

GLOBAL FUND OBSERVER (GFO), an independent newsletter about the Global Fund provided by Aidspace to over 10,000 subscribers.

Issue 65 – 26 October 2006. (For formatted web, Word and PDF versions of this and other issues, see www.aidspace.org/gfo)

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An independent working group has published a report recommending seven tasks that the new Executive Director of the Global Fund should focus on. These relate to in-country operations, technical assistance, performance-based funding, procurement, Secretariat operations, fund-raising, and management-Board relations.

[2. COMMENTARY: The Imbalance Between Government and Civil Society in Global Fund Processes: A View from Thailand](#), by Promboon Panitchpakdi

“The Fund has increasingly been pushing for a more formal and a more standardized way of implementing grants. This invariably leads to more dominance by government, and less influence by civil society, in the country-level process. The Global Fund needs to counter this by creating more channels for civil society participation.”

[3. EDITOR'S NOTE: Positions of the Five Candidates](#)

GFO wrote to the five short-listed candidates for the Executive Director position, inviting each to submit 1,000 words in response to some standard questions. Two of them expressed nervousness about doing something that went beyond the precise process that has been spelled out by the board. So we are publishing nothing.

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1. NEWS: Report Suggests New Executive Director Focus on Seven Key Tasks
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An independent working group convened by the US-based Center for Global Development has published a 43-page report recommending seven tasks that the new Executive Director of the Global Fund should focus on.

The board of the Global Fund will choose the new Executive Director on Tuesday, October 31, from a short-list of five people chosen by a board committee from among 334 candidates.

The report, “*Challenges and Opportunities for the New Executive Director of the Global Fund: Seven Essential Tasks*,” was released to the press last night and will be posted at www.cgdev.org/section/initiatives/_active/hivmonitor/globalfundwg in the course of today, Thursday.

The report notes that the core principles upon which the Fund was founded sometimes conflict with each other, “such as when the desire for broad participation and ownership runs up against the need for speed and decisiveness.” It is in this complex context that the new Executive Director will have to make some tough choices regarding priorities, the report says.

The seven tasks that the report recommends that the new Executive Director focus on are:

- 1: Strengthen In-Country Operations
- 2: Strengthen the Provision of High Quality Technical Assistance
- 3: Solidify Performance-Based Funding (PBF)
- 4: Strengthen Procurement and Supply Chain Strategies
- 5: Enhance Secretariat Operations
- 6: Strengthen the Fund's Finances
- 7: Clarify and Strengthen Management-Board Relations

Some excerpts from the report now follow.

Excerpts from the report

At a deep level the Global Fund's model and its aspirations for results involve several fundamental tensions and conflicts that manifest themselves in key policy questions and debates, such as the following:

- When should the Fund allow countries to take the lead on key decisions and implementation approaches, and when should it impose requirements and conditions where programs perform inadequately?
- How should the Fund ensure strong program monitoring and evaluation and strengthen its ability to detect problems early while maintaining a small bureaucracy with no in-country presence?
- How can the Fund establish systems that both ensure broad participation, consultation and transparency, and also maximize speed and decisiveness in designing programs, implementing grants and fixing problems?
- Should the Fund emphasize moving urgently to save the most lives today, suggesting that implementation and procurement should be carried out by whichever player can move the fastest, or should it emphasize building capacity in local institutions that can save lives tomorrow?

...From the beginning various Global Fund constituencies have emphasized different priorities and have had somewhat differing visions for the Fund. Some stakeholders, like the U.S., focus on speed, containing costs and showing demonstrable results. Many European donors place a high priority on country ownership, harmonization of systems across donors, aligning finances with national budgets, and the impact on health systems beyond the three diseases. Civil society groups (a very diverse set of actors) tend to highlight broad participation, transparency and speed, and are wary of government domination and too much funding going through national budgets and/or government agencies...

The new ED cannot resolve all of these underlying constraints and tensions, and will have to exert judicious leadership in carefully balancing among them to move forward...

Task 1: Strengthen In-Country Operations

...Country programs are highly dependent on key partners playing complementary supporting roles, but these roles and responsibilities have never been clearly defined and there has been little systematic communication between key agency heads on these issues. We recommend that the new ED:

- Convene a Heads of Agencies Group comprised of the leaders of the World Health Organization (WHO), UNAIDS and the World Bank (and possibly a very small number of others) to meet regularly to define complementary roles and better coordinate actions on the ground to more effectively support country programs.
- Move the Fund beyond a one-size-fits-all approach and design a range of operational models in different countries in terms of proposal process, oversight, disbursement frequency, LFA roles and budget support, based on differences in track records, performance, risk assessments and country-specific circumstances.
- Construct and distribute a list of all key personnel contacts in each recipient country, including staff of the Ministry of Health, all CCM members, NGOs, faith-based organizations, civil society representatives, UNAIDS, WHO and key bilateral agencies.

Task 2: Strengthen the Provision of High Quality Technical Assistance

When the Global Fund was founded, international discussion primarily focused on the need for scaled-up financial resources, with much less discussion about the need to scale-up other complementary resources, including TA for countries where the capacity to design and implement

effective programs was limited. It is now clear that the need for scaled-up TA was vastly underestimated, and that the issue cannot be resolved by the Global Fund working alone. We recommend that the new ED:

- Spearhead an effort with the new Heads of Agencies Group to jointly determine the steps the major donors, international agencies, NGOs, civil society groups, and other organizations should take to effectively provide high quality TA for each of the three diseases, and collectively approach the international community with proposed solutions; and
- Work with other agencies, NGOs, and civil society groups to encourage a greater exchange of information between seekers and providers of TA, including the development of an “information market” for TA, building on existing systems with UNAIDS, the Stop TB Partnership, and Roll Back Malaria Partnership.

Task 3: Solidify Performance-Based Funding

Performance-based funding, a critical tool for achieving results, is a bedrock principle of the Global Fund... Many of the specific mechanisms are not yet working optimally. We recommend that the new ED:

- Significantly bolster the Fund’s early warning systems to better identify programs at risk;
- Regularly and quickly provide early warning information to CCM members, international partners, NGOs and civil society groups; and
- Work with the Heads of Agencies Group to develop more robust inter-agency strategies to quickly respond to and support programs at risk.

Task 4: Strengthen Procurement and Supply Chain Strategies

Recipient countries face major challenges in commodity procurement and supply chain management... The Global Fund cannot solve these problems working alone. We recommend that the new ED:

- Catalyze efforts with other agencies to craft joint approaches to global procurement and supply chain issues through which they can collectively influence markets, prices and R&D decisions, and strengthen local systems;
- Add specific indicators to each grant that measure procurement time, prices and other relevant data, and penalize countries that cannot explain or justify significant time lags or price gaps; and
- Move forward on establishing a pooled procurement option for the Fund, building on the recent Board decision to facilitate pooled procurement for countries on a voluntary basis.

Task 5: Enhance Secretariat Operations

During the past four years, the [Global Fund] staff size has reached 240, but with the task of managing over 360 grant programs in 132 countries, the workload is intense and turnover is high... We recommend the ED:

- Commission a management audit to review the Secretariat’s structure and staffing;
- Hire additional Fund Portfolio Managers (FPMs), more clearly define their roles and responsibilities, and shift to a team FPM approach with more than one Global Fund staff working on each country; and
- Review and consider options to the Secretariat’s administrative relationship with the WHO, including possibly modifying or ending the relationship.
- Develop more clearly defined relationships with key partners on the ground in order to strengthen communications, feedback, and early warning systems, including experimenting with, on a pilot basis, formal agreements with partners to take on specific roles and responsibilities in some countries.

Task 6: Strengthen the Fund's Finances

...The ED will be faced with the challenge that fundraising will get harder in the future, even if the Fund achieves an excellent track record. We recommend the ED:

- Hire a full-time professional fundraising team;
- Devise new strategies to approach non-traditional donors such as Saudi Arabia and China, while strengthening approaches to traditional donors;
- Re-examine policies that discourage private sector donations, and find innovative ways to attract more private sector donations; and
- Encourage graduation or co-financing by middle-income and other countries that have the internal resources to finance their programs.

Task 7: Clarify and Strengthen Management-Board Relations

...A strong and supportive relationship between the ED and the Board is essential. The arrival of the new ED provides an ideal opportunity for both the ED and the Board to more clearly define their relationship. Therefore, in this section we recommend actions both for the ED and for the Board. We recommend the ED:

- Build strong relationships and regular communication links with Board members;
- Help shape, and then support, the new Global Fund strategy and vision as determined by the Board in early 2007; and
- Simplify materials prepared for Board meetings.

We recommend the Board:

- Respect the boundaries of the distinct roles of the Board and ED;
- Make the ED a non-voting member of the Board to ensure the experiences and insights of the ED and the Secretariat are more fully reflected in Board discussions; and
- Reduce its demands on the Secretariat, especially through committees, and ensure that Board decisions do not significantly add to the Secretariat's responsibilities, or if they do, provide adequate resources and staffing to meet the new expectations.

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2. COMMENTARY: The Imbalance Between Government and Civil Society in Global Fund Processes: A View from Thailand

by Promboon Panitchpakdi

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One of the key aspects of the Global Fund is the fact that the Fund permits, and indeed encourages, civil society to be actively involved in the governance and implementation of grants. However, over the past year or two, the Fund has increasingly been pushing for a more formal and a more standardized way of implementing grants. This invariably leads to more dominance by government, and less influence by civil society, in the country-level process. The Global Fund needs to counter this by creating more channels for civil society participation. Effectiveness in managing the balance between civil society and government at the country level should be used as an indicator of success both within a particular country and of the Fund's work globally.

Background

The Raks Thai Foundation was established in 1997 as an independent Thai NGO involved in multi-sector development. The Foundation became the Principal Recipient (PR) for the project, "Prevention of HIV/AIDS Among Migrant Workers in Thailand," or "PHAMIT," funded in Round 2 as a result of a proposal submitted by the CCM (see www.phamit.org).

In the first two years of the programme, the PHAMIT project has reached over 200,000 illegal migrants, sex workers and their families in 22 provinces. This has been achieved mainly through NGO activities, involving the use of migrant health assistants and migrant volunteers working in the community, on fishing boats and in drop-in centres; and through the use of education materials in the language of the migrants (Burmese, Cambodian and Lao). Although the PR is an NGO, the grant involves both non-governmental and governmental Sub-Recipients (SRs), working together in a cooperative way. The Department of Health Services Support, the government SR, coordinates with the provincial public health offices to improve migrant-friendly services.

In Round 3, the Raks Thai Foundation became the PR for the project, "HIV Prevention, Care and Support for Injecting Drug Users," or "CASIDU," funded as the result of a non-CCM proposal from an NGO. Proposals from NGOs are rarely funded; this one was successful because the NGO in question made a convincing case that most members of the CCM would not support any proposal that included prevention programs for injecting drug users. At the time, the Thai government had initiated a war on drugs which resulted in over a thousand extra-judicial killings. It had also indicated an unwillingness to engage in harm reduction programmes. The main objective of this project is to reduce new HIV infections among people who inject drugs by using a peer-driven approach. This includes setting up peer- and NGO-operated harm reduction centres with outreach programmes into the community. This project is being implemented with the Thai Drug User Network and two other NGOs.

Civil Society Involvement

The Global Fund considers that only a multisectoral CCM can legitimately express what is suitable or unsuitable for the country. For this reason, it has invested considerable decision-making authority in the CCMs and it has tried to strike a balance between government and civil society. However, while the Global Fund has made several attempts to support civil society within the CCM in Thailand, these efforts have had minimal success. The problem is that like CCMs in many other countries where the governments are strong and assertive, the Thai CCM is dominated by government representatives. As a result, the voice of civil society on the Thai CCM is weak, and the CCM tends to follow government priorities rather than representing all stakeholders collectively. This is reflected in the proposals that the Thai CCM has submitted over the years, most of which have had NGO components that are clearly secondary to, or weaker than, the government components.

In Thailand, and probably in many other countries as well, there are those who argue that since governments are ultimately responsible for the delivery of programmes, they should have a greater say in decision-making on the CCM. On the contrary, it is civil society that has pushed for private and public programmes to ensure coverage of hard-to-reach and highly vulnerable populations such as drug users, sex workers, migrant workers and men who have sex with men. It is also civil society, in many countries, that has advocated successfully for the increased involvement of people living with HIV/AIDS.

Most of the Thai CCM members are unfamiliar with NGOs, including how they operate, and their organizational structures and budgetary requirements. Furthermore, the government officials on the CCM frequently disagree with NGO interventions concerning the need for changes in policy, and the need for rights-based approaches in programming for vulnerable marginalized populations.

Another problem is that civil society representatives frequently lack skills that government representatives have in areas such as proposal development, report writing and operating accounting systems.

In these circumstances, it is not enough to declare that government representatives and civil society representatives should have a similar number of seats on the CCM, as the Global Fund has done through its CCM Guidelines. The Global Fund needs to do more to strengthen the involvement of civil society, including (a) finding ways to enable civil society to participate more effectively on the CCM; (b) improving the skills of civil society representatives; and (c) encouraging the development of NGO components that are not hidden within government-inspired CCM proposals (and/or making it easier for non-CCM proposals to be funded).

Greater Rigidity

At its inception, the Global Fund promoted flexibility and creativity, and this attracted the attention of civil society. However, over the years, the Global Fund has steadily moved towards increased rigidity in its regulations and systems. This has tended to push local civil society organizations outside the reach of the Fund.

For example, the PHAMIT project featured mainly innovative aspects, based on the belief among NGOs and many others that long-term reductions in HIV vulnerability among migrants in Thailand requires illegals to become legal, access to health services to be improved, and human rights not to be violated. While this approach seemed to be welcome at the time that the project was first submitted, more recent communications from the Global Fund appear to question activities and outputs that do not fall in line with traditional Global Fund indicators. The problem is that the Global Fund focuses on specific HIV-related outputs such as condoms distributed, people reached with behavioural change messages, etc. Thus, broader social interventions, such as legalization of migrant workers (so that they have immediate access to health services), are not included in the standard indicators of the Fund. In the past, there were no standard indicators, and so projects had more room and flexibility.

Furthermore, the increased formality in reporting and financial requirements puts civil society at a disadvantage – and opens the door for government and international organizations to give greater influence – because civil society representatives tend not to have relevant skills comparable to those of the representatives of other sectors (as I indicated above).

Conclusion

There is no doubt that civil society in Thailand continues to support the basic principles of the Global Fund and the challenging programmes funded by the Fund in countries in need around the world. Civil society also sees the Global Fund as a rare opportunity to involve civil society in the process of identifying, reviewing and implementing national programmes. However, ways have to be found to offset government dominance of the country-level process.

The Global Fund needs to identify ways to increase civil society involvement in the Global Fund processes, including in the CCM and in the implementation of projects. There should be more NGO PRs and SRs in Thailand, and NGOs should be given responsibility for specific programme areas, particular those areas (such as drug use and sex work) where the government is not keen to become involved.

In addition, the Global Fund needs to demonstrate greater flexibility in its processes. Finally, CCM processes (including proposal development and review) should recognize the value that civil society brings to the table, such as innovative social interventions and ideas concerning how to reduce stigma and promote the rights of vulnerable populations.

[Note: Promboon Panitchpakdi is Executive Director of the Raks Thai Foundation. This article, which is based on a presentation he made at a satellite session at the International AIDS Conference in Toronto in August 2006, expresses Mr. Panitchpakdi's personal views.]

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3. EDITOR'S NOTE: Positions of the Five Candidates

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As reported in the last issue, GFO wrote on 10 October to the five people who have been short-listed for the position of Global Fund Executive Director, asking them a few basic questions about their background and views, and inviting each of them to respond in 1,000 words. We told them that we would publish their responses, but only if all five agreed.

All of the candidates replied. None of them objected to the concept. But two expressed nervousness about doing something that went beyond the precise process that has been spelled out by the board. So we are publishing nothing.

Some time after the board selects the Fund's new Executive Director on Tuesday, GFO will publish a Commentary on the process.

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

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 over 10,000 subscribers in 170 countries at least twelve times per year.

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