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Global Fund Secretariat responds in part to evaluation and audit of its health system investments

The Technical Evaluation Reference Group (TERG), the Technical Review Panel (TRP), and the Office of the Inspector General (OIG), three Global Fund bodies that are independent of the Secretariat, have recently evaluated and audited the Global Fund investments in building “Resilient and Sustainable Systems for Health” (RSSH), [which make up 27% of all Global Fund investments](#).

All three entities highlighted the importance of RSSH investments and achievements while offering constructive criticism on the implementation of RSSH grants and recommendations for improvement. During the 41st Board meeting, the Secretariat provided responses to five issues raised but remained silent on two critical others.

Information from this article comes from the [Technical Evaluation Reference Group meeting summary report](#), the TRP “[Report on RSSH investments in the 2017-2019 funding cycle](#)” and the OIG report, “[Managing investments in RSSH](#)”, as well as the Secretariat’s presentation to the Board at the May 2019 meeting. (This presentation is a Board document, and is expected to be published by the Secretariat on the Global Fund website within a few weeks).

Two evaluations and an audit found room for improvement

In September 2018, the 36th TERG meeting summary report assessed the implementation of the Global Fund Strategic Objective 2 which is to “build RSSH”. (The TERG evaluates independently the Global Fund business model, investments and impact, and reports to the Board through the Strategy Committee). The TERG found major gaps in some aspects of the Global Fund’s investments in RSSH. The TERG conclusion stressed three points: First, the Global Fund grant cycles of three years may not be conducive

to optimal implementation of RSSH investments. Second, the RSSH grants target areas might duplicate those of Universal Health Care and third, the absorption rate of the RSSH grants is low.

A month later, in October 2018, the TRP report based on funding requests submitted for the current allocation period (2017-2019) commended the Global Fund for its RSSH investments and encouraged more of them. But the TRP also identified six key high-level issues with the Global Fund's RSSH investments that the TRP says need to be addressed to improve RSSH investment results.

Those issues are (i) the need to better account for country situational analyses of RSSH bottlenecks or challenges, and (ii) to further differentiate RSSH investments along the health systems development continuum (start-up, support, strengthening, and sustainability) for each health system pillar. The TRP pointed out (iii) the weak and/or poor indicators used to monitor the impact of RSSH investments (iv) and the lack of integration of the three diseases' programs with other health programs, which results in missed opportunities to improve service delivery, efficiency, equity and/or impact and value-for-money. The TRP recommended the (v) broader engagement of in-country institutions beyond the health ministry, which could strengthen vital elements of the health system and recommended (vi) dedicating more attention to other health-system components such as governance, accountability and financial management.

In May 2019, the OIG published an audit report on RSSH, which [GFO wrote about](#) that month. The OIG's report acknowledged the importance of RSSH investments but found that the structures, policies and processes for the management of RSSH investments, as well as the monitoring framework for RSSH, need 'significant improvement'. The OIG considered the management of RSSH risks to be 'partially effective'.

The Secretariat response

During the 41st Board meeting in May 2019, the Global Fund Secretariat presented its responses to these two evaluations and the audit. The Secretariat addressed five points.

First, the Secretariat will strengthen RSSH participation during the country dialogue so that RSSH experts' opinions be heard and their 'voice' be taken into account in the funding request. The Secretariat plans to leverage in-country partnership models to strengthen governance and coordination capacities, engagement with other public entities including RSSH experts, and advance integration of Country Coordinating Mechanisms (CCMs) with other national coordination mechanisms.

Second, the Secretariat will integrate RSSH in a cross-cutting and holistic manner, "where it makes sense to do so". This action assumes the Secretariat will first define a common understanding of integration for key RSSH areas, and adjust Global Fund processes to facilitate those integrated approaches.

Third, the Secretariat will update its RSSH investment guidance to improve differentiation and prioritization across the portfolio. This differentiation will require more data to accurately assess needs. The Secretariat intends also to refer to existing frameworks, where relevant, to guide investments according to the stage of a country's development. The Global Fund works in over 100 different countries, with varying levels of average income (low-, middle-, upper-middle income) which are often used to measure level of development. Those countries face different challenges such as natural or man-made catastrophes and present different implementation and fiduciary risks. Risks faced by the Global Fund, especially grant implementation risks, have to be managed in order to protect the Global Fund monies while achieving its objectives ([The Global Fund Risk Management Policy](#) is available online). Thus, the need arises to differentiate ways of working with countries. The Secretariat also plans to scrutinize cases where the policy guidance is not followed, with the help of the TRP.

Fourth, the Secretariat plans to deepen its collaboration with Gavi, the Vaccine Alliance (another global

health initiative financing vaccines for children, using a model similar to that of the Global Fund) and other partners who invest in RSSH to increase leverage, efficiency and complementarity. The Global Fund and Gavi often invest in the same countries while fighting different diseases (HIV, TB and malaria for the Global Fund and vaccine-preventable diseases for Gavi). In the course of fighting those diseases, both institutions invest in RSSH, for instance to warehouse health commodities or train health-care workers. The Global Fund Secretariat will collaborate on RSSH needs assessments for investments that both Gavi and the Global Fund plan to fund; and they will increase coordination and tracking of investments using the same methodology, in order to be able to compare results at the end.

Finally, the Secretariat committed to improving RSSH measurement by defining or updating indicators to monitor grants. This effort will be partly based on existing evaluations, reviews and assessments.

The Secretariat's presentation to the Board also highlighted the Global Fund's next three steps in response to the TERG, TRP and OIG recommendations. First, it will consult widely to come up with an optimal approach to implement RSSH grants that both strengthen the disease programs and build RSSH. Second, it will update its documents (modular framework, information notes and application materials) in order to reduce the gap between investment guidance and practice, and better invest for results. Finally, the Secretariat committed to implement the Agreed Management Actions from the OIG's May 2019 report.

Areas not covered by the response

The Secretariat remained conspicuously silent on the lack of alignment between its funding cycle of three years and the longer average time needed for successful RSSH investments. This point has been highlighted at length by the TRP, the TERG and the OIG with a suggestion of phased investments when appropriate. A phased investment might take the form of a long-term investment with tranches of three years, which will correspond to the funding cycle. The Secretariat has also not elaborated on strengthening RSSH components, such as governance, which are vital for the success of its investment.

Further reading:

- [36th TERG Meeting: Summary Report](#) 5-7 September 2018 Nay Pyi Taw, Myanmar
- The TRP report, [Report on RSSH investments in the 2017-2019 funding cycle](#), October 2018
- OIG audit report, [Managing investments in Resilient and Sustainable Systems for Health](#) 3 May 2019 (GF-OIG-19-011)
- The [Global Fund Strategy 2017-2022](#), Investing to end the Epidemics.

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