



Independent observer
of the Global Fund

Main Decisions Made at Global Fund Board Meeting

Key decisions made by the Global Fund Board at the meeting that ended on Friday were as follows:

- Round 5: The Board fully and finally approved all of the Round 5 proposals that had been recommended by the Technical Review Panel (TRP) for approval at the September board meeting. (At the September meeting, some of the recommended proposals had only been provisionally approved, because it was anticipated that there might not be enough money until 2006.) The Board was now able, at its December meeting, to approve all of the grants, for two reasons. First, some pre-Round 5 grants that were earlier expected to be ready for Phase 2 renewal this year will not be ready until next year. Second, additional last-minute 2005 pledges have been received from Australia, Iceland, Ireland, Luxembourg, Norway, Sweden, and the United Kingdom. The new pledge from the UK is for \$65 million.
- Round 5 appeals: Appeals by initially-rejected Round 5 CCM applicants from Equatorial Guinea (Malaria), Philippines (TB), and Sudan (HIV/AIDS and TB) were provisionally approved. However, the formal approval will only occur when further funding becomes available. Appeals from the CCMs of Afghanistan, Bangladesh, Benin, Djibouti, Guatemala, Kosovo, Nepal (malaria), Pakistan, Rwanda, South Africa and Turkey were not approved. Appeals from Colombia and Nepal (HIV) were ruled ineligible because the applicant had not been rejected for the same component in both Rounds 4 and 5.

- Round 6: The Board instructed the Secretariat to commence preparations for a possible Round 6. The Board would like it to be possible, before the end of 2006, both to issue a Call for Proposals for Round 6, and to approve those Round 6 proposals that are recommended by the TRP. However, the Board made no commitment that it actually will take either action during 2006.

[Note: Given that there will be only two board meetings in 2006, meeting the Board's goal will require the Round 6 Call for Proposals to be agreed to at the April meeting, and grants then to be approved at the October meeting. At present, unless there are significant increases in pledges or the Fund softens its Comprehensive Funding Policy (which requires the Fund to deposit the entire cost of a grant in the bank before a grant agreement is signed), there will not be enough money to approve a Round 6 in 2006. However, the Board still has the authority to issue the Call for Proposals in April, regardless of how much or little money it expects to receive prior to approving grants.]

- Phase 2 decision-making procedures: The Board finalized – for now – the procedures to be followed when grants are approved or rejected for Phase 2 (that is, for Years 3-5). The approved procedures involve minor modifications to what has been done thus far.

[Note: It is extremely important that grant recipients who are facing Phase 2 renewal evaluations clearly understand the Phase 2 process. To help, Aidspan has transcribed the new Board-approved process and placed it at www.aidspan.org/gfo/docs/gfo64.pdf.]

- Phase 2 duration: The Board agreed that the Secretariat has the right, under certain circumstances, to extend by up to six months the time period that Principal Recipients are given for completing Phase 2. This action cannot be used to justify the provision of any additional funding.
- Continuity of Services: A policy was developed to ensure continued funding of treatment-based grants when they are denied Phase 2 funding or they are approaching the end of their term.
- Strategy development: The Board approved continued work by its Policy and Strategy Committee on development of a possible strategy to maximize Global Fund impact and success during the period mid-2006 to mid-2010.
- Secretariat budget 2006: The Board approved a Secretariat budget for 2006 of \$83.2 million.
- Conflict of interest of former employees: The Board asked its Ethics Committee to develop a policy regarding possible conflicts by staff members after they leave the Secretariat.

[Note: This point arose after the Board received word of current consulting activities by a former employee. GFO expects to report on this in a later issue.]

- loveLife: The Board voted not to approve \$38 million in Phase 2 funding for a grant for HIV prevention activities in South Africa by an NGO named loveLife. In taking this decision, the Board was agreeing with the Secretariat, which some time ago had recommended terminating the grant because of weaknesses in implementation.
- Investigation: See “Investigation of the Global Fund,” above.
- Executive Director: See “Executive Director Term Limits,” below.

The precise wording of the Board decisions is available at www.theglobalfund.org/en/about/board/twelfth. It is likely that extensive background documentation will also soon be available at this location.

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