

**Communities Delegation Communiqué**  
**22<sup>nd</sup> Global Fund Board Meeting**  
**13<sup>th</sup> – 15<sup>th</sup> December 2010**  
**Sofia, Bulgaria**

**INTRODUCTION**

The 22<sup>nd</sup> Global Fund Board Meeting was held from 13<sup>th</sup> to 15<sup>th</sup> December 2010 in Sofia, Bulgaria. Prior to the Global Fund Board Meeting, a policy retreat was held for Board and Alternate Board Members to discuss the next strategic plan for the Global Fund. This Global Fund Board Meeting had a number of important issues for discussion including the funding for Round 10, Launch of Round 11, Eligibility and Prioritisation, Office of the Inspector General and Maternal and Newborn Child Health, amongst others. This, along with the other key discussion items from the meeting, is described in more detail as follows:

**REPORT OF THE EXECUTIVE DIRECTOR**

The Communities Delegation raised the following concerns in the Report of the Executive Director, including:

- Encouraging the European Union to work with countries that are not eligible for Global Fund financing to ensure that there will be continuity of services after the discontinuation of Global Fund support;
- Concerns that Community Systems Strengthening (CSS) components remained astoundingly low at 3% in Round 10 despite 49% including CSS components in Round 10 proposals, and looks forward to the Secretariat and Board to strengthen the role of the Global Fund in CSS and assess the ongoing implementation of the CSS framework;
- The need for implementing rights-based approaches for prevention, treatment and care services for people who inject drugs, especially in environments that have political, legal and socio-cultural barriers, and looks to the Board to ensure that human rights for people who inject drugs (as well as other marginalised populations) is integrated across all Global Fund programming.
- The need for the Global Fund to leverage its buying power for drugs and commodities. The report shows that 40% of grant expenditures are used to procure medicines and health products.
- The role of the Global Fund in the European Union Free Trade Agreement negotiations with India impacting the cost and programming of Global Fund programmes. (For more details, please refer to section on Delegation Updates)

**ROUND 10 TECHNICAL REVIEW PANEL (TRP) RECOMMENDATIONS**

The Chair of the TRP presented on Round 10 recommendations and lessons learned.

The Communities Delegation highlighted the need for the Global Fund to continue to play a strategic and catalytic role in concentrated epidemics despite income levels of countries drawing on the lessons learned from the recent UNAIDS publication on lessons learned, and acknowledges the high uptake of countries with concentrated epidemics that applied for the Most-At-Risk-Populations (MARPs) channel of funding.

We further encouraged the Portfolio and Implementation Committee (PIC) to work with the TRP to ensure that guidelines on “Value for Money” are strengthened so that countries are clear on the parameters when applying for funding.

The Communities Delegation further encouraged the Secretariat to work on implementing TRP recommendations so that clearer processes and guidance is in place for country applications.

### **FUTURE FUNDING OPPORTUNITIES**

Presentations and discussions were made on the Outcome of the Third Voluntary Replenishment; Resources projections and issues related to Comprehensive Funding Policy, and Consideration for timing of launch for Round 11, second wave of National Strategy Applications (NSAs) and the Joint HSS Platform with Global Alliance for Vaccines and Immunizations (GAVI) and the World Bank.

The Communities Delegation acknowledged the efforts and hard work by all in the Third Voluntary Replenishment and emphasised the need to acknowledge that not enough monies have been raised for the Global Fund, though donors (countries and private sector, included) have increased their funding and some implementing countries have contributed. We urged implementing countries to continue their support to the Global Fund, and not to shirk from providing adequate financial support in their own countries.

A clear message was sent by the Communities Delegation at this point regarding the need to leave Sofia with a fully funded Round 10, and not send mixed messages to countries and ensure the Board remains true to the core principles of the Global Fund.



A demonstration organised by the Developing Country NGO Delegation was held at the same time during this discussion outside the hotel in the snow by almost 500 protesters, who requested to see the Chair of the Board and the Executive Director to present a petition letter on keeping the Global Fund Global.

### **GLOBAL FUND STRATEGY DEVELOPMENT PROCESS AND THE REFORM AGENDA**

The Board held a Policy Retreat on the 10<sup>th</sup> and 11<sup>th</sup> December 2010 in Sofia, Bulgaria for Board and Alternate Board Members to agree on the major objectives of the Global Fund over the next 3 – 5 years; broad indicators of success; strategic areas of focus; and a process and timeline for strategy development.

The five-year strategy for the Global Fund will cover the period up to the end of 2015, with a mid-point review in 2014 and will be based on the six areas agreed upon on the retreat as follows:

- i. Lives saved: the number of lives saved each year between 2011 and 2016 due to AIDS, tuberculosis and malaria interventions should be triple the number of lives saved in 2010;
- ii. Infections averted: the number of HIV, tuberculosis and malaria infections averted each year between 2011 and 2016 should be triple the number of infections averted in 2010;

- iii. Increased impact: we need to undertake efforts to increase the impact of Global Fund investments on integrated health services delivery, particularly for women and children;
- iv. Efficiency and effectiveness: we need to continue and further increase our efforts to maximise value-for-money throughout all our processes by being as efficient and effective as possible;
- v. Equity and human rights: we need to increase focus on efforts to ensure protection of human rights and access to prevention, treatment, care and support for **all**, including the poorest and most marginalised populations – recognising that we must balance efficiency and equity and a focus on human rights;
- vi. Sustainability: we need to ensure that health gains are sustained in the medium and longer-term, by strengthening country and community capacity and countries' ownership and contributions.

At the Policy Retreat, the Communities Delegation was clear about not expanding the mandate of the Global Fund for the next three to five years with a vision of the following:

- Ensure that Human Rights should be an overarching theme so that the Global Fund promotes and invests in creating an enabling environment to achieve impact in countries that it supports; and
- Is successful in funding the right things with linkages to global strategies and initiatives, increased funding in MARPs specific programmes, CSS, paediatric treatment, care and support (including diagnostics), amongst others;

A small time-limited working group was established (*Reform Agenda Working Group*) to support, enhance and complement the important work being done by the Secretariat and is made up of the Board Chair, Vice-Chair, three representatives from the donor bloc, and the following members from the Implementing Bloc – Mr. Jorge Saavedra, Mexico (Latin America and Caribbean), Mr. Alan Ragi (Developing Country NGO), Ms. Nataliya Nizova (Eastern Europe and Central Asia), with Mr. Kieran Daly (Developed Country NGO) as the alternate member.

The first draft of the strategy framework should be ready for discussion at the 23<sup>rd</sup> Board Meeting in May 2011, and will include discussions from the Partnership Forum scheduled in June 2011, and approved of at the 24<sup>th</sup> Board Meeting at the end of 2011<sup>1</sup>.

#### **REPORT OF THE POLICY AND STRATEGY COMMITTEE (PSC)**

The Board approved decisions<sup>2</sup> on (1) Implementing the New Grant Architecture for Health Systems Strengthening (HSS) Activities; (2) Health Systems Funding Platform: Pilot for funding requests based on jointly assessed national health strategies; (3) Enhancing Global Fund support to Maternal, Newborn and Child Health (MNCH); (4) Board Chair and Vice-Chair nomination and election process; and (5) Technical Evaluation and Reference Group (TERG) – Related matters.

On the HSS Funding Platform, the Communities Delegation expressed the need for clear guidance on dealing with countries that do not engage civil society in its National Health Strategy processes, and looks forward to the Board ensuring that a clear recommendation and mechanism is detailed for the future to ensure a multi-stakeholder approach occurs for Global Fund NSAs.

<sup>1</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP26 at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

<sup>2</sup> For further information on the decision point, please refer to Decision Points GF/B22/DP4, GF/B22/DP5, GF/B22/DP15, GF/B22/DP6, and GF/B22/DP7, respectively at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

For MNCH, the Communities Delegation raised the importance for clear and specific indicators for quantity and quality of services provided by Global Fund programmes to mothers and children to be developed, and for Global Fund programmes applicable to MNCH to ensure the availability of treatment formulations appropriate for children. A contact group was then formed to amend the proposed decision text based on recommendations from the discussions with members from both blocs.

The Board then approved a decision that encouraged countries to strengthen MNCH components in new and existing country programmes financed by the Global Fund, and for the secretariat to develop a clear guidance for countries on doing that. In addition, the Board acknowledged the need to define longer-term possibilities for increased engagement of the Global Fund in MNCH, as part of the Strategy Development Process.

### **NON-APPROVAL OF COUNTRY COORDINATING MECHANISM (CCM) GUIDELINES**

The decision to approve the revised CCM guidelines was blocked by a majority vote, which was all made up of implementing constituencies, including constituencies that were on the Portfolio and Implementation Committee (PIC) and were involved with the development of the PIC before it was presented to the Board. The constituencies that blocked the vote were all from the Implementers Bloc and many were concerned about a proposed clause within the revised guidelines, which *recommended* “[CCM] election procedures should consider term limits for Chair and Vice-Chair positions and rotation of leadership positions amongst constituencies.”

The Communities Delegation fully supported the endorsement of the revised CCM Guidelines as recommended by the PIC during the Board Meeting. We feel strongly about how the Board has micromanaged the decision point and had not considered that it had at the 20<sup>th</sup> Board Meeting the Board had “...delegated authority to the PIC to approve changes” and unless “material changes to any of the six CCM eligibility requirements are needed”, the PIC had full authority to make the recommendation to the Board for approval. Furthermore, this process highlighted the poor example the Board was setting and how various constituency members have displayed conflicts of interests during the process, which is not in line with good governance.

### **ELIGIBILITY AND PRIORITISATION**

The Board recognised the complexity of the work of the Eligibility & Prioritisation Working Group and acknowledged that further work and discussions needed to be undertaken before recommendations were presented to the Board at the 23<sup>rd</sup> Board Meeting<sup>3</sup>.

Due to the time taken for the discussions on the PSC and PIC prior to this agenda item, interventions were kept to the minimum for this agenda item.

However, within this communiqué, the Communities Delegation would feel strongly about the need for social components and impacts of the disease to be considered when considerations for eligibility were made and that a matrix that can reflect the social impacts of the three diseases was needed to ensure monies reach the people who need it, whilst considering equitable data.

We are concerned about the OECD-DAC filter that will not allow countries with high prevalence of MDR-TB to be eligible for the Global Fund, disadvantaging Most-At-Risk-Populations (MARPs)

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<sup>3</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP8 at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

and that the working group could further explore possibilities within the OECD-DAC countries for civil society to be granted as Principle Recipients (PRs).

On Counter-Part Financing, the Communities Delegation would like to see strengthened monitoring and the ability to measure counter-part financing, as it is imperative for sustainable national responses and country ownership.

#### **REPORT OF THE MARKET DYNAMICS AND COMMODITIES AD-HOC COMMITTEE (MDC)**

The Board passed decisions<sup>4</sup> on the (1) Amendment to the Quality Assurance Policy for pharmaceutical products; (2) Quality Assurance for diagnostic products; and (3) Expediting transition to fixed-dose combinations of Artemisinin-based Combination Therapies (ACTs). An additional decision point was passed on the appointment of Mr. Oliver Sabot from Private Foundations constituency as Chair of the MDC to replace the outgoing Chair, Mr. Dai Ellis.

#### **REPORT OF THE AFFORDABLE MEDICINES FACILITY – MALARIA AD-HOC COMMITTEE (AMFm)**

The Board passed a decision<sup>5</sup> on the extension of Phase 1 of the AMFm by six months, to November 2012 due to delays experienced.

The Communities Delegation supported the decision point but highlighted that within the TERG report, it indicated difficulties in evaluating the effectiveness of new interventions in five years, but discussions have been put on the table on the continuance of the AMFm after only 18 months of implementation due to the financial constraints imposed by the need to independently fund the subsidy.

#### **OFFICE OF THE INSPECTOR GENERAL (OIG) MATTERS**

The Communities Delegation strongly supports the work of the OIG as we hold accountability and transparency of resources provided by donors to our communities as being central to our support for the Global Fund, and cannot reiterate enough that money, medicines and commodities misappropriated, and services not provided result in treatment failure and deaths.

During the Board Meeting, the Communities Delegation raised the following during our intervention:

- **Communication Strategy:** The impact on countries of OIG reporting without necessary context is significant and unnecessary and may have negative and unforeseen impacts. We encouraged the OIG and Secretariat to work together to ensure that OIG findings are communicated in a way that did not imply that fraud is consistent across all actors and for the Secretariat to assist countries affected, by issuing statements of clarification in order to minimise/mitigate any negative impact.
- **Local Fund Agents (LFAs):** We acknowledged the progress of implementation on a number of OIG recommendations on LFAs and look forward to an assessment of the impacts of these changes.
- **United Nations Development Programme (UNDP) and Immunity:** The refusal of UNDP to cooperate with the OIG in instances where it acts as PR cannot be tolerated, as it is a

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<sup>4</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP8, GF/B22/DP10, GF/B22/DP11 and GF/B22/DP12 at

[http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

<sup>5</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP13 at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

clear requirement that all Principle Recipients (PRs) make available necessary information to the OIG to assist in its investigations.

- UNDP and its transition strategy: The Communities Delegation is concerned about the absence of clear, effective and time-bound exit strategies for transition of PR responsibilities from UNDP to local counterparts remain and is firm in its position that transition plans must form part of any application put forward to the Fund with UNDP as the PR.
- UNDP and Round 10: We noted with significant concern that regardless of issues that persist with UNDP as PR, that for a number of recommended Round 10 proposals, UNDP is still identified as the PR.

### **APPROVAL OF ROUND 10 PROPOSALS AND LAUNCH OF ROUND 11**

The Board approved 79 Round 10 grants – the third largest ever, after Rounds 8 and 9 – that will cost US\$1.73 billion over two years, and US\$4.72 billion over five years<sup>6</sup>.

The call for Round 11<sup>7</sup> will be launched on 15<sup>th</sup> August 2011 (with proposals to be submitted by 15<sup>th</sup> December 2011), and the second wave of National Strategy Applications (NSA) will be initiated in January 2011; for both, approvals will be decided by the Board at its 25<sup>th</sup> Board Meeting (approximately May 2012).

The approval of Round 10 proposals and Launch of Round 11 was heavily negotiated during the Board Meeting as a compromised package deal. The negotiation team was made up of representatives from the following constituencies – United States, France and Spain, Germany/Germany/Switzerland, Western Pacific Region, Developing Country NGO, and Eastern Europe Central Asia.

In return for a fully funded Round 10 without any budgetary adjustments, a late launch of Round 11 had to be compromised. Additional measures<sup>8</sup> further appended the package deal, including firm eligibility and prioritisation criteria to be presented at the 23<sup>rd</sup> Board meeting; commitments for Round 10 Proposals only of three tranches of one year each; the increment of current ceilings on additional commitments for Round 8 and 9 proposals from 75% to 90%; and that the Secretariat must “strengthen its application of Performance Based Funding Principles”.

The Communities Delegation remains concerned about the decision point to delay the launch of Round 11 due to the impacts that it will have on unsuccessful malaria proposals that would not have continuance till Round 11 will be funded, therefore leaving a possible 3 years gap in funding.

The delay in launching Round 11 implies the lack of commitment of donors to uphold the gains and progress that have been made, and whilst donors are struggling with the “ethical” arguments of ensuring that sustained financing has to be in place for continued access for treatment, care and support, there is pushback on increasing financing for more people to be put on treatment. This is bearing in mind the new WHO guidelines on treatment and diagnostics that will foresee increased numbers of PLHIV on treatment sooner.

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<sup>6</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP27 at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

<sup>7</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP26 at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

<sup>8</sup> For further information on the decision point, please refer to Decision Point GF/B22/DP25 at [http://www.theglobalfund.org/documents/board/22/BM22\\_DecisionPoints\\_en.pdf](http://www.theglobalfund.org/documents/board/22/BM22_DecisionPoints_en.pdf).

## HOSTING OF 24<sup>th</sup> GLOBAL FUND BOARD MEETING

During the closing of the 22<sup>nd</sup> Board Meeting, the Minister of Health from Yemen introduced a video that aimed to welcome and promote Yemen as potential venue for the 24<sup>th</sup> Board Meeting.

At the 16<sup>th</sup> Board Meeting, a decision point was unanimously passed by the Board not to hold Board, Committee or related meetings in any country that has HIV-related travel restrictions linked to entry, stay and residence.

As Yemen is a country that currently has travel restrictions related to entry, stay and residence, the Communities Delegation expressed dismay upon the lack of leadership of the Secretariat and Chair of the Board for the Secretariat and proposing country to have discussed and considered upon the suitability before the presentation to the Board.

From the discussions at the table, several partners expressed support to work with Yemen in removing those travel restrictions.

The Communities Delegation from this discussion sent a formal letter to the Executive Director and Chair of the Board to work with the Board Relations team to develop a clear process through which potential host countries can indicate their interest in hosting the Board Meeting, while ensuring that the rights of PLHIV are central.

## DELEGATION UPDATES

### 1. New Leadership of the Communities Delegation

At the 22<sup>nd</sup> Board Meeting, Ms. Carol Nyirenda who served as the Board Member for the Communities Delegation from 2008 – 2010 stepped down after serving her term. Ms. Morolake Odetoyinbo, who has served as Alternate Board Member in the same period of time is the incoming Board Member.

The incoming Alternate Board Member - Mr. Shaun Mellors is the Head of the Treatment, Care and Support Department at the Foundation for Professional Development (FPD) in Pretoria, South Africa.

The Communities Delegation would like to express our deepest appreciation to Ms. Carol Nyirenda during her service as Board Member for her commitment to those living with HIV, Tuberculosis and affected by Malaria.



### 2. Engagement in Resource Mobilisation Advocacy for the Third Voluntary Replenishment

Members of the Communities Delegation have been actively engaged efforts on resource mobilisation for the Global Fund, leading up to the Third Voluntary Replenishment Meeting held in New York, USA, on 4<sup>th</sup> and 5<sup>th</sup> October 2010.

A website<sup>9</sup> that advocated to “Fully Finance the Global Fund” was set up that collected over 26,000 petition signatures, as well as to coordinate and document efforts made by civil society in



various countries on actions held the week before the Third Voluntary Replenishment Meeting. A video<sup>10</sup> was also produced which highlighted the need for donor countries to be held accountable to their commitments, given their willingness to increase spending for war and conflict, as well as to bail out wall street and economies.

The petition signatures were delivered by Board Member, Ms. Carol Nyirenda to United Nations Secretary General, Mr. Ban Ki Moon on the 4<sup>th</sup> October 2010.

The Communities Delegation will be involved with further replenishment activities being planned with members of civil society for the upcoming year.

### **3. Role of Global Fund on European Union – Free Trade Agreement (EU-FTA) with India**

A letter sent to Dr. Michel Katzatchkine before the Board meeting requesting for a strong statement to be made during the Report of the Executive Director on the potential impacts and consequences for the Global Fund and its supported programmes, was not acted on.

The Communities Delegation feels extremely concerned that if the EU-FTA with India goes through with TRIPS Plus provisions that the price of basic life-saving medicines for HIV, TB and Malaria will significantly increase and have a devastating impact on the access and continuity of treatment, especially in this resource constrained environment. It is notable the impacts that this will have, for example, 96 of 100 countries purchased Indian generic ARVs (in 2008<sup>11</sup>) including high HIV-burden sub-Saharan African Countries.

The Communities Delegation (with focal persons Ms. Lorena Di Giano and Mr. Loon Gangte) will continue to work with partners that are leading in this issue to ensure that the Global Fund can play a role in the ongoing negotiations.

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<sup>9</sup> Available at <http://www.globalfundreplenishment.org>

<sup>10</sup> Available at <http://www.youtube.com/watch?v=nw3zy3WDyp0>

<sup>11</sup> According to a study published by the Journal of the International AIDS Society, available at <http://www.jiasociety.org/content/13/1/35>