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TRP Observations and Lessons Learned on First Wave of Concept Notes

The Technical Review Panel (TRP) has provided feedback on its review of the first wave of concept notes. This article provides a summary of what the TRP said.

The TRP reviewed three concept notes from Myanmar, one for each disease, and HIV concept notes from El Salvador and Zimbabwe. The TRP panel consisted of 16 people, including four HIV experts, three TB experts, three malaria experts and six cross-cutters. The TRP report did not include the TRP's funding recommendations; these were provided separately to the Grant Approvals Committee.

The TRP said that all concept notes presented a consolidated funding request which included existing grant funds. It said that \$1 billion was requested in the five concept notes combined. This included \$205 million of existing grant funds, \$391 million of indicative funding and \$419 million of "above indicative" funding. ("Above indicative" refers to any amount that is above the indicative funding ceiling provided to applicants.)

The TRP said that Myanmar's total above indicative funding request represented 53% of its full need, according to its financial gap analysis table.

The TRP said that all five concept notes were technically sound, strategically focused, and aligned with national strategies. The TRP said that this applied to both the indicative and above indicative funding requests. However, the TRP said, not all concept notes provided a breakdown between requests for indicative and above indicative funding. It said that this made it challenging for the TRP because it was requested to make recommendations on the indicative and above indicative funding separately. (This topic is further discussed below.)

Issues concerning the concept note process

The TRP said that this was the first time it has been involved in “early engagement” with applicants prior to the submission of concept notes. This early engagement was done via the Secretariat. The TRP said that this process was useful for the subsequent formal TRP review of the concept notes, but that it was not without its challenges. The challenges included the following:

- Some of the comments provided to applicants were not taken into consideration when the final concept note was submitted.
- The confidentiality of the TRP reviewers was not always maintained.
- Due to the short timeline for early engagement, there was limited time to allow for wide consultation among TRP members.

The TRP said that given the fact that country teams were intimately involved in the concept note development process, the TRP deliberately delegated more actions to the Secretariat for follow-up than had typically been done during rounds-based reviews. The TRP added that the country teams and technical partners will face huge demands when the NFM is fully rolled out. The TRP identified three areas where this demand would manifest itself: (a) scaling up support for concept note development; (b) stewarding the requested clarifications and translating the outcomes into disbursement-ready grants; and (c) managing incentive funding and unfunded quality demand.

Issues concerning the content of the concept notes

The TRP said that the concept notes provided the right level of detail in terms of providing a strategic description of the funding request. However, the TRP said that the level of budgetary information, and the way that information was presented in the modular template, made it difficult for the TRP to undertake the level of budget scrutiny that occurred in the past. This might be okay if further scrutiny of budgets takes place during the grant-making process, the TRP said. However, it added, this problem prevented the TRP from “giving a firm financial figure for the indicative amount, and it was even more difficult to do so for the above indicative amounts.”

The TRP said that although it was able to prioritise interventions within a concept note, it was not able to assign firm cost ranges to the interventions as they were prioritised. “The lack of a firm cost estimate of interventions makes it even more difficult to rank interventions across concept notes and across countries,” the TRP said.

With regards to the information provided in the concept notes, the TRP made several recommendations, including the following:

- that guidance be provided to applicants on how to provide references to annexes and how to avoid inconsistencies of information between different annexes;
- that the overall funding landscape (not just Global Fund investments) should be clearly described in the narrative of the concept note or in the country team memorandum attached to the concept note;
- that an additional narrative question on health systems and community systems strengthening be included in the concept note;

- and that the concept note elicit information regarding the overall Global Fund investments in a country.

The TRP also recommended that guidance on health systems and community systems, as well as on human rights and gender programming, be developed – ideally for the next wave of early applicants, but definitely before the full roll-out – and that this guidance be made publically available on the Global Fund website.

The TRP recommended that the concept notes be updated to incorporate responses to all clarifications before the notes are posted on the Fund's website. The TRP said that it recognises that this may require some additional effort on the part of the applicants, but that it would avoid having original concept notes in the public domain that are significantly different from what has been agreed to through the clarification process.

The TRP said that one of the requests it reviewed included a plan to implement the new antiretroviral (ARV) treatment guidelines which will be rolled out in mid-2013. The new guidelines recommend initiating treatment at a 500 CD4 count instead of the current recommendation of 350 CD4 count. The implementation of these new guidelines, the TRP said, will have a substantial impact on current coverage rates and the amount of resources needed. Therefore, the TRP said, the Global Fund needs to prepare guidance on how to invest Global Fund resources for this highly desirable change without undermining other programmes. The TRP recommended that the Board discuss the financial and policy implications of implementing the new ARV guidelines.

The TRP noted that there were a number of ambitious concept notes requesting significant scale-up, but that the feasibility of implementing these programmes was not always clear. The TRP recommended that there be a mechanism for an annual check-in on progress in scale-up.

The TRP said that, in general, the concept notes lacked reliable and appropriate size estimates for most-at-risk populations (MARPs); and that this was particularly evident in the HIV concept notes. The TRP recommended that there be more serious investment and monitoring by the Global Fund and partners in the area of reliable and appropriate size estimates for MARPs.

The TRP also said that there was some evidence that MARPs and human rights were relegated to the "above indicative" funding requests. The TRP recommended that the Global Fund and technical partners emphasise that quality programming for MARPS and for addressing human rights barriers to accessing services are essential; and that these interventions should not receive secondary priority, but rather should be included in the indicative funding request.

The TRP said that it observed two cases where human rights policy changes were cited as critical enabling factors, but: (a) the requested investments to address this were minimal; and (b) there was little evidence in the concept notes of progress in this area from prior Global Fund investments. The TRP said that it also noted one case where prior government commitments to cover recurrent human resource costs had not been met, and where such costs represented a large share of the indicative request, and were also included in the above indicative request.

The TRP said that these cases suggest that the Global Fund has missed opportunities to leverage its considerable influence to advance policy issues that are critical for programme success and sustainability.

The TRP recommended that the Secretariat develop a proactive and structured strategy to work with countries and partners to promote progress in human rights and broader policy issues.

Comments on the new funding model

The TRP said that two aspects of the NFM require further discussion: (1) how indicative and above indicative amounts are presented; and (2) how unfunded quality demand is handled.

Indicative and above indicative amounts. The TRP said that the plan is for applications to be reviewed during a specific “TRP window;” that each window will have an envelope of incentive funding; that the size of the envelope will be based on the number of countries being reviewed; and that interventions will be competing with other interventions for the same disease and with interventions for other diseases. The TRP said that “it fears this may replicate, albeit in a different form, the ‘hit-or-miss’ aspect that was criticised in the rounds-based system.” The TRP said that its fear is that that applicants will wait for a window that has a large amount of incentive funding instead of submitting a funding request when it is most aligned to their own country cycles and needs.

The TRP recommended that prior to the full roll-out of the NFM, there be discussions on how best to operationalize these funding streams to ensure that any unintended negative consequences are managed.

The TRP said that given the way the existing budget information was presented in the modular template, it was difficult to segregate out “indicative” and “above indicative” amounts; and that this could be interpreted as requiring countries to submit multiple budgets. It said that this issue became particularly challenging when the TRP had to determine the recommended level of incentive funding; and that the TRP ended up spending a large amount of time on this. The TRP recommended that there be clearer articulation of indicative and above indicative funding requests in the narrative of concept notes in the future.

Unfunded quality demand. The TRP said that it understands that quality demand will most likely exceed available resources; and that any unmet quality demand will be kept on a register by the Secretariat for future funding should additional resources become available. However, the TRP said, applicants need to see the added value of the effort required to present their full expression of demand, which is far beyond what is required of them to submit a funding request for the incentive funding that is potentially available. “If applicants are not seeing such value added,” the TRP said, “it is quite possible that they will stop making the effort to express full demand, potentially undermining the purpose for which the Board introduced this provision.”

The TRP said that although this design feature could help leverage additional resources from within and outside a country, an applicant’s expectations that unfunded quality demand may be funded by the Global Fund in the future could have the opposite effect, dampening efforts to mobilise resources. The TRP recommended that in order to mitigate any potential unintended negative consequences, the Global Fund develop a strategy to help leverage other donor and domestic resources.

The TRP said that it is concerned that the “shelf-life” of unfunded quality demand could be quite short because of changing epidemiology, a changing funding and programme landscape, and adjustments in technical guidance for the diseases. The TRP recommended that the Secretariat clearly identify a mechanism for how to validate the relevance of unfunded quality demand when there is an opportunity to fund such demand.

The Report Of The Technical Review Panel (TRP) On The First Wave Of Early Applicants In The Transition To The New Funding Model is available on the Global Fund website [here](#). Look for “New Funding Model.”

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