

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. (An additional 135 grants have been operating for less than a year, and 140 grants have been approved but have not yet commenced operations.)

The study, entitled "A Force for Change: The Global Fund at 30 Months," concluded that of these 25 grants, twelve are on target or over-performing, eight are slightly behind target but likely to catch up in the coming year, and five are "severely behind schedule."

The Fund does not set targets; it invites applicants, when submitting their proposals, to specify what results they expect to achieve by what dates. The Fund is not likely to approve proposals that have wildly optimistic or insufficiently ambitious targets. The challenge, for applicants, is to set targets that will impress the TRP yet are achievable; they know that if actual performance is way behind target over the first two years, the grant is unlikely to be renewed for the final three years. Furthermore, even within the first two years, progress payments are only made when evidence is received that earlier payments have led to adequate performance. This is a very different approach from many more traditional forms of development assistance, in which payments are sent with only modest consideration of performance thus far.

The study showed that the twelve well-performing grantees received, during their first year, 91 percent of the funding that was originally projected to be sent during that period, whereas the worst-performing grantees only received 21 percent.

Perhaps the worst performing grantee was Tanzania, which will be host of the board's November board meeting. The first disbursement for Tanzania's Round One malaria grant was made eighteen months ago;

by now, the fifth disbursement should have been sent, but in fact no further disbursements have been made. The grant is for production of malaria bed nets. The delay has been caused by unduly cumbersome governmental procedures for approving tenders for production of the nets.

In its most interesting finding, the study concluded that grants for which there was a civil society Principal Recipient performed measurably better than those for which there was a governmental PR.

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