



## Country Coordinating Mechanisms

### Background

This Office of the Inspector General (OIG) report is about a very important topic, Country Coordinating Mechanisms (CCMs). Its importance is brought home by the opening statement that CCMs are a cornerstone of the Global Fund model.

The report explains that, in May 2018, the Board approved a Pilot for a CCM Evolution project in 18 countries. It does not list those countries, but they are to be found in the [April 2020 update](#) on the CCM evolution. The countries were in three groups:

- Standard CCMs (10): Benin, Burkina Faso, Cameroon, Lesotho, Malawi, Mozambique, Nepal, Papua New Guinea, Tanzania, and Uganda.
- CCMs in challenging contexts (4): Burundi, Democratic Republic of Congo, Haiti, and Niger.
- Transition preparedness CCMs (4): Albania, Colombia, Guatemala, and Romania.

Note that Burkina Faso is now classified as a challenging operating environment.

The pilot began with an assessment of CCM maturity in four areas – oversight, linkages, engagement and

functioning – and then worked in cooperation with the countries and partners to strengthen CCM performance in those areas and to learn what worked to inform the evolved approach to be launched for all CCMs in 2020.

The lessons learned from the pilot laid the foundation for the main roll-out of the CCM Evolution Strategic Initiative (ESI), a \$15 million project spanning 2020 to 2023, encompassing 93 CCMs. There is no explanation as to why the ESI only covered 93 CCMs.

The report informs the reader that individual CCM performance is measured through an annual eligibility and performance assessment and also at the funding request stage, when the CCM eligibility criteria are assessed. Going forward, the eligibility criteria will also be assessed on an annual basis using the new Integrated Performance Framework rolled out in September 2022. Apart from that, there is no further information on individual CCM performance. Instead, emphasis is placed on the material delays across all four areas of the ESI:

- [Oversight](#): Active oversight of existing and emerging investments.
- [Engagement](#): Meaningful, inclusive and active participation of key stakeholders.
- [Positioning](#): Working within national structures and existing emerging platforms to increase efficiency of health investments.
- [Operations](#): CCM Secretariats' core functions (including the code of conduct), enabling and sustaining health governance.

## Audit scope

The audit covered the period 1 January 2020 to 30 September 2022 and its scope was:

- CCM ESI and CCM maturity sustainability plans to enable CCMs to adapt to the evolving expectations of the Global Fund;
- Global Fund Secretariat policies, structures, systems, processes and guidelines for managing CCMS; and
- CCM processes and core areas in sampled countries.

## Performance snapshot

The opening of the section headed 'Risk and Performance Snapshot' informs the reader that "there were no corporate key performance indicators aimed specifically at CCMs"; but it does provide some CCM performance data for 2021 and 2022.

In 2021: (a) in terms of effectiveness, against a target of 80%, 63% of active CCMs with funding arrangements had completed their threshold agreements; and (b) in terms of efficiency, against a target of 80%, 74% of annual disbursements were sent within 45 days of CCM/Regional Coordinating Mechanisms (RCMs) completed submission of a costed work plan and mandatory reporting documents.

In 2022: (a) against the target of strengthening in-country oversight grants in 70% of high impact/core CCMs (40 countries) with Oversight Officers in place, the achievement rate was 66%; (b) against the target to roll-out and develop new CCM integrated performance frameworks in 60% of active CCM/RCMs, the achievement rate was 80.8%; and (c) against the target of 80% of annual disbursements sent within 45 days of CCMs/RCMs submitting a costed work plan and mandatory reporting documents, the achievement rate was 65.9%.

### First Finding

OIG's first finding is that, with less than a year remaining for the CCM ESI to end (in December 2023), implementation of the interventions has been materially delayed due to pandemic-related disruptions and pilot phase limitations. If the project does not get back on track, there is a significant risk that the activities will not be fully implemented by the end of the ESI, and CCMs may not attain the level of maturity required to support the implementation of the Global Fund Strategy 2023-2028.

The extent of the delays is most easily understood by referring to the following table constructed from data in the report:

Area	Action and Outcome	Number of CCMs
Pre-assessment	Completed threshold assessment to define priority interventions	87 out of 93
Oversight	CCMs who opted to recruit an oversight officer	69 out of 93
	Oversight officers not yet hired	29 out of 69
Engagement	Interventions not yet started as at November 2022	79%
	Community-based monitoring activities started	None
	Completed engagement for constituencies and CCM selection coordination activities	1 out of 26
	Completed the CCM composition review	1 out of 21
Positioning	Mapping and positioning plan completed	4 out of 75

Mapping and positioning plan not started	54 out of 75	
Support started to implement positioning plan	4 out of 36	
Operations	Framework document updated	1 out of 26
	Additional interventions in progress	6 out of 26
	Additional interventions not started	19 out of 26
	Orientation training completed	2 out of 21

The delays illustrated by the table are mainly attributed to: (i) limitations in leveraging learning from the pilot phase; (ii) limitations with the initial project design; (iii) absence of a monitoring and evaluation (M&E) framework at the inception of the CCM ESI; and (iv) the impact of COVID-19.

According to OIG, the endline assessment of the pilot phase focused on the country-level achievements and did not specifically assess the processes and resources required at the Global Fund Secretariat to support the evolution and systems to manage investments both at central- and country-level. The audit noted that some activities planned during the pilot were not implemented in the sampled pilot countries. These include the stalling of oversight and engagement intervention activities in Nepal after the pilot phase ended and the positioning of activities in Guatemala. In Tanzania, the Oversight Officer position was not maintained after the pilot ended. Furthermore, the assessments did not focus on how the gains of the evolution would be sustained or mainstreamed in the CCM annual funding and performance management process. As a result, some of the evolution gains observed in the sampled pilot countries were not sustained. For example, while the Oversight Officer position was deemed key to improving the functioning of the Oversight Committee, it was not maintained after the pilot phase in three out of the four sampled pilot countries due to limited funding.

The section on the first finding concludes with a note on how COVID-19 changed the priorities of CCMs. The CCM ESI was designed prior to COVID-19. During the pandemic, CCMs were given additional responsibilities for preparing funding requests to the Global Fund's COVID-19 Response Mechanism (C19RM) and to oversee its implementation. This affected some CCMs' capacity to prioritise other projects, such as the CCM ESI. The Secretariat is working on contingency plans for activities that may not be completed by the end of 2023, with ongoing discussions on how to sustain intervention gains beyond 2023.

## Second Finding

The second finding is that the CCM ESI was adapted to the pandemic environment by implementing activities remotely instead of on site, maintaining the momentum of the project despite competing priorities for CCMs. However, limitations with the initial project design, absence of an M&E framework at inception and tight timelines are negatively impacting the delivery of the ESI.

The roll-out of the CCM ESI to more than 90 CCMs affected the timely delivery of some of the interventions, given the ESI's limited resources. Priority was not given to those CCMs with significant challenges and of high strategic importance. Resource planning was not in line with the ambitious objective of the CCM ESI, considering the planned interventions under the four pillars, the coverage (93 CCMs/RCMs) and the complexity of coordinating multiple stakeholders.

OIG found that key mechanisms, documents and procedures for operationalising the CCM ESI, including an M&E framework, were not designed at the outset of the project. Processes to manage/guide strategic partners investing in CCM strengthening are lacking, and a project exit strategy – with milestones for integrating evolution interventions into business as usual – has yet to be developed.

From the final paragraph on the second finding, we learn that: (a) the ESI was under-funded; and (b) the Secretariat deprioritised the ESI during the COVID-19 pandemic. It is therefore unsurprising that the ESI is not on course.

### Third Finding

The third finding is that significant delays in recruiting and deploying technical assistance (TA) consultants (especially locally engaged consultants), and limited processes for quality assurance of TA work and engagement with TA partners, are affecting timely delivery of TA services and may impact the quality of services provided. The management of TA to CCMs needs strengthening to ensure quality and timely delivery.

The OIG found no evidence of proactive strategizing or joint management to target the support provided by partners. The CCM Hub has limited visibility and data to monitor partners' TA activities. The partners independently determine the countries and type of support provided to CCMs, and only in some instances share or report back on their activities to the CCM Hub. In addition, the OIG Audit of Global Fund Capacity Building and Technical Assistance, issued in April 2020, highlighted the limited effectiveness of monitoring TA investments due to weak governance and oversight structures and inadequate policies, procedures, and tools. These gaps persist in the Secretariat management of TA to CCMs. The OIG found no wider Secretariat framework for engaging with and monitoring partner TA provided to CCMs.

## Fourth Finding

There has been a significant improvement in processes and systems since the last OIG audit. However, the effectiveness of the CCM Hub is hampered by limited systems and lack of guidance to CCMs with challenging or unique contexts. Further enhancements are needed for data collection and use, and for supporting CCMs with unique contexts to perform their functions efficiently and effectively.

Access to information and relevant data is important for CCMs to provide effective guidance and oversight and to identify trends in their portfolios. Dashboards can help them to assess Principal Recipient (PR) performance and provide adequate oversight over Global Fund-supported programs; but countries have struggled to obtain timely and accurate information on PR performance as they either lacked functional dashboards or the dashboards had limitations. PRs did not provide enough or timely information to populate them. Accessing grant information in a format that eases oversight and decision-making was cited as a general challenge among the sampled countries.

While there is no budget in the CCM ESI for a new dashboard solution for CCMs, the CCM Hub wants to develop a central oversight dashboard to extract PR data from the Global Fund Partner Portal for the Global Fund data warehouse. This would also decrease the reliance on PR reporting to populate dashboards.

The CCM policy requires CCMs to support transition readiness and co-financing tracking. However, OIG's review found that:

- In Armenia and Guatemala, the respective CCM Secretariats do not have access to information to monitor the fulfilment of co-financing obligations during grant implementation.
- In Kyrgyzstan, the CCM has developed a monitoring tool but has yet to use it.
- In the other seven countries reviewed by the OIG, co-financing is discussed as part of grant applications but those CCMs' Secretariats do not have any tools or visibility to monitor compliance.

CCM policies are not sufficiently differentiated to reflect countries' unique circumstances – such as those operating in federal states, transition countries, challenging operating environments or under the Additional Safeguards Policy. The current standard structure of CCMs does not consider these differences, resulting in sub-optimal stakeholder representation of the key actors that drive health and community services in these countries. Also, CCMs in countries with large grant allocations and with significant needs receive largely the same resourcing and support as CCMs in smaller countries.

The CCM Hub only tracks disbursements to CCMs and expenditure contracted centrally. It does not have a mechanism to consolidate country-level expenditure. The Global Fund Secretariat's grant operating

system does not include a CCM funding module and its tools do not allow a global view of CCM disbursements, absorption, and progress implementation of ad hoc projects, which creates monitoring gaps and makes reporting to senior management susceptible to potential human error. There is a risk that decisions are taken based on incomplete or inaccurate information. Upon request, the Secretariat could not provide the OIG with the absorption rate of CCMs' expenditure and investment in CCMs from inception.

## Audit ratings

### OIG rated:

- the design and implementation of the ESI, including the adequacy and effectiveness of CCMs to meet the Global Fund's evolving expectations, as partially effective; and
- the effectiveness of Global Fund Secretariat support provided to CCMs for executing their mandate as partially effective.

## Agreed Management Actions

There are four agreed management actions (AMAs) to address the audit findings.

1. The Secretariat will, by 31 December 2023:
  - develop an implementation plan to expedite delivery of the remaining CCM ESI activities; and
  - include and sustain the evolution project gains throughout the grant cycle (including in the pilot countries).
2. The Secretariat will, by 31 October 2023, enhance its monitoring and evaluation to assess the impact of the CCM ESI on CCM performance.
3. The Secretariat will, by 31 January 2024:
  - work with the Community, Rights and Gender (CRG) Department to accelerate the development of the engagement pillar Country Led Monitoring tools; and
  - develop a quality assurance framework for TA procured and for the performance of TA providers.
4. The Secretariat will, by 31 January 2024:
  - Explore opportunities for developing technical tools to support both CCMs and the Secretariat in their oversight and decision-making specifically to centralise PR and portfolio risk assessment data and incorporate the CCM funding management module into existing Global Fund grant management systems to enhance the Secretariat tracking of CCM funding and

financial performance.

- Enhance CCM guidelines to specifically support those CCMs with unique contexts.

## Commentary

As is our usual custom, we shared the draft of this article with the OIG before going to print. The OIG were uncomfortable about some aspects of it and sent us their comments, some of which we addressed. Otherwise, we feel our article remains valid.

For the informed reader, there is some confusion about CCM numbers, perhaps because of the decision not to name countries. In the background to the assignment, it states that there are 110 CCMs overseeing grants in 130 countries. However, the ESI only applies to 93 CCMs. Why those 93; and why were the others omitted? The Global Fund's [online list of CCM contacts](#) has CCMs in 114 countries and 14 regions. In a 2019 interview published in the [Global Fund Observer](#), the then new manager of the CCM Hub in Geneva stated that the CCM Hub serves over 115 CCMs; and, in his LinkedIn CV, her predecessor states he was working with 117 CCMs.

Unfortunately, the lack of attention to wording (e.g. using 'assurance' instead of 'assistance') and the use of unexplained, unnecessary or flamboyant phrases (Global Fundspeak) confuses the subject matter. The report is therefore difficult to read and fully comprehend; and some sentences will make even less sense when translated into other languages. For example, what does this sentence mean: "Impact parameters would specifically monitor transformation of CCMs towards strategic level growth." Which 'impact parameters'? And what is an 'impact parameter'? How would CCMs grow and why would they want to? And what is 'strategic level growth' for a unit that is not running a business? Yes, as the OIG pointed out to use, there is footnote 32 that explains that the CCM ESI has three levels of maturity: level 1 – functional; level 2 – Engaged; level 3 – Strategic. Without explaining these levels more clearly the reader is none the wiser; and probably more confused. Given the continued mention of maturity in this report, it is surprising that there is no mention of how many CCMs are at each of these three levels, let alone a full list with their maturity ratings.

Another example: In the executive summary, it states: "The Project threshold assessment process has not been fully optimized to support CCMs to prioritize interventions that could move them to more strategic maturity." How does an assessment optimise support to prioritise interventions? What on earth is 'strategic maturity', let alone more of it?

And yet another example: the final AMA is that the Secretariat will 'enhance CCM guidelines ...'. What does that really mean; and how can the enhancement 'support those CCMs with unique contexts' when, wherever you go, the situation is described as 'unique' (hence the impossibility of defining a 'unique context')?



There is repeated reference to the 'maturity of CCMs' but what is and is not mature about CCMs is never explained. Mature people have a lot of experience; but aging slows down movement and often impairs some capabilities. So maybe CCMs should not aim for maturity but aim for more efficiency and effectiveness in the four areas of the ESI.

From the second finding, we can only deduce that the roll-out of the ESI was hasty and ill-prepared. It is also clear that the ESI will not achieve its aim by the end of this year. Among the constraints are:

- a. The difficulty of recruiting and retaining CCM Oversight Officers;
- b. The delays in recruiting and deploying TA (especially national consultants) and then monitoring and assessing the TA delivered; and;
- c. Insufficient funding for the ESI.

Recruiting CCM Oversight Officers will always be difficult. First, candidates for this role must be acceptable to the CCM Chairperson. Of the 114 countries listed with CCMS, 16 do not have a permanence Chair assigned. Of the 98 countries who do:

- 48 are the Minister for Health, the Deputy (Vice) Minister for Health or other senior appointee in the Ministry of Health;
- 23 are in other senior government positions (but not in the Ministry of Health);
- 20 are from NGOs;
- 6 are from the private sector; and
- 8 are named but with no job title or affiliation.

So, 64 of the 98 (almost two-thirds) of CCM Chairs are government appointees and they may not necessarily appoint an Oversight Officer who is best qualified and experienced for the role.

Second, funding for the position is for a limited period (a maximum of two years); and capable persons are unlikely to be attracted to what is a temporary position with little/no possibility of advancement.

Recruiting TA consultants and then delivering the TA is difficult because, by its very nature, a CCM contains political and social frictions. A TA person is unlikely to be able to access necessary programme and other health and financial data or institute improvements in recording, reporting and monitoring without the full support of CCM members, senior program officials and government officials. Such full support is rare.

Under the third finding, we are informed that the CCM Hub's onboarding and orientation for the TA

consultants at the beginning of the CCM ESI was comprehensive and adequate. This is encouraging news. However, the report goes on:

“The CCM ESI leverages the competencies and TA consultants of the Global Fund Secretariat’s Community, Rights, and Gender (CRG) department. The CCM ESI is leveraging the Community Engagement Strategic Initiative partners to provide engagement support TA. The Community Engagement Strategic Initiative Coordination Mechanism has a system to track TA that is being provided by 11 Global Fund related TA mechanisms, including TA provided to CCMs, to enhance coordination and reduce the risk of duplication. The CRG team is responsible for the provision of TA under the CCM Evolution’s Engagement pillar. The CRG team also has a system to track TA provided to CCMs by all partners, which reduces the risk of duplication.”

We can only hope that this makes sense to you; but we fail to see where the CCM Hub fits into this.

This report is interesting and welcome; but the AMAs, logical though they are, have not been costed and appear unlikely to result in the ESI being completed by end 2023 or delivering on expectations. As stated in section 3.1 of the report: “As a result, it is not possible yet to determine whether the maturity of CCMs will have increased at the end of the project”.

To achieve and sustain the required improvements in CCM performance, a more pragmatic approach is required which focuses on countries that want their CCMs to progress and which:

- a. recognises that CCMs are temporary structures created to meet the Global Fund’s requirements;
- b. takes into account the differing politics and institutional structures in different countries (which means being flexible and not attempting to adhere to a general approach);
- c. ensures the sharing of relevant information on TA provided to CCMs by all partners and encourages collaboration on the provision of TA support; and
- d. has specific activities that are costed, adequately resourced and properly managed.

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