

# TRP

## THE TECHNICAL REVIEW PANEL'S CONSOLIDATED OBSERVATIONS ON THE 2014-2016 ALLOCATION-BASED FUNDING MODEL



APRIL 2016

## Purpose

During the nine review windows of the 2014-2016 allocation-based funding model, the Technical Review Panel (TRP) reviewed 221 concept notes from 106 countries, including 30 regional concept notes, with a total value of over US\$13 billion representing 93 percent of allocated funds. Drawing from the TRP's consolidated learning, observations and experiences from reviewing concept notes during this funding model, this report looks forward and focuses on contributing to the next Global Fund strategy and its operationalization.

Under each strategic objective, the TRP:

- Elaborates observations, lessons learned, statistics and insights gained over the course of the funding model and before.
- States strategic and operational-level recommendations for the Global Fund Board as it considers the implementation of the next strategy.
- Weaves in relevant technical and disease-specific observations and lessons.

## EXECUTIVE SUMMARY

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The report aligns with Global Fund's 2017-2022 Strategy "Investing to End Epidemics," and provides a number of recommendations under each strategic objective, based on the observations of the Technical Review Panel (TRP). The following is a selection of six areas with recommendations considered to be strategic for the ongoing discussions.

### Allocation model, above allocation requests and incentive funding

The TRP has noted a number of issues and challenges related to the over and under allocation of funds in proportion to disease burden and ability to pay in some countries, and to above allocation and incentive funding requests. Most notably, incentive funding in its current form has not fulfilled its purpose of stimulating ambitious programs and innovative approaches in the concept notes.

Above allocation requests were frequently for moderate scale-up of core interventions or to ensure continuity of essential services. Overall, several countries did not submit expressions of full of demand, and even when eligible for incentive funding, many did not submit an above allocation request. Therefore, the TRP recommends the allocation model be carefully reconsidered in the future, with the renewed methodology ensuring priority for the highest burden countries with the least ability to pay.

The allocation modalities should be restructured to achieve the goal of encouraging innovation and taking responses to the next level, focusing on the most strategic elements of the response, scaling up program coverage, ensuring efficiencies and effectiveness of service delivery, highest impact and sustainability. If a decision is

made to continue setting aside part of the available funding that is separate from the country allocations, possible ways of restructuring incentive funding might include:

- A matching fund to leverage additional country investment in pre-specified Global Fund priorities.
- Special funds set aside within each applicant's allocation to be awarded through a system of results-based financing or upon presentation of plans for innovation or scale-up during implementation, with the possibility of additional funding upon presentation of robust plans.
- A structured request for proposals in particular areas where innovation is needed, complementing activities in current Global Fund grants, such as innovative HIV interventions for young women and girls.
- A special fund to address critical capacity gaps at the country level, such as the monitoring and evaluation capacity to assess impact and use the results to direct both international and national resources toward more impactful activities.
- Innovative private public partnership models for scaling-up successful pilot models.

### Integrated concept notes

The TRP has extensive experience with integrated concept notes, and TB/HIV joint concept notes in particular. The TRP observed progress, which shows in a number of cases the approach has increased cross-program communication and coordination. However, the majority of these integrated applications have been largely independent efforts, revealing limited in-country interaction between the disease programs. Though current efforts toward integration fall short of their potential for greater impact at lower cost, the TRP believes there is value in the process of joint planning and, with time, the integration will improve.

To foster greater integration, it would be advisable for the Global Fund to work more closely with applicants to:

- Identify opportunities to increase in-country collaboration between the disease programs where appropriate, during both preparation of concept notes and implementation of grants.
- Maximize alignment and mutual reinforcement of disease programs, national strategic plans and the national strategic health plan.
- Encourage sharing of resources and development of joint activities;
- Submit integrated funding requests or submit multiple funding requests in the same review window.
- Minimize duplicative grant management costs.

### Regional programs

- The TRP recognizes the value of regional concept notes and activities that have highlighted critical gaps and have the potential to yield shared benefits for all stakeholders. Regional programs lend themselves particularly well to addressing shared regional challenges related to unfavorable policy and legal environments, and supports this approach.

However, the TRP also reviewed a number of regional applications that primarily requested support for activities that could be carried out more effectively at the national level, failing to demonstrate any clear rationale or comparative advantage to taking a regional approach. The competitive process for regional proposals within the 2014 to 2016 allocation-based funding model demonstrated several areas, as highlighted in the regional expressions of interest, that addressed critical gaps and priorities in some regions, yet it resulted in an inequitable distribution between regions and key themes.

The TRP further found the Global Fund lacks a strong evaluation framework for the impact of regional grants.

The TRP recommends:

- A more effective regional and subject coverage of gaps may be achieved through a change in approach. Namely, increasing the role of the Global Fund, in consultation with technical partners, other stakeholders and affected communities, in proactively identifying key gaps and priorities by regions, topics, or key populations and major issues.. This would ensure regional activities are also synergistic with, rather than duplicative of, national programs. However, there is also a need to allow space for unsolicited innovative proposals.
- The Global Fund explores different options for investing in strategic priorities with longer-term planning horizons. In addition, for the identified issues where a one-off investment is envisioned, applicants of regional programs should be strongly advised to build transition planning into their proposals to the Global Fund.
- Regional applications should include activities that support the sustainability of interventions, or have high potential for sustainable outcomes.
- Regional, sub-regional or multi-country applications cover strategic gaps spanning two or more countries, foster cross-border disease interventions and address structural barriers.
- Efficiencies could be gained by exploring opportunities during regional dialogue and concept note development, grant-making and implementation to enhance synergies and avoid duplication between regional programs and Global Fund grants at country level.
- Monitoring and evaluation frameworks should be strengthened in order to measure the overall impact of regional approaches. A monitoring and evaluation framework suitable to measuring the outcomes of advocacy interventions should be developed.

### Key populations

While the focus of proposal requirement and the emphasis on impact have encouraged increasing attention to programs for key and vulnerable populations, the TRP notes ways in which the Global Fund could accelerate impact in this area. In particular, the TRP is of the view that a policy mechanism for catalyzing a shift from Global Fund to government support for key populations needs to be developed for all countries. This might be done in several ways, for example:

- Requiring an increasing government contribution over time to key population programs with the exact rate of increase in support based on income level.
- Incentivizing increased government contributions to key population programs through changes to the willingness to pay or counterpart financing requirements.

- Creating a separate pool of matching funds outside of the country allocation system to incentivize government contributions to key population programs.
- Developing mechanisms for national ownership essential for sustainability, and ensuring the Country Coordinating Mechanism is fully connected to the levers of political decision-making and resource allocation.
- Addressing existing legal and administrative barriers to government funding to key populations, or to those non-governmental organizations that work with key populations, including supporting the development of national mechanisms to fund key population groups or those bodies that provide services and support for key populations such as social contracting.

### Sustainability and transition

The TRP believes all countries should be considered to be “in transition” with individual countries’ transitions occurring on different time scales. The TRP’s principal sustainability concerns include:

- The degree of the country’s dependence on external financing for core components of the programs, such as maintaining patients on antiretroviral therapy, second-line TB drugs, and insecticide-treated nets.
- The lack of national support for key population financing and the failure in many countries to establish social contracting mechanisms<sup>1</sup> for communities and NGOs to implement programs.
- Maintaining health system capacity.
- Integrating service delivery.
- Ensuring adequate human resources to maintain programs and deliver essential services.

Considering bringing the three disease programs to scale will cost far more than is available from the Global Fund and other donors, the Global Fund should make sure every investment is maximally leveraged to expand the resource pool, enhance long-term sustainability and achieve the greatest impact against the three diseases.

Consideration might be given to incorporating co-financed or matching funding requirements from government budgets for scale-up of activities that result in significant liability and obligation for the Global Fund to support continuity of services. In this way, major commitments such as antiretroviral therapy for HIV, long lasting insecticidal nets, artemisinin-based combination therapy for malaria and TB drugs will become a shared commitment instead of an unsustainable dependency on external funding.

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<sup>1</sup>Social contracting is defined by local governments contracting out the implementation of certain services to civil society organizations by means of entering into social contracts on terms of competitive selection.

## Resilient and sustainable systems for health (RSSH)<sup>2</sup>

The TRP recommends applicants invest in the development of robust National Health Plans with clear prioritization of resources for the three diseases, essential health services, universal health coverage, and strengthened health and community systems, which can build a platform for better linked RSSH interventions across all the disease areas. Additionally, the TRP strongly recommends any changes in the disease split methodology should also include a defined portion for RSSH, which continues to be insufficiently resourced.

## Challenging operating environments

The TRP has observed considerable need for differentiation across a number of complex contexts affecting grant design, implementation and review, including challenging operating environments, widely varying epidemiological contexts, grant size, and health and community system weaknesses. Operationally, the TRP sees the opportunity to differentiate within the funding model and the review process in a number of ways, including:

- Documentation requirements particularly concept note templates.
- TRP review criteria and process.
- Grant-making requirements.
- Grant implementation, monitoring and evaluation modalities.

The TRP seeks to support the Global Fund to achieve each of its strategic objectives by developing and implementing a differentiated concept note review process, in order to optimize the use of the TRP's technical expertise, regional knowledge and time, and to ensure appropriate technical review at each level of complexity.

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<sup>2</sup> In this report, the TRP refers to RSSH for both future applications as well as past applications referred to as health systems strengthening (HSS) under the current funding model.

## STRATEGIC OBJECTIVE 1: MAXIMIZE IMPACT AGAINST HIV, TB AND MALARIA

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### Introduction

As the review windows have progressed, the TRP is of the view there has been an improvement in the general quality of concept notes, including the presentation of solid epidemiological and geographical analysis, and descriptions of how activities will more effectively focus on populations and locations with the greatest needs as identified in those analyses. It seems countries preparing concept notes in successive windows learned from the experiences of those in preceding windows. This demonstrates mechanisms for feedback, such as lessons learned distributed by the Global Fund Secretariat, TRP and technical partners, and specific technical guidance from the TRP in the case of iterations, are working.

Despite the perception concept note quality improved as review windows progressed, the overall quality measured by the proportion of concept notes recommended for grant-making upon initial submission remained relatively steady at 76 percent across all eight review windows. However, there is still variability in the quality of concept notes, and many applicants would benefit from a careful study of best practice concept notes in areas such as epidemiological and geographical analysis, programmatic analysis, assessment and responses to community, human rights and gender issues, and formulation of program activities based on lessons learned, among others.

The 2014 to 2016 allocation-based funding model has achieved its goal of increasing predictability by letting countries know their allocated amount. This has encouraged countries to prioritize interventions for the most at-risk or underserved populations and to target geographical areas with higher disease burdens. This increased focus on the most critical areas of need across the three diseases should enhance the effectiveness and impact of Global Fund investments.

However, the TRP has also noted a number of challenges and difficulties that have arisen within the current allocation model that should be carefully re-thought or revised in the next allocation period, especially with regards to full expression of demand, above allocation requests and incentive funding. With the observed improvement in the focus and potential impact of the activities presented in concept notes over this allocation period, the critical challenges to achieving high-impact with Global Fund investments will increasingly shift to issues around the effectiveness of program implementation and piloting innovative approaches for higher impact.

Based on its observations, the TRP sees substantial room for improvement in these areas through expanded Global Fund support for solid programmatic analysis and management, strengthened monitoring and evaluation, and enhanced technical support to build national capacity to guide, achieve and demonstrate rights-based impactful implementation.

## **A. SCALE-UP EVIDENCE-BASED INTERVENTIONS WITH A FOCUS ON THE HIGHEST BURDEN COUNTRIES WITH THE LOWEST ECONOMIC CAPACITY AND ON KEY AND VULNERABLE POPULATIONS DISPROPORTIONATELY AFFECTED BY THE THREE DISEASES**

### **Program scale-up**

The TRP recognizes that to truly end epidemics, enhanced and appropriately focused investments are needed across the Global Fund portfolio. The current strategy has greatly improved the focus and impact of activities proposed in the concept notes compared to rounds-based applications. Countries have submitted increasingly ambitious targets and plans for scale-up that are likely to save more lives and avert new infections.

However, while some countries have demonstrated their ability to scale-up programs by providing a solid plan with evidence of current capacity, resources and effectiveness to achieve their targets, other countries have proposed rapid scale-up without careful consideration of the inherent challenges. Disease-specific examples include:

- Applicants submitting concept notes calling for rapid antiretroviral therapy scale-up while procurement systems are currently functioning poorly, the capacity to deliver services is weak, or resources are lacking during the final year of the grant to sustain those patients initiated on antiretroviral therapy.
- Applicants proposing to expand and decentralize care and treatment for multidrug-resistant TB, while not providing assurance the countries were developing the clinical capacity and the patient support systems needed to successfully implement such programs. Nearly all TB concept notes included interventions to actively screen for TB among identified vulnerable groups. However, there was often insufficient prioritization of the vulnerable groups and the measures to be undertaken to link and retain patients identified through provider initiated TB case finding into TB care and treatment programs.
- Applicants at different stages of their malaria epidemiological spectrum have included scaling-up interventions to address vulnerable populations. However, there was insufficient information about the appropriateness of some interventions, especially in low to very low malaria transmission settings. For example, when mobile migrant populations and populations in remote areas are described as having greater risk, it would be pertinent to explain how interventions, like long-lasting insecticidal net distribution, will be carried out to effectively cover these populations. Similarly, some countries have submitted concept notes proposing expansion of malaria services for integrated community case management without the existing human resource capacity to do so, and/or without presenting adequate plans and complementary investments to build that capacity.
- Such concept notes do not demonstrate realistic plans to address these challenges in order to meet programmatic targets.

**Recommendation.** The TRP recommends all applicants submit well thought-out plans for scale-up of antiretroviral therapy, management of multidrug-resistant TB, scale-up of key malaria interventions and other programs that depend highly on strong systems, taking into account existing constraints, challenges and limitations. In developing funding requests, applicants should consider health system limitations, access barriers

and opportunities, sustainability challenges and programmatic gaps. Analysis and investments in these items should be reflected and addressed in the funding request. In the absence of strengthened health systems, independent scale-up of disease programs may not be sustainable.

To assist applicants in this endeavor, the TRP recommends, in addition to establishing technical guidelines, the Global Fund encourage technical partners to provide stronger guidance for implementation of these guidelines and technical support to enable their rapid operationalization. This must include technical assistance to countries for the development of comprehensive plans for scale-up that take into account current country programmatic performance, the need for system strengthening to support scale-up and, most importantly, the financial sustainability of the proposed scale-up both within domestic contributions and beyond the current allocation period.

### Attention to key and vulnerable populations

While the focus of proposal requirement and the emphasis on impact have encouraged increasing attention to programs for key and vulnerable populations, the TRP wishes to highlight a number of ongoing concerns.

In some countries with generalized HIV epidemics, coverage of key population programs remains very low, raising serious equity concerns. In some cases, the size of key populations, especially men who have sex with men, transgender people, and people who inject drugs, is unknown or underestimated, leading to inadequate allocation of resources for activities meeting their needs. Furthermore, applicants do not clearly distinguish among availability, accessibility, acceptability and effective coverage of quality goods and services. Often, even when access and equity challenges such as legal barriers, police harassment or serious stigma and discrimination are well described early in the concept note, there is no presentation of corresponding activities to address them even when such an omission can prevent the program from reaching its targets.

Of particular concern, many HIV programs for key populations at the national level remain externally funded with existing legal, administrative and social barriers preventing direct support to community-based and nongovernmental organizations through government resources. The absence of political will to finance interventions for key and vulnerable populations persists, even in concept notes where gender- and human rights-related barriers faced by key and vulnerable populations are well articulated; in such cases, the analysis frequently fails to be translated into concrete interventions that are prioritized for funding.

Additionally, key populations for malaria are often ill defined and vary greatly by country and endemicity. Pregnant women and children under the age of 5 are often the key populations “by default”. While it is certainly true, generally speaking, these key populations are at greater risk of infection and disease, several other key populations (such as refugees, adolescents, migrant populations, forest dwellers and uniformed forces) significantly contributing to the overall disease burden can exist, particularly as programs experience dramatic reductions in malaria transmission. Similarly, key populations for TB are not clearly defined. The need to map and target vulnerable

groups specific to such populations include people living with HIV, household and close contacts of TB patients, people in prisons, children, women and girls, refugees, migrants, the elderly, diabetics and impoverished populations.

Lastly, in band 4 countries with concentrated epidemics, the focus of application requirement was intended to ensure the Global Fund was supporting key population programs. However, perversely, these countries have often become entirely dependent upon the Global Fund and other external donors for supporting key population programs and there is little or no government financial and political support available for them. The TRP is concerned by reports of difficulties in locating and sustaining funding for these essential key population programs in countries that have transitioned from Global Fund financing. Unless these issues are addressed during the transition process, the gains made from dual-track financing in building civil society capacity and from the focus of application requirement in expanding programs for key populations will be lost.

*Recommendation.* The TRP recommends the Global Fund and technical partners continue efforts to work closely with applicants to:

- Ensure locally relevant key and vulnerable populations are accurately identified in each country, and particularly stigmatized key populations, such as prisoners, men who have sex with men, transgender people, sex workers and people who inject drugs, are not excluded from country responses.
- Improve key population size estimates and understanding of the extent to which key and vulnerable populations share in the overall in-country disease burden.
- Promote existing guidance for providing comprehensive services to key and vulnerable populations.
- Advocate with countries for their inclusion in domestically funded programs.

The TRP feels a policy mechanism for immediately beginning the transition from Global Fund support to government support for key and vulnerable populations needs to be developed for all countries. This might be done in several ways, for example:

- Requiring evidence of increasing government contribution over time to key population programs with the exact rate of transition based on income level.
- Incentivizing increased government contributions to key and vulnerable population programs through changes to the willingness to pay or counterpart financing requirements.
- Creating a separate pool of matching funds outside of the country allocation system to incentivize government contributions to key and vulnerable population programs.
- Supporting the development of mechanisms for national ownership essential for the political will and commitment necessary for sustainability, ensuring the Country Coordinating Mechanism is fully connected to the levers of political decision-making and resource allocation.
- Addressing existing legal and administrative barriers to government funding to key populations or to those non-governmental organizations that work with key populations, including supporting the development of national mechanisms to fund key population groups or those bodies that provide services and support for key populations such as social contracting.

### Integrated concept notes

During its reviews of TB/HIV concept notes the TRP has seen a full range of approaches, from well-integrated joint TB/HIV concept notes to separate TB and HIV programs in a single concept notes shuffled together to mimic integration to truly integrated concept notes that show close collaboration at the country level. The majority of integrated concept notes reviewed lean toward independent efforts combined at the submission stage, with limited in-country interaction between the disease programs. However, the TRP does feel there is value in the process and with time the integration will improve. At the very least, the joint concept note process has encouraged discussions between the separate programs and consideration of where joint activities would be of value, and this practice should be continued.

Integrated concept notes that address all components would support integrated program implementation and monitoring, might achieve greater impact at lower cost and would ultimately be more in line with national strategic planning processes. However, the TRP recognizes, given present realities on the ground, this approach may not always be feasible in many country contexts and also presents some challenges for the TRP review processes.

*Recommendation.* It would be advisable for the Global Fund to work more closely with applicants to:

- Identify opportunities to increase in-country collaboration between the disease programs and with RSSH where appropriate, during both preparation of concept notes and implementation of grants.
- Encourage sharing of resources and development of joint activities.
- Minimize duplicative grant management costs.
- Submit integrated funding requests or, alternatively, submit all disease and RSSH funding requests in the same review window to provide TRP with a comprehensive view of the Global Fund supported portfolio in country.
- Bolster high-level technical cooperation that may be required to address the complex institutional issues that support the current system of discrete service delivery within countries.

### Iterations

The TRP has found the iteration process to work well and to be a significant contributor to increasing the potential for impact of the activities funded by the Global Fund across the portfolio. In most cases, applicants have responded very well to the TRP's comments and concerns by:

- Conducting further analyses to better understand program gaps and weaknesses.
- Ensuring adequate prioritization for neglected, key and vulnerable populations.
- Replacing low impact components with higher impact ones.

As a consequence, 98 percent of iterated concept notes were recommended for funding following the first resubmission.

*Recommendation.* The TRP has found the iterative model to have demonstrated benefits as a feature of the allocation-based funding model, especially for countries with weaker capacity. It therefore recommends the iterative process remains a core feature of the funding model as a tool for strengthening strategic focus and impact of Global Fund investments during TRP reviews. However, the TRP also acknowledges the likely impact and trade-offs of the iteration process on the implementation period of respective disease programs during the current allocation cycle; recognizes the potential increase in transaction costs and burdens on affected countries; and recommends earlier identification of opportunities for supporting countries to submit robust funding requests, as appropriate.

## **B. EVOLVE THE ALLOCATION MODEL AND PROCESSES FOR GREATER IMPACT, INCLUDING INNOVATIVE APPROACHES DIFFERENTIATED TO COUNTRY NEEDS**

### **Allocation formula**

While the current allocation formula has focused substantial resources on countries and populations with greater need, the TRP has observed several high burden countries with the least ability to pay still do not have adequate allocations, leaving them unable to cover essential program needs during this allocation cycle. At the same time, other countries have received more than enough funds to scale-up interventions beyond priority needs. This disparity points to a need to ensure the revised allocation methodology adequately supports high burden lower income countries where the needs are most critical.

Another observation is the current system of program split has led to substantial underinvestment in health system strengthening, even when those investments are critical to delivering on disease-specific programs. This has led to few standalone concept notes for RSSH and a very fragmented approach to including and consolidating interventions for RSSH among the disease specific concept notes. The TRP notes the disease split proposed by the Global Fund was, in many cases, accepted as originally proposed. The TRP recognizes this may reflect a conservative attitude on behalf of the applicants who prefer not to embark on a potentially divisive “reallocation” debate amongst the different disease programs, despite clear disparities in terms of resource allocations and needs among the programs.

*Recommendation.* The TRP strongly recommends high burden countries with the least ability to pay should remain priorities for allocation funding, along with countries that have high disease burden concentrated in key populations. In the next allocation period, the TRP recommends the needs of these countries be prioritized before designating funding for alternative funding streams, such as incentive funding.

Furthermore, the revised allocation methodology should try to correct for the problems in this allocation period resulting from over and under allocation. It should also factor in the needs associated with higher cost programs, such as antiretroviral therapy, multidrug-resistant TB and the sustained costs of countries close to malaria elimination, in determining equitable allocations. In this regard, the revised methodology should

ensure the minimum level requirements for an allocation strike a better balance between considerations of:

- Current epidemiological burden as well as health system and programmatic needs.
- Rewarding programs that have shown success on previous investments.
- Ensuring equitable access for those highest burden countries with weak health systems and the least ability to pay.

Lastly, the TRP strongly recommends the disease split methodology should also include a defined portion for RSSH, which has otherwise been insufficiently resourced. To support this, the TRP recommends Country Coordinating Mechanisms consider having membership of, or at least consult with in the development of funding request, an appropriate range of health system experts, for example, in the following areas:

- Monitoring and evaluation.
- Health information management systems.
- Health financing and public financial management.
- Human resources and planning
- Procurement and supply chain management.
- Integrated service delivery models.

This will ensure that RSSH proposals are linked to the wider health systems environment within countries and respond appropriately to needs for health system strengthening in support of the three diseases and beyond.

### **Above allocation requests, incentive funding and the full expression of demand**

The TRP has noted a number of issues and challenges with above allocation funding requests and incentive funding. While some issues arise out of an intent to use the system advantageously, these issues may also be caused by either the process requiring more effort than the applicant feels is worthwhile, or by the applicants not clearly understanding the within and above allocation concept in its current form.

The within and above allocation structure has, in practice, worked against the concept of prioritization, as illustrated in the following ways:

- Some countries put critical and essential services into the above allocation amount, which has often required the TRP to ask countries and the Global Fund to move these into the allocation.
- Other countries have put low impact interventions into the allocation amount while putting more controversial, but higher impact programs, such as key population services, into the above allocation. It is possible applicants think they have a greater chance of receiving incentive funding for high impact programs.

Incentive funding, in its current form, has not stimulated ambitious and innovative approaches in the concept notes as originally hoped. Many of the applicants submitting their concept note during the first five windows were in urgent need of renewed funding to cover critical gaps, and found their allocation barely covered program needs at existing levels. As a result, the items proposed in the above allocation amounts eligible

for incentive funding were often for scale-up of essential interventions or to ensure continuity of services. Only about 20 percent of approved incentive funding focused on ambition and only 2 percent on innovation as shown in figure 1. Overall, 72 percent was dedicated to moderate scale-up or continuity of services.

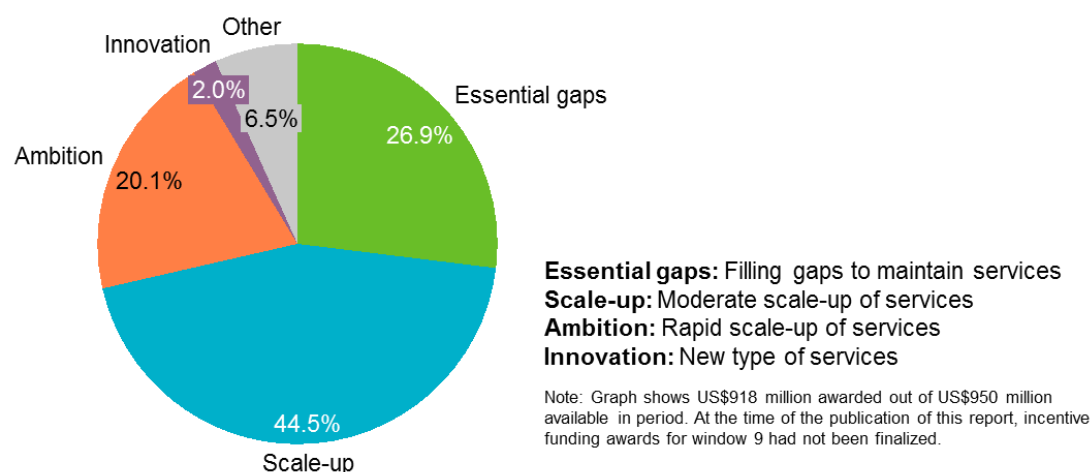
However, in the later windows, the TRP did find opportunities to recommend incentive funding be used as a tool to leverage additional domestic investment, for example by making an incentive award contingent on matching funds or additional service provision by the applicant.

Although limited, a closer look at activities recommended for funding by the TRP during later windows shows applicants were able to present interventions beyond essential needs. This includes ambitious scale-up of high impact interventions with potential for quantifiable increase in impact on the epidemics; proposals to pilot or implement new evidence-based approaches aimed at greater impact, for example programs focusing on vulnerable women and adolescent girls; strengthening the resilience and sustainability of systems for health essential for effectiveness of disease programs; and investments in human rights programs that increase the effectiveness of key population programs including human rights protections, stigma reduction and removing legal barriers to accessing services.

Some countries did not submit an above allocation request at all, even when they were eligible for incentive funding. The TRP has sometimes seen critical service gaps it would have liked to recommend as unfunded quality demand, but without an above allocation request, countries are ineligible to compete for additional resources.

The TRP would like to highlight that, in its current format, the competition for incentive funding has been inequitable. The probability of being awarded any additional funding is strongly influenced by the window in which an applicant submits its concept note and its band, as the amount available and level of competition for the incentive funding depends on the pool of applicants in that particular window. Lastly, the separation of allocation and above allocation requests in a number of instances made the application process and the reviews much more challenging and time-consuming, without adding value to the review process.

*Figure 1: Incentive funding awarded by category  
Covering windows 1-8 of 2014-2016 allocation period*



**Recommendation.** As incentive funding in its current form has significant limitations in achieving its intended purpose of catalyzing innovation and ambition, incentivizing well performing programs and increasing potential for additional quantifiable impact, the TRP recommends it be carefully reconsidered in its design, request format, and award in the future. Possible ways to restructure the approach in order to achieve innovation, higher ambition or resource mobilization have been discussed and considered feasible by the TRP include the following:

- A matching fund for additional country investment in pre-specified Global Fund priorities.
- Special funds set aside within each applicant's allocation to be awarded through a system of results-based financing or upon presentation of plans for innovation or scale-up during implementation, with the possibility of a top-up upon presentation of robust plans.
- A structured request for proposals in particular areas where innovation is needed, complementing activities in the current Global Fund grant, such as innovative HIV interventions for women and girls and intensified response to multidrug-resistant TB.
- A special fund to address critical capacity gaps at the country level, such as increasing capacity to assess impact and direct both donor and national resources to more impactful activities.
- Innovative private public partnership models for scaling-up.
- Pioneering approaches to the effective incorporation of community, human rights and gender-based interventions in applications.

The TRP recommends careful consideration be given to revising the structure of concept notes for the next allocation period. If the Global Fund continues to request applicants submit a full expression of demand via separate within and above allocation requests, then it is critical that countries understand the benefits if they submit an above allocation request, and the importance and appropriate content that should be submitted in an above allocation request is made clear.

### **Innovative above allocation request for adolescent girls and young women**

In review window 7, South Africa TB/HIV concept note presented a good example of evidence-based innovation in a cash plus care initiative for adolescent girls and young women and a Social Impact Bond for sex workers.

In line with Board principles on incentive funding, the TRP considered this request a good example for rewarding considerable existing domestic investments in the TB and HIV programs. The TRP also recognized the need for evidence-based innovative programming especially for youth and adolescents in this country context. The TRP saw the merit of a cash plus care initiative for adolescent girls and young women to reduce incidence of HIV among this key population, as well as the potential to leverage contributions from domestic and other sources through Social Impact Bonds.

Incentive funding was recommended toward prevention programs for adolescents and youth in and out of school, through which an additional 30,000 vulnerable girls in two districts will be reached with an innovative project around cash plus care component. An additional incentive funding amount was recommended toward prevention programs for sex workers and their clients, through which 24,400 additional sex workers will be reached through Social Impact Bonds.

The TRP supported investments in piloting these innovative approaches, and also recommended that further scale-up of the programming be contingent upon adequate operational research to establish effectiveness, document lessons learned and evaluate the impact of the two innovative approaches. The TRP also recommended that learnings from these investments be shared across the portfolio.

### **Regional programs**

The TRP recognizes the value of regional concept notes and activities, which often highlight critical gaps not easily addressed through national grants, yielding shared benefits for all the stakeholders beyond what can be achieved at the country level. Regional programs particularly lend themselves to addressing challenges related to unfavorable policy and legal environments. For example, many of the regional HIV applications focused on advocacy on critical gaps for key populations. This includes access to antiretroviral therapy for people who inject drugs, increasing national funding for key population programming, or advocating for the rights of key populations facing barriers to access. Malaria and TB applications focused on urgent but inadequately addressed cross-border issues.

Although at the regional expression of interest stage promising and innovative ideas emerged and were selected to present concept notes, some of the subsequent concept notes did not live up to the original expectations. The main issues at this second stage noted by the TRP revolve around the following:

- The rationale and feasibility of a regional proposal.
- Not striking the right balance between regional and national level interventions.
- The insufficient implementation capacity of some applicants or for returning applicants.
- The absence of a critical review of the lessons learned, past implementation experience and previous program outcomes.

In addition, the TRP encountered some common issues in its review of regional applications including:

- Potential overlaps among regional concept notes, as well as risk of duplication with national level programs.
- Joint TB/HIV concept notes focused more on identifying and covering gaps in HIV services than TB or joint TB/HIV services.
- Inefficiencies across concept notes, including implementation of programs in the same countries, conducting similar studies, and conducting similar trainings with the same key population groups.
- Disproportionately high budget lines including high travel costs, studies and meetings.

The TRP also reviewed a number of regional applications that primarily requested support for activities that could be carried out more effectively at the national level, failing to demonstrate any clear rationale or comparative advantage to taking a regional approach.

The TRP further noted regional concept notes present some unique challenges in impact assessment, particularly in the case of regional concept notes that focus on advocacy. The TRP recognizes the progress made by the Secretariat in the development of a work plan tracking efforts to measure qualitative impact or milestones, which are employed in most regional concept notes. However, the TRP notes much work remains to be done in this area.

**Recommendation.** The TRP recommends regional and sub-regional applications cover strategic gaps spanning several countries, foster cross-border disease interventions and address structural barriers. Specifically, issues such as cross-border malaria elimination, malaria drug resistance, interventions for malaria and TB for cross-border migrants, stigmatization and discrimination of key and vulnerable populations, require a concerted regional response with appropriate budgets for these programs.

To foster such applications, more proactive ways of identifying, prioritizing and disseminating key regional issues need to be developed, and the scope of regional activities must be better defined to ensure they are synergistic with, rather than duplicative of, national activities. Subsequently, programs that are funded need to measure impact in order to see what value they add during implementation. In order to

achieve the greatest impact and value of regional programs, regional applications should include activities that support sustainability of interventions, such as capacity developments, community involvement, the documentation or involvement of policy, or have high potential for sustainable outcomes. In addition, the TRP noted budget efficiencies could be gained by exploring opportunities during grant-making and implementation to enhance synergies and avoid duplication across a number of regional concept notes in addition to Global Fund grants at the country level.

With the obvious differences in scale and scope of regional applications, it is necessary that tailored and differentiated approaches are developed that take into account information and documentation requirements, as well as anticipated implementation challenges, including coordination and minimization of duplication. Additionally, monitoring and evaluation frameworks should be developed that will measure the overall impact of regional approaches, including advocacy interventions.

### Strategic investments in pre-identified regional priorities

The TRP notes the possibility for the Global Fund to create specific opportunities to invest more strategically in pre-identified regional priorities in consultation with technical partners, relevant stakeholders and community organizations. The competitive process for regional proposals within the 2014 to 2016 allocation-based funding model demonstrated several areas, as highlighted in the regional expressions of interest, that addressed critical gaps and priorities in some regions, yet resulted in an inequitable distribution between regions and key themes. After its review of 77 expressions of interest and 30 concept notes in the current funding cycle, the TRP notes some regions still have poor coverage of regional grants, while other regions are served by multiple regional grants, with potential overlaps.

Lastly, the TRP noted that continuing the competitive process beyond the regional expression of interest stage disadvantaged some regions. This is the result of variations in concept note writing skills and the resulting differing quality of funding requests proposed to cover a given region.

**Recommendation.** A shift to soliciting deliberate proposals in these pre-identified regional priorities could increase the impact of the Global Fund's investments in the regions, while also raising awareness of what geographic and thematic areas are already covered to avoid duplication

However, there is also a need to allow some space for unsolicited innovative proposals. An initial competitive regional expression of interest stage could be maintained, at which the TRP could identify the strongest applicants based on set review criteria. Once an applicant is selected at this stage, the applicant would present a concept note for consideration with the possibility of iteration. The TRP recommends that during concept note development, the Global Fund provides stronger technical assistance, guidance and mentoring for those organizations that address critical gaps but have weak capacity. As a supplement, the Global Fund could collaborate with other partners investing in capacity building with the goal of strengthening the preparation of strategically focused and technically sound proposals, followed by effectively managed regional programs.

### Regional grant period of three years, and lack of transition plans

Under the 2014-2016 allocation, regional programs supported by the Global Fund typically receive funding for a set period of three years and cannot assume that continuing funding will be available once the grant is finished. The TRP recognizes for some new applicants and new regional grants, as well for some longstanding issues, for example investments to increase sustainability of programs for key populations through transition to domestic financing, it might not be realistic to expect outcomes and impact at regional level in a timeframe of three years. Moreover, while the three-year planning horizon is a constraint for regional programs addressing strategic issues requiring policy change or concerted effort over the long-term, the TRP noticed the absence of sustainability and transition planning as a common weakness in many regional proposals.

*Recommendation.* In this regard, the TRP recommends the Global Fund explores different options that might be considered for investing in strategic priorities with longer-term planning horizons. In addition, for the identified issues where a one-off investment is envisioned, applicants of regional programs should be strongly advised to build transition planning into their proposals.

### C. SUPPORT GRANT IMPLEMENTATION SUCCESS BASED ON IMPACT, EFFECTIVENESS, RISK ANALYSIS AND VALUE-FOR-MONEY

#### Learning from the past and using data to strengthen program implementation

Given some countries have more than a decade of experience implementing both national and Global Fund disease-specific programs, the TRP sees a critical opportunity to learn from evidence about what has and has not worked in past programs. Despite extensive investments that should have generated substantial learning, in many cases the TRP has observed numerous missed opportunities for applicants to apply lessons learned in developing new concept notes, leading to continued requests for support of static, poorly evaluated programs of limited effectiveness.

In addition, regular monitoring and evaluation of program effectiveness is essential for guiding program scale-up and for making mid-course corrections to address poor outcomes. The TRP has noted few concept notes plan for the use of routine monitoring and evaluation data in Global Fund supported activities to identify problems and strengthen their effectiveness and impact over time. Such omissions indicate an underlying weakness in collection and use of programmatic data, as well as in the evaluation of the effectiveness and impact of responses in Global Fund supported activities. As mentioned in previous TRP reports, this must be addressed if program implementation is to be strengthened to maximize the impacts of Global Fund investments.

*Recommendation.* The TRP recommends a similar level of emphasis be placed on improving the quantity and quality of programmatic data through the regular use of routine health management information systems and on building national capacity to use strategic information for decision-making, as has been placed on improving epidemiological and size estimation data. Such an approach would enable identification of program gaps, bottlenecks and constraints that have led to poor performance and low coverage, among other issues.

#### **Effective use of routine programmatic data to inform concept note development**

The TRP observed excellent examples, such as in Botswana, of using routine programmatic data to target and strengthen TB/HIV programs in an informed and critically important way, in order to strengthen the national program over time and achieve increased impact. During concept note development, the country used routine TB programmatic data to identify districts with weaker programs, as indicated by low diagnostic rates and poorer treatment outcomes, to focus investments and target these districts for closer attention. This more intensive use of routine programmatic data to identify weaknesses allows improvement of geographic targeting and strengthening of programs at the sub-national level in an informed and critically important way, which will strengthen the overall national program over time and achieve increased impact.

Given the centrality of implementation effectiveness to achieving high impact, the Global Fund could consider a special initiative focusing on programmatic data derived from routine health management information systems and ongoing monitoring. This could include consideration of, or expanding investments in, project-specific external evaluations that include, as relevant, careful description and analysis of all previous Global Fund support. These should examine what this support has or has not achieved, and why. Such evaluations could be focused on larger program components in high-impact countries, where programmatic success has a major effect on aggregate global impact.

The TRP recommends the Global Fund and technical partners work with countries to ensure programmatic data are collected as part of program implementation or operational research. They should work to ensure it is used regularly to critically evaluate and guide programs to progressively increase levels of impact for national, Global Fund and other donor investments. Within concept notes, the results of programmatic data analysis and the incorporation of lessons learned from that analysis should be included and used in formulating and enhancing proposed activities. In addition, the TRP recommends inclusion of activities supporting the collection and use of routine programmatic data, with the long-term goal of establishing sustainable analytic capacity in country. Such investments can help to guide not only Global Fund investments, but national and other donor investments as well.

## Operational research

The TRP recommends more extensive use of targeted operational research to identify gaps and weaknesses and then develop and test new approaches for addressing them. Recent concept notes have had mixed results in this regard. Sometimes the omission of such interventions is due to a lack of understanding of the underlying causes of the problems, and it is here that operational or implementation research is called for and, if included in concept notes, will be fully supported by the TRP. For example, operational research becomes increasingly important to guide countries as they move toward elimination of malaria. Across all diseases, operational research on gender or vulnerable and key populations differentials in access or uptake of services or in treatment success rates may be essential to ensuring equity, helping to highlight human rights issues and barriers that inhibit program success. Disease specific examples include:

- HIV programs could benefit from stronger linkages between the analyses of weaknesses and gaps in the HIV prevention and care cascade to guide investments and selection of activities in their concept notes that will be most effective in strengthening national responses.
- TB programs could benefit from additional attention to the diagnosis and treatment cascade to identify those falling through the cracks, determine where best to focus active case finding, and develop approaches to increase treatment completion rates.
- Malaria programs may benefit from country-specific operational research to analyze and use existing data to differentiate the types of interventions that will be most effective by geographic area or to understand the reasons for low LLIN use in certain areas or populations.

## D. SUPPORT SUSTAINABLE RESPONSES FOR EPIDEMIC CONTROL AND SUCCESSFUL TRANSITIONS

### Sustainability and transition

For all three diseases addressed by the Global Fund, effective interventions are well known and new technologies continue to evolve. The most effective interventions are increasingly finding their way into concept notes. The challenge is to take effective interventions to scale and then sustain their implementation over time, while building the political engagement and national leadership necessary for transition to domestic financing and sustainability. This process is hampered by a growing dependence in many lower and middle income countries on the Global Fund or other external sources for programs requiring long-term financial commitments, such as antiretroviral therapy, interventions focusing on key populations, management of multidrug-resistant TB, health staffing and long-lasting insecticidal nets.

The TRP would like to note the emphasis on transition from Global Fund support should start earlier and may be too late if it only starts being discussed when countries are one or two allocation cycles away from the transition. All countries should be considered to be “in transition”, with individual countries’ transitions occurring on different time scales, in line with their respective economic capacity and position on the development continuum. The TRP’s sustainability concerns include:

- Financing of other core components of the programs.
- Key population financing.
- Maintaining resilient and sustainable health system capacity.
- Integrating service delivery with other relevant health programs.
- Ensuring adequate human resources to sustain programs.
- Supporting evidence-based advocacy to make the case with governments on the above requirements for sustainability.

*Recommendation.* Considering bringing the three disease programs to scale will cost far more than is available from the Global Fund and other donors, the Global Fund should make sure every investment is maximally leveraged to expand the resource pool, enhance long-term sustainability and achieve the greatest impact against the three diseases. Consideration might be given to incorporating co-financed or matching funding requirements from government budgets for scale-up of activities that result in major continuity of services obligations for the Global Fund. In this way, major commitments such as antiretroviral therapy for HIV, long lasting insecticidal nets and artemisinin-based combination therapy for malaria, and second-line TB drugs will become a shared commitment instead of an unsustainable dependency.

The TRP recommends technical partners develop stronger guidance in several areas related to epidemic transition and sustainability of investments and outcomes, recognizing some tools are already being developed. For example, current malaria guidelines and tools were developed with a focus on high burden countries where the whole population is at high risk. There is a lack of technical guidance and technical support for countries with greater variation in malaria transmission that may be transitioning toward elimination. Such guidelines for sustainability should be developed as expeditiously as possible.

## STRATEGIC OBJECTIVE 2: BUILD RESILIENT AND SUSTAINABLE SYSTEMS FOR HEALTH

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### Introduction

Resilient and sustainable systems (RSSH) for health are the base on which all disease interventions are grounded. The objective of “investing to end epidemics” can only be achieved through strengthened systems. More resilient and sustainable health systems are critical, not only for ending the epidemics of the three diseases, but also to assure sustainable progress and establish the essential elements of health care needed to fulfill the United Nations Sustainable Development Goals by 2030.

Progress was made during the 2014 to 2016 allocation period to better integrate common RSSH elements of the three disease strategies, especially in procurement and supply management and integrated common information systems, but much work remains to further streamline RSSH efforts between the three diseases and the wider health system. The TRP has observed fragmented approaches to RSSH across a range of concept notes and often struggled to see a clear picture of the applicants’ health system overall, finding it challenging to piece together a holistic overview of the proposed interventions when they are split across diseases. While disease-specific

strategic plans (NSPs) may be well developed, many countries do not submit a clear national overall health plan (NHP) to guide the inclusion of key RSSH elements. Additionally, devolution and decentralization make development of uniform RSSH strategies increasingly difficult, and they make integration of RSSH programs and interventions even more challenging.

## A. STRENGTHEN COMMUNITY RESPONSES AND SYSTEMS

### Sustainability of civil society organizations

The TRP has observed increasing attention being paid to civil society organizations, which is a positive and welcome development. However, for the sustainability of programs it is essential these organizations are not only supported by donor funding, but by national bodies funding community-based organizations, as mentioned in this report in reference to the sustainability of funding for key populations. It is equally important civil society organizations uphold their roles as witnesses and advocates rather than shifting their functions entirely to that of service providers.

One constraint at present is, in some countries, the lack of political will or enabling framework of legislation or regulation to enable governments to fund the nongovernment sector, either to provide funding directly to civil society, community-based or nongovernmental organizations.

*Recommendation.* The TRP recommends the Global Fund supports the facilitation of mechanisms for governments, such as social contracting by the ministry of health and local administrations, in order to strengthen and fund civil society or community-focused and -led organizations. Social contracting mechanisms, including the division of responsibilities and financial support systems, should be clearly spelled out, and operate on a national level. Where the legal or regulatory system does not permit social contracting of nongovernmental organizations engaged with key populations, this should be clearly outlined with accompanying proposed mechanisms identified to address the need.

The TRP has also been pleased to see recent efforts by some countries to begin to address the legal and logistical barriers to supporting community-based and nongovernmental organizations, for example, by initiating the hiring of community-based and nongovernmental organizations workers through government settings.<sup>3</sup> The TRP encourages the Global Fund to continue to work closely with applicants to develop mechanisms by which government support for these organizations can be provided and sustained both prior to and after the transition out of the Global Fund portfolio.

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<sup>3</sup> The TRP notes that social contracting efforts can potentially be harmful for the independence of nongovernmental organizations as well as community and key population networks, in some settings. The intentions of this system can be manipulated in order for countries to avoid dual-track financing arrangements in order to avoid removing legal barriers to financing civil society organizations. Addressing this issue should be done on a country context-specific basis.

### Community health workers

Applications have also shown that increasing attention is being paid to the role of community health workers in both disease-specific activities as well as in countries' RSSH plans. However, the TRP notes the role of community health workers is not always formalized. Often these workers are expected to take on a range of complex activities and there is great variability in tasks assigned to them and compensation schemes, depending on their hiring sources. The TRP is concerned that while countries increasingly recognize the value of community health workers, financial constraints, weak training and supervision systems, high turnover and consequent loss of skills due to funding uncertainty and over ambitious expectations have the potential to compromise the effectiveness of this important cadre of workers.

*Recommendation.* The TRP recommends more deliberate integration of community health workers into the health system. It is important systems are enhanced or instituted to provide appropriate normative guidance and support for them to perform their role in a sustainable manner. Priorities need to be established to avoid overburdening this lowest level of health workers. There needs to be a contextual consideration of gender balance in the composition of the cadre. For example, in settings where a majority of health needs in the community relate to women and children, female workers are likely to be more effective.

## B. SUPPORT REPRODUCTIVE, WOMEN'S, CHILDREN'S AND ADOLESCENT HEALTH, AND PLATFORMS FOR INTEGRATED SERVICE DELIVERY

### Integrated service delivery

The TRP has observed many missed opportunities in concept notes for integration of service delivery for key and vulnerable populations, such as women, children and those populations most susceptible to the three diseases. Integrating services for certain key populations for the three diseases reduces transaction costs for health workers and clients and increases efficiency, as well as likely impact. Examples include:

- Integrating critical services into antenatal care, such as prevention of mother-to-child transmission of HIV; intermittent preventive treatment for malaria in pregnancy; and essential supportive services for key populations such as treatment of STIs, opioid substitution therapy for women who inject drugs in concentrated epidemic areas.
- Integrating key interventions for child health into malaria services to be delivered alongside integrated community case management and long-lasting insecticidal net mass campaigns as appropriate. For example, immunization, deworming and treatment for other common childhood diseases.
- Family planning linked to sexually transmitted infection and HIV services promoting informed reproductive choices among women living with HIV.
- TB contact case finding within child health services.

*Recommendation.* The TRP recommends applicants and supporting technical partners should seek and maximize opportunities for integration of service delivery. Incentives to broader integration of services could bring both efficiencies as well as higher coverage

of a full range of public health activities. High-level technical cooperation may be required, and should be provided by traditional and non-traditional technical partners, to address the complex institutional issues that support the current system of discrete service delivery. It is increasingly important that technical cooperation becomes context and expertise specific to address critical gaps at development, implementation and measurement phases of investments.

## C. STRENGTHEN GLOBAL AND IN-COUNTRY PROCUREMENT AND SUPPLY CHAIN SYSTEMS

### Procurement and supply chain systems

Procurement and supply chain management systems are clearly a major challenge for many applicants. This is characterized by recurring stock-outs, poor distribution of drugs and supplies, expiration of drugs, and, in some settings, pilferage of drugs. Persistent issues and weaknesses seen in concept notes include:

- Applications focused on capital investments with zero or minimal impact on the management of the overall system, missing opportunities both to leverage costs and addressing systemic bottlenecks and gaps across the supply chain.
- Weak logistics management information systems, such as those evidenced by poor quantification and inventory systems for diagnostics and drug needs for malaria due to lack of linkage of disease incidence with supply and use data.
- With less than adequate means of forecasting, distribution and accounting for commodity consumption, recurring problems persist in ordering, supply management and distribution. This negates improvements in the availability of drugs.
- Lack of oversight and accountability mechanisms for the procurement and supply chain process. In particular, the absence of mechanisms for health service delivery departments to engage in oversight of the provision of the essential commodities for the implementation of their programs.

The TRP has observed concept notes for two or more diseases, such as TB/HIV joint concept notes, tend to have better integrated approaches to procurement and supply chain management, but still leave room for improvement. Fragmented approaches in strengthening procurement and supply chain systems remain, with each disease program in a given country approaching procurement and supply chain management systems separately across different concept notes. Supply chain management for Global Fund essential goods are built within the national central procurement structure in some countries, while it remains a parallel system in others. Efforts should be made to integrate both systems so as to enhance overall national management and accountability capacity and reinforce long-term sustainability.

**Recommendation.** The TRP strongly recommends the Global Fund emphasize the integration of investments in procurement and supply chain systems along with robust digital information systems needed for their management. Principal Recipients, especially ministries of health, should seek to strengthen the oversight and accountability of procurement and supply chain systems. Strong governance and accountability in relation to procurement are essential to ensure checks and balances,

as well as reduce wastage and corruption while maximizing opportunities for meaningful impact.

### Shortages in human resources for health

Many applicants identify shortage of health staff as a key systemic constraint. Shortage of health staff is often attributable to:

- Lack of training capacity.
- Inadequate financial resources for employment.
- Poor remuneration.
- Retention issues.
- Failure to allocate staff for the areas of greatest need geographically.

The TRP sees the need for substantially increased investment in human resources for health overall in order to address the shortage of health staff. While more investment is required in areas of pre-service and in-service training and support, especially to the most peripheral areas, it is critical new training approaches are considered that do not take staff away from their duty posts, using emerging technologies, integrated training, on-the-job supportive supervision, mentoring and distance learning. Strong and regular supportive supervision to peripheral areas can do much to redress training deficiencies and improve quality of patient care.

*Recommendation.* The TRP strongly recommends the Global Fund encourage countries to consider integrated training improving performance and productivity of existing human resources for health through supportive on-site supervision, strengthened performance management systems and use of emerging user-friendly distance communication and learning technologies for capacity building, supervision and mentoring. Ministries of health and other Principal Recipients should also develop strategies to address retention and distribution of human resources that include non-financial incentives, and should consider consulting the lowest level of health worker in capacity planning.

## D. STRENGTHEN DATA SYSTEMS FOR HEALTH AND COUNTRIES' CAPACITIES FOR ANALYSIS AND USE

### Health information systems

While the TRP has seen variable levels of quality of disease-specific information and coverage of health information systems, there is a gradual move toward improved data quality and the integration of these health information systems. However, the TRP sees several ways in which systems can be improved.

The TRP notes obtaining adequate data remains difficult. Data sent to the central level is not sufficiently analyzed and used for effective work planning and decision-making at all levels. The TRP has seen indications there is inadequate capacity to analyze the data collected and there is a missing feedback loop to those who collect the data. When such analysis and feedback is done, it is often so late to be of timely and effective use for local decision-making.

Furthermore, the TRP recognizes there is a risk of data overload and recommends indicators within integrated systems be limited to those critical for management decisions. For example, many indicators are generated for the national malaria program, but only a few indicators are needed for a common integrated data system that would enable tracking of progress of the malaria response. In the same way, key indicators for TB enable the tracking of case finding, retention, cure and contact tracing. For HIV, a streamlined data set that can be integrated with other disease data, enables managers to see prevention, detection, treatment and compliance. The TRP also notes, even where the private sector is a significant provider of services for the three diseases, their inclusion in the national data reporting system is often limited. Lastly, sex- and age-disaggregated data are frequently not available.

**Recommendation.** Strengthening data systems in country is essential for planning, management, monitoring and review. The TRP recommends efforts be made at national levels to identify the key data required for decision-making to limit data collection demands. Where national resources are used to support the private sector response to the three diseases, stronger efforts should be made to assure full reporting by this sector. Incorporation of integrated systems such as DHIS2 (District Health Information System 2), whose present widespread use is due, in part, to Global Fund support for external technical cooperation, will help streamline reporting and focus on key indicators for management at each level. There is a need to synergize with technical partners to refine indicators for TB in line with priority indicators as set in the End TB strategy. The TRP advocates for simpler data collection mechanisms within existing country health management information systems that can provide information to make decisions, especially at the lower levels where staff should be trained in the interpretation and use of data for local decisions. Regular feedback from higher to lower levels of the health system is needed to ensure optimal use of information for management decisions. Sex- and age-disaggregation of key data elements should be assured at all levels.

## **E. STRENGTHEN AND ALIGN TO ROBUST NATIONAL HEALTH STRATEGIES AND NATIONAL DISEASE-SPECIFIC STRATEGIC PLANS**

### **RSSH and national health strategies**

The TRP has observed health system weaknesses often undermine the realization of the objectives and targets for the three diseases, particularly in many of the highest burden and lowest income countries. National strategic plans for health (referred to in this report as National Health Plans) provide the basis for funding the national response to the three diseases in the context of support for the entire health system. Without reference to National Health Plans, there is increased demand on countries to develop Global Fund specific concept notes, which also become excessively detailed and make the review processes difficult. In addition, the TRP has observed fragmented approaches to RSSH across a range of concept notes.

The TRP has often struggled to see a clear picture of the applicants' health system overall and finds it increasingly challenging in piecing together a holistic overview of the proposed interventions when they are split across diseases. While disease-specific strategic plans may be well developed, many countries do not submit a clear overall

National Health Plan to guide the inclusion of key RSSH elements. Furthermore, many concept notes have weak RSSH components, suggesting a lack of RSSH overall development plan, and/or a lack of effective involvement of RSSH professionals in the concept note development process.

**Recommendation.** The TRP recommends applicants invest in the development of robust National Health Plans with clear prioritization of resources to use for the three diseases, essential health services and strengthened health systems, which can build a platform for better-linked RSSH interventions across all the disease areas. The TRP recommends the Global Fund support the presentation of overall health system analysis and proposed interventions holistically. Context-specific and tailored technical cooperation funding for development of RSSH funding requests and for capacity building during RSSH implementation, should be made available to applicants.

In order to provide this support at the level needed, technical cooperation from technical partners at country level needs to be strengthened, and the support of development and technical partners will be crucial. The TRP also recommends Country Coordination Mechanisms consider having membership of, or at least consult with, an appropriate range of health system experts (in monitoring and evaluation, health information management systems, finance; human resources, planning and procurement and supply management) in the development of funding requests to the Global Fund.

The TRP further recommends the Global Fund help applicants present an overall health system analysis and proposed interventions holistically, and not in a fragmented manner, across all applications that include RSSH. Integrated RSSH concept notes should be considered for all applicants and, ideally, RSSH and disease-specific components should be gathered into a single concept note.

In the absence of a free-standing RSSH concept note, the TRP recommends applicants at least ensure only one concept note across the three diseases include a RSSH budget with a full description and clear identification of elements that cover more than the disease-specific concept notes, as well as an explanation of the benefits and linkages to other diseases and to the national health system as-a-whole. In the other disease-specific concept notes, which RSSH needs are covered in the component-specific concept note should be made explicit. The logic of this approach is to have all three disease-specific concept notes presented in the same window.

## **F. STRENGTHEN FINANCIAL MANAGEMENT AND OVERSIGHT**

### **Health care financing**

Health care financing and financial sustainability depend on the engagement of the ministries of finance and health at the concept note stage. Aside from willingness-to-pay, often little attention is given to domestic funding and particularly future projections of financing. Out-of-pocket expenditures are high in many countries and the impact of fees on key populations and the poor are often not addressed in concept notes.

*Recommendation.* The TRP recommends countries pay increased attention to domestic financing and involve the ministry of finance at an early stage in concept note development. The TRP encourages applicants to consider increasing the involvement of private sector expertise in public services. A range of public-private partnerships may be considered. Aside from its co-financing requirements, the Global Fund should incentivize countries to increase their domestic financing for health care as part of planning for sustainability. Governments should consider health insurance strategies and other means to share the risk of financial burden more evenly across the population with special protection for the very poor. In the interests of sustainable transition, the Global Fund should continue to work toward addressing the price of commodities for applicant countries in order to ensure affordable health systems.

### Financial management capacity

The TRP observed that developing financial management capacity is key to safeguarding Global Fund and national investments in the three diseases and RSSH. Concept notes and annexed documents have continued to highlight varying degrees of challenges with financial management issues across some countries. Financial mismanagement and corruption are a concern for much of development funding whether from national governments or partners such as the Global Fund.

*Recommendation.* The TRP consequently recommends the Global Fund support the provision of technical cooperation in financial management to strengthen financial systems and accountability both for the Principal and sub-Recipients in every concept note. In addressing mismanagement and corruption in particular, the Global Fund should consider support for civil society organizations to enable them to hold Principal and sub-Recipients accountable for grant funding, particularly at the decentralized level, including providing support for whistle-blowing mechanisms.

## STRATEGIC OBJECTIVE 3: PROMOTE AND PROTECT HUMAN RIGHTS AND GENDER EQUALITY

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### Introduction

The TRP fully supports the Global Fund's strategic focus on community engagement, human rights and gender equality, and views these strategic elements as critical in the fight against the three diseases and in strengthening resilient and sustainable systems for health. Persisting challenges to progress include stigma against people living with the diseases, legal barriers to access, gender-based violence, and gender and age-related epidemiological disparities. The TRP views the strategy in the new allocation period as an opportunity to expand upon the existing mechanisms and principles in place for increased engagement with and support to human rights for key populations.

## A. SCALE-UP PROGRAMS TO SUPPORT WOMEN AND GIRLS, INCLUDING PROGRAMS TO ADVANCE SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS

### Gender analysis in concept notes

The TRP noted that while many concept notes described and acknowledged issues around gender, most did not propose gender-responsive interventions and programming that recognize gender identities, roles and the specific needs and capacities of women, men, transgender people, boys and girls. The gender dimension of concept notes, where present, was limited to women and girls and, even in these cases, failed to include interventions focused on the empowerment of women and girls, particularly in those for TB. There was limited discussion of opportunities for linkages across the three diseases and across gender identities to include sexual and reproductive, maternal, neonatal and child health, other than in integrated management of childhood illness for malaria. In the context of HIV, sexual health was rarely distinguished from reproductive health. In TB concept notes, the high rates of TB among young children, the elderly and men were not always sufficiently discussed. The disproportionate gender issues were rarely addressed in RSSH contexts, including in human resource policies relevant to the health system as a whole, for example in relation to community-based service providers. Issues of gender-based violence were mentioned in a number of concept notes, but related interventions were typically underfunded, placed in the above allocation request, or entirely absent from, rather than integrated into, core programming. For key populations, few concept notes did provide gender analysis and gender-responsive interventions, notably for women who inject drugs, but this was the exception rather than the norm across concept notes with key population components. Moreover, the concept of gender should extend to transgender populations as well, which have often not seen adequate attention in concept notes or are lumped with men who have sex with men, despite their very different needs for tailored programs.

**Recommendation.** The TRP recommends the Global Fund and technical partners dedicate resources to support applicants to learn, design, implement and monitor gender-responsive programs, based on gender analyses performed. Gender analysis of Global Fund-supported interventions should include analysis of gender differentials in disease burden and its determinants, as well as access to interventions proposed in the concept note. This analysis and other gender considerations should be integrated throughout the description of issues and responses. Additionally, relevant key and vulnerable populations should be included in the design and implementation of gender-responsive programs.

The TRP recommends the Global Fund continue to support applicants in including gender analyses and activities to address gender-based violence in concept notes. In addition, concept notes should include activities to monitor the performance and evaluate the impact of gender-based violence interventions and these activities should be incorporated into program design.

## **B. INVEST TO REDUCE HEALTH INEQUITIES INCLUDING GENDER- AND AGE-RELATED DISPARITIES**

### **Gender-responsive programming and data disaggregation by gender**

The TRP noted concept notes increasingly presented sex/gender-disaggregated data across the three diseases. Some concept notes also provided gender-disaggregated data for key populations, particularly in those affected by HIV, and discussed gender-responsive vulnerabilities in these key populations, notably among people who inject drugs. However, the TRP saw transgender women were commonly considered as a subset of the men who have sex with men population, thereby overlooking key differences in the expression of sexuality as well as specific access, prevention, care and support needs.

Across the concept note submission windows, a slowly increasing proportion of TB concept notes presented gender-disaggregated data on case reporting, and some proposed conducting operational research to identify the reasons for gender gaps noted in case detection and to document such gaps in access to treatment; treatment success rate; and multidrug-resistant and extensively drug-resistant TB incidence. However, age- and gender-disaggregated data for TB treatment outcomes remain absent from most concept notes. Gender was rarely discussed in malaria concept notes.

*Recommendation.* The TRP recommends the Global Fund encourage technical partners to support gender-responsive programming during concept note development to help applicants document and address gender and age inequities. The TRP further recommends the Global Fund promote and support the collection of in-country sex- and age-disaggregated data, recognizing this may require a strengthening of health management information systems at all levels as part of health systems strengthening. The TRP noted gender analysis should examine the entire gender spectrum. As such capacities are developed, sex/gender - and age-disaggregated data on disease burden; gender- and age-specific analyses of barriers to service access; and differentials in health outcomes should be required systematically.

## **C. INTRODUCE AND SCALE-UP PROGRAMS THAT REMOVE HUMAN RIGHTS BARRIERS TO ACCESSING HIV, TB AND MALARIA SERVICES.**

### **Human rights barriers**

The TRP noted a number of concept notes propose important interventions to address barriers to the promotion and protection of human rights, such as access to “street lawyers” and programs to promote human rights and legal literacy among key populations. Some concept notes also identified cross-border populations as groups vulnerable to malaria transmission, or who may have minimal access to the continuum of care for TB, but many concept notes remained relatively weak on programs to address human rights concerns. In practice, while specific programs to remove barriers to the fulfillment of human rights are absent from concept notes, some applications did present data on human rights issues among people in prisons, undocumented migrants, refugees and displaced people. Several concept notes identified access to

multidrug-resistant TB and HIV treatment for foreign nationals, migrants and people in prisons as a challenge. However, the TRP notes that the above mentioned populations should not be systematically considered at increased vulnerability to HIV-, TB- or malaria-related human rights violations, unless this presumption is supported by sufficient evidence. Without this evidence, the unsubstantiated stereotyping of key and non-resident populations may result in adverse negative social and public health consequences.

**Recommendation.** The TRP recommends the Global Fund expand its requirements for including human rights interventions in concept notes. Across the three diseases, concept notes should specifically explain how they intend to address barriers to the availability, accessibility, acceptability and quality of goods and services and how they will work to address policies and practices that violate human rights, increase vulnerability and pose obstacles to treatment. Examples include:

- Concept notes recognizing stigma and discrimination that hamper early diagnosis and treatment for key populations, such as people living with HIV and/or TB, with corresponding activities proposed to reduce these barriers to prevention and treatment.
- Applicants addressing issues such as TB and HIV treatment interruption for patients who are in prisons and for others deprived of an effective referral mechanism upon their release.

Concept notes should explicitly describe populations vulnerable to HIV-, TB- or malaria-related human rights violations and provide sufficient evidence to support these assertions. Concept notes should describe what actions will be taken for the benefit of these populations and how these actions will be implemented. The TRP recommends the Global Fund and technical partners assist countries to conduct human rights analyses of HIV, TB and malaria programs, and develop appropriate interventions.

## **D. INTEGRATE HUMAN RIGHTS CONSIDERATIONS THROUGHOUT THE GRANT CYCLE AND IN POLICIES AND POLICY- MAKING PROCESSES.**

### **Human rights in program reviews**

The TRP noted that, in general, concept notes do not present information or data on human rights-based program reviews, or an indication that human rights issues were taken into account in the course of program reviews.

**Recommendation.** The TRP is of the view that human rights indicators should be integrated into performance frameworks.

### **Key populations**

The TRP noted the activities proposed in concept notes do not always reflect a full understanding of the problems and challenges faced by the key populations addressed. The TRP notes that one reason for this gap may be a lack of meaningful engagement of key populations in the development of national strategic plans and concept notes, as well as in other aspects of country programming, including

implementation, monitoring and evaluation. The TRP also noted the engagement of key populations is particularly challenging for TB and malaria, due to the lack of clarity when defining key populations for these two diseases beyond the “default” characteristics (e.g. pregnant women and children under the age of 5 for malaria).

**Recommendation.** The TRP recommends applicants clearly explain how key populations have been engaged in concept note development and how they will continue to be engaged throughout program implementation and in program monitoring. The Secretariat should actively promote ongoing and meaningful engagement of key populations throughout the grant lifecycle; from concept note formulation through implementation and monitoring and evaluation.

## STRATEGIC OBJECTIVE 4: MOBILIZE INCREASED RESOURCES

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### Introduction

Ending the epidemics of HIV/AIDS, TB and malaria will require mobilizing additional resources as well as making better use of already available. During the nine review windows of the allocation-based funding model, the TRP has identified a number of relevant issues in both of these areas.

### A. MOBILIZING DOMESTIC RESOURCES

The counterpart financing and willingness-to-pay criteria appear to have mobilized additional resources from national budgets. Given the opacity of most national financial systems, numerous challenges remain in confirming these resources actually materialize.

The TRP has also noted many countries have made limited progress toward shifting long-term commitments, such as human resources, procurement and supply of commodities, from the Global Fund to national budgets. This also applies to a number of cases where positive economic trends have substantially increased the resources available to a national government. The TRP also noted that these additional national resources are often not invested in high impact activities (e.g. key populations), but rather in low-impact activities (e.g. public information, meetings and trainings), in some instances due to their less politically-controversial nature. This forgoes a major opportunity to expand the pool of resources supporting effective programs that are at the core of eliminating the three epidemics.

Additionally, in some cases, the ability of countries to sustain their proposed rates of scale-up through the current allocation period is in question. The TRP has noted with concern cases where committed national funding for additional scale-up of prevention and treatment interventions has not been met, and in some cases leading to sub-optimal outcomes due to the resulting stretch of the limited resources available. This has been observed in specific cases where Global Fund is being called upon to cover increasing proportions of major program scale-ups, such as antiretroviral therapy or long-lasting insecticidal nets.

Such cases and the inappropriate investment of domestic funds in low-impact interventions seen in a number of programs, create an ever-expanding continuity of services' liability for the Global Fund and may further constrain flexibilities in investing in ways that maximize impact at the country and portfolio levels. Consequently, the increasing dependency on Global Fund financing also poses a threat to sustainability and transition.

**Recommendation.** The TRP believes there may be additional opportunities to use Global Fund resources to leverage expanded national resources for health, to both catalyze increased domestic investments and generate more sustainable national resource streams over time. In this regard:

The TRP recommends the Global Fund finds improved tracking systems to confirm national co-financing commitments are met and develop mechanisms to hold governments accountable.

The TRP also recommends the Global Fund considers a policy that requires some matching for scale-up of commodity requests so that over time, the government contribution to these intervention increases, both expanding the resource pool for scale-up and moving scaled-up programs to a more sustainable basis over time. Such requirements should be carefully differentiated by income level, disease burden and the level of urgent national needs.

### **Lessons learned from leveraging incentive funding award**

During incentive funding discussions, the TRP saw further potential to mobilize and leverage domestic resources based on economic contexts and financial capacity. There were a number of cases, for example where the TRP noted the allocation of incentive funding should be contingent upon additional resources being made available from domestic sources. In one case, additional scale-up of a program with incentive funding was made contingent upon a matching contribution from the country. In another case, where a band 3 country was failing to meet its co-financing commitments to support essential programs, incentive funding was used to reinforce domestic contributions with its award being made contingent upon them being met and additional resources being made available to scale-up critically underfunded national TB programs. Appropriately differentiated, leveraging the Global Fund beyond-allocation funding stream not only has the potential to expand the resource pool and accelerate the level of scale-up, but may also enhance sustainability by moving an increasing proportion of the future demand onto national budgets.

The TRP sees the opportunity for the Global Fund to adopt strong and appropriately differentiated policies mandating sustainability plans that include gradual shifts of programs currently supported by the Global Fund onto national resources, and allowing

applicants to take increasing responsibility for their own programs over time. While there is significant focus on countries approaching transition from Global Fund financing, sustainable programs must all ultimately be supported by renewable and stable national resource streams. Strengthening policies and providing appropriate technical cooperation to encourage countries to begin this transition as early as is consistent with their financial capacity and current disease burden would be a further avenue to leverage Global Fund resources to expand the existing resource pool.

In the future, strategies to expand the resource pool and leverage Global Fund financing mechanisms could be tied to specific policy goals, such as expanding national contributions to key population programs over time or expanding programs for young women and girls, as a way of both mobilizing resources and creating sustainable responses.

### Improving allocative and technical efficiency

Recent analyses of investments in global health, for example HIV, have shown a stabilization in international resource commitments, but a continuing slow increase in national resources committed to the epidemic. Under the UN Sustainable Development Goals, meeting universal health coverage commitments will require continued expansion of national revenue streams. To date, the bulk of health investments is on the national side; however, as highlighted earlier, these resources are not always invested in the most impactful way.

*Recommendation.* One approach for increasing the impact of national investments is to build national capacity to undertake allocative and technical efficiency analyses and strengthen national capacity to use such analyses to advocate for increased investment in the most efficient, effective and highest impact programs. Such investments in strategic intelligence and national analytic capacity to guide investment decision making, not only have the potential to increase value for money in terms of impact, but could also be synergistic with the Global Fund's investments in data and information systems.

## STRATEGIC ENABLER 1: INNOVATE AND DIFFERENTIATE ALONG THE DEVELOPMENT CONTINUUM

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### Introduction

The TRP has observed considerable need for differentiation across a number of complex aspects affecting:

- Grant design, implementation and review, including for challenging operating environments.
- Widely varying epidemiological contexts.
- Variations in grant size.
- Community and health systems weaknesses.

In light of these differences, the TRP has reservations about the common approach used in the current allocation period by the Global Fund in the application and review process that treats concept notes from all applicants the same, regardless of the context, disease burden, grant size and operating environment. The TRP does note that differentiated processes are already being implemented, to an extent, across the Secretariat and even in the TRP review process. The TRP continues to emphasize the importance of differentiating within the funding model, including for:

- Concept note templates.
- Concept note development processes and submission options for different categories of applicants within the agreed differentiation framework.
- TRP review criteria and process.
- Grant-making requirements.
- Grant implementation modalities.

The TRP seeks to support the Global Fund to achieve each of its strategic objectives by developing and implementing a differentiated funding application and review process for countries that focuses on specific contextual factors such as operating environment, disease burden and epidemiological contexts, grant size and other program complexities. Accordingly, the TRP is exploring ways to differentiate its review process, in line with the 2017-2022 Strategy, in order to optimize technical expertise, skills and time. The TRP finds that differentiation can occur at multiple points across the overall access to funding continuum.

### National strategic plans

When originally proposed, the TRP noted that the request to submit a full expression of demand was duplicative of national strategic plan costing efforts and presented a tremendous burden to applicants. However, not all national strategic plans (NSPs) for disease programs are well-prioritized or effectively costed; neither do all include evidence-based interventions nor updated epidemiologic data, and many are not contextualized within the overall National Health Plan (NHP), nor do they have sufficient political backing to reliably serve as investment case requests in place of a concept note. The TRP notes that in principle, using NSPs as the basis for evaluating countries' funding requests to the Global Fund makes sense. However, there have been variable experiences in the use of NSPs presented during the 2014-2016 allocation period. There is great variability in terms of how NSPs are developed and in the relative value or utility of NSPs for the countries themselves as a strategic plan. Many of the NSPs may be perceived by countries primarily as policy statements or as aspirational documents rather than as strategic plans to position the national disease programs for maximum impact. Furthermore, many NSP development processes have not been effective in ensuring engagement of communities and key populations, nor have they been effective in ensuring appropriate strategic focus on high transmission geographic areas and key populations, gender equality and human rights considerations. This is particularly important in light of ensuring that all specific needs and barriers of key populations are addressed and appropriately prioritized, while acknowledging that during the 2014-2016 allocation period, the TRP observed that in many situations the Global Fund would prioritize the focus on key populations, gender

equality, human rights and other strategic high impact interventions differently than how countries would prioritize.

In many cases, though, the TRP has noted a duplicative burden placed on countries with strong national strategic plans in creating a concept note, as well as an above allocation request, separate to this existing document. Nonetheless, in order to operationalize elements of a well-developed national strategic plan selected for funding, the implementation strategy for Global Fund-financed programming must be clearly articulated in a funding request, and must contain sufficient details for the TRP to evaluate the epidemiological value, feasibility, value for money, impact and sustainability of what is being proposed.

**Recommendation.** The TRP sees an opportunity for the Global Fund to strategically invest, as well as to eliminate some of the burden placed upon applicants, by supporting the development of costed, robust and inclusively developed national strategic plans covering a period of no more than 5 to 6 years, with clearly articulated priorities for investment that can be submitted as the full expression of demand instead of detailing this demand in the concept note. Recognizing that a national strategic plan cannot fully replace the information required in a concept note, the national strategic plan could then be accompanied by a streamlined version of the concept note in the form of a funding request that clearly articulates the rationale and details the high impact interventions from the national strategic plan that are being prioritized for Global Fund financing. This approach requires that mechanisms to determine the robustness of national strategic plans to substitute concept notes, for example outcomes of Joint Assessment of National Health Strategies (JANS), are integrated into the funding application process to provide an evaluation of strategic focus, technical soundness, prioritization, value for money or feasibility of national strategic plans that otherwise currently lies outside the mandate of the TRP. Wherever well-developed NSPs are used as basis for funding applications to the Global Fund, the need remains to ensure that these are contextualized within overall National Health Plans to guide inclusion of key RSSH elements in requests for funding.

### **Epidemiological context, including disease burden**

The burden of disease for HIV, TB and malaria is a function of prevalence and population dynamics of the country, as well as other issues such as climate receptivity for malaria. The calculation of these burdens needs to take into account the absolute number of people at risk, the number of people infected or affected, as well as burden of disease per capita. Countries with a small population size or countries with larger populations where prevalence is low except among disproportionately affected key populations present cases for special consideration. In high burden countries, these diseases will contribute a significant proportion of morbidity and mortality.

**Recommendation.** In high burden countries, interventions should focus on achieving accelerated reductions in disease burden so as to improve the potential for reaching elimination targets as currently stipulated in global disease control strategies, such as the WHO End TB Strategy, the WHO Global Technical Strategy for Malaria, and the UNAIDS Fast-Track Strategy to End AIDS. To be able to do this, health and community system responses must be robust enough to meet this important challenge.

Conversely, countries with low disease prevalence must be supported to adopt approaches that ensure these diseases do not rebound to once again become public health risks and that the needs of higher prevalence sub-populations are well addressed. For these countries, it may be appropriate to aim for disease elimination.

Considerations for a differentiated approach based on the epidemiological context will allow focused and targeted interventions to maximize impact. However, national health systems, capacity of human resources, and need for technical cooperation should be taken into consideration. Possible examples in specific disease areas include the following:

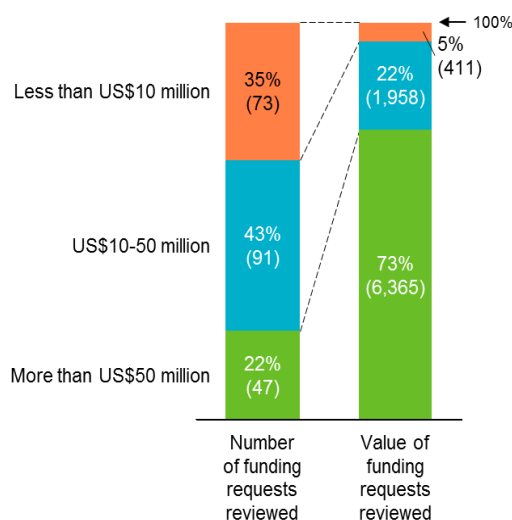
- HIV concept notes can be differentiated based on whether the country's disease burden is high or low and the epidemic generalized, mixed or concentrated, taking into consideration the significance to human rights and gender considerations as well as legal and access barriers faced by key populations.
- While there is no simple way to differentiate malaria concept notes, criteria for differentiation could be based on whether the country's disease burden is high, moderate or low, or its program is in control, pre-elimination, elimination or prevention of reintroduction phase.
- TB concept notes can be differentiated based on the country's overall disease burden and the burden of TB/HIV co-infection and drug-resistant TB, taking into account significance of the disease burden among key populations.

For countries with low disease prevalence, the Global Fund could consider requiring the submission of a single, comprehensive application, instead of one per disease. A simple application process covering all three disease areas and RSSH could be developed to allow applicants with smaller allocations to submit a unified application, acknowledging however that the development of such a unified application will require availability and collaboration of technical personnel at the country level as well as better coordination between disease specific programs. This format can additionally contribute to the development of more integrated health systems across the diseases. The Global Fund could continue to have applicants with larger funding requests submit a larger range of materials.

### **Differentiated funding application and review processes**

The TRP recognizes that the current one-size-fits-all model for the application and review process has high transaction costs for both applicants and the Global Fund, especially the applicants with smaller allocations and low disease burdens. However, under the 2014-2016 allocation, the application and review process is currently similar for all concept notes regardless of disease burden or monetary value. The TRP supports a differentiated approach to reviewing funding requests where smaller grants with less impact on the epidemic and on fewer people, would receive proportionately less attention than those with high impact. In recognition of this, the Global Fund Secretariat has already begun differentiation in its grant management strategy by categorizing countries according to grant size and risk, and redistributing staff in favor of focusing efforts on high burden countries as well as cross-cutting criteria including challenging operating environments and transition.

*Figure 2: Breakdown of funding requests by value  
Covering windows 1-8 of 2014-2016 allocation period*



Note: Not included are two iterations from previous windows due for review.

The TRP is considering the ways in which a differentiated approach can be taken to review funding requests in the upcoming funding cycle for the 2017-2019 allocation period. While the TRP is supportive of categorization of countries and management of their respective grants by the size of Global Fund investment portfolios for all three diseases, the TRP notes that there are a number of additional strategic, qualitative and contextual factors beyond grant size, as highlighted in the 2017-2022 Strategy, including transition, focus on key populations, human rights and gender equality, as well as building resilient, sustainable systems for health that should be taken into consideration regarding differentiation of the application and review process. For example, one notable strategic consideration would include countries approaching disease elimination, which may have relatively low to modest levels of Global Fund funding, requiring more careful review of their funding applications in order to ensure that the strategic focus of proposed investments and co-financing is appropriate to achieve and sustain elimination.

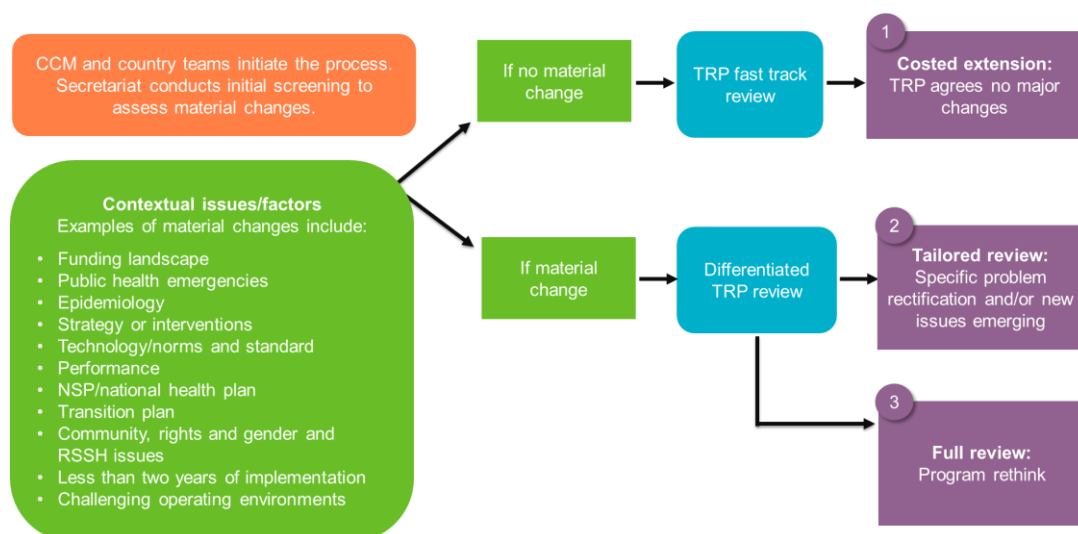
In further elaboration of the differentiated application and review process, the TRP recognizes the need to take into consideration the following observations and lessons:

- Overall, a number of countries have invested substantial resources in the current funding cycle in re-thinking program priorities and development of quality concept notes, and the TRP has conducted a comprehensive review of funding requests for technical soundness and strategic focus, with relevant recommendations to further guide investment of Global Fund resources to maximize impact.
- In principle, the differentiation of the application and review process will need to be informed by a number of challenges and lessons learned including high transaction costs of the 'one size fits all' approach, the need for further simplification, as well as the need for re-balancing – shifting focus and the significant resources currently expended in concept note development towards strengthening national strategies, systems and more effective implementation, among others.

- The design of the funding model allowed countries to submit concept notes to the review window (out of 9) that best aligned with national planning cycles and timing of funding needs, resulting in a number of programs with less than 2 years of implementation and consequently with limited time to generate sufficient programmatic data to demonstrate effective use of resources, progress and impact. Such funding applications may be suited for a fast track review process.
- There is need to ensure that the differentiated application and review process also provides assurance regarding delivery of desired outcomes of the 2017-2022 Strategy in terms of maximizing impact against HIV, TB and malaria, transitioning to sustainable national responses, investing in resilient and sustainable systems for health, as well as promoting and protecting human rights and gender equality. Some funding applications may be potentially appropriate for a more tailored review.
- Additionally, material changes in identified contextual factors would trigger more intensive review, for example, changes in funding landscapes, epidemiology and country contexts as well as emerging lessons in best programmatic strategies to address epidemics, and changes in scientific evidence and normative guidance. In this regard, the TRP recommends that all applicants be required to undergo some form of independent review periodically, even if components were to be identified as eligible for fast track review.

The TRP therefore proposes to differentiate review approaches for funding requests along three proposed tracts, namely the fast track, tailored review and full review. Accordingly:

- For fast track review: based on criteria jointly developed with the Secretariat, the TRP recommends identifying components eligible for a costed-extension mechanism, if there are no material changes.
- For tailored review: as well as for fast track applications with material programmatic changes, the TRP proposes development of tailored review modalities and criteria to respond to the needs of a selection of applicants where investments need to be strategically focused given identified 2017-2022 Strategy considerations, for example, transition components, challenging operating environments or introduction of new results based financing models. Tailored reviews will also be structured to optimize TRP expertise and value added in reviewing differentiated applications.
- For full review: applications would be reviewed during in-person TRP review meetings. The current thinking is that these would in principle include high-impact countries or tailored disease components referred by the TRP or Secretariat.



## Challenging operating environments

The TRP noted that applicants with challenging operating environments (COEs) faced many difficulties over the course of the allocation-based funding model. Applicants whose country contexts are categorized as a challenging operating environment<sup>4</sup> may be limited in their ability to develop strong concept notes. These and other applicants may experience conflict, displacement, natural disasters, disease outbreaks, economic shocks and other unfavorable situations. There have been no standardized procedures adopted to define COEs until 2015, when the Global Fund identified 20 countries; however, as the windows progressed, the Secretariat and TRP were able to adapt the review approach to particular country contexts.<sup>5</sup> It is anticipated that the policy currently under development by the Global Fund will be presented and reviewed by the Board at its 35th meeting.

The TRP notes that meeting the standard technical and documentation requirements that are part of the application process may be challenging for such countries, potentially resulting in the submission of weaker concept notes, delayed implementation or insufficient capacity to implement as planned and weaker or non-implementation later. Given the substantial needs of the 20 countries with challenging

<sup>4</sup> The Global Fund will base its classification of challenging operating environments on the countries with the highest External Risk Index (ERI) level in the Global Fund portfolio. The ERI is updated on an annual basis and published on the Global Fund website. Additionally, countries experiencing emergencies, and areas affected by subnational or cross border crises affecting people at risk of or living with HIV, TB and malaria may be classified as COEs on an ad-hoc basis. This classification was presented to the SIIC at its meeting in March 2016 as part of the Challenging Operating Environments Policy, which the SIIC agreed to recommend to the Board for approval at its April 2016 meeting.

<sup>5</sup> As of January 2016, the following countries are classified as challenging operating environments: Afghanistan, Burundi, Central African Republic, Chad, Congo (Democratic Republic), Eritrea, Guinea-Bissau, Haiti, Kenya, Iraq, Mali, Niger, Nigeria, Pakistan, Palestine, Somalia, South Sudan, Sudan, Syrian Arab Republic and Yemen.

operating environments, a differentiated and tailored approach will allow simplification of application and review processes and facilitate rapid grant-making, enabling these countries to urgently respond to the needs of their programs. The Global Fund is well-positioned to strengthen the health systems and interventions for HIV, TB and malaria programming in these environments through established differentiated processes.

**Recommendation.** The TRP supports the Global Fund in its development of an agile system that is flexible and responsive to context-specific and technical capacity considerations to enhance efficiency while addressing implementation realities. The TRP notes that countries with challenging operating environments are diverse and developing objective parameters for the definition and categorization of this grouping is essential for consistency.

In both the review and grant management approach, the TRP recommends building in flexibility for reprogramming and adjustments throughout implementation. The review process for funding requests, as well as management of grants throughout implementation, must acknowledge the level of programmatic risk attached to rapidly changing environments. Differentiated investment objectives and outcomes of these programs must be developed and taken into account both during the review process and implementation.

The TRP recommends that lessons learned from the Emergency Fund Special Initiative be incorporated into the differentiated process for challenging operating environments.

### **Sierra Leone TB/HIV funding request**

After an outbreak of the Ebola virus, Sierra Leone was identified as a pilot for a simplified application approach. A simplified application request was submitted in window 8 in November 2015. The Ministry of Health, with technical partners and in consultation with stakeholders, developed a health sector recovery plan. In place of the national strategic disease specific plans, the Country Coordinating Mechanism submitted this plan to be used as an investment case. In a simplified application request, the Country Coordinating Mechanism presented a prioritized request, highlighting areas in which other funding partners were investing. The TRP reviewed these materials remotely, in consultation with the Global Fund country team, and considered the funding request to be technically sound and strategically focused.

This simplified approach demonstrates the feasibility of differentiation and the need to mainstream it into the grant application, review and management cycle. The TRP review approach piloted with the Sierra Leone simplified application also successfully illustrates a case example of robust independent technical review modalities tailored to COE needs, providing appropriate quality assurance of the funding application while shifting much needed time and effort towards enhancing grant making and implementation.

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