



Independent observer
of the Global Fund

RECOGNIZING AND TACKLING BARRIERS TO GLOBAL FUND GROWTH

If the Global Fund is to achieve the continued rapid growth that it is planning for, it will have to recognize, and tackle, some significant barriers to growth that are becoming increasingly apparent.

Some of these barriers exist within developing countries; others exist within the Global Fund itself. They are discussed at length in a white paper that Aidspan published this week, entitled “Scaling Up to Meet the Need: Overcoming barriers to the development of bold Global Fund-financed programs”. (The white paper can be downloaded from www.aidspan.org/aidspanpublications.)

In the five years since Aidspan was founded, this is the most in-depth report we have published on problems affecting the Global Fund plus specific recommendations to address those problems.

The white paper tackles three linked questions:

- a. What problems at the country level are preventing adequate scale-up to meet the need?
- b. What problems at the Global Fund level are preventing adequate scale-up by the countries?
- c. What should be done about these problems?

Most of the problems were identified during interviews conducted by Aidspan earlier this year in seven African countries – Burundi, DR Congo, Kenya, Nigeria, Rwanda, Uganda and Zambia. The main problems identified, and some of the quotes gathered in these seven countries (from people ranging from Ministers of Health to AIDS activists) were as follows:

Problem: Many implementing countries have weak health systems, limited capacity, and insufficient health workers.

Quotes:

- “If we train people in one province, next time we go there, we find they are gone. Health workers are paid very little, and they will always move if they can find a better paid job. Some doctors just move to [the neighbouring country], where they are paid much more for the same work.”
- “You can’t run a health system without an information system. That’s like running a bank without computers.”
- “The Global Fund is at a philosophical cross-roads. Throwing more money at the diseases and not at the systems is not going to be productive.”

Problem: Some countries have an unclear national strategy regarding the three diseases, or poor national planning.

Quotes:

- “Two weeks before submission of our Round 7 malaria proposal, there was a major shift in our country’s malaria strategy.” [The proposal was not approved. The country has one of the largest malaria burdens in Africa.]
- “The debates in our country about the GF are focused primarily on HIV. But the reality here is that HIV is not the only burden; there are also huge malaria and TB burdens. But civil society is fixated on HIV.”
- “If ministries of health don’t receive significant funding to fight the top ten causes of mortality and morbidity (including the childhood diseases like hookworm and diarrhoea), their ministers will be hesitant to scale up on AIDS.”

Problem: The CCM is often weak, or people are not clear about its role, or there are tensions within it. It often does poor planning regarding preparation of its proposals to the GF.

Quotes:

- “The responsibility of the CCM to play an oversight role over grants has not been clearly defined by the GF. With no clear definition, and with PRs and SRs often being CCM members, the oversight role is frequently ignored.”
- “The CCM lacks authority. People can’t agree whether it should act like a board, a committee, or an institution...”
- “Our CCM is insufficiently independent of the Ministry of Health. We need a stronger and more independent CCM Secretariat, with a recruited Executive Secretary.”

Problem: The GF proposal development process is long and complex. It is a deterrent.

Quotes:

- “Even if the proposal-writing team has seminars and workshops to develop the ideas for a proposal, it won’t be acceptable as a proposal unless very high-level experts write it; so it is the proposal of the experts, not of the country.”
- “Applying is really cumbersome; worse than an exam. The GF should pick up information from national strategic plans, rather than taking huge amounts of time from people to write proposals.”
- “The proposal form changes each year because there are always new board decisions that the form must reflect.”

Problem: There is no Technical Review Panel (TRP) feedback until after a decision is made, so iterative improvement of the proposal is not possible.

Quotes:

- “The TRP process is set up to be a pass or fail. All Category 3 proposals are rejected with no opportunity for dialogue. Some form of an iterative process would greatly assist applicants.”
- “The sole aim during proposal development is to win a competitive process. Thus many are scared of asking for too much. Many times what a country goes for is based largely on what they think the TRP may accept, not what the country really needs.”
- “Because the TRP process can lead to ‘sudden death’, applicants are forced to be risk averse. Consequently, bold and ambitious requests are less likely.”

Problem: Some of the GF’s rules for grant implementers are too burdensome, or they are enforced in too rigid a manner. The transaction costs of dealing with the GF are too high.

Quotes:

- “The GF originally felt like a partner. But now it feels like a donor.”
- “Within the GF, the big guys say ‘be bold’; but then some of the questions that the GF’s Fund Portfolio Managers ask are petty. Each response by us triggers more questions from them. They delay sending disbursements because of petty requirements.”
- “We [a PR] have five ongoing GF grants. With these grants, in the course of nine months, we have had to deal with Phase 2 renewal for two grants, RCC for three grants, quarterly reporting, Round 7 proposal development, ongoing LFA issues, CCM meetings, GF workshops. We have no time to think; no time to implement; we are just dealing with the GF and GF issues.”

The white paper contains six major recommendations to the Global Fund, and a number of more modest recommendations. Summary versions of the major recommendations are as follows:

Recommendation 1: Significantly enhance GF support for Health Systems Strengthening (HSS)

The GF should launch a major initiative whereby it explicitly and enthusiastically welcomes proposals that involve HSS investments of all kinds. Specifically, at its November 2008 meeting, the Board should determine that as of Round 9, applicants will be able to submit not just one HIV application, one TB application, and/or one malaria application, but also, or instead, one HSS application.

Each HSS application should demonstrate that it strengthens and expands the country’s health systems in ways that permit improvements in the effectiveness and scale of (a) programs that tackle HIV/TB/malaria and/or (b) non-HIV/TB/malaria programs. Permitted HSS expenditures should include salaries, salary top-ups, and staff training programs.

The GF should heavily publicize this key development as soon as the board decision is made, and should then encourage countries to commence their planning for such applications many months before the relevant Call(s) for Proposals.

Recommendation 2: Dramatically reduce the administrative burden associated with implementing multiple GF grants, and simplify the processes for extending or expanding well-performing grants, by moving towards one “single-stream grant” for each country/disease/PR combination

The GF should no longer require a CCM to go through the entire Round-based application procedure if the CCM is satisfied with its existing PRs for the disease in question. And it should scrap the Phase 2 renewal procedure and the Rolling Continuation Channel (RCC) procedure. Instead, the GF should move towards having, on an open-ended basis, just one “single-stream grant” for each country/disease/PR combination, extendable and expandable as and when agreed, as follows:

- a. The GF should provide CCMs with a relatively simple procedure for requesting an increase in the scope, size or duration of an existing well-performing grant. (Note: This is equivalent to someone who has a loan from a bank being able to apply to have the loan be made larger or last longer.)
- b. The GF should increase Phase 1 to five years and eliminate Phase 2. (Note: In line with this, PRs should be told that although the approval is for five years (potentially extendable), the GF’s formal funding commitment at any point is for the following two years, or possibly less if the GF chooses to terminate the grant for persistent poor performance.)
- c. Where a particular PR has more than one grant for a particular disease, the GF should move steadily towards consolidating all such grants into one grant.
- d. Arising from the GF’s “dual track” policy, the GF should move to having, for each country and disease, two single-stream grants, one with a governmental PR and one with a non-governmental PR.
- e. Without waiting for completion of the above steps, the GF should encourage its partners to identify and fund one or more specialist technical support providers who can, upon request, help countries with the technical aspects of consolidating multiple GF grants into one larger one.

Recommendation 3: Improve the applications process by introducing a quarterly cycle for accepting proposals, and by extending the time allowed for proposal development

The GF should introduce a quarterly cycle for accepting proposals. The recommended time-span during which the proposal is developed by the CCM should be extended. And the GF should offer an optional Pre-Proposal Form. As follows:

- a. The GF should have two types of application form: An optional Pre-Proposal Form, and a Full Proposal Form. Only the Full Proposal Form should be submitted to the Fund.
- b. The Full Proposal Form should be similar to the current proposal form, though somewhat less complex.
- c. The Pre-Proposal Form should be much simpler, covering the following areas:
 - What do you want to achieve with your GF proposal?
 - What activities will this involve?

- What indicators and approximate targets are you considering?
 - How much do you estimate it will cost? How do you compute that cost?
 - What organizations or organization types are you considering as PRs, SRs, and ground-level implementers?
 - What implementation-level technical support will you consider seeking?
 - What have you done or will you do about problems with previous GF grants?
- d. The GF should recommend that the CCM proceed as follows:
- i. Solicit in-country submissions concerning the content of the CCM proposal (as currently required).
 - ii. Decide what the eventual proposal should focus on, and, preferably, who the PR(s) should be.
 - iii. Complete the Pre-Proposal Form to capture and help clarify current thinking. Circulate this widely among CCM members; and, if desired, share it with the Pre-Proposal Mentoring Panel (discussed in the next Recommendation). (Note: The TRP will not see the Pre-Proposal.)
 - iv. Seek technical support to advise on the writing of the Full Proposal (if required).
 - v. Complete the Full Proposal Form.
 - vi. Once the CCM is satisfied that the Full Proposal is complete and worthy of submission, submit it in the next quarterly GF cycle. If the whole process takes longer than expected, simply submit the proposal in the following quarter.

Recommendation 4: Encourage the establishment of a Pre-Proposal Mentoring Panel

The GF should encourage some neutral outside entity to establish, and other entities to fund, a Pre-Proposal Mentoring Panel (PPMP) that is entirely independent of the GF and has no formal powers. The PPMP should be composed of technical experts (including former TRP members), some of them freelance and some of them employed by agencies and organizations that are willing to have them spend some time on this work. Some of them should be South-based employees of existing PRs and SRs. The objective of the PPMP should be to enable potential GF applicants to have a “discussion” with mentors about their ideas for a forthcoming proposal to the GF.

The PPMP should invite potential GF applicants to fill in and submit to it, in confidence, a very simple “pre-proposal” form as discussed in Recommendation 3.

The PPMP should accept pre-proposals for review at any time up to five months before the not-yet-written Full Proposal has to be submitted to the GF. The PPMP should promise to respond to each pre-proposal with detailed comments within one month of receipt. (There could also be a conference call between the PPMP and those who submitted the pre-proposal.) Pre-proposals submitted early enough can be resubmitted to the PPMP, after further work, for a second round of comments. Thus, even after the entire cycle of submitting pre-proposals and receiving comments has been completed, the applicant should still have at least four months to develop its Full Proposal.

The key role of the PPMP would be to advise whether the activities in the pre-proposal appear to be appropriate, implementable and clearly thought through, and whether they come across as something that truly reflect the desires of the country, rather than as something designed purely “to please the TRP”.

In situations where the PPMP has reviewed the Pre-Proposal within the time frame just specified, the applicant and the PPMP might agree that the PPMP will also review the draft Full Proposal once the applicant has completed it.

Obviously, the applicant would be free to make its own decision regarding whether/how to make use of the comments received from the PPMP.

The PPMP should not assist in writing the Pre-Proposal or the Full Proposal. And individual PPMP members should commit that (a) they will not accept paid work helping any GF applicants with proposal development until at least one year after their work with PPMP ends; and (b) they will make no attempt to communicate with TRP members regarding countries that the PPMP has helped.

Recommendation 5: Establish a two-step proposal-approval process

The GF should establish a two-step proposal approval process as follows. (The timing specified will become more flexible if Recommendation 3 is implemented.)

Step 1: For all proposals:

- a. The applicant (usually a CCM) should develop and submit a full proposal during March to June, as at present.
- b. Then, by October 1, the TRP should send the Board its comments on the proposal, together with one of the following:
 - o A Category 1 or 2 approval recommendation (as at present).
 - o A Category 3A "fix and resubmit" recommendation, permitting the applicant to move to Step 2. (See Note below.)
 - o A Category 3B "try again next year" recommendation.
 - o A Category 4 rejection recommendation (as at present).

Note: In its comments on Category 3A proposals, the TRP should go well beyond briefly commenting on the strengths and weaknesses of the proposal. It should expand these comments, and should also, when applicable, proactively suggest the adding or removing of certain activity areas in the proposal, the increasing or decreasing of activity levels or budgets for certain activity areas, the changing of certain indicators or targets, the removing of a proposed PR and its proposed activities, and more – all so long as the essential goal, approach and flavour of the proposal are not changed. In effect, the TRP would be saying “If we had to make a final decision based on the proposal in its current form, we would recommend rejection. But if you resubmit in three months after making carefully considered changes in the ways we propose, we might well recommend approval.”

- d. In early October, within a week of the Board being informed of the TRP’s recommendation and comments, each applicant should be informed (

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