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The Global Fund

To Fight AIDS, Tuberculosis and Malaria

B21/EDP/10 & 11
For Decision

**REPORT OF THE TECHNICAL REVIEW PANEL AND THE SECRETARIAT
ON
THE FINAL RESUBMISSION WAVE OF THE ROLLING CONTINUATION CHANNEL**

OUTLINE:

This report provides the Board with the Technical Review Panel (TRP) funding recommendations on the Final Resubmission Wave of Rolling Continuation Channel (RCC) proposals. This report also provides a brief overview of the process followed, observations made and lessons learned by the TRP and the Secretariat.

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PART 1: Funding Recommendations of the Final RCC Resubmission Wave and Exceptional Request

1.1 The Final Resubmission Wave of Rolling Continuation Channel (RCC) proposals, chaired by Dr Bolanle Oyeledun, were reviewed by ten TRP members on 14 July 2010 in Geneva, Switzerland. Of the four proposals reviewed, two were resubmissions from Wave 7 and two from Wave 8. One applicant eligible to submit a revised proposal from Wave 8 decided not to do so.

1.2 Of the four resubmitted proposals, the TRP recommends one as a 'Category 2' Proposal. The other three are not recommended for funding and classified as 'Category 3B' and are encouraged to resubmit through the Rounds-Based channel following major revisions.

1.3 The TRP recommendations for the Final Resubmission Wave of RCC proposals¹ represents an overall success rate of 25 percent. The full details of TRP funding recommendations are set out in Annex 1 to this report.

1.4 The total upper ceiling for the recommended proposal for Phase 1 (three years) is US\$ 1,185,356 which is to be committed in two tranches (US\$ 880,177 (for the first two years) and US\$ 305,179 (for the third year) respectively) and US\$ 6,952,123 over the six year request (i.e. lifetime budget).

1.5 The TRP members reviewing proposals submitted in this Final RCC Resubmission Wave raised concerns about the overall quality of proposals reviewed and about the fact that many of the resubmitted proposals failed to address the weaknesses identified in the initial RCC review.

1.6 The TRP presents its funding recommendations in the form of the decision point below.

Exceptional Extension to Round 10 Proposal Submission Deadline

1.7 Given that the Round 10 proposal submission deadline is imminent (20 August 2010) and the timing for Round 11 is yet to be determined, the Secretariat recommends that, on an exceptional basis, the three Country Coordinating Mechanisms (CCMs) whose Final Resubmission RCC proposal was classified as 'Category 3B' be granted an extension of two weeks to submit a Round 10 proposal, if they so wish. The proposed extension will provide these CCMs with some additional time to finalize a Round 10 proposal in light of the TRP's comments on their Final Resubmission RCC proposal. Given the small number of CCMs to which this applies, the Secretariat does not anticipate that such an extension will alter the Secretariat's timeline for screening proposals and making eligibility determinations prior to the Round 10 TRP meeting. The Secretariat's recommendation for approving this extension is set out in the second decision point below.

¹ Unless stated otherwise, "Final Resubmission of RCC proposals" refers to re-submitted RCC Wave 7 and Wave 8 proposals.

Decision Point (B21/EDP/10): Approval of the Final Resubmission Wave of RCC proposals:

1. *The Board approves, subject to paragraph 2 below, the Rolling Continuation Channel proposal recommended for funding by the Technical Review Panel (TRP) as ‘Category 2’ which is listed in Annex 1 to the Report of the TRP and the Secretariat on Funding Recommendation for the Final Resubmission Wave of Rolling Continuation Channel Proposals (the “Final Resubmission Wave RCC Report”). The Board approves funding for up to three years for the proposal (indicated as “Total 3 Years” in Annex 1 to the Final Resubmission Wave RCC Report). The Board’s approval is made with the clear understanding that the grant amount requested is an upper ceiling subject to TRP clarifications and grant negotiations rather than a final approved grant amount. For further clarity, this decision is subject to the revised Comprehensive Funding Policy approved at the Twentieth Board meeting.*
2. *The applicant whose proposal is recommended for funding as ‘Category 2’ shall:*
 - i. *provide an initial detailed written response to the requested TRP clarifications and adjustments by no later than four weeks after notification in writing by the Secretariat to the applicant of the Board’s decision; and*
 - ii. *conclude the TRP clarifications process, as indicated by the written approval of the Chair and Vice Chair of the TRP, not later than two months from the Secretariat’s receipt of the applicant’s initial detailed response to the issues raised for clarification and/or adjustment.*
3. *The Board declines to approve for funding proposals categorized by the TRP as ‘Category 3B’ as indicated in Annex 1 to the Final Resubmission Wave RCC Report. Such applicants are encouraged to submit a revised proposal through the Rounds-Based Channel, taking into account the TRP’s recommendations.*

This decision does not have material budgetary implications.

Decision Point (B21/EDP/11): Exceptional Extension to the Round 10 Submission Deadline:

The Board approves, on an exceptional basis, a two week extension of the Round 10 proposal submission deadline (i.e. to 3 September 2010) for the following Country Coordinating Mechanisms, whose Rolling Continuation Channel (RCC) proposals were not approved for funding as part of the Final RCC Resubmission Wave, to submit a Round 10 proposal for HIV/AIDS:

- *Burundi;*
- *Tanzania; and*
- *Togo.*

PART 2: BACKGROUND

2.1 This report presents the TRP funding recommendations for the Final Resubmission Wave of RCC proposals and related lessons learned. It should be read in conjunction with the following Annexes:

Annex 1: List of proposals reviewed by the TRP, in the category in which they are recommended to the Board

Annex 2: TRP Review Forms for each eligible disease proposal reviewed and full text of all proposals

2.2 Annex 1 is provided with this report. Annex 2 is provided on a confidential basis in electronic format as supplementary documentation to Board members.

2.3 Subject to the Board's funding decision, the proposals within Annex 2 will be posted on the Global Fund's website shortly after the Board makes its decision based on the current TRP funding recommendation. The TRP Review Forms, consistent with Board policy, will only be provided directly to the applicants. The Secretariat will provide all Final Resubmission Wave RCC applicants with preliminary notification of the TRP recommendations, so as to allow sufficient time for the applicants of 'Category 3B' proposals to prepare and submit a Round 10 proposal if they so wish. This preliminary notification by the Secretariat to applicants will clearly indicate that the final decision to approve the proposal is subject to Board decision.

PART 3: OVERVIEW OF THE FINAL RESUBMISSION WAVE'S OUTCOMES

3.1 Annex 1 presents the list of proposals reviewed in the Final Resubmission Wave of RCC proposals and the TRP recommendations following their review. The TRP recommends one (1) proposal for approval. The maximum upper ceiling budget recommended for this proposal is:

- i. US\$ 1,185,356 for three years (to be committed in two tranches); and
- ii. US\$ 6,952,123 for six years.

3.2 This represents 1 percent and 2.5 percent respectively of the total upper ceiling of funds requested for the first three years and for the total six years by the four (4) final resubmitted proposals.

3.3 Table 1 below provides an overview of the number of components reviewed, the approval rates by disease component, and the total amounts recommended for funding by the TRP.

Table 1 - Overview of Final Resubmission Wave TRP Recommendations

| Disease proposal | Number reviewed | Number recommended for funding | Success rate | 3 Years Upper Ceiling Recommended | 6 Years Upper Ceiling Recommended |
|------------------|-----------------|--------------------------------|--------------|-----------------------------------|-----------------------------------|
| HIV | 3 | 0 | 0% | US \$ 0 | US \$ 0 |
| Malaria | 1 | 1 | 100% | US\$ 1,185,356 | US\$ 6,952,123 |
| Total | 4 | 1 | 25% | US\$ 1,185,356 | US\$ 6,952,123 |

PART 4: FINAL RCC RESUBMISSION WAVE SECRETARIAT SCREENING OF PROPOSALS

4.1 The Global Fund Board decided to discontinue the Rolling Continuation Channel at its Twentieth Board meeting. Consequently, Wave 8 was the last full RCC Wave. The Final Resubmission Wave of RCC proposals therefore reviewed only 'Category 3A' resubmissions from Waves 7 and 8. No new applicants were invited to submit a new proposal in this Wave.

4.2 Wave 7 applicants had a closing date of 1 June to submit their revised proposal and Wave 8 applicants had until 21 June 2010.

4.3 Four out of the five applicants eligible to resubmit their Waves 7 and 8 proposals, submitted revised proposals (three HIV and one Malaria) and one applicant decided not to submit a revised proposal in this final wave.

Proposal screening for Eligibility and Completeness

4.4 The Secretariat undertook the standard RCC proposal screening process to ensure that each proposal was complete and eligible. Following a review of supporting documents, all applicants were determined compliant with the minimum requirements for applicant eligibility by the Secretariat's Screening Review Panel. All four Final Resubmission RCC proposals were forwarded to the TRP for review.

PART 5: PROPOSAL REVIEW PROCESS

TRP Membership

5.1 The membership for the Final Resubmission Wave consisted of ten TRP members: three HIV experts, two malaria experts and four cross-cutting experts and the TRP Chair. The panel represented a mix of current and former TRP members and included some who participated in the review of the original RCC submissions.

TRP Review

5.2 All four proposals were reviewed in small review groups and then in plenary to ensure that only technically sound proposals are recommended for Board approval in line with the review criteria specified in Attachment 1 of the TRP Terms of Reference and Part A.3 of RCC Guidelines. The review process did not take into account the availability of funds.

5.3 Each proposal was reviewed by four TRP members - two disease-specific experts and two cross-cutting experts. The small review groups undertook a detailed review of the proposal and presented the proposal, comments and recommendations to the full plenary.

5.4 All TRP members met in a plenary session to discuss the proposals reviewed and deliberate on and determine the final rating of the proposal and the documentation of their recommendation in the 'TRP Rolling Continuation Channel Review Form' (as set out in Annex 2 to this report).

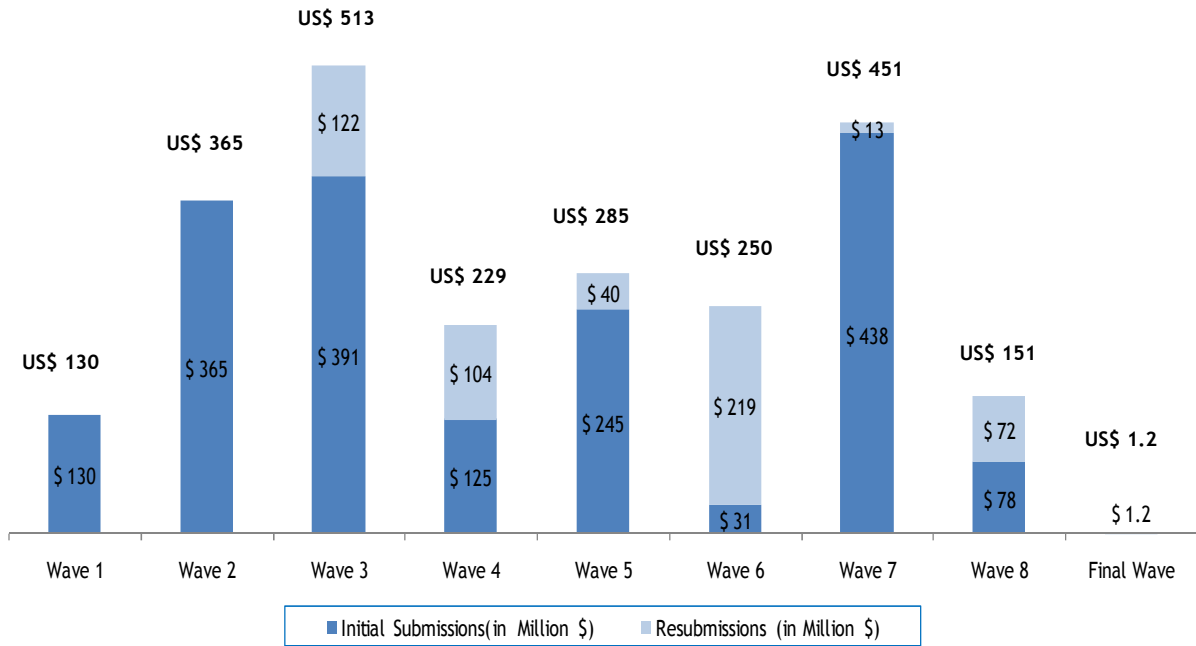
5.5 As this was a review of only resubmitted proposals, the TRP could only recommend proposals in four of the five categories identified in the TRP's Terms of Reference for RCC proposals.² All decisions of the TRP were achieved by consensus.

² Decision Point GF/B21/DP7. Proposals could not be recommended as 'Category 3A' as there were no new proposals in this Final Resubmission Wave of RCC proposals.

PART 6: OVERVIEW OF RCC WAVES

6.1 Figure 1 below provides a comparison of the eight RCC Waves and the Final Resubmission Wave in terms of numbers of proposals recommended and the total maximum upper ceiling funding for Phase 1 (three years).

Figure 1 -Proposals recommended for funding in Waves 1 to the Final Resubmission Wave compared by three year (RCC Phase 1) upper ceiling funding requests



6.2 The cumulative success rate across all RCC Waves, including resubmissions, is presented in Table 2 below. Across RCC Waves 1 through 8, the cumulative success rate for ‘first time RCC applicants’ remained low at 50 percent, with resubmissions tending to be more successful. However, the Final Resubmission Wave had a much lower success rate of 25 percent.

Table 2 - Overview of RCC Cumulative Approval Rates

| RCC Success Rates by Wave and Cumulatively | | | | | | | |
|--|-----------------|--------------------|---|-----------------|--------------------|---|----------------------|
| RCC Wave | New proposals | | | Resubmissions | | | Success rate by wave |
| | Number reviewed | Number recommended | Cumulative success rate (new proposals) | Number reviewed | Number recommended | Cumulative success rate (resubmissions) | |
| Wave 1 | 10 | 5 | 50% | n/a | n/a | n/a | 50% |
| Wave 2 | 10 | 6 | 55% | | | | 60% |
| Wave 3 | 7 | 3 | 52% | 5 | 5 | 100% | 67% |
| Wave 4 | 8 | 3 | 49% | 2 | 2 | 100% | 50% |
| Wave 5 | 6 | 3 | 49% | 4 | 3 | 91% | 60% |
| Wave 6 | 10 | 5 | 49% | 5 | 4 | 88% | 60% |
| Wave 7 | 14 | 8 | 51% | 3 | 1 | 79% | 53% |
| Wave 8 | 5 | 2 | 50% | 6 | 4 | 76% | 55% |
| Final Wave | | | 50% | 4 | 1 | 63% | 25% |

PART 7: LESSONS LEARNED: FINAL RESUBMISSION WAVE RCC PROPOSAL REVIEW

7.1 This section documents the lessons learned by the TRP during the review of the Final Resubmission Wave of RCC proposals and provides recommendations for consideration by applicants, the Global Fund Board, partners and the Secretariat.

GLOBAL FUND POLICIES AND ARCHITECTURE

Appropriateness of the Rolling Continuation Channel in the evolving Global Fund architecture

7.2 During the Final Resubmission Wave of RCC, the TRP reflected a final time on the question as to why the Rolling Continuation Channel failed to meet expectations of its intended design. The TRP understands that the RCC was established to facilitate access to funding for well-performing grants. However, the TRP again questioned the criteria used to qualify grants for RCC, especially in light of the quality of proposals received, and is concerned that the invitation to apply may be seen as guaranteed approval for new funding³.

7.3 As noted in previous proposal reviews, the TRP notes that there is a disconnect at times between the ratings contained in the Grant Performance Reports (GPRs) and the activities proposed for scale-up in proposals. This further reinforces the TRP's prior recommendations on the need for the Global Fund to revisit its monitoring processes, including the performance indicators and GPRs, to ensure that funds spent reflect value for money through the results measured and reported on.

7.4 The TRP also notes the challenges created by multiple funding windows, and expresses major concerns over the absorptive and implementation capacity of applicants applying through multiple funding channels, particularly when large amounts of undisbursed funding are available in existing portfolio of grants in some cases.

TECHNICAL QUALITY OF PROPOSALS

7.4 This section provides general recommendations on the overall technical quality of proposals and follows the TRP proposal review criteria as set out in the TRP Terms of Reference (soundness of approach; feasibility; and potential for sustainability and impact).

Soundness of approach

7.5 The TRP notes with concern the failure of applicants to respond adequately/sufficiently to weaknesses identified by the TRP in the initial submissions to RCC Waves 7 and 8.

7.6 As with previous RCC reviews, the TRP notes that several proposals failed to present a clear needs assessment and a thorough situational analysis and/or justifications for proposed interventions, thus hindering the TRP assessment of the relevance of the proposal with regard to the epidemiological situation and the soundness of the proposal's approach. This is of particular concern as these proposals are resubmissions of continuing grants which have been rated as strong performers. Sound epidemiological situational analyses are critical to understanding the evolution of the diseases and the appropriate design of the new proposal.

Feasibility

Complementarity

7.7 The TRP notes with concern that as in previous RCC waves and Rounds, applicants do not always present adequately the complementarity between the proposed interventions and on-going activities funded through existing Global Fund grants or by other donors.

³ GF/EDP/09/31

7.8 Some of the applicants expressed willingness to proceed with grant consolidation during the grant negotiations stage. While the TRP welcomes this step, these proposals failed to demonstrate linkages with the existing grants intended to be consolidated and this made it difficult for the TRP to assess these proposals. The TRP looks forward to the move towards the new architecture and the submission of consolidated proposals as this promises to encourage and support sound national planning processes as well as provide more holistic information to the TRP at the time of its review.

Evidenced-based Interventions

7.9 The TRP notes that countries appear to have difficulty in proposing evidenced-based scale up and/or an increased scope of interventions which build on existing interventions and lessons learned from implementation. As a result, proposals often do not make a compelling case for value-added investment; rather, they include a mix of different activities that are not strongly backed by evidence nor demonstrate a clear potential for feasibility and/or sustainability.

Potential for sustainability and impact

7.10 The TRP notes with concern that some proposals failed to incorporate attempts or clear and/or long term plans to build local capacity, especially in cases where international non-governmental organizations had been selected by CCMs to implement the programs. This raised additional questions about the overall sustainability and cost effectiveness of the programs.

Government contribution

7.11 As with previous RCC Waves, the TRP noted in some proposals the absence of sustainable government contributions. The TRP strongly encourages greater government contribution in all proposals, in order to ensure sustainability of gains made beyond the proposal term. In particular, the TRP encourages governments to increase and improve their financial contributions to the fight against the diseases. The TRP recommends that the Secretariat further strengthen future proposal forms to capture more information on government commitments and that this information be actively monitored and reported on in Grant Performance Reports.

Performance frameworks and evaluation

7.12 The TRP reiterates its previous recommendations on performance frameworks and evaluation. As with previous RCC reviews, the TRP continues to note that proposed performance frameworks include objectives and Service Delivery Areas (SDAs) that are not well coordinated together, or SDAs that are not effective enough to generate the desired outcomes. The TRP strongly encourages applicants to ensure that adequate SDAs, impact (and outcome) indicators are included and that applicants ensure that the mechanisms exist or be put in place to measure these indicators.

Value for money and salaries

7.13 The TRP expressed its concern that some proposals included large requests to finance salaries, including expatriate housing and education allowances of managers and directors of the international organizations selected to implement the proposals, with only minimal amounts being channeled to target populations. The TRP did not find that these proposals presented a compelling case for Global Fund investment or represent good “value for money”.

SECRETARIAT SUPPORT TO THE TRP REVIEW PROCESS

TRP review process

7.14 The TRP members concurred again that the RCC meeting and review modalities are more satisfying, in contrast with Rounds-based meetings, in terms of a balanced workload and fewer TRP members, permitting more substantive discussions in plenary sessions.

7.15 They also expressed appreciation once again for the quality support received from the Secretariat and applauded the Country Proposals team's logistical and administrative assistance.

This document is part of an internal deliberative process of the Global Fund and as such cannot be made public. Please refer to the Global Fund's documents policy for further guidance.

Annex 1

List of proposals reviewed by the Technical Review Panel, in the category in which they are recommended to the Board

| No. | Applicant type | Applicant | Income Classification (Annex 1 of Guidelines) | WHO Region | Global Fund Regional Team | Disease proposal | Applicant Requested Upper Ceiling for Funding | | TRP Recommended Upper Ceiling for Funding | | | | | |
|-----|----------------|-----------|---|------------|---------------------------|------------------|---|------------------------------------|---|--|--|--------------------------------------|---|--|
| | | | | | | | Total 3 Years USD | Total up to 6 Years (Lifetime) USD | TRP Recommended Reduction as Applicable (Total 3 Years) USD | TRP Recommended Reduction as Applicable (Up to 6 years (Lifetime)) USD | Phase 1 First Commitment (Yrs 1+2) USD | Phase 1 Second Commitment (Yr 3) USD | TRP Recommended Upper Ceiling (Total 3 Years) USD | TRP Recommended Upper Ceiling (Up to 6 years (Lifetime)) USD |

| Category 2 - USD | | | | | | | | | | | | | | | |
|-----------------------|-----|-----------------------|------------|------|-----|--------------|-------------|-------------|-----|-----|-----------|-----------|-------------|-------------|--|
| 1 | CCM | Sao Tome and Principe | Low Income | AFRO | WCA | Malaria | \$1,185,356 | \$6,952,123 | \$0 | \$0 | \$880,177 | \$305,179 | \$1,185,356 | \$6,952,123 | |
| Recommended Proposals | | | | | | Total in USD | \$1,185,356 | \$6,952,123 | \$0 | \$0 | \$880,177 | \$305,179 | \$1,185,356 | \$6,952,123 | |

| No. | Applicant type | Applicant | Income Classification (Annex 1 of Guidelines) | WHO Region | Global Fund Regional Team | Disease proposal | Applicant Requested Upper Ceiling for Funding | |
|--------------------|----------------|-----------|---|------------|---------------------------|------------------|---|-------------------------------------|
| | | | | | | | Total 3 Years Euro | Total up to 6 Years (Lifetime) Euro |
| Category 3B - Euro | | | | | | | | |
| 2 | CCM | Togo | Low Income | AFRO | WCA | HIV | € 17,795,946 | € 38,355,660 |

| No. | Applicant type | Applicant | Income Classification (Annex 1 of Guidelines) | WHO Region | Global Fund Regional Team | Disease proposal | Applicant Requested Upper Ceiling for Funding | |
|---------------------------|----------------|-----------|---|------------|---------------------------|------------------|---|------------------------------------|
| | | | | | | | Total 3 Years USD | Total up to 6 Years (Lifetime) USD |
| Category 3B - USD | | | | | | | | |
| 3 | CCM | Burundi | Low Income | AFRO | EA | HIV | \$27,007,245 | \$69,986,524 |
| 4 | CCM | Tanzania | Low Income | AFRO | EA | HIV | \$67,597,159 | \$148,859,662 |
| Not Recommended Proposals | | | | | | Total in USD | \$116,547,617 | \$266,140,465 |

Global Fund Clusters:
 EA East Africa & Indian Ocean
 WCA West and Central Africa