



NOVEMBER 2007

SUMMARY

# STUDY AREA 1

SUMMARY PAPER ON STUDY AREA 1  
ORGANIZATIONAL EFFICIENCY & EFFECTIVENESS



Investing in our future

**The Global Fund**

To Fight AIDS, Tuberculosis and Malaria

THE TECHNICAL EVALUATION REFERENCE GROUP (TERG) is an advisory body providing independent assessment and advice to the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria on issues which it determines require Board attention.

The Board also directs the TERG to examine specific programmatic aspects of the Global Fund, as appropriate. The TERG advises the Global Fund Secretariat on evaluation approaches and practices, independence, reporting procedures and other technical and managerial aspects of monitoring and evaluation at all levels.

Members of the TERG are nominated and confirmed by the Board of the Global Fund. Membership of the TERG is drawn from a range of stakeholders, including practitioners, research institutions, academics, donor and recipient countries, and nongovernmental organizations.

Members of the TERG are listed in Annex A.

## 1.0 EXECUTIVE SUMMARY

The purpose of the Five-Year Evaluation Report on Organizational Efficiency and Effectiveness is to review the Global Fund's progress to date and identify critical areas for improvement. The evaluation finds an organization that has made exceptional and inspiring achievements in a short time and has learned and adapted rapidly. In part due to its success, the evaluation finds critical challenges that the Global Fund needs to tackle in order to realize its full potential and to meet new responsibilities that will be part of its next stage of growth.

The evaluation finds the Global Fund at a crossroads in its development. On the one hand, the evaluation acknowledges impressive achievements so far – raising and disbursing significant finance, achieving results, and learning and adapting rapidly. It has been a very successful “start up” organization in its first five years. The evaluation finds that the Global Fund has assumed a new and prominent role as an established part of the health and development architecture – it is a major financier and leader in the fight against the three diseases, has ongoing relationships with 134 countries, has catalyzed a growing number of international, public, private and civil society partnerships and has an important role in contributing to impact and meeting the Millennium Development Goals (MDGs) towards 2015.

On the other hand, the evaluation finds that the Global Fund has not yet fully defined its role and does not yet have in place the systems, structures and policies required to efficiently disburse an anticipated US\$ 6 billion to US\$ 8 billion annually and to provide focused leadership in the fight against HIV/AIDS, tuberculosis and malaria. As the Global Fund grows, the environment in which it operates changes, underscoring the need to work actively with new partners. A clear and common understanding of the Global Fund's role both within the organization and among partners is essential for the optimal functioning of the Global Fund system.

The evaluation considers that with commitment, political consensus and leadership the Global Fund can embrace and assume its expanding responsibilities and roles. The evaluation notes a strong track record of adaptability of the Global Fund, and many important policy and strategic initiatives underway. It finds a strong performance track record and related core competencies, for example in disbursing and working with countries, performance-based funding, and fostering innovative partnerships including civil society. However, the evaluation also finds deficiencies that must be addressed in order to fill its increasingly important role, for example a clear strategy on partnerships and a business plan specifically implementing its founding principles. The evaluation suggests a significant effort is needed to renew the Global Fund for its next stage of accelerated growth.

The TERG acknowledges that the evaluation finds the Global Fund an exceptional organization, but one facing important challenges in its strategic direction, governance, organizational structure and processes. To use its new level of resources effectively, the Global Fund needs to focus its strategy carefully on disease impact and partnerships, radically simplify its processes, and ensure its human resources and supporting systems are adapted to its next stage of growth.

At the highest level, the evaluation has important implications for the strategy of the Global Fund. It finds that the Global Fund needs to take more proactive steps (with partners) to define respective roles, set goals and catalyze effective interactions, all designed to achieve and be accountable for impact. The original principles, recent strategy, and new initiatives under way (for example national strategy applications, dual-track financing, and financing for health systems) provide important steps in this direction. However the evaluation suggests the Global Fund will need to rapidly move from a strategy to a business plan which clearly positions the Global Fund, tackles tensions among its principles and defines resources and roles. The strategy needs a stronger and more explicit focus for its vision, mission and consequent actions to impact the three diseases.

To support the strategy, the evaluation finds the Board of the Global Fund will need to focus on key strategic issues – partnerships, resource mobilisation and disease impact strategies. After careful analysis, the study found that less than five percent of topics addressed by the Board include key areas such as partnerships or impact. The Board needs to radically streamline its activities, improve delegation, and carefully prioritize its discussions. The evaluation also finds that the governance structure of the Global Fund has resulted in a unique partnership of constituencies, but recommends further, more active steps, including funding, to strengthen the participation of all groups including civil society and affected communities, with a focused attention to gender.

The evaluation finds that the Global Fund's resource mobilization efforts have been highly successful. However, the evaluation finds that over 90 percent of funds have been raised from large public donors, and that the resource base needs broadening to include new donors, the private sector, and to show additionality (beyond the normal contributors to Official Development Assistance). This needs to be supported by a clear communication strategy on how the Global Fund operates in countries.

After careful analysis of the Global Fund Secretariat budget, systems and procedures, the study finds that the Secretariat operates with a budget of less than half of its authorized ceiling. The evaluation suggests that the Executive Director should prepare a well-defined workforce plan to increase capacity over the next three to five years in relation to functional needs and skills. It clearly states that the Board should set budgetary ceilings for the size of the Secretariat and allow the Secretariat to staff within those ceilings.

Despite this need for growth, the evaluation also finds important efficiencies could be achieved through simplifying the Secretariat's systems and processes for grant management and review and improving the systems for information management and procurement. The detailed process mapping shows the dangers of increasing complexity as grant numbers grow. Urgent actions to simplify these processes are required if US\$ 6 billion to US\$ 8 billion is to be efficiently and responsibly disbursed. This has specific implications, for example for a much clearer definition of the role of Fund Portfolio Managers (FPMs) and the role of partners in technical assistance and grant support. The evaluation also suggests the Global Fund should extend performance-based funding to provide incentives to prolong the length and increase the funding level of existing grants, without going through the TRP unless there are significant changes in grant mission and goals. Similarly, the proposed direct funding of national strategies may contribute to this goal.

The TERG has reviewed the quality of the evaluation and provided its comments at several stages. The TERG considers that the report findings still need further development, for example in benchmarking, and to clarify some of the key findings to support follow up actions. Overall, the TERG finds the evaluation to be valid and credible noting that this report is an initial assessment with the final report on the Five-Year Evaluation to be presented to the Board in November 2008.

The TERG recommends the Global Fund Board and Secretariat give urgent consideration to the evaluation findings and priority recommendations to implement an explicit partnership strategy, develop a business plan from its strategic initiatives, streamline governance, improve additionality in resources mobilized, implement a medium-term human resources plan, and simplify and develop new platforms to disburse funds (including national strategies and extending performance-based funding).

In many ways the challenges facing the Global Fund are the natural result of its extraordinary success in its first five years. Success brings new responsibilities, and the urgent need to take proactive steps to define partnerships, and to develop a business plan that clearly shows steps towards the shared goal of impact on the three diseases.

## PRIORITY RECOMMENDATIONS

### 1. Strategy: Focusing the vision, mission and business plan

- The Global Fund should develop a coherent vision and mission statement based on the prioritized guiding principles and as a framework for a future business plan.
- The Global Fund's business plan should include, for all three diseases, the development of differentiated approaches to countries based on: (1) epidemiological profiles and (2) assessment of country capacity to support disease control programs, including consideration of CCM profiles and functionality.
- The Global Fund's business plan should include benchmarks for appropriate balance in resource allocation: (1) establishing minimum standards for effort toward countries with low capacity and high burden of disease; (2) explicitly stating how technical assistance will be resourced, what contributions will be made by technical partners and options for financing of technical partners, while respecting country ownership.

### 2. Partnerships: The core of the Global Fund's principles and strategy

The TERG awaits the final report on Study Area 2 prior to making more specific recommendations on improving Global Fund partnerships. In the interim, the TERG recommends:

- The Global Fund should clearly articulate the roles of its main partners through a transparent and participatory process: for technical partners, for civil society and private partnerships as well as for donors and recipients.

### 3. Governance: over-burdened with operational issues

- The Board should focus on strategic issues, delegating operational issues to its Committees and the Secretariat.
- Over the next cycle of Committee and Board meetings, the Board should consider employing an external advisor/facilitator to work with the Board, Committees and Secretariat to observe and analyze the processes, identify areas for delegation and streamlining, and to suggest ways of strengthening communications and working relationships among the three groups.
- The Board should define precisely the assistance that could be provided to resource-constrained constituencies with a large membership, including civil society and communities.

### 4. Organizational structure: need for medium-term human resources plan

- Based on the projections for growth of the Global Fund, the Board should set new budgetary ceilings for the Secretariat and allow the Executive Director to staff within those ceilings according to a well-defined workforce plan. The Secretariat size should be increased based on functional needs and a common understanding of partner roles.
- A medium-term plan for Human Resources should be established that clearly outlines human resource policies for the coming years.

### 5. Processes and Grant Management: simplify and innovate

- The Global Fund needs to substantially streamline its grant review processes and reduce delays in disbursements by:
  - Committing funds for longer time periods, particularly for new grants and eligible RCC grants. This might require amending the Comprehensive Funding Policy.
  - The Board authorizing the Secretariat to proceed prior to formal Board approval on new grants that have been recommended by the TRP as “fund” or “conditionally fund”.
- The Global Fund should look for ways to utilize the performance-based funding system to provide incentives for good performance, for example, by enabling high-performance grants to be extended in length and increased in funding amount without going through the TRP process unless there are significant changes in the goals.

## **6. Mission-critical Systems: the need for investment and innovation**

- The Global Fund should continue to strengthen its financial tracking to include monitoring expenditures at the sub-recipient level. For effective implementation, additional training will probably be required for FPMs, Local Fund Agents (LFAs), Principal Recipients (PRs) and sub-recipients.
- The Procurement unit in the Global Fund should be strengthened and authorized to work more proactively with partners and look for innovative ways to assist countries with procurement, particularly countries with weak procurement systems where training as well as assistance will be required.
- The critical need for a responsive, flexible and forward-thinking overall Information Systems Strategy. The new Grant Management System (GMS core) approach should be strongly supported.
- In resource mobilization efforts the Global Fund should continue to attempt to attract funding from countries that have not yet contributed, perhaps by encouraging contributions from regions. The Global Fund should also attempt to engage the private sector to a larger extent, partly by expanding the range and types of contributions, for example by emphasizing co-investment over monetary contributions.

## 2.0 INTRODUCTION

The Five-Year Evaluation originated from a Board decision in 2003 to review the Global Fund's overall performance against its goals and principles after at least one full grant cycle had been completed, five years after the Global Fund's creation in 2002. Final approval for the launch of the Five-Year Evaluation was given by the Board at its meeting in November 2006 based on the TERG's recommendations outlined in the Framework Document on the Scale and Scope of the Five-Year Evaluation. Additional background information on the Five-Year Evaluation is provided in Annex B.

Under the independent oversight of the TERG (see Annex A for membership), the Five-Year Evaluation examines the Global Fund's organizational efficiency, the effectiveness of its partner environment and the combined impact that the Global Fund, domestic investments and other donors have had on the reduction in burden of AIDS, TB and malaria during the past few years. The three overarching questions underlying the three study areas are outlined in Box 1, below.

### Box 1. Five-Year Evaluation Overarching Questions

**Study Area 1 – Organizational efficiency and effectiveness of the Global Fund:** Does the Global Fund, through both its policies and operations, reflect its critical core principles, including acting as a financial instrument (rather than as an implementation agency) and furthering country ownership? In fulfilling these principles, does it perform in an efficient and effective manner?

**Study Area 2 – Effectiveness of the Global Fund partner environment:** How effective and efficient is the Global Fund's partnership system in supporting HIV, TB, and malaria programs at the country and global level? What are the wider effects of the Global Fund partnership on country systems?

**Study Area 3 – Impact of the Global Fund on the three diseases:** What is the overall reduction of the burden of AIDS, TB, and malaria, and what is the Global Fund's contribution to that reduction?

The first report from the Five-Year Evaluation covers Study Area 1, which addresses the organizational efficiency and effectiveness of the Global Fund. This paper presents the TERG's recommendations based on this first phase of the Five-Year Evaluation. The study of the Global Fund's partner environment in 16 countries and at the global level (Study Area 2) is ongoing and will be presented to the Board in April 2008. The examination of impact on the three diseases in 20 countries (Study Area 3) is more extensive and will require ongoing efforts at country level throughout the next year, with the final evaluation report synthesizing the findings and recommendations from all three study areas to be presented to the Global Fund Board at its meeting in November 2008.

The contractors working on Study Area 1 have considered that the Global Fund intends to grow significantly in the next few years. As a measure of its success to date and of the confidence that donors have in the organization, the Global Fund has already attracted substantially larger amounts of funding, as evidenced at the recent replenishment meeting in Berlin with commitments of US\$ 9.7 billion. The report on Study Area 1 evaluates how the Global Fund works now and concludes that the Global Fund must change to meet future demand and growth expectations. It provides specific recommendations that the Global Fund should consider implementing in order to successfully meet the challenges of growth and the associated expansion in responsibilities in global health and development.

The evaluation of Global Fund organizational efficiency and effectiveness has provided a number of useful recommendations and guidance on future directions. There are some limitations and gaps in the evaluation, for example in benchmarking and suggestions on quality management systems, partially due to the tight and accelerated time lines. The TERG finds the evaluation to be valid and credible, noting that this report is an initial assessment with the final report on the Five-Year Evaluation to be presented to the Board in November 2008.

## 3.0 METHODOLOGY

### 3.1 Overview

Competitive tenders were issued in December 2006 soliciting proposals for Study Areas 1 and 2, and Study Area 3. The TERG and Technical Evaluation Committees reviewed and selected proposals in late January and WHO Contract Review Committee approval was received 1 March 2007 for both contracts. Macro International was selected as the lead contractor for all three studies and a contract for US\$ 15.9 million, of which approximately US\$ 1.0 million was expected to finance Study Area 1, was signed in April 2007. The consortium conducting Study Areas 1 and 2 includes Macro, Johns Hopkins Bloomberg School of Public Health, Indian Institute for Health Management Research, CORE Group (civil society), Axios International and Development Finance International. Inception reports were submitted and accepted by the TERG in June 2007. The Summary Inception Report for Study Areas 1 and 2 is posted on the Global Fund website. The final report on Study Area 1 was submitted to the TERG in October 2007.

The evaluation builds on the findings and recommendations from previous TERG evaluations, including the CCM Assessment, 360o Stakeholder Assessment, Proposal Development and Review Process Assessment, Portfolio Review and LFA Evaluation. Work on Study Area 1 was divided into distinct areas that were investigated as follows.

For the study of **Board governance**, an initial paper was prepared to outline the conceptual framework and analytical approach for the internal governance study. Discussions were held with the Board during the Global Fund Board retreat on 24 April 2007 comprising: (i) discussions with five to six individual delegations; and (ii) small-group discussion among Board members regarding priority governance issues to be addressed during the evaluation. The Study Area 1 team conducted an analysis of Board documents and decision points, as well as compilations prepared by the Secretariat. Finally individual interviews were conducted with 18 Board Members, Alternates, and Focal Points from 16 delegations from 17 July to 3 August 2007.

The **organizational development (OD) assessment** examined the key functions of the Global Fund's major processes (i.e., resource mobilization process, grant approval process, performance-based funding process (Performance Update Disbursement Request, PUDR), grant renewal process (Phase 2), and the Board/Secretariat relationship). It also reviewed other important aspects of the organization including leadership; strategic planning; customer focus; workforce focus; process management; and measurement, analysis and knowledge management. In addition to the document review, the Staff Surveys 2003-2007 were reviewed and analyzed. In June, 2007, the OD team conducted interviews and focus groups with 56 Secretariat staff members, representing 20 percent of its 283 current employees. An additional 33 Secretariat staff participated in pre-assessment meetings to aid in the identification of key organizational issues, potential interviewees, key processes for review and analysis, and to provide a historical perspective of their units. A total of 89 Secretariat staff representing 31 percent of all employees participated in assessment activities. The process maps provide detailed and useful insight into the functioning of the Global Fund. These maps lend credence to the finding that many of the processes developed to date are overly complex and time-consuming and may represent significant bottlenecks.

**TRP records and documentation** were reviewed for Rounds 3 to 6 for four major areas: pre-screening and eligibility; TRP recommendations on alignment with national health sector strategies; clarifications on proposals approved subject to adjustments (category 2) and rejected proposals (category 4); and post-TRP appeals for proposals not recommended but encouraged to revise and resubmit (category 3). Interviews were conducted with seven TRP members who were participating in the Round 7 process, but who had a range of previous TRP experience. Secretariat staff who support the TRP were also interviewed, as well as the present TRP Chair.

The study of **private sector resource mobilization** was comprised of both country-level and Secretariat-level components. At the Global Fund Secretariat, the evaluation team conducted interviews with staff in the External Relations, Finance, and with the Co-Investment Manager. The team also met with the staff at the Geneva office of the Global Business Coalition against HIV/AIDS, as well as attending a related conference organized by the Global Fund in Dakar in June 2007. Interviews and discussions were held with suppliers and potential private sector partners at the headquarters and regional levels.



The evaluation study team is also conducting a study of private sector resource mobilization in conjunction with the Country Partnership Assessments (CPAs) in Tanzania and Malawi as part of Study Area 2. The CPAs involve specialized interviews with CCM representatives, PRs, sub-recipients and partner organizations, as well as companies and private sector business associations engaged with HIV/AIDS, TB, and malaria resource mobilization.

**Procurement and supply management** is also addressed in both Study Area 1 and 2. At the Global Fund Secretariat, the Evaluation team conducted interviews with the Procurement Unit, Cluster leaders and former Team Leaders. In addition, interviews and discussions were held with former Global Fund staff, partner organizations, procurement agents and supplier companies. In conjunction with the CPAs, evaluation team members are now conducting interviews with LFAs, PRs, sub-recipients and other in-country partners in all 16 Study Area 2 countries.

### 3.2 Limitations

The TERG has confidence in the quality of the Study Area 1 Report, and appreciates that the evaluation was conducted within tight timelines. However the TERG recognizes that some limitations remain to be addressed in the final synthesis report of all study areas. The Study Area 1 evaluation report does not fully specify several aspects of the methodology. A notable weakness is the lack of description of the interview methods. The findings of Study Area 1 include the conduct of interviews with over 100 individuals. However, limited information was provided on whether the interviews were carried out using standardized interview guides or questionnaires; whether interviews varied in their use of open-ended or closed questions; or the means of ensuring consistency in questioning and recording between team members/interviewers. The report lacks a description of the manner in which interview information was recorded, collated or analyzed. The report also does not identify individuals and/or institutions outside of the Global Fund who were interviewed. This lack of information is particularly notable in the sections related to private sector resource mobilization, procurement and supply management. Macro has been requested to provide the additional information.

The limited benchmarking stands in contrast to the approved Inception Report and the benchmark highlights that are included in the report appear to be more anecdotal than analytical (e.g. Executive Director role on Board, funds disbursed per staff, representation of women, hiring delays, workplace environment and grant approval ratings). TERG notes the evaluation did not explicitly examine systems in place to safeguard against misuse of funds and notes the need for additional work in this area. The TERG also finds that gender has not been fully addressed but notes that gender is more explicitly incorporated in Study Areas 2 and 3. Recommendations would also be useful on strengthening quality management systems. The TERG anticipates the limitations outlined above will be fully addressed in the final Five-Year Evaluation synthesis report.

### 3.3 Conclusion

Based on its understanding of the methods used and notwithstanding the limitations outlined above, the TERG finds the evaluation of Global Fund organizational efficiency and effectiveness to be valid and credible, noting that this report is an initial assessment with the final report on the Five-Year Evaluation to be presented to the Board in November 2008.

## 4.0 KEY FINDINGS AND RECOMMENDATIONS

The findings and recommendations from the Global Fund Organizational Efficiency and Effectiveness evaluation are organized around four overarching key messages arising from the study. Behind each of these conclusions are a number of detailed recommendations which are summarized in this report. This section presents the key messages resulting from each area of the study followed by some of the most significant evaluation findings along with TERG comments and recommendations on each.

The areas examined include:

- 1. Strategy, Vision, Mission and Business Plan**
- 2. Partnerships**
- 3. Global Fund Governance**
- 4. Effectiveness and efficiency of key organizational elements:**
  - i. Workforce
  - ii. Processes and Grant Management
  - iii. Resource Mobilization
  - iv. Measurement and result monitoring
  - v. Knowledge management and information systems
  - vi. Procurement

### 4.1 Global Fund Strategy: Focusing the vision, mission and business plan

#### KEY MESSAGE # 1

*Conflicts exist among the founding principles of the Global Fund. The Global Fund should clearly articulate the boundaries and priorities of each of the guiding principles and based on this, define a strategy, vision and mission that maintain a focus on impact against the three pandemics. A business plan based on such a strategy should address the necessary actions required to achieve the goals and mission, including how such actions are prioritized and resourced.*

The evaluation uses the Global Fund's founding principles (see Annex C) as a starting point and considers how they might translate to the Global Fund's business model. In examining these principles the study finds that the inherent tensions among them do not always facilitate the development of a coherent business model (see Table 1). Through interviews with Board members, it was suggested that the future development of the Global Fund will require pragmatic adaptation of the founding principles based on defining the precedence of each of the principles and their consequences as they are applied in different circumstances, for example at different levels of disease burden, poverty, partner involvement and health system strength. When looking at the principles as the basis of a business plan, there are clear gaps, for example, no explicit mention of partnerships. The recently approved strategy document provides a useful framework but a clear business plan is required to state how the principles are applied in different situations, and to provide a clearer focus on the steps to achieve long-term goals for disease control.

Examples of the tensions between principles which should be addressed in a business plan include the following:

- (i) The Global Fund operates as a financial instrument rather than an implementing entity, and reviews grants based on performance, in accordance with its principle of performance-based funding. When technical assistance is required, the Global Fund sometimes takes a more pro-active role, together with partners, to facilitate grant implementation and improve performance.
- (ii) The Global Fund supports the principle of country ownership but also aims to maximize impact. There is a tension as to whether the Global Fund should take a more proactive role in shaping its portfolio, including the types of interventions that should be funded and in which countries.
- (iii) Fund Portfolio Managers, in the interest of "getting the job done", are often asked to get involved in implementation issues, coordination and technical assistance which may be in tension with the Global Fund's principle of being a financing only institution.
- (iv) The Continuity of Services policy allows for continuation of funding for treatment even when a grant has exhibited poor performance, despite the principle of performance-based funding.

**Table 1: The principles are valuable but gaps and consequent actions are not well defined**

GLOBAL FUND PRINCIPLE		CONSEQUENT ACTIONS
If the Global Fund is not to be an implementing agency	→	It must develop clear, actionable partnerships (partnerships are not defined in the original principles). It must define and communicate carefully its roles in country, what it does and does not do. It may need to ensure finance for necessary partner actions.
If the Global Fund is to reach the most affected populations (to achieve the MDGs)	→	It must operate in a balanced manner both geographically and substantively. It may need to take a more proactive position to achieve these goals, including actions to shape its portfolio.
If the Global Fund is to make grant decisions on the basis of an independent review	→	It must rely on transparent criteria comprising clear scientific and technical standards.
If the Global Fund is to be an efficient Financial Instrument	→	It must disburse rapidly with minimal transaction costs, and simplify its procedures.

The tensions revealed by this evaluation have not been well recognized and when unresolved, do not allow for consistent programmatic guidance. Tensions also exist between the organization's stated purpose of making a significant impact against the three diseases and remaining a financing-only organization that does not take a proactive role in issues such as establishing long-term goals for global disease control with partners, or controlling the balance of efforts across regions, diseases, and interventions. This had led to a lack of consistency in communication and different interpretations of the Global Fund's principles and business model by those within the Global Fund and by many partners. In addition, the overall strategy needs to carefully position the Global Fund in relation to other institutions and modes of financing.

The study recommends that the Global Fund develop a clearly-articulated business model that prioritizes the Global Fund's guiding principles, to ensure they can be operationalized in a consistent manner. First the Global Fund must define the boundaries of the principles in practice, to facilitate the development of its business model and plan. The vision and strategic direction of the Global Fund should be explicitly based, as stated in the Framework Document, on actions which make "a sustainable and significant contribution to the reduction of infections, illness and death, thereby mitigating the impact caused by HIV/AIDS, tuberculosis and malaria in countries in need".

**Based on the evidence presented, the TERG recommends that:**

- **The Global Fund develops a coherent vision and mission statement based on the prioritized guiding principles and as a framework for a future business plan.**
- **The Global Fund's business plan should include, for all three diseases, the development of differentiated approaches to countries based on: (1) epidemiological profiles; and (2) assessment of country capacity to support disease control programs, including consideration of CCM profiles and functionality.**
- **The Global Fund's business plan should include benchmarks for appropriate balance in resource allocation: (1) establishing minimum standards for effort toward countries with low capacity and high burden of disease; (2) explicitly stating how technical assistance will be resourced, what contributions will be made by technical partners and options for financing of technical partners, while respecting country ownership.**

## 4.2 Partnerships: The core of the Global Fund's principles and strategy

### KEY MESSAGE # 2

*From the outset, the Global Fund has based its operations on partnership arrangements and avoided building a field infrastructure. These partnerships range from consultative relationships through which partners share ideas and information, to more complex relationships in which all partners work together in pursuing broad development goals. To support its continued growth, the Global Fund will need to better articulate and make explicit partnership arrangements, clarifying roles and responsibilities with partners in line with its vision and mission.*

The study emphasizes that partnerships are at the core of the Global Fund's strategy and yet notes that this critical area is not explicitly addressed in the original founding principles of the Global Fund, despite being essential to its success. The evaluation findings confirm that the Global Fund has respected its founding principles of acting as a financial institution and respecting country ownership, as it operates without a presence in countries, relying on partners to provide technical assistance in support of grant implementation. The evaluators also report that the Global Fund has created conditions that have required and catalyzed the inclusion of civil society and private sector representatives on CCMs, further supporting in-country partnerships and country ownership. This has provided critical conditions to widen country ownership, but additional steps are now required to ensure and encourage effective and sustainable participation.

A detailed examination of partnership is being conducted under Study Area 2 which will assess the effectiveness and efficiency of the Global Fund's partnership system, and how it relates ultimately to grant performance. An important aspect of Study Area 2 will be an examination of the current role of technical partners and how their role might be strengthened and supported. The final report of this study is due to be submitted to the TERG in February 2008. It will examine both global and country-level partnerships in 16 purposefully selected countries with grant performance ranging from poor to good. The findings from Study Area 2 are expected to contribute to more specific recommendations on how the Global Fund can work more effectively with partners at both the country and global levels.

Based on the findings to date, it is recommended that the Global Fund negotiate with its main partners, in a transparent and participatory process, preferred and acceptable partner roles. It needs to set clear expectations and a range of options for different types of partnerships which countries can adapt to their advantage. The engagement of partners with a country presence is needed to develop the inclusiveness and sustainability of CCMs and to strengthen disease control oversight capacity in country. In particular, the Global Fund should make further efforts to ensure active participation of civil society and affected communities in planning, implementing and monitoring grants. The evaluation sees partnership as the focal point for a revised strategy and suggests that focusing on partnership will help the Global Fund resolve the tensions among its founding principles.

**The TERG awaits the final report on Study Area 2 prior to making more specific recommendations on improving partnerships. In the interim, it recommends:**

- **The Global Fund should clearly articulate the roles of its main partners through a transparent and participatory process: for technical partners, for civil society and private partnerships, as well as for donors and recipients.**

### 4.3 Global Fund Governance: over-burdened with operational issues

#### KEY MESSAGE # 3

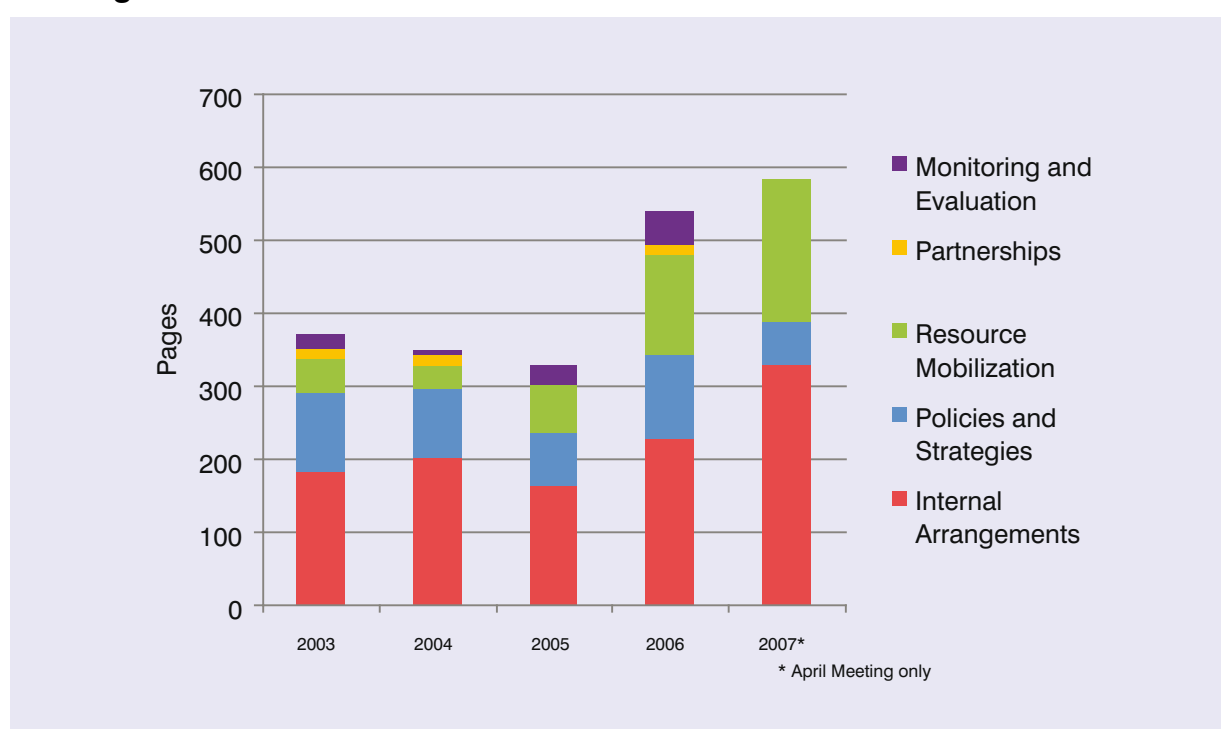
*The Board has devoted the majority of its time to operational issues during the early years of the Global Fund. As the Global Fund matures, the Board will have to focus on higher-level and longer-term strategic issues in the fight against the three pandemics; this will require increased delegation and streamlining of its work through the Committees and the Executive Direction of the Secretariat.*

The report finds that the Board of the Global Fund has achieved both broad participation and genuine power sharing among the key constituencies fighting HIV/AIDS, tuberculosis, and malaria. This includes donors, developing and developed countries, the private sector, civil society organizations, and people living with these diseases. Nonetheless, the effective voice of certain constituencies has been constrained by factors including varied rates of attendance at Board and Committee meetings, difficulties in communicating among each other especially within large constituencies. Challenges of recipient country constituencies need to be fully acknowledged and extra support provided, for example, donor country constituencies range in size from one to six countries, whereas recipient country constituencies represent between 12 and 34 countries.

A review of the discussions and decision points from the Board meetings showed a heavy focus on operational issues and policies such as grant management, with much less attention paid to longer-term strategic issues, such as resource mobilization, partnership development, and monitoring and evaluation. There are major gaps in debate, for example partnerships and monitoring and evaluation impact comprise less than five percent of Board documentation, and have not increased over time. This requires careful strategic management of the agenda between the Board Chair and the Executive Director of the Global Fund.

In addition, the Board is increasingly overwhelmed by documentation and the number of topics addressed at the Board level. As an example of the need for prioritization, the evaluation finds that at the last Board meeting, the Board papers contained approximately 600 pages of documentation plus an additional 300 pages of presentations covering 170 discussion topics (see Figure 1 and Table 2). The Board has experienced substantial growth in the number of topics addressed at each meeting, and has perhaps reached a limit in the volume of issues that can reasonably be addressed in a single meeting.

**Figure 1: Average Number of Pages of Documentation to Process per Board Meeting**







With respect to improving Board representation, the study recommends that the Board consider providing financial assistance to resource-constrained constituencies. Other methods for improving participation might include a more proactive role for the Secretariat in providing information to constituencies on how they can participate in Board decisions. Constituencies might also consider thematic regional meetings to discuss and agree medium- and long-term goals and priority issues.

**The TERG supports the recommendations presented above and emphasizes:**

- **The Board should focus on strategic issues, delegating operational issues to Committees and Secretariat.**
- **Over the next cycle of Committee and Board meetings, the Board should consider employing an external advisor/facilitator to work with the Board, Committees, and Secretariat to observe and analyze the processes, identifying areas for delegation and streamlining as well as suggesting ways of strengthening communications and working relationships among the three groups.**
- **The Board should define precisely the assistance that could be provided to resource-constrained constituencies with a large membership, including civil society and communities.**

## **4.4 Organizational Structure and Processes: Critical need for efficiency gains**

### **KEY MESSAGE # 4**

*The Global Fund is projecting a possible increase in demand for its financing to US\$ 6 billion to US\$ 8 billion per year by 2010. To prepare itself for managing this anticipated increase, the Global Fund must address a series of managerial and organizational culture dysfunctions that have emerged with the rapid growth of the organization. The ad hoc systems and processes now in place at the Secretariat are the result of this rapid expansion and are often duplicative, decreasing efficiency.*

In order for the Global Fund to realize its growth ambitions, its organizational structure and processes must be scalable. The evaluation carefully considered these goals when assessing the organization and functioning of the Secretariat. The study examines workforce and human resource issues, processes and grant management, resource mobilization, the measuring and monitoring of results, knowledge management and information systems, and procurement. Each of these areas is addressed separately below.

#### **4.4.1 Workforce**

The Evaluation finds that the Global Fund has a motivated workforce judged by the Board to be productive and supportive. According the Organizational Development (OD) assessment, the motivation of staff has been undermined by constant changes in guidelines and procedures, ad hoc processes that are often duplicative and inefficient and generally by a 'crisis' mode of operation. In addition, the organization has a climate of 'risk mitigation' that has reached an unhealthy level, leading to poor relations among units. The report finds that the Global Fund has relied heavily on short-term staff with 38 percent of staff at the beginning of 2007 employed on short-term contracts. Although there have been fears about the growing size of the Secretariat, the Secretariat operates within a budget that is less than half of the Board-authorized ceilings.

As an urgent matter, the evaluation recommends that the Global Fund develop an enhanced human resources plan. At the time of report submission, there was no firm decision on the potential discontinuation of the Administrative Service Agreement (ASA) and the study recommends that this decision be made quickly so that detailed planning can begin. Issues that will need to be addressed in the plan include adjusting the size of the units to meet the functional demands anticipated over the next three to five years, ensuring that short-term positions are used only to meet short-term requirements, and defining the roles and responsibilities of key positions and the skills required. The central role of FPMs must be clarified in terms of defining their roles, necessary skills and responsibilities for operationalizing key strategies, for example in making partnerships work at the country level. The working environment could be improved by developing human resource policies that address recruiting, expectations of management, incentives for performance and appropriate employee skill sets – in particular, emphasizing management skills and training. The human resource function should provide high-quality information tracking staff turnover, training and recruitment. Such information on the Global Fund workforce should be reflected in the Key Performance Indicators.

With respect to human resources, the TERG recognizes that the success of the Berlin replenishment effort and the decision on discontinuing the WHO-ASA arrangement place the Global Fund at a defining moment in its organizational development, in that the Global Fund now has an opportunity to reshape its management and administrative systems. The TERG would emphasize the well-supported study finding that the fear of the Global Fund becoming a huge bureaucracy has been overplayed.

**The TERG recommends the following:**

- **Based on the projections for growth of the Global Fund, the Board should set new budgetary ceilings for the Secretariat and allow the Executive Director to staff within those ceilings according to a well-defined workforce plan. The Secretariat size should be increased based on functional needs, and a common understanding of partner roles.**
- **A medium-term plan for human resources should be established that clearly outlines human resource policies for the coming years.**

#### **4.4.2 Processes and grant management**

The evaluation team has mapped several key processes in the Global Fund including the grant approval process, the Performance Update and Disbursement (PUDR) process, and the grant renewal process. The report states that the Global Fund has established, through the Technical Review Panel, a robust mechanism for reviewing grants but notes that this process does not “shape” proposals. It also notes that delays can occur while waiting for formal Board approval and that the Board has approved all new grants that have been recommended by the TRP as “fund” or “conditional fund”. This may allow preparations for grant signing to occur earlier. It finds that the PUDR process has become overly complicated and time-consuming with delays in disbursements. Although emphasizing the Global Fund’s commitment to performance-based funding as a core principle, the Phase 2 review process, as well as the Rolling Channel Continuation (RCC) process, are more complex than required. Figure 3 illustrates the Phase 2 grant renewal process and Figure 4 presents the Performance-Based Funding Process.

The future success of the Global Fund depends on its ability to responsibly and efficiently disburse increasingly larger amounts of money. In order to do this, the evaluation suggests that the Global Fund will need to improve the quality, success rate and predictability of the grant application process. The TERG also notes that the proposal process will need to be streamlined, in terms of country preparation and review. Recommendations on how to do this are based on proactive steps to mobilize partners to increase the ability of countries, particularly those with a high disease burden, to prepare successful applications.

**The TERG recommends:**

- **The Global Fund streamline its grant review process and reduce delays in disbursements by:**
  - **Committing funds for longer time periods, particularly for new grants and eligible RCC grants. This might require amending the Comprehensive Funding Policy.**
  - **The Board considering authorizing the Secretariat to proceed prior to formal Board approval on new grants that have been recommended by the TRP as “fund” or “conditionally fund”.**
- **The Global Fund look for ways to utilize the Performance-Based Funding system to provide incentives, for example, by enabling high-performance grants to be extended in length and increased in amount without going through the TRP process unless there are significant changes in the goals.**



Figure 3: Phase 2 Grant Renewal Process

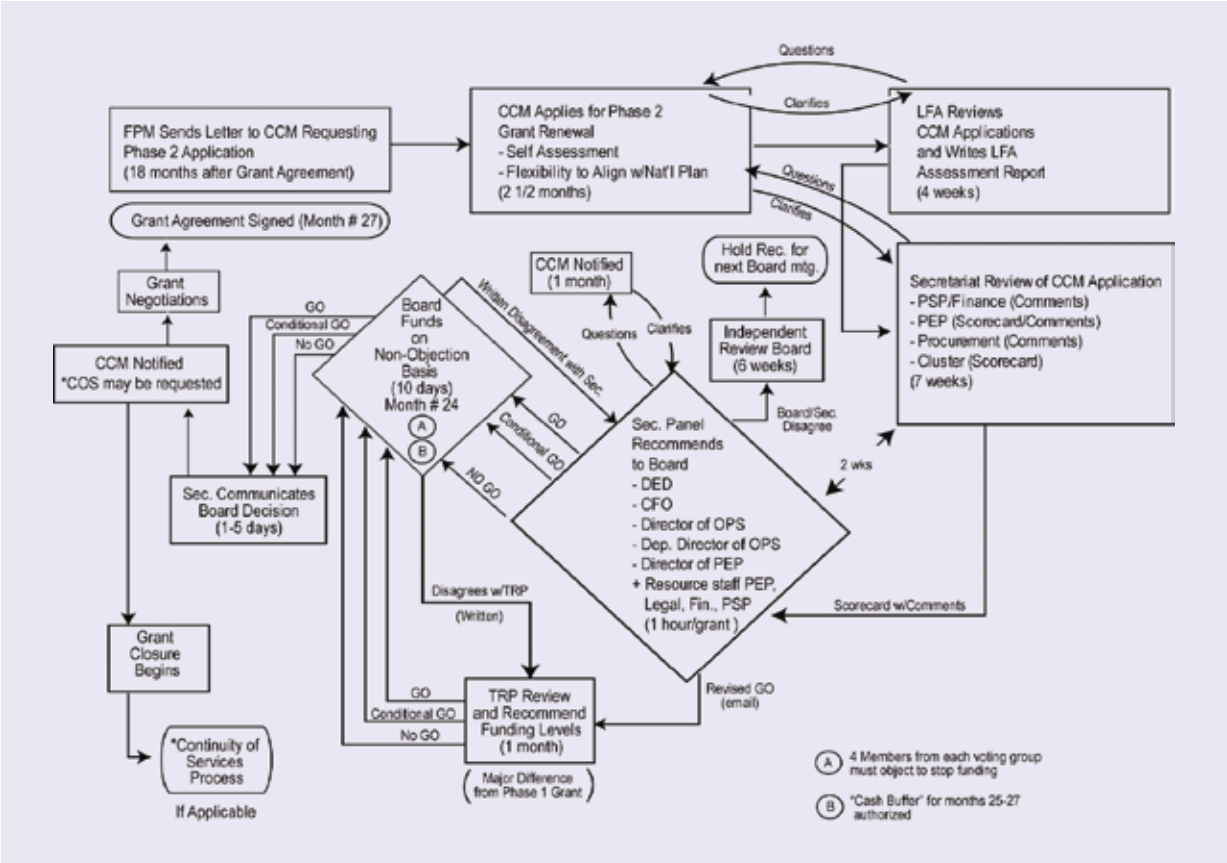
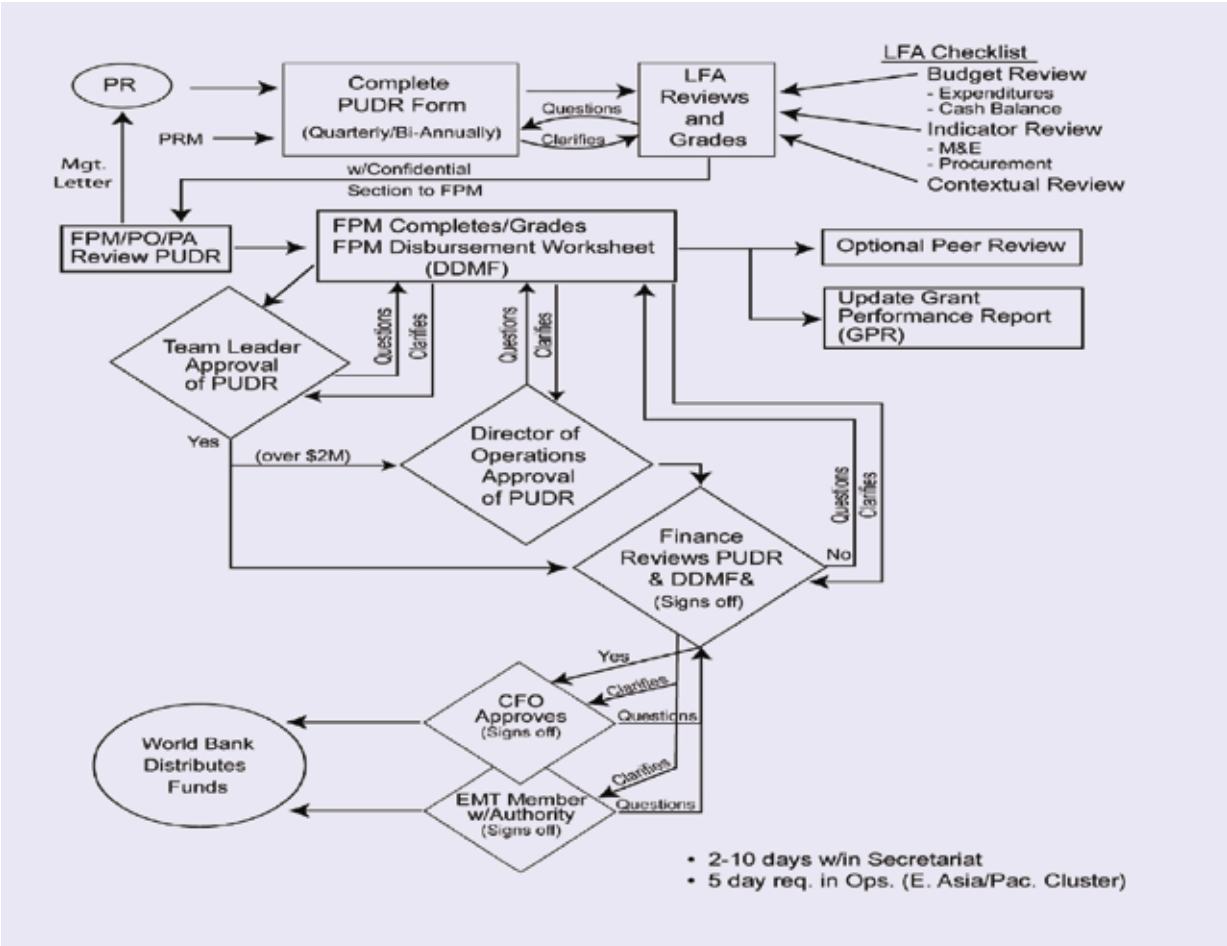


Figure 4: Performance-Based Funding Process



### 4.4.3 Resource mobilization

The report finds that the Global Fund has been very successful in mobilizing resources from large bilateral donors with large public sector donors contributing nearly 90 percent of the monies raised. It has been less successful in mobilizing resources from other public sector sources or from the private sector. The evaluation notes that the Board has recently approved a new resource mobilization strategy that includes support for new positions in the Secretariat.

**In order to broaden the resource base, the TERG recommends:**

- **The Global Fund continues to make efforts to attract funding from countries that have not contributed, perhaps by encouraging contributions by regions.**
- **The Global Fund attempt to engage the private sector to a larger extent, partly by expanding the range and types of contributions, for example by emphasizing co-investment over monetary contributions.**

### 4.4.4 Measuring and monitoring results

The Global Fund's focus on performance-based funding has played a leading role in ensuring the effectiveness of its investments, and improving development aid more widely by implementing transparent review of grants. The evaluation reviewed the records of the Global Fund on grant performance and finds that the Global Fund tracks a large number of indicators and the results, including grant scores and performance ratings, are available to the public on its website. Standardized results are only available for three of the ten key service indicators: antiretroviral treatment for HIV/AIDS, directly observed treatment short-course (DOTS) for TB, and insecticide-treated nets for malaria. No standardized data are available for other key indicators like quality of services, cost per unit service, or information at the sub-recipient level. Efforts are underway in the Global Fund to respond to these weaknesses in financial tracking, and to further standardize its programmatic results to report consistently on a wider range of results.

**The TERG recommends:**

- **The Global Fund should continue to strengthen its financial tracking to include monitoring expenditures at the sub-recipient level. For effective implementation, additional training will probably be required for FPMs, LFAs, PRs and sub-recipients.**

### 4.4.5 Knowledge management and information systems

The evaluation found that there have been critical bottlenecks in the information management system. Some of these will be addressed with the new Grant Management System (GMS) recently introduced. The evaluation reports increased workload demand for the application development staff making it difficult to balance new development with upkeep and maintenance. The new WHO Global Management System for administrative and financial systems is being introduced at the same time as plans are being made to separate from the WHO Administrative Services Agreement (ASA).

**The TERG recommends:**

- **The critical need for a responsive, flexible and forward-thinking overall Information Systems Strategy. The new Grant Management System (GMS core) approach should be strongly supported.**

### 4.4.6 Procurement

The evaluation notes that procurement costs account for a large percent of total grant expenditures and finds that the Global Fund Secretariat has become increasingly involved in procurement. The report finds that the Secretariat's response to procurement problems in countries is not standardized and that countries struggle to understand the Global Fund's procurement policies, particularly with respect to Quality Assurance. Additional problems arise from the fact that the LFAs have not been effective to date in monitoring procurement and much of the procurement takes place at the SR level where the Secretariat and LFA have a limited mandate. The Secretariat is responding to this situation by actively pursuing critical initiatives and coordination of activities with other donors. However it has not committed sufficient capacity or effective systems to procurement. In addition, the Board has recently endorsed a policy on pooled procurement that will develop a centralized procurement service for Global Fund programs.

Innovative procurement approaches should be considered such as national procurement plans including private sector mechanisms. Further data on procurement will be available in the Study Area 2 report which will look at procurement processes at the country level.

**The TERG recommends:**

- **The Procurement unit in the Global Fund should be strengthened and authorized to work more proactively with partners and look for innovative ways to assist countries with procurement, particularly countries with weak procurement systems where training as well as assistance may be required.**

## **5.0 Conclusion**

In just five years the Global Fund has made substantial contributions towards its original aim to fight HIV/AIDS, tuberculosis, and malaria, raising large amounts of financing quickly, disbursing funds in a transparent process, and effectively monitoring performance. It has worked as a flexible, responsive organization learning from its experiences and adapting to meet new demands and challenges. In this spirit, it must now substantially transform and adapt its basic structures and modes of operation for its next stage of growth while retaining its focus on achieving impact against the three diseases.

With the expected increases in the scale of funding, the Global Fund will assume a role of greater responsibility in shaping the fight against the three diseases. It should use its increasing influence and financial strength to catalyze positive interactions among the many global and country-level players including public development agencies, private companies and foundations, civil society, and national governments. As the Global Fund grows, the environment in which it operates changes, and so it needs to evolve and work actively with additional partners. The emphasis will need to be on working in partnership towards a shared goal, that of making an impact against the three diseases and more generally an impact on health. To achieve this requires an explicit partnership strategy at the centre of its work, and a strategy carefully focused at every stage on actions to achieve impact.

One of the main challenges that the Global Fund will need to address given its increased levels of funding, is to simplify its processes in order to fund larger country grants and strategies. The study recommends that the Global Fund proactively manage its portfolio and consider (1) the epidemiological needs for the different diseases in different regions and countries and (2) the ability and capacity of the recipient countries to effectively utilize large amounts of funding. In order to do this, the Global Fund will need to adopt a strategy and business plan that will permit it to function proactively to disburse large amounts of funding in a responsible way to achieve impact. The Global Fund will need to redefine its strategy, articulating more clearly the relationship among its core principles while maintaining a sharp focus on its main mission to decrease the burden of the three diseases.

In order to continue to act mainly as a financial instrument and to reinforce the link between funding and performance, the Global Fund will need to rely on a strong and well-defined partnership strategy, both at global and country level. In doing this, the Global Fund needs to consolidate and define its place in the global architecture and be clear where it has a comparative advantage. In considering the Secretariat, the Global Fund Board will need to define the kind of employer it will be and the types of skills and functions it needs.

This report on Study Area 1 is the first deliverable from the Five-Year Evaluation. Important issues relevant to Study Area 1 and its assessment of the organizational efficiency and effectiveness of the Global Fund will be addressed in more detail in Study Area 2. These include issues such as partnership, alignment and harmonization, and procurement. Some study elements will have to be supplemented for presentation in the final synthesis report. Study Area 3 will be providing data and conclusions on the impact achieved against the three diseases over the last five years and these data will also inform the recommendations coming from both Study Areas 1 and 2. The TERG will present the final report on the Five-Year Evaluation to the Board in November 2008 and this final report will synthesize the results and recommendations from all three study areas. Nonetheless the results from Study Area 1 have led to valuable recommendations for institutional changes that the TERG encourages the Board and the Secretariat to respond to now.

## ANNEX A

### MEMBERS OF THE TECHNICAL EVALUATION REFERENCE GROUP

KORTE Rolf (Chair)

Honorary Professor Faculty of Medicine Justus-Liebig University, Giessen, Germany

Senior Health Policy Advisor, GTZ, Germany

LEKE Rose (Vice-Chair)

Professor, Faculty of Medicine and Biomedical Sciences, University of Yaoundé 1, Cameroon

BARR David

Senior Philanthropic Advisor, Tides Foundation, New York, USA

BERTOZZI Stefano

Director, Health Economics & Evaluation, National Institute of Public Health, Mexico

Visiting Professor, Center for Economics Research and Education (CIDE), Mexico City, Mexico

MASSIAH Ernest

Senior Social Development Specialist, Inter-American Development Bank, New York, USA

PESCHI Loretta

Co-ordinator of the Italian NGOs Network for the Global Action against AIDS, Rome, Italy

UL HAQ Bashir

Director Technical, SoSec Consulting Services, Islamabad, Pakistan

### EX-OFFICIO MEMBERS

BROEKMANS Jaap F.

Former Executive Director, KNCV Tuberculosis Foundation, The Hague, Netherlands

DE LAY Paul

Director, UNAIDS Monitoring and Evaluation, Geneva, Switzerland

NAHLEN Bernard

Chair, Monitoring and Evaluation Reference Group (MERG) of RBM Partnership

Deputy Coordinator, President's Malaria Initiative, Washington DC, USA

TEIXEIRA Paulo

Vice-Chair Policy and Strategy Committee

## ANNEX B

## BACKGROUND ON THE FIVE-YEAR EVALUATION OF THE GLOBAL FUND

TERG

The Global Fund



Year Evaluation

THE FIVE-YEAR EVALUATION  
OF THE GLOBAL FUND

FEBRUARY 2007

Evaluation Brief No. 5

**THE GLOBAL FUND'S BOARD-APPROVED MONITORING AND EVALUATION STRATEGY CALLS FOR:**

"...a first major evaluation of the Global Fund's overall performance against its goals and principles after at least one full grant funding cycle has been completed (five years)"

The Five-Year Evaluation is a major effort to review the functioning and performance of the Global Fund as an institution and a partnership, and identify areas of strength and weakness that will lead to improved day-to-day operations. As informed by stakeholders worldwide and as mandated by the Global Fund Board, the Five-Year Evaluation will focus on the three key study areas outlined below.

**THREE STUDY AREAS FOR THE FIVE-YEAR EVALUATION****Question 1: Organizational efficiency and effectiveness of the Global Fund**

Does the Global Fund, through both its policies and its operations, reflect its critical core principles, including acting as a financial instrument (rather than as an implementation agency) and furthering country ownership? In fulfilling these principles, does it perform in an efficient and effective manner?

**Question 2: Effectiveness of the Global Fund partner environment**

How effective and efficient is the Global Fund's partnership system in supporting HIV, tuberculosis and malaria programs at the country and global level? What are the wider effects of the Global Fund partnership on country systems?

**Question 3: Impact of the Global Fund on the three diseases**

What is the overall reduction of the burden of AIDS, tuberculosis and malaria and what is the Global Fund's contribution to that reduction?

The independent Technical Evaluation and Reference Group (TERG) of the Global Fund that guides and directs the overall design and implementation of the Five-Year Evaluation has made the following recommendations:

- A.** The evaluation will focus on a set of **three overarching questions** related to Global Fund organizational efficiency, the partner environment and impact on the diseases.
- B.** A **synthesis evaluation report on the first two overarching questions** will be presented to the Board in November 2007.
- C.** Recognizing that impact cannot be measured before grants reach their full five-year term, a **concluding synthesis report on health outcomes and disease impact** will be presented to the Board in November 2008.
- D.** In many countries, the Global Fund is one of several major international investors. It should not, therefore, attempt to evaluate impact of its efforts alone but should **recognize the contributions of all relevant partners**.
- E.** For the purposes of the Five-Year Evaluation, the **Global Fund defines "impact" as the measurement or estimation of overall program impact on disease morbidity and/or mortality brought about by all control initiatives and programs combined**, irrespective of their financing source(s), in a country or region.
- F.** The early phase of the evaluation should **contribute to the development of the Global Fund strategy** for the period mid-2006 to 2010.



Investing in our future

**The Global Fund**  
To Fight AIDS, Tuberculosis and Malaria

## A COLLECTIVE PARTNER EFFORT TO EVALUATE IMPACT

The priority questions and issues for the Five-Year Evaluation have been developed with **extensive stakeholder consultation**. The evaluation aims to provide a **comprehensive review of the impact of the Global Fund**, recognizing the contributions of other partners from a wide range of perspectives, and contribute to the development of strategic directions to combat the three diseases.

The **combined forces of technical partners** including UN agencies, the U.S. President's Emergency Program for AIDS Relief (PEPFAR), the Roll Back Malaria (RBM) and Stop Tuberculosis partnerships, the U.S. President's Malaria Initiative (PMI) and others will be critical to the success of both the planning and the implementation of impact evaluation activities. The Global Fund shares publicly the data and results so that external stakeholders including policy makers, program managers, researchers and the international community can benefit from the knowledge gained.

## IMPACT EVALUATION ACTIVITIES

The **Impact Evaluation** will focus on 20 countries during the next 12-18 months. Among these, **eight countries are carrying out an in-depth analysis** (possibly including primary data collection) and **12 countries will assess impact based on existing data**. The Global Fund is collaborating with major stakeholders throughout the planning and implementation of the Five-Year Evaluation.

"**Impact Evaluation Task Forces**" to coordinate impact evaluation activities in each of the 12 candidate countries have been established. These task forces will draw from local expertise and institutions to the greatest extent possible, including government representatives, civil society representatives, technical partners, local universities and research institutions.

The Five-Year Evaluation aims to **evaluate impact on diseases** and to **strengthen in-country capacities and systems**, especially health management information systems. By design, the Five-Year Evaluation investment will be used to build and strengthen systems and capacities including routine data collection, data analysis, vital registration and survey methodology. Impact data will be assessed alongside important results from questions 1 and 2 on the Global Fund, on partners and on countries systems.

The Global Fund was not set up just to sign grants or disburse funds, but to achieve impact in the fight against AIDS, TB and malaria. There is encouraging evidence that the scale-up of services and the sum of country efforts has the potential to show impact over the coming three to five years.

## FIVE-YEAR EVALUATION GUIDING PRINCIPLES

- 1 Clear focus and sense of priority
- 2 Building on available information
- 3 Focus on gender and populations in greatest need
- 4 Building country capacity
- 5 Linked to strategy development
- 6 Ensure involvement of partners, in particular in countries
- 7 Coordinate efforts to reduce evaluation burden on all involved

## TECHNICAL EVALUATION REFERENCE GROUP (TERG)

The Technical Evaluation Reference Group (TERG) is an advisory body providing independent technical advice to the Board of the Global Fund to Fight AIDS, Tuberculosis and Malaria. The TERG advises the Global Fund on evaluation approaches and practices, independence, reporting procedures and other technical and managerial aspects of monitoring and evaluation at all levels. Membership of the TERG is drawn from a range of stakeholders, including practitioners, research institutions, academics, donor and recipient countries and nongovernmental organizations.

## FIVE-YEAR EVALUATION OF THE GLOBAL FUND

The Five-Year Evaluation is being planned and will be implemented under the guidance of the TERG. The first major synthesis report on organizational efficiency and the partner environment will be published in late 2007 and the final evaluation report (including a strong focus on impact on the three diseases) in late 2008. Each element of the evaluation is designed to generate actionable findings. The Global Fund is committed to learning from and making concrete improvements based on evaluation findings.

### TO ACCESS THE FULL REPORT:

[www.theglobalfund.org/en/links\\_resources/library/](http://www.theglobalfund.org/en/links_resources/library/)

ISBN 92-9224-081-1

The Global Fund



Year Evaluation

TERG



## ANNEX C

### FOUNDING PRINCIPLES OF THE GLOBAL FUND (GLOBAL FUND FRAMEWORK DOCUMENT)

- |          |  |
|----------|--|
| <b>A</b> | The Global Fund is a financial instrument, not an implementing agency.   |
| <b>B</b> | The Global Fund will make available and leverage additional financial resources to combat HIV/AIDS, Tuberculosis and Malaria.  |
| <b>C</b> | The Global Fund will base its work on programs that reflect national ownership and respect country-led formulation and implementation processes.   |
| <b>D</b> | The Global Fund will seek to operate in a balanced manner in terms of different regions, diseases, and interventions.  |
| <b>E</b> | The Global Fund will pursue an integrated and balanced approach covering prevention, treatment, and care and support in dealing with the three diseases.   |
| <b>F</b> | The Global Fund will evaluate proposals through independent review processes based on the most appropriate scientific and technical standards that take into account local realities and priorities.   |
| <b>G</b> | The Global Fund will seek to establish a simplified, rapid, innovative process with efficient and effective disbursement mechanisms, minimizing transaction costs and operating in a transparent and accountable manner based on clearly defined responsibilities. The Global Fund should make use of existing international mechanisms and health plans.  |
| <b>H</b> | <p>In making its funding decisions, The Global Fund will support proposals which:</p> <ul style="list-style-type: none"> <li>• Focus on best practices by funding interventions that work and can be scaled up to reach people affected by HIV/AIDS, tuberculosis, and malaria.</li> <li>• Strengthen and reflect high-level, sustained political involvement and commitment in making allocations of its resources.</li> <li>• Support the substantial scaling up and increased coverage of proven and effective interventions, which strengthen systems for working: within the health sector; across government departments; and with communities.</li> <li>• Build on, complement, and coordinate with existing regional and national programs (including governments, public/private partnerships, NGOs, and civil society initiatives) in support of national policies, priorities and partnerships, including Poverty Reduction Strategies and sector-wide approaches.</li> <li>• Focus on performance by linking resources to the achievement of clear, measurable and sustainable results.</li> <li>• Focus on the creation, development and expansion of government/private/NGO partnerships.</li> <li>• Strengthen the participation of communities and people, particularly those infected and directly affected by the three diseases, in the development of proposals.</li> <li>• Are consistent with international law and agreements, respect intellectual property rights, such as TRIPS, and encourage efforts to make quality drugs and products available at the lowest possible prices to those in need.</li> <li>• Give due priority to the most affected countries and communities, and to those countries most at risk.</li> <li>• Aim to eliminate stigmatization of and discrimination against those infected and affected by HIV/AIDS, especially for women, children and vulnerable groups.</li> </ul> |

**The Global Fund to Fight AIDS, Tuberculosis and Malaria**

Chemin de Blandonnet 8  
1214 Vernier  
Geneva, Switzerland

+41 22 791 1700 (phone)  
+41 22 791 1701 (fax)

[www.theglobalfund.org](http://www.theglobalfund.org)  
[info@theglobalfund.org](mailto:info@theglobalfund.org)

ISBN 92-9224-099-4