



Independent observer
of the Global Fund

CONTENTS OF ALL ISSUES OF GLOBAL FUND OBSERVER

This month marks the second anniversary of the launch of GFO. In this issue, we list the contents of all GFO issues thus far. An up-to-date version of this list can always be accessed via www.aidspace.org/gfo.

Issue 36 – 21 Nov. 2004 (Web page PDF file Word file)

NEWS: Board Meeting Highlights. This issue of GFO is devoted entirely to decisions made at the Global Fund board meeting that took place in Arusha, Tanzania on November 18-19. The Fund holds three board meetings per year. This was the ninth such meeting. GFO was present, with observer status.

Issue 35 – 18 Nov. 2004 (Web page PDF file Word file)

STOP PRESS: Global Fund Announces Launch of Round 5

Issue 34 – 8 Nov. 2004 (Web page PDF file Word file)

NEWS: Global Fund Encounters Criticism in Washington, DC. A briefing that US government officials provided to Congressional staffers produced an indictment of the Global Fund for everything from having poor financial management to supporting rogue states.

ANALYSIS: Topics for Discussion at the Forthcoming Board Meeting. The Global Fund board meeting next week is likely to cover the CCM “requirements vs. recommendations” debate, Round 5, Phase 2 renewals, the Fund’s budget, grant reprogramming, the Comprehensive Funding Policy, technical support, and more.

COMMENTARY: it’s Time to Soften the Comprehensive Funding Policy. “Those who wish to apply in the next Round will be told ‘there are billions in the bank, but we can’t launch a new Round.’ And potential donors will be told ‘there are billions in the bank, but we desperately need more money.’ This situation is not only un-productive, it is counter-productive. It harms the Fund.”

Issue 33 – 18 Oct. 2004 (Web page PDF file Word file)

COMMENTARY: Weak Donor Support May Result in a Shrinking Global Fund, by Hélène Rossert, Vice-Chair of the Global Fund. “Despite the recommendations of the Partnership Forum ... for a launch of Round 5 by early 2005, there now appears to be a reduction of support from several donors, many of whom do not support the launching of a new round in the coming months.”

NEWS: Global Fund Fails to Gain Sufficient Non-US Donations to Release Full US Pledge. The Global Fund has not succeeded in raising the full amount needed from non-US donors to meet the US condition for handing over its full 2004 pledge of \$547 million.

NEWS: Feachem Speaks Out on AIDS in India. According to UN data, the number of people with HIV in India is 5.1 million, behind S. Africa with 5.6 m. But, “I don’t believe in the official statistics. India is already in first place,” Feachem said.

COMMENTARY: An Open Letter to Richard Feachem and The Board of the Global Fund, by Rajiv Kafle. “The Nepal Ministry of Health insists that the contract be approved by the cabinet, the top council of government. In these troubled times, cabinet meetings mostly focus on security issues. There may not be enough time to meet the Fund’s deadline.”

ANALYSIS: The Global Fund’s “Slow-Moving” and “Well-Performing” Grants. In an analysis by GFO of all 212 Global Fund grants for which a grant agreement has been signed, every one of the 25 “slow-moving” grants identified by GFO has a governmental Principal Recipient (PR), as against a civil society or multilateral PR.

Issue 32 – 20 Sept. 2004 (Web page PDF file Word file)

NEWS: Global Fund Launches Public Awareness Campaign. The Global Fund has launched a campaign to raise awareness about the Fund. It includes a video that conceptually illustrates disease being confronted by the Global Fund. It does this by showing a street-fighting bully who is eventually knocked flat by an even bigger fighter.

COMMENTARY: David and Goliath – PWAs and the Global Fund CCM in Bolivia, by Gracia Violeta Ross Quiroga. The author is a Bolivian woman living with HIV. When she first visited the Global Fund Secretariat, she felt like David facing Goliath. That, she says, is also how she and her fellow PWAs felt when they first dealt with the Bolivian CCM. But they eventually had something of a victory, because PWAs now play a key role as members of a much more effective CCM.

COMMENTARY: Multiple Principal Recipients: The Zambian Approach, by Elizabeth Mataka. The author describes how the Zambian HIV grant has four Principal Recipients (PRs), each one dealing with sub-recipients in the sector of society it knows best, yet all cooperating to maximize the chances of success. (This approach has sparked interest around the world, because it overcomes many of the problems encountered by single PRs.)

COMMENTARY: A Critical Review of New Funding Mechanisms, by Mabel van Oranje. “If you want to put serious new money into fighting AIDS, where can you get the best bang for your buck? By going bilateral? By choosing the UN route? By using new funding mechanisms? Based on the early evaluations, I would put my money in the Global Fund.”

ANALYSIS: Global Fund Secretariat Country-by-Country Contact Information. A list is provided of Global Fund contact staff dealing with each country that is eligible for Global Fund grants
Issue 31 – 22 Aug. 2004 (Web page PDF file Word file)

NEWS: US Unlikely to Contribute its Full Global Fund Pledge; UK Also Disappoints the Fund. The US is likely not to hand over a small portion of its 2004 pledge to the Global Fund, because of US legislation that says that the amount given by the US must not exceed 33% of all donations made this year. And the UK has doubled its Global Fund pledge for 2005-7; but despite major new commitments for AIDS in general, the UK is only giving ten percent of its AIDS expenditure to the Fund.

NEWS: Global Fund Launches Web-Based Price Reporting Mechanism. The Fund has launched a web-based Price Reporting Mechanism that enables anyone to see and compare how much grant recipients have paid for which products.

NEWS: Draft of Partnership Forum Official Report Available for Comment. A draft of the official report from July's Global Fund Partnership Forum is now available at the Fund's web site. Comments or suggestions on the draft recommendations that are submitted to the Fund by August 31 will be forwarded to the Board.

NEWS: Fund Introduces "Early Warning System" for Problem Grants. The Global Fund Secretariat is developing an "early warning system" to identify grants that are at risk of not being renewed at the end of Year 2.

COMMENTARY: Full Support for Global Fund Is Critical in AIDS Fight, by Joanne Carter. "With White House attempts to undercut the Global Fund, the best hope for millions struggling to survive now lies in the hands of the U.S. Congress."

ANALYSIS: Sources of Fund-Related Technical Assistance . The GTZ BACKUP Initiative, designed specifically to provide technical assistance to Global Fund applicants and recipients, is continuing to accept applications for technical assistance funding.

Issue 30 – 16 July 2004 (Web page PDF file Word file)

NEWS: International AIDS Conference Roundup. The International AIDS Conference ended today. Thanks in large part to criticisms of President Bush's \$15 billion PEPFAR initiative, the Global Fund was widely and somewhat simplistically portrayed by many as the funding source that could do no wrong. The Fund received unexpectedly strong endorsements from former President Nelson Mandela and UN Secretary General Kofi Annan.

NEWS: Financial Developments. The Gates Foundation announced a new pledge of \$50 million for the Fund. No other new pledges were announced during the conference. Kofi Annan has agreed, if asked, to co-chair the Global Fund's Replenishment Conference next year, and to attend the Fund's November board meeting.

NEWS: Press Coverage of the Fund. At least 400 articles in the English language press mentioned the Global Fund during the Bangkok conference, including a variety of editorials and opinion pieces.

NEWS: Fund Releases Progress Report. As part of its increasing emphasis on transparency, the Fund has released a study of the effectiveness of the 25 grants that have been in operation for more than one year.

ANALYSIS: Detailed data regarding Round 1, 2, 3 and 4 grants. Comprehensive data and source material regarding all Round 1, 2, 3 and 4 grants is now available at the Aidspan web site.

Issue 29 – 9 July 2004 (Web page PDF file Word file)

NEWS: First Ever Partnership Forum Issues Strong Recommendations. The Partnership Forum made it clear that it disagrees with the board's actions and inactions on CCMs and Round 5.

ANALYSIS: Partnership Forum Recommendations. The Partnership Forum's working groups produced multiple recommendations, analyzed here, regarding Round 5, resource mobilization, CCMs structure and methods, disbursement problems, technical assistance, and more

QUOTE: Benefits of Working With the Global Fund. "Working through the Global Fund is totally different [from working with other donors]. With the Global Fund, the bureaucracy is less, it's faster, and the

flexibility to respond to needs is much better.”

ANALYSIS: Detailed data regarding Round 1, 2, 3 and 4 grants. Comprehensive data and source material regarding all Round 1, 2, 3 and 4 grants is about to be posted at the Aidspace web site.

INVITATION: Bangkok Satellite Session on CCMs. Attendees at the Bangkok AIDS conference are invited to a satellite session on “The Global Fund – How CCMs can be More Effective.”

Issue 28 – 1 July 2004 (Web page PDF file Word file)

NEWS: Global Fund Board Decisions. This issue of GFO is devoted entirely to decisions made at the Global Fund board meeting that took place in Geneva on June 28-30. The Fund holds three board meetings per year. This was the eighth such meeting.

Issue 27 – 30 June 2004 (Web page PDF file Word file)

NEWS: Global Fund Approves Round Four Grants. In the Global Fund’s biggest round ever, the board has approved 69 Round Four grants with a 2 year cost of \$968 million. By the end of Year 5 of Round 4 grants, 1.6 million people will be on ARV treatment as a result of Round 1-4 Global Fund grants.

NEWS: Key Decisions Made by Global Fund Board. The board rejected proposed requirements regarding CCM structure and methods. The “Communities” board delegation was granted the vote. The board rejected proposals to accept certain forms of in-kind donations. And more.

ANALYSIS: Round Four Decisions. A list is provided showing all eligible applications received in Round 4, with the board’s decision in each case. Also shown are countries that were eligible to apply but did not do so.

Issue 26 – 21 June 2004 (Web page PDF file Word file)

NEWS: Global Fund Board Meets Next Week. At its board meeting next week, the Fund will approve Round 4 grants, decide on voting rights for the “Communities” delegation, review whether to toughen up its requirements regarding CCM structure and operations, and consider the question of “in kind” donations to the Fund.

COMMENTARY: Holding True to Annan’s Vision. Unless the board gets serious about resource mobilization at its meeting next week, and also resolves at the following board meeting to change some of its ground rules, it is likely that the launch of Round 5 will have to be deferred from late 2004 to 2007. This is confirmed by the Secretariat.

NEWS: Global Fund Partnership Forum Preview. At its first Partnership Forum in early July, the Fund will seek feedback from a range of stakeholders, particularly people who have worked with, or been excluded from, CCMs.

ANALYSIS: Ten Top Problems Faced by CCMs . A list of ten of the most common problems faced by CCMs.

NEWS: Short items. The Nepal NGO proposal for Round 4 was endorsed at the last moment by the CCM, and thus could be considered by the TRP. GFO welcomes a Deputy Editor. GFO has been granted observer status at the next board meeting. And more.

NEWS: Bangkok International AIDS Conference Preview. Brief details of all events at the Bangkok conference that relate to the Global Fund.

Issue 25 – 7 June 2004 (Web page PDF file Word file)

NEWS: Support Group Launched in USA for Global Fund. A support group for the Global Fund named “Friends of the Global Fight” has been launched in the USA. It will be led by Jack Valenti, a famous Washington insider who served for 38 years as chief executive of the Motion Picture Association of America and has outstanding connections among both Republican and Democratic members of Congress.

COMMENTARY: Pointed Lessons from a Regrettable Row. The Global Fund was recently involved in a public argument with the government of South Africa over whether Global Fund grants were being disbursed quickly enough. While the facts, when finally revealed, make it clear that South Africa wasn’t guilty in the way that had been claimed, the incident highlights the challenge of moving grant money in a timely manner to where it’s needed.

NEWS: Global Fund Provides Details on Ineligible Round 4 Proposals. Every Round 4 proposal that NGOs submitted direct to the Global Fund (that is, without CCM endorsement) was ruled ineligible by the Secretariat. Most, according to the Secretariat, had little technical merit. And the few that were strong did not make a legitimate case for bypassing their CCM.

FROM THE FIELD: Unity in Civil Society – Lessons from Kenya (by Matthew Black). “For Kenya, the Global Fund could have been a magic bullet. Instead, this country’s approach to the Fund has produced a string of disappointments.”

NEWS: New Study Reveals Varying Acceptance by CCMs of People Living with HIV/AIDS . A new study from GNP+, the Global Network of People Living with HIV/AIDS, offers a window into whether people with AIDS are truly playing the participatory role in CCMs that the Fund envisioned.

NEWS: Global Fund Examines its Long Term Future. The Global Fund Secretariat has conducted a study showing that a continuation of current Fund practices and assumptions could lead to three significant outcomes. First, the Fund will level out at a much lower “cruising altitude” than originally anticipated. Second, the Fund will need more staff than the board has been willing to recruit. Third, the Fund will end up sitting on a multi-billion dollar mountain of cash that is earmarked but not needed for up to three years. Issue 24 – 21 May 2004 (Web page PDF file Word file)

NEWS: TRP Recommends Surprisingly Small Proportion of Round 4 Proposals for Approval. In a surprising development, only one third of eligible Round 4 proposals, by dollar value, have been recommended by the Global Fund’s Technical Review Panel (TRP) for approval. One result is that it is likely that the Fund will, after all, have enough money to pay for all the Round 4 proposals recommended by the TRP for approval. In a related move, the Fund has reduced its estimates for the cost of renewing Round 1, 2 and 3 grants this year and next.

ANALYSIS: Recommended Country-by-Country Donations to the Global Fund. Aidspan has issued an updated an Equitable Contributions analysis that addresses the following broad questions: (a) How much money is needed by the Global Fund? (b) Which countries should contribute to this need? (c) What minimum percentage of the Fund’s total need should each of these countries provide? (d) What is the current shortfall in donations from each country? (e) What should be done to enhance the chances that countries will donate as per the Equitable Contributions Framework? The Global Fund board and secretariat have thus far only been willing to tackle the first of these five questions. Issue 23 – 16 May 2004 (Web page PDF file Word file)

NEWS: Round 4 is Biggest Ever. The Global Fund has received proposals costing significantly more in Round 4 than in any of the previous three rounds. It is possible that the Fund will not have sufficient funds to pay for all the proposals that are recommended to the board for approval.

NEWS: Global Fund Secretariat is Reorganized. The Secretariat of the Global Fund has undergone a significant reorganization. The main changes have occurred at the level immediately below Executive Director Richard Feachem.

INTERVIEW: Helene Rossert, First NGO Representative to be Chosen as Vice Chair. “When you run for election, the idea is not necessarily to win, but to raise your voice, and to say that you have things to push forward.” “The donors really need to have pressure from the field, I believe, to raise their [donation] figures.”

NEWS: Nairobi Regional Meeting Makes Recommendations Regarding CCMs. At the Nairobi meeting of CCM members from Eastern and Southern Africa, a working group on CCMs sought not just to comment on problems and possibilities, but to make concrete recommendations regarding CCM structure and methods. Issue 22 – 6 Apr. 2004 (Web page PDF file Word file)

NEWS: Global Fund and Others Announce Cheaper Drug Possibilities for Grant Recipients. The Global Fund and three other organizations today announced ways in which grant recipients can obtain high quality antiretroviral drugs and diagnostics at very low prices that previously were only available to a few

countries. (This issue of GFO does not deal with any other topics.)

COMMENTARY: Plans Are Fine, But Who Has Been Helped?, by Richard Stern. "In the past few years we have heard many announcements about scaling up plans and programs regarding HIV/AIDS treatment. But after the press coverage dies down, things don't seem to change very much for the people who need these drugs."

Issue 21 – 28 Mar. 2004 (Web page PDF file Word file)

NEWS: New York Times on AIDS. Today, March 28, the New York Times published as its lead story an article entitled "Plan to Battle AIDS Worldwide is Falling Short." In view of the significance of the article, Aidsplan is reprinting the complete article in this special issue of GFO.

Issue 20 – 21 Mar. 2004 (Web page PDF file Word file)

NEWS: Global Fund Board Decisions. This issue of GFO is devoted almost entirely to decisions made at the Global Fund board meeting that took place on Thursday and Friday March 18 and 19. The descriptions of decisions made are in Aidsplan's own words. Analysis and comment on some of the underlying issues will be provided in future issues.

Issue 19 – 7 Mar. 2004 (Web page PDF file Word file)

NEWS: "Aidsplan Guide to Applying to the Global Fund" is Released. This brief issue of GFO serves to inform readers that the "Aidsplan Guide to Applying to the Global Fund" has just been published. It is accessible at www.aidsplan.org/guides, where the "Aidsplan Guide to Obtaining Global Fund-Related Technical Assistance" is already available.

Issue 18 – 29 Feb. 2004 (Web page PDF file Word file)

NEWS: Global Fund Suspends Grant to Ukraine. The Global Fund has suspended payments on a \$25 million HIV grant to Ukraine. The Fund had concluded that the grant was poorly managed and far behind schedule. But the Fund also suspected that some of the grant money was likely to be inappropriately diverted.

ANALYSIS: Latest Developments Regarding Global Fund Finances. The Fund projects that it will need \$5 billion during this year and next. Sufficient funding for Round 4 seems likely, but the timing of Round 5 is in doubt. The Global Fund has only received \$163 million in firm new pledges during the past eight months, of which only \$11,600 came from foundations and a negative amount from corporations. Australia has made its first pledge, but has given less in relation to its economic size than has any other Western donor.

NEWS: Country Reports. The Kenya CCM has decided to cut its size in half, and the Government has agreed to occupy only three out of sixteen seats. In Russia, no agreement had been reached on the composition of a CCM. The Guatemala CCM's recommendation for a Principal Recipient has been turned down by the Fund. One of Ecuador's two Principal Recipients has resigned. In the Philippines, the CCM, chaired by a government official, has chosen an NGO to serve as Principal Recipient. The South African CCM is still having difficulties.

ANALYSIS: Round 4 – How it Works. Some of the mechanics of how Round 4 applications will be handled are explained.

NEWS: "Aidsplan Guide to Applying to the Global Fund" Due Out Shortly. The "Aidsplan Guide to Applying to the Global Fund" will be published by 7 March. It contains an analysis of the most common strengths and weaknesses (according to the TRP) of proposals submitted to the Global Fund in Round 3, plus a step-by-step guide to filling out the Round 4 proposal form.

COMMENTARY: Six Challenges Faced by Round 4 Applicants . Round 4 applicants face six significant challenges that could have been prevented: The application form is too complex. A few of the instructions and questions are ambiguous. The new online application form is unusable for many applicants. Insufficient technical assistance has been made available. The potential role of the private sector has not been clearly explained. And little guidance has been provided on how to bundle multiple mini-applications into one consolidated application.

NEWS: Global Fund Has New Board Members, With Implications for Chair Position. Several new Global Fund board members have been chosen, some of them eligible to become Chair next year. One of these is Dr. Manto Tshabalala-Msimang, South Africa's Minister of Health.

NEWS: Forceful Pro-Fund Speech by Stephen Lewis . "it's time for the world to embrace the Fund... No one pretends the Fund is perfect, including its own Secretariat. But it is emerging as one of the most inspired multilateral financial instruments that the world has latterly fashioned... In my respectful submission the Global Fund has been abysmally resourced."

Issue 17 – 11 Jan. 2004 (Web page PDF file Word file)

NEWS: Global Fund Launches Round 4. On January 10, as planned, the Fund launched its fourth Round of grant applications. The deadline for submission of Round 4 proposals is April 5, 2004. The Fund stated that at present, US \$604 million is available for Round 4 grants. This is approximately equal to the amount committed for Round 3 grants. However, more money will certainly become available by the time the board makes its approvals in June.

NEWS: Aidsplan Releases Guide to Obtaining Global Fund-Related Technical Assistance. Aidsplan today released "The Aidsplan Guide to Obtaining Global Fund-Related Technical Assistance." This 123-page Guide is intended to be useful to any country or organization that is considering applying to the Global Fund or whose grant application has been approved by the Fund. It is based on a survey conducted by Aidsplan of 170 organizations and individuals that are in a position to provide Global Fund-related technical assistance.

NEWS: Global Fund Releases New Documents for Grant Applicants and Recipients. At the same time that it launched Round 4, the Fund released a number of documents that are designed to be helpful to grant applicants and recipients.

NEWS: Full Text of the Fund's Round 4 Call for Proposals. The Fund provides details on who can apply, how to apply, etc.

Issue 16 – 21 Dec. 2003 (Web page PDF file Word file)

NEWS: Global Fund to Play a Key Role in Meeting “3 by 5”. The World Health Organization believes that the Global Fund has a key role to play in financing the “3 by 5” initiative to get 3 million HIV-positive people on antiretroviral treatment by 2005. In a special interview with GFO, the Fund’s Richard Feachem says that the Fund “very much hopes to see large and ambitious applications for antiretroviral therapy scale-up in Rounds 4 and 5.”

COMMENTARY: The Global Fund and Treatment Access in Latin America – A Critical View, by Richard Stern. The Global Fund offers promises and hope for many, but a view from the field in Latin America and the Caribbean indicates that when it comes to antiretroviral treatment access, the complications are many and the promises offered by the Fund are slow to be fulfilled.

ANALYSIS: The Global Fund and Disbursements – Moving Money out the Door, by Eric Friedman. As more funds become available to tackle HIV/AIDS in poor countries, the ability of grant-making agencies to move money into the field is crucial. In this regard, the Global Fund has an admirable record, particularly for an organization formed so recently. The Fund is moving money to grant recipients with considerable – and increasing – speed.

NEWS: Short items. Japan has announced an increase in its contribution to the Global Fund for 2004. Nine major international companies have announced that they will use their facilities to expand workplace HIV/AIDS prevention and treatment programs into communities where they operate. Aidspace’s survey of providers of technical assistance to Global Fund applicants and grant recipients has been responded to by nearly 160 organizations.

NEWS: Tommy Thompson’s Africa Trip. Nearly 100 leaders from the US recently flew to Africa visiting AIDS projects on a tour led by Tommy Thompson, Chair of the Global Fund. “The trip was extraordinary,” said Richard Feachem, Executive Director of the Fund. “We’re tired of these photo op trips to Africa,” countered Paul Zeitz, executive director of the Global AIDS Alliance in Washington, D.C.
Issue 15 – 17 Nov. 2003 (Web page PDF file Word file)

NEWS: Decisions at the October Board Meeting. The Global Fund’s October board meeting focused on how best to raise and disburse funds in a time of scarce resources. Highlights of the meeting are provided, together with some interpretive comments.

NEWS: Short Items. In Round 3, only six of the 71 approved proposals were from NGOs and other non-CCM entities. A few new pledges, all small, have been received by the Fund. Several NGO positions are available on the Board of the Global Fund. The number of people who will receive treatment with ARV drugs as a result of Round 3 grants is less than with Rounds 1 and 2. Canada is moving ahead with plans to issue a compulsory license regarding patent-protected antiretroviral drugs. Bill Clinton’s foundation has brokered a deal to get ARV prices down to under \$140 per patient/year in certain countries. And more.

NEWS: Forthcoming Guides for Global Fund Applicants. Aidspace, publisher of Global Fund Observer, plans to publish four free guides for Global Fund applicants and recipients: “A Guide to Applying to the Global Fund,” “A Guide to Obtaining Global-Fund-Related Technical Assistance,” “A Guide to Starting Implementation of a Global Fund Grant,” and “A Guide to Building and Running an Effective CCM.” Providers of Fund-related Technical Assistance interested in being listed in the second Guide are invited to contact Aidspace.

OVERVIEW: Progress Report from the Fund. The Global Fund has released an updated Progress Report that provides a useful overview of the Fund and its operations.

COMMENTARY: Letter from China. Until recently, there was little evidence that the government of China was serious about AIDS. However, China’s submission of a \$98 million HIV proposal to the Fund, approved last month, provides hope that things are starting to change.

Issue 14 – 29 Oct. 2003 (Web page PDF file Word file)

ANALYSIS: Detailed data regarding Round 1, 2 and 3 grants. This brief issue of GFO serves to inform readers that comprehensive data and source material regarding all Round 1, 2 and 3 grants is now available at www.aidspace.org/globalfund/grants.

Issue 13 – 19 Oct. 2003 (Web page PDF file Word file)

NEWS: Global Fund Approves Third Round of Grants, and Prepares for Round 4. The board has approved Round 3 grants with a 2-year cost of \$623 million, significantly less than expected. Round 4 will be launched on 10 January 2004.

COMMENTARY: The Need for Technical Assistance. The evidence of Round 3 suggests that the technical merit of proposals being submitted to the Fund is not increasing, and quite possibly is decreasing. The Fund could usefully do more in encouraging other institutions to offer technical assistance to countries that wish to obtain Global Fund financing.

ANALYSIS: Round Three Decisions. A list is provided showing all eligible applications received in Round 3, with the board's decision in each case. Also shown are countries that were eligible to apply but did not do so.

Issue 12 – 28 Sept. 2003 (Web page PDF file Word file)

NEWS: The Paris Meeting and Beyond. At the July 16 “International Meeting to Support the Global Fund” in Paris, statements of support were made by many prominent figures, and the Presidents of the European Commission and France vowed to push for European countries to give a billion dollars to the Fund in 2004. But only two new pledges were announced at the meeting, and little visible movement has taken place during the subsequent two months.

NEWS: Round Three Results Due Mid-October. The Technical Review Panel (TRP) has completed its evaluation of the Round Three proposals, and has sent its recommendations to the board, which will make its decisions October 15-17. Under certain circumstances, the anticipated cash-shortage problem may not arise.

COMMENTARY: A Breakthrough Proposal? UN Envoy Stephen Lewis has just made a simple and obvious proposal regarding drug pricing – which just might be adopted.

ANALYSIS: Progress with Signing Grant Agreements. After a slow start, the Secretariat of the Global Fund has been signing grant agreements at an increasing rate. Almost all of the Round 1 agreements have been signed, as have half of the Round 2 agreements. \$131 million has been disbursed thus far.

NEWS: Short Items. New Local Fund Agents have been chosen. The TRP is seeking new members. The Fund's first annual report has been released. Argentina is out-sourcing large parts of its Round 1 grant to over 100 civil society organizations.

SPEECH: it's Time for Commitment. ICASO's Richard Burzynski chastises global leaders for insufficient commitment to the Global Fund.

NEWS: South African Grant Agreements Finally Signed. Grant agreements have at last been signed with South Africa regarding three Round 1 grants, the largest of which involves KwaZulu Natal.

Issue 11 – 13 July 2003 (Web page PDF file Word file)

Funding the Fund: Ten Key Issues. This special edition of GFO raises and then examines ten key issues that are likely to be on the minds of attendees at the Paris International Meeting to Support the Global Fund:

Issue 1: How much money does the Global Fund need?

Issue 2: How much money does the Fund expect to receive from Europe, the US, and others?

Issue 3: What financial shortfall does the Fund currently face?

Issue 4: What is the Equitable Contributions Framework?

Issue 5: Which wealthy countries have not supported the Fund?

Issue 6: What are the consequences of the recent US legislation regarding the Fund?

Issue 7: How could the Fund's rules regarding financial reserves be improved?

Issue 8: What would be the impact of moving forward pledges assigned to unspecified years?

Issue 9: What should be done regarding Round 3 if the financial shortfall is not overcome?

Issue 10: What is the best long-term solution to the funding crisis?

Issue 10 – 12 June 2003 (Web page PDF file Word file)

NEWS: Global Fund board gets used to a new chair – and vice versa. The June board meeting was the first to be chaired by Tommy Thompson, the US Secretary of Health and Human Services. The general consensus was that after some initial confusions regarding ground rules, the meeting was run effectively. As with earlier board meetings, though, many key issues were left unresolved.

INTERVIEW: Tommy Thompson, Global Fund Chair. “[The Fund] was non-existent two years ago, and now it’s a multi-billion-dollar corporation. I don’t know of any corporation that’s grown that rapidly before, and to get this far with as few problems and as few setbacks, I think is absolutely stupendous.”

NEWS and ANALYSIS: Significant developments regarding funding the Fund. There have been some significant new pledges to the Fund during the past two weeks. However, as things stand, the Fund is still likely to have only about one third of the money it needs for Rounds 3, 4 and 5. Fortunately, there are real possibilities of further major pledges being made during or before the July 16 “International Meeting to Support the Global Fund” in Paris. As a result, there is still a chance that Round 3 grants, to be approved in October, will be fully funded.

TESTIMONY: Feachem testifies about CCMs. “We have a spectrum, from CCMs that are working really very well to CCMs that are working very badly indeed... I would like to set minimum standards for CCMs. The Board at the moment is not comfortable with that, but it’s my personal preference and that’s well known.”

Issue 9 – 7 May 2003 (Web page PDF file Word file)

NEWS: US General Accounting Office Releases Report on Global Fund. The US General Accounting Office has released a long-awaited report on the Global Fund. The views of the report are captured in its title: “Global Fund to Fight AIDS, TB and Malaria Has Advanced in Key Areas, but Difficult Challenges Remain.”

COMMENTARY: A Crisis the Board Must Confront. Unless a miracle takes place, many of the proposals to be approved in October for Round 3 will have to be put on hold as a result of under-funding. The Board should spend some time considering its own partial responsibility for this situation.

ANALYSIS: Current Status of Round 1 Grants. One year after Round 1 grants were approved, 47 of the 69 grant agreements have been signed, with fund disbursements started for 37 of these. A country-by-country breakdown is provided.

COMMENTARY: Open Issues Regarding Rounds 1 and 3. The Fund should set a deadline: if a Round 1 grant agreement is not signed by some specified date in the not-too-distant future, the grant approval should be revoked. And new procedures must be developed arising from the likely funding shortfall for Round 3.

ANALYSIS: Countries that have not yet received Global Fund grants. Eighteen countries have a “low” or “lower-middle” income level, plus an adult HIV infection rate above 1%, and have not yet received a

Global Fund grant for HIV/AIDS.

Issue 8 – 24 Mar. 2003 (Web page PDF file Word file)

NEWS: Global Fund Announces Round 3. The Global Fund has invited countries to submit Round 3 proposals. Projections allow for this round to cost nearly double the cost of Round 2 – partly because countries that have already had proposals approved are still eligible to apply in this round.

COMMENTARY: Funding the Fund. The Resource Mobilization Committee has only met once, and has no chair. The Secretariat has no Director of Resource Mobilization. The Fund has no resource mobilization strategy. Everyone is waiting for someone else to solve the problem.

INTERVIEW: Richard Feachem. A wide-ranging interview with the Fund's Executive Director, covering India, Monitoring and Evaluation, Round 3, and more.

COMMENTARY: From the Chairman, by Tommy Thompson. Tommy Thompson, new Chair of the Global Fund's board, introduces himself to GFO readers.

ANALYSIS: How much money does the Fund need? How much does it have? \$42 billion by 2008 needed; \$3 billion promised. How would the Equitable Contributions Framework address the gap?

Issue 7 – 18 Feb. 2003 (Web page PDF file Word file)

FROM THE GFO EDITOR. Much the most popular feature at the Aidspace web site is the new section that lets you “drill down” from country totals to see hundreds of background documents related to all Round 2 grants – including the Executive Summary of every approved and rejected proposal.

NEWS: Uganda Reverses its Position Regarding Global Fund Grant. As reported earlier in the GFO Discussion Forum, the Ugandan Ministry of Finance has reversed its earlier position that a Global Fund grant would not be allowed to lead to an increase in Uganda's health expenditure.

COMMENTARY: Funding The Fund. Three commentators laud President Bush's breakthrough increase in AIDS funding, though they urge that the five-year flow of money be “front-loaded,” and that far more of it go to the Global Fund than is currently planned. Now it's Europe's turn.

ANALYSIS: A breakdown of the Round 2 grants. A breakdown of the Round 2 grants by year, region, disease, implementing entity, form of expenditure, and more.

Issue 6 – 31 Jan. 2003 (Web page PDF file Word file)

NEWS: Global Fund Board Approves Second Round of Grants. The Fund's second round of grants, approved today, will cost \$866 million over the first two years. If the Fund is to approve a third round of grants in October, substantial new funds need to be pledged.

NEWS: US Leader Tommy Thompson Chosen to Chair Global Fund. The Fund today elected Tommy Thompson, US Secretary of Health and Human Services, to serve as Chair for the coming year. This is the man who was booed off the stage at the Barcelona AIDS Conference in July by activists chanting “Where's the \$10 billion? – Fund the Global Fund.”

Issue 5 – 30 Jan. 2003 (Web page PDF file Word file)

GLOBAL FUND CHAIRMANSHIP ELECTION: Interview questions for candidates. Tommy Thompson of the US and Lennarth Hjelmåker of Sweden are expected to stand for election as Chair of the Global Fund's Board. GFO presents here some interview questions for the candidates.

COMMENTARY: The US President's speech and the Global Fund. \$10 billion in new money for AIDS sounds great, until you realise it will be spread over five years and doesn't start until 2004. And why assign only one tenth of that to the Global Fund?

Issue 4 – 28 Jan. 2003 (Web page PDF file Word file)

STOP PRESS: Global Fund Chair Kiyonga declines to stand for re-election tomorrow. In a surprise move, Board Chair Chrispus Kiyonga announced today that he will not stand for re-election tomorrow. No obvious successor is yet apparent.

Issue 3 – 23 Jan. 2003 (Web page PDF file Word file)

INTERVIEW: Prof. Michel Kazatchkine, Chair of the Technical Review Panel. “This time, there were far fewer proposals that we had to assign to Category 4, the lowest category. We found the proposals to be much more relevant and structured.” But the TRP’s standards were also raised.

BACKGROUND: What is a Local Fund Agent? Local Fund Agents are the Global Fund’s “eyes and ears” in countries where projects are implemented. Their responsibilities cover the entire life-cycle of the proposals.

COMMENTARY: Why not use local LFAs? by Peter Burgess. The Global Fund seeks to be innovative. One way of doing so would be to tap into the enormous pool of professional accounting and related expertise available in developing countries.

FUNDING THE FUND. The Round 2 proposals recommended to the Board by the TRP will use up virtually all the Fund’s remaining money. The Fund raised \$180,000 per day over the last three months – far short of the \$11 million per day it needs to raise.

SPEECH: Stephen Lewis on AIDS, Africa, and the Global Fund. “It is impossible to overstate how strongly people [in Africa] feel that the Global Fund is the best vehicle we have to finance the struggle against the pandemic. Every country yielded the same questions: When will the money come? Does the Global Fund have enough money? Why don’t governments contribute to it? What happens if it goes bankrupt?”

Issue 2 – 10 Jan. 2003 (Web page PDF file Word file)

NEWS: KwaZulu Natal – the Saga Continues. KwaZulu Natal was caught in the middle when South Africa and the Fund argued about the KZN grant.

NEWS: Tanzania and Uganda – Unanticipated Headaches. The Global Fund encountered worrying challenges when the Tanzanian and Ugandan Ministries of Finance got involved. Will such problems arise with other countries?

ANALYSIS: The Global Fund’s financial needs. How much money does the Fund need? How much ought to be contributed, and how much has been pledged thus far, by each potential donor?

COMMENTARY: Resource Mobilization – Crunch Time. The Global Fund is in a precarious financial plight. The Board’s Resource Mobilization Committee is primarily composed of people who would rather be somewhere else. How can the Fund meet its mission if it pays so little attention to fundraising?

COMMENTARY: What is a valid CCM? The Fund must publish clear guidelines on minimum standards and best practice regarding CCM composition and procedures.

Issue 1 – 23 Dec. 2002 (Web page PDF file Word file)

ANALYSIS: Documents on the Global Fund.

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