



Independent observer  
of the Global Fund

## GLOBAL FUND PURSUES DISCUSSIONS WITH GAVI AND WORLD BANK ON JOINT FUNDING OF HSS

The Global Fund is in discussions with the Global Alliance for Vaccines and Immunisation (GAVI) and the World Bank concerning the creation of a common platform for jointly funding health systems strengthening (HSS). For countries, a jointly funded HSS mechanism would mean simplified access to HSS funding, better alignment of financing to national HSS-related strategies, and reduced transaction costs.

Aidspan reported on a recent Board decision to continue these discussions and to expand the options being considered (see GFO 111, available at [www.aidspan.org/gfo](http://www.aidspan.org/gfo)). This article provides additional information on what the three organisations have been discussing.

The basis for these discussions is the increased recognition of the importance of HSS as an element of achieving better health outcomes generally, and also specifically for AIDS, malaria and TB. The Global Fund, GAVI and the World Bank are considered to be among the most significant funders of HSS internationally.

Initial discussions were fairly preliminary. They focused on two options:

1. Single HSS funding application
2. Funding based on jointly-assessed national strategies

(As noted above, the Global Fund Board has suggested that additional options be considered, but it has not provided any guidance concerning what these options might look like.)

## Single HSS funding application

Under this option, the three donor agencies would agree on how HSS is defined, what it covers and how HSS activities should be categorised. A common call for HSS funding would be issued. The requests would be jointly assessed, and each agency would fund a portion of the costs based on a pre-agreed formula. The three agencies would jointly oversee programme implementation, including helping recipients access technical assistance and capacity building.

The implications of this approach for the Global Fund include the following:

- A dedicated funding stream for HSS may be required (separate from disease-specific proposals).
- Revisions may be required to the scope of allowable HSS activities and to country eligibility criteria.
- A joint review mechanism would need to be established.
- Agreement would be required on how to allocate funding among the three agencies. Linked to this, the Global Fund might need to earmark funding specifically for HSS, and set funding ceilings.

In addition, an agreement would have to be reached concerning which entity would submit the funding request. It might not be CCMs, since they are specific to the Global Fund. But any divergence from the CCM model has implications for the Fund's principles of inclusion and partnership.

## Funding based on jointly-assessed national strategies

Under this option, countries would submit as the basis for funding a costed national health strategy that includes cross-cutting HSS activities and a monitoring and evaluation framework. This is similar to the approach currently being used by the Global Fund for national strategy applications (NSAs). Countries would submit a joint funding request to all three agencies, with an "expectation that the decisions of the different agencies on the funding request would not differ."

The implications of this approach for the Global Fund include the following:

- Revisions to Board policies would be required to allow assessment on the basis of a national health strategy.
- A joint mechanism would have to be developed to assess the national health strategies submitted for funding. The Global Fund's Technical Review Panel (TRP) might not be included in this process.
- Funding ceilings may be required.
- A mechanism would need to be put in place to retain the multi-stakeholder and inclusive nature of the current Global Fund approach. The role of the CCM in this process is unclear.

Under this option, it is possible that two different reviews would be required, the first an assessment of the national health strategy, and the second an assessment of the funding request for HSS.

It is likely that any initiative that emerges from the discussions among the three agencies would be developed incrementally, with an initial pilot phase based on, but not limited to, the two options already discussed. The next phase of the discussions will likely include broader consultations with development agencies and civil society organisations, including at the country level.

The Global Fund Board has asked its Policy and Strategy Committee to recommend to the Board, for consideration at its next regular meeting in April 2010, a plan and policies for "bringing into operation" a joint HSS funding mechanism.

## Reaction from representatives of civil society

Members of the Global Fund Board's Developed Country NGO delegation told Aidsplan, publisher of GFO, that although the delegation strongly supports measures that will strengthen health service delivery systems, and although it believes that there are powerful synergies between the Global Fund and GAVI, the delegation has serious concerns about the role of the World Bank in any joint HSS funding mechanism. The concerns can be summarised as follows:

- The World Bank is a very different financing mechanism, primarily providing loans to governments, while both GAVI and the Global Fund approve specific grant proposals, including for grants to civil society recipients.
- A recent report from the World Bank's Independent Evaluation Group revealed that the Bank's track record with regards to the Bank's health investments, especially in Africa, and especially for health systems, is quite negative.

The Developed Country NGO delegation said that the World Bank should not have a leading role in any jointly funded HSS mechanism, and that there should be no joint programming (i.e., pooling of funds or joint programming decisions) with the Bank.

The delegation also said that the World Health Organization (WHO) should play a leading role in providing technical assistance to any jointly funded HSS mechanism. Finally, the Developed Country NGO delegation said that a number of other Board delegations expressed similar concerns.

Some of the information in this article was taken from (a) "Developing a Platform for Joint Funding and Programming of Health Systems Strengthening with the World Bank and the GAVI Alliance," a report prepared in early September 2009 by the Global Fund Secretariat for the Policy and Strategy Committee of the Board; and (b) Global Fund Board Decision Point GF/B20/DP4, available at [www.theglobalfund.org/en/board/decisions](http://www.theglobalfund.org/en/board/decisions) (under 20<sup>th</sup> meeting).

As noted above, the Global Fund Board will be discussing joint funding of HSS again at its next meeting, scheduled for late April 2010. GFO will report on the outcome of these discussions after the Board meeting.

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