



COUNTRY COORDINATING MECHANISM MODEL CCM-PR-LFA COMMUNICATIONS

The Global Fund's model for performance-based financing requires appropriate and timely communications between the Country Coordinating Mechanism (CCM), the Principal Recipient (PR) and the Local Fund Agent (LFA). In theory, the CCM should obtain reports from the PR and other sources to exercise its role in governance and oversight. In parallel, the Global Fund Secretariat monitors progress through the LFA, who in turn, liaises regularly with the PRs and other partners, often providing feedback on grant performance. These communication channels are intended to mutually reinforce one another toward early recognition and resolution of problems. Under ideal circumstances, outstanding concerns would be known to all parties and would be taken up by the Global Fund Secretariat with the CCM to address them appropriately. To review experience in this critical area of communications, case studies were conducted in **Nigeria**, **Peru** and **Zambia**. In **Nigeria**, communications between the CCM and PR were said to be frequent, open and

supportive. However, suboptimal communications between the LFA, the PR and the CCM were said to have hampered information flows. In **Peru**, poor communications between the LFA and the PR and CCM were also stated to have interfered with progress. The PR wished for feedback on its performance, while the CCM complained that the Global Fund Secretariat communicated with the LFA and felt bypassed as a result. Here, the communications between the PR and CCM were also felt to be insufficient, such that the PR was perceived by CCM members as controlling communication channels with the LFA, dominating the dialogue with the Global Fund, and thereby gaining advantages in decision-making and subsequent allocations of resources. **Zambian** reports indicated that LFA and CCM communications were limited to proposal development and grant renewal phases. Here, the CCM raised objections to the LFA providing feedback to the PR without sharing findings with the CCM. In turn, the PR expressed dissatisfaction with communications with the LFA, stating that

these were insufficient and amounted to withheld guidance. Communications were perceived to be better between the LFA and the PR from civil society compared to the PR from government.

Misunderstandings of respective roles, policies and processes were found to contribute to dissatisfaction as well as mistrust – particularly with respect to LFAs. CCMs and PRs were not always aware that LFAs are not charged with discussing their reports with them. In part, this is necessary to safeguard the LFAs' independence to be the Global Fund's local "eyes and ears". A certain distance is also helpful to keep LFAs within the boundaries of their limited role to verify data, assess PR capabilities, and make recommendations – not decisions – to the Secretariat in Geneva. LFAs neither set policy nor speak on behalf of the Global Fund. Furthermore, the information LFAs provide to the Global Fund Secretariat is intended to be strictly confidential.

When PRs communicate with the Global Fund, they are supposed

to keep the CCM informed of salient issues. Following the same principle, the Global Fund Secretariat's written communications to PRs are supposed to be copied to CCMs, and in-country visits of Secretariat staff are supposed to include meetings with the CCM and/or its representatives. Wherever these guidelines are not followed, there is the potential for communication problems to result.

Constraints were also raised due to the LFA's expertise and focus being largely limited to financial monitoring. This was perceived to result in insufficient appreciation of wider programmatic constraints. Without a greater understanding of the context of

implementation, LFAs were felt to be unable to adequately judge performance. Similar feedback from elsewhere has prompted a Global Fund initiative to revise LFA scopes of work for the future. In terms of positive experience, reports from **Zambia** indicated appreciation for the LFA's practice of sharing insights with the PR prior to submitting reports to the Global Fund; this allowed for correction of misconceptions and quicker responses toward improvements, and avoided delays in grant disbursement as well as unnecessary tensions. Feedback from the **Peru** case study highlighted the virtues of having the LFA present at CCM meetings as an observer, as well as at meetings when sub-

recipients presented their reports to the PR. In response to feedback from stakeholders, a *Communications Protocol for LFAs* was written in July 2007 encouraging LFA attendance at CCM meetings—specifying that they should act as observers without participating in decision-making or voting. CCM meetings were considered golden opportunities for the LFA to gain greater insights into programmatic issues and to clarify their role to CCM members. Similarly, joint meetings of the CCM, PR and LFA during the portfolio managers' visits, such as was common practice in **Peru**, were deemed valuable for sharing information, clarifying roles and Global Fund policies and for fast-tracking progress on grants.

RECOMMENDATIONS

CCMs and PRs should familiarize themselves with Communications Protocol for LFAs

LFAs need to strengthen their technical program skills in the fields of public health and social development

LFAs should participate as observers in CCM meetings, encouraging information exchange while maintaining their independence

LFAs should discuss key findings with the PRs before sending reports to the Global Fund Secretariat

Encourage joint CCM-PR-LFA participation in Fund Portfolio Manager country missions, and formal monthly feedback meetings between the PR and the LFA

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