



REPORT OF THE INTERNAL APPEAL PANEL

Outline: This report sets out the Appeal Panel's recommendations following its review of the appeals received by the Secretariat for Round 5.

Summary of Decision Points:

1. The following proposals will be approved by the Board as Category 2 proposals, based upon the Appeal Panel recommendation, subject to paragraph 2 below and through Board confirmation by e-mail, as funds become available to cover all four proposals under the terms of the Comprehensive Funding Policy.
 - i. Equatorial Guinea (Malaria)
 - ii. Philippines (Tuberculosis)
 - iii. Sudan (HIV/AIDS)
 - iv. Sudan (Tuberculosis)

The Board's approval will be for the amount indicated as "Total 2 years" in Annex 2 to GF/B12/13 and will be made with the clear understanding that such amounts are upper ceilings rather than the final Phase 1 Grant amounts.

2. The proposal applicants shall provide an initial reply to the clarifications requested by the Appeal Panel no later than six weeks after notification in writing by the Secretariat to the applicant of the Board's decision. Any further adjustments and clarifications shall be completed within four months from the receipt of the initial reply from the applicant.

The budgetary implications for this decision are US \$ 63,369,271 over 2 years.

Part 1: Background

1. During the Eleventh Board meeting 63 components were approved for funding and 139 components were rejected. Of the 139 rejected components, 43 had also been rejected in Round 4, and therefore having been rejected in two consecutive rounds, were eligible for appeal.

2. All the 43 component applicants were informed of their right to appeal, the mechanism for appeal and the deadline for submission. The Secretariat received 21 appeals within the stipulated deadline (see Annex 1).

Part 2: Eligibility Review

1. The Secretariat convened an internal appeal screening committee on 17 November 2005, which reviewed all 21 appeals (see Annex 1) for compliance with the objective eligibility criteria set by the Board. The committee determined that 19 appeals were eligible for review.

2. The appeals from:

- Colombia CCM, HIV/AIDS
- Nepal CCM, TB

were found not to have been rejected in two consecutive rounds and were therefore ineligible for appeal.

3. The Secretariat recommended the following appeals for review:

- **Afghanistan CCM**, HIV/AIDS
- **Bangladesh CCM**, Malaria
- **Benin CCM**, Malaria
- **Benin CCM**, TB
- **Djibouti CCM**, Malaria
- **Djibouti CCM**, Tuberculosis
- **Equatorial Guinea CCM**, Malaria
- **Guatemala CCM**, Tuberculosis
- **Kosovo CCM**, HIV/AIDS
- **Nepal CCM**, HIV/AIDS
- **Nepal CCM**, Malaria
- **Pakistan CCM**, Malaria
- **Pakistan CCM**, Tuberculosis
- **Philippines CCM**, Tuberculosis
- **Rwanda CCM**, HIV/AIDS
- **South Africa CCM**, HIV/AIDS
- **Sudan CCM**, HIV/AIDS
- **Sudan CCM**, Tuberculosis
- **Turkey CCM**, Tuberculosis

Part 3 : Appeal Panel Composition

1. The Appeal Panel comprised of two members (cross-cutter and disease expert) of the Technical Review Panel (TRP), an expert designated by WHO and an expert designated by UNAIDS. The World Bank was invited to nominate a person to serve on the Panel, but none of the suggested panelists were available.

2. Where a member of the TRP had been a reviewer of the proposal under appeal in Round 5, he was recused from the Appeal Panel for the relevant discussion, and replaced by another expert of the TRP.

Part 4. Summary of Appeal Panel Deliberations

Benin, TB

1. The Appeal Panel found that the TRP was not correct in its determination that the period covered by the proposal was only through to 2007. In this respect the panel agreed with the applicant.

2. However the Appeal Panel concurred with the TRP regarding other weaknesses listed. The Panel found that although certain of the weaknesses listed could reasonably have been dealt with as clarifications, the lack of a detailed work plan was too fundamental for the proposal to be recommended.

3. The Appeal Panel did not accept the applicant's argument supporting the lack of a detailed work plan, and found that this omission would have prevented the TRP from judging the feasibility of the activities listed. This amounted to a fundamental weakness.

4. Overall, the Appeal Panel judged that the proposal contained significant weaknesses and that the appeal document did not highlight any significant error on the part of the TRP. While recognizing that the TRP had misjudged the length of the request, the Appeal Panel did not find this an error important enough to outweigh the weaknesses listed. The Appeal Panel therefore concurred with the TRP classification of this proposal as Category 3.

Djibouti TB

5. The Appeal Panel found that the TRP had correctly identified a large number of serious weaknesses and problems in the proposal, and that the appeal document did not point to any significant error on the part of the TRP.

6. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Guatemala TB

7. The Appeal Panel found that the TRP had correctly identified a large number of serious weaknesses and problems in the proposal, and that the appeal document did not highlight any significant error on behalf of the TRP. The Appeal Panel also found that there was new information provided in the appeal document, which could not be taken into consideration.

8. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Pakistan TB

9. The Appeal Panel found that the applicant failed to counter the issues correctly raised by the TRP. The panel concurred that the strategic approach would require better development, and that the approaches to be used to reach ambitious targets had not been clearly described in the proposal.

10. The Appeal Panel concurred with the TRP that unit costs are lacking from the budget, and considered this to be a fundamental weakness, since it is impossible to judge the feasibility of the detailed budget without a basis for costing. The applicant did submit a budget containing unit costs with the appeal, but this additional information had not been submitted with the original proposal. Such new information was ineligible for consideration by the Appeal Panel.

11. Overall, the Appeal Panel judged that the proposal contained significant weaknesses. The Appeal Panel did not find that the TRP had made any significant or obvious errors in its review, and concurred with the TRP classification in Category 3.

Philippines, TB

12. The Appeal Panel noted that the TRP had, despite not recommending this proposal for funding, identified it as a “comprehensive proposal with sound strategy, rational objectives and activities”. The Panel therefore found that in this broader context, the TRP had made an unbalanced judgment by placing too much weight on the specified weaknesses listed.

13. The Appeal Panel considered that the weaknesses quoted by the TRP were mainly budgetary issues. Having considered the material provided by the applicant, the Appeal Panel was of the opinion that the weaknesses identified by the TRP were insufficient for non-recommendation of the proposal. Instead they believed that they should have been addressed as clarifications.

14. It is therefore the view of the Appeal Panel that the TRP made an error in classifying the proposal in category 3, and the Panel judged that the problems identified could be clarified within the limited timeframe for clarifications.

15. For these reasons, the Appeal Panel recommends that the Appeal be upheld, that the proposal be reclassified in Category 2 and that the applicant be requested to clarify the weaknesses listed by the TRP.

Sudan TB

16. The Appeal Panel found that the TRP overlooked the fact that the Round 2 grant was related to a TB proposal in two regions of the Southern sector of Sudan with the involvement of local authorities, the United Nations Development Program and other international partners. The applicant correctly points out that no TB proposal from the Sudan CCM (North Sudan) has been approved for funding by the Global Fund. The argument that the proposal does not give sufficient details on the relationship with the activities funded by the Round 2 grant is therefore unwarranted.

17. The Appeal Panel found that the TRP had made an unfair judgment when stating that “performance linked incentive is based on reporting which raises some concern of falsified reports”. The Appeal Panel found that the applicant had listed a range of means to verify performance and that the TRP comment was therefore not supported by the proposal submitted by the CCM.

18. The Appeal Panel found that the remaining weaknesses listed by the TRP could be subject to clarification if the proposal were to be approved by the Board.

19. For these reasons, the Appeal Panel recommends that the Appeal be upheld and that the proposal be reclassified in Category 2.

20. If this recommendation is approved by the Board, the Panel recommends that the applicant should clarify the following issues:

- All weaknesses listed by the TRP, except the one referencing a Round 2 grant.

- Specifically clarify the modes of transport available in each region, and reduce or justify the need for additional vehicles.
- Reconsider the number of fellowships sent abroad, and specify which officials and which destinations are considered. This especially as the country has received a large amount of Technical Assistance over the past few years which should have diminished the need for external fellowships.

Turkey TB

21. The Appeal Panel did not think that Turkey had made a convincing argument showing a need for external funds and found that the TRP had correctly identified this as a fundamental weakness in rejecting the proposal.

22. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 4.

Bangladesh Malaria

23. The Appeal Panel did not agree with the TRP that having treatment guidelines that use a mix of ACT and CQ in a weak delivery setting with poor diagnostic capabilities would create confusion.

24. The Appeal Panel concurred with the TRP as regards the other weaknesses listed, and therefore found that the proposal should remain a Category 3.

Benin Malaria

25. The Appeal Panel found that the TRP had correctly identified a large number of serious weaknesses and problems in the proposal, and that the appeal document did not point to any significant error on behalf of the TRP. The Appeal Panel also found that there was new information provided in the appeal document, e.g. a revised budget, which was ineligible for consideration.

26. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Djibouti Malaria

27. The Appeal Panel found that the TRP had correctly identified a large number of serious weaknesses and problems in the proposal, and that the appeal document did not point to any significant error on behalf of the TRP.

28. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Equatorial Guinea Malaria

29. The Appeal Panel found that the proposal had taken previous comments made by the TRP into consideration, and agreed with the TRP regarding the numerous strengths of the proposal.

30. The Appeal Panel found that the question raised by the TRP with regards to the sustainability of IRS in Equatorial Guinea on the basis of previous experience of a program collapse and consequent epidemic was erroneous, as the epidemic referred to by the TRP did not occur recently in Equatorial Guinea. The Appeal Panel shared the view of the TRP that IRS is a costly and complex undertaking. However, the proposal expresses the clear commitment of the

Government of Equatorial Guinea to sustain the spraying program, and thus fulfills required conditions for launching such long term action.

31. The Appeal Panel did not agree with the TRP that silence on environmental issues pertaining to IRS should be listed as a weakness.

32. The Appeal Panel concurred with the TRP that the expenditure on HR is high, but found that the applicant made a convincing argument in the appeal document, and that the HR budget is rather a matter for clarification.

33. Overall, the Appeal Panel found that this was a well written and well argued appeal, and therefore recommended that it be upheld and that the proposal be reclassified in Category 2.

34. If the proposal is approved for funding the weaknesses cited by the TRP regarding the HR budget and the segregation of indicators should be clarified.

Nepal Malaria

35. The Appeal Panel found that the TRP had correctly identified a large number of serious weaknesses and problems in the proposal, and that the appeal document did not point to any significant error on the part of the TRP.

36. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Pakistan Malaria

37. The Appeal Panel found that the TRP had made an error regarding the percentage of planning and administrative costs, and acknowledged the applicant's comment that they are at 17% and not 25% as claimed by the TRP.

38. The Appeal Panel further recognized that the weakness regarding the missing five year targets was invalid, since the proposal covers four years.

39. The Appeal Panel concurred with the TRP that the involvement of the private sector had not been sufficiently addressed in the proposal, and that no significant error on behalf of the TRP could be identified in this regard.

40. Overall, the Appeal Panel judged that despite the above-mentioned errors made by the TRP, the proposal contained a significant weakness as regards the involvement of the private sector, and the Panel thus concurred with the TRP classification in Category 3.

Afghanistan HIV/AIDS

41. The Appeal Panel considered that the applicant had raised appropriate questions about the judgment of the TRP but that these did not constitute significant errors by the TRP.

42. However, the Appeal Panel concurred with the TRP in its comment regarding operational research and found this to be a fundamental weakness that could not be addressed adequately by removing or reprogramming this section of the proposal.

43. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Kosovo HIV/AIDS

44. The Appeal Panel recognized that the TRP had made unfair criticism when stating that the proposal contained a large and disproportionate budget, that the weaknesses from the Round 4 proposal had not been addressed and that there are remaining problems regarding the CCM.

45. The Appeal Panel however concurred with the TRP that there is a lack of detail on how project activities will meet objectives and the Panel found this to be a fundamental weakness. Without a detailed description of planned activities for implementation, it is not possible to judge the feasibility of project activities, and this is a substantial argument not to recommend the proposal.

46. For this reason, the Appeal Panel concluded that the TRP was right in classifying the proposal in Category 3.

Nepal HIV/AIDS

47. The Appeal Panel found the criticism made by the TRP to be valid, and that the appeal document did not point to any significant error on the part of the TRP.

48. The Appeal Panel could not identify any significant errors on the part of the TRP in its review, and concurred with the classification in Category 3.

Rwanda HIV

49. The Appeal Panel agreed with the TRP with regard to the relationship between the Round 3 and the Round 5 proposals.

50. The Appeal Panel also believed that there were overlapping activities between Round 3 and Round 5 and that the CCM had, in the proposal, effectively acknowledged the need to work to eliminate overlapping activities. The panel regarded this as a key weakness and concurred with the TRP's concerns regarding this aspect.

51. The Appeal Panel also pointed out that the proposal does not make adequate disclosure of the contribution made by other donors with respect to placing people on ARVs.

52. The Appeal Panel concurred with the TRP that having funds budgeted for school fees for orphans without specifying how this will be sustained in the long run is an important weakness, and found that no attempt had been made to answer it in the appeal document.

53. Overall, the Appeal Panel found that the TRP had correctly identified a large number of serious weaknesses and problems, and that the appeal document did not provide convincing argumentation in their regard. The Panel therefore recommends that the proposal be retained as a category 3.

South Africa HIV

54. The Appeal Panel found that the TRP had correctly identified important weaknesses in the proposal, and that the information contained in the appeal document raised questions of judgment rather than questions of error made by the TRP.

55. The Appeal Panel therefore concurred with the TRP's classification of the proposal in Category 3.

Sudan HIV/AIDS

56. The Appeal Panel recognized that the TRP had made a significant error when referencing a Round 4 North Sudan grant, and that the request for evidence of achievements and lessons learned with prior funding was therefore invalid.

57. The Appeal Panel further found that the TRP had made a significant error when stating that the geographical coverage is unclear in the proposal, and in the Panel's view this was convincingly shown by the appeal document.

58. The Appeal Panel judged the response of the applicant with regards to vulnerable groups as reasonable. Furthermore, the Panel concluded that the TRP criticism in respect of the ambition of the project was too strong.

59. The Appeal Panel concurred with the TRP that the proposal contains a poorly organized budget, but found that this should be subject to clarifications, if the proposal were approved.

60. For these reasons, the Appeal Panel recommends that the appeal be upheld, and that the proposal be reclassified as Category 2, subject to clarification of the detailed budget.

Part 5: Recommendation of Appeal Panel

1. The Appeal Panel recommends that the Board approve the following proposals for funding, subject to clarifications sought and according to the Category 2 classification, with the clear understanding that amounts requested are upper ceilings rather than final Phase 1 Grant amounts:

- i. Equatorial Guinea (Malaria)
- ii. Philippines (Tuberculosis)
- iii. Sudan (HIV/AIDS)
- iv. Sudan (Tuberculosis)

2. The Board's approval is sought for the amount indicated as "Total 2 Years" in Annex 2.

Decision Point:

1. The following proposals will be approved by the Board as Category 2 proposals, based upon the Appeal Panel recommendation, subject to paragraph 2 below and through Board confirmation by e-mail, as funds become available to cover all four proposals under the terms of the Comprehensive Funding Policy.

- i. Equatorial Guinea (Malaria)***
- ii. Philippines (Tuberculosis)***
- iii. Sudan (HIV/AIDS)***
- iv. Sudan (Tuberculosis)***

The Board's approval will be for the amount indicated as "Total 2 years" in Annex 2 to GF/B12/13 and will be made with the clear understanding that such amounts are upper ceilings rather than the final Phase 1 Grant amounts.

2. The proposal applicants shall provide an initial reply to the clarifications requested by the Appeal Panel no later than six weeks after notification in writing by the Secretariat to the applicant of the Board's decision. Any further adjustments and clarifications shall be completed within four months from the receipt of the initial reply from the applicant.

The budgetary implications for this decision are US \$ 63,369,271 over 2 years.

List of Appeals Received

Prop. ID	Country and World Bank Classification	Component	Rd 5 Proposal title	Total 2 Years	Total 5 Years
149	Afghanistan (Low)	HIV/AIDS	Strengthening the national response for implementation of HIV/AIDS prevention and control activities in Afghanistan 2006-2010	\$4,710,289	\$11,062,554
195	Kosovo (Lower-middle)	HIV/AIDS	Scaling Up HIV/AIDS Prevention and Treatment services in Kosovo	\$1,701,158	\$3,687,350
21	Rwanda (Low)	HIV/AIDS	VCTI – ARV Expanding HIV/AIDS Control in Rwanda 2006 - 2010	\$36,053,491	\$88,300,796
80	South Africa (Lower-middle)	HIV/AIDS	Expanding Services and Strengthening Systems for the Implementation of the Comprehensive Plan (HIV and AIDS) in South Africa	\$45,010,000	\$108,289,000
79	Sudan (Low)	HIV/AIDS	Scaling up the National response for prevention and treatment of HIV/AIDS in Sudan	\$29,424,335	\$112,553,275
97	Nepal (Low)	HIV/AIDS	Combating HIV/AIDS, TB and Malaria through continuum from prevention to care	\$7,717,233	\$25,788,007
29	Bangladesh (Low)	Malaria	Bangladesh HIV/AIDS, TB and Malaria Proposal to 5th Round GFATM	\$18,478,606	\$36,993,988
107	Benin (Low)	Malaria	Réduction de la Morbidité et de la Mortalité liées au Paludisme dans une Approche Intégrée de lutte contre le Paludisme et la Filariose Lymphatique au Bénin	\$10,714,920	\$52,930,467
171	Djibouti (Low-middle)	Malaria	Appui à l'initiative faire reculer le paludisme en République de Djibouti	\$2,344,000	\$5,113,000
75	Equatorial Guinea (Low)	Malaria	Equatorial Guinea Malaria Control Initiative (EGMCI)	\$12,906,111	\$25,999,072
40	Pakistan (Low)	Malaria	Strengthening and expanding public-private partnerships for control of AIDS, Tuberculosis and Malaria in Pakistan	\$11,293,294	\$27,059,519
97	Nepal (Low)	Malaria	Combating HIV/AIDS, TB and Malaria through continuum from prevention to care	\$5,352,822	\$11,372,370
107	Benin (Low)	Tuberculosis	Renforcement de la lutte contre la Tuberculose au Bénin.	\$3,575,918	\$7,793,321
171	Djibouti (Low-middle)	Tuberculosis	Renforcement et décentralisation de la lutte contre la tuberculose en République de Djibouti	\$4,819,773	\$10,704,374
65	Guatemala (Low-middle)	Tuberculosis	Extension of the DOTS strategy, implementation of community DOTS and DOTS plus in priority areas of the Republic of Guatemala	\$5,826,331	\$11,623,999
	Philippines (Lower-middle)	Tuberculosis	Scaling up and Enhancement of NTP in the Philippines	\$14,208,812	\$45,817,584
40	Pakistan (Low)	Tuberculosis	Strengthening and expanding public-private partnerships for control of AIDS, Tuberculosis and Malaria in Pakistan	\$15,854,040	\$30,308,701
79	Sudan (Low)	Tuberculosis	Comprehensiveness and quality of DOTS	\$6,830,013	\$15,410,468
Total Category 3				\$236,821,146	\$630,807,845
196	Turkey (Lower-middle)	Tuberculosis	DOTS Expansion and Laboratory Network Establishment in Turkey 2006-2008	\$1,113,144	\$1,556,804
Total Category 4				\$1,113,144	\$1,556,804
Total Eligible Appeals				\$237,934,290	\$632,364,649
Ineligible					
97	Nepal (Low)	Tuberculosis	Combating HIV/AIDS, TB and Malaria through continuum from prevention to care	\$3,858,926	\$9,481,273
122	Colombia	HIV/AIDS	Intensification and expansion of national response to HIV/AIDS, emphasising actions aimed at vulnerable populations and at strengthening health services.	\$13,338,388	\$29,356,545
Total ineligible appeals				\$17,197,314	\$38,837,818
Total all appeals received				\$255,131,604	\$671,202,467

List of Appeals Recommended as Category 2

Prop. ID	Country and World Bank Classification	Component	Rd 5 Proposal title	Total 2 Years	Total 5 Years
79	Sudan (Low)	HIV/AIDS	<i>Scaling up the National response for prevention and treatment of HIV/AIDS in Sudan</i>	\$29,424,335	\$112,553,275
75	Equatorial Guinea (Low)	Malaria	<i>Equatorial Guinea Malaria Control Initiative (EGMCI)</i>	\$12,906,111	\$25,999,072
147	Philippines (Lower-middle)	Tuberculosis	<i>Scaling up and Enhancement of NTP in the Philippines</i>	\$14,208,812	\$45,817,584
79	Sudan (Low)	Tuberculosis	<i>Comprehensiveness and quality of DOTS</i>	\$6,830,013	\$15,410,468
				\$63,369,271	\$199,780,399

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