

Fact Sheet: Grant Consolidation

A. What is grant consolidation?

Grant Consolidation is the combining of two or more existing Global Fund grants (or, a newly approved Global Fund proposal and one or more existing Global Fund grants) implemented by the same Principal Recipient (PR) for the same disease component, into a single consolidated grant agreement. Grant consolidation is also possible where, for example, a country has a number of Global Fund grants for the same disease, and multiple PRs are implementing those grants. Where the same PRs as in earlier grants are nominated in the new proposal, then grant consolidation can be pursued by PR.

The consolidation of an approved Round 6 proposal with an existing earlier grant was successfully pilot tested in 2007. Several countries are currently consolidating or exploring the possibility of consolidating their recently approved proposal with relevant existing grant(s).

B. Why is grant consolidation important?

The administration of multiple grants by the same PR for the same disease can result in cumbersome and resource intensive reporting requirements. Grant consolidation may help to simplify and improve the efficiency of grant administration, for example, by reducing the number of reports required, and harmonizing monitoring and evaluation requirements. Grant consolidation may also simplify funding discussions, by enabling countries to refer to Global Fund funding as a whole, rather than referring to different grants for the same disease.

Potential Added Value of Consolidation	
For Countries	Towards alignment and harmonization (Global Fund and Partners)
<ul style="list-style-type: none"> • Harmonize monitoring and evaluation • Reduce ongoing grant administration costs, particularly by reducing the number of reports required for different grants each year (e.g., progress updates, disbursement requests, and annual reports) • Simplify implementation arrangements • Enable holistic view of program activities financed by the Global Fund 	<ul style="list-style-type: none"> • Enable a more holistic view of national programs • Reduce the number of grants with same PRs for a disease • Reduce the potential for duplication of results • Enable continued scale-up of funding

C. Including grant consolidation in proposals

Grant consolidation is optional for proposals in Round 9. Applicants are however invited to consider opportunities for grant consolidation when submitting Global Fund proposals, although grant consolidation would not take place until after approval of the Round 9 proposal. During grant negotiations, the PR combines its budget, work plan, planned outcomes (i.e., the 'Performance Framework' for reporting on implementation over the proposal term), and other operational planning tools with the existing grant(s).

In order to determine the potential and feasibility for grant consolidation, applicants should consider the following questions:

- Does the country have an existing grant for the same disease?
- Does the existing grant have the same PR as one of the PRs in the new proposal (e.g., Round 9)?
- Is there clarity about the maximum funding available under the earlier grant? That is, has the existing grant(s) already successfully passed through the renewal phase at the end of year 2 called 'the Phase 2 process'?¹
- At the time of the consolidation will there be at least twelve to eighteen months of remaining implementation for the existing grant(s)?
- Is there some programmatic and/or geographic overlap between the existing grant and the new proposal?

If the answers to the above questions are yes, grant consolidation may be an appropriate option to pursue, if the Round 9 proposal is approved.

The optional implementation of grant consolidation in Round 9 requests applicants to identify a preferred start date for the new proposal that would facilitate an appropriate start date for the consolidated proposal. Some of the possible considerations may include:

- What is the country's standard fiscal cycle?
- What are the reporting periods under the existing grant (quarterly, bi-annual)?

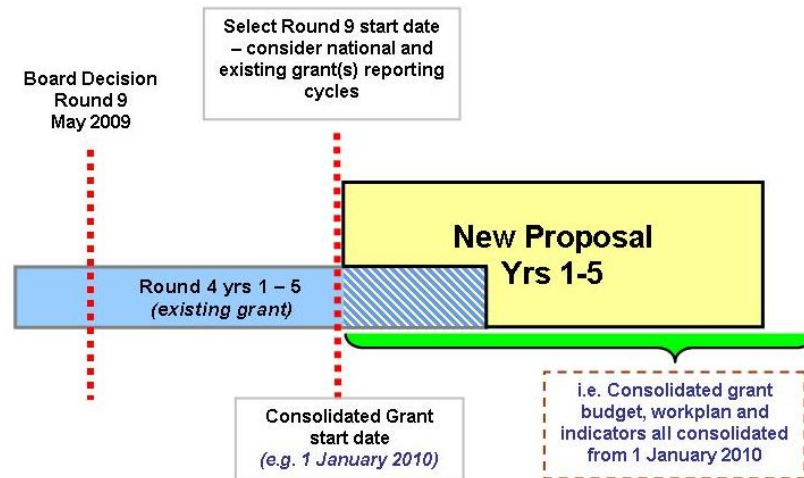
Wherever possible, applicants are encouraged to select a start date for the consolidated grant that harmonizes both with national and existing grant (including other partner) reporting cycles.

The date of grant signature for all consolidated grants should not take place more than one year after Board approval of the new proposal, as per existing Global Fund policies.

Set out below is a simple diagram drawn from the discussion above.

¹ Reductions to the initial Board approved upper ceiling for a proposal may be made during the Phase 2 process, depending on performance.

Diagram of grant consolidation approach with new proposal



From the diagram, the new proposal would therefore plan, and request funding, to continue the interventions currently being implemented through support from an existing Global Fund grant, subject to the current epidemiological situation in the country. Funding to continue relevant interventions should be planned to commence from the expected end date of the existing grant.

Further information on grant consolidation is available by contacting proposals@theglobalfund.org