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The Global Fund

To Fight AIDS, Tuberculosis and Malaria

**Independent Appeal Panel Report
8 February 2008**

GF/EDP/08/02

REPORT OF THE INDEPENDENT APPEAL PANEL FOR ROUND 7 PROPOSALS

OUTLINE: This report sets out the recommendations of the Independent Appeal Panel following its review of the appeals received by the Secretariat for Round 7 funding decisions.

DECISION POINT:

1. The Board approves for funding for an initial two years in the amounts indicated and subject to paragraph 2 below, the following Round 7 proposals that were recommended for funding by the Independent Appeal Panel in its report dated 8 February 2008:

- i. Azerbaijan (Malaria) – Euro 2,544,154;**
- ii. Cambodia (Tuberculosis) – USD 8,707,480; and**
- iii. Zambia (Tuberculosis) – USD 4,112,419.**

with the clear understanding that the amounts indicated are upper ceilings subject to Technical Review Panel (TRP) clarifications and grant negotiations, rather than final approved grant amounts.

2. The applicants referred to in paragraph 1 above shall:

- a) provide an initial detailed written response to the clarifications and adjustments requested by the Independent Appeal Panel by not later than six weeks after notification in writing by the Secretariat to the applicant of the Board's decision; and**
- b) conclude the clarification process, as indicated by the written approval of the Chair or Vice Chair of the TRP not later than three months from the Secretariat's receipt of the applicants initial detailed response to the issues raised for clarifications or adjustments.**

There are no material budgetary implications of this decision.

PART 1: BACKGROUND

1. During its Sixteenth meeting, the Board made a funding decision in regard to Proposals submitted in response to the Seventh Call for Proposals. 73 of the 150 eligible disease components reviewed by the Technical Review Panel (TRP) were approved for funding. Of the 77 disease components not recommended for funding, 30 had also not been recommended for funding in the Sixth Round. Having not been recommended for funding in two consecutive Rounds, these 30 components were eligible for appeal.
2. The applicants for all 30 components were informed of the Board's funding decision and their right to appeal. The TRP comments regarding their Round 7 application ("TRP Review Form"), the rules governing the appeal mechanism and the standard form "Appeal Form" for completion by the applicant were enclosed with the notification letter. The deadline for submission of any appeal was identified.
3. The Secretariat received seven appeals, of which two were for malaria, two for HIV/AIDS and three for tuberculosis components (details of which are set out in Annex 1 to this report).

PART 2: ELIGIBILITY REVIEW

1. The Secretariat's Screening Review Panel reviewed all seven appeals received for compliance with the eligibility criteria set by the Board. Accordingly, appeals must be for the same disease component which has been rejected by the Board in two consecutive Rounds of Proposals; an appeal must be received by the Secretariat within a specific deadline; applicants must provide grounds for the appeal, and applicants must provide a written endorsement of the appeal by the CCM (where applicable).
2. The Screening Review Panel determined that all seven appeals were eligible:
 - **Azerbaijan CCM**, Malaria
 - **Cambodia CCM**, Tuberculosis
 - **Cameroon CCM**, Malaria
 - **Cameroon CCM**, Tuberculosis
 - **Colombia CCM**, HIV/AIDS
 - **Sudan Northern Sector CCM**, HIV/AIDS
 - **Zambia CCM**, Tuberculosis

PART 3: APPEAL PANEL COMPOSITION AND APPEAL REVIEW

1. In line with Global Fund policy, the Appeal Panel was comprised of two members (one cross-cutter and one disease expert) of the TRP, and three experts nominated by Roll Back Malaria, Stop TB Partnership and UNAIDS in close collaboration with the respective WHO HIV/AIDS, Tuberculosis and Malaria departments. The experts designated by the technical partners did not represent these organizations in any capacity, but served in their personal capacities as experts in reviewing proposals. The TRP members were neither primary nor secondary reviewers of the seven proposals under appeal.
2. The Appeal Panel met in Geneva on 25 January 2008 and reviewed the seven appeals received. Members of the Global Fund's Operations Unit provided secretariat support services to the Appeal Panel as during previous meetings. The Appeal Panel assessed submissions of each applicant to determine whether the TRP had made a significant and obvious error in its judgment of the relevant information contained in Round 7 proposal as that proposal was comprised at the time of proposal review by the TRP. In line with Global Fund policy, the Appeal Panel did not

consider any new information or justification provided by an applicant. Only explanatory material which refers to an original proposal for Round 7 was considered by the Appeal Panel.

3. To facilitate the review process, Appeal Panel members were provided with the following documentation prior to the meeting: appeal papers received from applicants, the Round 7 TRP Review Form for the component under review, and all relevant Round 7 Proposal documentation.

4. All decisions by the Appeal Panel were reached by consensus.

PART 4: SUMMARY OF APPEAL PANEL DELIBERATIONS

Azerbaijan - Malaria

1. The Appeal Panel found that the TRP made a significant and obvious error in understanding the epidemiological data supplied by the applicant and their determination to eliminate malaria rather than merely to control it and thus the justification of the support requested. While the Appeal Panel recognized that the applicant could have described the overall strategy of the proposal more directly and clearly, the Appeal Panel concluded that information provided in the proposal was sufficient to justify an ambitious program aiming at achieving the elimination of malaria in Azerbaijan.

2. The Appeal Panel, however, concurred with the TRP on a number of weaknesses identified. The panel suggested that some of these weaknesses may result from the proposal not detailing sufficiently the underlying strategy of the program. The applicant should provide a Monitoring & Evaluation Plan based on the strategy, justify the need for and role of various specialists including parasitologists and entomologists, and describe operational research activities and their purpose in detail. The applicant should also clarify whether refugees are at risk of malaria, and if so, address their specific targeting as a group-at-risk through the strategy. The Appeal Panel concluded, however, that these weaknesses of the proposal were not fundamental enough on balance to outweigh the strengths of the proposal.

3. The Appeal Panel recognized that this proposal would allow for a timely and proactive contribution to the overall malaria elimination program in Azerbaijan, and thereby complement the existing initiatives in the region to eliminate malaria. In this vein, the Appeal Panel recommended that the applicant consider coordinating particularly with international organizations which are supporting and coordinating malaria elimination activities. The Appeal Panel also emphasized the need for the Government of Azerbaijan to contribute adequately to counter-financing measures and support its national health programs.

4. The Appeal Panel therefore recommended that the appeal be upheld, and that the proposal be reclassified as a "Recommended Category 2 Proposal", subject to successful completion of the following clarifications:

- 1) Explain the elimination strategy in the proposal more comprehensively and clearly with an explicit set of goals and objectives for malaria elimination. The applicant should detail the classification of cases and foci; surveillance systems and the targeting of vector control and explain the background of the comparatively large amount of funding requested;
- 2) Address cross-border collaboration in line with the strategy of the proposal to eliminate malaria which should support a regional effort. The applicant should explain how this will be facilitated by international organizations where necessary;
- 3) Given the country's economic growth in recent years, the Government should show its commitment by financing well beyond 20%;
- 4) Justify the need for and role of specialists including 164 entomologists and 164 parasitologists or reduce the budget accordingly;

- 5) Clarify whether or not refugees are an at-risk group at present and, if so, how their needs will be addressed through specific targeted activities. [The proposal (Section 4) states that refugees have settled down in refugee camps and other makeshift dwelling arrangements. This does not match the appeal form which states that "they became part of the country society".];
- 6) Provide a clear Monitoring & Evaluation plan attuned to objectives and defined strategies;
- 7) The Applicant must describe more specifically operational research and its strategic role (Objective 7 of proposal);
- 8) Revise budget clarifying errors and inconsistencies raised in the TRP Review Form.

Cambodia – Tuberculosis

5. The Appeal Panel found that the TRP made a number of errors concerning the weaknesses identified in the proposal which, in their sum, constitutes a significant and obvious error of judgment by the TRP. The Appeal Panel deemed that the applicant had already provided sufficient information in its original proposal and had addressed the comments raised by the TRP regarding the Round 6 proposal adequately.

6. However, the Appeal Panel concurred with the TRP on a number of weaknesses identified. The applicant should have addressed the management of tuberculosis in prisons, infection control-related issues and the use of co-trimoxazole preventive therapy within the proposal and not in the Annex. The measurement of indicators concerning community DOTS should be explained. In addition, the budget needs adjustment to ensure it corresponds to goals, objectives and SDAs and describes all activities. The budget should also include costs for the maintenance of laboratory equipment. Implementation of the performance-based incentive scheme should have been explained in detail. The applicant should also have clarified the role as Principal Recipient as encompassing both the management of Sub-Recipients and implementation of grant activities.

7. On balance, the Appeal Panel considered that the TRP made a significant and obvious error in concluding that the weaknesses identified were adequately substantive to not fund the proposal. The Appeal Panel therefore recommended that the appeal be upheld, and that the proposal be reclassified as a "Recommended Category 2 Proposal", subject to successful completion of the following clarifications:

- 1) Clarify how the management of tuberculosis cases in prisons will be addressed;
- 2) Clarify the use of co-trimoxazole as a preventive therapy to HIV infection;
- 3) Describe briefly how Community DOTS: population covered by community DOTS will be measured;
- 4) Revise the budget to ensure it corresponds to goals, objectives and SDAs as set out in section 4.4.1. of the proposal form. The budget must describe all activities to be undertaken and include costs for the maintenance of laboratory equipment;
- 5) Ensure there is no duplication of funding for cross-cutting activities including monitoring and evaluation activities and human resources and reflect this in the budget;
- 6) Explain in detail how the performance-based incentive scheme will be implemented;
- 7) Clarify the role of the Principal Recipient as both managing implementation by (other) Sub-Recipients and directly implementing activities.

Cameroon - Malaria

8. The Appeal Panel found that the TRP had correctly identified serious weaknesses and problems in the proposal. The panel noted that explanations provided by the applicant in the

appeal were not adequate to appropriately respond to the concerns raised by the TRP in their comments.

9. In particular, the Appeal Panel emphasized that the applicant failed to demonstrate how ITN coverage will be sustained and expanded to scale for universal access (even while implementing IRS) and technical steps for IRS implementation were not properly described. Fears expressed by the TRP based on documented evidence that indiscriminate use of IRS in highly endemic areas may be counterproductive have not been addressed. It is felt that controlled trials on IRS in combination with ITN (to assess possible synergistic, as opposed to merely additive, effect), need to be undertaken before embarking on large-scale IRS in highly endemic areas.

10. The Appeal Panel did not identify any significant or obvious error on the part of the TRP in its review, and concurred with the classification of the proposal as a “Recommended Category 3 Proposal”.

Cameroon – Tuberculosis

11. The Appeal Panel found that the TRP had correctly identified important weaknesses in the proposal and that explanations provided by the applicant in appeal documents were not adequate to appropriately respond to the concerns raised by the TRP in their comments.

12. In particular, the Appeal Panel noted the need for the applicant to ensure linkages between the proposed programmatic activities on ACSM with other key activities in tuberculosis control and also other relevant health programs including communication activities and its contribution to the functioning and performance of the health system. Linkages cited from the proposal and in appeal documentation were considered to be weak. The Appeal Panel noted that new information provided by the applicant in appeal documentation was not considered. In addition, the Appeal Panel concurred with the TRP that the budget was insufficiently detailed and lacked relevant unit costs and justifications.

13. The Appeal Panel therefore concurred with the TRP’s classification of the proposal as a “Recommended Category 3 Proposal”.

Colombia – HIV

14. 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 documents did not provide sufficient arguments to the TRP’s comments. The Appeal Panel also concurred with the TRP that it is very important to provide clear and detailed information as to how the activities envisaged in the proposal will be implemented, specifically by a Principal Recipient with no prior experience in managing the implementation of large programs and substantial funds. The Appeal Panel noted that most of the information provided by the applicant was descriptive and lengthy, but failed to provide details to establish that there had been any significant and obvious error by the TRP.

15. The Appeal Panel noted that new information provided by the applicant in appeal documentation was not considered. In addition, the applicant’s argument concerning problems of translation of original documentation submitted for Round 7 was not deemed to be relevant.

16. The Appeal Panel concurred with the classification of the proposal as “Recommended Category 3 Proposal”.

Sudan Northern Sector – HIV/AIDS

17. The Appeal Panel found that the TRP had correctly identified fundamental weaknesses and issues in the proposal. The Appeal Panel concurred with the TRP that the applicant had not explained clearly how proposed activities would be additional to activities being carried out through previous Global Fund grants, and in particular, through the recently started Round 5 grant. Nor had the applicant explained the absorptive capacity of the Principal Recipient or the country to carry out additional activities. The Appeal Panel also concurred with the TRP that insufficient information had been provided by the applicant concerning implementation modalities of planned activities and coordination with existing organizations including UN agencies and international NGOs in the Darfur region. The panel did note, however, that perhaps the applicant had assumed the TRP would be knowledgeable of such issues.

18. The Appeal Panel identified that new information submitted in the appeal regarding the issue of additionality of funding through Round 7 could not be taken into consideration under Global Fund policy.

19. The Appeal Panel did not identify any significant or obvious error on the part of the TRP in its review, and concurred with the classification of the proposal as a “Recommended Category 3 Proposal”.

Zambia – Tuberculosis

20. While the Appeal Panel agreed with a number of weaknesses raised by the TRP, the panel concluded that the TRP made a significant error in its judgment concerning their importance and decision not to recommend the proposal for funding. The Appeal Panel noted that weaknesses raised concerning monitoring and evaluation and specific indicators could be clarified through the clarification process.

21. In particular, the Appeal Panel noted the difficulties the TRP experienced in working with the submitted budget and work plan, however concluded that all relevant information had been provided by the applicant. The issue was one of presentation rather than substance. The Appeal Panel emphasized that budget calculations were correct and justifications complete. The TRP therefore made an error in concluding that the budget did not allow assessing the feasibility of planned activities. The Appeal Panel recognized that this may have been the case due to the difficulty in drawing a summary budget through the specific budget tool (which is very detailed, but without clear overview by cost category or SDA) that the applicant used. The tool was developed and its use encouraged by the Stop TB Partnership. The Appeal Panel noted that applicants should be advised on the importance of a summary budget and relating the outcomes of a budget analysis tool with their proposal in a comprehensive way.

22. On balance, the Appeal Panel considered that the TRP made a significant and obvious error in considering the budget and workplan insufficiently aligned and detailed, and therefore recommended that the appeal be upheld, and that the proposal be reclassified as a “Recommended Category 2 Proposal”, subject to successful completion of the following clarifications:

- 1) Submit a summary budget in line with details provided in the full budget submitted;
- 2) Clarify the three other issues raised by the TRP regarding:
 - monitoring and evaluation, namely explain how the number of laboratories that perform well will be measured (with adequate documentation);
 - include an indicator for the proportion of Tuberculosis patients which receive co-trimoxazole preventive therapy (CPT), an indicator for HIV patients checked for tuberculosis;
 - include an indicator for the number of patients identified through CTBC and PPM.

PART 5: LESSONS LEARNED

1. To provide greater clarity of the basis for a proposal not being recommended for funding, the non-TRP members recommended that the TRP separate weakness into two categories: those that the TRP considers to be 'major weaknesses' and those which are 'minor weaknesses' where a proposal could still be recommended for funding unless on balance there are too many minor weaknesses. Differentiating between these two categories of weaknesses would also facilitate the Appeal Panel in reaching a conclusion as to whether a "significant" error had been made by the TRP.
2. As a technical improvement, the Appeal Panel recommended that the TRP refer to specific page numbers, whenever possible, and cites data when claiming discrepancies and/or inconsistent data in a proposal and also number each weakness and strength.
3. The Appeal Panel requests applicants to present information to the TRP which enables and facilitates a substantive review. When using tools, e.g., a budget tool, the outcomes should be presented in a clear and structured way.
4. The Appeal Panel notes the subjective nature of its mandate to identify where the TRP has made a "significant and obvious error", specifically with regard to an error being "obvious". The Appeal Panel therefore recommends to the Board to consider that the wording of the grounds for appeal be revised to delete the words "and obvious" so that the only ground for appeal is a "significant error" of the TRP as a basis for a successful appeal.
5. The Appeal Panel notes that the TRP may need to consider recommending proposals as Category 3 or Category 4 more clearly and explicitly. The Appeal Panel found that some of the proposals reviewed should have been recommended as Category 4 rather than Category 3 due to their critical faults which were strategic rather than technical. Some applicants resubmitting proposals recommended as Category 3 would need to not only address issues raised by the TRP but largely develop a new proposal incorporating an entirely new strategic direction and corresponding programs.

PART 6: RECOMMENDATION OF APPEAL PANEL

1. The Appeal Panel recommends that the Board approves the following Round 7 proposals for funding as "Recommended Category 2 Proposals", subject to the completion of the clarification process within the same timeframes applying for all other Round 7 "Recommended Category 2 Proposals", with the clear understanding that amounts requested are upper ceilings rather than final Phase 1 Grant amounts:
 - i. Azerbaijan (Malaria);
 - ii. Cambodia (Tuberculosis); and
 - iii. Zambia (Tuberculosis).
2. The Board's approval is sought for the amount indicated as "Total 2 Years" in Annex 2 to this report.

Decision Point:

1. ***The Board approves for funding for an initial two years in the amounts indicated and subject to paragraph 2 below, the following Round 7 proposals that were recommended for funding by the Independent Appeal Panel in its report dated 8 February 2008:***

- i. Azerbaijan (Malaria) – Euro 2,544,154;*
- ii. Cambodia (Tuberculosis) – USD 8,707,480; and*
- iii. Zambia (Tuberculosis) – USD 4,112,419.*

with the clear understanding that the amounts indicated are upper ceilings subject to Technical Review Panel (TRP) clarifications and grant negotiations, rather than final approved grant amounts.

2. The applicants referred to in paragraph 1 above shall:

a) provide an initial detailed written response to the clarifications and adjustments requested by the Independent Appeal Panel by not later than six weeks after notification in writing by the Secretariat to the applicant of the Board's decision; and

b) conclude the clarification process, as indicated by the written approval of the Chair or Vice Chair of the TRP not later than three months from the Secretariat's receipt of the applicants initial detailed response to the issues raised for clarifications or adjustments.

There are no material budgetary implications of this decision.

List of Appeals Received

| | | | | | Round 7 Requested Amounts | | | |
|---|----------------------------------|--------------|------------|------------|---------------------------|---------------------|---------------------|----------------------|
| | Country | Component | WHO Region | GF Cluster | Year 1 | Year 2 | Total 2 years | Total up to 5 years |
| Category 3 - USD | | | | | | | | |
| 1 | Cambodia | Tuberculosis | WPRO | EAP | \$4,743,687 | \$3,963,793 | \$8,707,480 | \$21,732,519 |
| 2 | Sudan Northern Sector CCM | HIV and AIDS | EMRO | MENA | \$14,069,206 | \$3,563,165 | \$17,632,367 | \$25,081,877 |
| 3 | Zambia | Tuberculosis | AFRO | SA | \$1,305,609 | \$2,806,810 | \$4,112,419 | \$24,959,034 |
| Category 3 - USD - Total | | | | | \$20,118,502 | \$10,333,768 | \$30,452,266 | \$71,773,430 |
| Category 3 - EURO | | | | | | | | |
| 4 | Azerbaijan | Malaria | EURO | EECA | € 1,438,215 | € 1,105,939 | € 2,544,154 | € 4,386,783 |
| 5 | Cameroon | Malaria | AFRO | WCA | € 3,317,562 | € 6,266,243 | € 9,583,805 | € 39,666,657 |
| 6 | Cameroon | Tuberculosis | AFRO | WCA | € 2,832,978 | € 1,347,741 | € 4,180,719 | € 7,681,224 |
| 7 | Colombia | HIV and AIDS | AMRO | LAC | € 1,873,011 | € 9,533,899 | € 11,406,910 | € 26,204,824 |
| Category 3 - EURO - Total | | | | | € 9,461,766 | € 18,253,822 | € 27,715,588 | € 77,939,488 |
| Equivalent USD | | | | | \$13,996,790 | \$27,002,879 | \$40,999,669 | \$115,295,885 |
| Overall Appeals Eligible - USD - Total | | | | | \$34,115,292 | \$37,336,647 | \$71,451,935 | \$187,069,315 |

Proposals in EUR = UN official exchange rate effective from 1 February 2008 = 1EUR = 1.4793 USD

List of Appeals “Recommended Category 2 Proposals”

| | Country (World Bank income classification) | Component | WHO Region | GF Cluster | Upper Ceilings | | | |
|--|--|--------------|------------|------------|--------------------|--------------------|---------------------|---------------------|
| | | | | | Year 1 | Year 2 | Total 2 years | Total up to 5 years |
| Category 3 - USD | | | | | | | | |
| 1 | Cambodia (Low income) | Tuberculosis | WPRO | EAP | \$4,743,687 | \$3,963,793 | \$8,707,480 | \$21,732,519 |
| 2 | Zambia (Low income) | Tuberculosis | AFRO | SA | \$1,305,609 | \$2,806,810 | \$4,112,419 | \$24,959,034 |
| USD - Total | | | | | \$6,049,296 | \$6,770,603 | \$12,819,899 | \$46,691,553 |
| Category 3 - EURO | | | | | | | | |
| 3 | Azerbaijan (Lower-middle income) | Malaria | EURO | EECA | € 1,438,215 | € 1,105,939 | € 2,544,154 | € 4,386,783 |
| Equivalent USD - Total | | | | | \$2,127,551 | \$1,636,016 | \$3,763,567 | \$6,489,368 |
| Overall Appeals Recommended for funding - USD - Total | | | | | \$8,176,847 | \$8,406,619 | \$16,583,466 | \$53,180,921 |

Proposals in EUR = UN official exchange rate effective from 1 February 2008 = 1EUR = 1.4793 USD

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