



# 2011 Annual Report

Aidspan

*An independent watchdog of the Global Fund, and publisher of "Global Fund Observer"*

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## A Message from the Chair and the Executive Director

Although we've always provided reports to our donors and made our audited accounts available to anyone who wished to see them, this is the first year that Aidspace has published a formal annual report. In producing it, we've deliberately focussed on the writing, which after all is our bread and butter; next year, after the release in mid-2012 of our new logo and website, we look forward to presenting a more graphically sophisticated annual report.

We start by repeating a question that we put in April 2012 to a UK parliamentary hearing on the Global Fund: Why is it that *The Beginner's Guide to the Global Fund* was written and published by Aidspace rather than by the Global Fund? Why is it that nearly 10,000 people, seeking clear explanations of what the Global Fund is doing and seeking timely information regarding developments, subscribe to Aidspace's newsletter *Global Fund Observer* rather than attempting to obtain such information from the Global Fund itself?

Perhaps it's too much to expect a multi-billion-dollar fund for health – or indeed any other large and complex institution – to stand back and provide clear, concise and candid information about its own inner workings. As one of our donors put it, "If Aidspace didn't exist, it would have to be invented."

2011 was Aidspace's tenth year, as it was the Global Fund's. Fortunately, it was a happier year for us than it was for the Fund. Early in 2012 we completed our two-year "Aidspace 1.5" phase, in which we transitioned from being an organisation that consisted of its founder plus a small support staff and a board to being an organisation that was adequately funded (with \$1 million raised for 2011 and \$3 million raised for subsequent years), that had reached its full complement of 13 staff (with three professionals joining us in March 2012), and that had appointed its second Executive Director (Dr Kate Macintyre, to start work in September 2012).

The year 2011 saw continued growth of *Global Fund Observer*; we published 36 issues (up from 23 the year before), and we increased our number of subscribers by 12% (to nearly 10,000). As always, most articles in *GFO* were opinion-free news stories, but we also published some important and widely-read commentary articles. In the course of preparing one of them (*The Report of the High-Level Panel – Strong and Thought-Provoking, but with Worrying Flaws*), we sent an early draft to a number of people for review, and over twenty of them – including the Global Fund's Board Chair – submitted their personal comments, which we took into consideration when producing the final version.

We also published eight guides and reports, materially influenced Global Fund actions through both public and private critiques, conducted a survey of *GFO* readers, and substantially developed two new programmes: research, and mentoring local watchdogs of Global Fund implementers. As the year closed, we prepared to launch a much-improved website and communication strategy.

The entire board is very excited by the appointment of Dr Macintyre to take over the running of Aidspace from 1 September 2012. She was chosen after a worldwide search that produced over 100 applicants. She is a UK citizen with a master's degree in public health (specialising in international health policy and management) and a PhD in health

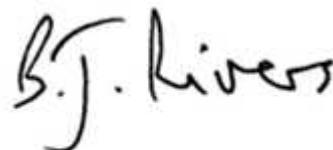
policy and social demography, and is resigning her position as a tenured Associate Professor at the School of Public Health and Tropical Medicine at Tulane University in the United States in order to join Aidspace. She is already based in Nairobi, Kenya, where she moved in 2007 to focus her research on HIV, TB and malaria in East and Southern Africa. The Board chose Dr Macintyre because of her perfect mix of experience working in Kenya and elsewhere on public health research, monitoring and evaluation, journalism and NGO administration.

None of the many activities discussed in this annual report would have been possible without the generous and stalwart support of three multi-year donors: The Monument Trust, the Norwegian Agency for Development Cooperation (Norad) and the Humanist Institute for Cooperation with Developing Countries (Hivos). Just as 2011 was drawing to a close these donors were joined by the UK Department for International Development (DFID), with whom we signed a \$2 million grant agreement whose funding is to be spread over the years 2012–2015. We extend heartfelt thanks to our four donors for their commitment and collaboration.

As the funding landscape to address AIDS, tuberculosis and malaria becomes increasingly challenging, Aidspace's mission – to help ensure that every dollar granted to the Global Fund delivers the greatest possible benefit to people living with and at risk from these diseases – is more important than ever. With so much at stake, we look forward to redoubling our efforts.



**Michael Hirschberg**  
Chair



**Bernard Rivers**  
Executive Director

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***A postscript from the Executive Director***

The decision that I will hand over to a successor in September 2012 was entirely my own, and was not triggered by any “secret problems.” I proposed the idea to the Aidspace board in mid-2011, and we discussed it at length before advertising the position in December 2011 and making an appointment in March 2012.

I'm leaving for three reasons. First, I believe that no organisation should be run by the same person for more than a decade. Second, I believe that once people turn sixty-five (as I did recently, though I find it hard to believe), they should make way for younger people. And thirdly, I believe that when one person not only founds an organisation but also creates a type of organisation that had not previously existed, that organisation is inevitably seen primarily as an extension of the founder until a successor takes over and makes their own mark.

I am delighted that my successor will be Kate Macintyre. She has invited me to continue writing for Aidspace from time to time subsequent to her taking over, and it will give me great pleasure to do so.

**Bernard Rivers**  
Executive Director

## Aidspan's 2011 Annual Plan

Aidspan's *Aidspan Strategic Plan 2010–2013* lays out four programmatic objectives which together aim to increase the impact of the Global Fund: conduct research on the Global Fund; publish information, analysis and advice; facilitate discussion; and push for greater impact. Our *2011 Annual Plan*, included in a technical appendix to this annual report, sets out an ambitious program of activities under each of these objectives. A summary of the annual plan is presented here.

Programme area	Broad activities, and selected sub-activities
<p><b>1: Conduct Research on the Global Fund</b></p> <p><u>Objective:</u> For Aidspan to become the world's leading external repository of knowledge about the workings and impact of the Global Fund and its grant implementers.</p>	<p>11: Research and critique the Global Fund Secretariat and Board</p> <ul style="list-style-type: none"> <li>• Critique procedures that the Fund develops for applicants and implementers, information that the Global Fund makes publicly available, and the work of the Office of the Inspector General</li> </ul> <p>12: Research and critique CCMs and the implementers of Global Fund grants</p> <ul style="list-style-type: none"> <li>• Research the actual outcomes, impact and effectiveness of individual Global Fund grants, and the nature and extent of conflicts of interest on CCMs</li> </ul> <p>13: Research and evaluate the overall impact and effectiveness of the Global Fund and its grant implementers</p>
<p><b>2: Publish Information, Analysis and Advice on the Global Fund</b></p> <p><u>Objective:</u> To increase, among Global Fund stakeholders, understanding of Global Fund policies and procedures, and knowledge of what impact individual grants are achieving.</p>	<p>21: Publish Global Fund Observer (<i>GFO</i>)</p> <p>22: Publish Guides and Reports</p> <ul style="list-style-type: none"> <li>• Publish reports arising from the research above, and new guides</li> </ul> <p>23: Provide further information using the Aidspan web engine</p> <ul style="list-style-type: none"> <li>• Enhance the whole design of the Aidspan website, and provide a "significant event email alerts" feature</li> </ul>
<p><b>3: Facilitate Discussion on Global Fund Issues</b></p> <p><u>Objective:</u> To increase discussion among all Global Fund stakeholders regarding how to improve the Fund's policies and procedures and how to increase the impact of Global Fund grants.</p>	<p>31: Organise Round Tables on major issues</p> <p>32: Host web-based discussion forums and CCM websites</p> <ul style="list-style-type: none"> <li>• Develop and set up a template for CCM websites</li> </ul> <p>33: Mentor local watchdogs</p> <ul style="list-style-type: none"> <li>• Identify and support local watchdog institutions</li> </ul> <p>34: Provide or facilitate workshops at the global or country level</p>
<p><b>4: Push for Increased Global Fund Impact</b></p> <p><u>Objective:</u> To increase the impact of Global Fund grants, leading to more lives saved.</p>	<p>41: Publish White Papers and <i>GFO</i> Commentary articles</p> <p>42: Privately interact with key actors</p>

## Aidspan's Performance Against the 2011 Annual Plan

When Aidspan's 2011 annual plan was developed, activities were planned on the assumption that Aidspan's revenue and expenditure during 2011 would be \$1.9 million. In fact, 2011 revenue was only \$1.1 million, mainly because a new grant agreement was signed later than expected. As a consequence, 2011 programmatic expenditure was only \$0.8 million, 52% of the budgeted \$1.6 million. This saving was achieved primarily by deferring recruitment of three new programmatic staff to early 2012.

As a consequence of those things, several activities that had been planned for 2011 were deferred to 2012 or cancelled. These included researching conflicts of interest in CCMs, publishing a guide to managing sub-recipients, and conducting a round table. Some other activities were commenced later in the year than expected. These included researching the impact of selected Global Fund grants, publishing a guide on how to be an effective local watchdog, and completely redesigning the website. And yet, in a year when programmatic expenditure was only 52% of what had been planned, 62% of planned 2011 programmatic activities were completed and a further 15% were commenced. And Aidspan's impact was without question greater than in any prior year. Some highlights are discussed below, and a detailed description of performance against the annual plan is included in a Technical Appendix to this report.

## Some Highlights from Aidspan's 2011 Work

### Responding to Global Fund problems

The year 2011 was easily the Global Fund's most difficult to date. In January 2011 the Associated Press (AP) published an article entitled "Fraud Plagues Global Health Fund," based on public reports from the Global Fund's Office of the Inspector General (OIG) about corruption by grant-implementers in four countries. The story took off like wildfire. Alarmed, some of the Global Fund's donors held back on delivering their promised contributions pending clear action by the Fund to deal with fraud. Somewhat shell-shocked by the media and donor response, the already risk-averse Global Fund further tightened its procedures, leading for a while to a slow-down in disbursements and creating considerable difficulties for grant implementers. Meanwhile, the Fund set up a High Level Panel to review how the Fund managed risk in its grant-making. The Panel issued a report in September that was daunting in terms of the number of things it said need fixing. The downhill trajectory continued when the Global Fund, having launched its eleventh round of grant-making in August 2011, cancelled it three months later because of inadequate funding. Then came a final nose-dive when the Global Fund Board, after conducting an in-depth assessment of the managerial performance of the Fund's Executive Director, concluded that he had to go. Another two months passed before he finally resigned.

In this context, Aidspan sought to find a balance between being a booster of the Global Fund and being a scold. Aidspan was also careful about timing; the ultimate leadership of the Fund is its Board, and when we learned of ideas that were being considered by the Board, we gave them time to deliberate before we commented publicly. Finally, even though Aidspan is an NGO, it serves all sectors. Thus, we attempted not to come across as a lobbyist for any particular sector or point of view.

## Working both publicly and behind the scenes to push for greater impact

Aidspan is best known as the publisher of *Global Fund Observer (GFO)*. Prior to 2011, *GFO* published two dozen articles on the Office of the Inspector General (OIG), on the OIG's methods, and on the OIG's findings regarding corruption among grant implementers. Yet during that time, virtually no members of the conventional media wrote about the OIG. (This fact, amongst others, has led us to develop plans for increasing our press outreach.) Subsequent to the January 2011 AP story, there was significant negative media coverage of the Global Fund. Throughout the remainder of 2011, *GFO* reported and commented in depth on the Global Fund's problems (many of which were linked to OIG findings) and on the Fund's forceful efforts to address them – see, for instance, the Commentary excerpts in the section below on “What the Global Fund can't (or won't) say.”

Sometimes, however, Aidspan felt it could be more effective by operating behind the scenes. For instance, when Aidspan learned in late November 2011 that the Global Fund board was trying to persuade the Fund's Executive Director to resign, Aidspan held off on publishing this news, and instead worked quietly to facilitate communications between some of the key players.

As a general rule, Aidspan seeks not to be perceived as being “in bed with” the Global Fund Secretariat. But on the other hand, we also seek not to be so critical of the Secretariat that we are no longer listened to, or that in net terms our work reduces rather than bolsters the effectiveness of the Fund. The Fund's senior staff certainly don't always respond happily to Aidspan's criticisms, but there is no question that they listen.

Aidspan can sometimes achieve quicker impact by sharing its critical comments with the Fund on a private basis than by waiting until things get worse and then publishing the criticisms.

During 2011, this happened in three main ways and in multiple minor ways. The first main example is that prior to the Global Fund's publishing its guidelines and application form for Round 11 applications, the Fund sent draft versions to Aidspan for comment. We made many private suggestions for improvement that were then adopted. This didn't prevent us from then critiquing the final versions when we published *The Aidspan Guide to Round 11 Applications to the Global Fund*. We also commented on the Fund's draft Health Systems Funding Platform proposal form and guidelines

The two other main examples are a detailed analysis of problems we encountered in accessing information and documents that should be available on the Global Fund website but are not, or that are hard to find; and an analysis of the challenges in accessing and interpreting data on the Global Fund website related to proposals, grant implementation and grant performance, and of the many shortcomings in the quality of such data. In both cases, we provided private critiques to the Fund, which led to some improvements. If improvements had not followed, we would have considered making these critiques public.

## Growth in circulation and influence of GFO

During 2011 Aidspan published 36 issues of *Global Fund Observer (GFO)*, against a target of 25. The number of articles was 183, against a target of 125. (These increases were primarily due to heroic work by David Garmaise.) Furthermore, the number of subscribers increased by 12% to almost 10,000. Several *GFO* articles were widely discussed in Global Fund circles and led to changes at the Fund.

In mid-2010 Aidspan published a Commentary entitled, *Is the Global Fund Living Up to Its Principles?* The Commentary pointed out that despite the Fund's commitment to performance-based funding (under which seriously underperforming grants are supposed to be terminated), not one Global Fund grant had been terminated at the end of Phase 1 during the previous three years, which happened to be the first three years in office of the Fund's second Executive Director. The *GFO* Commentary was reviewed at a high-level meeting of Global Fund management, and helped inspire a significant change of approach by the Fund that caused six such grants to be terminated during the subsequent year.

At the Global Fund's May 2011 Board meeting, much criticism was expressed regarding the Office of the Inspector General. Aidspan then published a lengthy *GFO* Commentary entitled *Auditing the Auditor* that discussed the issues in depth. The Commentary was highly praised by some senior Global Fund officials and, as discussed below, led to *GFO*'s receiving and publishing Letters to the Editor from a Minister of Health, the heads of five principal recipients, a committee of the India CCM, and the Chair of the Global Fund Board. All the letters except the one from the Board Chair recounted negative experiences that the writers had had when dealing with the OIG. During the subsequent year, the OIG acted to address many of the criticisms.

## Readers provide feedback on GFO

In 2011, Aidspan undertook a survey to collect feedback regarding all Aidspan publications, particularly *GFO*. All of *GFO*'s nearly 10,000 readers were invited by email to complete an online survey form, and an impressive 10% responded.

More than 90% of respondents "agreed" or "strongly agreed" with the statements that "*GFO* is helpful and practical to my work" and "*GFO* has increased my understanding of Global Fund issues." A very high proportion (94%) of respondents agreed that *GFO* articles were "easy to understand." About 83% of respondents indicated that they "always" or "sometimes" forward *GFO* to colleagues and friends.

In the survey, we also sought suggestions on ways we can improve our work. Respondents said that *GFO* should produce more stories from the ground, including examples of good practice as well as comparative case studies of different grants and different countries. Respondents also asked for more analytical and academic articles related to the Global Fund. Aidspan is working to follow this advice.

Surveys of this nature will be undertaken more regularly in the future to ensure we are in touch with the information needs of our readers.

## **GFO News articles: concise, clear, jargon-free**

Since Aidsplan started *Global Fund Observer* in 2002, nearly 10,000 members of the Global Fund community (ranging from government ministers to activists) have subscribed, many of them saying that they find it to be an indispensable resource. Aidsplan strives hard to produce concise clear articles that use straightforward jargon-free language. One Global Fund board member said, "Thank you for improving my understanding of that new policy that I voted for last week." Here are excerpts from five of the 160 News articles that *GFO* published during 2011.

**“NEWS: At Least 20 CCMs Now Have Their Own Websites:** The number of CCMs with their own websites now totals at least 20. This article provides links to each of the sites, and provides a ‘wish list’ of the types of information and features that CCM web sites should endeavour to include.”

*GFO* 149, 8 Jun 2011

**“NEWS: How the New Counterpart Financing Requirements Will Be Assessed:** The Global Fund recently adopted new counterpart financing requirements for applicants. This article explains how the requirements will be assessed – both at the time of proposal review and when applicants submits requests for additional funding.”

*GFO* 153, 18 Jul 2011

**“NEWS: Global Fund to Resume Disbursements for Grants to China:** The Global Fund has lifted the temporary freeze on disbursements for its grants to China. However, not all of the concerns raised by the Global Fund when it imposed the freeze on China's grants have been resolved. Discussions are continuing.”

*GFO* 157, 2 Sep 2011

**“NEWS: Global Fund Updates Policy on Budgeting for Salaries and Benefits in Global Fund Grants:** According to the Global Fund's updated guidelines, salary and benefit levels in Global Fund grants should be based on relevant national remuneration levels and consistent with local market practice. Salary top-ups are permitted under certain conditions.”

*GFO* 162, 31 Oct 2011

**“NEWS: Board Cancels Round 11 and Introduces Tough New Rules for Grant Renewals:** Financial difficulties have caused the Global Fund Board to cancel Round 11. This difficult decision was made at a stressful two-day Board meeting just concluded in Accra, Ghana. The Board also announced new rules for grant renewals in an attempt to find savings that can be applied to funding new proposals.”

*GFO* 167, 23 Nov 2011

## GFO Commentary articles: What the Global Fund can't (or won't) say

GFO's News articles don't contain opinions. But its Commentary articles do, as part of Aidspace's "pushing the Global Fund for greater impact." Aidspace does not allow its editorial decision-making to be influenced by the Global Fund or by Aidspace's funders, which is why we feel free to write articles containing statements such as the following.

**“The** last ten days have shown how timid some of the Global Fund's donors can be when the going gets tough. The Fund has been severely penalised for doing what similar institutions have not had the courage to do.”

From *Donor Timidity* (GFO 140, 3 Feb 2011)

**“The** Report of the High-Level Panel is anything but dull. It represents, to the best of our knowledge, the first time that any global-level funding institution has commissioned and published such a candid look at itself. Many of the recommendations are worthy of very serious consideration. However, others raise as many questions as they answer.”

From *The Report of the High-Level Panel – Strong and Thought-Provoking, but with Worrying Flaws* (GFO 160, 13 Oct 2011)

**“This** morning, the Global Fund starts the most important and difficult Board meeting it has ever held. The only options for action involve causing pain. There are five problems that the board needs to deal with. Some must without question be tackled at this meeting. Other could be deferred; but the sooner they are tackled, the better.”

From *The Most Important and Difficult Global Fund Board Meeting Ever* (GFO 166, 21 Nov 2011)

**“Unlike** what some news reports have suggested, the Global Fund has billions of dollars in the bank, with billions more expected to arrive during the next two years. The problem is that most of that money will be needed for the current and renewal phases of existing grants. In addition, the Fund has introduced a more cautious methodology for estimating how much funding it will receive in future. These are the two main reasons why the Global Fund cancelled Round 11. It is not accurate to say that Round 11 was cancelled because of decisions by donors since May 2011 to cancel, reduce or delay their pledges, because that is not happening.”

From *Why the Global Fund Cancelled Round 11* (GFO 170, 9 Dec 2011)

**“The** Global Fund is renowned for its almost militant policy of transparency. But when something really important happens, something with enormous consequences for grant applicants, implementers and potential beneficiaries around the world, don't rely on the Global Fund to tell you about it. When the Board cancelled Round 11, its resolution did not include the word 'cancel.' Instead, the Board resolved 'to convert Round 11 into a new funding opportunity in 2014.' That's equivalent to my calling my hungry children to the dinner table and then, before they can eat, yanking away the meal and replacing it with a couple of raw potatoes, telling the kids that this represents 'a new feeding opportunity'.”

From *A New Funding Opportunity? Huh?* (GFO 170, 9 Dec 2011)

## **GFO Letters to the Editor: Grant implementers use GFO to speak out**

One of Aidsplan's four strategies for increasing Global Fund impact is to inspire critical debate, and one place where this debate can occur is on the pages of *GFO*. After *GFO* published a Commentary *Auditing the Auditor* (*GFO* 147, May 2011) that was very critical of the Office of the Inspector General, *GFO* received a number of Letters to the Editor and printed them in *GFO* 148 and 150 (June 2011). Here are some excerpts:

**“Behaviour** of [some] members of the OIG team [was] less than appropriate and very unprofessional at times. Some OIG team members appeared to play a police rather than an auditing role. It was as if their motivation was to see us fail the audit.”

*Agnes Binagwaho, Minister of Health, Rwanda*

**“There** should be zero tolerance for corruption and theft, but different lapses deserve different reactions. To harm and, in the limit, to kill a [solid] PR is counterproductive and is a sheer waste of the funds that the OIG strives to protect.”

*Elizabeth Mataka, head of ZNAN, a national NGO PR in Zambia, and former Global Fund Vice-Chair*

**“It** would be a shame if overzealousness by the OIG had the unintended effect of weakening the Fund and slowing its work.”

*Karl Hoffman, head of PSI, an international NGO PR*

**“By** applying first world standards on third world capacity, tensions are bound to emerge. Many of our implementers do not have bookkeepers, computers or accounting systems, but they are doing fine work, impacting on people's lives.”

*Derek von Wissell, head of NERCHA, a governmental PR in Swaziland*

**“The** approach of the auditors was often that we were guilty until proven innocent. The OIG used policies issued in 2010 to evaluate transactions that took place in 2004, even though in 2004 the Global Fund and its implementers had much simpler systems.”

*Karen Sichinga, head of CHAZ, a national FBO PR in Zambia*

**“While** we may not agree with all aspects of the *GFO*'s analysis, we respect the constructive approach that both *GFO* and those who wrote the subsequent letters have taken. When we have not met our obligations, we will acknowledge it and improve.”

*Martin Dinham, Chair of the Global Fund Board*

## Establishing a research programme

Aidspan's research unit was formed only in late 2010, and throughout 2011 it consisted of less than one full-time-equivalent person. Part of 2011 was spent evaluating possible research activities for 2012 and later. The unit will conduct some original research (often in partnership with others), but it will also critique, summarise and help publicise research on the Global Fund that has been conducted by others.

Outputs during 2011 included three reviews of academic studies on the impact of selected Global Fund-financed activities (listed under "New Guides and Reports," below); a commentary on the Global Fund's response to corruption (*GFO* 141); a discussion of the International Health Partnership (*GFO* 149); and a response to a *Lancet* article calling for a "strategic revolution in HIV and global health" (*GFO* 151).

## New Guides and Reports

During 2011, Aidspan published the following Guides and Reports:

- A Beginner's Guide to the Global Fund - 2nd Edition
- The Aidspan Guide to Round 11 Applications to the Global Fund
- Key Strengths of Rounds 8, 9 and 10 Proposals to the Global Fund
- Aidspan Report: What Readers Think about *Global Fund Observer*.
- Aidspan Review of a Study on Factors Influencing Performance of Global Fund-Supported TB Grants
- Aidspan Review of a Study on the Effect of Investment in Malaria Control on Child Mortality
- Aidspan Review of a Study on the Costs and Health Impact of Continued Global Fund Support for Antiretroviral Therapy
- Aidspan Critique of the Report of the High-Level Independent Review Panel

## Building a more powerful and useful web site

Aidspan designed and built (but has not yet released, pending the launch of our new logo and website design) a number of new web-based features. One of these will provide "significant event email alerts" to web users. With this feature, anyone will be able to sign up to receive an automated email message whenever there is a "significant event" regarding any Global Fund grant or country in which they have expressed interest. Such "events" will include approval or rejection by the Global Fund of a new grant or of a new phase of an existing grant; the signing by the Global Fund of a grant agreement; the sending by the Global Fund of a new disbursement for a grant; the issuing by the Global Fund of a grant performance report or a grant score card; and more.

## Supporting local watchdogs

In earlier years, Aidspace's work with people at the grassroots level was very limited; we published *GFO* and other materials, but we had little in the way of face-to-face dealings with the country-level users of those materials. In 2010, we started an ambitious programme to identify and mentor people and organisations who could serve, informally and on their own terms, as country-level watchdogs of Global Fund-related activities.

We call this the Local Watchdogs Project. Our objective is to stimulate local information-sharing and critical debate in order to improve the transparency, accountability and effectiveness of Global Fund grants and their implementation.

The watchdogs include local NGOs, journalists, academics and individuals. They do not serve as Aidspace representatives, and Aidspace does not fund them. They work independently within their countries, but can call upon Aidspace for mentoring advice.

In 2011 we visited and assessed 80 organisations in 10 countries within East and Southern Africa, 43 of whom expressed interest. We trained 66 individuals in five countries on various aspects of "watchdogging" and effective monitoring of Global Fund grants. We developed and distributed a local watchdog information pack and are developing a guide on how to be an effective local watchdog, which we will publish at our website.

We also began encouraging country coordinating mechanisms (CCMs) to develop websites to provide a basis for in-country information-sharing and debate, thereby enhancing transparency and accountability in the implementation of Global Fund grants.

Some CCMs have used their own technology and web servers to host their CCM websites. But Aidspace is also offering a "CCM website service," under which we provide the server, the technology, a CCM website template, and technical support, with each CCM remaining entirely responsible for providing the content. During 2011, five CCMs in sub-Saharan Africa expressed strong preliminary interest in taking up this technology. Two of these are in the final stages of website content development.

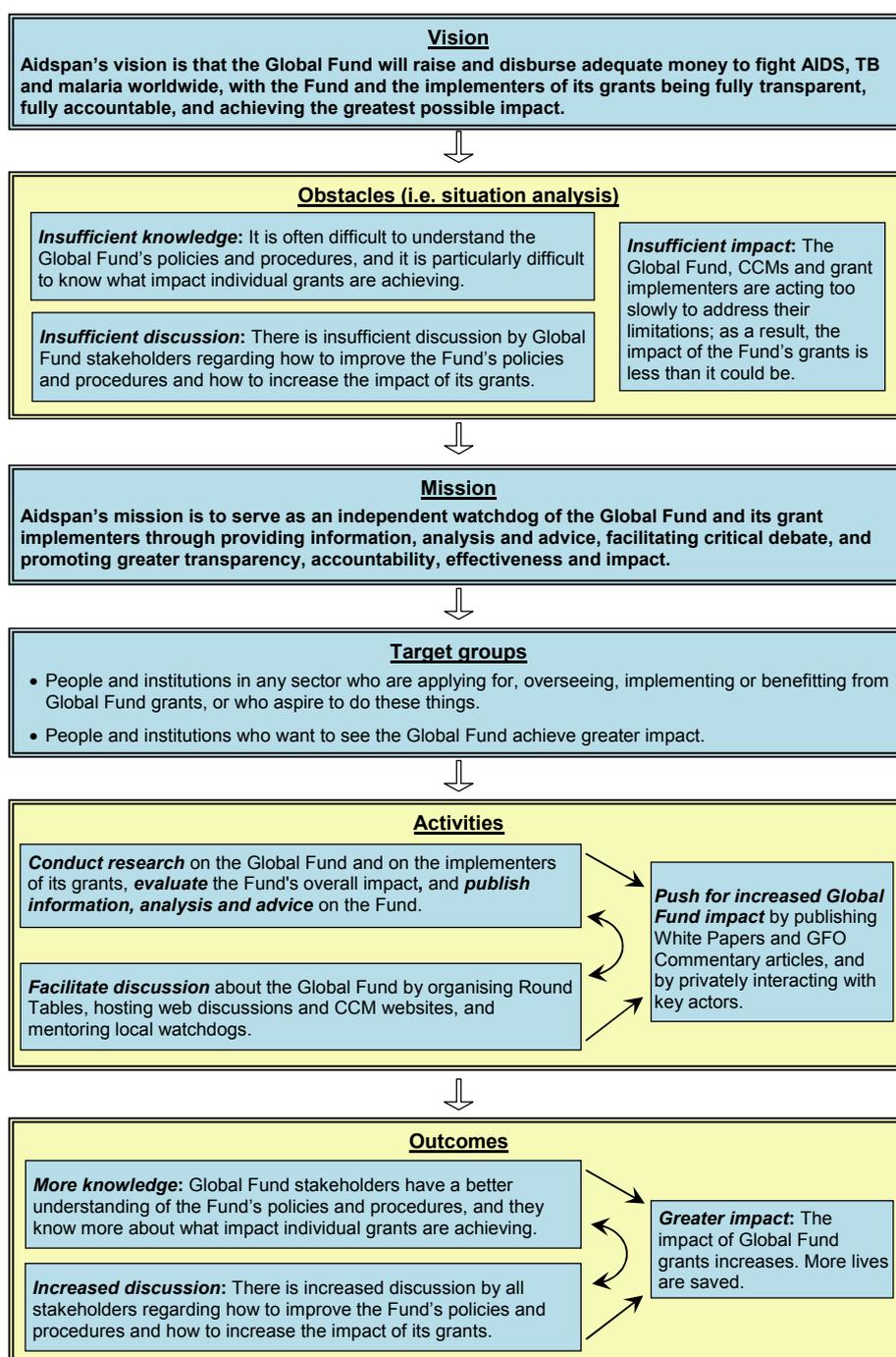
Our experience has been that the simplest steps in information sharing can have a big impact on involvement and, indeed, on effectiveness of grant implementation. Publication of CCM minutes online, for example, can have a huge impact. Aidspace will continue to encourage CCMs to imitate the Global Fund's own admirable transparency policy.

Aidspace's Angela Kageni was invited to speak about this work at the Global Fund's 2011 Partnership Forum in Sao Paulo and at a regional Global Fund meeting in Rwanda, where her presentations were highly praised.

## Our Organisation

Aidspan is a US-registered 501(c)3 not-for-profit corporation that has obtained permission from the Government of Kenya to base most of its staff and perform most of its operations in Kenya. Aidspan believes that a watchdog committed to bolstering the effectiveness of the Global Fund and holding it accountable should be based in the global South, where Global Fund grants are implemented, rather than in the global North, where most of the money comes from.

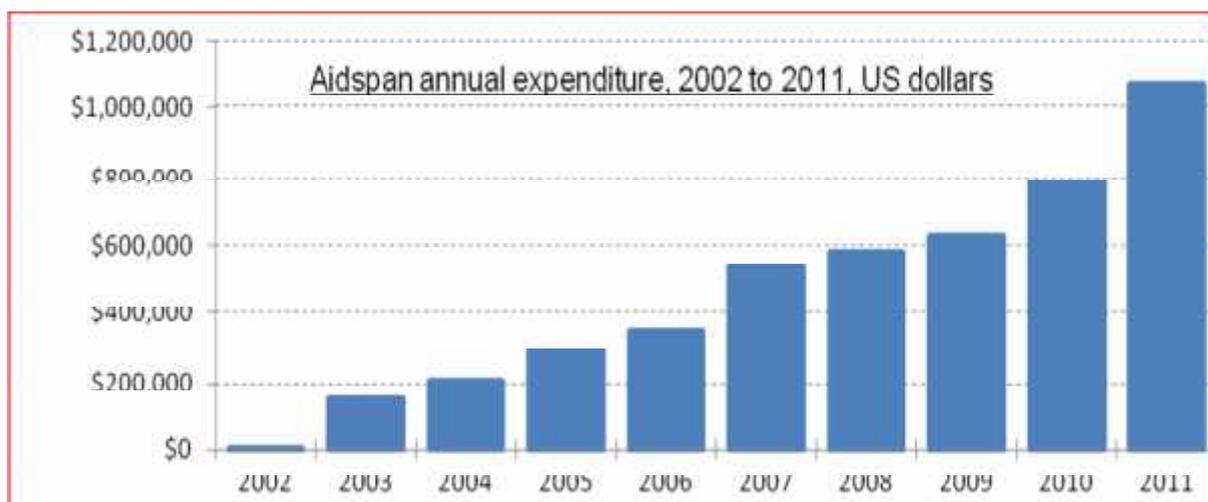
## Strategic framework



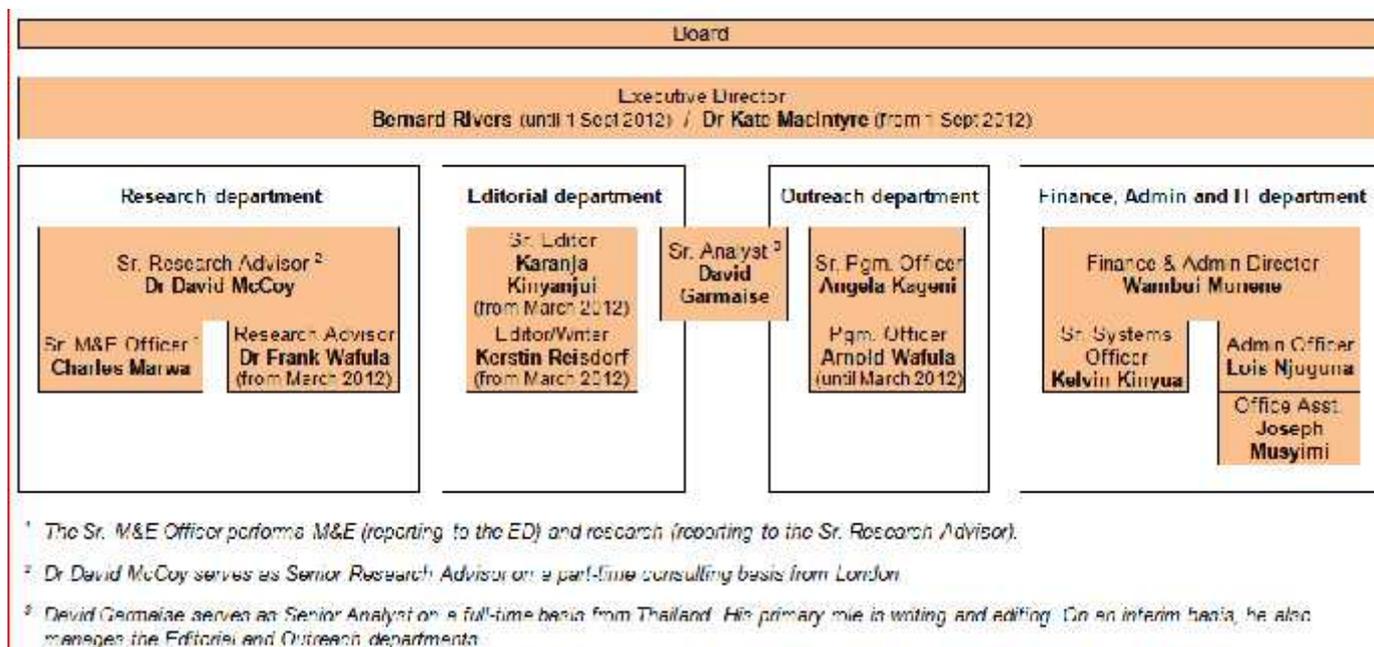
## Independence

Aidspan does not charge for any of its products or services. Aidspan and the Global Fund maintain a positive working relationship but have no formal connection. Aidspan does not accept funding of any kind from the Global Fund. Aidspan does not allow its strategic, programmatic or editorial decision-making to be influenced by the Global Fund or by relationships with actual or potential funders. The Global Fund and Aidspan's funders bear no responsibility for the contents of any Aidspan publication.

## Historical expenditure



## Staff



All staff are citizens and residents of Kenya except for Bernard Rivers and Kate Macintyre (citizens of the UK and residents of Kenya), Kerstin Reisdorf (citizen of Germany and resident of Kenya), David Garmaise (citizen of Canada and resident of Thailand), and David McCoy (citizen of Malaysia and resident of the UK).

## Board of Directors

Three board members are citizens and residents of countries in East and Southern Africa; two are citizens and residents of the US; and one is a citizen of the UK and a resident of Kenya. During 2011 James Deutsch was succeeded as Chair by Michael Hirschberg, Aidspace's pro-bono lawyer, who has supported HIV/AIDS causes for over 20 years, and Rakesh Rajani was succeeded as a member by Prof. Alan Whiteside. Lucy Ng'ang'a, Executive Director of the Eastern Africa National Networks of AIDS Service Organizations, chaired the search for Aidspace's new Executive Director.

Michael Hirschberg, Chair  
Ida Hakizinka  
Alan Whiteside

James Deutsch  
Lucy Ng'ang'a  
Bernard Rivers (Executive Director, ex officio)

## Summary 2011 Financial Statements

Excerpts from Aidspan's 2011 audited accounts (full version provided separately).

### A: Income and Expenditure, \$ '000

	2011	2010
<b>Income</b>	<b>1,090</b>	<b>900</b>
Grant income	1,061	899
Other income	29	1
<b>Expenditure</b>	<b>1,078</b>	<b>789</b>
Programme expenditure	829	577
Administrative and other operating expenses	249	212
<b>Deferred income for the year</b>	<b>12</b>	<b>111</b>
Deferred income brought forward	473	361
<b>Deferred income carried forward</b>	<b>485</b>	<b>473</b>

### B: Statement of Financial Position, \$ '000

	As at	
	31 Dec 11	31 Dec 10
<b>Fund Balance</b>		
Deferred income	<b>485</b>	<b>473</b>
<b>Represented by</b>		
Non-current assets	40	40
Current assets	470	469
Current liabilities	26	36
Net current assets	445	433
	<b>485</b>	<b>473</b>

### C: Grants Received and Contractual Commitments, \$ '000

Donor	Grants received		Contractual Commitments for future years, as of 31 Dec 11					2012-15 Total
	2010	2011	2012	2013	2014	2015		
The Monument Trust	600	580	320	0	0	0	320	
Norad	231	333	265	265	0	0	530	
Hivos	69	149	78	78	0	0	156	
UK Dept. for International Development (DFID)	0	0	1,004	402	402	201	2,009	
<b>TOTAL</b>	<b>899</b>	<b>1,061</b>	<b>1,667</b>	<b>744</b>	<b>402</b>	<b>201</b>	<b>3,015</b>	

### D: Cash Expenditure (budget vs. actual) , \$ '000

Programme Area	2011		
	Budget	Actual	% of budget
<b>Expenditure</b>	<b>1,912</b>	<b>1,078</b>	<b>56%</b>
<b>Programme</b>	<b>1,603</b>	<b>829</b>	<b>52%</b>
Conduct Research on the Global Fund	398	186	47%
Publish Information, Analysis and Advice on the GF	406	198	49%
Facilitate Discussion on GF Issues	244	110	45%
Push for Increased GF Impact	193	89	46%
Cross-Programme and IT-Related activities	112	71	63%
Planning & M&E, Support Board and Donors	212	175	83%
Programme Contingency	39	0	0%
<b>Admin</b>	<b>309</b>	<b>249</b>	<b>80%</b>
Administer Aidspan and Raise Funds	160	120	75%
Operational costs	141	129	91%
Admin contingency	8	0	0%

- Table A is accrual based (and thus includes depreciation and amortisation charges), whereas Table D is cash based (and thus includes the full cost of capital investments in the current year).
- Actual expenditure during 2011 was below the budgeted level because donor commitments were received later than anticipated.