



Guidance Paper: WHO support to countries in accessing and utilizing resources from the Global Fund to Fight AIDS, TB and Malaria

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Part 1.

Background

Purpose of the document

1. The purpose of this document is to provide World Health Organization (WHO) staff with guidance on the Organization's engagement with the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund). It can also serve to inform national and international partners of WHO's contribution to Global Fund processes. The document is an update of similar guidance that was published in 2005.^A
2. The document outlines how WHO interacts with the Global Fund at global and country levels. It defines the principles and main areas of focus of WHO's work with the Global Fund. It also identifies areas for WHO technical guidance and support at country level and provides information concerning coordination and communication when dealing with the Global Fund. General guidance is provided bearing in mind that approaches might vary according to specific contexts. It is also recommended that new approaches be discussed between WHO regional offices and headquarters.
3. Alongside this broad guidance paper, a toolkit has been developed to provide practical, hands-on guidance specifically oriented to WHO's country offices on each step of the Global Fund grant cycle. The toolkit focuses particularly on the specific needs of heads of WHO country offices and country staff in their day-to-day interactions with Ministry of Health officials and other partners on Global Fund-related issues. The toolkit will also be linked to technical guidance in the specific programme areas of HIV/AIDS, tuberculosis, malaria and health system strengthening.

Function of the Global Fund

4. The Global Fund was established to attract, manage and disburse substantial, new resources through a public-private partnership. Its objective is to make a sustainable and significant contribution to the reduction of infections, illness and death caused by HIV/AIDS, tuberculosis and malaria in countries in need, and thereby contribute to poverty reduction as part of the Millennium Development Goals (MDGs).
5. WHO has played an active role in the development of the Global Fund since it was first proposed at the Okinawa Group of Eight (G8) meeting in 2000. The Organization provided administrative support services to the Global Fund from 2002 to 2008. Thereafter, a close working relationship has been developed between WHO and the Global Fund at many levels.

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6. The Global Fund was established with the following principles:
 - to operate as a financial instrument, not an implementing entity;
 - to make available and leverage additional financial resources;
 - to support programmes that evolve from national plans and priorities;
 - to operate in a balanced manner in terms of different regions, diseases and Interventions;
 - to pursue an integrated and balanced approach to prevention and treatment;
 - to evaluate proposals through independent review processes;
 - to operate with transparency and accountability.
 7. The Global Fund has become an important financier of country programmes on HIV/AIDS, tuberculosis, malaria and health system strengthening. As the Global Fund does not have a permanent country presence, its success depends on the efforts of countries and the active collaboration of technical and development partners, including WHO.
 8. The Global Fund is a relatively new venture and its policies, architecture and processes are still evolving. Recently, the Global Fund adopted policies and strategies aimed at promoting gender equality, as well as attention to sexual minorities and other vulnerable populations. The Global Fund is also undertaking a major review of its grant-making architecture.

Part 2.

Principles guiding WHO's work with the Global Fund

9. WHO's work with the Global Fund draws from its constitutional and operational mandate in global health. The WHO Eleventh General Programme of Work 2006-2015 recognizes the increasing complexity of the global health landscape and describes WHO's leadership role in health as a core function of the Organization.^B
10. The Global Fund provides substantial financial resources to countries in need to scale up services for HIV/AIDS, tuberculosis and malaria, and to strengthen health systems. WHO can ensure that these resources are applied in ways that best reflect country needs and priorities, are based on sound technical approaches, build sustainable national capacity and are in synergy with other priority health programmes.
11. It should be remembered that countries implement programmes in collaboration with many different partners. It is therefore critical that efforts are made to coordinate support to minimize the administrative and reporting burden on governments and those implementing the programmes.
12. WHO support to countries and the Global Fund is based on its six core functions, i.e.:
 - **to provide leadership** on matters critical to health and **engage in partnerships** where joint action is needed;
 - **to articulate** ethical and evidence-based **policy options**;
 - **to set norms and standards**, and promote and monitor their implementation;
 - **to provide technical support**, catalyse change, and build sustainable institutional capacity;
 - **to monitor** the health situation and assess **health trends**;
 - **to shape the research agenda** and stimulate the generation, translation and **dissemination of** valuable **knowledge**.
13. As WHO has a presence in all countries that receive grants from the Global Fund, along with technical expertise in the three diseases and health system strengthening, it is well positioned to ensure that Global Fund investments result in improved health outcomes and stronger health systems.

14. WHO work with the Global Fund is guided by the following principles.

- **WHO's primary responsibility is to Member States.** WHO was established and is governed by its Member States, and primarily responds to their health needs. Countries suffering from a high burden of HIV/AIDS, tuberculosis and malaria often lack the necessary resources to fight these diseases and request WHO to assist in resource mobilization. In this respect, WHO's priority is to advise and support countries to scale up health services and strengthen health systems.
- **WHO works to ensure that everyone has access to quality health services and that priority is given to health outcomes in poor, disadvantaged or vulnerable groups.** This requires that health services are people centred and they reach poor and underserved populations. Health systems in many parts of the world are unable to do so, which is why WHO has made the strengthening of health systems a high priority. WHO promotes the values and principles of primary health care, including equity, solidarity, social justice, universal access to services, multisectoral action, decentralization and active community participation as the basis for strengthening health systems.^C
- **The Global Fund, among others, is an important source of development finance.** WHO's involvement with the Global Fund should aim to ensure that the financial resources of the Fund translate into health strategies and services in Member States that advance national and global health goals, based on WHO principles, technical standards and norms. Where sound national health strategies and plans exist, they should be reflected in Global Fund proposals and implementation plans. WHO support should ensure that programmes supported through the Global Fund strengthen national strategies and plans in line with national priorities.
- **WHO promotes aid effectiveness, harmonization and alignment.** WHO works to realize the principles of aid effectiveness in health. This work consists of advancing national ownership of health programming, aligning processes with national systems, improving the harmonization of approaches among development partners, and moving towards managing for results and mutual accountability. WHO supports the International Health Partnership and related initiatives (IHP+)^D which seeks to achieve better health results by mobilizing donor countries and other development partners around a single country-led national health strategy, guided by the principles of the Paris Declaration on Aid Effectiveness^E and the Accra Agenda for Action.^F
- **WHO promotes effective partnerships** among all stakeholders in health under the stewardship of the ministries of health. This includes promoting the participation of, and effectively leveraging action from partners such as nongovernmental organizations (NGOs), faith-based organizations, the private sector, academic institutions, communities of people living with diseases, traditional health practitioners and other civil society.

- **WHO promotes gender equality.** Gender inequalities are a strong driver of HIV, tuberculosis and malaria epidemics. Close attention therefore needs to be paid to how such inequalities fuel the spread of disease and affect the ability of women and girls, men and boys to access health care and other services equitably. WHO plays a key role in encouraging and supporting countries to incorporate gender-responsive strategies in national health plans. The strength of WHO is its ability to support country efforts to take gender into account in their proposals and in the subsequent implementation of interventions that focus on women and girls, with the engagement of men. This is consistent with the Global Fund Gender Equality Strategy.
- **Attention to populations of humanitarian concern.** Addressing the health needs of populations affected by crises is critical to reach global targets and achieve universal coverage goals, and thus an essential part of the work of WHO on HIV, tuberculosis and malaria. This is also a major focus of WHO's role as the lead of the humanitarian health cluster⁶ at global and country levels, where the Organization is accountable to ensure, through close coordination with health partners, that the priority health needs of populations of humanitarian concern are addressed. WHO must therefore make sure that these populations (including refugees, internally displaced persons and host communities) are **included in Global Fund proposals and National Strategic Plans**. The implementation of grants in such situations poses unique challenges and is often associated with poor performance, which requires special attention and coordinated extra support.

Part 3.

The Global Fund governance structures

Global level governance mechanisms

15. The Global Fund has a number of mechanisms through which it exercises governance at the global level. The Foundation Board – the supreme governing body of the Global Fund – is assisted by committees and other entities in making decisions. WHO plays various roles in the Board and other governance mechanisms. WHO participates in these processes to ensure that it is informed of policy and operational directions of the Global Fund; to influence the shaping of these policies and directions; and to provide advice to ensure that the decisions are consistent with good public health.

Table 1 describes the main Global Fund governance mechanisms at global level.

Secretariat

16. The Secretariat is the main implementing organ of the Global Fund. It supports the functions of the Board and committees, implements decisions, manages grant portfolios, mobilizes resources and liaises with partners. WHO is in regular contact with the Global Fund Secretariat at policy, technical and administrative levels.

Table 1. Governance mechanisms of the Global Fund

Governance mechanisms	Function	WHO's role
Foundation Board (the Board)	To act as the supreme governing body of the Global Fund.	WHO is a non-voting member of the Board.
<i>Standing committees</i>		
Policy Strategy Committee	To monitor and advise the Board on core governance structures of the Fund, the evolution of core policies, strategic planning in areas not explicitly covered by the Portfolio and Implementation or the Finance and Audit Committees, and to review the overall performance of the Fund.	WHO is a member of the Policy Strategy Committee.
Portfolio and Implementation Committee	To advise on all policy and strategy issues relating to the portfolio of grants and oversee their implementation.	WHO is a member of the Portfolio and Implementation Committee.
Finance and Audit Committee	To advise on all policy and strategy issues relating to finance, audit and resource mobilization.	WHO is not a member of the Finance and Audit Committee.
Ethics Committee	To provide guidance and information on the application of policy on ethics and conflict of interest for Global Fund institutions, and to advise members of staff and bodies of the Global Fund on these issues.	WHO is not a member of the Ethics Committee.
Technical Review Panel	An independent team of experts appointed by the Board to guarantee the integrity and consistency of the process of reviewing funding applications.	WHO does not serve on the Technical Review Panel but provides technical information and advice relevant to the review process.
<i>Ad hoc committees</i>		
Affordable Medicines Facility - Malaria	To oversee and advise the Board on the development, launch, implementation and evaluation of the first phase of the Affordable Medicines Facility for Malaria.	WHO is a member of the Affordable Medicines Facility - Malaria Ad hoc Committee.
Market Dynamics and Commodities Committee	To review how resources on commodities are spent, provide options for the Global Fund to utilize better its buying power towards achieving economies of scale, and oversee Global Fund initiatives for managing commodities.	WHO is a member of the Market Dynamics and Commodities Committee.

Box 1. Evolving Global Fund policies

The Global Fund has introduced – and is in the course of introducing – a number of new policies, strategies and processes that will significantly affect the conduct of country programmes and support provided by partners. Some of these are described below.

New funding architecture. A new funding architecture has been conceived to simplify the management of grants, better integrate grants into national programmes and reduce transaction costs. The foundation of the new architecture is the “single stream of funding” model. This means that all grants for a single disease managed by one Principal Recipient will be consolidated into a single grant, and new funding for the same disease and Principal Recipient will be added to the same grant (single stream). Other features of this new architecture will be a modified application process, periodic reviews of performance and special support for scale-up activities. The transition to the new architecture will be characterized by the consolidation of existing grants.

Gender strategies. Two complementary strategies have recently been adopted by the Global Fund to strengthen responsiveness to gender and other vulnerabilities. The Gender Equality Strategy outlines how the Global Fund can encourage a positive bias in funding towards programmes and activities that address gender inequalities and strengthen the response to the needs of women and girls. The Sexual Orientation and Gender Identities Strategy outlines actions that the Global Fund can take to address the vulnerabilities and needs of MSM (men who have sex with men), transgenders and sex workers in the fight against the three diseases.

Common platform for joint funding and programming of health system strengthening. The Global Fund, the GAVI Alliance and the World Bank have expressed their intention to begin jointly programming their respective resources to strengthen health systems. Facilitated by WHO, the three agencies aim to reduce duplication of investments, leverage funding, create strategic co-funding opportunities, strengthen results-based financing, and simplify mechanisms and transaction costs for countries.

The Partnership Strategy. The purpose of the Global Fund Partnership Strategy is to reinforce the importance of effective and cohesive partnerships for the success of Global Fund actions and for scaling up programmes to treat and prevent HIV/AIDS, tuberculosis and malaria. Some of the key issues addressed in the strategy are governance, technical assistance, harmonization and resource mobilization. The strategy also includes a Partnership Performance Framework to assess the effectiveness of the partnership model.

Country level governance mechanisms

Country Coordinating Mechanism

17. The Country Coordinating Mechanism (CCM) is a partnership that works with the Global Fund at country level. The coordination mechanism should include broad representation from governments, NGOs, civil society, multilateral and bilateral agencies and the private sector. Its main functions are:
 - to coordinate the submission of proposals for funding;
 - to select Principal Recipients for Global Fund grants;
 - to monitor the implementation of activities of Global Fund programmes and approve major changes in implementation plans as necessary;
 - to evaluate the performance of these programmes, including of Principal Recipients; and
 - to ensure linkages and consistency between Global Fund assistance and other development and health assistance programmes in support of national priorities, such as poverty reduction strategies or sector-wide approaches.
18. In some countries, CCMs are formed around existing coordination mechanisms for the three diseases and health system strengthening.
19. While WHO membership of the CCM is a country-led decision, heads of WHO country offices and technical staff are encouraged to participate fully, taking into account the country context. They can play a key 'brokering' role, mobilize timely and appropriate support, advocate national health needs and priorities, and lead technical working groups. Where WHO is not a member of the CCM, it should seek to be recognized as a principal source of technical advice and support on health-related matters. Recently, Global Fund CCM guidelines have been modified to strengthen ownership and oversight of grant implementation.

Local Fund Agent

20. Since the Global Fund does not have a country-level presence, it hires local fund agents to oversee, verify and report on grant performance. They are selected through a competitive bidding process.
21. Responsibilities of the Local Fund Agent include assessing the capacity of the Principal Recipient prior to the first disbursement of funds, verifying periodically the results achieved, and ensuring financial accountability throughout implementation of the grant. The initial assessment is in four areas: financial management and systems; institutional and programmatic framework; procurement and supply management; and monitoring and evaluation.
22. Under no circumstances will WHO assume the role of Local Fund Agent. While WHO should be engaged with the process and facilitate the provision of expertise and support where possible, WHO should not be directly involved in the assessment carried out by the Local Fund Agent, as this may compromise relations with the Ministry of Health and other partners at country level.

Part 4.

The grant cycle

Application for funding

23. The main channels through which funding can be accessed from the Global Fund for country programmes are the Round-Based Proposals and National Strategy Applications. A third channel, the Rolling Continuation Channel, may be discontinued following the review of the Global Fund grant-making architecture.
24. Global Fund support to a country is determined by what is contained in the application for funding. It is therefore important that applications are based on country needs as expressed in national strategies; that they use technically sound approaches, and build sustainable local capacity. Applications that are well prepared and designed are less likely to encounter implementation challenges.
25. WHO support to countries to develop an application for funding needs to focus on the following.
 - **Ensure technical soundness of the proposal.** This includes ensuring that the proposal is based on evidence, a sound analysis of context, effective strategies, appropriate implementation arrangements and that disease control strategies are in line with the overall health strategy.
 - **Support the development of sound national strategies** as a basis for funding applications, whether through Round-Based Proposals or National Strategy Applications. National strategies should reflect the national context and priorities, the efforts and resources of all partners, and prevailing capacity and resource gaps. Drawing from and basing applications on national strategies also facilitates better alignment and harmonization of efforts to support the fight against the three diseases and to strengthen health systems.
 - **Advocate for an early start in preparing an application.** Given the complex nature of proposal development and National Strategy Applications, early preparation is more likely to lead to a good quality submission and can start long before the call for proposals. WHO should advocate with the Ministry of Health, the Country Coordinating Mechanism and related technical working groups for decisions and arrangements to be made early in relation to proposal submission. WHO should, where possible, provide advice and support to ensure that a sound process for managing proposal development is in place. This process includes the contributions of a wide range of partners including government departments, NGOs, civil society, the private sector and development partners.
 - **Assist in identifying and compiling relevant information.** A commonly observed weakness in proposals is that they are based on inadequate epidemiological and programmatic information. WHO should assist in ensuring that the best available information is prepared to support the proposal.

- **Facilitate the coordination of technical support.** This involves identifying in advance the capacity and technical support needed to develop the proposal. WHO should ensure optimum coordination across all levels of the Organization, and among local experts, United Nations and other partners to provide technical assistance that best responds to the country's needs.
- **Ensure better alignment and harmonization** in order to strengthen national systems, achieve programme cohesion and reduce transaction costs. WHO has always advocated for harmonized processes such as those of the IHP+ and sector-wide approaches.

26. The Head of the WHO country office and in-country technical staff play a central role in WHO support for proposal development. This requires team work, with disease programmes and health system staff working closely together, as well as with partners such as the United Nations Country Team. The support can be provided in various ways, e.g. directly from staff or consultants, in training workshops or through the peer review of draft proposals.

Pre-implementation

27. Once the funding application has been approved by the Global Fund Board, the process of defining implementation arrangements begins, culminating in the signing of a Grant Agreement. The main elements of the process are grant negotiation and grant consolidation.

Technical Review Panel clarifications

28. After an application has been recommended for funding by the Technical Review Panel and provisionally approved by the Board, the applicant is often requested to provide clarifications before final approval. This process can take a few weeks to several months. Delays in the provision of clarifications are often due to the fact that those involved in supporting and writing the proposal disengage after submission and are not easily available for follow-up. WHO can assist by maintaining contact with the Country Coordinating Mechanism to track requests for clarification and facilitate the involvement of other technical support providers.

Grant negotiation

29. Grant negotiation is a process by which the Principal Recipient and the Global Fund Secretariat define and agree on implementation arrangements before the Grant Agreement is signed. The process involves reaching agreement on an implementation plan, a monitoring and evaluation plan, a procurement and supply management plan and other programming and fiduciary arrangements.

30. WHO should, as far as possible, be involved in grant negotiations. This provides an opportunity to clarify issues that may not have been well defined in the proposal, to identify technical and capacity requirements for implementation, assist in developing the required plans and ensure that these are based on and aligned with wider national plans in the respective areas.

Grant consolidation

31. Grant consolidation is the combining of two or more existing grants, implemented by the same Principal Recipient, for the same disease component, into a single consolidated Grant Agreement. The objective of grant consolidation is to achieve simplification and cost-efficiency in managing grants and alignment with country systems, while adhering to the principle of performance-based funding. Grant consolidation will become a main feature in the transition period as the Global Fund moves towards implementing single streams of funding.
32. For technical partners such as WHO, consolidation should enable a better overview of national strategies within the given disease area and reduce duplication of technical support to multiple grants. Therefore, WHO needs to promote and support grant consolidation where appropriate and be familiar with the processes involved.

Implementation

33. As the Global Fund operates under a principle of results-based disbursement, poor implementation results in delayed disbursements and could lead to discontinuation of the grant. WHO should engage in developing national capacity to sustain programmes so as to ensure effective grant implementation.
34. WHO, especially at country level, needs to establish working relationships with the players involved to be aware of implementation challenges and anticipate issues for support. Players in this context include Principal Recipients, Sub-Recipients and Fund Portfolio Managers.
35. In the case of “poor performing” grants, WHO’s role is to understand the technical reasons for delays and negotiate with the Principal Recipient, the Country Coordinating Mechanism and the Global Fund for remedial action. Heads of WHO country offices are encouraged to communicate rapidly any problems to the WHO Regional Office and headquarters Global Fund focal points to assist in tracking and solving such issues. In countries where poor performance is related to a humanitarian crisis and where WHO is the lead of the humanitarian health cluster, WHO should use this forum to facilitate technical and strategic discussions to improve the implementation and scaling-up of interventions.

Support for service delivery

36. A major part of implementation support usually relates to the design and delivery of health interventions and services to achieve defined objectives and goals, as well as to ensure that such services are people-centred. WHO support in this regard includes the development or local adaptation of technical standards and normative guidelines, and facilitating appropriate technical advice, information and tools for ongoing implementation of specific interventions. In addition, WHO support should ensure that the necessary skills to deliver the required services are available by developing appropriate training programmes and tools. WHO’s technical support for implementation should also constantly address issues relating to gender, vulnerable populations and populations of humanitarian concern as relevant.

Support for institutional capacity building

37. It is important that the support provided by the Global Fund and other development partners contributes to building national capacity and institutions for sustained national health development. An initial way to ensure this is to build on existing institutions that address a broad range of health issues rather than introducing new institutions or arrangements tailor-made for specific projects. Existing national institutions can be public, nongovernmental or private.

Support for the procurement and supply chain

38. Medicines and medical supplies constitute up to 50% of the total cost of all Global Fund grants. Effective procurement and supply chain management, therefore, is an important element of quality implementation of Global Fund supported programmes.
39. WHO will usually not be involved in direct procurement or the supply chain. These functions are ideally performed by Principal Recipients and other national entities. However, where local procurement capacity is weak, international agencies such as UNICEF have carried out procurement functions for local implementers and, in exceptional circumstances, WHO. However, with the launch of the Global Fund Voluntary Pooled Procurement (see Box 2 below), it is less likely that WHO will need to engage in direct procurement with respect to Global Fund grants, except in humanitarian crises. Here, WHO has a critical role in the procurement of health supplies to respond to the needs of the affected populations.

Box 2: New Global Fund procurement policies and facilities

The following new policy developments in the area of procurement reflect the importance of this component in the Global Fund grants.

The Voluntary Pooled Procurement is expected to become operational before the end of 2009. Principal Recipients participating in the exercise will be able to procure core health products through a global pooled procurement service operated by an independent third party procurement agent. The aggregated purchasing power created through this procurement facility should lead to significantly reduced prices for countries and shorter delivery times. Access to and use of the facility will be voluntary and gradual, with adjustments made as experience is gained over the next few years.

UNITAID provides additional and innovative financing for paediatric and second-line drugs for HIV/AIDS and tuberculosis, and supports the Affordable Medicines Facility – Malaria (see next bullet). WHO headquarters in Geneva hosts UNITAID, which does not work directly with countries, although countries can request support from the Global Fund or other partners. Since its inception in 2006, UNITAID has provided US\$ 450 million in complementary funding to projects in 90 countries.

The Affordable Medicines Facility for Malaria is a new financing mechanism for malaria medicines, hosted by the Global Fund. Through direct payment to manufacturers by the Fund, it is hoped that this facility will lead to significantly lower prices for artemisinin-based combination therapies. The first phase of the scheme was launched in 2009 with a limited number of pre-determined countries.

40. WHO can support the procurement and supply chain in a number of ways, including the following:

- encourage CCMs to seek expert advice in the development of the procurement and supply management plan;
- provide guidance on quality standards on drugs and medical products, including prequalification and principles on Good Pharmaceutical Procurement. Principal Recipients and implementers should be encouraged to apply these principles;
- provide regular market information on pharmaceutical products, including sources and prices;
- provide technical support to build capacity of procurement and supply chain systems in countries, including appropriate diagnosis of weaknesses and the ability to mobilize and work with other development partners with relevant expertise.

Technical support plan

41. The Global Fund encourages potential grantees to budget for the cost of the technical assistance, including that required to support implementation. WHO should encourage and facilitate the development of this element in proposals as it is a means to anticipate the need for and cost of technical support. In addition, WHO should assist in identifying technical assistance needs as they arise.

Management support

42. This involves ensuring that adequate arrangements and systems are in place for the efficient administrative and financial management of the grants. It includes receiving timely disbursement of funds, the consolidation and timely submission of financial and technical reports to the Global Fund and potentially the management of procurement processes. In some cases, special programme management units have been established under the responsibility of the Principal Recipient to undertake these functions. WHO support should ensure that, to the extent possible, management requirements are identified and shortcomings addressed, both prior to and in the course of implementation.

Monitoring, evaluation and reporting

43. The Global Fund is a performance-based financing mechanism, which means that financial disbursements are based on reported results. Regular disbursements of funds to Principal Recipients are made by the Global Fund on the basis of progress reports submitted to the Secretariat through the Local Fund Agent. Disbursements might be withheld if reports are irregular, of poor quality or not submitted.

44. During the first two years of the grant cycle (Phase 1), an assessment is carried out of achievements so far, to determine whether funding is continued for the next three years (Phase 2). This assessment begins at the 16th month of a grant, when the CCM is invited to submit the results within two months. Once submitted, a further two months are allowed for a decision to be reached to continue, modify or terminate the grant.

45. Functioning national monitoring and evaluation systems are an essential component of a national health system and also required by Global Fund programmes.
46. WHO support for monitoring and evaluation in the context of Global Fund-related programmes should focus on the following:
- **Defining indicators.** As part of its function of setting technical norms and standards, WHO defines key indicators for monitoring and evaluating programmes for HIV/AIDS, tuberculosis, malaria and health system performance. Indicators should focus on key priorities and definitions should be aligned with global standards and include all necessary metadata descriptors. Selection of indicators should be informed by considerations of scientific soundness, relevance, usefulness for decision-making, responsiveness to change, and data availability. The ability to set meaningful targets is critical. The aim is to reduce the proliferation of indicators and ensure that when an indicator is adopted, it is associated with support to the necessary measurement and data analysis strategies. WHO has worked closely with United Nations agencies, development partners and the Global Fund to agree on a common set of key indicators and strategies to measure progress in HIV/AIDS, tuberculosis, malaria and health system strengthening programmes. These indicators are published and regularly updated in the document *Monitoring and Evaluation Toolkit: HIV, Tuberculosis and Malaria – and Health Systems Strengthening*.^H
 - **Promoting country-led health information platforms.** Different funding sources sometimes advocate for specific indicators and information and management strategies. As a result, countries may end up with both data gaps and a multiplicity of overlapping and duplicative data collection strategies. WHO promotes the strengthening of country-led health information and statistical systems designed to meet first and foremost the information needs of the country. A country health information systems surveillance (CHeSS) platform is needed to bring together the monitoring and evaluation work in disease-specific programmes with cross-cutting efforts such as tracking human resources, logistics and procurement, and health service delivery.^I The aim is to improve the availability, quality and use of the data needed to inform country health sector reviews and planning processes, and to monitor health progress and system performance. The platform can provide the basis for subnational, national and global reporting, aligning partners at country and global levels around a common approach to country support and reporting requirements. Such approaches can help to build a country's capacity to improve health statistics; to maximize linkages; and to ensure overall consistency across disease and programme-specific areas.

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- **Building capacity for surveillance.** A number of WHO programmes are working to strengthen the capacity of countries in surveillance, monitoring and evaluation. These efforts include training local experts in the design of monitoring and evaluation systems and in data collection, analysis and reporting. WHO should ensure that resources in Global Fund grants are utilized to strengthen national capacities in these areas.
 - **Advising on evaluation methodologies.** The Global Fund undertakes, from time to time, evaluation exercises. These may be related to individual country performance assessment. They may also be large-scale reviews to determine the effectiveness and impact of the Global Fund model, such as the first five-year evaluation concluded in 2008. WHO can provide technical advice on best practices for the evaluation of complex health interventions, and on methods for undertaking them in a way that supports other monitoring and evaluation efforts, and reduces duplication or excessive strain on national systems. WHO recommends that monitoring and regular evaluation be integrated into country support from the start, driven by country needs, and designed in such a way as to ensure active country participation without sacrificing scientific rigor, credibility and independence. WHO contributes to the development of common protocols and standardized indicators and tools to help enhance data quality and comparability.
 - **Promoting the use of age- and sex-disaggregated data and gender analysis** for planning and monitoring health programmes. This is in line with the commitment made in the WHO Eleventh General Programme of Work and the United Nations framework on women and girls.^J Furthermore, WHO should support Member States to improve the collection, analysis and use of quantitative data on health, disaggregated by sex, age and other relevant social stratifications.
 - **Supporting the allocation of at least 7%-10% of grants and programme resources for strengthening monitoring and evaluation systems,** in line with the processes and principles outlined in the International Health Partnership (IHP+) common evaluation framework, based on the tenets of the 2005 Paris Declaration on Aid Effectiveness.^K These comprise collective action with partners, alignment with country review processes, fostering of country ownership, and adequate attention to capacity building.

Part 5.

Grant management roles

Principal Recipient

47. Principal Recipients are the entities to which Global Fund grant monies are disbursed. They are responsible for implementation, accountable to the Fund, and legally liable for the grant and its activities. The Principal Recipient also manages allocation of resources to Sub-Recipients.
48. Under the “Dual Track Financing” policy, the Global Fund encourages the selection of Principal Recipients from both governmental and nongovernmental institutions. Where local capacity is weak, the Principal Recipient may be a multilateral institution. In these circumstances, considered as “last resort” by the Global Fund, the United Nations Development Programme (UNDP) is the preferred United Nations agency to assume the role of Principal Recipient.
49. **The latest guidance is that WHO Country offices should not serve as Principal Recipient** for the following reasons:
1. WHO serving as Principal Recipient may place the Organization in a supervisory level over the Ministry of Health, which could complicate its relationship and technical advisory role with the Ministry.
 2. Principal Recipients are subject to financial and capacity assessment by the Local Fund Agent, which may conflict with WHO rules and regulations.
 3. To assume this role could detract the Organization from effectively performing its core function of providing technical support to all relevant players and serving as an honest broker in technical matters.

WHO as Sub-Recipient

50. WHO has increasingly taken on the role of Sub-Recipient. These are programme implementers that deliver services under the administrative or managerial umbrella of the Principal Recipient.
51. The decision on whether WHO should become a Sub-Recipient at the request of the CCM should be based on a careful review of the following four criteria:
- the assessed needs of the country;
 - WHO’s mandate and core functions in relation to these needs;
 - the technical and administrative capacity of the WHO Country Office;
 - the availability of other, more suitable partners in the country concerned.
52. The Country Office should furthermore seek the advice of the technical unit and department at regional level before entering into any commitment to take on a Sub-Recipient role, in view of the potential risks involved.

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53. A standard Memorandum of Agreement has been developed for use as the reference point for agreements signed between the WHO Country Office and the Principal Recipient in the event of WHO assuming the role of Sub-Recipient.

WHO as provider of expert services

54. WHO might also be contracted by the Global Fund to provide expert services such as defining specific quality standards, developing technical tools for the design, implementation or monitoring of programmes, or operational research. These arrangements can be made at country level at the request of the CCM or Principal Recipient. They can also be made at regional or headquarters level, at the request of the Global Fund Secretariat.
55. A standard format of contractual agreements for performing specific tasks will be developed for adaptation.

Part 6.

Coordination and communications

Roles of the three WHO levels

56. The three levels of the Organization play complementary roles in working with the Global Fund.

Country offices

57. As the bulk of Global Fund-related activities and programmes are directed at and take place at country level, the WHO country offices have a pivotal role to play in the Organization's engagement with the Global Fund.

58. It is important that the Head and other staff in the country office remain up-to-date with Global Fund business rules and procedures, and with the dialogue in the country related to new rounds and implementation of existing grants. This information and related issues should be shared with regional offices and headquarters.

59. Country offices should continue to be proactive in initiating requests to the regional office and headquarters for support. Technical expertise can also be mobilized from within the country, where possible, in the context of the United Nations Country Team.

60. Key roles of country offices are:

- to support the functioning of CCMs, including providing technical advice and facilitating links between the CCM, the Ministry of Health and other partners in health;
- to support the preparation of funding applications, both as Round-Based Proposals and National Strategy Applications;
- to support ongoing implementation, and anticipate implementation challenges and support needs;
- to promote alignment with national strategies and systems of Global Fund-supported programmes;
- to inform the Regional Office and headquarters of requests for additional technical support; and
- to coordinate with technical partners such as the Joint United Nations Programme on HIV/AIDS (UNAIDS), other United Nations agencies and country-level technical partners in Global Fund-supported and other related health programmes.

Regional offices

61. WHO's regional offices play an important role in supporting countries and WHO country offices in Global Fund processes.
62. Key roles of regional offices are:
- to coordinate and provide technical support to countries, including consultancy missions to assist in the development of proposals and establishing peer review processes for draft proposals;
 - to coordinate with the Global Fund for effective implementation of its grants in countries, including the development of joint workplans with the relevant departments of the Global Fund;
 - to share up-to-date information/guidelines from the Global Fund with country offices;
 - to support countries to engage effectively in Global Fund governance: this includes providing technical advice to the regional representatives of the Global Fund governance, e.g. the Board and committees, and hosting constituency meetings for Member States prior to Global Fund Board meetings, when requested; and
 - to mobilize resources for country offices and coordinate with donors and other partners on issues such as aid effectiveness.

Headquarters

63. The role of WHO headquarters in relation to the Global Fund comprises providing strategic guidance and support to regions and countries, and contributing to Global Fund processes at the global level.
64. Key roles of headquarters are:
- to coordinate policy development within WHO in relation to Global Fund processes;
 - to ensure a coordinated approach to technical support between clusters and regions;
 - to disseminate information on Global Fund policies and activities to regional offices, country offices, and relevant technical departments;
 - to coordinate efforts to mobilize additional resources to support country and regional offices; and
 - to make available necessary information, tools and normative guidance for implementation.

Internal coordination

65. The following mechanisms to facilitate coordination of Global Fund-related activities across the Organization are being developed.
66. **Country focal point.** The Head of the WHO Country Office may serve or designate a staff member as focal point for Global Fund-related issues. The role of the focal point is to keep track of progress and information on the Global Fund and liaise with respective technical staff in the Country Office.
67. **Regional coordination.** Each Regional Office has staff to serve as focal points on Global Fund issues. The Regional focal point liaises regularly with focal points in the technical programmes and with country offices. Regional offices also have established forums through which programmes involved meet regularly to plan and coordinate their Global Fund activities. Where Regional Offices are developing joint workplans with the Global Fund secretariat they need to liaise with HQ and ensure that the plans are aligned with national strategies.
68. **A Joint Working Group** on Global Fund-related issues exists at headquarters. It comprises representatives from the following clusters: HIV/AIDS, Tuberculosis, Malaria and Neglected Tropical Diseases (HTM), Health Systems and Services (HSS), Family and Community Health (FCH), Partnerships and United Nations Reform (PUN), Information, Evidence and Research (IER) and Health Action in Crises (HAC). The role of the Joint Working Group is to ensure technical coordination, exchange of information, and coordinated input to Global Fund policy and operational processes. UNAIDS, the Stop- TB Partnership and Roll Back Malaria also participate in the Joint Working Group, which liaises closely with regional focal points.
69. **A WHO Steering Group** at headquarters provides policy and strategic guidance on Global Fund-related issues. Membership of the Steering Group is at the level of Assistant Director-General (ADG) from the following clusters: FCH, HAC, HSS, HTM, IER and PUN. The Organization-wide focal point on Global Fund issues at global level is in the office of the ADG/HTM and is also a member of the Steering Group.

Memoranda of Understanding

70. WHO does not have a corporate Memorandum of Understanding with the Global Fund. However, as a member of key technical partnerships, WHO is party to the Memoranda of Understanding signed between the Global Fund and the following key technical partnerships:
1. the Joint United Nations Programme on HIV/AIDS
 2. the Stop-TB Partnership
 3. the Roll Back Malaria Partnership.

Part 7.

Resource implications for WHO

71. The existence of the Global Fund has resulted in a substantial increase in demand for WHO services at country level, as well at regional and global levels. This has had serious implications for WHO capacity and resources. For example, some country offices report spending as much as 30% of their time dealing with Global Fund-related issues. In addition, the increased demand for WHO support in Global Fund issues has not been matched by a corresponding increase in the WHO technical support budget. This has a number of implications, notably the following:
- WHO **needs to mobilize additional resources** to match the growing demand for technical support. In this regard, donors need to appreciate that a well-funded WHO will have a positive impact on the performance and outcomes of Global Fund programmes, given the Organization's technical expertise and global reach.
 - WHO should ensure that applications for funding to the Global Fund and **ongoing grants adequately budget for technical assistance**. In addition, it should be ensured that funds are budgeted for services that WHO is called upon to provide, including as Sub-Recipient and for specific activities. It is always advisable to budget, in such a case, for appropriate technical capacity at the WHO country office, namely technical and administrative staff for Global Fund-related activities.
72. **Programme support costs** (PSC). WHO's country offices are sometimes pressured to reduce the 13% PSC when agreements are negotiated with Principal Recipients or other partners. The rate of PSC is fixed by the World Health Assembly. There are few specific programmatic conditions where a lower standard PSC rate might apply.⁴

The comparative advantages of WHO

- WHO's strengths lie in its neutral status and near universal membership, its impartiality and its strong convening power.
- WHO's role in tackling diseases is unparalleled.
- The Organization has a large repertoire of global normative work.
- Many countries rely on WHO standards and assurances in medicines and diagnostic equipment.
- WHO promotes evidence-based debate, and has numerous formal and informal networks around the world.
- Its regionalized structure provides multiple opportunities for engaging with countries.^M

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- H. <http://www.who.int/hiv/strategic/me/en/>
- I. Monitoring and evaluation of health systems strengthening: an operational framework. Unpublished draft discussion paper October 2009
- J. <http://www.unaids.org/en/Partnerships/Global+Coalition+on+Women+and+AIDS/default.asp>
- K. IHP+ Common Evaluation Framework
- L. Conditions where lower PSC might apply include:
 - Projects that meet criteria for WHO's Emergency Standard Operating Procedures: 7% PSC.
 - Non-emergency supply services and procurement on behalf of Member States under Resolution EB33.R44: 3% PSC.
 - All procurement other than the above where the procurement component is more than 80% of the overall budget for the grant: 7% PSC.
 - Implementation by WHO (e.g. as Sub-Recipient) when UNDP, UNOPS or the United Nations Population Fund (UNFPA) is the Principal Recipient: 7% PSC.
 - The 7% PSC is linked to implementation of specific activities or programmes.
 - Implementation by WHO on behalf of UNAIDS: 6% PSC.
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