



Independent observer
of the Global Fund

Global Fund Observer

NEWSLETTER

Issue 208: 29 January 2013

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ARTICLES:

1. NEWS: More Concerns Raised About the NFM Process

Communities Delegation on Global Fund Board releases statement following two-day consultation

“There remains a lack of clarity of the various roles and responsibilities different stakeholders will play in key components of the new funding model (NFM). At both global and country levels, there is no guidance on who will play what roles and who makes decisions.”

These assertions were contained in a “Communities Statement” released by the Communities Delegation on the Global Fund Board on 28 January following a consultation organised by the delegation on 25–26 January in Amsterdam. The Global Network of People Living with HIV helped to organise the consultation which was attended by 31 community leaders and activists from national, regional and international networks of communities living with and affected by the three diseases. According to the delegation, the Communities Statement “puts together collective 'asks' of the Global Fund in the processes of the NFM.”

“The roles of key Global Fund structures, such as the Technical Review Panel, are not adequately defined,” the statement said. “The Global Fund must clarify these roles at the beginning of the transition phase, and ensure that they are evaluated throughout the pilot process.”

According to the statement, community knowledge and understanding of the NFM is “extremely limited. There have been few strategic and resourced efforts to strengthen community knowledge on changes in Global Fund processes.”

The statement said that the Global Fund needs to ensure that communities are given adequate support to enable them to influence all stages of the process, “including a sustained and ongoing country dialogue.”

“Countries where [effective] community dialogue platforms cannot be established should not be allowed to participate in the transition phase” or the full roll-out of the NFM, the statement said.

“Community engagement is critical to the effective implementation of the NFM,” the statement said. “It ensures that resources and support reach the people most affected by the diseases and that human rights are not abrogated in proposed interventions.”

The statement said that before the NFM is fully implemented, the Global Fund “must integrate guidance on policy and programming that address human rights” and the needs of key populations.

In conclusion, the statement said that the Global Fund should develop mechanisms “to raise awareness, improve understanding of, and increase engagement of, communities prior to and during the transition to the NFM.”

The Communities Statement is available on the Aidspace website [here](#).

[This article was first posted on GFO Live on 29 January 2013.]

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2. NEWS: NFM Will Be Launched by the End of February

The Global Fund will formally launch its new funding model (NFM) by the end of February, even as design work on the NFM continues. The Fund has not set a precise date for the launch.

By the end of February, a template for the concept note and guidelines to accompany the concept

note will be made available. The Global Fund website will be updated with the latest information.

As [reported](#) previously in GFO, countries will participate in the application process for the NFM at different times, depending on their circumstances. The Global Fund has identified three types of applicants, as follows:

- **early applicants**, which will be invited by the end of February to submit a concept note and go through the full application process;
- **interim applicants** which meet at least one of the following criteria: (a) are considered by the Global Fund to be significantly underfunded; (b) face service disruption in 2013 and through part of 2014; or (c) are considered by the Global Fund to be “well positioned” for impact; and
- **standard applicants**, meaning all other applicants, which will have an opportunity to apply when the NFM is fully implemented early in 2014.

The Global Fund wants to ensure that the list of interim applicants is diverse, geographically and in other ways. Once the list is finalised, the Global Fund will decide on the best way to grant new funding (i.e. through a concept note application process, through reprogramming or through Phase 2 renewal).

Consultations on the NFM have been underway since the middle of January, and more consultations are planned. So far, there has been a series of disease-specific consultations (TB, malaria, and HIV) and a consultation with people working in or interested in health and community systems, and gender and human rights.

In this last week of January, consultations were scheduled with representatives of people living with or affected by the diseases, with technical partners and with the Technical Review Panel. In the first week of February, a Board consultation is planned.

Regarding the Board consultations, GFO understands that it will consist of a series of open conference calls for board members, alternates, and focal points from all constituencies.

The Secretariat will be using its website as the main platform for communicating information on the NFM to a broader audience. A dedicated space on the website will contain general reference materials, such as policies, an applicant’s guide to the transition, information notes and FAQs. The Secretariat told GFO that the concept note template and guidelines for applying will be available on the site “for reference only”; and that applicants invited to participate in 2013 will be given further and more specific guidance on how to apply. This guidance for early and interim applicants will not be the same.

By the end of January, the Board’s Finance and Operational Performance Committee will determine how much money is available for the NFM transition; and the Board’s Strategy, Impact and Investment Committee will approve the indicators for the formula to create the “significantly underfunded” list for use in identifying early applicants and interim applicants.

By the end of February, training on the NFM for the country teams in the Secretariat will be underway.

[This article was first posted on GFO Live on 29 January 2013.]

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3. NEWS: Germany Extends Its Pledge of €200 Million a Year Through to 2016

*Announcement is good news for the Global Fund in some respects,
but there is concern that Germany's contributions have been flat since 2008*

On 24 January, Germany announced that it was pledging an additional €600 million to the Global Fund – €200 million a year for each of 2014, 2015 and 2016.

Germany has been pledging (and contributing) €200 million a year to the Global Fund since 2008. (The pledge for 2013, made in 2010, is expected to be converted into a contribution later in 2013.)

The year 2014 marks the beginning of the Global Fund's next three-year replenishment period. Later in 2013, the Global Fund will host a replenishment conference where donors can announce their pledges for the period 2014–2016.

The announcement of Germany's pledge was made on 24 January by Dirk Niebel, Germany's Minister for Economic Cooperation and Development at a news conference at the World Economic Forum in Davos. The news conference was also attended by Bill Gates, co-chair of the Bill and Melinda Gates Foundation, and Mark Dybul, Executive Director of the Global Fund.

"We need to continue to devote hard work and determined efforts to halting the spread of HIV, malaria and other infectious diseases," said Mr Niebel. "We are close to turning the tide. I think we are witnessing the beginning of the end of AIDS. This is an achievement, not least, of the Global Fund, which recently undertook reforms."

The announcement from Germany was good news for the Global Fund for two reasons. First, it signalled that Germany is pleased with changes implemented by the Fund. Second, because the announcement comes several months ahead of the replenishment conference, it helps to generate momentum.

"This commitment is a tremendous milestone," said Dr Dybul, who became Executive Director of the Global Fund on 21 January. "It means health workers and the people they serve in countries like Ethiopia, Myanmar and Haiti can make a huge difference. Everyone is grateful to Germany for its generosity and for its recognition that investing in global health benefits us all."

However, many NGOs, both inside and outside Germany, were not pleased with the announcement. They are concerned that Germany's contribution has been flatlined at €200 million a year since 2008 despite the fact that needs are increasing. German NGOs are asking their government to double the current contribution.

NGOs point out that Germany, like other donors, committed at the UN in June 2011 to the target of doubling by 2015 the number of persons living with HIV who receive treatment.

The Global Fund itself said in the news release announcing the contribution that the “demand for funding is likely to outstrip the impressive commitment made today. The Global Fund will continue to seek additional sources of funding, and to explain the need for more contributions from wealthy donor nations and the private sector.”

For the period 2011–2013, Germany was the fourth largest pledger to the Global Fund, behind the US, France and the UK. (See the Aidspace publication, “[Donors to the Global Fund: Who Gives How Much?](#)”).

[This article was first posted on GFO Live on 24 January 2013. The article was updated on 28 January to revise the lead and to incorporate some additional information.]

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4. COMMENTARY: A Little Less Spin, Please

by Bernard Rivers

The Global Fund issued a [news release](#) on 24 January under the headline “Germany Makes EUR 1 Billion Contribution to the Global Fund.” The news release began: “Germany announced today that it will contribute EUR 1 billion to the Global Fund.” This was good news, because two years ago Germany had been very critical of the Fund and had temporarily put its payments on hold.

Many readers of the news release probably assumed that all of this €1 billion represented “new money.” But that was not the case. Instead, there was some “spin” going on.

The amount of new money to which Germany has committed is not €1 billion but €600 million, to be given over the period 2014–2016. The remainder of the €1 billion cited in the news release consists of €200 million that Germany gave last year and a further €200 million that Germany [promised](#) three years ago to give in 2013.

If Germany is going to include money it gave to the Fund last year in the total that it says that it “will” contribute, why not include the entire amount it has given since 2002? That would push the “€1 billion” total to an even more impressive €2.1 billion.

(Commenting on a draft of this commentary, Seth Faison, Communications Director for the Global Fund, said “You make a good point. Looking back, we should have written ‘committed’ instead.

That would be more accurate.”)

The real story revealed in the news release is that despite the Global Fund’s increasing needs, Germany has decided to continue flatlining the Global Fund, giving €200 million every year from 2008 to 2016. (But before I sound too grumpy, let’s be grateful that Germany continues to support the Fund, unlike countries like Austria, Israel and United Arab Emirates, which have never given a penny. And it certainly helps the Fund that Germany has made pledges for 2014–2016 so early in the year in which all donors are being asked to make commitments for that period.)

A previous example of spin at the Global Fund occurred a year ago, on 26 January 2012, when the Fund issued a [news release](#) announcing that the Gates Foundation would give the Global Fund \$750 million over the next few years. The news release said “The Gates Foundation ... has previously contributed \$650 million and today’s announcement brings its total investment in the Global Fund to \$1.4 billion.” The news release made no mention of the fact that \$500 million of that \$750 million had already been [announced](#) fifteen months earlier, and ever since then had been included in the Fund’s revenue forecasts. (Though, again, the Gates Foundation has to be applauded for the fact that since the start of the Global Fund, the Foundation has given the Fund more than three times as much money as all other foundations, charities and private sector entities combined.)

(Commenting on a draft of this commentary, Bryan Callahan, Senior Communications Officer at the Gates Foundation, said “We agree that accurate reporting is important and think that the Global Fund provided an accurate summary of our contribution history.”)

The Global Fund wants its grant implementers to submit progress reports that are solidly fact-based rather than involving spin. We should expect no less from the Fund itself.

Bernard Rivers ([email](#)) founded Aidspan in 2002 and ran it until September 2012. He now serves as a Senior Fellow at Aidspan and as a Visiting Fellow at Cambridge University.

[This article was first posted on GFO Live on 29 January 2013.]

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5. NEWS: Era of Rapid Growth of Donor Funding for Health Has Ended

Health financing trends reveal more money flowing through multilateral agencies

The era of rapid growth of donor funding for health in low and middle-income countries has come to an end, a [report](#) published by Kaiser Family Foundation says.

The report analyses official development assistance (ODA) for the health sector provided by donors between 2002 and 2010. According to the report, following the creation of the Global Fund and the US President’s Emergency Plan for AIDS Relief (PEPFAR) at the beginning of this period, funding for health increased more than four-fold, rising from \$4.4 billion to \$18.4 billion, and grew at a much

faster pace cumulatively (317%) than overall ODA (169%). Funding for health also grew as a share of overall ODA, rising from 8.1% in 2002 to 12.5% in 2009; it remained at this level in 2010.

Forty-three donors (26 bilateral and 17 multilateral) provided health ODA in 2010, an increase from 26 donors (21 bilateral and five multilateral) in 2002. Most health ODA over the 2002–2010 period was provided bilaterally by donor governments, which collectively accounted for 65.8% of disbursements in 2010. Multilateral organisations provided the balance. However, funding from multilateral organisations accounted for nearly three quarters of the \$1.4 billion increase in health ODA between 2009 and 2010. *Editor's Note: In effect, this represents a shift on the part of governments. The governments decided to provide a greater portion of their aid money through multilateral organisations, and a correspondingly smaller proportion through their own bilateral initiatives. Multilateral agencies, such as the Global Fund, are largely funded by donor governments.*

The US was the single largest donor for health over the entire period, including in 2010 (\$6.4 billion), when it accounted for 34.6% of all health ODA. The UK was the second largest bilateral donor in 2010 (\$1.2 billion) followed by the European Commission, Germany and Canada (\$0.5 billion each).

The Global Fund has been the second largest donor to health since 2006. By 2010, the Fund gave \$3.0 billion out of the total multilateral funding of \$6.3 billion. The World Bank was the second largest multilateral donor in 2010 (\$0.9 billion), followed by GAVI (\$0.7 billion), and the World Health Organization (WHO) (\$0.4 billion).

Sub-Saharan Africa received the largest share of health funding of any region, rising from 31.9% in 2002 to 47.4% in 2010. It also accounted for the highest growth over the period (52.3%).

The second largest share of funding went to South and Central Asia (13.3% in 2010). All other regions accounted for less than 10.0% of total health funding. Funding for three regions (North Africa, South America, and Oceania) declined between 2009 and 2010.

HIV/AIDS programmes drove most of the growth in health ODA over the period 2002–2010, accounting for \$6.5 billion (46.8%) of the \$14.0 billion increase in health ODA. Basic health and medical care accounted for the second largest share (\$1.9 billion, 13.4%) of the increase.

While funding for all health sub-sectors grew over the 2002 to 2010 period, funding for HIV/AIDS, malaria, and TB increased at faster rates than other sub-sectors such as family planning, nutrition, workforce/management and other infectious diseases.

The report says that the trend of slower growth witnessed between 2002 and 2010 was likely to have continued in 2011.

The full title of the report is “Donor Funding For Health in Low and Middle-Income Countries, 2002–2010.”

[This article was first posted on GFO Live on 25 January 2013.]

6. NEWS: Selective – Not Sweeping – Changes Required at the Global Fund, Authors Say

“Fraud was never a major problem”

“Rather than imposing harsh new controls on recipient countries that might impede health outcomes, the Fund should maintain the core elements of its innovative model and make selective rather than sweeping changes in its operations.”

This is the view of two former senior managers in the Fund’s Secretariat, expressed in an article published in the *Journal of Health Planning and Management* in early January.

In the article, Jonathan C. Brown and Wilfred Griekspoor say that fraud was never a major problem at the Global Fund. Mr Brown was the Fund’s Acting Director of Country Programs from May 2010 through May 2011. Mr Griekspoor was the Fund’s Chief Financial Officer from February 2010 through January 2011 and interim Managing Director in 2002.

Referring to media reports of fraud published in early 2011, the authors say that “although the findings of abuse were in a very small number of countries and in a small number of activities, such as training and allowances, the impression of an organization out of control gained acceptance.”

However, according to a report from the Global Fund, as of the end of August 2012, fraud constituted only 0.4% of disbursements in 32 countries that were audited or investigated. “Reasonable people can agree or disagree on what levels of fraud or misuse represents unacceptable risks, but few will view the Global Fund results as the fiduciary crisis that the media portrayed in early 2011,” the authors conclude.

Brown and Griekspoor contend that the situation was aggravated by the practice of the Office of the Inspector General (OIG) – which, the authors say, considered eradicating corruption as part of its mission – to intensively investigate the perpetrators of fraud until it had “court ready” evidence to turn over to national authorities. This practice resulted in delays in publishing investigative results and in corrective action being taken by the Secretariat. The authors cite the example of Nigeria where the OIG asked the Secretariat not to close a grant because that might reduce the willingness of the grant recipient to collaborate with the OIG’s attempt to gather material for prosecution.

The authors observe that a high-level Panel set up in 2011 by the Global Fund Board to investigate the fiduciary controls and oversight mechanisms of the Fund wrote that “The OIG is the only organization [we] surveyed that, by itself, will audit, investigate and then build a case ready-made for prosecution.”

Brown and Griekspoor said that if the original Global Fund model had been implemented “with more rigor,” the crisis might have been avoided. Specifically, the authors say, from the Fund’s early days, project budgets should have been defined in more meaningful detail and then monitored; Fund staff should have been organised as teams to support programmatic and financial concerns rather than simply to disburse money; Fund management should have been more responsive to early OIG

findings; and public messaging of the OIG should have been put in the broader context of the overall portfolio.

Referring to the many reforms currently being instituted by the Global Fund, the authors argue that “although each of these changes might seem like a logical next step in the evolution of the Fund, the risk in such a broad and comprehensive redesign of grant management is that the spirit of the original light-touch model of the Global Fund may be lost.”

Noting that the Global Fund is currently reflecting on how to introduce simple ways of allocating resources, assessing value for money, and assuring readiness of implementers, Brown and Griekspoor propose six basic steps which, they say, would be “broadly sufficient to resolve remaining oversight concerns.” The steps are as follows:

1. Funding proposals should be based on meaningful programme budgets that can be tracked by implementing agencies on an ongoing basis, verified by normal accounting and auditing instruments, and monitored by local fund agents.
2. During the two-stage proposal process, pre-assessments of implementing agencies should result in mandatory outside support in financial management, procurement, and distribution of health commodities.
3. Expenditure tracking and financial controls should focus on cash-intensive activities already identified as risky by the OIG.
4. The Secretariat should develop, with partners, a rapid in-country response capacity for its country teams to deal with losses as soon as they surface.
5. The current functions of the OIG should be simplified.
6. The Board’s new Audit and Ethics Committee, which oversees the OIG, should ensure that the Fund continues to publish aggregate results of country audits and investigations so as to provide a portfolio-wide perspective.

“More radical fiduciary actions are not necessary to solve a ‘severe’ fraud problem that does not exist today, and probably never did,” the authors conclude.

The full article by Brown and Griekspoor is available [here](#). Subscription or payment is required.

[This article was first posted on GFO Live on 7 January 2013.]

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7. NEWS: Aid is Becoming More Transparent, but Progress Is Slow, Study Says

Global Fund ranked fourth among donors behind DFID, World Bank and Netherlands

Aid is becoming more transparent, but progress is slow and uneven, Publish What You Fund says in a [report](#) released in October 2012. Publish What You Fund is a global organisation that campaigns for aid transparency and monitors how transparent aid organisations are.

The report said that over the past decade, transparency has been driven up the political agenda in countries and organisations all over the world. Citizens can and should be able to hold governments to account and to know where and on what their money is being spent, it said.

"Open government initiatives are helping to promote aid transparency, partly driven by the possibilities of new technology, with much of the current momentum coming from the aid effectiveness agenda," the report said. (The term "aid effectiveness agenda" refers to the Paris Declaration on Aids Effectiveness [2005] and the Accra Agenda for Action [2008], both designed to improve the quality of aid and its impact on development. See [here](#).)

In 2012, Publish What You Fund ranked the Global Fund fourth overall among 72 aid organisations. The organisations included bilateral and multilateral agencies, climate finance funds, humanitarian agencies, development finance institutions and private foundations. The table below shows the complete rankings.

Determining the rankings involved evaluating 43 indicators, grouped in three levels: organisation, country and project. Of the 43 indicators, one measured the quality of the Freedom of Information legislation; one measured engagement with the International Aid Transparency Initiative (IATI). The remaining 41 indicators assessed whether the organisation publishes specific data related to each project. Publish What You Fund used civil society organisations to measure these 41 indicators based on the information available on each organisation's website.

The results were derived by assigning scores for each indicator, ranking the organisations and then grouping them by level from "good" to "very poor."

Table: Overall Transparency Scores

Category	Rankings
Good	<ol style="list-style-type: none"> 1. UK Department for International Development (DFID) 2. World Bank International Development Association (IDA)
Fair	<ol style="list-style-type: none"> 3. Netherlands Ministry of Foreign Affairs 4. Global Fund 5. European Commission Development and Cooperation (DEVCO) 6. Denmark Ministry of Foreign Affairs 7. Swedish International Development Cooperation Agency (SIDA) 8. African Development Bank (AfDB) 9. US Millennium Challenge Corporation 10. United Nations Development Programme (UNDP) 11. Inter-American Development Bank (IADB) 12. Asian Development Bank (AsDB) 13. GAVI 14. European Commission Humanitarian Aid and Civil Protection (ECHO) 15. UN Office of the Coordination of Humanitarian Affairs (OCHA)
Moderate	<ol style="list-style-type: none"> 16. New Zealand Aid 17. Adaptation Fund 18. Australian Agency for International Development (AusAID) 19. World Bank International Finance Corporation (IFC) 20. Finland Ministry of Foreign Affairs 21. European Bank for Reconstruction and Development (EBRD) 22. Czech Development Agency 23. Japan Ministry of Foreign Affairs (MFA)

	<ul style="list-style-type: none"> 24. Global Environmental Facility (GEF) 25. Japan International Cooperation Agency (JICA) 26. Estonia Ministry of Foreign Affairs 27. US Agency for International Development (USAID) 28. UK Department of Energy and Climate Change (DECC) 29. US President's Emergency Program for AIDS Relief (PEPFAR) 30. Belgium Development Agency 31. Hewlett Foundation 32. Canadian International Development Agency (CIDA) 33. Gates Foundation 34. US Department of the Treasury (Office of Technical Assistance) 35. Norway Ministry of Foreign Affairs 36. European Investment Bank (EIB) 37. Korea Economic Development Cooperation Fund (EDCF) 38. Clean Technology Fund (CTF)
Poor	<ul style="list-style-type: none"> 39. Germany GIZ 40. Lux-Development (Luxembourg) 41. Korea International Cooperation Agency (KOICA) 42. Austrian Development Agency 43. European Commission DG Enlargement 44. Agence Française de Développement (AFD) 45. Spanish Agency for International Development Cooperation 46. US Department of State (INL Bureau) 47. European Commission Foreign Policy Instruments Service (FPI) 48. Lithuania Ministry of Foreign Affairs 49. Brazilian Cooperation Agency 50. Germany KfW 51. UK Ministry of Defence (MOD) 52. Poland Ministry of Foreign Affairs 53. Italy Ministry of Foreign Affairs 54. Irish Aid 55. Swiss Agency for Development and Cooperation 56. US Department of Defence (DOD) 57. Slovenia Ministry of Foreign Affairs 58. UK CDC 59. Portugal – Camões Institute 60. UK Foreign and Commonwealth Office (FCO)
Very poor	<ul style="list-style-type: none"> 61. Slovak Agency for International Development Cooperation 62. Ministère des affaires étrangères (France) 63. UNICEF 64. Latvia Ministry of Foreign Affairs 65. Romania Ministry of Foreign Affairs 66. Bulgaria Ministry of Foreign Affairs 67. Hellenic Aid (Greece) 68. Ministère de l'Economie et des Finances (France–MINEFI) 69. Cyprus Planning Bureau 70. Hungary Ministry of Foreign Affairs 71. China Ministry of Commerce 72. Malta Ministry of Foreign Affairs

Some organisations made big improvements in 2012. DFID increased its score substantially, from 5th (out of 58) in 2011 to 1st in 2012. GAVI improved from 35th to 13th position. The Global Fund moved from 7th in 2011 to 4th in 2012. The Netherlands Ministry of Foreign Affairs improved its rank from 4th in 2011 to 3rd in 2012 after having been ranked 30th in 2010. In all, 36 organisations showed improvement in 2012.

The number of organisations categorized as “poor” or “very poor” declined in 2012, but these categories still included nearly half of all organisations surveyed, including some of the world’s largest donors – such as Germany’s GIZ, France’s AFD and the US Department of State. As a bloc, European Union nations performed poorly: Organisations from 12 member states were ranked in the poorly-performing group. Hungary, China and Malta were at the bottom of the list.

The report said that multilateral organisations tended to score reasonably well, with two-thirds of them categorised as “good” or “fair.” UNICEF is the only UN agency in the lowest performing group. As a group, bilateral agencies tended to perform poorly.

Publish What You Fund said that to be considered fully transparent, an organisation must meet the publishing standards of IATI and also publish their information on the IATI Registry. The Global Fund first published to the registry in November 2011.

The report says that the Global Fund has automated publication of its data within two weeks of each grant disbursement. The data is also provided in a downloadable Excel database, which provides detailed project information.

The Global Fund received a low score on the quality of freedom of information legislation indicator. The intention of this indicator is to ensure the organisations’ beneficiaries have the right to access all relevant information, and that this is enforceable by law. The Global Fund does have a “Documents Policy,” which is mentioned in the report, but it is not a legally binding document. This appears to be the reason for the low score.

The Global Fund, the report says, “should continue to lead on aid transparency by systematically publishing tenders and contracts in its IATI feed and by exploring the publication of sub-national geographic information, and beginning to work with its partners to provide traceability throughout the chain.”

[This article was first posted on GFO Live on 22 January 2013.]

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8. NEWS: Financing Crunch Is Undermining Harm Reduction Efforts, Report Says

Report questions how financing for harm reduction will be prioritised as part of the Global Fund’s new funding model

The Global Fund’s cancellation of Round 11 and the cost-cutting measures that followed have put harm reduction programmes in jeopardy, especially for those countries with low resources and heavy HIV and TB burdens, according to a [report](#) on the global state of harm reduction published by Harm Reduction International (HRI).

“The international financial crisis, combined with a shift in aid priorities toward low-income countries and resource constraints at the Global Fund, pose a major threat to the future and

sustainability of harm reduction,” the report said.

HRI estimated that approximately \$160 million was invested in HIV-related harm reduction in low- and middle-income countries in 2007, of which \$136 million (90%) was from international donors. This \$160 million investment was just a fraction of what UNAIDS estimated was needed to meet the basic HIV prevention needs of people who inject drugs (\$2.1 billion in 2009 and \$3.3 billion in 2010).

Harm reduction programmes are particularly vulnerable to global economic downturns, the report said. This is because support from government in the countries affected is rare, often because of political or social considerations, including the fact that harm reduction tends to be low on governments’ lists of priorities.

The report said that there is continuing uncertainty about the Global Fund’s new funding model (NFM) and what the NFM will mean for harm reduction programming. The authors state that the uncertainty needs to be addressed quickly to minimise the impact on existing programmes and to ensure future projects stand a chance of being implemented.

“It is unclear how financing for harm reduction will be prioritised as part of the new Global Fund funding model that is being developed,” the report notes.

Noting that the Transitional Funding Mechanism established by the Global Fund did not allow for scale-up of services or start-up of new services, the report said that this adversely affected several countries in Asia and Eastern Europe with significant HIV and injecting drug use burdens or emerging epidemics.

In addition, the report said, as a result of these restrictions, several countries that might have planned to submit grant proposals in 2012 and 2013, cannot do so until 2014.

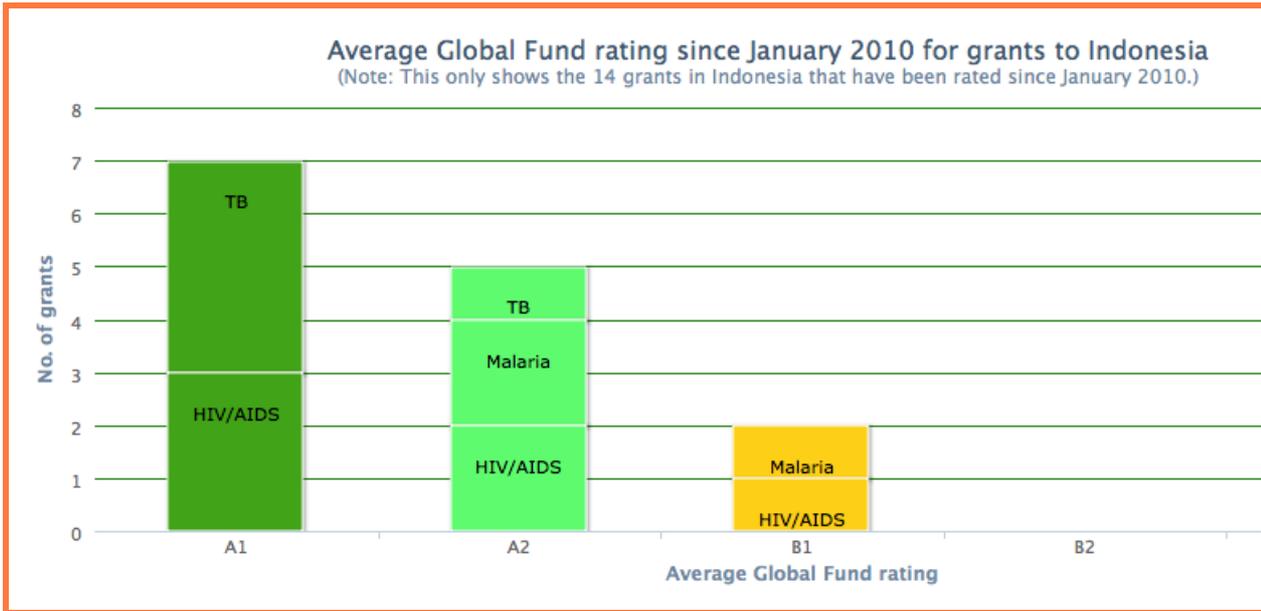
[This article was first posted on GFO Live on 24 January 2013.]

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9. ANNOUNCEMENT: Aidspace’s Website Contains a Tool to Examine Detailed Information on Global Fund Grants

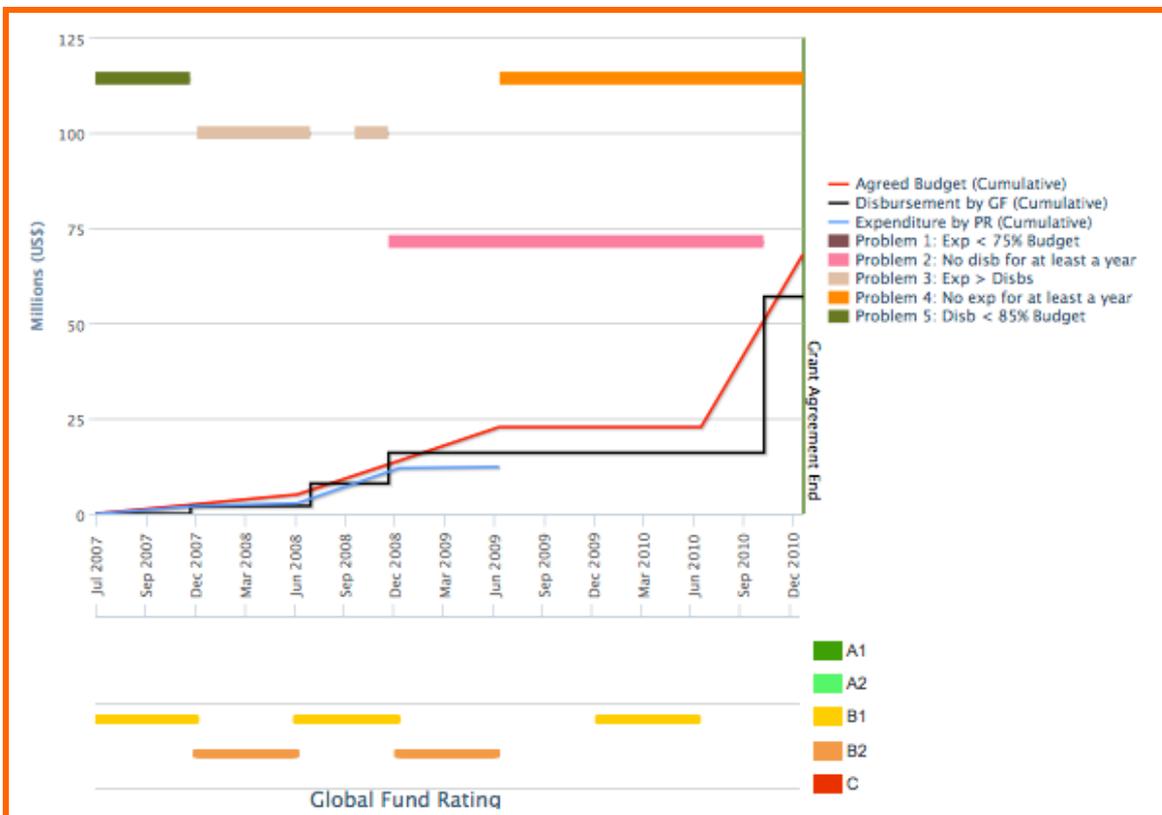
Aidspace’s website (at www.aidspace.org/page/grants-country) includes detailed information on Global Fund grants, complete with graphs and tables to make the information easy to digest. The grant pages, which were re-designed last August when Aidspace launched its new website, show multiple items of information about each grant, all obtained from the Global Fund website. The information provided on the Aidspace website is based entirely on data obtained from the Global Fund, most of which is on the Fund's [website](#).

For each country, Aidspace provides a graph showing performance ratings since January 2010 (see portion of the graph for Indonesia depicted below).



Also for each country, there is a separate page for each grant that shows in graph form data on budget, disbursements, expenditures and performance ratings history; plus similar (and more detailed) information in table format. The graphs for each grant allow users to observe the pattern of disbursements and expenditures and how this compares to the budget for the grant. The graphs also identify moments where there appear to be problems with the grant, such as no disbursements or no expenditures for a period of time, or expenditures exceeding disbursements.

(See portion of the graph for a Round 6 HIV grant from Mozambique depicted below.)



10. ANNOUNCEMENT: Call for Nominations: Developing Country NGO Delegation

The Developing Country NGO Delegation to the Global Fund Board has issued a call for nominations for individuals to be part of the delegation, starting in March 2013. The delegation members who are selected will serve a minimum of two years.

The objectives of the delegation are to represent the perspectives of developing country NGO's on the Board, and to inform and positively influence the governance processes of the Global Fund to better integrate non-governmental and community-based efforts into responses to HIV, TB and malaria.

Nominated individuals are required to submit an application. The closing date for nominations is 10 February 2013.

For additional information, including the format required for applications, contact Ria Grant, Lead Communications Focal Point, Developing Country NGO Delegation at rgrant@tbhivcare.org.

AVAILABLE ON [GFO LIVE](#):

The following articles have been posted on GFO Live on the Aidsplan website. Click on the article heading to view the article. These articles may or may not be reproduced in GFO Newsletter.

[UNDP Appointed PR for a Round 8 HIV Grant in Mali to Replace Government Body](#)

The United Nations Development Programme (UNDP) has been appointed the principal recipient for phase two of the Round 8 HIV grant in Mali, replacing the National AIDS Council, a government body which was found to have misappropriated money by the Office of Inspector General in 2011.

[Osamu Kunii Appointed Head of Strategy, Investment and Impact Division](#)

The appointment of Osamu Kunii as head of the Secretariat's Strategy, Investment and Impact Division means that the heads of all four divisions reporting to Executive Director Mark Dybul are now in place.

[Guidance Document on HCSS Is Being Developed by the Secretariat](#)

The Global Fund Secretariat is drafting a guidance document on health and community systems strengthening for use by applicants under the new funding model.

[Influence of Community Sector on CCMs Is Affected by External Factors, Report Says](#)

A new report from the Civil Society Action Team says that the ability of the community sector to influence decisions made by country coordinating mechanisms is to some extent determined by national contexts and by structures that exist outside of the CCM.

[OIG Identifies Irregularities in Cambodia Malaria Grants](#)

The Global Fund has taken steps to safeguard its investments in Cambodia after uncovering evidence of “serious financial wrongdoing” in its malaria grants.

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

We welcome suggestions for topics we could cover in GFO. If you have a suggestion, please send it to the Editor of GFO (see contact information below).

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GFO is an independent source of news, analysis and commentary about the Global Fund to Fight AIDS, TB and Malaria (www.theglobalfund.org). GFO is emailed to nearly 10,000 subscribers in 170 countries at least twelve times per year.

GFO is a free service of Aidspan (www.aidspan.org), a Kenya-based international NGO that serves as an independent watchdog of the Global Fund, and that provides services that can benefit all countries wishing to obtain and make effective use of Global Fund financing. Aidspan finances its work through grants from foundations and bilateral donors.

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For GFO background information and previous issues, see www.aidspace.org/page/gfo-newsletter. For information on all approved proposals submitted to the Global Fund, see www.aidspace.org/page/grants-country. People interested in writing articles for GFO are invited to email the Editor, above.

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