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### **AD HOC WORKING GROUP ON TECHNICAL SUPPORT FOR GRANT IMPLEMENTATION AND PERFORMANCE**

**Outline:** This report provides an overview of the findings and recommendations made by the Ad Hoc Working Group on Technical Support during the proposal development, grant negotiation, implementation, and monitoring and evaluation phases of the Global Fund grant cycle.

#### **Decision Points:**

1. The Board mandates the Secretariat to develop an early warning system to identify technical support needs and engage, in a timely and coordinated manner, partners in technical collaboration.
2. The Board requests the Secretariat to work closely with partners (multi- and bilateral partners, international and national NGOs, horizontal collaboration initiatives, private sector, academia) to facilitate the provision of technical support throughout the life cycle of the grant (proposal development, grant negotiation, implementation, monitoring and evaluation).
3. The Board mandates the appropriate committee(s) to provide guidance on the allocation of a specified proportion of grant money to be used for technical support to CCMs.
4. Recognizing the increased need for funding to respond to the rising demand placed on partners for technical support, the Board further mandates the appropriate committee(s) to provide guidance on the development of:
  - a. specific funding mechanisms for technical partners to effectively respond to the growing technical support needs.
  - b. appropriate funding strategies to facilitate the meaningful participation of affected communities and civil society organizations in CCMs and all phases of grant implementation.

## **Part 1: Introduction**

1. During its Eighth Meeting, the Board of the Global Fund to Fight AIDS, TB and Malaria took a decision to call for an *Ad Hoc* Working Group to assess technical support (TS) needs and make policy recommendations to facilitate the provision of technical assistance and capacity development for and through Country Coordinating Mechanisms, principal recipients, sub recipients, inclusive of all phases of the Fund's grant cycle.
2. In order to identify technical support needs as they relate to Global Fund processes and practices, representatives of both recipient countries and donors were invited to participate in a three day meeting of the Adhoc Working Group on technical support.
3. The meeting brought together representatives from the following constituencies: Canada (Germany, United Kingdom, Switzerland), the Communities, Developing and Developed Country NGOs, Eastern Mediterranean region, France, Latin America and the Caribbean, Foundations, USA, Western Pacific region, West and Central Africa, WHO and UNAIDS. A representative of the Technical Review Panel and members of the Global Fund Secretariat were invited to participate to provide necessary input. Helene Rossert-Blavier, Vice-Chair to the Board of the Global Fund, chaired the Working Group.
4. Discussions of the meeting focused on current best practices of providing good technical support ; challenges and gaps in technical support; alternative solutions; and on identifying recommendations for ways in which partners can deliver timely and appropriate technical support to a wide range of Global Fund processes with the ultimate objective of improving the performance of Global Fund grants. Where possible identification of roles and responsibilites were indicated. Where appropriate additional work required of standing Board Committees was highlighted.

## **Part 2: Background**

1. For the purpose of Working Group meeting discussions, the term **technical support** is used to encompass capacity building, technical assistance, and technical cooperation.
2. Over the past two years, there has been an increasing recognition by stakeholders on the Board and at country level, as well as by the Secretariat, of the critical need for technical support to assure the success of Global Fund programs from design through to implementation. However, there has been a lack of clarity on what technical support means, what it should cover, who should be responsible for coordinating and delivering it to countries, how best to harmonize technical support dedicated to Global Fund grant purposes vs. other country needs, and who is responsible for funding it.
3. At the outset of the meeting there was a strong consensus that the Global Fund should remain true to its mandate as a performance-based financing instrument and not attempt to be an implementing organization providing technical support. As such, the meeting looked to analyse what role(s) the Global Fund Secretariat together with technical partners and agencies could play to facilitate access to technical support at country level in order to make Global Fund grants work in a timely and effective manner.
4. The meeting was facilitated in a manner that allowed recipients of Global Fund grants to voice their perspectives, needs and realities associated with technical support. This also ensured that providers and potential providers of technical support heard the concerns of recipients and in turn these providers voiced their own perspectives on how best to meet needs and expectations of recipients.
5. Discussions were also further enriched through the participation of Global Fund Secretariat staff who shared grant management experiences and information as well as provided clarifications on current processes and procedures.

6. Working Group members were urged to remain innovative and to use their experiences to help broaden the scope of technical support in order to reach short and long term goals for efficient grant performance.

7. A key principle adopted by the Working Group was that discussions should keep in mind that technical support should be country-led, demand driven aiming at promoting sustainable national and regional technical support provision. This should be backed up by international technical support where necessary.

8. The following sections highlight some of the challenges, findings, proposed solutions and recommendations made by the Working Group. Following some observations and comments on cross-cutting technical support issues, the Working Group adopted the grant life cycle as a guide to determine technical support needs at each stage.

9. Though the Ad Hoc Working Group's mandate was to focus on technical support, some of the issues raised in the meeting and consequently in this report relate to CCM functioning and other processes of the Global Fund. This generated some observations and suggestions that other committees may wish to consider.

### **Part 3: General Technical Support Issues**

1. A wide range of technical support is required to ensure that recipient countries perform effectively on their grants, as well as successfully submit proposals.

2. There is a general lack of awareness by countries of their technical support needs. Although many Country Coordinating Mechanisms (CCMs) have in their membership partners who could assist in identifying technical support needs, this is often not done. When CCMs have identified technical support needs, often they are not aware of the modalities for funding such support or its availability at international, regional and national levels. Confusion on how to fund this technical support has hampered efforts to mobilize timely assistance.

3. Due to the lack of capacity for some Country Coordinating Mechanisms (CCMs) to address Technical Review Panel (TRP) clarifications, some countries have even lost grants before signing. This points to a lack of continuity of technical support that exists during proposal writing and the technical support needed for the process following the Board approval of proposals.

4. The Working Group recognized that technical agencies with the mandate and means to assist countries have had difficulties in delivering such support. Moreover, as countries are increasingly shifting into the implementation phase of the grant cycle they are discovering their real needs for support.

5. Some Working Group members felt that technical support to Global Fund grants has not been provided in a systematic manner but has rather been Ad Hoc to respond to immediate problems rather than looking at long term planning for overall sustainable capacity building. The Ad Hoc approach was not working in some cases, due to a failure to communicate Global Fund policies and lack of coordination among potential suppliers of support at country level.

6. Though many partners in countries recognize the technical support needs of principal recipients, often these partners have their own development priorities, strategies, and objectives to reach, and are willing to stretch themselves to some extent, but in some cases cannot respond to the wide range of needs identified to ensure success of Global Fund programs.

7. It is assumed that many partners will be able to provide technical support to meet Global Fund grant needs, but there are still unanswered questions around who is going to pay for the technical support provided by partners on the ground, who is going to coordinate technical support on the ground, and who is finally accountable for it.

### **Possible interventions**

#### Partners

8. Global Fund grants are meant to support national programs as determined by recipients. Key technical support partners need to collaborate to ensure that they support national frameworks where appropriate, and actively ensure linkages between their programs at country level.

9. In order to address the critical period between the approval of proposals by the Board and the signing of the grant agreement, partners need to substantially increase technical support across the Global Fund grant cycle.

10. It needs to be stated that one important (and often underutilized) source of technical support to CCMs is, existing national experts from the public sector, civil society, academia, the private sector and affected communities. This is a resource that should be used.

11. A coordinated response at country level to technical support needs could be facilitated and enhanced to cover immediate Ad Hoc technical support as well as address broader coordination, harmonization and capacity development issues. CCMs should be empowered to choose who will coordinate technical support. Simultaneously partners could support the CCM to better play its role in grant oversight for future grants

12. PRs could make funding available through Global Fund grants to provide technical support, specifically to the grants that are currently in crisis. Where necessary, funding from partners could be provided in priority to access technical support local resources.

#### Secretariat

13. The Global Fund secretariat should ensure that its procedures complement national planning and technical support systems.

14. The Global Fund secretariat could better communicate and clarify to countries the possibilities (under already-existing Global Fund policies and guidelines) and options for integrating technical support requirements in the Global Fund grant.

15. The Secretariat should raise awareness about the needs and costs of technical support. Furthermore it should facilitate partnerships with technical support partners and advise on the possibility of grant re-programming to cover critical unanticipated technical support needs.

16. The Secretariat in collaboration with key technical partners could develop a checklist for technical support to be included in proposal guidelines, and explore linking the checklist to the CCM toolkit so that CCMs can use the checklist for planning technical support.

17. The Secretariat could identify an appropriate partner or partners to develop a handout or users guide on technical support. In order to help recipients determine appropriate service providers for technical support when needed, this guide should highlight cost of services and relevant providers locally, regionally and internationally.

18. The Global Fund Secretariat should proactively seek and publish on the website as well as through other channels best practices on technical support and promote these to recipients.

## **Part 4: Grant Proposal Development**

### **Key challenges**

1. The Technical Review Panel noted that there is very little budgeting for technical support in proposals submitted. Submitted proposals indicate that CCMs have found it easy to ask for funding for technical support for procurement from different institutions but not for human resource and other capacity building activities especially those services that institutions like WHO and UNAIDS provide.
2. The availability of technical support for recipients has been greatest to date during grant proposal development. The Working Group noted that the quality of this technical support has been variable, and often time-limited to only proposal development.
3. CCMs often lack the skills that will encourage participatory approaches whereby all partners can be encouraged to bring their comparative advantages to the table.
4. The TRP approves certain grants lacking in capacity trusting that the Secretariat will hammer out some of the problems identified during the grant negotiation process.

### **Possible interventions**

#### Work Related to Other Committees

5. A set of criteria should be developed to assist the TRP to judge the feasibility of proposals or grants, and thereby allow the TRP reviewers to better identify technical support gaps.
6. PMPC should work with the Secretariat to ensure that proposal guidelines are clear on including in proposals technical support needs and gap analysis that could be used by grantees to program technical support and by the TRP to assess the feasibility of implementing the proposal as submitted.
7. For future grants, PMPC should request the submission of a technical support plan as part of the overall proposal and the same should be requested for upcoming grant renewals. This plan should outline existing needs for technical support even if these are to be met by other partners and do not require funding from the Global Fund.

## **Part 5: Grant Negotiation**

### **Key challenges**

1. Most partners who may have been engaged themselves or through the provision of technical support in developing the proposal do not participate in the grant negotiation stage.
2. The Global Fund - in accordance with its procedures - deals mainly with the principal recipient (PR) on all issues as it is the PR that will be legally accountable for the grant.
3. Some PRs are not able or willing to identify existing weaknesses that could be addressed by appropriate technical support.

4. There is currently no structured channel through which partners can engage and provide technical support to the grant negotiation process at this stage.
5. Local fund agents (LFAs) lack technical and programmatic expertise and may therefore not be well placed to raise the flag when technical support gaps exist.
6. Many of the principal recipients lack capacity in the 4 areas where they are assessed by the LFA. These areas are Institutional and Programmatic, Financial Management Systems, Monitoring and Evaluation, and Procurement Management Systems.
7. CCMs have no formal access to the pre-grant assessment reports that the (LFA) conducts. Consequently CCMs are often unaware of the technical capacity gaps identified by the report and often find it difficult to provide any technical support to the PR.
8. Principal recipients are unable to access funds prior to grant signing and often there is preparation work which requires technical support that needs to begin before grant signing.

### **Possible interventions**

#### PRs

9. The PR should do a reality check on its own technical support needs. The PR should look at expected results and ensure that adequate budgets in the proposal have been allocated to match technical support needs.

#### LFA

10. LFAs should use the 4 areas of assessments conducted on the PR during grant negotiation to identify capacity gaps in the PR and recommend in their report appropriate actions to assure minimum capacity in these areas. In turn the Secretariat should on the basis of the assessments stipulate required technical support to the PR.

#### Partners

11. Partners who participated during the proposal development stage should be engaged in the grant negotiation process. They should help the PR identify needs for technical support, develop a budget and help explore the identification of providers that may be available in-country.

12. Partners should plan for the grant negotiation process including identifying some bi- and multi lateral partners, international non governmental organizations, foundations or private sector who could provide funding for the grant negotiation stage.

13. In order to manage the gaps that currently exist in key activities managed by PRs, such as procurement and financial management systems, partners need to help the PR in forecasting procurement needs and proactively attempt to link PRs with procurement or other similar networks.

#### Work Related to Other Committees

14. CCMs should take the responsibility to manage and oversee inputs during grant negotiation. They should take an active role in fine-tuning workplans and budgets to ensure that technical support needs of the PR are identified and that they further assess the appropriateness of selected principal recipient/s.

15. Major delays to implementation could be avoided if principal recipients could start some of the preparatory work during grant negotiation. However, as the current procedures of the Global Fund do not accommodate this, consideration should be given to making available some of the grant funding as retroactive funding to help the PR access technical support for the grant negotiation stage.

#### The Secretariat

16. The Secretariat could establish a PR induction process to help PRs understand Global Fund processes so that they can make informed decisions on technical support.

17. The Secretariat needs to examine the criteria used for selecting LFAs to ensure a standard and consistent provision of good quality service.

### **Part 6: Grant Implementation**

#### **Key challenges**

1. There is a lack of meaningful engagement of CCMs during grant implementation in many countries.
2. There is a disconnect between the time pressures of the Global Fund and the reality faced by recipients at country level. Complications surrounding bureaucracy for rolling out of funds and tendering processes for goods and services remain major obstacles. Governments who form the majority of PRs are often delayed by the in-country processes they have to respect.
3. Lack of knowledge about non performing grants has resulted in late interventions so that grants at high risk have not accessed timely technical support.
4. Currently no standardized grant early warning system is known to exist to trigger a coordinated response from partners to provide technical support to slow implementing grants. Support is Ad Hoc and dependant on personal contacts between individuals in the Global Fund and amongst known providers.
5. Lack of forecasting of technical support needs during the proposal development stages culminates to delays in disbursements and in grant implementation.
6. Currently the LFA reports have not been an effective means of alerting the Global Fund and partners to potential problems in need of technical support.
7. Principal recipients grossly underestimate the amount of support that will be needed to manage sub-recipients.
8. Shortage of human resources - in terms of competence and retention - remains one of the major obstacles to implementation of grants. The technical support needed for addressing the shortage of human resources is often unplanned for, particularly as it needs to be aligned with country human resource development policies.
9. Affected communities and smaller NGOs need technical support to increase their ability and expertise to participate in implementation.
10. PRs need technical support to develop appropriate systems to provide financial and technical support to affected communities and smaller NGOs.

## **Possible interventions**

### CCM

11. The CCM should have access to information on grant performance from PRs and LFAs periodically to perform its oversight role.

### PR

12. The principal recipient should interpret technical support needs that are related to implementation. Once identified, the PR should take responsibility for accessing and managing that required technical support.

13. The PR should communicate potential implementation problems to the CCM.

### Partners

14. Partners should commit to provide technical support to the PR as required and as permitted by their own resources. Where implementation capacity of PRs is insufficient, partnerships between PRs and technical support organisations should be considered as a possible solution.

### The Secretariat

15. In this initial period, the Secretariat needs to identify effective ways to communicate with partners as much as possible on technical support needs. The current gap in knowledge undermines any efforts to gather key players for the identification and harmonization of technical support.

16. The Secretariat should reinforce the PR's ability to reprogram emphasizing that reprogramming for technical support is encouraged for Rounds 1 to 4. The Secretariat should take every opportunity to communicate this to countries.

17. In addition to countries expression of technical support needs, the Secretariat should communicate to external partners needs for technical support through informal networks, and other communication channels such as the web etc.

18. The Secretariat should develop a calendar for phase 2 renewals and make this available to partners in order to help with the planning for technical support during phase 2 submission periods.

## **Part 7: Recommendations for Consideration by the Board**

### **Preamble:**

The Board acknowledges efforts that have already been made by many technical partners to ensure that grants achieve results. Some of the partners have made efforts to accelerate technical support in support of Global Fund processes at country level serving as good models of the local contributions partners can make to strengthen the impact of the Global Fund. More structured approaches especially at national level to respond to recipient country needs for technical support are needed to ensure successful implementation of grants.

### **Decision points:**

The Ad Hoc Working Group on Technical Support recommends that the Board adopt the following recommendations related to technical support:

- 1. The Board mandates the Secretariat to develop an early warning system to identify technical support needs and engage, in a timely and coordinated manner, partners in technical collaboration.**
- 2. The Board requests the Secretariat to work closely with partners (multi- and bilateral partners, international and national NGOs, horizontal collaboration initiatives, private sector, academia) to facilitate the provision of technical support throughout the life cycle of the grant (proposal development, grant negotiation, implementation, monitoring and evaluation).**
- 3. The Board mandates the appropriate committee(s) to provide guidance on the allocation of a specified proportion of grant money to be used for technical support to CCMs.**
- 4. Recognizing the increased need for funding to respond to the rising demand placed on partners for technical support, the Board further mandates the appropriate committee(s) to provide guidance on the development of:**
  - a. specific funding mechanisms for technical partners to effectively respond to the growing technical support needs.**
  - b. appropriate funding strategies to facilitate the meaningful participation of affected communities and civil society organizations in CCMs and all phases of grant implementation.**

**There are no material budgetary implications of these recommendations.**

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