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The Global Fund

To Fight AIDS, Tuberculosis and Malaria

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MONITORING COMPLIANCE OF BOARD-MANDATED COUNTRY COORDINATING MECHANISM REQUIREMENTS: THE ROUND 5 REVIEW

Executive Summary: This report updates the Portfolio Committee on the Secretariat's experience with implementing the revised Country Coordinating Mechanism eligibility requirements decided at the Ninth Board Meeting.

There are three key messages that the Secretariat would like to convey to the Committee:

1. There is wide consensus that the eligibility requirements “operationalize” the Global Fund’s founding principles. The institution of the six CCM requirements has contributed substantially to the positive reform of CCM composition, inclusiveness, operating procedures and transparency, as intended by the Board in adopting the requirements.
2. The transaction costs involved in implementing and verifying compliance with the requirements have exceeded expectations and have considerable resource implications for all parties involved. These substantial costs have been borne by countries as well as by various units within the Secretariat and have resulted in delays in grant signings and in the submission and consideration of Phase 2 Requests for Continued Funding.
3. Application of the letter of the requirements would have excluded a material number of countries from eligibility, given the difficulties inherent in providing conclusive documentary evidence of compliance in a developing country context. As a result, the Secretariat has found it necessary to develop evidentiary standards that ensure that CCMs that are compliant with the intent of the board decision – that CCMs with proper representation of the nongovernmental sector and people living with the diseases, and that conduct their functions in an open, transparent, and merit-based manner – not be penalized, while leaving out CCMs that do not have those attributes.

With these observations in mind, the Secretariat developed this report, as well as the attached Terms of Reference for the Secretariat Review Panel and the Operational Policy Note on CCM, to seek the Portfolio Committee’s consideration of the approach it has taken, so that it can benefit from any observations the Committee may wish to express on this matter.

Part 1: Introduction

1. Since the beginning of the Global Fund, the role and function of the Country Coordinating Mechanism (CCM) has been the subject of much political debate and structural evolution. CCMs needed to become multi-stakeholder bodies that could tap into a country's collective intelligence and experience in new and expanded ways if the rapid introduction of new resources was going to succeed. A new, public/private partnership was required to rapidly scale up country-level activities. Initially, CCMs were quickly organized, almost always by the ministries of health who chaired them. This worked sufficiently in the first few funding rounds, but many on the Board believed that without establishing open, transparent, and participatory rules of engagement, CCMs would become just another layer of bureaucracy providing no "additionality".

2. Therefore, to insure that CCMs would become open and transparent forums where public and private partners could work together to rapidly scale up prevention and treatment programs, the Board decided at its ninth meeting in November 2004 to change six of its recommendations into requirements that all CCMs would have to meet in order to be eligible for funding. Effective as of 1 June 2005, these requirements have had a profound impact on the composition and purpose of CCMs globally. By means of this report, the Secretariat provides the Portfolio Committee (PC) with an update on the implementation of the new requirements, the key lessons learned, and structural changes the Secretariat has made to insure that the requirements are met.

Part 2: Background

1. The CCM is a cornerstone of the Global Fund's architecture in which innovative public/private partnerships are built to rapidly disburse funds in the battle against AIDS, tuberculosis and malaria. The CCM's composition, as outlined in the Global Fund's Framework Document, is essential to the efficiency of all other grant operations. As the proposal coordinating and grant oversight body, the CCM makes decisions on the nature and quality of proposals submitted, selects Principal Recipients (PRs), oversees grant implementation, and determines the allocation and utilization of funding. The viability of these decisions is based on the CCM's ability to draw on the country's collective intelligence by engaging a broad, multi-stakeholder process that includes civil society and people affected by the three diseases in an open and transparent manner.

2. Recognizing the importance of multi-stakeholder participation in CCMs, the Global Fund's Board decided at its ninth meeting in November 2004 to reinforce its previous recommendations with six basic requirements that each CCM must fulfill in order to be eligible for funding.

3. To assist CCMs in meeting these requirements, the Secretariat participated in numerous regional meetings from 2005 to 2006, conducting compliance-related workshops. In February 2005 it distributed a self-assessment tool to help CCMs determine the status of their own compliance. The ensuing survey, March-July 2005, was facilitated by the Futures Group with funding from GTZ and provides the baseline data for the report of the Technical Evaluation Review Group (TERG) on the "Assessment of Country Coordinating Mechanisms: Performance Baseline" (the TERG Report) published in December 2005. Throughout this report, where a "baseline" is referred to, it is attributable to this TERG study.

4. In June 2005 the new CCM requirements for grant eligibility (the eligibility requirements) (found in the “Revised Guidelines on the Purpose, Structure and Composition of CCMs and Requirements for Grant Eligibility” policy document posted on the Global Fund website) were applied to the proposals submitted for Round 5, for which the deadline was 10 June 2006, and to applications for Phase 2 continued funding.

5. In order to gather the lessons learned from the implementation of the eligibility requirements, a review of compliance-related documents from Round 5 was conducted in August 2006 by the Secretariat’s CCM Manager. The review focused on analyzing and describing the compliance status of the CCMs which applied for Round 5 funding and comparing this data with the baseline from the TERG Report; identifying trends and changes over time from June 2005 to September 2006; and interviewing key Secretariat staff to elicit factors which have contributed to successes or challenges in the implementation of the eligibility requirements.

6. Overall, the Secretariat took a measured and balanced approach to implementing the requirements. A strict compliant/non-compliant interpretation of the requirements in Round 5 would have resulted in the majority of proposals having been rejected. While the requirements were meant to screen applicants’ eligibility for funding, in reality no proposals were excluded from review as the result of a rigorous or systematic screening protocol. Unfamiliarity with the requirements themselves, both at country level and within the Secretariat, combined with an initial dearth of procedural methods for fairly screening proposals, resulted in a compromise: in addition to screening for obviously non-compliant proposals prior to the TRP review, the Secretariat conducted a post-approval, pre-grant signing compliance review. This compromise has permitted the Secretariat to perform its due diligence towards the eligibility requirements while not applying the requirements in such a way as to have inappropriately penalized those countries either unfamiliar with the eligibility requirements or incapable of implementing them prior to Round 5 proposal submission.

Part 3: Round 5 CCM Requirement Review: Methods

1. As described in Part 2 para. 5, the Round 5 CCM Requirements Review (Round 5 Review) analyzed and described the compliance status of the CCMs which applied for Round 5 funding and compared this data with the baseline set in the TERG Report to identify trends and changes over time from June 2005 to September 2006, as well as interviewing key Secretariat staff to elicit factors which have contributed to successes or challenges in the implementation of the eligibility requirements with specific country examples.

2. It was also purposed that the Round 5 Review should examine Secretariat experiences with Phase 2 renewals but this information proved difficult to obtain due to the lack of written documentation with specific reference to CCM compliance. The review therefore focused on Round 5 Board-approved proposals.

3. The CCM Manager collected information in a two-part, point-in-time process. The findings reported represent 41 countries from Round 5¹. Of the countries with signed grants, 27 had CCM compliance memos analyzing compliance data². Six countries were fully compliant per the Secretariat's legal team's (Legal) assessment and therefore did not require a memo³. Eight countries were still under legal review at the time of this assessment; however their CCM compliance documents were available for review. It should be noted that the numbers and percentages quoted are suggestive of trends only, rather than evidence-based statements.

4. To contextualize the crude numbers from the Round 5 Review, the Secretariat conducted 30- to 45-minute interviews with ten key informants - Fund Portfolio Managers (FPMs), Cluster Leaders and Program Officers - representing each region. These interviews suggested how the compliance process affected workload, and provided specific examples of both barriers and successes at country level. The findings presented in Part 5 below are based on a general, rapid assessment and it should be noted that interview data are based on individual perspectives and experiences.

Part 4: Eligibility Requirements

Box 1: CCM Requirements for Grant Eligibility⁴
1. CCM members representing the non-government sectors must be selected/elected by their own sector(s) based on a documented, transparent process, developed within each sector.
2. All CCMs are required to show evidence of membership of people living with and/or affected by the diseases.
3. CCMs are required to put in place and maintain a transparent, documented process to solicit and review submissions for possible integration into the proposal.
4. CCMs are required to put in place and maintain a transparent, documented process to nominate the Principal Recipient(s) and oversee program implementation.
5. CCMs are required to put in place and maintain a transparent, documented process which ensures the input of a broad range of stakeholders, including CCM members and non-CCM members, in the proposal development and grant oversight process.
6. When the PRs and Chair or Vice-Chair of the CCM are the same entity, the CCM must have a written plan in place to mitigate against this inherent conflict of interest.

Figure 1: CCM requirements for grant eligibility

1 There are 48 total Round 5 countries. Côte d'Ivoire was exempt from CCM compliance due to in-country conflict. The Russian Federation was a non-CCM proposal and was therefore excluded from this study. The remaining five unsigned grants did not have sufficient CCM requirement determination prior to this study and were therefore excluded.

2 Some grants are still in process of negotiation and signing as their deadlines are either 30 September or 17 December 2006 and therefore have not yet been reviewed by the legal team.

3 Cambodia, Ghana, Kyrgyzstan, Macedonia, Rwanda, Tajikistan.

4 "Revised Guidelines on the Purpose, Structure and Composition of CCMs and Requirements for Grant Eligibility" May 2005.

Part 5: Overview on Round 5

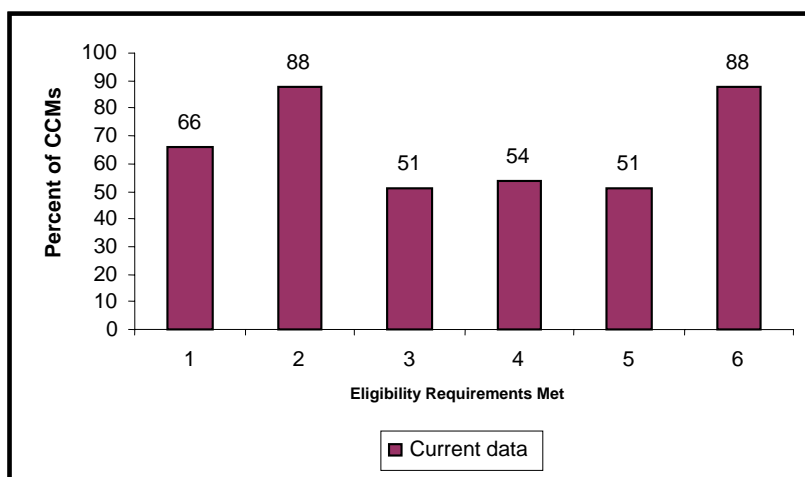


Figure 2: Successful eligibility, by requirement

1. In Figure 2, the majority of CCMs complied with requirement 2 and 6 (88 percent) to show evidence of membership of people living with and/or affected by the diseases, and having implemented a conflict of interest (COI) policy, respectively. Requirements least met (51 percent each) were 3 and 5, with 3 being generally the most difficult to demonstrate. Sixty-six percent of CCMs provided evidence that their nongovernmental sectors had a transparent, documented process to select or elect their sector representatives. About half (54 percent) of the CCMs had a documented and transparent process for nominating the PR and providing oversight of program implementation.

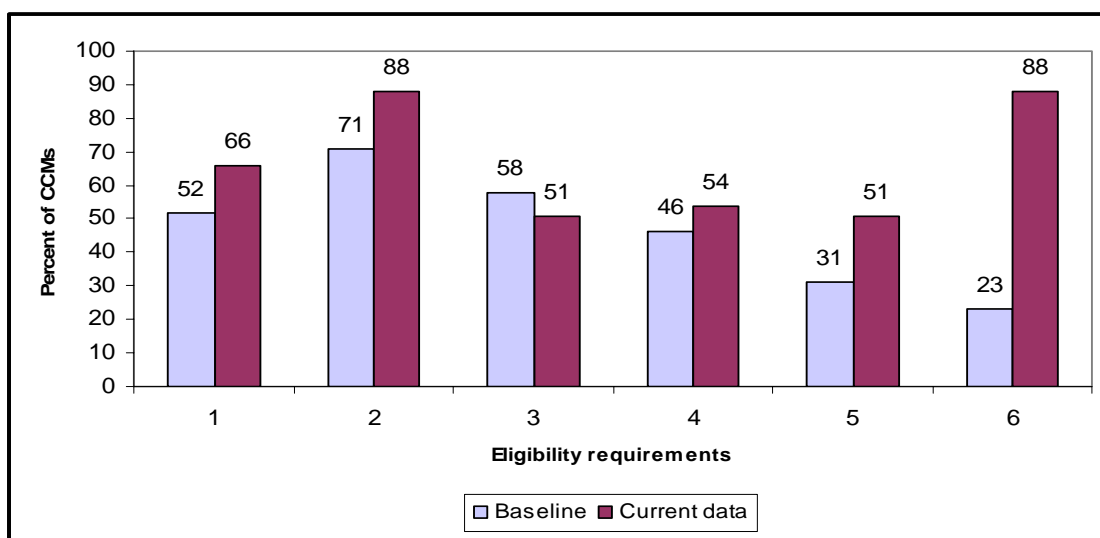


Figure 3: Comparison of percent of CCMs who have met the eligibility requirements at baseline and at Round 5 review, per requirement

2. As presented in Figure 3, Round 5 had a 10 to 20 percent increase of CCM compliance as compared to the baseline data for four of the requirements. In addition, requirement 6 had a marked increase as compared to the baseline data. In contrast, requirement 3 had a seven percent decrease of CCM compliance in Round 5, as compared to the baseline data⁵. This is most likely due to either a misunderstanding of how to apply the requirement, and/or a difference in self-reporting versus a third-party review of the documentation. Requirement 5 was one of the least met by the CCMs in Round 5 (51 percent) but in comparison to the baseline data this requirement increased by 20 percent. Of the total requirements combined, the average percent of improved change from the baseline data to Round 5 in CCM compliance is 18 percent. The total average percent of CCMs who met each requirement was 66 percent for Round 5, as compared to 47 percent for the baseline data.

Number of requirements met ⁶	No requirements met	All requirements met
Baseline	13%	2%
Round 5 data	0%	29%

Figure 4: Comparison of the percent of CCMs and the number of eligibility requirements met at baseline and at current review

3. Figure 4 shows that 29 percent of CCMs met all six of the requirements in Round 5, compared to the baseline data where only two percent of CCMs had met all six of the requirements. Another significant change was there were no CCMs (0 percent) that did not meet any requirements in Round 5, as opposed to the baseline data which reported that 13 percent of CCMs did not meet any.

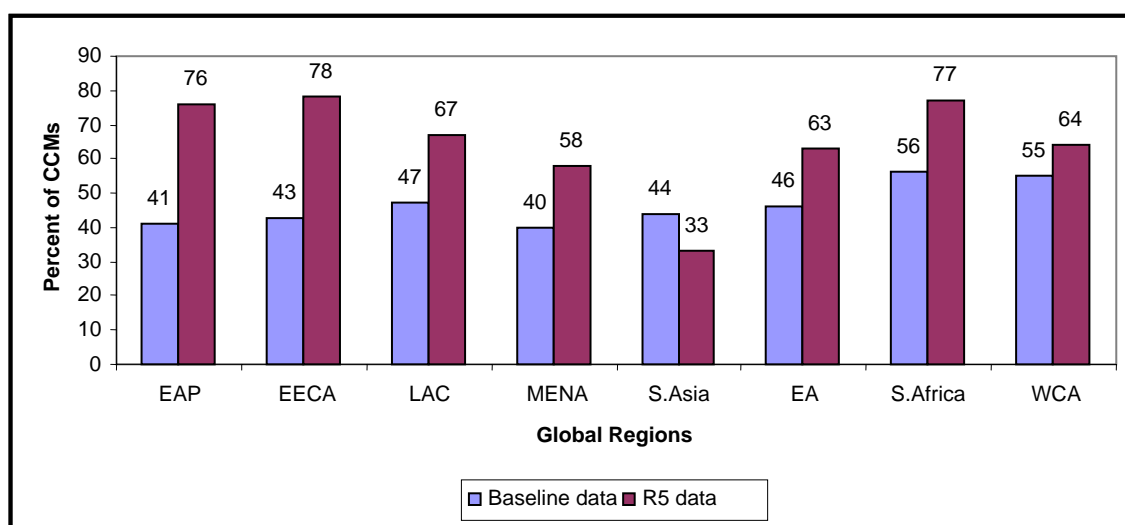


Figure 5: Regional comparison of the average percent of CCMs who met the requirements at baseline and at the Round 5 review

⁵ The decrease shown in the data for requirement 3 is probably due to variations in data collection. TERG data was based on self-assessment surveys. Data from this study suggest that CCMs often misinterpret their compliance status and report that they have met a requirement when in fact, once the evidence is reviewed by the legal team, it is rated non-compliant.

⁶ The baseline data had combined requirements 3 and 5 for analysis, therefore the current data can only be compared to categories '0' and 'all' requirements met.

4. As Figure 5 indicates, Eastern Europe and Central Asia (EECA) (78 percent), Southern Africa (77 percent) and East Asia and the Pacific (EAP) (76 percent) had the highest average percent of CCMs who met the requirements. South Asia region had the lowest average percent of CCMs (33 percent) who met the requirements.⁷ Overall, there is a 9 to 35 percent range of improvement. The West and Central Africa region (WCA) also had a lower change with a nine percent increase in CCM compliance compared to the baseline data. The most improved regions were EAP and EECA with a 35 percent average increase (each) of CCM compliance in Round 5. Of all the regions combined, there is a total average of 23 percent improvement in CCM compliance in Round 5 as compared to the baseline data.

Part 6: Requirement-Specific Notes

1. CCM members representing the non-government sectors must be selected/elected by their own sector(s) based on a documented, transparent process, developed within each sector. Requirement 1 was challenging for many CCMs though overall there was an increase in compliance from baseline to Round 5 proposals. This is significant because at baseline many CCMs thought they were compliant with the requirement until their “documented process” was subjected to scrutiny from Legal. There was often a gap between a statement of intent, such as the call for open and transparent selection of sector-wide representatives which forms part of the CCM constitution, and the CCM’s ability to produce a document recording proper implementation. In many cases where civil society participation is robust, it was appropriate to seek clarification from CCMs on the processes used to select constituent representatives. However, many sectors are small enough to assemble in one room so that the necessity of documenting an informal selection already known to all was not perceived.

2. All CCMs are required to show evidence of membership of people living with and/or affected by the diseases. Here, as with all the other eligibility requirements, the Board’s language needed interpretation. Does this refer only to people living with HIV/AIDS, as many assumed? What happens in countries where everyone is living with malaria? Does the CCM need one representative per disease? Or does the requirement depend on the component for which the CCM has applied for funding? Finally, in countries where stigma and discrimination against people living with HIV/AIDS can be life-threatening, are those who are CCM members required to “come out” and identify themselves thus potentially jeopardizing their safety?

3. CCMs are required to put in place and maintain a transparent, documented process to solicit and review submissions for possible integration into the proposal. The Round 5 Review recorded a decrease in compliance with this requirement compared to the TERG assessment baseline. The reason for this is most likely due to the difference between data procured from self-assessment, i.e. TERG Report baseline, and objectively verified data, i.e. Round 5 Review. It’s important to note that this requirement has two parts: one applies to soliciting submissions and the other to reviewing them - a distinction not always apparent to all parties involved.

⁷ South Asia was the only region to have only two CCM grants in Round 5, Afghanistan and Bangladesh.

4. CCMs are required to put in place and maintain a transparent, documented process to nominate the Principal Recipient(s) and oversee program implementation. The Round 5 Review showed a slight improvement on this requirement from baseline. The biggest challenge was for CCMs who wanted to continue using a PR from a previous funding round. Many felt that a simple affirmation of a current PR was sufficient evidence of an open and transparent process of selection. This was deemed insufficient because without a process demonstrating a criteria-based selection, CCMs risk making pro forma selections of previous PRs - a process that is generally not very transparent, often fraught with behind-the-scenes maneuvering, and ultimately does not open the selection process to other potentially better candidates. Another form of tension in evaluating compliance presented itself when a country determined that there were only a limited number or only one appropriate entity to be the PR, and hence from their perspective the choice was obvious. On the other hand, though, many CCMs felt that it was not appropriate to engage an elaborate new selection process when a current PR is doing a good job. The latter approach is acceptable where a proposal is broadly a continuation of a previous grant's work but not otherwise, a distinction not always recognized by the CCM or by the FPM.

5. CCMs are required to put in place and maintain a transparent, documented process which ensures the input of a broad range of stakeholders, including CCM members and non-CCM members, in the proposal development and grant oversight process. As with the third requirement, CCMs and the Secretariat both struggled to interpret how these principles should be applied in practice and to define which types of "process" would qualify as "transparent" and "documented". On this requirement there was only a slight improvement from baseline and, again, this is most likely attributable to the difference between a self-reported understanding of the requirement versus an objective legal review of the same. Many CCMs didn't see the necessity of involving non-CCM members given a CCM is a multi-stakeholder body. But lest the CCM become a "club" of familiars, non-member participation is important in the solicitation and review of proposals as well as in sub-committees for technical reviews or monitoring and evaluation. This is a subtle requirement that CCMs are coming to appreciate and incorporate in their learning about the roles and responsibilities of all members, and non-members, on a multi-stakeholder body.

6. When the PRs and Chair or Vice-Chair of the CCM are the same entity, the CCM must have a written plan in place to mitigate against this inherent conflict of interest. This requirement, along with requirement 2, saw the most significant change from baseline. The change is most likely due to the ease with which the requirement can be met, via the furnishing of a policy document. The steep learning curve is partly due to the distinction between the intent of a document versus its ability to spell out a process for resolving the conflict. Once CCMs understood the difference, they were able to fashion their policy document based on best-practice examples from several countries, e.g. Malawi, Tanzania and Cambodia. For some CCMs, particularly those where government plays a strong role, the requirement caused offence. Never before had public health ministries - and usually public health *ministers*, since they often serve as CCM chairs or vice-chairs - been required to acknowledge that their public service decisions could be called into question by personal interests. In general, most CCMs implemented this policy well and without much trouble.

Part 7: Cross-Cutting Experiences

Country context

1. While the eligibility guidelines seem to have prompted significant changes in many CCMs, there were complex challenges in translating the intent of the requirements into diverse country contexts - particularly in countries with limited formal experience of documenting open and transparent processes. Contextual variables affecting the process of implementing the requirements included: leadership capabilities, type and quality of governing histories and systems, technical capacity, degree of civil society participation, and a strong ideological/institutional history with publicly administered health sectors.

Documentation

2. Documenting compliance with the requirements was probably the single most difficult challenge for CCMs and the Secretariat. In many ways the requirements necessitated a leap towards codification and an ability to organize ideas on paper that many simply couldn't supply. In Latin America and the Caribbean (LAC), for example, a well-organized and active civil society sector predates the Board's requirements; yet CCMs experienced difficulty documenting processes that were known to all to be participatory and inclusive. Often, there was a misunderstanding about the difference between a statement of intent to comply, e.g. codifying open and transparent selection of NGO representation in a CCM by-law, and a document that proved the requirement had been implemented, e.g. signed minutes from the NGO sector wherein the selection was actually made. In many other cases, particularly in the EECA region, countries were able to produce sufficient evidence to demonstrate compliance although in practice their CCMs were predominantly run by government entities and not very inclusive. Finally, some CCMs were genuinely hard put either to understand the requirements or to figure out what changes were needed in order to produce the requisite documentation.

Learning curve

3. Both the Secretariat - Country Clusters, Operational Partnerships and Country Support (OPCS) and Legal - and CCMs debated what constituted "sufficient" evidence and how it could be applied uniformly while also allowing for country flexibility. In such cases of indeterminate compliance, further documentation of the unresolved issues is required to inform the Chief of Operations' final determination. It would be fair to say that the Board and Secretariat greatly underestimated the amount of work and the transaction costs involved for both Secretariat and CCMs. Below are some examples of learning curves that key structures experienced:

CCMs

- Many CCMs had to learn to understand both the intent of the requirements, e.g. transparency, inclusiveness, partnership and participation, and what documentation would be necessary to prove compliance. While the Secretariat posted much of this information on the website, it was no small feat for many CCMs to digest the material and integrate it.

Secretariat

- **Legal:** The Legal team defined what constituted sufficiency of evidence but it could only do so upon receipt of documents, in order to allow for country variability which was significant. While Legal could suggest types of documents that would supply sufficiency, e.g. signed meeting minutes or newspaper advertisements announcing proposal submissions, each country's approach and state of development was different and required flexibility.
- **Country clusters:** The FPM served as an interlocutor and had to describe country contextual issues to Legal and translate the requirements to the CCM.
- **OPCS:** The CCM Manager - having entered the review process midway through the Round 5 Review—assessed the interaction between the three parties above and tried to identify alternative solutions, appropriate compromises, and develop new systems for reviewing compliance that would reduce transaction costs, yet foster the momentum of improved CCM governance and partner participation that has resulted from implementing the requirements. Together with Legal and the Operational Policy team, the CCM Manager developed an Operational Policy Note (OPN) on CCM compliance and set up a new screening review panel in collaboration with the Proposals Advisory Service (PAS) and Legal.

Transaction costs

4. While the Round 5 Review did not calculate the extent of the increased transaction costs, they were significant and incurred by everyone involved - CCMs, FPMs, Legal, OPCS, in-country partner organizations and the Executive Director's Office. The same can be said for Phase 2 Requests for Continued Funding – ensuring compliance prior to submission to the Phase 2 panel required a time-intensive iterative process between portfolio teams and relevant CCMs. Whenever a recommendation becomes a requirement, there is a change in level of engagement with far-reaching consequences for all parties, whose associated costs should be expressly discussed before such Board decisions are made. For this and other reasons the Secretariat has set up an alternative structure, the Secretariat Review Panel, to review and decide compliance from Round 6 onwards, which is described in Part 10 below.

Social Transformations in Health

5. Overall, the majority of FPMs believe that the goals of the eligibility requirements - transparency, inclusiveness, partnership, and participation - are essential for the creation of more effective and efficient country programs. All are agreed that the requirements have had a catalytic effect in building innovative partnerships by forcing diverse organizations together that might not have collaborated otherwise. However concern has been expressed, particularly by FPMs and CCMs, that the Secretariat is spending too much time tracking documentation on requirements at the expense of other grant activities.

Part 8: A Few Country Examples

1. The following are examples of how the eligibility requirements have improved CCM structure and process:

- In Sao Tome and Principe, this is the first time a national, structured body with a broad participation of organizations has been created to focus on health programs and provide fiduciary oversight.
- In Bolivia, the eligibility requirements have provided clear and strong messages about the role and composition of CCM membership and guidance on how better to organize this CCM. It had been dominated by sub-recipients with institutional rather than sector-wide representatives.
- In Somalia, the three ministers of health who for political reasons had not worked together previously were united at one table to negotiate the Global Fund grant.
- In Malawi, Lesotho and Swaziland, the requirements have been a catalyst in reorganizing their CCMs and building broader participation.
- In Nigeria, in response to the discontinuation of funding the CCM implemented the requirements assiduously and completely revamped its CCM: it held sector-wide elections, reformulated its constitution and implemented key policies related to COI and decision-making that resolved many former challenges related to CCM governance.
- Kenya conducted a national workshop, with technical assistance from Aidsplan, to reform their governance processes so as to be more in line with the eligibility requirements. Similarly, the Madagascar CCM held a national workshop on CCM requirements facilitated by the Secretariat's CCM Manager. This resulted in a reform of governing processes to be more inclusive of civil society participation and clarify the meaning of oversight in grant implementation.
- In general, the Round 5 Review found that many CCMs have either instituted terms of reference for their constitutions and bylaws for the first time or revised them to insure that the eligibility requirements are adequately addressed.

Part 9: Regional Differences

1. Interestingly, no particular data-based trends emerged from the Round 5 data per se but numerous conversations with FPMs about the compliance process have produced a few generalizations worth noting.

2. In general, LAC has very strong civil society participation that governments depend on. CCM bodies were built on existing national collaborative structures that already had transparent processes and inclusive participation. While many of the CCMs have achieved the goals intended by the eligibility guidelines, they struggle with producing the proper documentation to "prove" their compliance. If anything, the LAC region could characterize some CCMs as overactive in the energy they have been expending on interpreting the concepts of transparency, openness or partnership – energy which could more usefully have been focused on role clarification between CCMs and the PR.

3. EECA region produces good documented evidence. But most FPMs agree that while CCMs are multi-stakeholder mechanisms on paper, in reality they are still mostly dominated by government ministries and civil society's role needs to be strengthened.

4. MENA has probably encountered more challenges than most regions to document compliance. There are several reasons for this, none of which were evident from the data collected in the Round 5 assessment. Many countries in the region don't have the HIV/AIDS burden borne by sub-Saharan Africa and consequently their level of civil society engagement has historically been small but is now growing. As well, public health systems in many MENA countries have traditionally been run by government ministries with minimal civil society input. Finally, in countries such as Chad, Sudan and Iraq, geography, economic development, civil unrest and communications coalesce to create conditions less than propitious to the procuring of sufficient documented evidence.

5. There were no notable trends for sub-Saharan Africa that emerged from the Round 5 Review but a wide variation is evident in the ability of the region's CCMs to comply with the requirements. Many countries are best-case scenarios, less for following the letter of requirements in supplying documented evidence - though they did - than for the spirit of multi-sector participation with the goal of scaling-up national programs. Some examples are: Rwanda, Ghana, The Gambia, Zambia, Tanzania, and Mozambique. Many others, though, struggled with the requirements and will probably require further assistance in strengthening their CCMs, e.g. Togo, Kenya, the Democratic Republic of Congo and Angola.

6. The review noted that EAP had the most significant regional increase in compliance from the self-reported baseline to the Round 5 Review.

7. South Asia was the only region that demonstrated a decrease in compliance from baseline survey to Round 5 Review. This could partially be explained by a mismatch between what countries believed constituted documented evidence versus what the Secretariat's Legal review determined was adequate documentation. The political situation in some countries in this region (Iran and Nepal for example) may result in ongoing challenges with future compliance.

Part 10: Secretariat Response

1. Based on lessons learned from the Round 5 Review, the CCM Manager has collaborated with PAS and Legal to institute a Secretariat review panel (SRP) as the final decision-making body on CCM eligibility, modeling it on the Phase 2 Review Panel. Starting with Round 6, the SRP is responsible for reviewing and deciding on the eligibility of proposals before they are submitted to the TRP. The SRP has a detailed scope of work and cross-team membership, which includes representation (and observers) from OPCS, Performance Evaluation and Policy and External Relations. Because of its broad composition, the SRP embodies the collective intelligence of the Secretariat's Round 5 experience, ensuring a balance between the need to enforce compliance and the allowance to be made for country-level mitigating factors.

2. Prior to the SRP review, screeners will have reviewed and categorized proposals in the following way:

- a) **Compliant proposals:** These are proposals that clearly provide sufficient documentary evidence to address all six requirements.
- b) **Non-compliant proposals:** These are proposals where admission of non-compliance with even only one of the six requirements is sufficient to screen out the proposal. By way of non-exhaustive example, any one of the following circumstances would provide sufficient evidence that the proposal is non-compliant with one or more of the six minimum requirements:
 - (i) the CCM admits within the proposal form that it does not yet include representatives of the nongovernmental sector other than hand-picked ones, but that it expects that proper representation developed by the sector will be achieved at some point in the future;
 - (ii) the CCM admits that it did not invite proposals from a broad range of stakeholders; or
 - (iii) the proposal narrative demonstrates a clear misunderstanding of the CCM requirements and describes action showing non-compliance.
- c) **Indeterminate proposals:** These are proposals where, although the Secretariat has not received all the evidence it requires, there is a reasonable probability, based on statements by the applicant in the proposal, and the bulk of evidence that the applicant has submitted, that the CCM is compliant. Impacted CCMs have until the business day prior to the last day of the TRP meeting for the funding round in which their status is being determined to submit sufficient documented evidence.
 - (i) where CCM eligibility has not been determined by the first day of the TRP meeting, the applicant's proposal will be sent to the TRP for review; and
 - (ii) the SRP will determine, by not later than the final day of the TRP meeting whether the documented evidence is sufficient to establish CCM eligibility.If a CCM applicant is determined as non-compliant by the SRP, the applicant is declared ineligible and the relevant proposal is not submitted to the Board for funding approval even if it has been reviewed by the TRP during any indeterminate-compliant phase.

3. SRP decisions regarding the type and quality of acceptable documentation are based on guidance provided by the OPN "Evidence of Compliance of CCMs and Eligibility for Funding of Proposals". This OPN, the outcome of collaboration between Legal, OPCS and PAS, provides a simple decision matrix with three categories of eligibility - non-compliant, fully compliant, and indeterminate - and defines the types of documented evidence required. This OPN has guided the screening of all Round 6 proposals.

Part 11: The Future of CCM Eligibility Requirements

1. The purpose of this report is to update the PC on the Secretariat's experience with implementing the revised CCM eligibility requirements decided at the Ninth Board Meeting. As noted in detail above, the process was not always easy or clear but the consensus is that the requirements have had a significant effect in bringing new stakeholders to the CCM and in creating a more robust and inclusive mechanism for producing proposals and providing oversight to grant implementation. Most believe that in the long term the requirements will result in greater efficiency and more "additionality" in the mobilizing and utilizing of resources, but that in the short term a significant learning curve had to be accommodated and this has had cost implications.
2. While this report did not attempt to quantify the transaction costs involved, it is apparent that they were significant and the Secretariat is currently exploring a number of ways in which to reduce them. For example, we might consider a licensing system, supplemented with a compliance rating system which, similarly to the Early Alert and Response System (EARS), in response to certain triggers would prompt a country-level visit by the Secretariat to assist CCMs with improving their compliance. Full compliance with all of the requirements needs time, resources, and assistance; they can not be achieved "overnight".
3. Another possibility, currently under development, is a web-based tool kit incorporating step-by-step examples to guide CCMs on how to document the compliance processes correctly. These would include specific examples of advertising, meeting minutes and sector-wide elections.
4. The Secretariat is also planning for and getting ready to launch an interactive CCM webpage that will function as a forum where best-case examples can be shared and challenges discussed.
5. The Secretariat continues to fulfill its mandate of providing technical assistance to CCMs to improve their governing systems, CCM requirements inclusive. The Secretariat is currently drafting a global consulting contract that will enable it to respond more rapidly to CCM requests for assistance. By the time it is finalized CCM experts, who will generally be regionally based, will be trained and available.
6. The Secretariat seeks the PC's consideration of the approach it has taken, and welcomes any observations the Committee may wish to express on this matter.

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

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Annex 1

OPERATIONAL POLICY NOTE [NUMBER]

Evidence of Compliance of Country Coordinating Mechanisms and Eligibility for Funding of Proposals

Effective: 2 August 2006
Approved by: Operational Policy Committee

A. PURPOSE

1. The purpose of this Operational Policy Note is to define the protocol for determining whether Country Coordinating Mechanisms (CCMs), Regional Coordinating Mechanisms (RCMs) and sub-national level CCMs (sub-CCMs) have met the eligibility requirements approved at the Ninth Board Meeting, and to establish what evidence is sufficient to meet the requirements.
2. A separate OPN will be produced for screening of non-CCM applicants for funding rounds, and also CCM Requests for Continued Funding.
3. In this OPN, a reference to a **Coordinating Mechanism** includes a reference to a CCM, RCM or sub-CCM.

B. RESPONSIBILITY

4. The Coordinating Mechanism is responsible for:
 - (a) complying with each of the six minimum requirements for CCM eligibility approved by the Board at the Ninth Board Meeting; and
 - (b) providing to the Global Fund documentation demonstrating evidence of compliance with the CCM eligibility requirements.
5. The Proposal Advisory Services (PAS) team is responsible for:
 - (a) reviewing documentation provided by Coordinating Mechanism applicants, including making enquiries of the applicant to obtain clarifications on eligibility status;
 - (b) as soon as reasonably possible after the closing date of a funding round, providing a preliminary rating on Coordinating Mechanism compliance with the 6 minimum eligibility requirements according to three categories (compliant, non-compliant, and indeterminate compliant);
 - (c) organizing proposal materials and documentation for review by the SRP; and
 - (d) conveying in writing to all Coordinating Mechanism applicants the status of their eligibility as soon as reasonably possible after the Board meeting at which the funding decisions on that round of funding are made.

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6. The Secretariat Review Panel (SRP) is responsible for:
- (a) reviewing and deciding, according to the attached scope of work, whether the evidence provided by the Coordinating Mechanism in or accompanying its proposal satisfies the CCM eligibility requirements; and
 - (b) making the final determination on the eligibility of applicants by not later than the final day of the TRP meeting for the funding round in which the applicant's eligibility is being determined.

C. POLICY

C.1 Eligibility of Coordinating Mechanisms

7. The following process will be used to categorize proposals from Coordinating Mechanisms according to their compliance with the six minimum CCM requirements:
- (a) **Compliant Proposals.** These are proposals that clearly provide sufficient documentary evidence to address all six requirements.
 - (b) **Non-Compliant Proposals.** These are proposals where admission of non-compliance with even only one of the six requirements is sufficient to screen out the proposal. By way of non-exhaustive example, any one of the following circumstances would provide sufficient evidence that the proposal is non-compliant with one or more of the 6 minimum requirements:
 - (i) the CCM admits within the proposal form that it does not yet include representatives of the non-governmental sector other than hand-picked ones, but that it expects that proper representation developed by the sector will be achieved at some point in the future;
 - (ii) the CCM admits that it did not invite proposals from a broad range of stakeholders; or
 - (iii) the proposal narrative demonstrates a clear misunderstanding of the CCM requirements and describes action showing non-compliance.
 - (c) **Indeterminate Proposals.** These are proposals where, although the Secretariat has not received all the evidence it requires, there is a reasonable probability, based on statements by the applicant in the proposal, and the bulk of evidence that the applicant has submitted, that the Coordinating Mechanism is compliant. Impacted CCMs have until the business day prior to the last day of the TRP meeting for the funding round in which their status is being determined to submit sufficient documented evidence.
 - (i) where CCM eligibility has not been determined by the first day of the TRP meeting, the applicant's proposal will be sent to the TRP for review; and
 - (ii) the SRP will determine, by not later than the final day of the TRP meeting whether the documented evidence is sufficient to establish CCM eligibility.

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8. If a Coordinating Mechanism applicant is determined as non-compliant by the SRP, the applicant will be declared ineligible and the relevant proposal will *not* be submitted to the Board for funding approval even if it has been reviewed by the TRP during any Indeterminate-Compliant phase.

C.2 Coordinating Mechanism Minimum Eligibility Requirements

9. The following six minimum eligibility requirements were approved by the Board at its ninth meeting:
 - (a) *All CCMs are required to show evidence of membership of people living with and/or affected by the diseases.*
 - (b) *CCM members representing the non-government sectors must be selected by their own sector(s) based on a documented, transparent process, developed within each sector.*
 - (c) *CCMs are required to put in place and maintain a transparent, documented process to:*
 - (i) *Solicit and review submissions for possible integration into the proposal.*
 - (ii) *Ensure the input of a broad range of stakeholders, including CCM members and non-members, in the proposal development and oversight process.*
 - (iii) *Nominate the Principal Recipient and oversee program implementation.*
 - (d) *When the Principal Recipients and Chair or Vice-Chair(s) of the CCM are the same entity, the CCM must have a written plan in place to mitigate against this inherent conflict of interest.*
10. The minimum eligibility requirements apply equally to all Coordinating Mechanisms. New applicants to the Global Fund (i.e., first time proposal submission, or repeat applicants whose proposals have not previously been recommended for funding) are not exempt from complying with these requirements unless they qualify as non-CCM applicants.

C.3 Acceptable "Documented Evidence"

11. For a proposal to be eligible for funding, the Coordinating Mechanism must submit documentation to demonstrate that it has met the minimum eligibility requirements set out in paragraph 9 above.
12. The Coordinating Mechanism should provide evidence that all requirements have been met *at the time of the submission of the proposal*. A statement in the proposal that the Coordinating Mechanism will comply with a requirement in the future means that the proposal may *not* be eligible for funding.
13. Coordinating Mechanism governance documents which refer to these requirements but do not actually demonstrate that the applicant complied with these requirements are not sufficient evidence of compliance. For example, a statement in a Coordinating Mechanism's By-laws that "*all CCM members from the nongovernmental sectors shall be selected in a documented and transparent manner*", although positive, is not evidence that they were in fact selected in such a manner. In such a case there would be a need for additional evidence showing that the requirement, as set forth in the By-laws, was in fact satisfied.

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14. Section D below is intended to provide guidance to the type of documentary evidence required to establish that each requirement is met.
15. From Round 6, all Coordinating Mechanism eligibility compliance questions on new proposals will be reviewed and decided upon by a Secretariat Review Panel (SRP) whose chair is the Director of Operations. The CCM Manager will track differing interpretations and instances of borderline compliance in an ongoing effort to document lessons learned, and to inform the Board of progress related to Coordinating Mechanism governing structures.

D. Guidance on 6 Minimum Coordinating Mechanism Requirements

D.1. Evidence of membership of people living with and/or affected by the diseases

16. The proposal submitted by the applicant must demonstrate that a person living with and/or affected by one of the diseases is a member of the Coordinating Mechanism. This evidence is required to include the following two elements:
 - (a) name **and** signature of the CCM member on the proposal form.

AND

- (b) **one** of the following:

- (i) A statement in the proposal that the CCM member is a person who is living with and/or affected by one of the three diseases.

OR

- (ii) The name of the organization to which the CCM member who represents people living with and/or affected by the diseases belongs. The CCM should provide some evidence demonstrating that the organization represents people living with and/or affected by the diseases unless it is obvious from the name of the organization (e.g., "*The Network of People Living with HIV in country X*"). If such information is not provided in the proposal, this information must be verified in writing by a reliable source, such as an in-country partner. Alternatively, the FPM can represent in writing, based on his or her personal in-country experience, that the organization indeed is representative of people living with and/or affected by the diseases.

17. It is not necessary that the Coordinating Mechanism member be a person living with or affected by the particular disease component which the proposal is addressing. For example, if the proposed grant is for a tuberculosis component, membership by a person living with or affected by HIV/AIDS in the Coordinating Mechanism will be sufficient evidence of compliance with this requirement.

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18. If no evidence of membership in the Coordinating Mechanism by persons living with and/or affected by the diseases is provided, the proposal may still be eligible on an exceptional basis if there is a statement in the proposal that the lack of representation is due to stigma against the disease such as to make it unrealistic that a member living with or affected by the disease will accept to reveal his or her disease status. It therefore may also be acceptable where there is significant stigma, for the Coordinating Mechanism or its Chair to certify that someone is representing this group, but that he/she has chosen not to reveal his or her name, provided that there is no credible evidence suggesting otherwise. The level of stigma must be confirmed by the FPM or an in-country partner.

D.2 CCM members representing the non-government sectors must be selected by their own sector(s) based on a documented, transparent process, developed within each sector

19. The applicant must provide evidence that members from the “nongovernmental sectors” have been selected by means of a documented and transparent process. The evidence submitted by the Coordinating Mechanism on this requirement will vary substantially, and it may be difficult to determine whether a Coordinating Mechanism is complying with the requirement.
20. Proposals may be eligible if they contain or are accompanied by a written description of the selection process used by each group which selected its Coordinating Mechanism representative from the nongovernmental sector. It is essential that this description be produced by the nongovernmental group that selected its own representative, consistent with the requirement that the process be “developed within each sector”.
21. The term “nongovernmental sectors” generally includes organizations that are not part of the local, foreign government or multilateral sector (e.g., community-based organizations, private academic institutions, faith-based organizations, or the private sector).
22. Evidence of compliance with these requirements should be provided with respect to at least a majority of the nongovernmental sector representatives on the Coordinating Mechanism.⁸ If that evidence is available, there will be a *rebuttable presumption* of general compliance with this requirement. This means that no additional evidence will be needed unless there is reason to believe (for example, because of allegations that have been brought to the attention of the Secretariat) that some of the non-government representatives were improperly selected.
23. Ideally, the applicant would provide the following information and evidence:
 - (a) a description of the broad nongovernmental sector that is being represented on the Coordinating Mechanism, specifying which parts or organizations of that sector (e.g., the private sector, faith-based organizations) are represented on the Coordinating Mechanism, and how it was decided that those parts/organizations would represent their sector;

⁸ The Board decision refers generally to “CCM members representing the nongovernmental sectors”. While the requirement could be read as applying to all Coordinating Mechanism members, experience suggests that this is not practical as in most cases there are many nongovernmental representatives, and it is unlikely that evidence with respect to all of them could in fact be provided on a timely basis.

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- (b) for a majority of the non-government Coordinating Mechanism members:
- (i) a description of how the group that selected the CCM member was asked to select its representative (e.g., an advertisement for a meeting of the sector held for the purpose of the selection of its CCM representative, or letters to relevant organizations if it is possible to verify that these are a representative sample of the sector); and
 - (ii) a description of how the Coordinating Mechanism member was selected (e.g., holding a meeting of the sector to vote or conducting an on-line election or another transparent method).
- (c) for a majority of the nongovernmental CCM members:
- (i) signed minutes of the sector meeting at which the selection or election of such member was made; or
 - (ii) an election report from the sector itself which includes the results of the selection/election.

In both cases, the CCM should preferably include a list of the members who participated in the vote; and

- (d) the inclusion of each of the selected/elected nongovernmental CCM members in the list of CCM members in the proposal and their signature on the proposal.
24. The provision of the elements described in paragraph 23 above would represent strong evidence of compliance. However, less evidence than this may suffice if there is other evidence (e.g., an account from in-country partners familiar with the process that led to current representation of the non-governmental sector on the Coordination Mechanism) suggesting that the selection was consistent with the requirements.

D.3 Put in place and maintain a transparent documented process to:

- **Solicit and review submissions for possible integration into the proposal**
- **Ensure the input of a broad range of stakeholders, including CCM members and non-members, in the proposal development and oversight process,**

25. For a proposal to be eligible, the Coordinating Mechanism must demonstrate that it has undertaken sufficient public outreach in soliciting proposals for consideration and to involve a broad range of stakeholders in the Coordinating Mechanism's review. **The window of opportunity for stakeholders to respond to a Coordinating Mechanism's request for proposal and/or ideas must be reasonable (i.e. a minimum of two weeks, preferably longer).** In addition, the Coordinating Mechanism must show that it has made sufficient efforts to ensure the involvement of a broad range of stakeholders in the oversight process, as is addressed more specifically in paragraphs 26 and 27 below.

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26. Solicitation of Proposals

- (a) For a proposal to be eligible for funding, the Coordinating Mechanism must provide evidence that it has solicited proposals for possible integration into the proposal in a way that “ensures the input of a broad range of stakeholders”. The evidence provided by the applicant should preferably include copies of documents which publicly announce to such stakeholders the opportunity to submit proposals to the Coordinating Mechanism. These documents may include, for example, media announcements, website announcements, or other public outreach efforts, such as direct communication to stakeholders by means of letters or electronic mail. There may be instances, however, where an approved national plan has been so broadly and inclusively developed (i.e. especially noting civil society participation) within a temporally relevant period to a funding Round that further solicitation would be redundant.
- (b) The documentation submitted as evidence of compliance with this requirement should be reviewed to ascertain whether the Coordinating Mechanism has made a good-faith effort to publicize the solicitation and reach a “broad range of stakeholders”. For example, if the Coordinating Mechanism’s solicitation occurred by means of direct communication (e.g., letters) with possible applicants, it may be necessary to assess whether that communication was directed at a sufficiently “broad range of stakeholders”, in consultation with in-country partners.

If evidence of compliance is missing, the FPM or in-country partners can be consulted to explain country contexts and/or communications capabilities. Where the country context makes communication more difficult, or there is clearly limited capacity of the country, or because of civil conflict, these reasons shall be considered in determining whether sufficient efforts were made to achieve a broad solicitation.

27. Submission Review

- (a) In order for a proposal to be eligible for funding, there must be evidence that the Coordinating Mechanism reviewed submissions for possible inclusion in the one composite proposal by means of a documented transparent process, ensuring “the input of a broad range of stakeholders”. For this purpose, the applicant should provide a written description of the Coordinating Mechanism submission review process. The description would preferably be contained in Coordinating Mechanism meeting minutes, but might also appear in the proposal itself.
- (b) Since the Board’s decision refers to participation of non-members of the Coordinating Mechanism in the proposal *development* process, the applicant does not necessarily need to provide evidence that non-members participated in the review of proposals. Rather, only that the Coordinating Mechanism solicited and reviewed submission from non-members, unless there is evidence that the Coordinating Mechanism purposely excluded non-members from the review process.

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28. Ensure the input of a broad range of stakeholders in the proposal development and oversight process

- (a) Provided that Coordinating Mechanisms also demonstrate compliance with paragraphs 26 and 27 above, the minutes of meetings of committees or other documents identifying participants other than Coordinating Mechanism members would be sufficient evidence of compliance with this requirement.
- (b) In addition to providing evidence that the applicant meets the requirements of a broad and transparent process to solicit and review submission for inclusion into one composite proposal, applicants may also demonstrate that non-Coordinating Mechanism members are included within other oversight processes of the Coordinating Mechanism.

D.4 *Put in place and maintain a transparent, documented process to nominate the Principal Recipient(s) and oversee program implementation.*

29. Nomination of the Principal Recipient.

- (a) In the majority of cases, the Principal Recipient (PR) will already have been nominated in the proposal. In a limited number of cases, the nomination will not yet have taken place due to exceptional circumstances. In either case, a proposal may be eligible if it contains a written description of the process used or to be used by the Coordinating Mechanism to nominate the PR or PRs. It would be preferable if the applicant provides documentation providing evidence of a public bid/tender process (e.g., advertisement for the PR, and a description of selection process by the Coordinating Mechanism). At a minimum, the Coordinating Mechanism must provide minutes of a meeting in which the nomination was made and voted upon (or decided by consensus). In circumstances where such minutes do not exist, it may be acceptable if the Coordinating Mechanism provides a written description of the process and how the process was used for the proposal, verified in writing by a reliable source such as an in-country partner. **Please also see section D.5 below on Conflict of Interest.**
- (b) A statement in the proposal (or in Coordinating Mechanism meeting minutes) that the same PR that is responsible for existing programs financed by the Global Fund has been chosen is usually not acceptable alone, unless it can be demonstrated that: (i) the new grant is “scaling up” an existing grant in the country; (ii) the existing PR’s performance has been strong; and (iii) changing PR would cause disruption to the Program.

30. Oversight of Program Implementation.

- (a) To be eligible for funding, the Coordinating Mechanism must demonstrate that it has a documented and transparent process to oversee program implementation. This process must also include a “broad range of stakeholders” as provided in section D.3 above.

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- (b) A proposal may be eligible for funding if it includes a written description of the procedure for overseeing the implementation of the program by the PR and/or sub-recipients. This may include procedures for receipt and review of periodic program reports provided by the PR, conducting monitoring visits and decision-making processes. Ideally, these would be included in the Terms of Reference or other governance documents of the Coordinating Mechanism, and it would also include an oversight work plan and a list of members and terms of reference of an oversight committee or task group. These arrangements would preferably include the involvement of non-members with relevant subject matter or technical expertise where appropriate. As with the proposal review process, the FPM should review the description of the processes for program oversight to ensure that there is no evidence that the Coordinating Mechanism intentionally excluded non-members from the process.
- (c) In the event that there are no written procedures for program oversight, minutes of Coordinating Mechanism meetings demonstrating that oversight functions have appropriately been carried out may be acceptable evidence.

D.5 Conflicts of Interest

- 31. The Board approved CCM Guidelines provide that “*When the PRs and Chair or Vice-Chairs of the CCM are the same entity, the CCM must have a written plan in place to mitigate against this inherent conflict of interest*”. It should be noted that the Board has decided that the conflict of interest is *inherent* to this situation and therefore there are generally no exceptions from this requirement based on the country context.
- 32. If the PR(s) and the Chair and/or Vice-Chair(s) of the Coordinating Mechanism are the same entity (e.g., same ministry), or are part of the same sector and are tightly linked by common financial interests (e.g., the Chair of the Coordinating Mechanism is the Minister of Health and the PR is the Ministry of Finance, with the Ministry of Health implementing the program as the main sub-recipient), the Coordinating Mechanism should have a documented, transparent and Coordinating Mechanism-approved conflict of interest plan. Approval should be demonstrated, for example, by means of signed minutes of a Coordinating Mechanism meeting or through another document showing that it has been so approved. The written plan must require, at a minimum, the Chair or Vice-Chair(s) (or, where both the Chair and Vice-Chair are the same entity as the PR, both of them) to recuse him/herself from the discussion leading to a vote (and the vote itself) on nomination of the PR, as well as other matters which affect the PR, such as the preparation of a Phase 2 request for continued funding or evaluations of PR performance. If the decision is made by consensus, the conflicted Chair or Vice-Chair should nonetheless recuse him/herself from the discussion.
- 33. To ensure compliance with the Board’s decision, in cases where the CCM has nominated (in the proposal or subsequently) a PR who is from the same entity as the Chair or Vice-Chair of the Coordinating Mechanism, the minutes of the meeting at which the nomination occurred should be reviewed to ascertain whether there was compliance with the plan. If the minutes are silent on this matter, compliance should be verified through an in-country partner, or reliable sources in the Coordinating Mechanism who attended the meeting.

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E. List of Reference Sources

(If not otherwise indicated, all documents below are available at the following Global Fund website link: <http://www.theglobalfund.org/en/apply/call6/documents>)

- Proposal Form, Sixth Call for Proposals; Guidelines for Proposals, Sixth Call for Proposals;
- Revised Guidelines on the Purpose, Structure and Composition of Country Coordinating mechanisms and requirements for Grant Eligibility;
- Clarifications on CCM Minimum Requirements;
- Board Decision at ninth Board Meeting: Report of the 9th Board Meeting GF/B10/2 p. 10-11.

Version control

Version: 3.0
Date: 25 August 2006

CCM Manager, Signature

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Annex 1

Round 6 Proposal Form linkages to Coordinating Mechanism Eligibility Requirements (as expressed in the Ninth Board Meeting-approved language)

	Requirement (as referred to in the "CCM Clarifications Document" for Round 6)	Description of Requirement	Section Reference from Round 6 Proposal Form	Paragraph Reference to "Revised CCM Guidelines, 1 July 2005"
A.	Membership of persons living with and/or affected by HIV/AIDS, TB, and malaria	All CCMs are required to show evidence of membership of people living with and/or affected by the diseases	2.2.1 (a)	Part 5, Paragraph 12
B.	Transparent selection process for CCM Membership of non-governmental members	CCM members representing the non-government sectors must be <i>selected by their own sector(s)</i> based on a documented, transparent process, developed within each sector	2.2.1 (b)	Part 3, Paragraph 8
C.1.	Transparent and documented process to: (a) solicit proposal submission	CCMs are required to put in place and maintain a transparent, documented process to solicit and review submissions for possible integration into a national proposal	2.2.3 (a)	Part 6, Paragraph 14
	(b) review proposal submissions		2.2.3 (b)	Part 6, Paragraph 14
C.2.	Ensure the input of a broad range of stakeholders including CCM members and non-members in the proposals development and oversight process.	CCMs are required to create a transparent, documented process which ensures that CCM members and non-CCM members have the opportunity to contribute to proposal development and in conducting grant oversight.	2.2.3 (d)	Part 6, Paragraph 14
D.	Transparent and documented process for nominating the PR and to oversee program implementation	CCMs are required to put in place and maintain a transparent, documented process for nominating/electing a PR and to oversee program implementation	2.2.3 (c)	Part 6, Paragraph 15
E.	When the PRs and Chair or Vice Chair(s) of the CCM are the same entity, CCMs must have a conflict of interest plan.	CCMs must have a <u>written</u> plan in place to mitigate conflicts of interests when the PR and Chair or Vice Chair(s) are the same.	2.2.2	Part 6, Paragraph 20

Terms of Reference for Secretariat Review Panel (SRP)

Main Objective

The objective of the Secretariat Review Panel (SRP) is to provide oversight to the work of screening proposals for compliance with eligibility requirements for all applicants - whether CCM, sub-CCM, Regional Coordinating Mechanism (RCM), Regional Organization (RO), or non-CCM based. The SRP is the final decision-making body on eligibility requirements. It ensures the fairness and integrity of the screening process, and increases the likelihood of including eligible proposals for funding consideration.

SRP Composition

The SRP shall be composed of the following cross-sectional Secretariat members who each have one vote:

- Director of Operations (Chair)
- CCM Manager
- Manager, Proposal Advisory Services
- Director, Performance Evaluation and Policy
- Legal Counsel
- FPM or Cluster Leader as nominated by SRP Chair
- Senior Health Advisor

In case of absence, absentees will be replaced by designated alternates. Alternates are approved by the SRP Chair and should preferably share the absentee member's area of expertise. If the Chair is absent, the Chair will nominate another person to act as the Chair from among the regular voting members. A quorum of at least three of the voting members is required for a SRP meeting to make binding recommendations. The quorum must minimally comprise the Director of Operations, Legal Counsel, and the CCM Manager.

Where there is an actual or perceived conflict of interest, whether acknowledged by the person in question or by his/her colleagues, the affected SRP member(s) will recuse themselves from deliberations.

The SRP will employ a quality control sampling mechanism to insure fairness, consistency, and soundness of approach in determining compliance. If the sample base (e.g. 5 percent of fully compliant proposals) reveals significant discrepancies in compliance, the SRP will revisit both the screening and review process and make changes where necessary.

The following additional resource personnel will attend and participate at SRP meetings, but are not voting members:

- One representative (FPM or Cluster Leader) from a cluster within which the proposal is being reviewed; and,
- The Advisor to the Director of Operations.

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Resource persons are present to provide additional information and expertise to the SRP when relevant. In principle, the primary route for obtaining clarifications or expanded documentary evidence is through communications with the applicant during the screening process. However, resource persons may wish to gather and present other documentary evidence pertinent to determining compliance (e.g., from Round 5 grant negotiation and/or Phase II eligibility reviews) during a reconvened SRP.

Frequency of SRP Meetings

The SRP meets as often as necessary between the closing date of a funding round and the close of the TRP meeting for that round. To facilitate the SRP's review of proposals, the proposals will be reasonably batched by clusters to reduce the number of panel meetings. All decisions regarding compliance will be made by the closing date of the TRP meeting for that round.

Scope of Work (SOW)

1. During the screening process:
 - (a) Coordinating Mechanism (CCM, RCM and sub-CCM) proposals will be categorized for compliance using a simple matrix of Compliant, Non-Compliant, and Indeterminate-Compliance. Screening decisions are based upon the OPN entitled "*Evidence of Compliance of Coordinating Mechanisms (CCMs) and Eligibility for Funding of Proposals*" (as amended);
 - (b) Regional Organization (RO) proposals will be categorized for compliance using the same matrix and process as for Coordinating Mechanism applicants. Screening decisions are based solely on whether the applicant has provided documented evidence that the national CCM of all countries referred to in the proposal have endorsed the proposal as described in the *Guidelines for Proposals* for the funding round in which the applicant's eligibility is being considered ; and
 - (c) Non-CCM proposals will be categorized for compliance using a simple matrix of Eligible, Ineligible and Indeterminate-Eligibility. Screening decisions are based upon the OPN entitled "*Requirements for Evidence of Non-CCM eligibility for Funding of Proposals*" (as amended).
2. The SRP reviews preliminary findings on proposal eligibility as recommended through the office of Proposal Advisory Services (PAS), in order to make a final determination.
3. To facilitate the work of the SRP, PAS will identify and highlight those proposals which:
 - (a) are Indeterminate or Non-Compliant with respect to Coordinating Mechanism and RO applicants; and
 - (b) meet one of the three criteria for non-CCM applicants.
4. Decisions of the SRP are not subject to a right of appeal.

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Amendment of the SRP SOW

The SRP SOW may be amended by a majority decision of the SRP members and/or through input from the Operations Policy Committee (OPC), based upon on-going experience with the screening process. Any updates to the SRP SOW will be communicated to the OPC through the office of the Director of Operations.

Version Control

Version: 2.0

Date of Issue: 17 August 2006