Aidspan

Independent observer of the Global Fund

Meaningful change or more of the same rhetoric? The Global Fund's new funding model and the politics of HIV scale-up

This week's full roll-out of the new funding model provides an opportunity to review independent assessments at the country level that recommend a significant transformation in the way the Global Fund structures its operations.

The Fund is a critical financing mechanism to achieve the goal of universal access to HIV treatment and prevention for people in low- and middle-income countries. Its continued evolution reflects the debates in global public health to reconcile the trade-offs between vertical programmes and integrated health care, or the value of achieving short-term health goals using life-saving therapies at the expense of building sustainable health systems.

The "investing for impact" strategy would seem to be an attempt to eliminate the need to make these trade-offs while also achieving bigger picture goals in terms of bringing HIV interventions to scale. A 'more focused approach' outlined in the strategy document that was at the foundation of the new funding model positions the Fund as 'a more effective and efficient funder' that is more 'attractive to donors', seeking to turn a page on the fiduciary, financial and leadership challenges that confronted it in 2012.

With greater predictability and flexibility of funding, more proactive engagement with grant implementation in recipient countries, the Fund is shifting away from its roots as merely a financial instrument. These dramatic changes to its funding mechanism are also helping the Fund to bind itself to its policy ideals, including its commitment to a human rights approach to financing and implementing grants.

But does this changing narrative really signify real change in behavior, in operations and, most importantly, in impact? In our paper, published in January in the Journal of Global Public Health

(Kapilashrami and Hanefeld 2014), we conclude that while there is an explicit focus on making the funding model more flexible and committed to the principles of aid effectiveness and health systems strengthening, the emerging narrative risks amplifying some of the earlier negative effects of the Global Fund on country-level systems and health outcomes.

Health systems and governance

The new commitment by the Fund to go beyond targeted disease response and contribute to health systems strengthening is welcome as it acknowledges the need for sustainable external investment at the country level.

However, the nebulous notion of “invest(ing) more strategically” would appear to limit actions to those that align with national systems, and only in those countries that are most in-need. There is no mention of how donor-side coordination and alignment will occur. Nor is there anything in the strategy or funding model that relates to human resources, despite the widely documented impact of Global Fund funding on human resources in health (Hanefeld and Musheke, 2009).

There is a risk that the emphasis on ‘value for money’ and the attendant rise in performance measurement and management systems – with their complementary costs – are likely to compound problems of transaction costs and opportunistic behaviours linked to aid mechanisms of the Fund.

It is hoped that financing and retention of human resources will eventually be addressed through a better and more strategic alignment with national health plans and a comparative assessment of salary scales.

Better reporting and monitoring of the burden on human resources of absorption of Fund resources into health systems will ensure more strategic alignment, in a way that emphasizing impact and demonstrating value for money may not. It is also worth remembering that without investment in hiring and retaining capable staff within the health system, the impact of any Fund-supported intervention will be limited – a conclusion that has repeatedly emerged in country-level assessments.

Some countries have reported distortions and shifted incentives from Fund-supported interventions that have ignored or elided process- and quality-related concerns (Gulrajani, 2011). In India, there were many facility-level instances where staff fudged figures on adherence and re-registered patients under false names to show increased utilization of beds and care facilities (Kapilashrami and McPake 2013). This example highlights the tensions inherent ina system that provides incentives for ambitious targets alongside the promotion ofhuman rights principles such as equality and participation.

Both the strategy framework and the funding model place great emphasis on governance and funding in line with national plans. Where no such national health plan or strategy of sufficient quality exists, countries are expected to develop a plan as part of this process. There is a risk that such pre-conditions may lead countries to simply develop ambitious plans and strategies to meet a new requirement of the Global Fund, instead of genuinely engaging in, and developing, an integrated system.

Civil society participation

The new model demands broader participation by stakeholders, including government agencies, donors, civil society, and affected communities. In service to this priority, the Fund is requiring a “country dialogue”: a process through which stakeholders, with support from the Fund’s own country teams and external technical support, will draft a concept note that should serve as the basis for its detailed, disease-specific proposals.

Provided that such dialogue is a process and not a one-off meeting, drawing both national and sub-national engagement in an open and transparent and inclusive series of consultations that are not

restricted to pre-existing Global Fund networks of civil society, there is an opportunity for civil society to better prepare for grant management and implementation. Now that countries will be required to explicitly state their intentions for the resources they are being allocated, civil society is likely to be equipped with critical information with which they may hold both the Fund and implementing bodies to account.

How this model will allow for community-level engagement in decision-making, particularly among vulnerable populations and groups who have hitherto remained invisible or marginalized in the decision-making and grant application processes, remains to be seen. Here again is the challenge of tremendous opportunity pitted against a historical legacy of coming up short.

Human rights and equity

One of the five strategic objectives outlined in the strategy paper supporting the transition to the NFM is to protect and promote human rights. This goal, driven again by the maxim “investing for impact” may be attained by withdrawing support to programs violating human rights, encouraging investments that address rights-related barriers to access, and integrating a rights perspective across all aspects of the Fund’s work.

These noble aspirations are to some extent undermined by the absence of any concrete effort to ensure that populations specifically affected are not left behind. Focus is again constrained to those countries where the greatest gains can be made; likewise, the funding model targets a small number of countries on the basis of epidemiological and governance criteria.

This approach runs counter to human rights endorsement by the Global Fund, as the poorest and most stigmatized populations in countries with weak governance or lower prevalence of HIV are set to lose out on funding, and consequently, access to life-saving therapeutic drugs and preventive interventions. Where this is not an explicit priority and where funds are limited, it is often the most vulnerable who lose out. Moreover, addressing the long-term determinants of vulnerabilities or the “upstream factors” demands a combination of approaches seeking to change individual behaviors as well as modifying the community structures, norms, and structural issues that underpin these vulnerabilities.

In addition, the strategy and funding model are silent on wider systemic issues such as the role of religion or societal norms. This silence extends to potential limits on access to medicines due to trade agreements.

Conclusion: the new model, a change or more of the same?

There has been a clear, albeit uneven, shift within the Global Fund towards aid effectiveness and health systems strengthening.

Amid debate on scaling-up prevention and treatment interventions to reach wider geographical regions and populations, focus on ‘select regions’ for ‘greatest impact’ runs counter to the proposed focus on human rights and a central aspect of Global Fund support: accessibility of such funding by marginalized populations everywhere.

While basing funding decisions on governance, epidemiology or disease-profile is understandable, the governance provisions are worrisome. The increased focus on maximizing impact and numerical targets sets up tension with the human rights commitment, which remains unresolved in the current strategy. New provisions may also increase transactional costs and opportunism, putting pressure on recipient organisations to adjust reporting figures.

Moreover, there is an inherent contradiction and internal dissonance in the Global Fund’s operating model that raises questions around the overall intent and credibility of its latest strategy. By prioritizing short-term health goals in its targets for the three diseases, such as number of people on treatment, number of

people with HIV enrolled in networks, spraying houses through IRS (for malaria), or vaccinating children, it de-emphasizes the importance of longer-term and process-related indicators, which are key to ensure effectiveness and sustainability of interventions that are brought to scale.

Even though the new strategy attempts to marry the principles of aid effectiveness and HSS with the need for scale-up, the overwhelming focus on increasing efficiency and impact merit a better understanding and scrutiny of how far the revised strategy seeks redemption or offers systemic solutions to allow for effective scale-up.

Aid effectiveness is as much about the conditions of aid, and political dynamics and power relations that impinge on aid, as it is about better management. Given the limited acknowledgement of these conditionalities and dynamics, the optimism inherent in the Fund strategy document and echoed by its advocates who view the new model as the much anticipated leap in the fight against HIV and AIDS, appears short-lived.

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