambique, Tanzania, Zambia and Zimbabwe) improve their performance through self-assessments. A regional meeting was held in South Africa on CCM self-assessment, and with Aidspan's assistance, Botswana completed its first CCM performance assessment in December 2013. A new list of target countries for 2014 was also developed in line with Global Fund's focus on High Impact Countries.

### IT Department

Aidspan's focus on providing useful information about the Global Fund ecosystem to interested stakeholders was sharpened by a major reform in the information technology at the Global Fund. Aidspan collects grant data from the Global Fund, and presents it in a user-friendly format for ease of analysis and presentation. In the first half of 2013 The Global Fund changed how it controlled, gathered and presented its grant data. Aidspan responded to these major changes by updating our retrieval and analysis algorithms in order to maintain our role as a transparent and user-friendly Global Fund data intermediary.

In March, Aidspan launched a multi-lingual website, providing content in French, Russian and Spanish.

Two web-based digital analytical tools were developed:

1. **Grant Performance Analysis tool** - This tool uses graphs to compare grant performance for all grants for all disease components, by country, region or recipient type. This tool will shortly be available externally, and is currently being used internally.

	Total pledge	From start of Global Fund (2002) to date	
		As % of all pledges	Total contribution Contribution as % of pledge
United States	13,527,352,435	34.4 %	8,531,103,784 63.1 %
France	5,370,779,194	13.7 %	3,793,791,760 70.6 %
United Kingdom	3,989,497,162	10.2 %	2,979,621,561 74.7 %
Germany	2,863,367,201	7.3 %	2,122,236,718 74.1 %
Japan	2,666,795,247	6.8 %	1,867,195,584 70.0 %
European Commission	2,149,026,162	5.5 %	1,626,538,606 75.7 %
Sweden	1,220,943,952	3.1 %	885,883,943 72.6 %
Netherlands	1,097,318,685	2.8 %	829,438,657 75.6 %
Norway	857,926,825	2.2 %	580,486,781 67.7 %
Spain	764,547,085	1.9 %	695,059,078 90.9 %
Australia	552,339,363	1.4 %	369,739,321 66.9 %
Denmark	381,152,625	1.0 %	291,112,123 76.4 %
Russia	376,999,996	1.0 %	316,999,996 84.1 %
Ireland	259,552,933	0.7 %	204,732,419 78.9 %

Figure 2: Donor pledges and contributions pages

2. **Pledges and Contributions tool** - This tool mines and displays the pledges and contributions of Global Fund donors. The tool is also able to apply a donor generosity score based on the economic classification of the countries. (See Fig 2 sample donor pledges)

## Research Department

Aidspan's Research department analyzes different aspects of the work of the Global Fund and its grant implementers, and reviews Global Fund-related research done by others. This work is carried out by internal researchers and analysts, and external collaborators. Projects completed in 2013 include:

- **Conflict of Interest in Country Coordinating Mechanisms: An Aidspan survey (2012-2013):** This study explored the extent and type of conflict of interest (COI) within country coordinating mechanisms (CCMs) and assessed the extent to which respondents identified COI on CCMs as a problem. It also aimed to determine how CCMs were resolving potential conflicts.
- **Improving the Performance of CCMs in Southern Africa: Development and testing of a CCM self-assessment tool:** Using a participatory approach, a rating scale, CCM performance indicators, and a self-assessment tool were developed. This tool was piloted with the CCMs of six countries in Southern Africa. CCM members welcomed an unbiased method of measuring CCM performance.
- **Global Fund Principal Recipient Survey: An assessment of opinions and experiences of Principal Recipients:** PRs receive funds, implement programs, or recruit other agencies to implement them. Little research has been done to understand their experiences, or to get their opinions on how Global Fund operations can be improved. Most PRs thought that the Fund's grant system was complex and that the Fund's grant performance ratings did not accurately reflect performance.
- **The New Funding Model Allocation Methodology Explained:** With the transition to the New Funding Model (NFM), Aidspan produced an article in GFO and a short paper to describe the methods used by the Global Fund to allocate resources to country bands and to the countries under the NFM. It also described how the Fund planned to manage incentive funding and unfunded quality demand.
- **Procurement cost trends for Global Fund Commodities: Analysis of trends for selected commodities 2005-2010:** The Global Fund tries to leverage its position to influence commodity market dynamics in order to lower costs, reduce stock-outs and improve the quality of commodities in the market. This has included introducing the Voluntary Pooled Procurement (VPP) mechanism and establishing the Price and Quality Reporting (PQR) system to collect information on procurement costs.

## Editorial Department

The Editorial team continued to provide credible, clear and concise information to some 9,000 subscribers in 170 countries over 2013. The department's flagship publication, the Global Fund Observer, was published 27 times during the year, with articles from more than a dozen correspondents and analysts. The Global Fund Observer is often cited as a must-read for people entering the Global Fund ecology, both as staff at the Fund's Secretariat and as implementing partners at the national or regional levels.

Aidspan observed all the Global Fund Board and donor- focused meetings during the 4<sup>th</sup> Replenishment year and developed many timely articles to unpack the language and theories that drove the Board to its decision points. Those reports were used by many Board delegations, observers and technical partners as their reports to their home constituencies and remain a valuable resource that is regularly consulted by GFO subscribers.

The recruitment of a new Editor in Chief brought new vigor and enthusiasm into the department. This has expanded the in-house team, with continued support from a senior analyst and a growing network of country-based correspondents. Correspondents in multiple languages have been recruited in each of the regions where there are Global Fund- supported programs. Efforts to expand that team are continuing in 2014.



Aidspan also dipped its toe into the churning waters of social media, beginning an effort to be more visible to its audiences. This included a live-tweeting of the 4th Replenishment Conference held in Washington, DC in December 2013 that provided an up-to-the-minute update on the more than \$12 billion pledges offered by the Fund's donors. Aidspan was congratulated by avid Fund watchers for this initiative, and for having helped make the Global Fund a trending topic of the day.

Beyond its twice-monthly publishing schedule for GFO, the Editorial team continued to publish guides. Working with the International HIV/AIDS Alliance, the team has developed a new guide to the country coordinating mechanisms (CCM), including critical information about the new requirements for size, shape and demographics of the CCMs as well as the mechanisms for self-assessment that will be expected of CCMs going forward. The Editorial team also prepared for the publication of a guide to the NFM.

The Editorial team also launched an effort in late 2013 for the publication of a monthly French-language Global Fund Observer, to be called Observateur du Fonds Mondial.

### Finance & Administration, Planning & M&E Department

In 2013 staff turnover included the departure of three professionals including the Research Officer, Program Officer and Senior M&E Officer, and the arrival of an Editor in Chief (a new position at Aidspan) and a Senior M&E Officer. Two recruitments took place in 2013 to join us in 2014.

The design of a new Strategic Plan 2014-2016 required a review of the external context in which the organization works; lessons learnt from the implementation of the 2010-2013 Strategic Plan; and feedback on Aidspan's past performance and future direction collected through a rapid external and internal evaluation.

The performance review included a financial analysis to assess the cost effectiveness of the organization in delivering the strategic plan 2010-2013; and an assessment of performance through interviews with Board members, staff and key external stakeholders. It incorporated changes in strategic direction and structural organisation and built on the achievements of Aidspan in its first ten years.

### The New Strategic Framework (Vision, Mission, Goal and Strategic Objectives).

Vision	<i>That the Global Fund will raise and disburse adequate money to fight AIDS, TB and malaria, with the Fund and the implementers of its grants being fully transparent, accountable and achieving the greatest possible impact</i>
Mission	<i>To serve as an independent watchdog of the Global Fund and its implementers through providing information and analysis; facilitating critical debate; and promoting greater transparency, accountability, effectiveness and impact</i>
Goal	<i>To broaden and deepen our reach to be a more effective and more visible watchdog of the Global Fund and its implementers.</i>

Strategic Objectives	1. Expand coverage and analysis of the Global Fund	2. Draw voices from the country-level to improve accountability	3. Assess the effectiveness of the NFM
Strategic Activities	<ul style="list-style-type: none"> <li>Maintain expert analysis and critique of Global Fund, while raising profile with strategic coverage</li> <li>Boost profile with ext communications</li> </ul>	<ul style="list-style-type: none"> <li>Expand role and reach of Local Watchdog Project with mentoring, training and other support</li> <li>Conduct study of in-country accountability mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>Develop series of targeted analyses across 10 countries as they access &amp; implement NFM</li> <li>Host high-level roundtables to develop clearer portrait of impact of the Fund's strategies</li> <li>Review 'lives saved' methodology</li> </ul>
Strategic Objectives*	4. Expand use of digital tools to enhance data knowledge	<ul style="list-style-type: none"> <li>Design innovative tools to improve understanding of data</li> <li>Revitalize Aidspan online profile with multimedia</li> </ul>	5. Strengthen internal capacity <ul style="list-style-type: none"> <li>Expand professional dev of staff</li> <li>Advance partnerships</li> <li>Document best practices</li> <li>Increase funding base</li> </ul>
Strategic Enablers		Pivot towards the kingdom and away from the castle Partner, collaborate and grow to sustain and maintain relevance	

## FINANCIAL INFORMATION

Table 1: Grants Received and Contractual Commitments, \$ '000

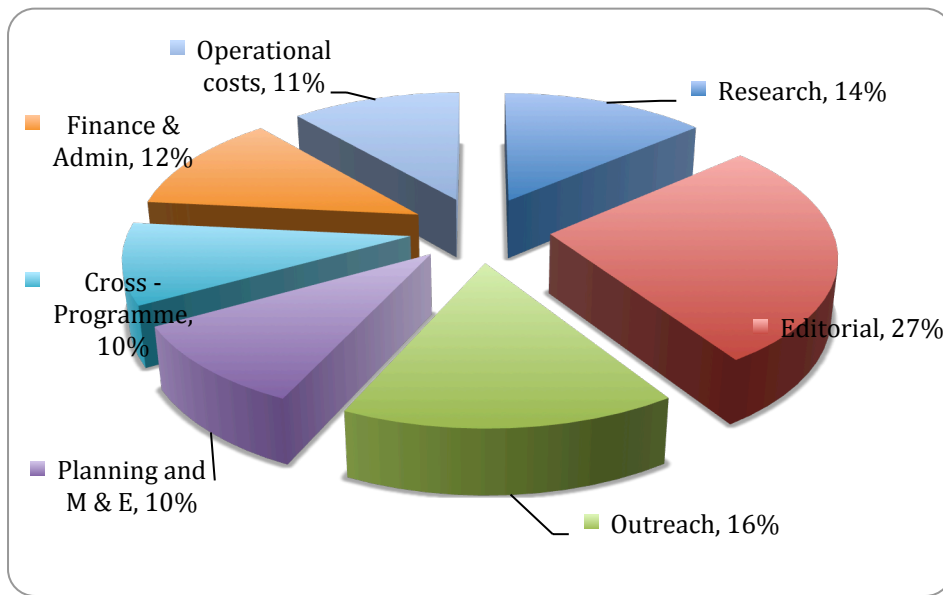
Donor	Grants Received		Contractual Obligations in USD as at 31 Mar 2014			
	2012	2013	2014	2015	2016	2014-16
Monument Trust	\$320	\$0	\$0	\$0	\$0	\$0
Norad	\$267	\$270	\$0	\$0	\$0	\$0
Hivos	\$74	\$77	\$138	\$138	\$0	\$276
DFID	\$1,017	\$203	\$643	\$214	\$0	\$857
Ford Foundation	\$200	\$200	\$200	\$0	\$0	\$200
GIZ Back-up	\$101	\$187	\$147	\$117	\$0	\$264
Irish Aid	\$0	\$130	\$0	\$0	\$0	\$0
The Netherlands Ministry of Foreign Affairs	\$0	\$0	\$275	\$275	\$234	\$784
<b>TOTAL</b>	<b>\$1,979</b>	<b>\$1,067</b>	<b>\$1,403</b>	<b>\$744</b>	<b>\$234</b>	<b>\$2,381</b>

Table 2: Cash Expenditure (budget vs. actual), \$ '000\*

Programme Area	2013			2012		
	Budget	Actual	% of budget	Budget	Actual	% of budget
<b>Expenditure</b>	<b>1,904</b>	<b>1,562</b>	<b>82%</b>	<b>1,992</b>	<b>1,593</b>	<b>80%</b>
<b>Programme</b>	<b>1,536</b>	<b>1,197</b>	<b>78%</b>	<b>1,470</b>	<b>1,032</b>	<b>70%</b>
Research	295	214	73%	437	312	71%
Editorial	506	423	84%	453	333	74%
Outreach	358	251	70%	397	265	67%
Planning and M & E	205	156	76%	106	69	65%
Cross -Programme	171	152	89%	55	53	96%
Programme Contingency	0	0		22	0	0%
<b>Admin</b>	<b>368</b>	<b>365</b>	<b>99%</b>	<b>522</b>	<b>561</b>	<b>107%</b>
Finance & Admin	216	188	87%	357	389	109%
Operational costs	152	177	116%	157	172	110%

\* Cash based (includes the full cost of capital investments in the current year)

Figure 3: Proportion of cash expenditure in 2013



## ANNEXES

### A. Products produced:

1. Aidspan. A Beginner's Guide to the Global Fund ([3<sup>rd</sup> edition](#)). Jan 2013. English, French, Russian and Spanish.
2. Angela Kageni. CCM Self-assessment Report – test of a tool for self-assessment tested in six countries in southern and eastern Africa.
3. Carlos Bruen. Improving Accountability for Improved Health Systems Performance Working Paper 1: Conceptualizing Accountability. November 2013.
4. David Garmaise. The New Funding Model Allocation Methodology Explained (Version 2). [Nov 2013](#).
5. David Garmaise, Arnold Wafula, Kerstin Reisdorf and Angela Kageni. Conflict of Interest in Country Coordinating Mechanisms: An Aidspan [Survey](#). December 2013.
6. Frank Wafula, Charles Marwa and David McCoy. Global Fund Principal Recipient [Survey](#): An assessment of opinions and experiences of Principal recipients. April 23<sup>rd</sup> 2013.
7. Frank Wafula, Ambrose Agweyu and Kate Macintyre. Procurement cost trends for Global Fund Commodities: Analysis of [trends](#) for selected commodities 2005-2010. April 29<sup>th</sup> 2013
8. Frank Wafula, Ambrose Agweyu and Kate Macintyre, Regional and temporal trends in malaria commodity costs: an analysis of Global Fund data for 79 countries. *Malaria Journal* 2013, 12:466.
9. Julia Smith. Rapid Desk Review Social Change Theories: Applicable Strategies for the Mentoring Local Watchdogs Project. October 2013.
10. Wafula F, Agweyu A, Macintyre K. Trends in Procurement Costs for HIV Commodities: A 7-Year Retrospective Analysis of Global Fund Data across 125 [Countries](#). *J Acquir Immune Defic Syndr*. 2014 Apr 1;65(4): 134-9

### B. Conferences, Meetings, Presentations:

1. Demonstration of the grant performance analysis tool to the grant management officers of the Global Fund. Geneva (January 2013).
2. Dutch Ministry of Foreign Affairs, Health and HIV Division, The Hague (April 2013) - Aidspan strategic discussions.
3. Global Fund Grant Management Team, Brussels (April 2013) – Principal Recipient Survey, presentation.
4. Global Fund replenishment preparation meeting – Brussels April 2013.
5. GIZ BACKUP team/Aidspan coordination meeting, Eschborn, Germany, May 2013 Aidspan and Local Watchdog Project overview, oral presentation.
6. Global Fund Board Meeting, Sri Lanka, June 2013
7. Global AIDS Policy Watch (GAPW) meeting Brazil, August 2013
8. Open Government Partnership Summit, London, United Kingdom, October 2013
9. HIVOS, the Hague (April and November 2013) - Aidspan strategic discussions – presentations
10. Global Fund Board meeting, Geneva, November, 2013
11. Global Fund 4<sup>th</sup> Replenishment meeting, Washington DC, December 2013
12. Women for Global Fund training on Gender Equality Strategy, December 2013
13. 17th ICASA conference, Cape town, South Africa, December 2013

C. Technical Annex. A full list of the outputs and selected outcomes for Aidspan's work in 2013 can be found in the technical annex (C) – published separately.