

GLOBAL FUND OBSERVER (GFO), an independent newsletter about the Global Fund provided by Aidspace to over 8,000 subscribers in 170 countries.

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## 1. NEWS: The Global Fund at AIDS 2010

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A large symposium session on “The Global Fund: Proving Impact, Promoting Rights” will be held at the upcoming XVIII International AIDS Conference (AIDS 2010) in Vienna, Austria, on 18-23 July 2010.

According to the conference programme, the symposium will discuss the impact that the Global Fund is having on preventing new infections and reducing mortality. In particular, it will focus on the role of the Fund in scaling up more effective responses to HIV, and on the importance of Global Fund financing of human rights-based programming and advocacy. Finally, the symposium will discuss the future role that the Global Fund needs to play in the AIDS response to attain universal access, and what might be achieved through a fully funded replenishment in October 2010.

Panellists will include Michel Kazatchkine, Executive Director of the Global Fund, and Joanne Csete, long-time AIDS and human rights activist from the U.S. The symposium is on Wednesday, 21 July at 14:30.

This is the only large session completely devoted to the Global Fund in the conference proper. However, there are two satellite sessions on strengthening the capacity of CCMs, organised by the Global Fund and Grant Management Solutions – one in French on Sunday, 18 July at 11:15, and one in English in Thursday, 22 July at 18:30. In addition, the Global Fund is presenting a satellite called “Are We Winning the War Against HIV in Asia?” on Sunday, 18 July at 15:45.

The Asian People’s Alliance for Combating HIV/ AIDS (APACHA) is organising a satellite called “A Consultation to Identify the Gaps in Good Governance in Country Specific GFATM Grants” on Thursday, 22 July at 07:00.

A presentation on the Global Fund – “Effective Use of Global Fund Funding for HIV/AIDS” – will be included in a symposium on “When Does HIV Funding Strengthen Health Systems?” on Wednesday, 21 July at 11:00.

There are two workshops on Global Fund-related topics: “How to Develop Proposals on Community Systems Strengthening for the GFATM” – Tuesday, 20 July at 11:00; and “Practical Tools: How Positive Women can Get Funding from the Global Fund” – Wednesday, 21 July at 14:30.

A special session on “Funding Global Health: Can Innovative Mechanisms Save the Day?” on Wednesday, 21 July at 13:00 may be of interest to people working on Global Fund issues. Michel Kazatchkine is one of the panellists. Finally, UNITAID is presenting a satellite on “Innovative Financing Impacting on Global Health” on Monday, 19 July at 18:30.

Check the conference programme for more details, including the location of each session.

### Posters and Exhibits

There will be a number of posters on Global Fund-related issues. The following are some examples, selected from the conference programme:

- “The role of INGOs in capacity building of governments and local NGOs through Global Fund awards” (19 July MOPE0780)
- “Has the Global Fund strengthened civil society HIV advocacy in the former Soviet Union? A study in Georgia, Kyrgyzstan and Ukraine” (19 July MOPE0966)
- “Community involvement in CCMs in ten countries have proven to be not meaningful as some barriers impede their effective engagement in policy development at country level” (19 July MOPE1027)
- “Country experiences with Global Fund national strategy applications – what worked, what didn’t?” (19 July MOPE1045)

- “The Global Fund has improved the institutional capacity: experience of national NGO as PR of Global Fund Round 7 grant in Nepal” (20 July TUPE0889)
- “The formulation of HIV-related proposals to the Global Fund: contrasting intentions with realities - the Peru GHIN study” (20 July TUPE0902)
- “Does civil society have a meaningful voice in CCMs? Findings from a qualitative study conducted by the Civil Society Action Team (CSAT) measuring the civil society participation in CCMs” (21 July WEPE0921)
- “Addressing obstacles to producing high quality data for GFATM programmes targeting DU, SW and MSM in Zanzibar” (22 July THPE0441)
- “How the Global Fund and PEPFAR impact national and sub-national policy implementation processes – evidence from anti-retroviral (ART) scale-up in Zambia and South Africa” (22 July THPE0884)

The Global Fund will have a booth in the Exhibits area (No. E-461).

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**2. INTERVIEW: John Parsons, the Global Fund's Inspector General**

by Susan Linnee

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Global Fund Inspector General John Parsons is a busy man. He is also very determined. He and his staff of 24 are fully booked through the end of 2010 – and he expects the same to be true next year and the year after. By the end of 2012, Parsons hopes to have completed audits in over half of the 144 countries in which the Global Fund has grant programmes, seeking to determine whether those grants are operating effectively and achieving the anticipated results.

"We don't just look at the financial inputs; we look at what has actually been achieved," Parsons said in an interview with GFO, explaining that the audits are aimed at giving assurance that the Global Fund's grants "are used wisely to save lives."

The Office of the Inspector General (OIG) reports directly to the Global Fund Board, and is charged with reviewing not just the activities of Global Fund grant recipients, but also the work of the Secretariat.

When conducting audits of grant recipients, the OIG examines grant management capacity, procurement and supply chain management, financial management, and monitoring and evaluation (including, to a limited degree, success at achieving targets). But more dramatically, OIG also tries to detect actual and potential fraud involving Global Fund money.

OIG audit teams are multi-disciplinary, combining financial auditors with public health experts and procurement specialists. Parsons said audit teams vary in size from 10 people to nearly 30. They include local experts who are hired to help with each audit. There were 28 people on the team that carried out the recently concluded audit of the \$1.3 billion collection of grants in Nigeria. An audit typically lasts about five weeks, with more complex audits taking longer, and usually covers all of the principal recipients (PRs) in the country. "We go right back to Round 1, because most countries have not been audited previously by my office," he said.

The OIG plans to complete 20 country audits in 2010, in Djibouti, Dominican Republic, Kenya, Laos, Malawi, Nigeria, PSI Headquarters (PSI is an international NGO that serves as PR in a number of countries), PSI Madagascar, PSI Southern Sudan, PSI Togo, Rwanda, Sri Lanka and eight others that the OIG has not yet publicly identified. Most audits are conducted in countries that are among the 35 that have been identified by a risk model used by the OIG as "high-risk." However, two of the 2010 audits have been carried out in countries with well-performing grants, in order to demonstrate best practice. One of those was Rwanda, a tiny country of 9.7 million people in central Africa that first came to international attention because of the 1994 genocide there.

"I came back enthused with what I observed in Rwanda. It was a 'good news' story, and had things other countries can learn from," Parsons said, adding that a 70-page report on Rwanda will be posted within the next month or two on the Global Fund website. (All OIG audit reports produced since January 2008 are eventually published at [www.theglobalfund.org/en/oig/reports](http://www.theglobalfund.org/en/oig/reports).)

Parsons preferred not to name the second "best practice" country, but said it had made "a remarkable turnaround" since experiencing problems with its first Global Fund grant some years ago.

The [OIG 2010 audit plan](#) also calls for six reviews of Secretariat-based processes. (One such review in 2009 was of the grant application process – see [GFO 127](#). One review planned for this year is on Voluntary Pooled Procurement.) Parsons, who joined the Global Fund in 2008 as its second inspector general, said he had made a commitment to look at all the Fund's key business processes over the next three to four years.

In addition to conducting country audits, the OIG also conducts investigations into apparent fraud. These investigations are nearly all triggered by whistleblowers; a few are triggered by concerns raised by local fund agents (LFAs) in reports to the Secretariat that are then discussed with the OIG. From 2008 to 2009, investigations triggered by whistleblowers tripled, from 22 to 66. Table 1, below, provides details, including a breakdown of the methods used by whistleblowers to contact the OIG.

**Table 1: OIG investigations triggered from outside the OIG**

How triggered	Number of investigations	
	2008	2009
By the Secretariat/LFA	6 (21%)	4 (6%)
By whistleblowers, who contacted the OIG:		
By email, to <a href="mailto:inspector.general@theglobalfund.org">inspector.general@theglobalfund.org</a>	21 (75%)	53 (75%)
To the OIG phone at +41-22-341-5258, to the OIG fax at +41-22-341-5257, and by mail	1 (4%)	1 (2%)
Walk in	0 (0%)	3 (4%)
Anonymously, through a special hotline service	n/a	9 (13%)
<b>Total</b>	<b>28 (100%)</b>	<b>70 (100%)</b>

Part of the reason for the increase from 2008 to 2009, Parsons said, is an improved system for allowing whistleblowers to report fraud and abuse. (See [whistleblowers procedures and policies](#) and [how to report fraud](#).)

The 70 cases in 2009 have been categorized by the OIG as follows. (Some cases covered more than one category.)

**Table 2: Types of cases reported to the OIG in 2009**

Violations of policies	42
Mismanagement of funds	36
Bribery and corruption	36
Fraud, misappropriation and embezzlement	30
Abuse of power or authority	21
Issues related to staff misconduct	4
Wasteful conduct	2
Conflict of interest	1

As of April 2010, 40 cases were under investigation and 36 cases were under assessment to determine if investigations are warranted.

When OIG investigations reveal apparent criminal activity, the OIG shares its findings with the relevant country's legal officials. This has led to arrests in Mauritania and Mali ([GFO 125](#)). Investigations by others into fraud regarding Global Fund grants have also led to arrests in Uganda ([GFO 103](#) and [GFO 113](#)) and Zambia ([GFO 126](#)). Finally, OIG investigations have led to Global Fund grants being suspended in Mauritania ([GFO 107](#)) and Zambia ([GFO 126](#)). These developments sent a very clear message, Parsons said, "that it doesn't pay to steal money from the Global Fund."

Unlike many international agencies, Parsons said, the Global Fund actually gets its money back when corruption has been uncovered. So far, \$1.3 million has been recovered from Uganda, Mauritania has returned \$1.7 million, and Mali has returned \$0.3 million. In addition, the OIG is asking Zambia to return \$8 million.

"It doesn't cost a lot of money to save a life," Parsons said. "The fact that we get money back, which can then be redirected for the purpose that it was intended to be spent on, is a very commendable outcome. It's our persistence that secures it. We say we want our money back, and the message has got out."

Parsons points out the importance of identifying possible problems before implementation of a grant commences. "The principle of the Global Fund is to rely upon national structures," he said. "But we [the Global Fund] need to go through due diligence to check out whether we can put our money safely through those national structures." He explains that *after* the grant is well under way, the OIG is required, for selected countries, "to give independent, objective assurance to the Board of the Global Fund" that this has happened. "In addition, we seek to make recommendations that would strengthen the management of the programmes." But he makes it clear that it is not the OIG's role to perform such due diligence before the grant starts. He says that the Secretariat, in coordination with the LFA, needs to do a thorough review of each proposed PR before the grant starts; and that the PR and LFA should then do a thorough review of each proposed sub-recipient (SR).

Parsons adds that he is stressing to LFAs "how important it is to tell us anything they spot once the grant has started, because the Global Fund doesn't have a local presence in-country." Thus far, such comments from LFAs have normally been received verbally, and there have not been many of them. Parsons says that he now wants to reinforce the LFA's existing obligation to monitor the PR throughout the duration of the grant, and the PR's and LFA's parallel obligation to monitor the SRs. He adds that he proposes achieving this by requiring the LFA to regularly declare in writing that it has done its due diligence of the PR and SRs, and then to add either that facts have been identified that suggest the possibility of fraud, or that no such facts have been identified despite thorough review. He says that this requirement for a written opinion by the LFA should significantly increase the chances that the Secretariat and the OIG are informed of potential serious problems early on, that funds spent by PRs and SRs are for their intended purpose, and that funds are not diverted through fraud or corruption.

Parsons also points out that he needs to inform the Board whether the OIG's audit recommendations have been implemented. The OIG cannot *require* the Secretariat or grant implementers to follow its recommendations. But Parsons is hoping that those parties will "extrapolate from the evidence." He points out that "there will be 20 audits this year and 20 next. As time goes by, there will be a very rich source" in the *Lessons Learnt* reports. (The first such report was issued in 2009 – see [Report on Lessons Learnt from the Country Audits](#)). "Being in-country five weeks, six weeks, seven weeks give us a very in-depth understanding," Parsons said. "Our board considers that the nature of the coverage we provide is industry best."

Parsons said that the Global Fund Secretariat has "woken up to the value that can be secured from our work, particularly the *Lessons Learnt* reports. We're raising some very fundamental issues about performance management – we're a performance-based organization."

Parsons said his office seeks to help participants in Global Fund-financed programmes achieve best practice even before the issue of an audit arises. The OIG has published a *Code of Conduct for Suppliers* and a related *Sanctions Procedures* document, both accessible at

[www.theglobalfund.org/en/policies](http://www.theglobalfund.org/en/policies). These will be followed soon by a *Code of Conduct for Recipients (PRs and SRs)*.

Explaining that his office is experimenting all the time with the way its reports are presented, Parsons said that, above all, he wants the OIG's work to be useful. He described a March 2010 meeting of the Board's Finance and Audit Committee as being "fascinating" in the way it dissected the OIG audit reports from Nepal, Democratic Republic of Congo and the Philippines to pull out common issues. One of those issues was budget padding. "The budgets had been inflated, and for us, that creates risk," he said.

"What does all this add up to? What does it tell you about our model? I think our 20 reports this year will be a very valuable source" for telling the world how Global Fund grants are working in practice.

Susan Linnee ([Linnee@Aidspan.org](mailto:Linnee@Aidspan.org)), former AP Bureau Chief for East Africa, is a GFO Correspondent. Information for this article was obtained from an interview with the Inspector General on 18 June 2010, and from OIG reports at [www.theglobalfund.org/en/oig/reports](http://www.theglobalfund.org/en/oig/reports).

*Editor's Note: In a future article, GFO will report on the experience of some organizations that have been audited by the OIG. (People interested in providing input for that article are invited to contact GFO's Editor, Bernard Rivers, at [rivers@aidspan.org](mailto:rivers@aidspan.org).)*

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### **3. NEWS: CSAT Issues Action Alert on Round 10**

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The Civil Society Action Team (CSAT) has issued an action alert for the Global Fund's Round 10. The action alert contains guidance on how civil society organisations can get involved in the CCM proposal development process. It also discusses the choice that HIV/AIDS applicants face between applying under the regular Round 10 funding stream and applying under the new MARPS (most-at-risk populations) funding stream.

The action alert also describes other features of Round 10, including grant consolidation and the increased emphasis on community systems strengthening, and on interventions to address gender inequalities and issues related to sexual identities.

The action alert is available in English, French, Spanish and Russian at [www.csactionteam.org](http://www.csactionteam.org).

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### **4. NEWS: Civil Society Website Set Up for Global Fund Replenishment**

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A civil society website has been established to provide information about advocacy efforts to mobilise resources for the Global Fund in the run-up to the replenishment meeting which will take place on 4-5 October 2010 in New York. At that meeting, most donors are expected to announce their pledges for the period 2011-2013.

The website, which is organised by International Civil Society Support, suggests ways for people to get engaged and provides contact information for relevant actors, in an effort to facilitate coordination of advocacy efforts. The website is at <https://sites.google.com/site/globalfundreplenishment>.

The website contains information on upcoming global-level events that provide opportunities for advocacy. It also provides profiles of most of the major donor countries – European Union, Canada, Germany, Italy, Japan, Spain, Netherlands, U.K., U.S. Each profile describes the country's previous contributions, what is known about its planned contribution for 2011-2013, what civil society organisations (CSOs) are asking for, what the challenges and opportunities are, and what CSO activities are planned. When we went to press, not all of the profiles had been fully completed.

Questions about this initiative can be addressed to [mb@icssupport.org](mailto:mb@icssupport.org).

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## 5. NEWS: African Countries Face Major Challenges in Bid to Increase Domestic Spending on Health

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African governments have not lived up to their commitment in the Abuja Declaration to allocate 15% of their annual budgets to health expenditure.

Furthermore, short- to medium-term domestic funding for health in low-income countries in Africa will not be enough to provide the basic package of interventions required by the population, even if African governments were to increase spending on health in line with their commitments in the Abuja Declaration. Any increase in funding will need to draw upon all sources, domestic and international, until the tax bases of African countries grow sufficiently to assume a larger share of the costs.

Meanwhile, in non-African middle-income countries, funding for health comes predominantly from domestic sources, with external funding contributing a negligible proportion.

These are three of the conclusions of “*Trends in Development Assistance and Domestic Financing for Health in Implementing Countries*,” a report prepared by the Global Fund. The report examined health expenditures in 52 African countries (37 low-income and 15 middle-income) and in 20 non-African middle-income countries.

In the 2001 Abuja Declaration, African countries agreed to allocate at least 15 percent of their annual budgets to the health sector. From the perspective of the Global Fund, this is an important commitment because the programmes currently supported by the Global Fund can only become sustainable if implementing countries gradually assume a bigger share of the burden of financing these programmes.

An examination of national health account data revealed that for all 52 African countries, the average government expenditure on health, as a percentage of total government expenditure, rose only marginally from 8.8% in 2001 to 9.0% in 2007, despite the 15% commitment of the Abuja Declaration. Twenty-five countries recorded increases in the percentage of total government expenditures devoted to health between 2001 and 2007; the remaining 27 countries reported reductions.

Some countries fared better than others. While, in 2001, none of the countries were spending 15% or more of their national budgets on health, by 2007 three countries had met the 15% target (Djibouti, Botswana and Rwanda).

**Table 1: African countries’ share of the national budget spent on health, for 2001 and 2007**

Year	Number of countries (total: 52) with health spending as percentage of national budget at:			
	Less than 5.0%	Between 5.0% and 9.9%	Between 10.0% and 14.9%	15.0% and over
2001	8	27	17	0
2007	7	23	19	3

In addition, three African countries (Liberia, Malawi and Burkina Faso) had surpassed the 15% target for at least some of the years between 2001 and 2006 (though not in 2007).

Over the period 2001-2007, 10 countries (Benin, Botswana, Burkina Faso, Djibouti, Gabon, Malawi, Mali, Namibia, Rwanda, and Tanzania) consistently allocated, on average, above 12% of total government expenditures to health. This list includes both middle- and low-income countries. At the opposite end of the spectrum, the average allocations for health for this period in Angola, Guinea, Eritrea, Guinea Bissau and Nigeria was consistently less than 5% of total government expenditure.

In terms of how the data breaks down by sub-region within Africa, between 2001 and 2007, spending on health (as a percentage of the national budget) rose noticeably in East Africa, but declined significantly in North Africa. See Table 2 for details.

**Table 2: Health spending as percentage of national budget, in 2001 and 2007:  
Sub-regional breakout**

Sub-Region	Health spending as percentage of national budget	
	2001	2007
Southern Africa	10.0%	10.3%
North Africa	9.5%	7.0%
West and Central Africa	8.1%	8.1%
East Africa	7.9%	9.4%

The data shown above relate to health spending as a percentage of national expenditures. The report from the Global Fund also looked at other ways to analyse health expenditures in Africa. The following are some of the findings:

- **Health expenditures as a percentage of GDP:** Total expenditure on health as a percentage of GDP rose in nearly two-thirds of the African countries between 2001 and 2007, with Namibia, Zimbabwe, Democratic Republic of Congo, Rwanda and Burundi all recording increases of 30% or more. Half of the 52 countries examined devoted at least 5% percent of their GDP to health. (In comparison, the total expenditure on health as a percentage of GDP in the WHO South East Asia and Eastern Mediterranean regions was 3.4% and 4.5%, respectively.)
- **Funding from external sources as a percentage of total health expenditures:** The average external funding proportion of total health expenditure in all 52 African countries grew from a level of 15.3% in 2002 to 20.1% in 2006. Thirty seven African countries recorded increases in external contributions over this period.
- **Per capita total expenditure on health:** The per-capita total expenditure on health in the WHO African Region in 2006 was \$111. However, if the middle-income countries are removed from the calculation, the amount drops to \$65. This compares to \$85 for the WHO South East Asia Region and \$791 globally.

The report found that there is no significant difference in the allocation of national budgets to health between the African middle-income countries and the middle-income countries from other regions selected for the study. In both sets of countries, government expenditure on health as a percentage of total government expenditure is clustered between 8% and 12%.

The report said that “while external aid has its risks in terms of long term sustainability and aid dependency, the dilemma faced by the African lower-income countries is the absence of effective alternatives. Domestic tax bases and alternative revenue sources remain modest in Africa and in lower-income countries elsewhere.”

The report said that although several African countries have increased their financial resources following the Abuja Declaration, they still do not have enough money to fund programs at levels that will enable them to attain universal access targets and the Millennium Development Goals. In addition, the report said, “even a significant push by African countries to achieve the 15 percent target would lead to only a marginal increase in their per-capita health expenditures, particularly in the countries already devoting above-average proportions of their resources to health.”

Finally, the report concluded that “significant development assistance for health flows to African countries will remain critical for the countries to attain the required additional per-capita expenditure on health that is needed to scale up national programs.”

“Trends in Development Assistance and Domestic Financing for Health in Implementing Countries,” is available at [www.theglobalfund.org/en/replenishment/hague/documents](http://www.theglobalfund.org/en/replenishment/hague/documents).

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**6. NEWS: Global Fund Seeks to Increase Contributions from Corporations and Foundations**

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On 1 June 2010, the Global Fund issued a press release to announce that PRODUCT RED, the Global Fund’s largest private sector contributor, has now contributed more than \$150 million to support Global Fund HIV/AIDS programmes in Rwanda, Lesotho, Swaziland, Ghana, Zambia and South Africa.

PRODUCT RED brings together some of the world's leading companies as partners in a joint commitment to channel up to 50% of profits from (Red) products. The companies include American Express, Apple, Bugaboo, Converse, Gap, Emporio Armani, FLOWE(RED), Hallmark, Dell, Nike, Penguin and Starbucks.

According to the Global Fund, in 2008, contributions from private sector corporations and foundations, and other foundations, represented 6.6% of total contributions. The Fund aims to increase this proportion to 10% in the coming years.

Table 1 shows the contributions from individual corporations for the period 2001-2010. Table 2 shows the contributions from foundations for that same period.

**Table 1: Contributions from Corporations (\$Million) as of 31 May 2010**

	<b>2001-2008 combined</b>	<b>2009</b>	<b>2010 (to date)</b>	<b>Total to date</b>
Chevron Corporation	10.0	10.0	10.0	30.0
Comic Relief	NIL	3.0	0.3	3.3
(American) Idol Gives Back	6.0	10.6	NIL	16.6
MAC AIDS Fund	NIL	0.5	NIL	0.5
PRODUCT RED	121.7	18.9	10.3	150.9
<b>Total</b>	<b>137.7</b>	<b>43.0</b>	<b>20.6</b>	<b>201.3</b>

**Table 2: Contributions from Private Sector and Other Foundations (\$Million) as of 31 May 2010**

	<b>2001-2008 combined</b>	<b>2009</b>	<b>2010 (to date)</b>	<b>Total to date</b>
Bill & Melinda Gates Foundation	450.0	100.0	100.0	650.0
Communitas Foundation	2.0	NIL	NIL	2.0
UNITAID	38.7	NIL	NIL	38.7
UN Foundation	4.3	NIL	NIL	4.3
<b>Total</b>	<b>495.0</b>	<b>100.0</b>	<b>100.0</b>	<b>695.0</b>

The above tables show only actual contributions. They exclude pledges which have been made but which have not yet been translated into contributions. In March 2010, the Global Fund announced that Takeda Pharmaceutical of Japan pledged to invest approximately \$1 million each year for ten years, from 2010 to 2019.

The Chevron contribution and the pledge from Takeda are part of the Corporate Champions Program launched by the Global Fund in 2008. The Fund says that it is “actively seeking” to expand this programme.

Idol Gives Back and Comic Relief are examples of contributions from media entities. In November 2009, Big Brother Africa Revolution – seen in more than 45 countries – and the broadcaster MNet

became the first Africa-based private contributors to the Global Fund. They have agreed to contribute a major portion of profits from text messaging during the programme's health week.

### **Other ways to contribute**

In addition to contributing cash, the private sector can contribute to the Global Fund in several ways, including by supporting grant implementation – e.g., serving as principal recipients (PRs) and sub-recipients (SRs) – by taking part in co-investments, by making in-kind donations, and by donating a portion of profit made on certain investment products.

Examples of the private sector as PR are the Pilipinas Shell Foundation in the Philippines, the mining company AngloGold Ashanti in Ghana, and the National Electricity and Water Company of Benin. Examples of private sector SRs are the Nigerian Business Coalition Against AIDS, the Thailand Business Coalition on AIDS and the Confederation of Indian Industry.

Co-investments work well in cases where businesses already provide health care to staff through company-run clinics and where there is a lack of public health infrastructure. One example is the partnership between Unilever Tea and the National HIV/AIDS Care and Treatment Plan in Tanzania (NCTP). Unilever Tea Tanzania's in-house hospital at its Mufindi estate is one of 90 medical centres selected to provide free testing and ARVs as part of the NCTP. The company is providing comprehensive treatment and care to the entire community through its clinic. ARVs are paid for by the Global Fund grant and delivered by the Ministry of Health. By the end of 2008, 900 people living with HIV were being monitored, and 400 people living with AIDS were receiving ARV therapy. Unilever Tea Tanzania and its partners have set a target to reach 30,000 employees and their dependants out of a total local population of approximately 100,000 people.

In November 2009, the Global Fund Board agreed to accept donations of non-medical products to grant recipients on a limited, trial basis. The first such donation is one from the United Kingdom publisher Medkidz, which is providing 100,000 HIV-prevention and awareness comic books. The books are being distributed through Global Fund-financed HIV programs in Swaziland, the country with the highest HIV prevalence in the world.

In 2008, the Global Fund entered into a partnership with Standard Bank. The bank is providing financial and management expertise to recipients of Global Fund grants in selected African countries.

Finally, in April 2010, the Global Fund signed a memorandum of understanding (MoU) with the National Bank of Abu Dhabi to launch an exchange-traded fund (ETF) and list it on the Abu Dhabi Securities Exchange. The Global Fund will receive a portion of the licence and management fees generated by the ETF. The Global Fund has signed an MoU with the Dow Jones Indexes to explore a similar venture.

*Some of the information for this article was taken from "Partnering for Global Health: The Global Fund and the Private Sector," at [www.theglobalfund.org/en/replenishment/hague/documents/](http://www.theglobalfund.org/en/replenishment/hague/documents/). The press release mentioned at the start of the article is at [www.theglobalfund.org/en/pressreleases/?pr=pr\\_100601](http://www.theglobalfund.org/en/pressreleases/?pr=pr_100601).*

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### **7. ANNOUNCEMENT: Aidspan Releases Q&A on the Global Fund's New Grant Architecture**

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Aidspan has released a seven-page question and answer sheet (Q&A) on "*Grant Consolidation and the Single Stream of Funding*." The purpose of the Q&A is to provide a basic understanding of the concepts of grant consolidation and the single stream of funding, and of how Global Fund applicants and implementers will be affected.

The Q&A is available in English at [www.aidspace.org/aidspacepublications](http://www.aidspace.org/aidspacepublications). French-, Spanish- and Russian-language versions should be posted by early August.

The Q&A is designed to complement documents on the new grant architecture already released by the Global Fund. These documents are as follows:

- *New Grant Architecture – Concept Note*
- *Fact Sheet for Implementers*
- *New Global Fund Grant Architecture: Frequently Asked Questions*
- *Single Stream of Funding Consolidated Performance Framework* (for use in Round 10 proposals)

The Global Fund documents are available in several languages at [www.theglobalfund.org/en/grantarchitecture](http://www.theglobalfund.org/en/grantarchitecture). Questions about the new grant architecture can be submitted to the Global Fund Secretariat at [ARCinbox@theglobalfund.org](mailto:ARCinbox@theglobalfund.org).

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**8. ANNOUNCEMENT: UNAIDS Issues Guidance Tool on Including CSS in Round 10 Proposals**

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UNAIDS has released a guidance tool on how to include community systems strengthening activities in Global Fund proposals. *“Supporting community based responses to AIDS, TB and malaria”* is available at [http://data.unaids.org/pub/BaseDocument/2010/201007\\_unaidscss\\_en.pdf](http://data.unaids.org/pub/BaseDocument/2010/201007_unaidscss_en.pdf).

The guidance tool is intended to supplement the Global Fund’s *“Community Systems Strengthening Framework”* document released in May 2010 (see “Global Fund Releases Comprehensive CSS Framework” in [GFO 126](#)).

The guidance covers, among other things, how to ensure strong community participation in the proposal development process, how and when to include CSS activities in Global Fund proposals, and how to advocate to the CCM and other partners to promote the inclusion of such activities. As well, the guidelines list the sections of the Round 10 proposal where CSS activities should be highlighted.

UNAIDS says that the guidance tool was prepared “rapidly” in order to make it available for Round 10, and that it will be updated with more comprehensive information for use in future rounds.

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**9. NEWS: Toolkit on Including HSS in Round 10 Proposals Now Available In Three Languages**

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French- and Spanish-language versions of the *“Toolkit for Using Round 10 of the Global Fund for Health Systems Strengthening”* are now available. The toolkit contains information on how countries can use the Global Fund to support health systems strengthening (HSS) activities, and on technical support providers that are available to assist applicants in developing proposals that address HSS.

Aidspace reported on the launch of the English-language version in [GFO 126](#). The toolkit is available at: <http://physiciansforhumanrights.org/right-to-health/globalfund-round10.html>.

The toolkit was produced by Physicians for Human Rights (PHR) and the Health Workforce Advocacy Initiative.

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END OF NEWSLETTER

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This is an issue of the *GLOBAL FUND OBSERVER (GFO)* Newsletter.

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*GFO* is currently provided in English only. It is hoped to provide it later in additional languages.

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