



COUNTRY COORDINATING MECHANISM MODEL PRINCIPAL RECIPIENT AND SUB-RECIPIENT SELECTION

Principal recipient (PR) and sub-recipient selection processes have undergone considerable transformation since the Global Fund's inception in 2002. Early accounts of informal "behind the scenes" and often nepotistic selection processes led to the Global Fund Board decision in 2005: *"CCMs are required to put in place and maintain a transparent, documented process to nominate the PRs and oversee program implementation."* The mechanisms employed to select PRs and sub-recipients and their implications for grant management, were investigated in **Ethiopia, Kenya, Romania, Sri Lanka** and **Tanzania**.

PR SELECTION

PR selection procedures fell into three broad categories: i) Direct nomination by CCMs: (**Ethiopia** Rounds 1-6, **Kenya** Round 1, **Sri Lanka** Rounds 1-7 for PR1, **Romania** Round 2). ii) Restricted or open calls for expressions of interest, generally followed by evaluation based on predetermined criteria. (Restricted - **Romania** Round 6; Open - **Kenya** Round 7, **Sri Lanka**

Rounds 4, 6 and 7, **Tanzania** Round 6). iii) Evaluation of expressions of interest based on set criteria, but without clear definition of the process used for soliciting and evaluating proposals: (**Ethiopia**; **Tanzania** Rounds 1, 3 and 4).

Direct nomination of PRs by CCMs was typical for the early grants but has largely been replaced by calls for expressions of interest. Restricted calls had the advantage of taking less time and resources, reducing the burden of evaluation, and increasing the chances that most applicants would have the relevant expertise. Open calls, however, were perceived as more transparent, inclusive, and fair, resulting in CCMs and applicants emerging with a better understanding of each other's roles and capacities, and more likely to identify organizations best suited to implement grants. Even when the pool of candidates was small, the process was seen to open possibilities not yet realized and to lend greater credibility to the successful candidate.

The early tendency to nominate PRs from the public sector was

attributed to CCMs being government-led, familiarity, perceptions of capacity, and the fact that government had mandates consistent with objectives supported by the Global Fund. As countries applied for additional grants, established PRs were often reaffirmed to manage new grants. While the advantages of consolidating capacity were obvious, opportunities for a wider, multi-sectoral response and for building civil society capacity were felt to have been overlooked. Nevertheless, many NGOs were also selected as PRs. **Sri Lanka**, for instance, selected PRs from the public and nongovernmental organization (NGO) sectors for each grant. The Global Fund's recent "dual-track" policy encourages PRs to be nominated from government and non-government sectors in the future.

SUB-RECIPIENT SELECTION

Mechanisms for selecting sub-recipients have also matured since the early days when the pressure on fledgling CCMs to meet proposal deadlines resulted in organizations being appointed based

on subjective assessments of their track record. The following approaches were used in more recent funding rounds:

- Calls for expression of interest/ sub-proposals prior to country proposal submission (**Kenya** Round 7; **Romania** Round 6; **Sri Lanka** Rounds 6 and 7; **Tanzania** Rounds 6 and 7, **Ethiopia** Round 7). Organizations that responded to calls for expression of interest submitted a sub-proposal and organization profile for possible inclusion into the country proposal. Priority areas were specified in the application guidelines or detailed at proposal development workshops, which were deemed particularly useful for smaller NGOs to go over goals, objectives, and the framework of the country proposal; and to get assistance with proposal development. Generally, proposals

were screened by a CCM sub-committee comprised of members chosen for their expertise and independence.

- Restricted calls for sub-proposals following approval of the country proposal (**Ethiopia** Round 7, TB and malaria components). In this single instance (**Ethiopia**), organizations were invited only from those pre-selected by the PR and evaluated by an independent technical review panel set up by the CCM.

Regardless of the process, wherever the proposal solicitation and evaluation steps were agreed, well-defined and stringently applied, there was general satisfaction that the results were fair and credible. Dissatisfaction was expressed, however, by some of those not selected. Such organizations were rarely, if ever, informed

of the reasons for their rejection. This resulted in missed opportunities for feedback, capacity building, and maintaining contact with organizations who could contribute in the future. The timing of sub-recipient selection also emerged as critical. Selecting sub-recipients prior to, and as part of the process of proposal development, fostered greater ownership and commitment to delivering results – sub-recipients were more likely to see themselves as partners than agents contracted to deliver services. The technical expertise of potential sub-recipients was seen to improve the quality and feasibility of proposals, allowing for a more accurate reflection of institutional and capacity gaps within proposals. With increased predictability of Global Fund rounds, sub-recipient selection prior to proposal submission is likely to become the norm.

RECOMMENDATIONS

Selection processes and criteria for PRs and sub-recipients should:

- Take into account the diversity of potential implementing partners and the different strengths they bring to the response
- Ensure that all potential PRs and sub-recipients have access to the selection process
- Ensure transparency at each stage of the process
- Give feedback to, and capacity building for, organizations that fail to meet selection criteria.

Such institutions should be regarded as potential partners to scale up future programs

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