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THE GLOBAL FUND AND PEPFAR: COMPLEMENTARY APPROACHES, SUCCESSFUL COLLABORATION

By working closely together, the Global Fund and the (U.S.) President's Emergency Plan for AIDS Relief (PEPFAR) have supported nearly 20 million people to access life-sustaining antiretroviral (ARV) treatment, reducing dramatically a runaway infectious killer that was destabilizing communities and imperiling economic growth. With different strengths and limitations, the two initiatives have become complementary and interdependent, and together have yielded substantial results in changing the pandemic's global trajectory. The Global Fund provides support for over 100 countries with a country-driven approach that emphasizes an inclusive process for developing grant proposals and overseeing their implementation. PEPFAR, as its principal bilateral program on HIV, allows the U.S. to engage a more limited set of countries more directly, harnessing the immense technical capacity of a broad range of government agencies and nongovernmental and faith-based partners to scale programs rapidly to prevent and treat the disease. By understanding and harnessing the unique strengths of each, countries can improve their impact and provide an even more compelling case for continued and even expanded financial support for both.

Results-driven focus

Despite some early skepticism that the Global Fund and PEPFAR could deliver HIV treatment and prevention services at scale in Africa, both organizations continue to demonstrate strong records of performance and dramatic results. The Global Fund estimates that from its founding in 2002 through the end of 2016, it has, in partnership with PEPFAR and others, saved 22 million lives. It also reports that the Global Fund and PEPFAR are together supporting more than 18 million people living with HIV with lifesaving treatment, allowing those individuals to remain productive as well as reducing substantially their

risk of passing the virus to others. Table 1 presents the Global Fund's own results as of the end of 2016, noting that it is impossible to isolate Global Fund results from PEPFAR's and others given the cooperative nature of the work and the overlap in coverage (e.g. Global Fund will help pay for the purchase of drugs to treat HIV, and PEPFAR will support the doctors, nurses and community workers that get those drugs to people).

Table 1: Global Fund's end-2016 results for HIV

Indicators	End-2016 result
People currently receiving ARV therapy	11
HIV-positive pregnant women receiving ARV prophylaxis for prevention of mother-to-child transmission (PMTCT)	4
Counseling and testing encounters	579
Basic care and support services provided to orphans and vulnerable children	8
Condoms distributed	5,320

These achievements have contributed to increasing donor confidence in the Global Fund. In its 2016 multilateral aid review, the U.K.'s Department for International Development found, "The successful performance of the Global Fund in this Multilateral Development Review fed directly into our recent decision to increase funding from £800 million to £1.1 billion for the next three years. This will help to save eight million lives." The Australian government's review released in 2017 also gave the Global Fund high marks: "The MPA [Multilateral Performance Assessment] confirmed the Global Fund is a strong, responsive development partner for Australia. Evidence of impact is robust... The MPA recognized the significant reforms undertaken by the Global Fund over its 2012-2016 Strategy period, including on fraud prevention and control. The Global Fund has also greatly improved its strategic leadership and governance, and made financing more predictable through a needs-based allocation methodology."

Financing

Together, the Global Fund and PEPFAR represent about two-thirds of donor support worldwide for HIV prevention, care, and treatment. External support from donors, however, represents only about one-quarter of total funding for HIV, with the rest financed by the governments of affected countries, foundations, businesses and individuals. As a financing mechanism, the Global Fund has strict eligibility requirements based on gross national income and disease burden. In the current grant cycle, the Global Fund is providing grants to more than 100 low- and middle-income countries around the world. PEPFAR supports a more limited set of countries, though there is significant overlap for the highest burden African countries. Based on its FY 2015 expenditures, PEPFAR had 25 countries in which it spent more than \$10 million whereas the Global Fund had 42 countries with grants exceeding \$10 million.

Coordination

At headquarters and country levels, PEPFAR and Global Fund teams work together toward joint goals. On a technical level, the two organizations have worked closely to drive data-centric approaches to investments that maximize the benefits of each dollar invested. Table 2, adapted from PEPFAR's 2016 report to the U.S. Congress, provides examples of how PEPFAR and the Global Fund engage at the governance, programmatic and technical assistance levels.

Table 2: Examples of PEPFAR and Global Fund engagement

Level	Description
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Policy and governance	<ul style="list-style-type: none"> • The U.S. government holds one of 10 donor seats on the Global Fund’s board. • Senior U.S. government officials also serve in leadership positions on the Global Fund board committees on strategy, finance and governance. The designated PEPFAR of each committee participates in committee meetings throughout the year. • Every month, PEPFAR participates in the Global Fund’s Grant Approvals Committee
Program	<ul style="list-style-type: none"> • At the headquarters level, PEPFAR communicates daily with Global Fund staff, second personnel to Global Fund headquarters, hosts headquarters-to-headquarters meetings to assess key implementation challenges in core joint-investment countries, and hosts coordination meetings with the Global Fund on implementation topics, such as procurement and supply chain. • At the country level, PEPFAR teams deploy “Global Fund liaisons” (in many countries) to coordinate implementation and share information about the Global Fund with PEPFAR teams (and vice versa), share implementation data with Global Fund counterparts quarterly and are actively involved in country coordinating mechanisms (CCMs). • In 2015, PEPFAR invited Global Fund portfolio managers to participate in PEPFAR’s Country Operational Plan (COP) process and invited the Global Fund to provide input on the FY 2016 COP Guidance.
Technical assistance	<ul style="list-style-type: none"> • PEPFAR is the largest donor of technical assistance (TA) to support the activities of the Global Fund. • Global Fund TA activities include supporting development of national strategic plans, reviewing grant proposals, building the capacity of governments to manage their grants, supporting countries to mobilize increased domestic resources for HIV/AIDS, and strengthening national supply chains to deliver lifesaving commodities. • PEPFAR is an active partner in the Global Fund’s Implementation Through Partnerships (ITP) project (now Impact Through Partnership), launched in 2015, to drive program success in 20 high-priority countries. These 20 countries represent 54% of all Global Fund money and 67% of expected scale-up activities. • PEPFAR’s investments in TA for the Global Fund will be aligned to support the activities identified in the ITP project.

PEPFAR and the Global Fund complement each other because they utilize very different approaches that together support both immediate acceleration of HIV programs as well as longer-term, and perhaps more sustainable, development of national technical and financial capacity, and commitment by affected countries.

Table 3 presents a comparison of approaches by PEPFAR and the Global Fund. (Note: There are certainly some variations in the approaches shown.)

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PEPFAR	Global Fund
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<p>“Donor-Driven”: COPs, which detail annual plans, budgets and targets, are negotiated with countries but significantly informed by priorities and approaches set by PEPFAR headquarters. This allows PEPFAR to drive a data-centric approach that typically relies heavily on technical support and engagement by U.S. personnel and their international partners.</p>	<p>“Country-driven”: Proposed by government, private-sector, or civil society. This fosters buy-in, encourages local ownership, and promotes capacity building. However, it can be more cumbersome and slower to implement.</p>
<p>Annual: COPs are redeveloped every year based on funding levels determined by annual congressional appropriations and subject to often grueling reviews. Annual revisions and retargeting ensures maximum technical efficiency, but inhibits longer-term planning needed by countries (which face decades of financial demands from people needing treatment) and coordination with other donors and partners across varying financial planning years.</p>	<p>Three-year: Countries can plan more effectively and reduce the burden and country income volatility by spreading these allocations by spreading them over three years. Countries sometimes be eligible for funding from the Global Fund established by the Global Fund (e.g., addressing HIV/AIDS). Likewise, allocations can be made for investments (based on capacity) or demonstrated effectiveness.</p>
<p>Full package: The U.S. government brings immense technical and logistical capacity, both from U.S. officials based in country and at headquarters, as well as the wide array of nongovernmental partners it supports. This allows the PEPFAR program to engage fully with countries to meet local needs, fill capacity gaps, and deliver direct services and high-quality programs even in areas with weak capacity. However, it does build dependence on these heavy investments and so makes it harder to decrease and eventually eliminate PEPFAR support.</p>	<p>Funding only: The Global Fund provides technical support from headquarters, though global activities are managed locally. This is often, but not always, a strength. The Fund relies on local partners to make the best use of the funds. The Fund relies on local groups to monitor performance. This can mean that program quality can be weak.</p>
<p>Monitored locally: On the ground U.S. personnel, typically including top leadership of the U.S. embassy, as well as PEPFAR’s headquarters staff and the U.S. Global AIDS Coordinator, are heavily involved in the development of the COPs. This allows for more hands-on engagement in the COP development, and situational awareness of how U.S. investments fit with those of other donors and the local government.</p>	<p>Monitored centrally: Global Fund managers, many of whom are based in Washington, D.C., often pressed for time. In the last few years, the Global Fund has been particularly burdensome in high-burden countries. Technical support by the Technical Review Group is limited. Countries do not commit to any one proposal. Lack of situational awareness to understand local proposals.</p>

These approaches have different strengths and limitations, but are inherently complementary and allow the U.S. government to fight HIV more efficiently and effectively. PEPFAR and the Global Fund have been increasing their cooperation and coordination over time to work more seamlessly together. PEPFAR and the Global Fund are ever more interlinked and interdependent, which is evident in the countries in which they jointly operate. Since the Global Fund does not have any on-the-ground staff, it often relies heavily on the PEPFAR team for information and support. Programmatically, investments are tightly coordinated

at country-level planning sessions, with the Global Fund, in many instances, providing funds for the drugs that are then used by PEPFAR and country programs to keep patients alive and productive. In some examples, the Global Fund grant provides more than 90% of HIV commodities, while PEPFAR provides the service delivery and TA support.

This interdependence leads to greater success against HIV, but also makes the two entities more vulnerable: Funding cuts or programmatic restrictions (e.g. restricting funds to certain countries or for specific interventions) in one could seriously affect the capacity of the other and lead to shared failure to achieve strategic targets. Countries, other donors and implementing partners will improve their responses to HIV by understanding and responding to the different approaches of the Global Fund and PEPFAR as they both work to bring an end to the HIV pandemic.

This article is adapted from a report Todd Summers wrote for the Center for Strategic and International Studies (CSIS), entitled “The Global Fund and PEPFAR: Complementary, Successful and Under Threat.” The report was published on 1 September 2017 and is available on the CSIS website [here](#).

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