



Investing in our future

# The Global Fund

To Fight AIDS, Tuberculosis and Malaria

Thirteenth Board Meeting  
Geneva, 27- 28 April 2006

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GF/B13/4  
Information Only  
Revision 1

## OPERATIONS UPDATE

**Outline:** This note provides an overview of the progress made by the Operations Team since the last Board meeting in December 2005.

Note:

A small correction was made to the name of the Roll Back Malaria (RBM) Partnership Secretariat on page 9 of this document. All other elements of the Report are unchanged from the original version.

## Part 1: Introduction

1. During the first quarter of 2006, the Secretariat has continued to work on accelerating and improving the quality of its work throughout the lifecycle of grants.
2. All grant agreements for the first two-year funding period for Rounds 1 to 4 have now been signed. Seven Round 5 grants and 79 Phase 2 grant agreements have also been signed. Disbursements have continued to increase and have reached US\$ 2.1 billion. During the first part of 2006 special focus has been given to efforts for the signing of Round 5 grants, the majority of which are expected to be signed in May and June.
3. The Secretariat has continued to engage with partners during the first quarter of 2006 to better coordinate activities in recipient countries for improved efficiency and to reduce transaction costs. Bilateral meetings to facilitate alignment have been held with the World Bank, the Office of the Global AIDS Coordinator (OGAC), UNDP, UNICEF and WHO. The Secretariat has continued to be actively involved in the Global Implementation Support Team (GIST) and has linked the Early Alert and Response System (EARS) to its activities. The first Global Fund regional meeting for 2006, held in Dakar in March, focused on malaria involving key stakeholders.
4. The Operations Unit has prioritized the recruitment of additional positions approved under the 2006 budget. However, due to increasing workloads for the preparation of the Phase 2 renewal process (which is far more labor intensive than originally envisaged), for Round 5 grant signing and intensified harmonization and alignment efforts with partners, staff workloads remain a concern.

## Part 2: Portfolio Update

### Grant Agreements and Disbursements

1. As of 13 April 2006, 409 grant agreements have been signed in 127 countries. This figure includes both Phase 1 and Phase 2 grant agreements. All 323 approved Round 1, Round 2, Round 3 and Round 4 proposals have been signed. Seven Round 5 grant agreements have been signed. A total of 79 Phase 2 grant agreements have also been signed.

<b>Grant Agreements</b>			
<i>figures as of 13 April 2006</i>			
<b>Round</b>	<b>Approved</b>	<b>Signed</b>	<b>% Signed</b>
Round 1	68	68	100%
Round 2	101	101	100%
Round 3	72	72	100%
Round 4	82	82	100%
Round 5	67	7	10%
Phase 2	125	79	63%
<b>Total</b>	<b>515</b>	<b>409</b>	<b>79%</b>

Figure 1: Status of the Global Fund grants agreements

2. To date, a total of US\$ 2.1 billion has been disbursed to Principal Recipients (PRs) in 127 countries out of a total commitment in signed grant agreements of US\$ 3.8 billion. Of the disbursed amount, 55 percent of funding has been disbursed to Sub-Saharan Africa, 15 percent to East Asia and the Pacific, 11 percent to Latin America and the Caribbean, 10 percent to Eastern Europe and Central Asia, and 9 percent to South Asia, the Middle East and North Africa.

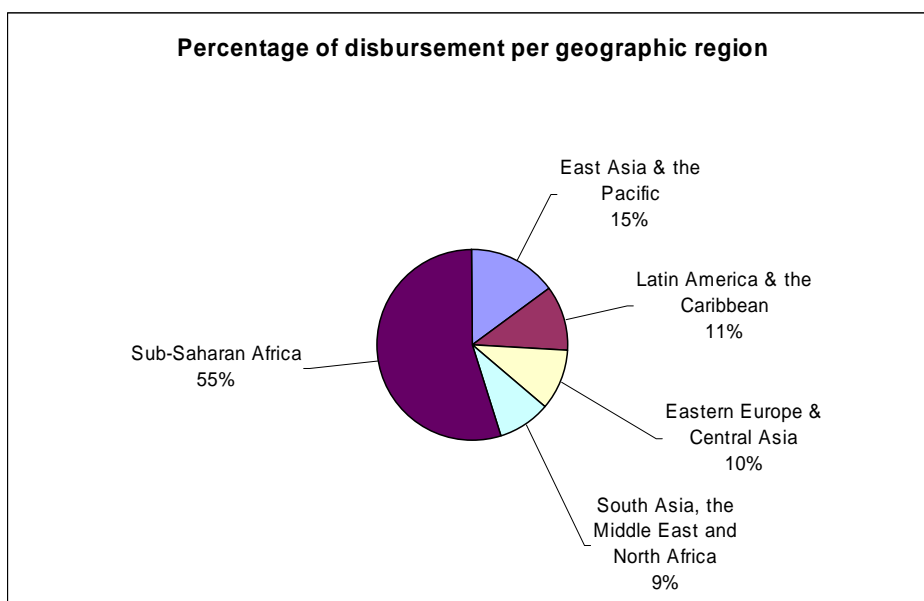


Figure 2: Percentage of disbursement per geographic region

3. In 2005 the Secretariat disbursed US\$ 1.05 billion of its US\$ 1.1 billion target for the year. This year the Secretariat has set a goal of disbursing US\$ 1.5 billion, thus aiming to disburse a total of US\$ 3.4 billion by the end of 2006. It has so far achieved 62 percent of its US\$ 3.4 billion target. In order to evaluate progress, the Secretariat examines the proportion of disbursed funds against total committed funds and compares this with the proportion of time elapsed since the signing of grant agreements. The current rate of disbursements is 62 percent of signed grant values disbursed at an average elapsed time of 66 percent. This is equivalent to an annual disbursement rate of approximately 94 percent.

**Current Financial Status of the Global Fund**

*In US\$ millions, as of 13 April 2006*

	Current Grants (including approved Phase II renewals)							Phase II Renewals						
	Approved <sup>1</sup>			Signed <sup>2</sup>	Disbursed <sup>3</sup>	Mean % Disbursed <sup>4</sup>	Mean Time Elapsed <sup>4</sup>	Already approved in		Projected to be approved in <sup>5</sup>		Total Phase II		
	Phase I	Phase II	Total					2005	2006	2006	2007			
Round 1	576	724	1,300	1,010	619	68%	74%	675	49	40	3	768		
Round 2	852	654	1,506	1,087	683	69%	75%	341	313	257	39	950		
Round 3	615	29	644	615	385	67%	72%	1	28	634	58	721		
Round 4	1,014	-	1,014	1,014	399	46%	45%	-	-	585	1,093	1,678		
Round 5	714	-	714	95	37	44%	6%	-	-	-	29	29		
<b>Total</b>	<b>3,771</b>	<b>1,407</b>	<b>5,178</b>	<b>3,820</b>	<b>2,122</b>	<b>62%</b>	<b>66%</b>	<b>1,017</b>	<b>390</b>	<b>1,517</b>	<b>1,221</b>	<b>4,146</b>		
Add: Already approved in 2006										390				
Allowance for postponements to following year										(133)		133		
<b>Total need for Phase 2 in 2006 and 2007</b>										<b>1,774</b>		<b>1,325</b>		

<sup>1</sup> Proposals approved for funding by the Board (initially for two years, with an extension (Phase II) to five years where approved)  
<sup>2</sup> Grant agreement signed by the Secretariat, committing funds for the term of the grant  
<sup>3</sup> Amount transferred to recipients - disbursed incrementally based on performance - as % of "Signed"  
<sup>4</sup> Calculations based on grants which have received one or more disbursements  
<sup>5</sup> Assuming that 85% of grants (by \$ value) will qualify for renewal, with the timing of renewal based on when grants received or are expected to receive their first disbursement

Figure 3: Financial status of the Global Fund: approvals, commitments and disbursement by round

4. The average amount of elapsed time between Board approval of a proposal and grant signing and between grant signing and first disbursement continues to improve. While the average time required from Board approval of proposals to grant signing of Round 1 grants was 373 days, this decreased to 292 days for Round 4 grants and currently stands at 153 days for Round 5 grants (based on the seven grants signed so far). The average time from grant signing to first disbursement improved from 73 days for Round 1 grants to 46 days for Round 4 grants with a current average of 14 days for Round 5 grants.

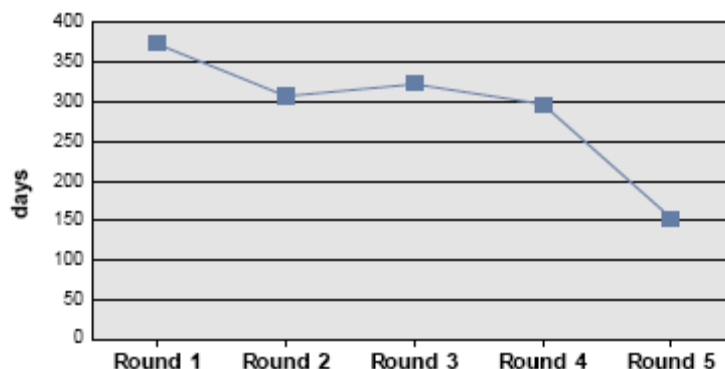


Figure 4: Days elapsed between Board approval and grant signing

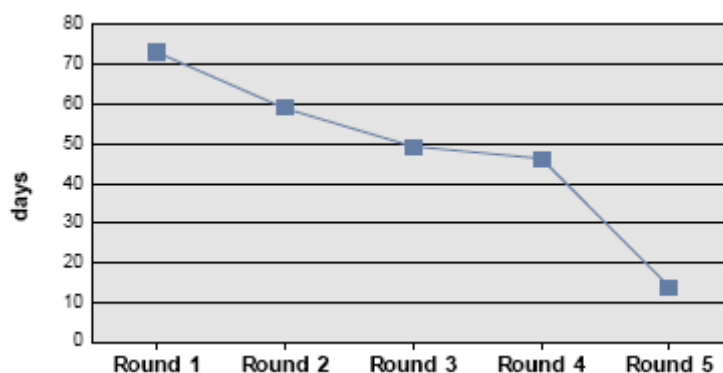


Figure 5: Days elapsed between grant signing and first disbursement

## Round 5

5. Efforts of the Operations Unit during the first part of 2006 have focused on preparations and negotiations for the signing of Round 5 grants. Of 63 Round 5 proposals approved at the Eleventh and Twelfth Board Meetings last September and December, seven grants have already been signed: a Health Systems Strengthening (HSS) grant and a malaria grant for Rwanda; a TB grant and an HIV/AIDS grant for Ghana; a malaria grant for Tajikistan; a malaria grant for Kyrgyzstan; and a TB grant for Macedonia.

6. Four appeals on Round 5 Technical Review Panel (TRP) decisions were successful and were approved for funding by the Board at the Twelfth Board Meeting subject to sufficient funds being available: a TB grant for the Philippines; a TB grant and an HIV/AIDS grant for Sudan (northern sector); and a malaria grant for Equatorial Guinea.

7. As with Round 4, ambitious internal targets to sign grants expeditiously have been set and the portfolio teams have prepared detailed workplans to meet schedules. The Secretariat has implemented a number of measures to facilitate the signing of Round 5 grants, including the provision of a new assessment tool for repeat PRs to accelerate the LFA assessment process; a new combined Attachment 1 and 2 for grant agreements to streamline workloads and ensure targets for the second year are set in a timely manner; training sessions for portfolio staff, in particular new staff, on grant negotiation and signing process for Round 5 grants; and in-country "launches", where appropriate, by a cross-functional Global Fund team to provide substantive support to PRs and Country Coordinating Mechanisms (CCMs).

8. While the Secretariat had hoped to have 50 percent of Round 5 grants signed by the Thirteenth Board Meeting in April 2006, some delays have been experienced, due primarily to the limited capacity of LFAs in monitoring and evaluation (M&E) and procurement specialists, the need for CCMs to provide documentary evidence that they have fulfilled CCM requirements adopted at the Ninth Board Meeting, and heavy workloads in-country as CCMs and PRs prepare for Phase 2 renewal requests and reporting requirements. As a result, it is anticipated that only 37 percent of grants (25 grants) will have been signed by the Thirteenth Board Meeting, i.e. end April 2006. However much of the preparatory work paving the way for grant signature is already at an advanced stage for all proposals:

- a. TRP clarifications for all 63 approved proposals and four appeal proposals have been completed. These were initiated immediately following the Eleventh Board Meeting in September 2005 and completed within the stipulated times;
- b. By end April all LFA assessments, including functional assessments and final reports, will have been completed for 75 percent of proposals. Normally grant signing ensues within a couple of weeks of the receipt of LFA reports.

9. It is therefore anticipated that 71 percent of grants will have been signed by end May and 82 percent by end June. The current expectation is that all 67 proposals will be signed within the 12-month signing deadline. The following table shows the status as of 13 April 2006 of the main preparatory phases preceding the signing of Round 5 grants and their planned completion targets. It also shows the heavy workload for Phase 2 renewal requests imposed simultaneously on PRs, CCMs and the Secretariat.

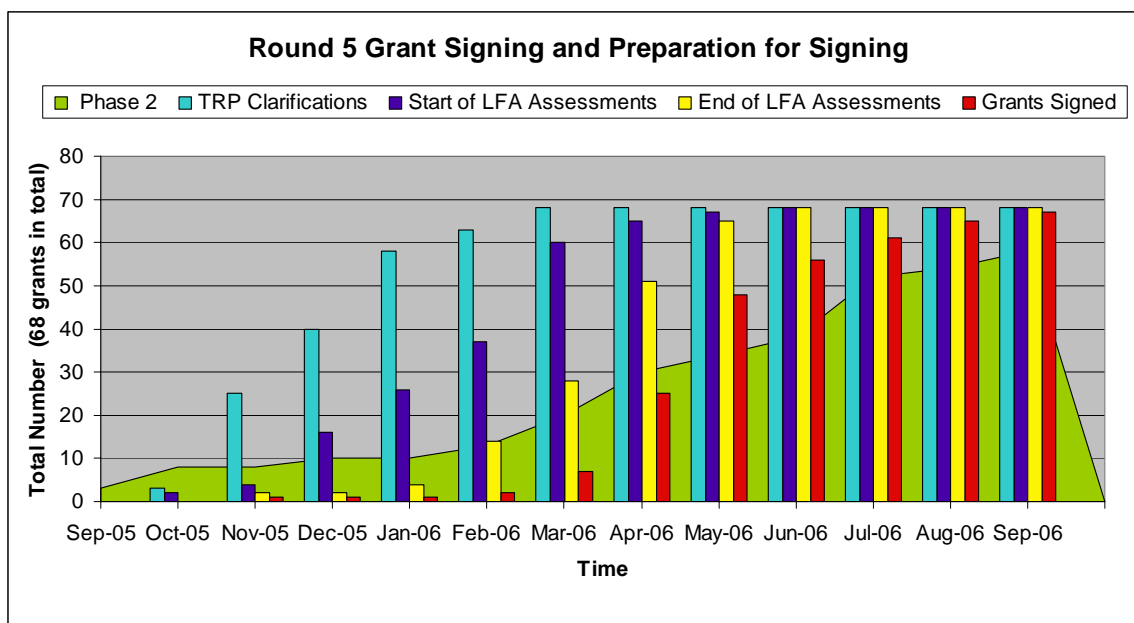


Figure 6: Round 5 Grant Signing and Preparation for Signing

## Results

10. The most recent performance results announced by the Secretariat are as of 30 November 2005 and were reported in the Operations Update for the Twelfth Board Meeting in December 2005. Updated results will be published in reports for the Partnership Forum and Replenishment Conference scheduled for July 2006.

### Part 3: Phase 2 Renewals

1. The Phase 2 renewal process is now an integral feature of grant management by the Secretariat. As of 19 April 2006 recommendations of the Secretariat's Phase 2 Review Panel (the Panel) for 131 grants - including three No Gos - totaling over US\$ 1.4 billion have been approved by the Board. Seventy-nine Phase 2 grant agreements have been signed. Two of the panel's recommendations (for Nigeria grants) still await approval: following the Board's double-block of the Secretariat's No Go recommendations, they were referred to an independent panel for review and will be submitted to the Board for decision at the Thirteenth Board Meeting.

2. The Phase 2 review process applies the principle of performance-based funding, requiring grants whose performance is inadequate but demonstrates potential (49 percent) to meet certain conditions for continued funding. Budget proposals for Phase 2 may be revised during the assessment process, based on past performance and future capacity. In total, approximately 14 percent of the original amounts requested has been reduced on the basis of performance, either through full cancellation of grants or revision of budgets.

### No Go Recommendations

3. To date, the Board has concurred with three Secretariat No Go recommendations: for a Round 1 malaria grant for Senegal in September 2005, a Round 1 HIV/TB grant for South Africa in December 2005 and a Round 2 malaria grant for Pakistan in April 2006. Funding has therefore been, or is in the process of being, discontinued for these three grants. Since adoption of the new policy for No Go recommendations at the Eleventh Board Meeting in September 2005, seven Requests for Continued Funding have been referred back to the CCM concerned by the Panel for comment on performance issues, as required by the new No Go procedures. These procedures allow the CCM a four-week period within which to respond to the Secretariat's proposed No Go recommendation and to provide further information to clarify any outstanding issues and highlight action it intends to take to address poor performance. Recommendations for the seven requests - from Kenya, Guinea, Pakistan, and two each from Nigeria and Lesotho - have been processed accordingly. After consideration of the additional information received from the CCMs, the Secretariat revised its initial No Go recommendations to Conditional Go for a Round 2 HIV/AIDS and Round 2 TB grant for Lesotho and a Round 2 TB grant for Kenya, and has deferred a recommendation on a Round 2 malaria grant for Guinea until 1 May 2006. However it maintained its No Go recommendations for three of the grants (a Round 2 malaria grant for Pakistan and two Round 1 HIV/AIDS grants for Nigeria) based on insufficient evidence of performance to warrant continued funding for Phase 2.

4. Since the Phase 2 renewal process was developed and introduced over a year ago, it has become increasingly clear that preparatory work for the internal review is time and labor intensive. Online forms and tools have been improved to facilitate the preparation and processing of Requests for Continued Funding. However, the review process requires detailed analysis, particularly where the recommendation for continued funding is conditional and budgets are revised. Implementation of these conditions and revisions is also time intensive both at the country and at the Secretariat level. The additional workload of the Phase 2 renewal process for the Secretariat cannot be overestimated

5. The Secretariat has set up an internal working group to analyze the Phase 2 review process, address shortcomings and delays in the system and propose and implement improvements. Priority tasks have been identified, including reexamination of the internal review timeframe; better management of information to ensure what is provided to the Panel is relevant; review of procedures for handling no-cost extensions; review of conditions for Phase 2 extensions, performance ratings and budget revisions to ensure consistency; and reexamination of the composition and terms of reference of the Panel.

#### **Part 4: Preparations for Round 6**

1. Following a request by the Board to the Secretariat at its twelfth meeting to make necessary preparations for a Board decision to launch, review and approve Round 6 in 2006, the Secretariat has revised and improved the Guidelines and Proposal Form for applicants.

2. The Portfolio Committee (PC) has reviewed the documents and its recommendation is addressed in agenda item GF/B13/8.

3. The Secretariat has also provided support to the PC in finalizing recommendations for membership of the TRP in the eventuality of the launch of Round 6. Vacancies for a malaria expert and 14 Alternate Members had to be filled. The TRP Selection Panel met on 11–12 April 2006 in Geneva and the PC deliberated its conclusions via teleconference to finalize proposed membership. Recommendations have been provided to the Board for decision at agenda item GF/B13/8.

#### **Part 5: Local Fund Agents**

1. The Secretariat has continued to pursue a more strategic approach to managing relationships with LFAs. Discussions on the piloting of a fixed fee structure for LFA services have advanced. The Secretariat is currently finalizing the design of a pricing tool which incorporates a risk assessment for each grant. The tool will benefit portfolio clusters in managing their LFA budgets.

2. A new tool has been developed and implemented for data verification to assist LFAs in fulfilling their function of monitoring and verifying data.

3. The Secretariat has participated in several training sessions, meetings and workshops organized by LFAs for staff working on Global Fund-related issues. These include a regional training session for KPMG staff in Africa held in Nairobi, January 2006; PwC's Global LFA Workshop held in Johannesburg, February 2006; a workshop for KPMG's central coordination team held in San Francisco in February 2006; and a meeting with the Emerging Markets Group (associated with Deloitte Touche Tohmatsu) held in Washington, February 2006. Arrangements are currently underway to organize similar training sessions or meetings with the remaining LFAs.

#### **Part 6: Development of the Early Alert and Response System**

1. The design of the EARS has been through a number of revisions following both internal and external consultations with a view to improving implementation of the system. A working group has been formed within the Secretariat to finalize an operational plan for EARS. Proposed modifications based on lessons learned address how EARS both monitors grants and communicates information to partners. An important element of this monitoring is the development of an electronic system that allows the consolidated monitoring and reporting on grant performance across the portfolio.

2. When a grant is identified as potentially requiring assistance, the Secretariat contacts the CCM concerned and engages partners in-country to respond. The Secretariat also works through the GIST to activate support for HIV/AIDS grants. At the March meeting of GIST, Operational Partnerships and Country Support (OPCS) presented a list of grants graded by performance - the new EARS report - which served as an important input for GIST to select particular countries for engaged partner support. GIST is also looking at addressing support for the implementation of malaria and TB grants.

## **Part 7: Strengthening Partnerships to Achieve Results**

1. The Secretariat continues to expand its relationships with multilateral and bilateral partners to better coordinate activities in countries, provide technical assistance to CCMs and PRs, and accelerate implementation of grants.

2. The Secretariat co-organized and participated in a joint meeting between the Global Fund and the OGAC and the World Bank in January 2006, aimed at improving coordination between the three agencies on HIV/AIDS interventions. It was the second joint meeting with OGAC and first trilateral meeting with the World Bank, and was held to respond to a clearly-identified need for major partners in HIV/AIDS programs to coordinate better with a view to improving efficiency and thus reducing transaction costs for recipient countries. Country-level action plans were developed and are being discussed and implemented with in-country partners. Secretariat staff also met with World Bank colleagues to discuss the alignment and harmonization of activities in the specified countries for malaria programs. The Secretariat will participate in the PEPFAR Implementer's Meeting to be held 12-15 July 2006 in Durban.

3. In March 2006 senior operations staff met with UNDP to reinforce collaboration between the agencies and clarify operational issues. The Secretariat also participated in meetings with WHO colleagues involved in providing technical support for Global Fund grant implementation in-country and meetings with UNICEF to facilitate the addressing of children's needs in grant programs. As described in Part 6 above, the Secretariat has assumed a proactive role in GIST, linking its activities with EARS.

4. The Secretariat is also engaged in regional and in-country initiatives with partners to facilitate grant implementation. In the LAC region, the Secretariat works with a number of established partnerships including USAID, CDC, DFID, UN agencies in the eastern Caribbean states, the Caribbean Common Market area and Central America. A "Rapid Response Team" has been formed in Bolivia with PAHO, UNICEF, DFID and USAID, to address significant challenges with grant implementation. Joint reviews are being undertaken with partners - in Eritrea, for example, with the Government of Eritrea and the World Bank - to ensure alignment and harmonization of activities with national plans. Partners are also providing essential support in the preparation of Round 5 grant signings and identification of technical assistance needs.

5. Efforts to forge private-sector partnerships to facilitate grant implementation are on-going, with a focus on partnership building with PRs during proposal development, grant negotiations, implementation and for Phase 2 renewal submissions. A recent example is the selection of the company in-house hospital of Unilever Tea Tanzania Ltd by the Ministry of Health for the distribution of antiretroviral drugs (ARVs) supported by the Global Fund. Beneficiaries of this program include not only employees but the community as a whole. Additional partnerships are being pursued in India, Kenya, Nigeria, Niger and Tanzania. The Secretariat is currently exploring opportunities for the private sector to provide management skills capacity building to grant recipients.



6. Regional meetings are currently being planned for 2006. The first regional meeting for 2006 was held in Dakar in late March and involved countries of the West and Central African region. It was co-organized with the **Roll Back Malaria (RBM) Partnership Secretariat** and Management Systems for Health (MSH) and aimed at assisting countries to achieve targets specified in the RBM Abuja Declaration and addressing challenges to implementation of Global Fund grants. A focus of the meeting was to engage partners and to harmonize their efforts in supporting recipient countries. The meeting was financed by USAID, with attendance fees paid through grant funds.

7. While improved alignment and harmonization of activities between partners is imperative to reduce transaction costs for all parties and ensure efficiency in-country, the work involved incurs considerable additional expenditures at the Secretariat level. Global Fund portfolio staff are engaging with partners in-country, undertaking joint missions and participating in joint evaluations which increase travel requirements.

## **Part 8: Examples of Harmonizing and Coordinating with Partners**

### **Niger**

1. Niger has a Round 3 HIV/AIDS grant and two malaria grants from Round 3 and Round 4. Two Round 5 grants are currently being negotiated and finalized, bringing the total of Global Fund support to Niger to US\$ 51 million over a period of five years. Niger ranks last of 177 countries measured by the UNDP Human Development Index (2005) and its mortality rate for children under five is one of the highest in the world. Partnerships between stakeholders have been instrumental in overcoming grant implementation challenges in a country with weak institutional capacities.

2. The distribution of long-lasting insecticide-treated nets (LLITNs) under the Round 4 malaria grant was undertaken in coordination with a house-to-house effort to vaccinate children under five against polio by the government of Niger and partners. In an intensive distribution campaign, more than two million mosquito nets were delivered to caretakers of children under the age of five throughout the country. According to an initial study by CDC, 86 percent of households with young children were reached. This program was supported by the Canadian International Development Agency, the Canadian Red Cross and the International Federation of the Red Cross, the Norwegian and American Red Cross Societies, Rotary, the Center for Medical Research (CERMES), the Measles Partnership, the Polio Eradication Program, the RBM partnership, WHO, UNICEF and CDC. Also involved were 3,850 Red Cross volunteers and 16,150 community workers.

3. Implementation challenges of the Round 4 HIV/AIDS grant have been addressed by international NGOs and technical partners through GIST: UNICEF supported accelerated drug procurement, GTZ provided technical assistance and the World Bank strengthened M&E capacities. As a result, over 800 people living with AIDS are receiving ARV treatment and targets for Phase 1 of the program have already been exceeded by 40 percent.

### **Russia**

4. The Global Fund currently supports five grants in Russia, totaling US\$ 125 million for the first two years of implementation and US\$ 320 million over the lifetime of the grants. The Global Fund is the largest external donor for interventions against HIV/AIDS and TB in Russia. A World Bank loan of over US\$ 150 million is currently being implemented in parallel and the Russian government has committed an additional US\$ 107 million for HIV/AIDS for the financial year of 2006. These combined funding sources provide the means for a comprehensive response to HIV and TB in Russia.

5. The grants of the Global Fund are being implemented through a number of PRs, who cooperate and coordinate activities with one another and with the World Bank. A consortium of NGOs implements a Round 3 grant for activities for HIV prevention; the Russian branch of "Partners in Health" is the PR for a grant to upscale multidrug resistant tuberculosis treatment in the Siberian region (oblast) of Tomsk; and the "Russian Health Care Foundation" - a private foundation governed by the Ministries of Health, Foreign Affairs and Finance - implements two Round 4 grants for HIV and TB treatment. In parallel, the Foundation also administers a World Bank loan for the two diseases. A fifth grant for Round 5, yet to be signed, will focus exclusively on HIV prevention among injecting drug users, thereby filling a coverage gap left by the other grants.

6. The Global Fund has undertaken regular implementation visits with the World Bank. A scientific institute has been engaged to provide M&E expertise for three of the grants. Progress on roughly 90 percent of the Global Fund's investments in Russia is thereby tracked using the same transparent web-based system. WHO is actively engaged in providing technical assistance.

### **Djibouti**

7. The Global Fund has a Round 4 HIV/AIDS grant in Djibouti worth US\$ 7.3 million over a two-year period and US\$ 12 million over five years. This grant complements funding from the World Bank/International Development Association (IDA) totaling US\$ 12 million. Both grants support implementation of Djibouti's HIV/AIDS National Strategic Plan, which involves a wide variety of public-sector agencies, private and non-governmental organizations and community-based organizations.

8. The two programs work in a complementary fashion, using one another's systems where these are already in place for joint activities and capitalizing on each program's individual strengths by taking over activities where appropriate. The World Bank and the Global Fund have engaged the same PR to manage their respective grants and have unified their respective M&E systems. Collaboration is proving to be very successful and has been instrumental in enhancing and reinforcing the good performance of the grants.

### **Part 9: Procurement Initiatives**

1. The procurement team has recently been strengthened with the recruitment of a team manager and additional support staff in early 2006. This will enable enhanced country support and focus on specific procurement initiatives. In an internal restructuring, the team has been transferred from Operations and will henceforth report within the Business Services Unit.

2. The Secretariat is at an advanced stage of securing agreements with third parties for the sampling and testing of single and limited source pharmaceuticals procured by countries under the new Option C, thereby implementing the Board's quality assurance decision. To support countries in the procurement of pharmaceutical products which comply with the new quality assurance policy, the Secretariat published the first version of the Compliance List in September 2005. The list has already proven to be an excellent and valuable tool to help recipients identify appropriate pharmaceuticals products.

3. The Secretariat continues to encourage countries to report prices of health products via the Price Reporting Mechanism (PRM) so as to increase transparency in pricing and thus facilitate negotiations with suppliers. To date 51 countries have entered information in the PRM database. The Secretariat is developing user-friendly mechanisms to assist countries in providing relevant information.

4. Currently the shortages of artemisinin-based combination therapy (ACTs) and LLITNs have eased, with suppliers reporting excess supply. The Secretariat therefore proposes to assist in improving forecasting by facilitating the exchange of information between partners and suppliers, with a view also to avoiding potential future delays.

5. A total of ten training workshops have been conducted with in-country partners since the beginning of 2005 to help with the finalization of procurement and supply management (PSM) plans. Seven were held during 2005 (in Nairobi, Addis Ababa, Arusha, Abuja, Barbados, Beirut and Bangkok) and three have been held so far in 2006 (Accra, Nairobi and Moscow). These workshops were organized with WHO, the World Bank and other partners and have resulted in more than 700 people from 120 countries being trained in PSM issues. During these workshops, a large number of PSM plans were developed and prepared for LFA assessment and Global fund approval, thus contributing to the accelerated implementation of grants.

## **Part 10: Country Coordinating Mechanisms**

1. The Secretariat continues to work with countries to promote effective governance by CCMs and specifically to ensure compliance with the CCM requirements as adopted at the Ninth Board Meeting. Most CCMs have taken the new requirements seriously and have undertaken reforms to their composition and functioning to ensure that all relevant stakeholders are represented on and participate in CCMs. This process of reform largely began around the time of the Round 5 proposal submissions and is ongoing. However, providing documentary evidence of fulfillment of these requirements is proving to be a challenge. For example, while almost 90 percent of CCMs with a successful Round 5 proposal have provided documented evidence demonstrating the membership of a person living with/affected by one of the diseases, some countries are still struggling to do so due to high levels of stigmatization of and discrimination against those living with/affected by one of the diseases.

## **Part 11: Continuing to Strengthen the Operations Team**

### **Recruitment of New Staff**

1. The Operations Unit is currently undertaking a major recruitment effort to fill posts approved under the 2006 budget. These include a number of fund portfolio manager, program officer and fund portfolio assistant posts for regional cluster teams and grant management support staff in the OPCS team. A number of key positions have recently been filled in Portfolio Services and Projects (PSP), including a team manager for finance, and in OPCS, including a CCM manager and co-investment officer. Dr Nosa Orobato has been appointed Chief of Operations and will take up this position on 10 July 2006.

### **Operations Directorate Retreat**

2. In February 2006 the Operations Directorate team, composed of the senior managers of the regional cluster teams, OPCS and PSP, undertook a one-day retreat to discuss 2006 priorities, including quality grant signings, disbursements and Phase 2 renewals. Discussions also focused on strengthening senior management team practices.

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