



Investing in our future

The Global Fund

To Fight AIDS, Tuberculosis and Malaria

Thirteenth Board Meeting
Geneva, 27 - 28 April 2006

GF/B13/8

Annex 4 – Revision 1

DRAFT ROUND 6 GUIDELINES FOR PROPOSALS

OUTLINE: This document comprises the proposed Guidelines for Proposals for a Round 6 Call for Proposals, prepared according to the decision of the Board of the Global Fund at its Twelfth Board Meeting.

DRAFT GUIDELINES FOR PROPOSALS

SIXTH CALL FOR PROPOSALS

The Global Fund to Fight AIDS, Tuberculosis and Malaria is issuing its Sixth Call for Proposals for grant funding. These guidelines will assist in developing and submitting proposals. **Please read them carefully before filling out the Proposal Form.**

Timetable:

Deadline for submission of proposals: [28 July 2006]
Board consideration of recommended proposals: [1-3 November 2006]

Resources available for this Round:

As of the date of the Sixth Call for Proposals, US \$... million is forecast to be available for commitment for this Call. It is anticipated that additional resources will become available prior to the Board consideration of proposals. The amount available will be updated regularly on the Global Fund's website.

Geneva, [1 May 2006] CONFIDENTIAL DRAFT, NOT FOR CIRCULATION

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How to use these Guidelines

Part 1

- This part of the Guidelines provides **general information** to the applicant, including a description of the proposal application and review process.

Part 2

- This part of the Guidelines provides **specific information and guidance** to assist the applicant complete the [Proposal Form](#).
- The information in Part 2 will enable applicants to assess **whether they are eligible to apply** and what conditions must be satisfied.
- The section and sub-section numbers in the Guidelines correspond to sections in the **Proposal Form**.
- Applicants are advised to **read the Guidelines** as they complete the Proposal Form. The Proposal Form refers the reader back to the Guidelines to help fill in the Form.
- For additional information, consult our “Frequently Asked Questions, link <http://www.theglobalfund.org/en/apply/call6/documents/>
- Clarification on any aspect of the proposal preparation process can also be obtained from:

Global Fund to Fight AIDS, Tuberculosis and Malaria
8 Chemin de Blandonnet
CH 1214 Vernier-Geneva
Switzerland
email: proposals@theglobalfund.org

WHAT IS DIFFERENT COMPARED TO ROUND 5?

This document has been **restructured** to follow the Proposal Form and the Guidelines refer the user directly to the corresponding sections of the Proposal Form.

The Guidelines have been revised to reflect changes made in the Proposal Form.

The most significant change is that **Health Systems Strengthening** is no longer a separate component. However, applicants can still apply for funding for health systems strengthening activities by including such activities in the specific disease component sections in section 4 of the Proposal Form.

General information to applicant

PART 1: GENERAL INFORMATION TO APPLICANT

Part 1 of these Guidelines gives an overview of the Global Fund and the grant application process. It contains **general information** which will be useful for the applicant in deciding whether to apply, and if so, how.

i. Overview

The Global Fund to Fight AIDS, Tuberculosis and Malaria is dedicated to raising and investing large amounts of additional finance to support the rapid scale up of measures to prevent and treat the three diseases. The Global Fund has to date made calls for five rounds of proposals and has approved funding of up to a maximum of US \$ 4.4 billion over those rounds.

The Global Fund now makes a sixth call for new proposals. Proposals should be prepared by a broad representation of public and private sector stakeholders at the country, sub-national or regional level coming together through a Coordinating Mechanism (*see page v of these Guidelines*). The proposals may aim to prevent the spread of the diseases, treat people who are ill, and/or provide care and support for affected people and/or communities by scaling up existing effective interventions or piloting new and innovative responses. Proposed activities may include efforts to improve the availability of health services, strengthen health systems and human resource capacity, promote behavior change, provide critical health products (such as antiretroviral therapy, drugs for tuberculosis, and anti-malarial drugs), or conduct operational research.

Proposals should clearly state how suggested activities are linked to other activities at the national level that are already funded either by a previous Global Fund grant or through other sources. In particular, it should be made clear whether the new activities are complementary (i.e. filling in gaps); are meant to scale up existing activities (i.e. by increasing coverage or by including additional services into already existing interventions); or are necessary to improve the impact of already existing activities.

As far as possible, the Global Fund encourages proposals that build upon existing systems for program implementation, financial reporting, procurement and supply management, and monitoring and evaluation. Global Fund financing must be additional to existing efforts to combat the three diseases, rather than replacing them.

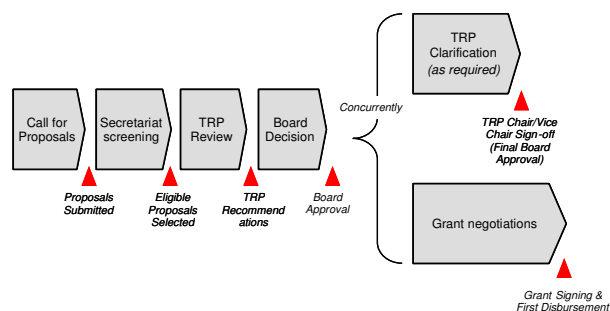
The Global Fund encourages partnerships among all relevant players within a country and across all sectors of society, including the academic/educational sector; government; non-governmental and community-based organizations; people living with and/or affected by HIV/AIDS, tuberculosis and/or malaria; the private sector; religious/faith-based organizations; and multi-/bilateral development partners.

Details of the Global Fund’s basic principles summarized here can be found in “*The Framework Document of the Global Fund to Fight AIDS, Tuberculosis and Malaria*” at http://www.theglobalfund.org/en/files/about/governance/Framework_document.pdf.

General information to applicant

ii. Proposal application and review process

This diagram summarizes the application and review process described below.



How to obtain a Proposal Form:

Applicants may obtain a Proposal Form by downloading it from <http://www.theglobalfund.org/en/apply/call6/documents/> or by contacting local UNAIDS and/or WHO offices. If you have any problems obtaining the Proposal Form, please contact the Global Fund at the address below.

Proposal Form format available in Round 6:

The Proposal Form is available to applicants in MS-Word. Please refer to Attachment 4 to the Guidelines for more detailed information on how to use the form.

Submission of proposals:

- An applicant may submit one proposal per Round (which may have multiple disease components and multiple Principal Recipients).
- A proposal submitted in one Round does not preclude an applicant from applying again to the Global Fund in another Round provided that the needs for funding are justified.
- **Submissions must include both an electronic and an original signed printed copy of the Proposal Form. The two copies must be identical.**
- The original version of the proposal must be sent to the Global Fund Secretariat no later than the **set deadline** (see the cover page of these Guidelines). The electronic version must be received by the Global Fund no later than the set deadline.
- **Proposals should be submitted to the following address:**
Proposals
Global Fund to Fight AIDS, Tuberculosis and Malaria
8 Chemin de Blandonnet
CH-1214 Vernier-Geneva
Switzerland
Email: proposals@theglobalfund.org
- Proposals in any of the six UN languages (Arabic, Chinese, English, French, Russian and Spanish) will be accepted and will be treated equally. As the review will be conducted in English, the Secretariat will have all proposals translated into English. Countries are welcome to submit their own English translations.

General information to applicant

Proposal invitation and development process

In accordance with its guiding principles, the Global Fund expects proposal development and submission to the Global Fund to be coordinated through **Coordinating Mechanisms** (constituted either nationally, sub-nationally, or regionally, together a 'CCM'). These Coordinating Mechanisms are expected to have members who are broadly representative of all national constituencies involved in responding to the impact and spread of the three diseases.

Only in exceptional circumstances can applications be made other than through a CCM. This is explained in section 3A.6 of these Guidelines.

To seek as broad input as possible into any CCM proposal submitted to the Global Fund, CCMs are expected to disseminate widely all information related to the proposal process to **all** stakeholders actively involved in the diseases, including the broad range of non-government stakeholders and constituencies in the community.

Information that is expected to be publicly shared by the CCM before the proposal is developed includes: the timing relevant to the Global Fund's Call for Proposals; how interested stakeholders may apply to the CCM for a proposal to be included in the CCM's consolidated proposal to the Global Fund; the criteria upon which individual proposals will be evaluated by the CCM for possible inclusion in the consolidated proposal; and other guidance believed relevant (e.g., information on items such as national priorities for each of the three diseases, updated disease burden statistics, and perceived gaps in existing services being provided to most at risk groups).

The proposal development process should also allow all sectors and constituencies (both CCM members and non-members) enough time to provide input into the drafting of the proposal to be submitted to the Global Fund. CCMs must have in place a fair, transparent, documented process for reviewing all qualitatively sound submissions they receive for integration into the proposal prior to final submission.

Important additional information on CCMs is contained in:

- Sections 2.2 and 3B.1 of these Guidelines; and
- In the Global Fund's "*Revised Guidelines on the Purpose, Structure and Composition of Country Coordinating Mechanisms and Requirements for Grant Eligibility*" (**CCM Guidelines**).

Details on Grant Recipients' Accountability and Audits are contained in:

- "*Fiduciary Arrangements for Grant Recipients*". This document describes the roles and responsibilities of different entities within the Global Fund's accountability arrangements and performance-based funding system.
- "*Guidelines for Performance Based Funding*"; and
- "*Guidelines for Annual Audits of Program Financial Statements*".

Applicants should familiarize themselves with these documents before preparing their proposals. All documents related to the Sixth Call for Proposals can be found on the following link: <http://www.theglobalfund.org/en/apply/call6/documents/>

General information to applicant

Proposal screening and review process

Each proposal received by the Global Fund is screened by the Secretariat for completeness and eligibility. The Secretariat may contact applicants for clarifications.

Importantly - Submissions must be made through CCMs unless the criteria for submitting a Non-CCM application are satisfied. Non adherence to this requirement is the most common reason for proposals being rejected as ineligible.

→ See section 2 of these Guidelines.

Only eligible proposals will be forwarded to the Technical Review Panel (TRP) for evaluation.

The TRP is an independent body of international experts in HIV/AIDS, tuberculosis, and malaria, as well as cross-cutting experts. It reviews proposals based on the criteria below. If an applicant submits a proposal targeting more than one component, the components will be reviewed separately by the TRP. Each component will be reviewed as a whole. That is, the TRP will not seek to separately evaluate elements within a component and approve some and not others. More information on the TRP can be found at the Global Fund's website, <http://www.theglobalfund.org/en/about/technical/>.

Criteria for TRP proposal review

The TRP looks for proposals that demonstrate the following characteristics:

Soundness of approach, with proposals that:

- Use interventions consistent with international best practices (as outlined in the Global Plan to Stop TB, WHO and Roll Back Malaria plans, and WHO and UNAIDS strategies and guidance) to increase service coverage for the region in which the interventions are proposed, and demonstrate a potential to achieve impact;
- Give due priority to groups and communities most affected and/or at risk, including by strengthening the participation of communities and people infected and affected by the three diseases in the development and implementation of proposals;
- Involve a broad range of stakeholders in implementation, including strengthening partnerships between government, civil society, affected communities, and the private sector;
- Address issues of human rights and gender equality, including contributing to the elimination of stigmatization of and discrimination against those infected and affected by HIV/AIDS, especially women, children, and other vulnerable groups; and
- Are consistent with national law and applicable international obligations, such as those arising under World Trade Organization's Agreement on Trade-Related Aspects of Intellectual Property Rights (the TRIPS Agreement), including the Doha Ministerial Declaration on the TRIPS Agreement and Public Health, and encourage efforts to make quality drugs and products available at the lowest possible prices for those in need while respecting the protection of intellectual property rights.

General information to applicant

Feasibility, with proposals that:

- Provide strong evidence of the technical and programmatic feasibility of implementation arrangements relevant in the specific country context, including a detailed Work Plan and Budget;
- Demonstrate that interventions chosen are evidence-based and represent good value for money;
- Build on, complement, and coordinate with existing programs in support of national policies, plans, priorities and partnerships, including Poverty Reduction Strategies and sector-wide approaches (where appropriate);
- Demonstrate successful implementation of programs previously funded by the Global Fund, including, as appropriate, disbursement and use of funds (for this purpose, the TRP will make use of Grant Score Cards, Grant Performance Reports and other documents related to previous grant(s));
- Build on, complement and coordinate with existing Global Fund grants;
- Utilize innovative approaches to scaling up programs, such as through the involvement of the private sector and/or affected communities as care givers;
- Identify in respect of previous proposals for the same component submitted to the Global Fund but not approved, how this proposal addresses any weaknesses or matters for clarification that were raised by the TRP;
- Focus on performance by linking resources to the achievement of clear, measurable and sustainable results based on the identification of measurable indicators for proposed interventions;
- Demonstrate how the proposed interventions are appropriate to the stage of the epidemic and to the specific epidemiological situation in the country (including issues such as drug resistance); and
- Demonstrate needs for technical assistance.

Potential for sustainability, with proposals that:

- Strengthen and reflect high-level, sustained political involvement and commitment, including through an inclusive and well-governed CCM;
- Demonstrate that Global Fund financing will be additional to existing efforts to combat HIV/AIDS, tuberculosis, and malaria, rather than replacing them;
- Demonstrate the potential for the sustainability of the approach outlined, including addressing the capacity to absorb increased resources (such as through innovative approaches to overcoming human resource capacity constraints), and the ability to service recurrent expenditures; and
- Coordinate with (including in the identification of indicators and targets) multilateral and bilateral initiatives and partnerships, such as the WHO/UNAIDS "Universal Access" initiative, the Stop TB Partnership, the Roll Back Malaria Partnership, the "Three Ones" principles¹ and UNICEF's "Unite for Children. Unite against AIDS" campaign.

¹ One agreed HIV/AIDS action framework that provides the basis for coordinating the work of all partners, one national AIDS coordinating authority with a broad-based multi-sectoral mandate, and one agreed country-level monitoring and evaluation system. See www.unaids.org for more information. Proposals addressing HIV/AIDS should indicate how these principles are put into practice.

General information to applicant

Board approval

Board decisions to approve proposals are normally made according to TRP recommendations, subject to the availability of funds. The Board normally approves proposals for the whole of the proposed timeframe (maximum of five years). Funds are however only committed for the initial two years, with the possibility of renewal for up to an additional three years, depending on performance in the initial two years and the availability of funds.

Board approval is conditional upon the satisfactory reply to questions the TRP may raise about a proposal. While this clarification process is underway, the Secretariat will initiate assessments of the Principal Recipient(s) through the Local Fund Agent, and commence grant negotiations. A grant must normally be signed not later than 12 months after the Board approval.

In the event that resources are constrained, the Board will apply a prioritization method to determine which components amongst those recommended by the TRP are to be approved. In addition to technical merit, the prioritization criteria include:

- Income classification (with proposals from poorer countries or regions receiving priority); and
- Disease burden (with proposals from countries or regions facing higher disease burdens receiving priority).

If the TRP has not recommended a particular disease component in at least two consecutive Rounds of Proposals, and the applicant feels that the TRP has made a material error in its review, the applicant may be eligible to file an appeal. More information on the criteria and process for internal appeals can be found at: <http://www.theglobalfund.org/en/apply/proposals/appeals/>.

Disclosure of information

All information in all proposals submitted to the Global Fund and approved by its Board will be publicly disclosed on the Global Fund website and/or otherwise made public. Additionally, if a proposal is approved, all progress reports provided to the Global Fund, including all financial and programmatic information, will be made public (this includes the prices of drugs and other health products financed by the Global Fund, which must be reported on a regular basis and published on the Global Fund website).

Information specific to Proposal Form

PART 2: INFORMATION SPECIFIC TO PROPOSAL FORM SECTIONS

This part of the Guidelines contains information relevant to each section of the Proposal Form.

Please read these Guidelines in detail before starting the application, and refer to them while completing each section of the Proposal Form. For ease of reference, the section numbers of Part 2 of these Guidelines follow those of the Proposal Form.

The Proposal Form is divided into the following sections:

- Section 1: Proposal Overview
- Section 2: Eligibility
- Section 3
 - 3A: Applicant Type
 - 3B: Proposal Endorsement
- Section 4: Component Section
- Section 5: Component Budget

Sections 1-3 are common to all components targeted in the proposal.

Sections 4 and 5 are disease-specific, and must be completed for each component included in the proposal.

Several sections in the Proposal Form ask for additional documents to be attached. These are summarized in the checklists at the end of section 3 (listing annexes relevant to sections 1-3) and section 5 (listing annexes relevant to sections 4-5) of the Form. Before you submit a proposal to the Global Fund, please go through these lists of annexes to make sure that all required information has been included in the Proposal Form or as an annex.

Importantly - Proposals that do not have detailed Budgets and Work Plans that support the proposed interventions from a programmatic and financial feasibility perspective are very difficult to review and recommend for funding. Missing, incomplete or inconsistent Budgets and Work Plans for the initial two years of a proposal term is a common reason why otherwise technically sound proposals are not recommended for funding.

1 Proposal Overview

1.1 General information on proposal

In this section applicants should identify the country (or countries, if a regional proposal), the component(s) targeted, the title(s) for each component, and the type of applicant.

Applicant type

Proposals can be submitted by a national Country Coordinating Mechanism (CCM), Sub-national Country Coordinating Mechanism (Sub-CCM), Regional Coordinating Mechanism (RCM), Regional Organization (RO) or, in exceptional circumstances, by a Non-CCM Applicant.

→ For information on applicant types, refer to section 3A of these Guidelines.

→ For information on the eligibility criteria of CCMs, refer to section 2.5 of these Guidelines

Proposal component(s) and title(s)

The Proposal Summary should specify the components targeted giving each a title.

Proposals can address one or more of the following components:

- HIV/AIDS
- Tuberculosis
- Malaria.

Proposals cannot target any other disease.

Applicants seeking funds to strengthen health systems in Round 6 should include such support within the disease component for which such activities are necessary. Unlike in Round 5 there is no separate Health Systems Strengthening component. If health systems strengthening activities will benefit more than one component, the activities may be integrated across the activities and budgets of more than one component. However activities and budgets should not be duplicated.

→ For more information on funding to support health systems strengthening activities, refer to section 4.6.6 of these Guidelines.

Currency

Financial amounts in the Proposal Form should be denominated in either US Dollars or Euros, but not both. The selected currency must be used consistently throughout for all components.

1.2 Proposal funding summary per component

In table 1.2, the amounts requested for each component and each year of the proposal should be entered. The totals entered in this table for each component must be consistent with the component budget summary table 5.1

1.3 Previous Global Fund grants

In table 1.3, applicants should provide the requested information in respect of existing and prior Global Fund grants by component. In relation to each component, applicants should aggregate the signed and, where a grant has not yet been signed, approved grant amounts for that particular component. Applicants in years 1 and 2 (Phase 1) of a grant should also include the amount from their original proposal from years 3 - 5. Applicants who are in year 3 or later (Phase 2) should include the total agreed grant amount from the face sheet.

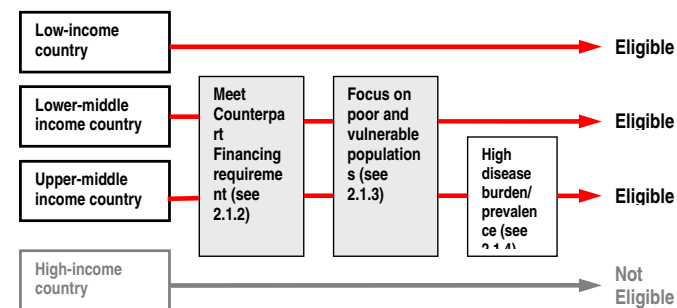
2 Eligibility

Only those proposals that meet the Global Fund's eligibility criteria will be reviewed by the Technical Review Panel.

2.1 Technical eligibility

Determining eligibility is a multi-step process. The diagram below shows how the criteria is applied based on the World Bank income classification of the applicant.

Details on eligibility to be updated depending on Board decision.



2.1.1 Country income level

The eligibility criteria that a country must meet depends on the World Bank income classification. In this section of the Proposal Form, applicants should tick the appropriate box to indicate income classification, and respond to the specific sections as indicated.

→ See Attachment 1 to these Guidelines for a listing of World Bank country classifications.

Applicants from countries classified as “High income” by the World Bank are not eligible to apply for support from the Global Fund.

Regional proposals that include a majority of countries that meet the above eligibility criteria are eligible to apply for support from the Global Fund.

Low income countries should go straight to section 2.2.

Lower-middle income countries should go to sections 2.1.2, 2.1.3 and 2.2.

Upper-middle income countries should go to sections 2.1.2, 2.1.3, 2.1.4 and 2.2

2 Eligibility

2.1.2 Counterpart financing and greater reliance on domestic resources

Proposals from Lower-middle income and Upper-middle income countries must demonstrate an increasing reliance on domestic resources by meeting defined counterpart financing requirements.

Non-CCM applicants do not have to fulfill the counterpart financing requirement.

What is counterpart financing?

“Counterpart financing” is defined as all domestic resources dedicated to the disease control program. This includes: contributions from governments; loans from external sources or private creditors; proceeds from debt relief; and private contributions, including those from non-governmental organizations, faith-based organizations, other domestic partners, and user fees.

How is the counterpart financing requirement calculated?

The counterpart financing requirement in table 2.1.2 should be calculated as a percentage as follows:

$$[B/(A+B)] \times 100$$

Where A = Annual funds requested from the Global Fund for a component in the proposal

Where B = Annual counterpart financing for this component

This calculation should be repeated for each component targeted in the proposal. Note that line A of the table 2.1.2 should be the same as the total of the summary component budget table 5.1. Line B of table 2.1.2 should be based on the same information used in Line B “Total domestic resources” of table 4.5.1-3.

Lower-middle income countries must demonstrate counterpart financing with a progressive increase from 10% in year 1 to 20% over the duration of the proposal.

Upper-middle income countries must demonstrate counterpart financing with a progressive increase from 20% in year 1 to 40% over the duration of the proposal

2.1.3 Focus on poor or vulnerable populations

Applicants from Lower-middle income and Upper-middle income countries must demonstrate focus on poor or vulnerable populations, in particular describing:

- Which poor and vulnerable populations are targeted by the proposal;
- Why and how these population groups have been identified; and
- How they will be involved in planning and implementing the proposal.

2 Eligibility

2.1.4 High disease burden

Applicants from Upper-middle income countries are eligible to apply for support from the Global Fund provided that they face a high current national disease burden. Applicants that qualify under the “small island economy” lending eligibility exception to the International Development Association’s requirements (see section C of Attachment 1 to these Guidelines) are eligible to apply regardless of the disease burden, provided that they meet the counterpart financing requirements for Upper-middle income countries and that they focus on poor or vulnerable populations.

A high national disease burden is defined for each disease on the following basis:

Disease	Country disease burden
HIV/AIDS	Ratio of adult HIV seroprevalence (as reported by UNAIDS, multiplied by 1000) to Gross National Income per capita (Atlas method, as reported by the World Bank) exceeds 5.
Tuberculosis	Country is on the WHO list of 22 high burden countries, or on the WHO list of the 41 countries that account for 97% of estimated burden of new tuberculosis cases attributable to HIV/AIDS.
Malaria	More than 1 death per 1000 people per year due to malaria.

In order to assess the burden of HIV/AIDS, tuberculosis and malaria, data from the WHO and UNAIDS are used. If you have difficulty in accessing this information, please contact your local WHO or UNAIDS office.

Applicants from Upper-middle income countries applying for funding for an HIV/AIDS component, but who do not face a high general disease burden, are nevertheless eligible if there is an HIV seroprevalence rate of more than 5% in a vulnerable population group in the country. This may include but is not limited to injecting drug users, men who have sex with men and commercial sex workers. The following requirements must be met by such applicants:

- (i) The proposal must be targeted at the identified vulnerable population;
- (ii) The applicant must provide a definition of the nature of the vulnerable population, the size of the population and evidence of the seroprevalence rate within such population; and
- (iii) The evidence provided by the applicant must be validated by WHO or UNAIDS. Such evidence could be a letter signed by one of these organizations verifying the data provided by the applicant.

Such applications must also fulfill the counterpart financing requirement for Upper-middle income countries.

2 Eligibility

2.2 Functioning of Coordinating Mechanism

In accordance with its guiding principles, the Global Fund expects proposals to be coordinated through a Coordinating Mechanism. This could be either a National Country Coordinating Mechanism (CCM), a Sub-National Coordinating Mechanism (Sub-CCM) or a Regional Coordinating Mechanism (RCM). As a representative body for all interested stakeholders, the Coordinating Mechanism is instrumental in developing proposals and overseeing the utilization of resources. Its role is therefore to:

- Coordinate the submission of a consolidated proposal for funding;
- Select one or more Principal Recipients to be lead implementer(s) after evaluating proposals received for inclusion in the CCM proposal;
- Monitor the implementation of activities under Global Fund approved programs;
- Evaluate the performance of these programs on a regular basis, including during the Phase 2 evaluation and decision making process; and
- Ensure linkages and consistency between Global Fund assistance and other development and health assistance programs.

→ For more information see the CCM Guidelines.

There are certain minimum requirements that Coordinating Mechanisms must meet for the Proposal to be eligible for funding, as explained in 2.2.1 to 2.2.3 below.

2.2.1 Broad and inclusive membership

The Coordinating Mechanism must demonstrate that its membership includes people living with and/or affected by the diseases. Applicants can choose whether they want to enter information to this effect by referring to the relevant member(s) in section 3B.1.2, under "Membership information". In the case of malaria, this would include any community or civil society group working in or affected by the disease.

It is recommended that the membership of a Coordinating Mechanism comprise a minimum of 40% representation from non-governmental sectors. These sectors include:

- Academic/Educational sector;
- NGOs and Community-based organizations;
- Private sector;
- Religious and Faith-based organizations; and
- Multi-lateral and Bi-lateral Development Partners in country.

The selection processes that were used for non-governmental sector members to select their own sector representative in a transparent way should be summarized in the Proposal Form. Additional documentation for each sector, should be attached in an annex, as evidence that the sectors themselves selected their own representative. This could include minutes of sector meetings and other documentation recording the selection of the current representatives.

2.2.2 Documented procedures for the management of conflicts of interest

To avoid conflicts of interest as part of good governance practices adopted by a Coordinating Mechanism, Chairs and/or Vice Chairs of the Coordinating Mechanism should not be representatives of the same entity that is nominated by the Coordinating

2 Eligibility

Mechanism as the Principal Recipient(s). If however the Chair and/or Vice Chair of a Coordinating Mechanism are from the same entity as the nominated Principal Recipient(s), the Coordinating Mechanism must have a written plan in place to mitigate this inherent conflict of interest. This plan must be made public to ensure the highest levels of transparency and integrity. Applicants are also required to provide a copy of the conflict of interest plan as an annex to the Proposal Form.

2.2.3 Documented and transparent processes of the Coordinating Mechanism

As stated in Part 1.ii of these Guidelines (see "Proposal invitation and development process"), a Coordinating Mechanism is expected to publicly share a broad range of information about the Global Fund proposals and grant processes, and involve a broad range of stakeholders (including non-Coordinating Mechanism members) in the processes of seeking submissions for inclusion into a proposal, its review and submission to the Global Fund, and its oversight of implementation by technically capable Principal Recipients.

In this section of the Proposal Form, all Coordinating Mechanisms (CCMs, Sub-CCMs and RCMs) are requested to explain the fair, transparent, documented process that the Coordinating Mechanism has transparently adopted to:

- Broadly solicit submissions for possible integration into one consolidated proposal;
- Review all qualitatively sound submissions received for integration into the proposal prior to final submission;
- Nominate technically capable Principal Recipient(s);
- Oversee program implementation; and
- Ensure the input of a broad range of stakeholders, including Coordinating Mechanism members and non-members, in the proposal development and grant-oversight process.

Summary information as to how the Coordinating Mechanism's processes satisfy each of these **eligibility requirements** should be given in the Proposal Form, and detailed documentation should be provided as an annex. Such annexes could typically include:

- The Coordinating Mechanism's standing rules of procedure, terms of reference, operational manual, or other governance documentation;
- Examples of the process which the Coordinating Mechanism used to broadly announce the proposal development process and seek input in to the proposal content and drafting; and
- The adopted minutes from those Coordination Mechanism meeting(s) at which the proposal development process was discussed, the Principal Recipient(s) evaluated and nominated, and the involvement of a broad range of stakeholders into the drafting process was discussed.

3A Applicant Type

3A.1 Applicant

This section requests more information on the applicant, and is intended to clarify whether the various criteria connected to the specific applicant type have been fulfilled. Applicants should only complete that part of section 3A that is relevant to their particular type, namely national Country Coordinating Mechanism (CCM), sub-national Coordinating Mechanism (Sub-CCM), Regional Coordinating Mechanism (RCM), Regional Organization (RO) or Non-CCM applicant.

Importantly - For **CCM, Sub-CCM** and **RCM** applicants the CCM Guidelines describe the purpose of Coordinating Mechanisms, as well as their roles and responsibilities, structure, and composition. **They also explain the minimum requirements for eligibility of CCM, Sub-CCM and RCM proposals, relevant to section 2.5 of the Proposal Form.** Please continue to refer to the CCM Guidelines during proposal preparation.

3A.2 National Country Coordinating Mechanism

As mentioned in section 2.5, the Global Fund expects that proposals for funding be consistent with national frameworks or plans, and that they be coordinated among a broad range of stakeholders through a single national Country Coordinating Mechanism (CCM).

3A.2.1 Mode of operation

Applicants should describe how the national CCM operates. It is particularly important that the applicant indicates the extent to which the CCM acts as a partnership between government and other civil society stakeholders and sectors. The applicant should also explain how the national CCM coordinates its activities with other national structures. The Proposal Form lists information that is required to be provided by the CCM to demonstrate the CCM's compliance with important minimum requirements, such as decision-making mechanisms, constituency consultation processes, non-government representatives being selected by their own sectors, and conflict of interest plans. Applicants are also requested to attach as an annex statutes, by-laws or other governance documentation, as well as an organizational diagram (*which may be some or all of the information which the applicant has annexed as part of the response to section 2.5.3. If so, please make an appropriate cross reference to this same material*).

Proposals must receive endorsement by CCM membership as required by section 3B of the Proposal Form and must be accompanied by CCM meeting minutes that record the decision by the CCM to endorse the proposal as the national CCM proposal.

→ [Go to section 3B.1.](#)

3A Applicant Type

3A.3 Sub-national Country Coordinating Mechanism

In certain circumstances, such as in very large countries, a sub-national Country Coordinating Mechanism (Sub-CCM) may be formed to submit a proposal and fulfill the other roles and responsibilities of a national CCM for the sub-national region to which the proposal relates. As appropriate, a sub-national CCM can be formed by a state, province and/or administrative division, or by a grouping of several states, provinces and/or administrative divisions.

3A.3.1 Mode of operation

Sub-CCMs must conform to the same guiding principles and meet the same requirements as national CCMs. Thus, they are also requested to describe how they operate.

→ [Refer to section 3A.2.1 above.](#)

3A.3.2 Rationale

Sub-CCMs must specify why this type of approach has been chosen for preparation of a proposal, and subsequent implementation. They must also explain why it is more natural to submit the proposal through a Sub-CCM than through a national CCM. Proposals from Sub-CCMs should also show that they are consistent with national-level policies and strategies, and any applicable sub-national policies.

Sub-CCM proposals must be endorsed by the Sub-CCM in the same way as a national CCM would endorse a proposal. **In addition** these proposals must be accompanied either by the endorsement of the national CCM or by evidence demonstrating the independent authority of the Sub-CCM.

→ [Go to section 3B.1.](#)

3A Applicant Type

3A.4 Regional Coordinating Mechanism (including Small Island Developing States)

Multiple countries with existing functional national CCMs may also form a Regional Coordinating Mechanism (RCM) to submit a coordinated regional proposal. Such regional proposals could be submitted to address common issues among countries, such as cross-border interventions. In such cases, it is anticipated that membership of the RCM will be drawn from a broad range of sources, such as the national CCM membership of each of the countries and other stakeholders and sectors.

Partnerships between countries classified by the United Nations as **Small Island Developing States** are not required to form their own national CCMs before they form a RCM to prepare and submit a proposal. In such cases, the RCM should include at least one senior government representative and one member of civil society (e.g., a representative of the non-governmental sector, from the community of people living with and/or affected by the diseases, or from the private sector) from each State covered.

3A.4.1 Mode of operation

RCMs must conform to the same guiding principles and meet the same requirements as national CCMs. RCMs should describe their governance structure and processes and address how the implementation strategy and timelines have taken into account the regional context, including the need to coordinate between multiple entities. They are also requested to describe how they operate, including how key stakeholders from all countries included in the proposal are involved in the proposal development, implementation process and on-going evaluation process.

→ Refer to section 3A.2.1 above.

3A.4.2 Rationale

It is important that regional proposals fully demonstrate added value beyond what can be achieved in individual countries under the guidance of a national CCM. RCMs must therefore specify why this type of approach has been chosen for the implementation of the proposal, and why it is more natural to submit a regional proposal. RCM proposals must also demonstrate how:

- Planned activities complement the national plans of each country involved;
- Activities are coordinated with the planned activities of the respective national CCMs; and
- Cross-border or multi-country outcomes are achieved that would not be possible with only national approaches.

Proposals from RCMs should also demonstrate how they are based on natural regional collaborations, and the measures that will be taken to maximize operational efficiencies in administrative processes and functions of the RCM (e.g., strategies may include focusing on efficient communication methods and rationale use of administrative resources) in order to maximize the funds available to the implementing entities.

RCM proposals must be endorsed by the RCM in the same way as a national CCM. **In addition**, these proposals must be accompanied by the endorsement of the national CCM of each country included in the RCM proposal (except where a country included in the proposal is a Small Island Developing State).

→ Go to section 3B.1.

3A Applicant Type

3A.5 Regional Organizations

Regional Organizations (including intergovernmental organizations, international non-governmental organizations and international faith-based organizations who work across countries on a regional basis) may submit a coordinated proposal to address cross-border or regional issues.

3A.5.1 Mode of operation

Regional Organization (RO) applicants should indicate which sector they represent (*see section 3A.6.1 of the Proposal Form for guidance on sectors typically having a substantial involvement in the diseases*), and describe how the organization operates. It is particularly important that ROs explain how in their existing operations, they give effect to the principles of inclusiveness and multi-sector consultation and partnership in the development and implementation of regional cross-border proposals. Such explanations may include how stakeholders (including representatives of national CCM members) from countries included in the proposal were engaged in proposal development and will be informed of performance during implementation.

Prior experience of the RO should also be described in regard to the component(s) included in the proposal, identifying key recent performance achievements in efficiently and effectively responding to reduce the impact and spread of the disease(s). In support of this section, ROs should provide additional documentation, such as statutes, by-laws of organization, official registration papers, and a summary of the main sources and current amounts of funding.

3A.5.2 Rationale

As with regional coordinating mechanisms, ROs must clearly explain why such an approach has been chosen for the implementation of the proposal, and fully demonstrate added value beyond what can be achieved in individual countries under the guidance of a national CCM.

→ Refer to section 3A.4.2 above.

Proposals from ROs should also demonstrate how the implementation strategy will include measures to maximize operational efficiencies in administrative processes and functions of the RO (e.g., strategies may include focusing on efficient communication methods and rationale use of administrative resources) in order to maximize the funds available to the implementing entities in the countries included in the proposal.

Proposals from RO applicants are expected to be supported by the governing body of the Regional Organization in the usual manner relevant to an application for external funds for program implementation.

Importantly, to be eligible for funding these proposals must be accompanied by the same level endorsement of the national CCM of each country included in the proposal as applies to RCMs.

→ Go to section 3B.2.

3A Applicant Type

3A.6 Non-CCM Applicants

Importantly – In **very exceptional circumstances** the Global Fund approves proposals submitted by applicants other than CCMs, Sub-CCMs, RCMs and Regional Organizations.

Non-CCM applicants are strongly encouraged to contact the national CCM in the country before completing the Proposal Form and apply to have their proposal included in the CCM's proposal for Round 6.

The Global Fund's website for the Round 6 Call for Proposals lists the key contacts for national CCMs with whom we presently work. Please see this information at the following link: <http://www.theglobalfund.org/en/apply/proposals/appeals/>. Applicants who remain uncertain as to whether a country has a national CCM should contact

3A.6.1 Non-CCM Applicants

Non-CCM applicants should carefully read the sections below and make sure that they fulfill **all criteria listed** before going further in their application.

Non-CCM applicants must indicate the sector or sectors which they represent, whether academic/educational; government, non-government and/or community-based organizations; people living with and/or affected by the diseases (HIV/AIDS, tuberculosis, and/or malaria); the private sector; religious or faith-based organizations; multilateral and bi-lateral development partners in country; or another sector (which must be specified).

In addition to ensuring that all information requested in section 3A.6 has been completed (and all annexes prepared and attached), Non-CCM applicants must also provide documentation which describes the organization and its existing capacity to ensure strong performance and have an impact on the disease(s).

This information includes:

- Governance documents (such as statutes, by-laws of organization, official registration papers, and material summarizing key fiduciary processes and audit arrangements);
- A summary of the organization (including background history and organizational structure);
- A summary of the applicant's scope of work and prior and current activities; and
- A summary of the main sources and amounts of existing funding.

3A Applicant Type

3A.6.2 Rationale for applying outside a Coordinating Mechanism

Proposals from individuals or individual organizations (such as independent health centers, or non-government organizations operating at a national, state or local level) are not eligible unless they originate from countries that satisfy **one of the following criteria**:

1. Countries without legitimate governments;
2. Countries in conflict, facing natural disasters, or in complex emergency situations (identified by the Global Fund through reference to international declarations such as those of the United Nations Office for the Coordination of Humanitarian Affairs [OCHA]); or
3. Countries that suppress or have not established partnerships with civil society and non-governmental organizations. These circumstances include a national CCM's failure or refusal to consider a NGO/civil society proposal for inclusion into the national composite CCM proposal.

All Non-CCM applicants **must clearly demonstrate** why the proposal could not be considered under the national CCM process. In this section, the Non-CCM applicant must therefore indicate **which of the above criteria** the applicant is relying on to establish eligibility and a brief explanation why. The applicant must also attach, as an annex, documentation supporting the criterion relied on by the applicant.

If a proposal was provided to a CCM for its consideration, but the CCM either did not review it, did not review it in a timely fashion, or refused to endorse and include part or all of it in the CCM's composite proposal to the Global Fund, the applicant must also document the steps taken to obtain CCM approval, and attach as an annex, the material which the applicant provided to the CCM to obtain endorsement of the proposal. The applicant must also provide a copy of any communications received from the CCM in response to the applicant's submission of the proposal for the CCM's consideration.

3A.6.3 Consistency with national policies

Non-CCM applicants must also describe how the proposal is consistent with, and complements, national policies and strategies for the disease(s). If appropriate due to exceptional circumstances (that should be described) Non-CCM applicants should explain why the proposal is not consistent with such policies.

→ Go to section 4 (Non-CCM applicants do not complete section 3B of the Proposal Form).

3B Proposal Endorsement

3B.1 Coordinating Mechanism membership and endorsement

In this section national **CCM**, **Sub-CCM** and **RCM** applicants complete membership information and provide documentation showing that the proposal is endorsed as required.

3B.1.1 and 3B.1.2 - Membership information of the Coordinating Mechanism

Applicants should give the name and full contact details of the Chair and Vice-Chair of the Coordinating Mechanism. They should also provide information on each other member in table 3B.1.2.

Coordinating Mechanisms must meet certain minimum requirements to be eligible for funding. Among others, they must demonstrate membership of people living with and/or affected by the diseases. They must also show that the representatives from non-government sectors have utilized a transparent process to select their own representative. In addition, it is recommended that membership comprise a minimum of 40% representation from non-governmental sectors.

→ For more information on minimum requirements of Coordinating Mechanisms see section 2.5 (Functioning of Coordinating Mechanism)

3B.1.3 National/Sub-national/Regional (C)CM endorsement of proposal

For all proposals from Coordinating Mechanisms, the applicant's minutes from the meeting at which the completed proposal was tabled, discussed and endorsed must be attached as an annex to the proposal.

For national CCMs, it is expected that all CCM members will confirm their endorsement of the proposal by signing adjacent to their name in table 3B.1.3a in the Proposal Form. This is unless:

- The CCM's documented rules of procedure for proposal endorsement provide a transparent functioning mechanism for decision making that is less than the full CCM membership. In this case, those rules, and the CCM minutes from the meeting in which these rules were accepted by the whole CCM, must be provided with the proposal; or
- A CCM member wishes to abstain from endorsing the proposal. In this case **that** CCM representative must inform the Global Fund in writing of the reasons for non-endorsement. This communication must be sent to the address for notices at page ii of these Guidelines.

For the proposal to be eligible for funding, the Global Fund must receive the **original signatures** of all persons signing the Proposal Form. Photocopied, scanned or faxed signatures are not accepted.

→ Table 3B.1.3a in the Proposal Form should be extended to cover all members of the Coordinating Mechanism.

3B Proposal Endorsement

For **Sub-CCMs** or **RCMs** proposal endorsement by the membership follows the same principles and procedures as proposal endorsement for national CCM proposals noted above.

In addition:

- **Sub-CCM proposals** must be accompanied either by the endorsement of the national CCM, or by documented evidence demonstrating the independent authority of the sub-national CCM.
- **RCM proposals** must also be accompanied by the endorsement of the national CCM of each country included in the RCM proposal (except where a country is a Small Island Developing State).

In such cases, evidence of the national CCM's endorsement must be in the form of documentation from the Chair or Vice-Chair of each national CCM confirming that the sub-national or regional proposal is endorsed by the national CCM. This documentation is generally expected to also include the approved minutes from the national CCM meeting where the Sub-CCM or RCM proposal was tabled, discussed and approved. Applicants should list in table 3B.1.3b each of the national CCMs that have endorsed the proposal.

3B.2 Regional Organization contact information and proposal endorsement

3B.2.1 Regional Organization contact information

In this section of the Proposal Form, Regional Organization (RO) applicants give details of a primary and a secondary contact person. Applicants should provide as full contact details as possible in order to ensure fast and responsive communication.

3B.2.2 CCM endorsement details for applications from Regional Organizations

Proposals from ROs are expected to be supported by the governing body of that organization according to its usual practices for applications for funding to implement cross-border activities.

In addition RO proposals must be accompanied by the endorsement of the national CCM of each country included in the RO proposal. This endorsement must be in the form of documentation from the Chair or Vice-Chair of each national CCM confirming that the RO's proposal is endorsed by the national CCM. This documentation would include the approved minutes from the national CCM meeting where the Sub-CCM or RCM proposal was tabled, discussed and approved. These minutes should be provided as an annex to the proposal. Applicants should list in table 3B.2.2 each of the national CCMs that have endorsed the proposal.

4 Component Section

THIS SECTION SHOULD BE COMPLETED SEPARATELY FOR EACH COMPONENT.

The **Component Section** is where applicants explain the proposed interventions for which funding is being sought. Applicants should also explain the national context for the disease and the assessment of the programmatic and financial gap in the fight against the disease.

Where HIV/AIDS is driving the tuberculosis epidemic, HIV/AIDS and/or tuberculosis components should include collaborative tuberculosis/HIV activities. Different tuberculosis and HIV/AIDS activities are recommended for different epidemic states. For further information see the '*WHO Interim policy on collaborative TB/HIV activities*' at: http://www.who.int/tb/publications/tbhiv_interim_policy/en/.

4.1 Indicate the estimated start time and duration of the component

Applicants should indicate the expected start date of the component proposal and the expected end date. The aim is to sign grants and commence disbursement of funds within six months of Board approval. Approved proposals must in any event have a start date not later than 12 months after Board approval. The maximum duration of a proposal is five years.

When referring to component years (year 1, year 2 etc.) in section 4 (and section 5), applicants will be referring to 12 month periods commencing from the estimated start date.

→ For information on the timing of proposal approval by the Board of the Global Fund, see the cover page of the Round 6 Proposal Form.

4.2 Contact persons for questions regarding the component

All applicants should provide the complete contact details of two persons (one primary and one secondary contact) for the component targeted by their proposal. It is very important that these people are readily accessible for technical or administrative clarification purposes, for a time period of approximately six months after the submission of the proposal.

4.3 Component executive summary

The purpose of this section is to give the reader a quick overview of the component. It is therefore important to be succinct.

4.3.1 Executive summary

The overall strategy of the component should be described and supported with quantitative information where possible. Applicants should specify the goals, objectives and main activities, expected results and associated timeframes, as well as the beneficiaries of the proposal.

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4.3.2 Synergies

Where the proposal covers more than one component (for example HIV/AIDS and tuberculosis), briefly describe how activities under one component might also benefit the other component. Although section 4.6.6 will separately address health systems strengthening, applicants may use this section to briefly describe any synergies in health systems strengthening activities also.

4.4 National program context for the component

The national context in which proposed interventions will be implemented provides the basis for reviewing a proposal.

4.4.1 National Disease Plan, Budget and Monitoring and Evaluation Plan

To understand the context of the national program for the disease, applicants are requested to identify and attach existing key documents, namely a National Disease Specific Strategic Plan and Budget, a National Monitoring and Evaluation Plan, most recent disease surveillance report or any other document relevant to the national disease program context.

4.4.2 Epidemiological and disease-specific background

Applicants should provide information on the disease burden in their country. This should include the latest data on the stage, type of epidemic and its dynamics (including breakdowns by age, gender, population group(s) and geographic location wherever possible), the most at risk and affected population groups, and data on drug resistance where relevant. This should refer to and draw from the documents mentioned in section 4.4.1 above. With respect to malaria components, applicants should also include a map detailing the geographical distribution of the malaria problem and corresponding control measures already approved and in use.

4.4.3 Disease-control initiatives and broader development frameworks

Proposals to the Global Fund should be developed based on a review of, disease-specific national strategies and plans, and broader development frameworks.

- Current disease-control strategies and programs aimed at the target disease, including all relevant goals and objectives: This should encompass both existing Global Fund-financed programs and other programs currently implemented or planned by all stakeholders, including by the academic/educational sector; government; non-governmental and community-based organizations; people living with and/or affected by the diseases (HIV/AIDS, tuberculosis and/or malaria); the private sector; religious or faith-based organizations; and multi-/bilateral development partners. Existing and planned commitments to major international initiatives and partnerships, such as the WHO/UNAIDS "Universal Access" initiative, the Global Plan to Stop Tuberculosis 2006-2015, the Roll Back Malaria Partnership, and the "Three Ones" principles should also be described.
- Broader developmental framework: The role of HIV/AIDS, tuberculosis and/or malaria in key developmental frameworks, such as Poverty Reduction Strategy Papers, the Highly-Indebted Poor Country (HIPC) Initiative, plans to meet the Millennium Development Goals, and sector-wide approaches should be described. This should specifically describe how the Global Fund is documented and

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incorporated in these development frameworks and any relevant constraints e.g. budget or public sectors spending ceilings.

4.4.4 National Health System

Proposals to the Global Fund should provide a review of relevant capacities of both the public and private sectors within the national health system, together with their relative advantages or requirements in delivering services. This may reflect on, among others, advocacy initiatives, human resources issues, or capacity building needs for drug procurement and supply management and/or national monitoring and evaluation systems.

Applicants should comment on: the ability of the current health system to achieve and sustain scaled-up interventions to appropriately respond to the threat of the diseases; how identified constraints will be addressed in the country; and any current national health systems strengthening plans. If as part of a component, the proposal includes a request for funding for activities to support national health system strengthening plans, it is particularly important to also describe how this will contribute to strengthening health systems.

→ For more information on [funding to strengthen health systems](#), refer to section 4.6.6 of these Guidelines.

4.5 Financial and programmatic gap analysis

Proposals should include interventions that have been identified through an analysis of the gaps in the financing and programmatic coverage of existing programs (whether supported by the Global Fund, the national budget, or other donors).

In this section, applicants should:

- Identify the overall national programmatic need and the related funding requirement;
- Specify all current, committed and planned sources of funding; and
- From the above, quantify the financial gap.

This analysis should be component-specific, and the results should be summarized in table 4.5.1-3. Information is requested for the historic years of 2004 and 2005, and for the years 2006 – 2010 (based on, current information, forward looking plans, national budgeting processes and estimates).

→ The information required to be provided is more specifically explained in section 4.5.1 to 4.5.3 below.

4.5.1 Overall needs assessment

The estimated costs of meeting overall national goals and objectives should be included to enable the applicant to calculate the current gaps in financing. The applicant should provide information on how this costing has been developed (e.g. costed national strategies). Where estimates are used, this should be indicated. Applicants are also requested to describe the overall programmatic needs in terms of people in need of key services. The table at Attachment 3 to these Guidelines is designed to assist applicants in answering section 4.5.1 a. Use of this template is however entirely optional.

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4.5.2 Current and planned sources of funding

Applicants should provide details of current and planned financial contributions. This should be a comprehensive assessment of funding from all relevant sources, whether domestic (including debt relief) or external.

Funding that has already been provided to applicants, or is expected to be received over years 2006 to 2010, under grant agreements with the Global Fund (including Round 5 grants recently or currently being negotiated) should also be included in the analysis (*and in table 4.5.1-3 as “External Source 1”*). If the applicant is from a Lower-middle income or Upper-middle income country, it is very important that the amount indicated as domestic sources of funding in this section and table 4.5.1-3 is consistent with the information provided earlier within table 2.2 (Counterpart financing).

4.5.3 Financial gap calculation

The financial gap or “unmet need” should be calculated using table 4.5.1-3. This is the difference, by year, between the overall funding need and total resources available.

4.5.4 Additionality

Global Fund financing must be additional to existing efforts, rather than replacing them, and efforts to ensure this additionality should be described. This should be supported by the information in table 4.5.1-3.

4.6 Component strategy

This is an important section as it describes the **specific interventions** for which the applicant is seeking funding.

In support of this section, all applicants must provide a summary of the component strategy in a tabular form. The **Targets and Indicators Table** in Attachment A to the Proposal Form has been designed to help applicants clearly summarize the strategy and rationale behind this proposal. Within this table, applicants describe which interventions are planned (‘the indicator’); the current situation in regard to an intervention (‘the baseline’); what performance measures will apply during implementation (‘the performance targets’); and what will be the overall impact of the interventions with strong performance (‘the outcome or impact’).

Definitions and guidance on how to fill the table, can be found in the Multi-Agency “*Monitoring and Evaluation Toolkit*”, Second Edition, January 2006 (**M&E Toolkit**). This document is available on <http://www.theglobalfund.org/en/apply/proposals/appeals/>

Applicants must also provide a component **Work Plan** covering the first two years of the proposal period. This Work Plan should be structured along the same lines as the component strategy. That is, it should reflect the same goals, objectives, service delivery areas and main activities. The Work Plan must be detailed for the first year (containing information broken down by quarters) and may be indicative or detailed for the second year. It should be consistent with both the Targets and Indicators Table mentioned above, and the detailed Budget requested in section 5.2. In completing sections 4.6.1 to 4.6.13, applicants should refer to the Targets and Indicators Table as appropriate, but the information provided Proposal Form should not consist merely of a repetition of the information set out in the table.

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4.6.1 Goals, objectives and service delivery areas

Proposals should describe interventions in the form of a coherent overall strategy based on goals and impact indicators. These are implemented through specific objectives, service delivery areas, coverage indicators and main activities:

a) **Goals:** These should be broad and overarching, typically reflecting national disease program goals. Achievements will usually be the result of collective action undertaken by a range of actors. Examples include "Reduced HIV-related mortality," "Reduced burden of tuberculosis," "Reduced transmission of malaria."

b) **Impact indicators:** These describe the changes over program term in sickness, death, disease prevalence (burden), and behavioral change in the target populations that indicate that the fundamental goals of the interventions are being achieved. Impact indicators should be linked to goals. For each goal at least one impact indicator should be provided.

c) **Objectives:** These describe the intention of the programs for which funding is sought and provide a framework under which services are delivered. Examples linked to the sample goals listed above include "To improve survival rates in people with advanced HIV infection in four provinces," "To reduce transmission of tuberculosis among prisoners in the ten largest prisons" or "To reduce malaria-related morbidity among pregnant women in seven rural districts".

d) **Service delivery areas:** These describe the key services to be delivered to achieve each objective. A service delivery area (SDA) is a defined service that is provided to a recipient. Examples for the sample objectives listed above include: "Antiretroviral treatment and monitoring for HIV/AIDS", "Timely detection and quality treatment of cases for Tuberculosis", or "Insecticide-treated nets for malaria". For a listing of SDAs agreed and supported by international partners, please refer to the M&E Toolkit.

e) **Coverage indicators:** These measure performance within SDAs, showing how the program intends to improve coverage in prevention, treatment, care and support, and the supportive environment. Coverage measures the number of people reached by services (level 3), the number of service points supported (level 2) and the number of people trained (level 1).

f) **Main activities:** These should describe the main activities linked to each service to be delivered. Examples linked to the sample SDAs listed above include "Developing an adherence support program for people taking antiretroviral therapy", "Procuring drugs for the treatment of tuberculosis", or "Developing a distribution mechanism for insecticide-treated bed nets". Key indicators and key implementing partners involved in the activities should be summarized.

→ When preparing the proposal, including the Targets and Indicators Table, applicants should refer to the M&E Toolkit for guidance.

Indicators included should be:

- **Harmonized with national plans and systems wherever possible,** including reporting cycles, rather than being developed in parallel. Where existing monitoring and evaluation plans and systems do not already include appropriate indicators, the Global Fund suggests applicants make use of indicators recommended by international monitoring and evaluation partners. Where the proposed SDAs and indicators do not adequately reflect the

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proposed strategy, proposals may include additional service delivery areas and indicators.

- **Selected for their usefulness,** whether for providing data for decision-making or evaluating outcomes and impact. Baseline figures should be included for all indicators (or supporting data to estimate these). If those baselines are not available, the first year of the proposal development should include activities to determine them.

In all cases, a limited and simplified set of indicators are used for reporting to the Global Fund. Thus, it is recommended that each disease component have between **XX** and **XX** indicators in total, and that these be focused at the coverage and outcome level, with more process focused activities being included in the Work Plan as preliminary activities to be completed to support implementation.

Targets set for each indicator should be specific, measurable, achievable, relevant and time-bound. For example, they should state which services will be delivered, to how many people (e.g., numbers of beneficiaries reached) and at what quality (e.g., "according to locally agreed standards and guidelines"). Targets should also be realistic and achievable within the intended timeframe.

4.6.2 Link with overall national context

Applicants are requested to demonstrate how the proposed strategy is linked to the overall national context, and the aims to reduce key programmatic and financial gaps identified in section 4.5. Proposals should also describe how they link with major international initiatives, both those focused on disease control (such as the WHO/UNAIDS "Universal Access" initiative, the Global Plan to Stop Tuberculosis 2006-2015, and the Roll Back Malaria Partnership) and broader developmental initiatives (such as the Millennium Development Goals).

Programmatic approaches included in the proposal should be consistent with international norms, standards, and best practices. If the proposal does not adhere to international best practices, the applicant should clearly justify why this is the case. Applicants are encouraged to review such materials (as may be found on the websites of organizations such as the WHO and UNAIDS) prior to preparing proposals. Proposals should describe how the chosen interventions complement and add to disease control strategies and broader development frameworks.

4.6.3 Activities

Applicants are requested to provide a clear and detailed description of the main activities that will be implemented within each service delivery area for each objective. It is important to clearly indicate which main activities are proposed, how they will be implemented and by whom.

Balance of interventions

Proposals should contain an appropriate balance between different types of interventions (e.g., prevention, treatment, care and support, and enhancing the supportive environment. Such activities are included in the Global Plan to stop TB, WHO and Roll Back Malaria partnership plans, and WHO and UNAIDS strategies and guidance.) based on current country contexts. The Global Fund promotes the importance of balance between interventions, but does not require that each proposal be so balanced, as long as it demonstrates that balance is achieved through the combined efforts of all partners. Consequently, proposals need not cover all aspects of the intervention against a disease, but should address areas in which there are gaps in programmatic coverage. This could include scaling-up effective existing interventions or introducing new activities.

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Examples of activities supported

Resources from the Global Fund may be used to support activities for the prevention, treatment, care and support of people and communities living with and/or affected by the three diseases. Activities to be funded may scale up proven and effective interventions to attain greater coverage in a country or region and/or may be new and innovative activities, including activities that impact the supportive environment. Activities to be funded may include, but are not limited to, the following:

- Behavior change interventions, such as peer education and community outreach;
- Provision of prevention services and tools, such as the ABC model (including abstinence and/or delayed sexual debut; partner reduction and/or faithfulness; and consistent condom use), interventions targeting populations at high risk (such as commercial sex workers, men who have sex with men, and injecting drug users), and safe injection supplies to prevent medical transmission;
- Community-based programs aimed at alleviating the impact of the diseases, including programs directed at orphans and vulnerable children, and adolescents;
- Home and palliative care programs;
- Provision of critical health products (such as drugs and laboratory tests) to prevent, diagnose, and treat the three diseases, including the introduction of previously unavailable treatments (such as antiretroviral therapy for HIV infection, pediatric anti-retroviral treatment, treatment for multi-drug resistant tuberculosis, or artemisinin-containing combination therapy for malaria);
- Workplace programs for prevention, and to care for and/or treat employees, including policy development in regard to such programs;
- Co-investment schemes to expand private sector programs to surrounding communities; and
- Activities implemented by people living with and/or affected by HIV/AIDS, tuberculosis and/or malaria, such as support groups, treatment literacy programs, and risk-reduction programs.

Resources from the Global Fund can be used to support strengthening of health systems linked to reducing the impact and spread of any or all of the three diseases. See section 4.6.6 of these Guidelines for specific details to be included in the proposal within a disease component.

Basic science research and clinical research aimed at demonstrating the safety and efficacy of new drugs and vaccines is not eligible for Global Fund financing.²

4.6.4 Performance of and linkages to current Global Fund grants

Applicants should provide information on all previous Global Fund grants (including Round 5 grants already signed or currently under negotiation) approved for the same disease component.

Specifically, applicants are required to provide information in the Proposal Form on:

- Performance of existing grants - *in sub points a) and b)*; and
- Linkages between the new proposal and existing grants (including Round 5 grants that are presently under negotiation) - *in sub points c) and d)*.

² Providing support, care, and treatment for people who become HIV-positive in the course of an HIV-related clinical trial would be an allowable activity, within the context of national policies for the provision of antiretroviral therapy.

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In describing the performance of existing grants, applicants are required to list all previous grants, identifying the grant amount. Applicants should indicate the amount spent under each grant based on the latest Disbursement Request submitted to the Global Fund. Key implementation challenges and how they have been overcome should also be identified.

Where there are linkages between the current proposal and existing grants, it is important to explain this fully. Such linkages may, for example, include scaling up (increasing the number of people receiving services), expanding (geographically) or continuing programs funded under prior grants. A comparison (geographically and by sector area) of the Round 6 proposal and prior Global Fund grants for the same disease component, including Round 5 grants still under negotiation at the time of submission of the proposal, should be provided to show any overlap.

4.6.5 Linkages to other donor-funded programs

The current proposal may be linked to interventions, including health systems strengthening activities, financed by other donors. Where linkages exist (for example, if the proposal plans to provide treatment for opportunistic infections to support the rapid scale-up ARV treatment already being funded by another donor), it is important to list the other interventions and explain how and to what extent this proposal complements the other existing activities.

4.6.6 Activities to strengthen health systems

The Global Fund recognizes that effective scale up and sustainability of HIV/AIDS, tuberculosis and malaria programs, and their successful implementation rely on health systems strengthening activities. Applicants are therefore encouraged to include funding in respect of such activities **integrated within the specific disease component(s)**.

This is different from Round 5 where applications for health systems strengthening activities could be made either within the disease component, or through a separate Health Systems Strengthening component. There is no separate HSS component in Round 6.

The Proposal Form seeks the following information in relation to health systems activities:

- Description of activities included, how they are linked to the disease and why they are necessary - *sub points a) and b)*;
- Description of how these activities fit within the wider national context and policies - *sub point c)*; and
- Identification of cross cutting aspects of such activities where the activities included in one component may benefit one of the other components also - *sub points d) to h)*.

The January 2006 revised M&E Toolkit includes new a “Chapter X” dedicated to Health Systems Strengthening. Table 15 within that chapter includes selected indicators and applicants are encouraged to refer to this chapter before completing the Proposal Form.

Activities to be funded and the linkage to the disease component

Proposals may include health system strengthening activities provided that these activities are linked to reducing the impact and spread of any or all of the three diseases. In addition to describing this linkage, applicants should explain why the proposed

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activities are necessary. In order to demonstrate the link, the proposed health systems interventions should be related to disease specific goals and impact indicators. For example, the response should link specific health systems strengthening activities with any related goals and indicators described in section 4.6.1.

Specific activities that can be funded will depend on individual circumstances and on linkages that can be demonstrated. However, activities to strengthen health systems may include, but are not limited to the following:

- Health workforce mobilization, training and management capacity development;
- Local management and planning capacity in general, especially financial management;
- Health infrastructure renovation and enhancement, equipment, and strengthening maintenance capacity³;
- Laboratory capacity;
- Health information systems, inclusive of monitoring and evaluation;
- Supply chain management, especially drug procurement, distribution, and quality assurance;
- Innovative health financing strategies to respond to financial access barriers
- High level management and planning capacity;
- Engagement of community and non state providers;
- Quality of care management; and
- Operations research.

Health system strengthening activities are not limited to health sector-related activities and may also target other sectors including education, the workplace and social services, provided that these activities are directly related to reducing the spread and impact of HIV/AIDS, tuberculosis and/or malaria. Proposals should also, when appropriate, seek to establish mechanisms for civil society and other stakeholders in the health system to have a voice in developing policies to strengthen health systems, and to take part in activities to this effect.

System wide effects and compliance with government policy

Proposals should demonstrate that any requests for health system strengthening are within national plans and that they are linked with public expenditure frameworks. Proposals should describe how they will have positive system-wide effects, and alignment with government policy should be explained.

Cross-cutting aspects of health system strengthening activities

Investment in health systems, by its nature, may have cross-cutting benefits which will impact more than one disease component. The Proposal Form seeks information to identify such activities. Applicants should specify:

- If a component funding request includes health systems strengthening activities that benefit more than one component; and
- If a component is reliant on health systems strengthening activities included within a different component, and if so, to what extent.

The effects of this information should be quantified. Applicants should **not** duplicate requests for funding by including the same activities in more than one component.

³ This does not include large-scale investments, such as building hospitals and clinics.

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4.6.7 Common funding mechanisms

Part or all of the funding for this component may be planned to be contributed through a common funding mechanism. If this is the case the Proposal Form asks the applicant to provide certain additional information.

A common funding mechanism is an arrangement between multiple partners (domestic sources and external donors) in which they contribute funding through a unified approach using joint targets, and common rules and reporting/accountability mechanisms.

Common funding mechanisms can vary from country to country and even across programs and sectors within a country.

Some common funding mechanisms will be fully functional with multiple external donors and government participation. These mechanisms will have agreed upon targets, operational funding rules, and reporting and accountability procedures. Other mechanisms will be less advanced and may be in a more formative stage.

The Global Fund encourages the use of existing in-country mechanisms through which to provide additional support to reduce the impact and spread of the three diseases. It therefore would support the use of a common funding mechanism should one exist in the country. The decision whether to plan to use such a structure rests with the applicant.

In deciding whether such a mechanism is appropriate to use for the channeling of Global Fund resources, the applicant may wish to consider the following:

- Is the common funding mechanism functional with established rules and procedures (e.g. a signed Memorandum of Understanding between all domestic and external donor stakeholders)?
- Will the mechanism allow for timely grant signing, recognizing that a grant agreement must be signed no later than 12 months after Board approval?
- Will the mechanism help streamline reporting requirements?
- Are the financial and payment systems utilized by the common funding mechanism able to ensure timely distribution of financial support to implementers undertaking performance-focused activities?
- Will the data collection and reporting systems utilized by the common funding mechanism to monitor performance enable regular performance monitoring recognizing that Global Fund grant disbursements are linked to performance?
- Programs approved for funding by the Global Fund are, during year 2 of the program, evaluated for on-going funding for the balance term of the program (typically years 3, 4 and 5) based on performance during the initial 2 years. Will the common funding mechanism be fully operational during the initial 2 years and be able to demonstrate timely performance against the agreed upon targets from program start?

If a common funding mechanism is to be used to channel Global Fund resources, the applicant and the Global Fund will, during grant negotiations, agree a mutually acceptable reporting framework that is based on the existing reporting framework of the common funding mechanism, and which is complementary to performance based reporting to the Global Fund. It is particularly important that applicants note that common funding mechanisms must still allow for reporting to the Global Fund on the specific indicators in the approved proposal.

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4.6.8 to 4.6.12 Target groups, social stratification and principles of equity

The planning for what comprises appropriate interventions to be included within the proposal should actively take into account human rights considerations, including gender inequalities, as well as behavioral practices that fuel the spread of the three diseases. Proposals should identify gender inequities regarding access to health and identify ways to address these. Proposals should include interventions targeted at reducing stigma and discrimination and should also address the social services needs of women, adolescents, youths and orphans.

When responding to these sections, proposals should therefore explain why it is that interventions are proposed to target certain population and/or most at risk groups, with a particular focus on explaining any linkages between socially stratified groups, as appropriate.

4.6.13 Sustainability

The applicant should describe how grant-supported activities and interventions will, over the program term, help to establish and build sustainable: systems (including management and financial systems); human resource capacity; technical competence; and other foundations to support the continuity of planned interventions beyond the program term, as appropriate. The proposal should also identify the extent to which the Coordinating Mechanism and/or other national structures will be involved in the process of ensuring sustainability.

4.7 Principal Recipient Information

In the proposal, the applicant should identify a suitable Principal Recipient (PR) to be responsible for proposal implementation and accountable for grant funds.

→ For more details on the roles and responsibilities of Principal Recipients, see the Global Fund document "Fiduciary Arrangements for Grant Recipients", available at <http://www.theglobalfund.org/en/apply/call6/documents/>.

Depending on the proposal and the capacities of different local stakeholders, Coordinating Mechanisms (CCMs, Sub-CCMs or RCMs) may choose to nominate more than one PR to be responsible for distinct parts of the proposal (either for different disease components or within a single component), such as having one PR for public sector activities and a different non-government sector PR for civil society and the private sector. Where two or more PRs are nominated to lead implementation of the planned interventions, the applicant should explain how coordination will be achieved between the multiple PRs to ensure performance of the program. How the Coordinating Mechanism will perform its role of implementation oversight during the program term in such circumstances should also be described.

A PR should be a legally-constituted entity that can enter into a grant agreement with the Global Fund. This could be a government ministry, a non-governmental or faith-based organization, a private sector firm or foundation. To ensure local ownership and accountability, PRs are expected to be local stakeholders rather than United Nations agencies or other multilateral or bilateral development partners. In exceptional circumstances (e.g., civil war or post-conflict reconstruction) when no local stakeholders are able to act as PR, other entities may be nominated. International non-governmental organizations with an established local presence are considered local stakeholders.

→ For more information on the requirements regarding a documented and transparent process to nominate PR(s), see section 2 of these Guidelines and the CCM Guidelines.

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4.8 Program and financial management

In this section applicants are requested to describe implementation arrangements that will ensure performance of the program.

4.8.1 Management approach

The management arrangements will have a strong influence on the successful implementation of the program.

Applicants should describe the proposed management arrangements and the specific roles of the different actors: PRs; Coordinating Mechanisms; partners; sub-recipients (SRs) and other key stakeholders important to ensuring strong performance over the program term. This should address the planning stage, implementation of the program and the monitoring and evaluation of results.

4.8.2 Principal Recipient Capacities

PR(s) assume programmatic management responsibility and financial accountability for the Global Fund-financed program. Under the guidance of the CCM, the responsibilities of the PR include:

- Receiving and managing the funds from the Global Fund;
- Implementing and overseeing the implementation of programs;
- Making efficient arrangements for disbursement of funds to sub-recipient(s), including overseeing the financial arrangements of sub-recipients, and preparing a plan for the annual audit of sub-recipient activities under the grant; and
- Reporting on results and requesting additional disbursement of funds.

→ See the roles and responsibilities of the CCM during grant implementation in the CCM Guidelines.

Each PR needs to possess, or be able to very rapidly develop (including through outsourcing or obtaining very early expert technical assistance) certain minimum capacities in: its financial management systems; management and programmatic capacity; monitoring and evaluation systems; and procurement and supply management structures. If a proposal is approved, an independent LFA appointed by the Global Fund typically assesses every nominated PR to ensure that it has these minimum capacities. In the event that a PR outsources fundamental roles (e.g., the PR is a Ministry of Finance which entrusts programmatic responsibility to a Ministry of Health), the LFA will also assess the entity that is handling the outsourced functions (e.g., the Ministry of Health in this example) as well as the nominated PR.

→ The required minimum capacities and the assessment tools used by the LFA are available at: <http://www.theglobalfund.org/en/apply/call6/documents/>.

The applicant has to describe the relevant technical, managerial and financial capabilities for each nominated PR. If the nominated PR has previously administered a Global Fund grant, details of this experience should be given. The nomination of the PR(s) included in the proposal is subject to final approval by the Global Fund as part of the grant negotiations process. In the event that capacity building is necessary for a PR to meet these minimum capacities, funds for this should be included in the proposal and specifically identified as technical assistance needs in section 4.11, and also included in the detailed budget as an identifiable line item.

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→ If there are multiple PRs, section 4.8.2 must be completed for each.

4.8.3 Sub-recipient information

PRs are typically not the only implementing entity in a proposal. Sub-recipients (SRs) that receive Global Fund financing through a PR often carry out much of the implementation work. SRs can be any form of entity.⁴

The proposal should describe the process that has been used to select the SRs as implementers under a lead PR, which should be open and transparent. Where a potential SR was rejected by the Coordinating Mechanism (e.g., where an organization submitted a proposal for inclusion within the composite national proposal), the name, type, proposed budget and reason for non selection of such party must be disclosed by the applicant in this section of the Proposal Form.

Although it is expected that a proposal will identify sub-recipients, if an applicant is unable to identify some or all SRs prior to proposal submission, it should explain why it was unable to do so and include a detailed description of the transparent documented process that will be undertaken to identify these SRs, including the criteria that will be used by the PR(s) to select SRs. In limited circumstances, the applicant's proposed implementation arrangements may suggest that a PR will be asked to manage a pool of funding to be later disbursed to SRs not identified at the time of proposal submission. In such circumstances, it is necessary to provide a detailed description of the management and financial arrangements that will be applied by the PR to ensure program performance and financial accountability.

4.9 Monitoring and evaluation

The Global Fund encourages the development of single national monitoring and evaluation (M&E) plans and systems, and the use of these to report on performance and impact of programs supported by all donors, including the Global Fund.

The Global Fund therefore prefers that PRs use existing in-country national data-collection systems whenever appropriate. It is recognized that additional data collection and reporting may create a further burden on the national reporting framework. Thus, when preparing its budgets for this application, the applicant should set aside sufficient funding (recommended at between 5 to 10% of a component budget) to ensure that necessary M&E systems are in place or can be appropriately supplemented.

4.9.1 Plans for monitoring and evaluation

In this section of the Proposal Form, the applicants should describe how the targets and activities in the Targets and Indicators Table (Attachment A to the Proposal Form, see section 4.6) will be monitored and evaluated by the PR(s).

4.9.2 Integration with national M&E plan

⁴ These can include: academic/educational sector; government (including ministries of health as well as other ministries involved in a multi-sectoral response, such as education, agriculture, youth, information, etc.); non-governmental and community-based organizations; people living with HIV, tuberculosis, and/or malaria; the private sector; religious/faith-based organizations; and where no national recipient is available, upon justification multi-/bilateral development partners.

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Applicants should describe the integration of approaches with national M&E systems, including how performance of the program will be reported up to the national body responsible for M&E, or into the national system. Where a national M&E strategy or framework exists, applicants are required to attach relevant documents as an annex to the proposal including, in particular, the national indicators relevant to the disease component.

4.10 Procurement and supply management of health products

As the procurement and supply management of health products can be particularly complex and may impact program performance, the Global Fund has prepared the PSM Guide and prepared policy information. Each is available at: <http://www.theglobalfund.org/en/apply/call6/documents/>. Applicants should review the Global Fund's policies on procurement and supply management prior to completing this section of the Proposal Form.

The Global Fund expects grant recipients to procure products of assured quality at the lowest price possible and in accordance with national laws and applicable international obligations. Specific topics which are relevant to this section include the existence of well-functioning transparent procurement systems, quality assurance and quality control, national laws and applicable international obligations, distribution and inventory management, and appropriate use. These and other topics are further described below.

Once a proposal has been approved by the Board of the Global Fund, PRs are responsible for submitting a "Procurement and Supply Management Plan", which describes in greater detail the arrangements for procurement and supply management of health products. Prior to the disbursement of funds for the procurement of health products, the LFA will assess this plan and the systems that it describes.

4.10.1 Organizational structure for procurement and supply management

Applicants should provide a brief description of the organizational structure of the unit that will be responsible for procurement and supply management of drugs and health products, and how it coordinates its activities with other entities.

4.10.2 Procurement capacity

In many cases, a range of implementing partners, including sub-recipients, participate in procurement and supply management activities. However, PRs retain the overall responsibility for ensuring compliance with Global Fund procurement policies. Relevant procurement and supply management functions may be sub-contracted to specialized service providers.

Applicants are requested to specify whether the PR will exclusively carry out procurement and supply management of drugs and health products, or whether sub-recipients will be involved. Latest available annual data of procurement of drugs and related medical supplies should be provided for each agency or organization involved.

4.10.3 Coordination

For all organizations listed to be involved in procurement of drugs and health products, applicants should also specify the various sources of funding (e.g. national programs, multilateral and bilateral donors, etc.). This information should be given as a percentage,

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relative to total value. The current or future participation in any donation program relevant to this proposal should also be specified in this section.

4.10.4 Supply management (storage and distribution)

Applicants are required to specify whether an organization has already been nominated to provide the supply management function for drugs and health products procured under the program, and if so, this organization's current storage and distribution capacity. If more than one type of organization is involved in storage and distribution, the relationship between them should be described.

4.10.5 Multi-drug-resistant TB

This section should be completed for tuberculosis components and HIV/AIDS components where HIV/TB collaborative interventions are included in the proposal.

To help limit resistance to second-line tuberculosis drugs, all procurement of medicines to treat multi-drug resistant tuberculosis (along with essential MDR-TB treatment management services) financed under the grant must be conducted through the Green Light Committee of the Stop TB Working Group on drug resistant tuberculosis. Applicants should identify whether the proposal requests funding for multi-drug-resistant tuberculosis, and if so, whether a successful application to the Green Light Committee has been made or is in progress. **As the GLC provides essential services to Global Fund grants targeting MDR-TB, all such applicants should budget US\$ 50,000 for each relevant calendar year in which MDR-TB services will be required from the GLC. These costs are to be utilized to contribute to the costs of services that will be provided to the applicant by the GLC during the program term. The US\$ 50,000 per calendar year is a maximum amount, and applicants should refer to the Global Fund Board decision from the 13th Board meeting on the process that will be followed to calculate the specific contribution for any calendar year.**

Importantly, a PR's capacity to transparently and efficiently perform non-health procurement and supply management activities under the program will also be assessed by the Global Fund, including the procurement of goods, vehicles and services (including proposed significant consultancy arrangements). The PR's financial and management capacities relevant to such procurement and supply management will be a key aspect of any such assessment.

4.11 Technical and management assistance and capacity building

4.11.1 Capacity building

Applicants are also requested to describe capacity constraints that will be faced in implementing the proposal, and the measures that are planned to address these constraints. It is important that all activities included in this section are also reflected in the detailed budget.

4.11.2 Technical and management assistance

Proposals should clearly identify technical and management assistance and capacity building needs throughout the entire program cycle (from the time of approval through proposal development and the clarification phase, to the implementation stage). Requests for technical and management assistance should be quantified and reflected in the budget section of the Proposal Form (section 5.6).

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THIS SECTION SHOULD BE COMPLETED SEPARATELY FOR EACH COMPONENT.

The **Component Budget** section is where applicants provide budgetary information specific to each component.

Overview and general guidance

The Component Budget section is where applicants quantify their funding request. In particular the applicant is required to:

- Present a **component budget summary** showing the budget broken down by certain cost categories (section 5.1);
- Attach a **Detailed Component Budget** (section 5.2);
- Indicate **key budget assumptions** (section 5.3);
- Provide a **budget breakdown by service delivery area** (section 5.4);
- Provide a **budget breakdown by implementing partner** (section 5.5); and
- Identify budgeted spending for three functional areas; *Monitoring and Evaluation, Procurement and Supply Management and Technical and Management Assistance* (section 5.6).

The **Detailed Component Budget** is likely to be the source from which the information requested in sections 5.1 and 5.4 to 5.6 will be derived. It should clearly link to the **Work Plan** described at section 4.6. These are key documents which the TRP will use to assess the feasibility of the program outcomes included in the Targets and Indicators Table (Attachment A to the Proposal Form). To assist with the compilation of the budget analysis information required in sections 5.1 and 5.4 to 5.6, these Guidelines include a Budget Analysis Template at Attachment 5. This is not a substitute for detailed budgeting models, but may be of use to applicants.

The following are some general principles that will guide the budget preparation process:

Budget justification

The Component Budgets should be based on a proper analysis of expected costs and outcomes and should be supported by sufficient detail, with appropriate justifications in order to enable a meaningful evaluation. This should include key assumptions. Budgets should reflect that Global Fund financing is additional to existing resources, and complements, rather than replaces, existing domestic or external resources.

The Global Fund strongly encourages the relevant national authorities in recipient countries to exempt from duties and taxes all products financed by Global Fund grants.

Budget duration

Budgets may be submitted for a maximum of five years (where the intended program duration is less than five years then the budget duration should match this shorter period). The Board of the Global Fund will only commit funding for the initial two-year period of any approved component. Funding for the third and subsequent years, and the amount of such funding, will depend on performance in implementing the grant during the first two years and on the availability of resources.

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Budget preparation

Where possible, the Detailed Component Budget format should be derived from the proposed PR's usual budget formats and should facilitate the use of its normal accounting and reporting systems during program implementation. Where the proposal activities are part of an existing program or will be implemented in partnership with other financiers, the budget format already agreed to and in use should be used in the proposal. In order to report the budgetary analysis required in the Proposal Form, applicants may wish to use the Budget Analysis Template provided in Attachment 5 to these Guidelines. Use of this template is however entirely optional.

Funding for health systems strengthening activities

As indicated at section 4.6.6 of these Guidelines, certain activities to strengthen health systems may be necessary in order for the component proposal to be successful. Funding for such activities should be included within the specific disease component budgets.

Funding to be contributed through a common funding mechanism

Part or all of the funding for this component may be planned to be contributed through a common funding mechanism (such as a Sector-Wide Approach, pooled funding etc). If this is the case (see section 4.6.7), applicants should:

- Compile the Budget information in sections 5.1 – 5.6 on the basis of the anticipated use, attribution or allocation of the requested funds within the common funding mechanism; and
- Provide, as an annex, the available annual operational plans/projections for the common funding mechanism and explain the link between that plan and this funding request.

Common funding mechanisms can vary from country to country. After grant approval, the applicant and Global Fund may agree a mutually acceptable reporting framework that is based on the existing reporting framework of the common funding mechanism

Size of the funding request

There are no fixed upper limits on the size of a proposal, and the size of proposals may vary considerably based on country context and type of proposal. However, evidence of sufficient absorptive capacity is an important criterion for support. The TRP may view negatively proposals that request large amounts where the ability to absorb such funding has not been demonstrated (for example, annual requests that are disproportionate relative to existing yearly health sector expenditure).

There are also no fixed lower limits on the size of a proposal. However, as the Global Fund promotes comprehensive programs and particularly those aimed at scaling-up proven interventions, the TRP may view negatively requests for small projects (of the order of several hundred thousand US Dollars or below). Smaller requests by individual partners and/or smaller non-governmental organizations should be aggregated into the overall comprehensive proposal. In this way, smaller and more innovative approaches can receive funding.

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Budget currency

Applicants must choose between using US Dollars or Euros consistently for all financial information throughout the proposal. In preparing the budget all local currency expenditure should be translated into the selected currency (whether US Dollars or Euros). Exchange rates used to translate local currency amounts should be disclosed in the Detailed Component Budget. Exchange rate assumptions should also be disclosed and where forward rates have been used these should be explained and justified.

5.1 Component budget summary

This is a summary annual budget in respect of each year of the proposal. It should be broken down by categories as defined in the table below. Note that the "Total funds requested from the Global Fund" should be consistent with the amounts relating to this component entered in Table 1.2 of the Proposal Form.

Category	Expenditure examples
Human Resources	Salaries, wages and related costs (pensions, incentives and other employee benefits, etc.) relating to all staff (including field personnel), consultants (excluding short term consultants included under categories below) and staff recruitment costs
Infrastructure and Equipment	Information Technology (IT) and health infrastructure renovation and enhancement, office equipment, audiovisual equipment, vehicles, and related maintenance and repair costs, etc.
Training	Workshops, meetings, training publications, training-related travel, etc. (not including training-related human resources costs which should be included under the Human Resources category)
Commodities and Products	Bed nets, condoms, diagnostics, microscopes, syringes, x-ray equipment, etc. (non-health related commodities and products are to be included under Infrastructure and Equipment)
Drugs	Antiretroviral therapy, drugs for opportunistic infections, drugs for tuberculosis, anti-malarial drugs, etc.
Planning and Administration	<ul style="list-style-type: none"> • Short term technical consulting costs, travel, field visits and other costs relating to program planning, supervision and administration (including in respect of managing sub-recipient relationships, monitoring and evaluation, and procurement and supply management) • Overhead costs such as office rent, utilities, internal communication costs, insurance, legal, accounting and auditing costs, etc. • Administrative costs to be incurred by PRs or sub-recipients associated with satisfying the Global Fund's reporting and auditing requirements • Printed material and communication costs associated with program-related campaigns, etc. (not including human resources costs which should be included under the Human Resources category above)
Other	Any other costs not covered above. Please specify.

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5.2 Detailed Component Budget

Applicants are required to attach as an annex to the proposal a Detailed Component Budget covering the proposal period. This budget should be presented as a financial spreadsheet (in both the electronic and the printed copy of the proposal) with any necessary explanatory narrative. The detailed budget should also be integrated with the Work Plan referred to in Section 4.6. It is anticipated that the Detailed Component Budget can be derived from the proposed PR's usual budget formats and should facilitate the use of its normal accounting and reporting systems during program implementation.

The **Detailed Component Budget** should meet the following criteria:

- a. It should be **structured along the same lines as the Component Strategy (section 4.6)** - i.e., reflect the same goals, objectives, service delivery areas and activities.
- b. It should cover the term of the proposal period and:
 - i. Should be **detailed for year 1 and year 2** of the proposal term, with information broken down by **quarters for the first year**;
 - ii. May provide summarized information and assumptions for the balance of the proposal period (**year 3 through to conclusion of proposal term**).
- c. It should state all key assumptions, including those relating to **units and unit costs**, and should be consistent with the assumptions and explanations included in section 5.3 of the Proposal Form.
- d. It should be integrated with the detailed **Work Plan** for year 1 and indicative Work Plan for year 2 (refer to section 4.6).
- e. It should be **consistent** with other budget analyses provided elsewhere in the proposal, including those in this section 5.

The Detailed Component Budget is also expected to be the source from which the other budget breakdowns required in section 5 are to be derived (see 5.1, 5.4 to 5.6 below). Included with these Guidelines at Attachment 5 is a "**Budget Analysis Template**" that applicants may find useful when compiling the budget analyses in sections 5.1 and 5.4 to 5.6. This template is not a substitute for the detailed model but may help extraction of required information.

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5.3 Key budget assumptions

In this section the applicant is required to disclose all key assumptions underlying the preparation of the Detailed Component Budget.

5.3.1 Drugs, commodities and health products

Drugs, commodities and health products often represent a significant proportion of any budget request. Applicants should therefore justify funding being sought for these items.

Please use Attachment B to the Proposal Form (Preliminary Procurement List of Drugs and Health Products) in order to compile the budget request for years 1 and 2 in respect of drugs, commodities and health products. Please note that unit costs and volumes must be fully consistent with the information reflected in the detailed budget. If prices from sources other than recognized sources are used, please justify.

For the balance of the period after the first two years, summarized assumptions to support the budgeted cost of drugs, commodities and products should be provided.

5.3.2 Human resources costs

Human resource costs may represent an important share of the budget. Explain how these amounts have been budgeted in respect of the first two years. More summarized assumptions should also be presented for the balance of the proposal period. Also explain to what extent human resources spending will strengthen health systems' capacity, and how these salaries will be sustained after the proposal period is over.

5.3.3 Other key expenditure items

Explain how other expenditure categories (e.g., infrastructure, equipment), which form an important share of the budget, have been budgeted for the first two years.

5.4 Breakdown by service delivery area

In this table provide an approximate allocation of the annual budget for each service delivery area (SDA). The objectives and service delivery areas listed should resemble those in the Targets and Indicators Table (Attachment A to the Proposal Form). It is anticipated that this allocation of the budget across SDAs should be derived from the Detailed Component Budget (see section 5.2).

5.5 Breakdown by implementing entities

In this table provide a breakdown of the budget by partner allocation. This analysis is to be provided on a percentage basis. The different stakeholders may include the academic/educational sector; government; non-governmental and community-based organizations; people living with or affected by HIV, tuberculosis, and/or malaria; the private sector; religious/faith-based organizations; and multi-/bilateral development partners and others. This should also include the budget allocated to the PR.

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5.6 Budgeted funding for specific functional areas

The total funding requests, as summarized in the component budget summary in table 5.1, will normally include expenditures relating to Monitoring and Evaluation; Procurement and Supply Management; and Technical and Management Assistance. Applicants are required in this section to separately identify the costs relating to these functional areas. The budgets for these functional areas should be subsets of the summary budget in table 5.1, rather than being additional to it. For example, the costs for Monitoring and Evaluation may be included within one or more of the line items in table 5.1 above (e.g., human resources, infrastructure and equipment, training, etc.).

Monitoring and Evaluation: This includes: data collection, analysis, travel, field supervision visits, systems and software, consultant and human resources costs and any other costs associated with monitoring and evaluation.

Procurement and Supply Management: This includes: consultant and human resources costs (including any technical assistance required for the development of the Procurement and Supply Management Plan), warehouse and office facilities, transportation and other logistics requirements, legal expertise, costs for quality assurance (including laboratory testing of samples), and any other costs associated with acquiring sufficient health products of assured quality, procured at the lowest price and in accordance with national laws and international agreements to the end user in a reliable and timely fashion. **Do not include drug costs**, as these costs should be included in section 5.3.1.

Technical and Management Assistance: This includes: costs of consultants and other human resources that provide technical and management assistance on any part of the proposal – from the development of initial plans, through the course of implementation. This should include technical assistance costs related to planning, technical aspects of implementation, management, monitoring and evaluation and procurement and supply management.

Attachment 1: Country classifications

A. Countries classified as low income by the World Bank

Proposals from these countries are fully eligible to apply for support from the Global Fund at this round of applications

Afghanistan	Malawi
Bangladesh	Mali
Benin	Mauritania
Bhutan	Moldova (Republic of)
Burkina Faso	Mongolia
Burundi	Mozambique
Cambodia	Myanmar
Cameroon	Nepal
Central African Republic	Nicaragua
Chad	Niger
Comoros	Nigeria
Congo (Democratic Republic of)	Pakistan
Congo (Republic of)	Papua New Guinea
Cote d'Ivoire	Rwanda
East Timor	Sao Tome and Principe
Eritrea	Senegal
Ethiopia	Sierra Leone
Gambia, The	Solomon Islands
Ghana	Somalia
Guinea	Sudan
Guinea-Bissau	Tajikistan
Haiti	Tanzania (United Republic of)
India	Togo
Kenya	Uganda
Korea (Democratic Republic of)	Uzbekistan
Kyrgyzstan	Vietnam
Lao People's Democratic Republic	Yemen (Republic of)
Lesotho	Zambia
Liberia	Zimbabwe
Madagascar	

Attachment 1: Country classifications

B. Countries classified as lower-middle income by the World Bank

Proposals from these countries are eligible to apply for support from the Global Fund at this round of applications but must meet additional requirements, including counterpart financing (as described in section 2, "Eligibility") and focusing on poor or vulnerable populations.

Albania	Jamaica
Algeria	Jordan
Angola	Kazakhstan
Armenia	Kiribati
Azerbaijan	Macedonia (The Former Yugoslav Republic of)
Belarus	Maldives
Bolivia	Marshall Islands
Bosnia and Herzegovina	Micronesia (Federated States of)
Brazil	Morocco
Bulgaria	Namibia
Cape Verde	Paraguay
China	Peru
Colombia	Philippines
Cuba	Romania
Djibouti	Samoa
Dominican Republic	Serbia and Montenegro
Ecuador	Sri Lanka
Egypt (Arab Republic of)	Suriname
El Salvador	Swaziland
Fiji	Syrian Arab Republic
Georgia	Thailand
Guatemala	Tonga
Guyana	Tunisia
Honduras	Turkmenistan
Indonesia	Ukraine
Iran (Islamic Republic of)	Vanuatu
Iraq	

Attachment 1: Country classifications

C. Countries classified as Upper-middle income by the World Bank that are eligible by virtue of very high current disease burden

Subject to Board decision.

- Proposals from the countries listed below are eligible to apply for support from the Global Fund in this round of applications but must meet additional requirements, including counterpart financing (as described in section 2, "Eligibility") and focusing on poor or vulnerable populations.

Proposals from these countries are eligible to apply in this round of applications only for the components listed below:

Botswana:.....HIV/AIDS, Tuberculosis, Malaria

Equatorial Guinea:.....HIV/AIDS, Malaria

Gabon:.....Malaria

Russian Federation:.....Tuberculosis

South Africa:.....HIV/AIDS, Tuberculosis, Malaria

- Proposals from the countries listed below (falling under the "small island economy" lending eligibility exception to the International Development Association's requirements are eligible to apply regardless of the disease burden, provided that they meet the counterpart financing requirements for Upper-middle income countries and that they focus on poor or vulnerable populations:

St. Lucia

Grenada

Dominica

St Vincent and the Grenadines

Attachment 2: List of acronyms

Acronym	Meaning
ACT	Artemisinin-based combination therapy
AIDS	Acquired immune deficiency syndrome
ANC	Antenatal Clinic
ART	Antiretroviral therapy
ARV	Antiretroviral
BCC	Behavioral change communication
BSS	Behavior Surveillance Survey
CBO	Community-based organization
CCM	Country Coordinating Mechanism
CRIS	Country response information system
CSW	Commercial sex worker
CT	Counseling and testing
DDT	Dichlorodiphenyltrichloroethane
DHS	Demographic and Health Surveys
DOTS	Directly Observed treatment Short Term
DRS	Drug resistance surveillance
DST	Drug susceptibility testing
FBO	Faith-based organization
GLC	Green Light Committee
HAART	Highly active antiretroviral therapy
HCW	Health care worker
HIS	Health Information System
HIV	Human immunodeficiency virus
IDU	Injecting drug user
IEC	Information education and communication
IPT	Intermittent preventive treatment
IRS	Indoor residual spraying
ITN	Insecticide-treated net
KAP	Knowledge, Attitudes and Practices survey
LFA	Local Fund Agent
LLITN	Long-lasting insecticide treated net
MDG	United Nations Millennium Development Goals
MDR	Multi-drug resistant
M&E	Monitoring and Evaluation
MERG	Monitoring and Evaluation Reference Group
MICS	Multi indicator cluster surveys

Attachment 2: List of acronyms

MoH	Ministry of Health
MSM	Men who have sex with men
NAC	National AIDS Committee
NAP	National AIDS Programme
NGO	Non-governmental organization
NMCP	National malaria control program
NTP	National tuberculosis control program
OI	Opportunistic infection
OVC	Orphans and children made vulnerable by AIDS
PAHO	Pan American Health Organization
PHC	Primary Health Care
PEP	Post-Exposure Prophylaxis
PMTCT	Prevention of Mother to Child Transmission
PLWHA	Persons living with HIV/AIDS
PPTCT	Prevention of Parent to Child Transmission
PR	Principal Recipient
RBM	Roll Back Malaria
RCM	Regional Coordinating Mechanism
RDT	Rapid diagnostic test
RO	Regional Organization
SR	Sub-recipient
STD	Sexually transmitted disease
STI	Sexually transmitted infection
TB	Tuberculosis
TRP	Technical Review Panel
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNGASS	United Nations General Assembly Surveillance System
UNICEF	United Nations Children's Fund
VCT	Voluntary counseling and testing
WHO	World Health Organization
WHOPES	WHO Pesticide Evaluation Scheme

Attachment 3: Programmatic gap analysis table

The table below is designed to illustrate overall programmatic need and unmet gap. Applicants can use it to answer section 4.5.1 in the Proposal Form, and provide a calculation of the programmatic gap in terms of people in need of key services. Applicants should note that this gap analysis should be used to guide the completion of the Targets and Indicators Table in Attachment A to the Proposal Form (see section 4.6 of the Guidelines for Proposals)

	Programmatic Gap Analysis							
	Actual		Anticipated		Estimated			Comments*
	2004	2005	2006	2007	2008	2009	2010	
A. People in NEED of Key Services (3 to 5) delivered in the grant component:								
Key Service 1 (name)								
Key Service 2 (name)								
Key Service 3 (name)								
Key Service 4 (name)								
Key Service 5 (name)								
B. People CURRENTLY RECEIVING or ANTICIPATED TO RECEIVE Key Services (3 to 5) delivered in the grant component as financed by current or anticipated resources:								
Key Service 1 (name)								
Key Service 2 (name)								
Key Service 3 (name)								
Key Service 4 (name)								
Key Service 5 (name)								
C. UNMET NEED OR GAP in terms of people in need of Key Services delivered in the grant component ($A^1 - B^1 = C^1$, $A^2 - B^2 = C^2$ etc.)								
Key Service 1 (name)								
Key Service 2 (name)								
Key Service 3 (name)								
Key Service 4 (name)								
Key Service 5 (name)								

*Comments: Please provide specify information concerning the groups targeted and any assumptions including target size.

Attachment 4: Note on electronic version of Proposal Form

Note to reviewers - This note will, once the Guidelines are approved, provide applicants with technical instructions on enhanced IT features in the MS-Word document comprising the Proposal Form.

Attachment 5: Budget analysis template

Note to reviewers – See separate Excel document: GF-B13-8- Attachment 5 to Annex 3-Budget Analysis Template