

GLOBAL FUND OBSERVER (GFO) NEWSLETTER, a service of Aidspace.

Issue 29 – Friday 9 July 2004. (For formatted web, Word and PDF versions of this and other issues, see www.aidspace.org/gfo/archives/newsletter)

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Comprehensive data and source material regarding all Round 1, 2, 3 and 4 grants is about to be posted at the Aidspace web site.

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Attendees at the Bangkok AIDS conference are invited to a satellite session on "The Global Fund – How CCMs can be More Effective."

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1. NEWS: First Ever Partnership Forum Issues Strong Recommendations
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Two strong recommendations emerged from the Global Fund's first Partnership Forum, which was attended over the past two days in Bangkok by more than 400 participants ranging from donor governments to NGOs that have been excluded from CCM membership. The Forum's purpose was to discuss the effectiveness of Global Fund policies and practices and to consider how they can improve.

The first recommendation was that the Global Fund board must launch the Fund's fifth round of grants by early 2005. The second was that several of the "recommendations" that the board passed last month regarding CCM structure and methods must be strengthened to being "requirements."

For the Fund to stay on pace with its current momentum of approving three rounds every two years, Fund executive director Richard Feachem said in an address to Forum participants, Round 5 will have to be launched within days of the Board's next meeting in November.

The challenges in meeting this objective were spelled out by the board's vice-chair, Helene Rossert, in an interview today. "Civil society and the recipient governments want Round 5 to be launched soon, but some of the donor governments do not," she said. "Those donors are not yet convinced that the Global Fund should be the main financial vehicle to fight AIDS. But I and many others are convinced that it is."

"For the Fund to launch and approve Round 5 in 2005, two things have to happen," Rossert added. "First, donors must increase their pledges. Second, the Fund must make its Comprehensive Funding Policy less strict." This policy, established by the board before plans were put in place for a long-term "replenishment mechanism," requires the Fund to believe it will receive during the current year enough money to cover anticipated grant expenditure over the next two or three years, and to have that money in the bank before the grant agreements can be signed.

Feachem, in his closing remarks to the Partnership Forum, strongly endorsed maintaining momentum for Round 5. He pointed out that, according to a new UNAIDS analysis to be released this weekend at the International AIDS Conference, the financial cost of fighting the global AIDS pandemic will increase to roughly \$12 billion by 2005, and could rise to \$20 billion by 2007. If TB and malaria are added to this need, Feachem said, the total need for 2005 will be \$15 billion, rising to \$24 billion in 2007. Even if the Fund maintains its current pace of approving three \$1 billion rounds every two years, Fund spending will plateau at around \$3 billion a year – not enough, Feachem said, to fill the needs gap that remains after spending from other sources is taken into account. "The Global Fund was created to fill that gap. That was the vision, the *raison d'être*. Those who doubt that should ask, If not the Global Fund, then which source? If not us, then who?"

The issue of CCMs was the Partnership Forum's most contentious. Despite a strong case being made by the board's Governance and Partnership Committee at the June Board meeting that CCMs should be "required" to meet certain standards regarding transparency, diversity, and conflict of interest, these were downgraded at that meeting to "recommendations." (Civil society delegations argued passionately that these should be "requirements," but recipient governments were opposed, and donor governments went with the recipient governments.)

All four working groups at the Partnership Forum asked the Board to reconsider this decision, three calling for measures regarding diversity and transparency to be made requirements, and a fourth urging the board to "incentivize" CCMs to conform to the board recommendations. "Hopefully, at the November board meeting, the recipient governments on the board will listen to the Partnership Forum," said Rossert. "If not, the donor governments will have to decide which voice to listen to. But I am confident that some kind of compromise will be agreed to."

The Partnership Forum also issued a strong call for the board and the secretariat to engage in a more ambitious and thoughtful resource mobilization strategy. And the working groups produced a wide variety of other recommendations regarding technical assistance and capacity building; how Principal Recipients and Local Fund Agents can better function; how the Global Fund can more comprehensively measure outcomes; how to reduce delays in fund disbursement; and more.

The board will decide at its November meeting how to respond to the recommendations from the Partnership Forum.

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2. ANALYSIS: Partnership Forum Recommendations
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The Global Fund's first Partnership Forum, held in Bangkok on July 7 and 8, attracted some 400 participants from all parts of the world. Many attendees had their expenses covered by the Fund. The Forum, mandated in the Fund's bylaws, is an innovative effort to bring together "insiders" (board members, CCM members, grant implementers, etc.) and "outsiders" (NGOs that advocate for the Fund, NGOs that would like to be included in CCMs but are currently excluded, etc.). The Forum has no legal authority, but the Fund's board will clearly feel obliged to consider the Forum's recommendations very seriously, a commitment made by board chair Tommy Thompson in his opening remarks to the Forum by satellite from Washington.

According to Feachem, some 40 percent of registered participants represented project implementers, principal recipients, or sub-recipients; 10 percent were CCM members; 15 percent came from non-CCM NGOs, faith-based groups, and communities living with the three diseases; 10 percent came from the private sector and trade unions; and 15 percent or so came from donor countries.

Participants divided into four working groups for most of the two days, with all working groups discussing the same topics. For one session, participants instead divided by region. Each working group heard some presentations, and then discussed possible recommendations. At the end of the two days, rapporteurs from the working groups presented these recommendations to all participants. There was no attempt during the conference to consolidate the working group outputs into a single set of recommendations; this will be done by the rapporteurs during the next few weeks. The output of that process will then be submitted to board committees; the committees will then recommend to the November board meeting what decisions should be made arising from these recommendations.

The discussions were free-form. No initial list of draft recommendations was input to the working groups for consideration, and none of the working groups knew what recommendations were emerging from the other working groups until they heard from the rapporteurs in the final hour. Thus, hardly surprisingly, no recommendations were made by all the working groups. GFO presents below its condensation of the recommendations that emerged from two or more working groups.

Round 5

Three of the four working groups expressed distress that the Fund might slow its pace of funding. These concerns centered around a single demand that:

- The board should agree at its November board meeting to launch Round 5 by early 2005.

Resource mobilization

All four working groups expressed strong concern that the Fund is not raising enough money. Recommendations included that:

- The board should dedicate more energy to resource mobilization (including allocating adequate time during meetings, strengthening its long-term replenishment mechanism, revising its comprehensive funding policy, and making its strategy more public).
- Donors should increase pledges in order to make Round 5 possible in early 2005.
- High-income countries should follow the equitable contributions framework, in which they would contribute what the Fund needs in proportion to GNP.
- The Fund should conduct an analysis of resource gaps at global and country level, and should conduct advocacy regarding these gaps.

Country Coordinating Mechanisms (CCMs)

Top concerns about CCMs centered on the need to increase transparency and diversity. In keeping with recommendations to the board in June from the Governance and Partnership Committee, three of the four working groups said that they would like to see these concerns be approved as requirements or formal guidelines, rather than merely as "recommendations." More specifically:

- CCMs should include meaningful and effective participation of NGOs, and of people living with HIV, TB, and malaria.
- NGO CCM members should be elected by their own constituencies through a transparent process, rather than selected by others.
- The CCM chair and vice-chair should represent different sectors or constituencies and should not serve as Principal Recipient (PR). Strong standards should be set to manage conflicts of interest.
- CCMs should create transparent mechanisms for input into proposal development and for participation in grant implementation.

In addition, several working groups recommended that the secretariat offer CCMs more guidance and support:

- The secretariat should create CCM guidelines that clearly define the role of the CCM and provide standards for good governance.
- The secretariat should set up a system for monitoring CCM performance.
- The secretariat should provide CCMs with financial assistance.

Options for addressing disbursement problems

- There should be increased communication and interaction between LFAs, CCMs, and PRs.
- In some cases, there should be stronger in-country presence by LFAs.
- When a significant amount of money is to go to NGO-based sub-recipients, an NGO should serve as one of the PRs.

Capacity building and technical assistance

- The secretariat should be more proactive concerning the need for technical assistance and capacity building, by taking such steps as encouraging countries to build these elements into their proposals.

Measuring results

- Monitoring and Evaluation indicators should include whether Global Fund programs strengthen the national health systems.
- The M&E toolkit should include indicators for measuring whether programs address issues of poverty, gender, and vulnerable populations.
- M&E should be harmonized across national health systems (in keeping with the “three ones”).

Finally, there were several simple recommendations, requiring no board action, that emerged from single working groups. These included recommendations that the secretariat should communicate directly with all CCM members, rather than only the chairs; that all information and Partnership Forum discussions should be posted in all six UN languages on the Global Fund website in a timely fashion; and that the secretariat should inform the CCM as soon as monies are disbursed to the PR.

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3. QUOTE: Benefits of Working With the Global Fund
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Simon Mphuka is the Director of Programs for the Churches Health Association of Zambia (CHAZ), a faith-based organization that is one of four Principal Recipients in Zambia.

"Working through the Global Fund is totally different [from working with other donors]. With other funders, by the time the funding reaches the community level, maybe 40 or 50% has already been absorbed into an institution. But with the Global Fund, the bureaucracy is less, it's faster, and the flexibility to respond to needs is much better. There are so many partners, all doing a good job, but when these things are not well coordinated at national and district level, they result in so much confusion. I'm not saying that bilateral funding is bad. No, it has an impact here. But, we have dealt with some of the most bureaucratic agencies, and if we are talking about an emergency, I think their response is a bit slow. Plus, if you look at the Zambian proposal, we feel that it was our proposal. It's empowering us, rather than just being told what to do.

"We Africans are responding to the epidemic; we are not sitting idly. From the time that this epidemic hit our coast, we have been putting up systems, questioning our behaviors, and caring for the sick, but

we cannot do all of these things alone. We are really asking for assistance, so please make sure politicians know the Global Fund matters."

[Reprinted from the newsletter of the Global AIDS Alliance at www.globalaidsalliance.org/summer_newsletter.pdf.]

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4. ANALYSIS: Detailed data regarding Round 1, 2, 3 and 4 grants

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Comprehensive data and source material regarding all Round 1, 2, 3 and 4 grants will be available at www.aidspace.org/globalfund/grants by Sunday July 11.

A master table will list every country that is eligible to receive Global Fund grants. For each such country, a data sheet will be provided that lists each proposal that was submitted from that country to the Fund in Round 1, 2, 3 or 4. For each such proposal, the board's decision whether or not to approve is shown, along with the requested and approved amounts. For each approved proposal, a link is provided to the Global Fund's page that shows full grant and contact details, together with links to the full proposal and to any signed grant agreements. In addition, for each proposal, a link is provided to the Executive Summary, and for each proposal that was approved, a link is provided to the comments of the Technical Review Panel (TRP).

Separately, a lengthy report by the Secretariat and TRP providing an in-depth analysis of Round 4 proposals and grants is available at www.theglobalfund.org/en/files/boardmeeting8/gfb85.pdf, and multiple other Global Fund documents about Round 4 are available at www.theglobalfund.org/en/about/board/eighth

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5. INVITATION: Bangkok Satellite Session on CCMs

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All those attending the Bangkok International AIDS Conference are invited to a satellite meeting on CCMs.

Title: The Global Fund – How CCMs can be More Effective

Date: Wednesday 14 July 2004, 18:00 to 20:00

Location: Bangkok International AIDS Conference, Conference Room D

Audience: CCM members (actual and potential) from all sectors

Organized by: Aidspace, ICASO, GNP+, International AIDS Alliance, in consultation with the Global Fund.

Speakers from: CCMs, NGOs, PLWHAs, governments and donors in Kenya, Malaysia, Bolivia, Zambia, Germany, USA

Key topics:

- Basic facts about the Global Fund and CCMs
- The top ten problems faced by CCMs
- Making the CCM function smoothly
- Fair and transparent civil society involvement
- Getting the Global Fund money to where it is needed
- Providing the CCM with adequate resources
- New recommendations by the Global Fund board regarding CCMs

Languages: English, Spanish, French, Thai

Queries to: Bernard Rivers (rivers@aidspan.org)

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END OF NEWSLETTER
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This is an issue of the GLOBAL FUND OBSERVER (GFO) NEWSLETTER.

The GFO NEWSLETTER is an independent source of news, analysis and commentary about the Global Fund to Fight AIDS, TB and Malaria (www.theglobalfund.org). The GFO Newsletter is emailed to some 5,500 subscribers about twice a month.

Aidspan and the Global Fund have no formal connection, and Aidspan accepts no grants or fees from the Global Fund. The Global Fund bears no responsibility for the content of GFO or of any other Aidspan publication.

GFO has an Editorial Advisory Board comprising ICASO, GNP+ and the Eastern African National Networks of AIDS Service Organisations (the three organizations designated as Communications Focal Points within the Global Fund's NGO board delegations), and the International HIV/AIDS Alliance. GFO is currently provided in English only. It is hoped later to provide it in additional languages.

GFO is a free service of Aidspan (www.aidspan.org), based in New York, USA. Aidspan is a nonprofit organization that promotes increased support for, and effectiveness of, the Global Fund.

GFO Editor: Bernard Rivers (rivers@aidspan.org, +1-212-662-6800)

GFO Deputy Editor: Esther Kaplan (eskaplan@aol.com)

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For a collection of papers on the Global Fund, see www.aidspan.org/globalfund and www.theglobalfund.org/en/about/publications

For information on all approved and rejected proposals submitted to the Global Fund, see www.aidspan.org/globalfund/grants

People interested in writing articles for GFO are invited to email the editor, above.

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