

**GF/B25/7 - Attachment 2**

**Revision 1**

**SUMMARY REPORT FROM THE CONSULTATIONS  
ON THE GLOBAL FUND STRATEGY 2012-2016**

This revised version contains a new section on the Partnership Forum (section 3b)

## CONTEXT

1.1 In May 2011, the Global Fund Board acknowledged a first draft of a high-level Strategy Framework setting out preliminary goals, targets and strategic objectives for the Global Fund for the next five years. A final strategy document is due to be submitted for approval at the Board Meeting in November 2011.

1.2 The Board also requested that consultations be held during the development of the strategy. To this end, the Global Fund Partnership Forum, held in Sao Paulo in June 2011, focused on the strategy. About 350 Global Fund stakeholders participated and provided input on key areas of the Strategy Framework. Further, a number of technical expert consultations devoted to specific topics were conducted between April and August 2011. Areas covered were the strategy's goals and targets, health systems strengthening (HSS), human rights, most-at-risk populations (MARPs) and partnerships.

1.3 A series of additional stakeholder consultations was also held between June and August 2011. Participants included implementers (from both government and civil society), the private sector, technical partners, affected populations, members of Country Coordinating Mechanisms (CCMs), and Local Fund Agents (LFAs). The consultations benefited from the leadership of the Board Chair and Vice Chair and the involvement of members of the PSC Strategy Working Group and Secretariat.

1.4 This report summarizes the feedback received in the following consultations:

- Geneva consultation with members of the Technical Review Panel (TRP), 6-7 June 2011 – two-day meeting with thirteen past and present TRP members, including the incoming Chair and Vice-Chair, and the outgoing Chair
- Sao Paulo consultation, 28 – 30 June 2011 – three day consultation involving all of the Global Fund's stakeholders, including Board delegations, partners, and people not otherwise involved in the Global Fund's governance framework
- Dakar consultation, 28 July 2011 – half-day meeting with 16 high-level participants from West and Central Africa
- Bangkok consultation, 4-5 August 2011 – one-and-a-half-day meeting with 40 participants from Asia
- Johannesburg consultation, 11-12 August 2011 – one-and-a-half-day meeting with 40 participants from eastern and southern Africa
- Nairobi consultation, 16 August 2011 – one-day meeting with implementers in the context of the Round 11 regional meeting.

1.5 The following table outlines the topics discussed at each consultation:

Strategic topic	TRP	Sao Paulo – P. Forum	Dakar	Bangkok	Jo'burg	Nairobi
<b>Business model</b>	√	√	√	√	√	√
<b>Sustainability</b>		√	√	√	√	
<b>Partnerships</b>		√	√	√	√	
<b>Most-at-risk populations</b>		√		√		
<b>Health systems strengthening / maternal, newborn &amp; child health</b>	√	√			√	
<b>Human rights</b>	√	√		√	√	

## **2. SUMMARY OF COMMON MESSAGES FROM THE CONSULTATIONS**

2.1 There was broad consensus among participants in the consultations that the Global Fund has been a true “game changer” in fight against the three disease, providing unparalleled levels of funding to countries to address HIV, tuberculosis and malaria. The Global Fund also catalyzed focus on the three diseases globally and galvanized action at country level and among partners in addressing the epidemics. Acknowledging these achievements, stakeholders also recognized the opportunities for improvement in the Global Fund’s current mode of functioning and identified the new Strategy 2012-2016 as a unique occasion for the organization to optimize the way in which it does business in the future and maximize impact on the three diseases. This section provides a summary of the common messages received from participants during the various consultations.

### **2.2 There is support for the introduction of a more iterative, dialogue-based application and review process to enhance access to funding**

- There was strong support for the Global Fund to change its current application and proposal review process by moving away from a rounds-based, “pass or fail” approach towards a more iterative, dialogue-based model.
- The most-commonly favored approach was a two-step process involving the submission of an initial “pre-proposal”, to be reviewed by the TRP, followed by the development of a full proposal through a collaborative process involving countries, partners and the Secretariat.
- There was a strong view that national strategies should form the basis of funding requests and decisions in order to enhance alignment of funding with country priorities and cycles, as well as promote mobilization and harmonization of partner contributions.

### **2.3 There is support for the introduction of a new funding allocation approach to optimize the impact and predictability of Global Fund financing**

- There was broad support for the Global Fund to move away from its current, undifferentiated funding approach towards a new allocation model in order to optimize impact and improve predictability of funding levels and timing.
- A hybrid model that allocates a proportion of available funding to individual countries and the remainder to a pool for other purposes, such as scale-up for good performers and/or specific areas (like new technologies), was generally preferred.

### **2.4 There is support for a simplified and more systematic approach to reprogramming**

- There was consensus that the current reprogramming processes are laborious and carry significant disincentives for recipients, including frequent fear of losing funds.
- There was strong consensus that reprogramming should be more systematic and actively encouraged at natural trigger points in the grant management cycle, as well as when there is evidence of new high-impact interventions and technologies.
- Care should be taken to provide incentives for reprogramming and to ensure that it remains a country driven process.

### **2.5 A range of new approaches is needed to enhance the long-term sustainability of programs**

- There was strong consensus on the need for the Global Fund to more strongly and systematically engage all key country stakeholders, including Ministries of Finance, Economic Affairs or Planning, in a high-level, national strategic dialogue around long-term health financing. In such a dialogue, the Global Fund’s key principles were seen to offer unique leverage to influence non-financial aspects of national responses, including civil society participation and human rights.

- There was broad consensus that, to enhance sustainability, national strategies should consistently form the basis of national dialogue and Global Fund funding decisions.
- The need for increased domestic investment in health was widely recognized but the Global Fund's counterpart financing requirements were seen as having failed to achieve their objectives. There was some optimism about the potential of the new requirements provided that they are adequately monitored. Several other ideas to help ensure compliance with counterpart financing requirements, provide incentives to domestic investment and discourage displacement of resources were suggested.
- Increasing the Global Fund's resource base, for example through innovative financing and stronger engagement with emerging economies, was also seen as important to sustainability.

## **2.6 Partnerships are functioning sub-optimally in countries but proposed changes to the business model present new opportunities to strengthen them**

- Many participants acknowledged that country-level partnerships to support proposal development, implementation and oversight of the Global Fund financing remain sub-optimal.
- Many participants felt strongly that the move to an iterative proposal development and review approach and enhanced partner dialogue based on national strategies were key measures needed to significantly strengthen in-country partnerships.
- There was some, limited support for the development of Global Fund partnership agreements/frameworks at the country level. However, the need for these was seen as quite country-specific and in general it was felt that they should be limited to defining key roles and responsibilities. By contrast, some participants felt that it was the role of countries, not donors such as the Global Fund, to lead such processes with their development partners.
- There was support for the stronger integration of CCMs with other national coordination mechanisms, including those used by GAVI.
- There was strong consensus that the Global Fund should not establish a country presence.
- There were mixed opinions on whether the Global Fund should establish a regional presence. Support for the Global Fund to more proactively engage at the regional level centered around technical assistance coordination with partners.

## **2.7 There is support for financing maternal, new-born and child health (MNCH) interventions that have clear synergies and potential for integration with existing programs**

- The TRP's record in recommending funding of MNCH interventions was seen as very inconsistent. The Board was perceived as being unable to make up its mind about this issue over a lengthy period.
- There was agreement that the Global Fund should consider financing MNCH-related interventions that have clear synergies and potential for integration with existing Global Fund-supported programs (e.g., HIV prevention and family planning; malaria treatment and integrated management of childhood illnesses). The Global Fund should also be careful to avoid creating disincentives to integration of these services as it has in the past.
- Some TRP members were of the view that steps to expand the range of interventions supported by the Global Fund should commence as a pilot in a small number of countries, and focus on primary care rather than MNCH alone.

## **2.8 Funding for health systems strengthening should increasingly be based on national strategies, with more attention paid to multi-stakeholder dialogue and building sustainable systems**

- There was general support for HSS funding, with a general view expressed that it should be based on needs and gaps identified through dialogue with the country and partners based on an appropriate national strategy.
- If the Global Fund moves to an allocation model for HSS, options could include a targeted HSS pool, country envelopes or ceilings. The Global Fund could also consider developing criteria to identify and prioritize “high-need” HSS countries.
- HSS investments need to further enhance long-term sustainability by building national systems and capacity.
- In Africa, the distinction between HSS and community systems strengthening (CSS) is not meaningful.
- The TRP would benefit from better evidence about which HSS investments make measurable contributions to health outcomes.

## **2.9 Achieving human rights objectives should be more explicit across the grant cycle; lessons from the SOGI and gender strategies should be expanded to support MARPs programming**

- There was a general view that while human rights are implicit in the Global Fund’s current model, a more explicit and strategic approach to addressing these issues through the grant cycle would be welcome, including at the stages of grant negotiation and performance evaluation.
- It was felt that the Global Fund should focus on rewarding positive action (offering carrots) rather than punishing bad practice (wielding a stick). At the same time, it was recognized that the Global Fund should actively discourage and speak out against human rights abuses.
- Supporting civil society participation and financing MARPs and CSS interventions are key contributions that the Global Fund can make to the rights agenda.
- The adoption of a more iterative process for proposal development and a stronger focus on national strategies were seen as potential new entry points for increased dialogue and action on issues related to MARPs and rights-based policies and programming.
- The Global Fund could contribute more to mobilizing a partnership for rights and health.
- The MARPs pool has been welcomed and its level of ambition could be increased.
- The current range of approaches to “Sexual Orientation and Gender Identity (SOGI)” and “gender” should be expanded to “MARPs”.
- The emphasis on promoting equity that was seen in earlier draft of the strategy should not be lost as the document is finalized.

## **2.10 Results and impact evaluation should include qualitative methodologies**

- The Global Fund should pay more attention to quantitative results and evaluating the social impact of its funding rather than just counting services delivered.

### **3. SUMMARY OF FEEDBACK FROM INDIVIDUAL CONSULTATIONS**

3.1 This section summarizes the feedback received at the various individual consultations. In the later consultations, participants were able to react to ideas raised at earlier consultations and those crafted as part of the Secretariat's strategy development work which occurred in parallel (this work itself built on the input of the early consultations). For this reason, the level of specificity of the discussions generally was often greater in the later consultations.

#### **3.a Technical Review Panel consultation**

#### **3.2 Access to funding**

- There was support for the introduction of a more nuanced and differentiated funding model which recognizes certain “must-fund” countries for each disease (“components”).
- The application process should evolve to a more iterative and dialogue-based approach, aiming to help improve the national strategy and funding request, with the intent of having them funded eventually. This requires the ability to resubmit requests quickly.
- Funding should be on the basis of a national strategy; there should be incentives and/or support for countries to, over time, have a robust national strategy and apply for national strategy-based funding.
- It was suggested that the Global Fund should require better justification of the effectiveness of interventions and the related unit costs at the proposal development and grant negotiation stages.
- The Global Fund should consider explicit compacts with the Ministry of Finance/Governments to effectively leverage government commitments to health and disease funding.

#### **3.3 Funding allocation**

- Participants suggested allocating funding to different pools based on a “priority pool” for the “must-fund” components, a “targeted pool” as per Round 10 and 11 and a “general pool” for the remaining components.
- The Global Fund should consider having country funding envelopes (probably by disease).
- If a rounds approach is maintained, there should be two funding windows per year to achieve timing predictability; the Global Fund should also explore having rules about when countries can request funding in order to achieve a ‘rational sequencing’ of requests (e.g., linked to when money is truly needed and to the national strategy cycle).

#### **3.4 Reprogramming**

- It was felt that the Global Fund needed to do more to promote appropriate and proactive reprogramming in response to emerging evidence.

#### **3.5 Maternal, new-born and child health, and health systems strengthening**

- Within the Global Fund's current mandate, there should be a focus on improving MNCH through better integration of health services (e.g., integration of MNCH/ATM services at primary health care level) and leveraging partnerships (i.e. MNCH and ATM communities working together).
- Should additional resources become available for an expanded mandate, the Global Fund should initially focus on a limited number of pilots, further exploring how to improve primary health care (not just MNCH).
- The TRP would benefit from better evidence about which HSS investments make measurable contributions to health outcomes.

- The Global Fund needs to encourage more focus on key HSS areas that tend to be overlooked in proposals, including health financing policy and strategic health information management systems.

### **3.6 Human rights**

- The Global Fund should document human rights violations across the portfolio and develop a human rights advocacy and communications strategy for the Board and Secretariat leadership.
- It was proposed that a human rights clause be included in grant agreements, or as an compact with the government, and/or as a pre-requisite for proposal submission and review.
- An equity assessment should be required as part of in the proposal situation analysis.
- A preference was expressed for reframing the objective as “human rights including equitable access”.

## **3.b 2011 Partnership Forum consultation in Sao Paulo**

### **3.7 Access to funding**

- Participants expressed comprehensive support for the movement towards a nuanced proposal process that takes into consideration country context and needs, with suggested features including: an iterative development process; non-‘Rounds-based’ funding opportunities; and based on national strategies (which are participatory and inclusive of all stakeholders) and priorities.
- There was also support for the development of a special small grants funding mechanism within any new funding framework, to more fully ensure that community based organizations can prepare strong component.

### **3.8 Human rights and most-at-risk populations**

- There was a very strong support for the development of a clear strategic approach to human rights in the context of the three diseases, with particular emphasis addressing the roles, responsibilities and capacity needs of all Global Fund structures and country stakeholders (including implementers, CCMs, LFAs, the Secretariat, Board and Technical Review Panel) to ensure Global Fund resources promote, protect and respect human rights in the context of the three diseases, with a particular focus on underserved and most-at-risk populations.
- Participants strongly supported the inclusion of human rights related issues within a revised comprehensive risk management framework for the Global Fund at all levels, with a particularly focus on actions to be taken in the event of clear breaches of human rights in the context of the three diseases.
- There was strong support for the Strategy’s underlying implementation plan to consider the introduction of an innovative approach to the provision of incentives to country stakeholders to implement the human rights elements of the next strategy, for example through proposing a certain pool of funds be available for such interventions. This proposal was supported by other suggestions that included requiring that a certain percentage of funding addresses human rights issues in grant implementation, and be monitored through an independent system of monitoring.
- In putting the new strategic principles into effect, there was also strong support for moving from a “one-size fits all approach” to regional/multi-country proposals compared to national applications. Recommendations included considering optimal ways to ensure that the regional benefits of such proposals are not abrogated through practices that are currently designed for single country programs.

- Participants recommended the development of multi-sectoral partnerships (including public, private, civil society stakeholders) that have a specific focus on human rights to generate synergies, prevent duplication and ensure sustainability.
- It was recommended that the strategy implementation plan incorporate innovative approaches to stimulate the delivery of health services by well trained personnel with human rights awareness in order to provide comprehensive health care within the context of three diseases.

### **3.9 Maternal, new-born health and child health, and health systems strengthening**

- There was strong support for ensuring that Global Fund investments more fully support the delivery of integrated health services at the primary health care level, with a particular focus on those countries with a very high burden in one or more of the three diseases and high maternal mortality rates.
- One possible option proposed from the Partnership Forum was the possible establishment of a pilot that would support selected countries for a comprehensive set of MNCH interventions that are beyond the current AIDS, TB and malaria (ATM) mandate, in recognition that even if ATM investments are maximized, women, adolescents and children would still die and not have their health needs met.

### **3.10 Increase efficiency and sustainability**

- Additional to on-going donor contributions, participants were supportive of the Global Fund scaling-up opportunities/incentives to facilitate countries increasing the level of domestic resources that are contributed to national programs. Suggestions proposed included the following strategies:
  - a. Providing mechanisms for increased public-private sector collaboration and engagement;
  - b. Support the development of nationally and regionally-based innovative financing mechanisms at multiple levels (national policies, innovative contribution arrangements, and appropriate tax schemes); and
  - c. Support the development of national sustainability plans including MARPs, high-impact interventions and NGOs.
- Participants also recommended that the Global Fund with other donors encourage emerging and graduating economies to contribute, and optimize market dynamics.
- There was also support for an increased focus on reprogramming of existing funding towards the highest-impact interventions, and most-at-risk population groups within all country settings.

### **3.11 Partnerships**

- There was strong support for the Global Fund developing new and strengthening existing strategic partnerships to facilitate efficient and effective implementation to maximize impact and specifically address:
  - a. Drug and commodity availability, accessibility, affordability, and appropriateness;
  - b. Inclusion of MARPs in global fund processes at all levels;
  - c. Legal barriers to access of services;
  - d. Resource harmonization to sustain gains and scale up towards universal access; and
  - e. Maximized use of proven interventions and the fuelling and incorporation of new and emerging innovations.
- In this context, participants strongly advocated for a very clear definition of ‘country ownership’, working in close consultation with all partners and considering the full scope of all stakeholders and key population groups as full participants in the conversations.

- Participants also recommended that the strategy be supported through the development of appropriate, inclusive, accountability frameworks to enhance common understanding, and ensure an effective framework to monitor achievements. In regard to partnerships, it was recommended that this include:
  - a. Operational level agreements with partners
  - b. Revision of CCM accountability mechanisms
  - c. Engaging the full range of partners, particularly civil society and others
  - d. Accountability mechanisms for partners at the Global Fund Board level
- Participants also recommended that the Global Fund form an external partnership to follow up on country capacity development plans and ensure execution of those plans through partnership-focused interventions.

### **3.c Dakar consultation**

#### **3.12 Access to funding**

- There was strong support for a more iterative application process to reduce the burden on countries, shorten the time between proposal development and grant signing and increase engagement by partners. However, there was also concern about the potential for such a process to diminish country ownership and increase the possibility of donors driving the agenda.
- There was strong support for national strategies to be the basis of proposals and funded interventions and a request for increased partner support on their development.

#### **3.13 Funding allocation**

- Participants agreed that the introduction of an allocation model would improve predictability for countries. There was no consensus about a preferred model.

#### **3.14 Sustainability**

- There was strong consensus about the need for increasing co-financing of programs by countries. However, several participants underlined the need to be realistic about the level of co-financing that some countries will be able to provide, and emphasized the need for collective responsibility to ensure that programs are sustained.
- Participants were strongly of the view that more structured discussions on issues of sustainability should take place within the context of grant negotiation, including more formal interactions and strategic discussions with Ministries of Finance. The idea of developing “sustainability plans” with governments and other partners was proposed.

#### **3.15 Partnerships**

- There was some support for the idea of partnerships being formalized through frameworks/agreements in order to increase sustainability and predictability.
- It was suggested that the mandate and functioning of CCMs need to be revised, in particular their role in oversight of grant implementation.
- It was felt that more effort should be made to strengthen links between CCMs and other national coordination bodies in order to increase cooperation and ensure cohesion around national strategies and programs.
- There was strong consensus that a Global Fund country presence was not necessary, that the Global Fund should remain primarily a financing and that partners should provide technical assistance to countries.
- There were mixed opinions on establishing a Global Fund regional presence. Some participants expressed the view that increased Global Fund engagement/presence in regional coordination platforms could be catalytic.

- Participants felt that technical assistance should be targeted towards countries most in need and that South-South cooperation on technical assistance should be further encouraged.

### **3.d Bangkok consultation**

#### **3.16 Access to funding**

- There was strong consensus that increased dialogue is required between the Global Fund and applicants at the proposal development and review phases.
- Participants strongly agreed that the Global Fund needs to move away from the current rounds-based approach - which entrenches project-based thinking and is heavily dependent on expert consultants - and focus on financing national strategies that have undergone some process of joint assessment with partners.
- These changes would require some redefinition of the roles the TRP, Secretariat, partners and CCMs, and TRP independence should be preserved.

#### **3.17 Funding allocation**

- There was consensus that an allocations-based approach would be beneficial – for example in terms of bringing increased predictability. Different pre-allocation approaches are possible e.g., based on regions, countries or other criteria. Country ownership should be preserved.
- The recently introduced pre-allocation for MARPs was seen as a positive step, although the overall size of the MARPs pool and the ceilings imposed were seen by some as too low. However, other participants emphasized that the general pool can also be used for MARPs programming.
- Participants noted that Global Fund processes including the new eligibility criteria were now notoriously complex and made a plea for any new system to be simpler and easier to understand.

#### **3.18 Reprogramming**

- It was strongly felt that reprogramming should be easier, “friendlier” and a “normal” process within the grant cycle. However, more effort is needed to ensure CCMs and PRs understand reprogramming, while the process itself should be adapted to include appropriate incentives and an iterative dialogue.
- It was noted by the Secretariat that changes to reprogramming could be implemented quite rapidly and are not necessarily dependent on Board decisions.

#### **3.19 Evaluating impact and performance**

- In a discussion on ways to enhance impact and performance evaluation, several participants suggested that there be increased focus on qualitative evaluation. Representatives of civil society organizations noted that they spend much of their evaluation and reporting efforts counting condoms distributed and service units delivered while the broader impact of their work on human lives is frequently missed. It was proposed that describing the social support and social development work of organizations funded with Global Fund support would add value, as would evaluation that incorporated a ‘most significant change’ methodology.

#### **3.20 Most-at-risk populations**

- There was general support for the proposal to expand the current range of approaches on “SOGI” and “gender” to “MARPs”. The MARPs targeted pool was seen as an important strategy to catalyze country-level political will to respond to the needs of key affected

populations. “MARPs” should be interpreted flexibly to include IDU, CSW, MSM, migrant populations, undocumented refugees and people in closed settings

- Regional proposals are seen as important in generating resources for MARPs and civil society responses, for example, on cross-border issues and for mobile populations. There is a need for the Global Fund to signal more strongly that it welcomes and supports sound regional proposals.
- The 10 per cent budget ceiling on the targeted pool was thought to be rather restrictive. The Secretariat noted that the aim of the ceiling is to prevent larger countries accessing all the funds in the pool.
- There was general consensus that the Global Fund should require a minimum, mandatory community systems strengthening component in all grants. A current problem is that in the attrition process that occurs during TRP review, grant negotiation or implementation, commodities are frequently given priority over civil society needs.
- Participants noted that MARPs involvement in CCMs in countries with concentrated epidemics remains weak and requires further support.
- There was some support for the idea of a “small grants” mechanism to assist small NGOs. This could be administered by the CCM or another party.

### **3.21 Human rights**

- Participants emphasized that human rights is a “critical enabler” for health outcomes, and noted the negative impacts that human rights violations can have on health programs.
- There was a general view that while human rights are implicit in the Global Fund’s model, more can be done to explicitly address rights issues through the grant cycle. However, some participants were concerned that donors and some implementing countries would be wary of the Global Fund pursuing an “overtly political” rights agenda.
- Prioritizing civil society responses was seen as a key component of a human rights agenda. Some participants felt that more should be done by the Secretariat to monitor whether funding commitments to civil society are actually honored at country level.
- The participants felt that the Global Fund should leverage partnerships in this area more effectively, such as with the Office of the High Commission on Human Rights.
- The Global Fund’s role was seen as one of “watchfulness” (rather than being a “watchdog”) in the area of human rights, for example, in ensuring that its funds are not used to violate human rights.
- It was suggested that the Global Fund could establish a “traffic light” system as part of periodic review in which green indicated funds being used to promote human rights; amber indicated moderate concerns about human rights, and red indicates ‘violation’ of human rights that are having a clear impact upon health.
- Legal services for people living with HIV and harm reduction policy were identified as two areas of programming that require additional focus and resources and where the Global Fund can play an important catalytic role.

### **3.22 Sustainability**

- Strong views were expressed that a key element of financial stability is the ability of the Global Fund to initiate a more strategic, structured, national dialogue with countries, including key players such as Ministries of Finance and Planning, as well as other partners. The Global Fund is well-positioned to use such a dialogue to leverage counterpart financing and additionality and avoid displacement, as well as to promote other areas that are consistent with the Global Fund’s principles, such as the involvement of civil society and the protection of human rights.
- Closer alignment of funding with national strategies was also seen as a key component of longer term sustainability.
- On the other hand, the culture of risk aversion in countries that is arising as a result of the practices of the Inspector General was seen as highly antithetical to the strengthening of national systems and long term sustainability of programs.

- Participants agreed that counterpart financing has not been working effectively and that the changes introduced in Round 11 promise to be more effective as they require all countries to demonstrate some level of investment.
- Some participants felt that the only way to ensure compliance with counterpart financing is to require that real cash is deposited in the bank by governments that is then 'matched' by the Global Fund.
- It was suggested that the Global Fund could also promote co-financing through non-financial incentives, such as a dedicated Board seat.
- Increasing the Global Fund's resource base, for example through innovative financing and stronger engagement with emerging economies, was also seen as important to sustainability.

### **3.23 Partnerships**

- There was some, limited support for the idea of country-level partnership agreements. These were seen as potentially helpful in terms of identifying roles and responsibilities, however, it would be important to keep them simple. In some cases, a letter clarifying the roles of partners might be adequate. In general, having the Global Fund catalyze a dialogue around national strategies, based on core principles of the Global Fund, was seen as more important than having a formal partnership document.
- Some participants cautioned against Global Fund-centric partnership agreements, noting that these types of agreements should be between countries and their development partners; while the Global Fund should participate in these, it should not perform a brokering role.
- The role and inclusion of civil society in the context of national strategies was seen as critical. National strategies are an important opportunity to bring about a paradigm shift in countries toward civil society and any process of joint assessment of strategies should include assessing civil society involvement.
- There were differences of opinion about whether it was reasonable to expect that CCMs could realistically perform a grant oversight CCM role. This was felt to be a matter for countries to decide. Effective partner dialogue and support for national strategies may help to address the challenge of oversight.
- It was felt that more effort is needed to integrate CCMs with other national coordination mechanisms.
- Participants suggested that the UN system could provide better support in the form of analytical work to help ensure that national strategies are on track.
- In general there was no support for the Global Fund having a presence in every country, but a limited, short-term country presence might be valuable to mobilize partners or resolve problems in some situations.
- There was mixed opinion about whether the Global Fund should consider an expanded regional presence. While some considered this potentially useful in order to achieve better coordinated TA, most felt that any such role should be undertaken only through engagement with existing partner platforms.

## **3.e Johannesburg consultation**

### **3.24 Access to funding**

- There was strong support for the Global Fund moving to a more iterative application process in order to better accommodate country needs. Participants felt that such an approach would increase the quality of proposals, provide better opportunities to respond to evidence and good practice and enhance overall access to funding (e.g., by reducing the number of repeat failures and better harmonizing the application and grant negotiation processes).

- New application processes should remain consistent with Global Fund principles, including the genuine involvement of all stakeholders, including civil society. Country ownership and leadership in defining priorities proposal development should be preserved.
- The independence of the TRP should be maintained, but its role (supporting a process, not just ‘scoring’ a product) and possibly membership (knowledge/skills/availability) should be revisited. The requirement that proposals be developed and endorsed by a multi-sectoral CCM or similar body should also be maintained.
- An iterative process may require other key roles to be reviewed, including those of the CCM, LFA, Secretariat and Board, at different steps in the process. Clarity of roles is important.
- Most participants favored a two-step approach involving submission of an initial “pre-proposal”, to be reviewed by the TRP, followed by the development of a full proposal through a collaborative process involving countries, partners and the Secretariat.
- There was strong support for funding applications and decisions to be based on national strategies in order to further increase the Global Fund’s alignment with country cycles and priorities.
- Participants cautioned that an iterative process should not be interminable and needs to include pre-defined triggers that would enable the TRP to reject a proposal.
- Participants pointed out that there is the potential to eliminate current duplicative steps between the application and negotiation process.

### **3.25 Funding allocation**

- There was considerable support for the idea of adopting some form of pre-allocation of funding to improve predictability of funding amounts for countries. Participants showed particular interest in a hybrid model that would allocate a proportion of available funding to individual countries (thus allowing them flexibility in the timing of requests) and the remainder to a pool for other purposes to be specified, such as scale-up for good performers.
- Participants felt that a system of pre-allocation should not be confused with “entitlement” and emphasized the importance of the TRP’s role, not “lowering the bar”, and performance-based funding principles.
- Participants emphasized the need for transparency about how “funding envelopes” would be determined. They also made a plea to “keep it simple”.
- They encouraged the Global Fund to further investigate a range of approaches, clearly assessing the merits of each and paying particular attention to ensuring continuity of funding for key interventions and not “capping demand”.

### **3.26 Reprogramming**

- There was strong consensus that current reprogramming processes are laborious and carry significant disincentives for recipients (including the fear of losing funds).
- There was support for the Global Fund to move towards a model where reprogramming is actively encouraged at natural ‘trigger points’ (e.g., Phase 2, when performance is poor, when a national strategy comes to an end). The Global Fund should do more to position reprogramming as a positive opportunity for a country to improve programs and not just as an opportunity to punish poor performance.
- Reprogramming should remain country-driven and -owned and decisions on reprogramming should involve all relevant stakeholders.

### **3.27 Maternal, new-born and child health**

- The TRP’s record in funding MNCH interventions was seen as very inconsistent and some participants felt that much had depended on the way proposals were packaged and on the

composition of the TRP from round to round. The Board was perceived as being unable to make up its mind about this issue over a lengthy period.

- There was general agreement that the Global Fund should finance MNCH-related interventions that have clear synergies and potential for integration with existing Global Fund-supported programs (e.g., HIV prevention and family planning; malaria treatment and integrated management of childhood illnesses). The Global Fund should also be careful to avoid creating disincentives to integration of these services. For example, a proposal to train malaria staff in using the Integrated Management of Childhood Illnesses package was refused, even though it would have only added one day to existing malaria training.
- The Global Fund's support to MNCH must be informed by further analysis of other key global funding mechanisms and complement their roles.

### **3.28 Health systems strengthening**

- There was general support for HSS funding, with a general view expressed that it should be based on needs and gaps identified through dialogue with the country and partners based on an appropriate national strategy. Lessons will need to be rapidly drawn from the piloting of HSS funding through national health strategies that is to commence in Round 11, as well as from the JANS experience with disease strategies.
- Participants suggested that if the Global Fund moves to an allocation model for HSS, options could include a targeted HSS pool, country envelopes or ceilings. The Global Fund could also consider developing criteria to identify and prioritize "high-need" HSS countries.
- HSS investments need to enhance long-term sustainability by building national systems and capacity. Participants suggested that the Global Fund should place more emphasis on "upstream" HSS (such as policy, governance and information systems) in addition to "downstream" interventions (such as salaries for health workers and service delivery).
- In Africa, the distinction between HSS and CSS was not considered meaningful because community-delivered interventions are seen as an integral part of the health system.
- Although CCMs were not seen as equipped to deal with the broader HSS agenda, they were thought to bring advantages over other mechanisms in terms of inclusiveness. It was suggested that CCMs could be merged with GAVI's Health Sector Coordinating Committees.

### **3.29 Human rights**

- A one-hour discussion was held on this subject as an additional agenda item. Most participants considered human rights to be implicit in the Global Fund's mission and principles but there was general support for the Global Fund being more explicit and strategic in this area, notably with regard to appropriately targeting investments for key affected populations.
- It was felt that the Global Fund should focus on rewarding positive action (offer carrots) rather than punishing bad practice (wield a stick). At the same time, it was recognized that the Global Fund should actively discourage and speak out against human rights abuses.
- The important role of partners such as UNAIDS in monitoring human rights violations was recognized.
- The adoption of a more iterative process for proposal development was seen as one potential entry point for increased dialogue and action on issues related to human rights, MARPs and rights-based programming.

### **3.30 Sustainability**

- There was strong support for pursuing a comprehensive approach to sustainability including as broad a range of elements as possible including funding allocations, iterative proposal processes, and stronger and more systematic engagement and strategic dialogue

with Ministries of Finance, Planning Ministries and other national partners. It was suggested that the Global Fund could develop a policy or advocacy paper to define the issues and approaches needed to support sustainability at national and global levels.

- Co-financing is important to ensure long-term donor support and can be helpful for advocacy. It is therefore important to closely monitor the new co-financing requirements.
- More thought needs to be given to ways of encouraging countries - especially lower-middle and middle income countries –to explore innovative financing.

### **3.31 Partnerships**

- Many participants acknowledged that country-level partnerships to support proposal development, implementation and oversight of Global Fund financing remain sub-optimal and that roles and responsibilities of partners at different levels of “the Global Fund system” could be better defined.
- There was some, limited support for the development of partnership agreements/frameworks at the country level, but the need for these should be highly country-specific, mainly focused on defining key roles/responsibilities. There was strong consensus that Global Fund should not establish a country presence.
- There were mixed opinions on whether the Global Fund could benefit from a regional presence. Supporters of the idea saw specific advantages in the Global Fund more proactively engaging with existing technical assistance coordination platforms.

## **3.f Nairobi consultation**

### **3.32 Access to funding**

- There was general agreement that more dialogue is needed in proposal development and that grant negotiation should begin earlier. A more iterative process with the TRP could potentially involve in-country assessment (rather than desk review alone, which is seen rather negatively).
- Representatives of multilaterals and bilaterals liked the idea of moving towards a two-stage proposal development model in which a “pre-proposal” is reviewed by the TRP, and full proposal development occurs subsequently with collaboration between the CCM, partners and the Secretariat. To the extent possible, grant negotiation should occur in parallel.
- It was suggested that the pre-proposal could include a programmatic gap analysis, objectives, targets, and a high level budget. Issues such as total need, financial gap analysis, evidence and full budget should be provided later. The eligibility consideration for recent recipients could serve as a model, with some adjustments.
- Some country representatives preferred a variant excluding the first pre-proposal stage. Concerns were expressed over the potential length of such a pre-proposal and clearly defining what goes into proposals at each step, the review criteria and TRP assessment process. In particular, country ownership should be maintained.

### **3.33 Funding allocation**

- There was support for the introduction of a new allocation model. The majority of participants favored a hybrid model, for example, involving a certain percentage allocated to countries and the remainder to a pool for specific/additional areas, such as new technologies.
- Participants suggested that for specific envelopes, the breakdown should be by disease/country and that, within country allocations, there should be earmarked funding for essential services (by disease).
- It was suggested that the allocation method should take into account disease burden, income level, financial gaps, funding from other sources and partner prioritization of

countries. There was limited support for considering current performance as a criteria, or progress towards achieving targets.

- Rules should be developed to minimize ‘fungibility’ of unspent funds.

### **3.34 Reprogramming**

- There was support for more proactively encouraging reprogramming. The current system was felt to serve as a disincentive to countries because of the length of the process, potential for loss of funds and the different levels of FPM commitment. It was felt that the process should be simplified and more transparent.

### **3.35 Sustainability**

- There was support for the idea of including Ministries of Finance in grant signing and negotiations in order to increase accountability and sustainability. The Global Fund should be very specific about what it counts as government counterpart financing, otherwise there is a risk that countries will “game the system”.