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FOREWORD

The Global Fund galvanizes support for the fight against AIDS, TB and malaria, working with partners to support the most effective prevention and treatment. It was created in 2002 and supports programs of prevention, treatment, care and health systems strengthening in more than 140 countries.

The Global Fund has become the main multilateral funder in global health, channeling four-fifths of the international financing provided to fight TB, half the funds provided for malaria, and a fifth of the international financing against AIDS. Through innovative partnerships with governments, civil society, United Nations agencies, the private sector and key affected communities, the Global Fund has proven itself to be an effective vehicle that fosters collaborative efforts to defeat the three diseases.

As of end 2013, Global Fund-supported programs around the world were supporting 6 million people on antiretroviral (ARV) therapy for AIDS, had diagnosed and treated 11.2 million people for TB, and had distributed 360 million insecticide-treated nets to protect families against malaria.

Local Fund Agents have made a vital contribution to these achievements. Local Fund Agents are critical partners in achieving the Global Fund’s vision of a world free from the burden of AIDS, TB and malaria.

The Global Fund is a continually evolving organization, responding to the needs of countries and those of the populations which it serves in order to better ensure the greatest value and the maximum impact from its investments.

This has led to the development of new ways of working and, most particularly, the implementation of the new funding model, which significantly changes the way countries request funding and invest in programs to fight the diseases.

Needless to say, this has meant that the role of the Local Fund Agent has also had to evolve to meet these new ways of working. In particular, it has meant that the work of the Local Fund Agent is increasingly tailored to match local risks and the local environment.

This Local Fund Agent Manual provides information on the role of the Local Fund Agent, their tasks and is supplemented by tools and guidelines which are available on the Global Fund website.

As the process of evolution continues, the Local Fund Agent Manual is updated on a regular basis to remain relevant and useful; your comments and suggestions for improvement are more than welcome.

Mark Eldon-Edington
Head, Grant Management
INTRODUCTION

The Global Fund has undergone many significant changes since the publication of the first edition of the Local Fund Agent (LFA) Manual in 2008. Changes have been made to its architecture, processes and policies, following directives from the Board to focus on investing more strategically and for greater impact. There has also been a significantly increased focus on the role of the LFA.

This Manual is intended to provide LFAs with a comprehensive reference document to assist in their daily work. However, the LFA Manual is not intended to be a ‘one stop shop’ for all information that LFAs may require. Instead it is a resource for Global Fund policies and processes relevant to the work of LFAs, and gives insight into recent developments that affect the LFA role. In addition to being familiar with the content of the LFA Manual, LFAs should refer to other available Global Fund tools and guidelines, which also provide more detailed information on processes and Global Fund expectation regarding the LFAs’ work to be conducted. LFAs are expected to consult the Global Fund on any issues/questions that arise during their work not covered in these documents.

More than ever, LFAs are required to approach their work with flexibility and a risk-based approach in order to tailor their services to meet the Global Fund’s needs. Level of effort and timeframe, where specified in the document, are indicative and will be agreed based on the risks and implementation environment in each case. Specific expertise required for particular services will likewise be agreed between the LFA and the Global Fund.

Key changes in this version of the manual are:
1. Updates on policy developments since publication of the previous edition (e.g. the new funding model and access to funding).
2. Information on how recent changes to Global Fund processes affect the role of the LFA.
3. Inclusion of the description of new services and alignment of the LFA services described in the Manual with those included in the LFA budgets/work plans.

The structure of the Manual was modified to reflect the changes the Global Fund has undergone:

Section A  Provides an introduction to the Global Fund, including the funding process, core elements of the Global Fund model and principles and values that underpin its business.

Section B  Deals with practical arrangements such as LFA procurement, communication protocols and performance management and sets out principles that must be adhered to in the performance of the LFA role.

Sections C through F  Comprises the specifics of the LFA role, including work related to access to Global Fund funding, ongoing grant management and the closure of a grant, and certain special circumstances that LFAs may need to engage in.

Section G  Sets out some Global Fund essentials in areas of finance, monitoring and evaluation, procurement and supply management; it also provides information regarding Country Coordinating Mechanisms and highlights issues relating to health systems strengthening, and community, rights, and gender aspects in Global Fund supported programs.

We hope that you find this third edition a useful tool for you in your important role as LFA.
Since the publication of earlier editions of the LFA Manual, the Global Fund has published other useful **resource documents**, which may assist LFAs in performing their duties. One key resource is the Global Fund’s Operational Policy Manual, which is an up-to-date resource for Global Fund policies. These and other resources are available on the Global Fund’s website at the following link: [http://www.theglobalfund.org/en/library/documents/](http://www.theglobalfund.org/en/library/documents/)


Frequent reference is made throughout the Manual to **decisions made by the Global Fund’s Board**. All decisions are posted on the Global Fund’s website, and can be accessed from the following webpage: [http://www.theglobalfund.org/en/board/decisions/?lang=en](http://www.theglobalfund.org/en/board/decisions/?lang=en).

This LFA Manual has been developed as a reference resource to assist Global Fund Local Fund Agents in the performance of their functions. It draws extensively from existing Global Fund policy documents, guidelines and tools and is not intended to replace those documents. LFAs are directed to the original source documents for further information and to the applicable tools and guidelines for use in practice.
Annex  Abbreviations

ACT  Artemisinin-based Combination Therapy
AFR  Annual Financial Reporting
AIDS  Acquired Immune Deficiency Syndrome
ART  Antiretroviral treatment or antiretroviral therapy
ARV(s)  Antiretroviral(s)
ASP  Additional Safeguards Policy
CAT  Capacity Assessment Tool
CBS  Capacity-building Services
CCM  Country Coordinating Mechanism
COS  Continuity of Services
COI  Conflict of Interest
CP  Condition precedent
CSE  Cost Sharing Element (relates to Green Light Committee)
CSS  Community Systems Strengthening
CT  Country Team
CV  Curriculum Vitae
DDR  Drug Disbursement Request
DFID  Department for International Development (Government, United Kingdom)
DQA  Data Quality Audit
EFR  Enhanced Financial Reporting
EID  Early Infant Diagnostics
ERP  Expert Review Panel
FA  Fiscal Agent or Fiduciary Agent
FMS  Financial Management and Systems
FPA  Fund Portfolio Assistant
FPM  Fund Portfolio Manager
GAC  Grant Approvals Committee
GDF  Global Drug Facility
GLC  Green Light Committee
HI  High Impact
HIV  Human Immunodeficiency Virus
HMIS  Health Management Information System
HR  Human Resources or Human Rights
HSFP  Health Systems Funding Platform
HSS  Health Systems Strengthening
HQ  Headquarters
IA  Implementation Arrangements
IDU  Injecting drug users
IG  Inspector General
IL  Implementation Letter
INGO  International Non-Governmental Organization
IQC  Indefinite Quantity Contract
IRS  Indoor Residual Spraying
LFA  Local Fund Agent
MA  Management Action
MDG  (United Nations) Millennium Development Goal
MDR-TB  Multidrug-resistant tuberculosis
M&E  Monitoring and Evaluation
M&ESS  Monitoring and Evaluation Systems Strengthening
MSM  Men Who Have Sex with Men
NDRA  National Drug Regulatory Authority
NFM  New Funding Model
NGO  Non-Governmental Organization
NSA  National Strategy Application
OIG  Office of the Inspector General
OPM  Operational Policy Manual
OPN  Operational Policy Note
OSDV  On-site Data Verification
PBF  Performance-based funding
PEPFAR  United States President’s Emergency Plan for AIDS Relief
PET  Performance Evaluation Tool
PF  Performance Framework
PHPM  Pharmaceutical and Health Products Management
PMC  Program Management Capacity
PMTCT  Prevention of Mother to Child Transmission
PO  Program Officer or Purchase Order
PPM  Pooled Procurement Mechanism
PQR  Price and Quality Reporting
PR  Principal Recipient
PSM  Procurement and Supply Management
PU  Progress Update
QA  Quality Assurance
QC  Quality Control
QoS  Quality of Services
PU/DR  Progress Update and Disbursement Request
QUART  Qualitative Risk Assessment and Tracking
RCM  Regional Coordinating Mechanism
RDQA  Routine Data Quality Assessment
RMNCH  Reproductive, Maternal, Newborn and Child Health
RO  Regional Organization
RSQA  Rapid Service Quality Assessment
SC  Special Condition
SCMA  Supply Chain Management Assistance
SDA  Service delivery area
SDP  Service delivery point
SR  Sub-recipient
SRA  Stringent Drug Regulatory Authority
SSF  Single Stream of Funding
SSR  Sub-sub-recipient
SWAp  Sector-wide approach
TA  Technical Assistance
TB  Tuberculosis
TRP  Technical Review Panel
UN  United Nations
UNAIDS  Joint United Nations Programme on HIV/AIDS
**LOCAL FUND AGENT MANUAL**

**UNDP**  United Nations Development Programme  
**VPP**  Voluntary Pooled Procurement  
**WHO**  World Health Organization  
**WHOPES**  WHO Pesticide Evaluation Scheme