

Global Fund Tracking Study: a cross-country comparative analysis

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Ruairí Brugha

Co-authors

London

*London School of Hygiene
and Tropical Medicine*

Martine Donoghue
Mary Starling
Gill Walt

Uganda

*Institute of Public Health,
Makerere University*

Freddie Ssenkooba
George Pariyo

Mozambique

*University of Eduardo Mondlane
Ministry of Health*

Julie Cliff
Benedita Fernandes
Isabel Nhatave

Zambia

*Institute of Economic and Social Research
University of Zambia*

Phillimon Ndubani

Introduction

This discussion paper compares the experiences of the four countries in the Global Fund Tracking Study – Mozambique, Tanzania, Uganda and Zambia – in applying for Global Fund support and in the setting up and early functioning of country level systems and processes. Up to 2002, when the Fund was launched, these four countries were each establishing or implementing a sector wide approach (SWAp) – to co-ordinate policy-making, financing and health systems-building. This was the main criterion for the country selection for the Tracking Study. Where the SWAp was more established, there had been a steady move by some bilateral donors from programme and project support towards channeling their assistance through the SWAp, and in some countries (e.g. Uganda) through direct support to government budgets. In practice, however, donors who were part of the SWAp as well as those unable to join it, e.g. USAID, continued to provide ear-marked funds.

This paper reports similarities and differences in how the Global Fund was established across these four countries and suggests provisional lessons for ongoing implementation. Some lessons may be relevant to different country settings, especially in sub-Saharan Africa; others may not be. Some lessons, based on field work completed in mid 2004, may still be relevant; while in other cases corrective action by the Fund and evolution over time may have resolved early problems.

More widely, the paper offers pointers to how recipient countries need to be supported to incorporate and harmonise a range of recently launched global health initiatives (GHIs), if these new sources of funds are to strengthen country systems for disease control. Given the emergence – almost in parallel – of several GHIs that are promising relatively large resources for HIV/AIDS control to the poorest countries in sub-Saharan Africa, the aim of this discussion paper is to contribute to current policy debates on international assistance. This is particularly relevant given the rapid evolution in national, country policy contexts (an important early effect of these initiatives) and the evident ability of some GHIs, notably the Global Fund, to learn lessons and modify its processes.

The purpose of this paper is to draw on the 4 country Tracking Study findings¹ for generic lessons on – and some potential implications of – new donor assistance instruments and approaches more generally, so as to stimulate discussion and pose questions to policy makers, particularly at the global level. It benefits from constructive feedback on an earlier draft from the Global Fund Secretariat and from recipient countries. In view of the rapid evolution of the Global Fund and the country-level donor architecture, selected literature is cited, including recent reports on the Fund and recent developments and initiatives on harmonisation and alignment of aid instruments.

Applying for Global Fund support

In early 2002, when the Global Fund was established and immediately called for proposals, there was enthusiasm for the initiative in all four countries, in that the Fund could provide much needed additional resources for the control of three of the biggest killer diseases – AIDS, Tuberculosis (TB) and malaria. Governments generally saw this new and alternative source of funds as more country owned and controlled than pre-existing funding instruments, allowing countries more autonomy in

¹ Brugha R. et al. *Tracking the Global Fund in Four Countries: an Interim Report – Mozambique, Tanzania, Uganda, Zambia*. LSHTM, October 2003. Brugha R, Donoghue M, Starling M, Ndubani P, Ssenooba F, Fernandes B, Walt G. *The Global Fund: managing great expectations*. *Lancet* 364: 95-100, 2004. A companion report to this Cross-Country Analysis includes a preface, introduction and outline of the study methodology; and a summary and set of conclusions from each of the four final country reports, which were disseminated in January 2005: *Global Fund Tracking Study, Country Summaries and Conclusions* (July 2005).

deciding their priorities. Early hopes were that these new funds could be used to fill gaps and strengthen health systems.

By 2003, initial concerns had turned to scepticism among some donors, especially local representatives of bilateral agencies, about the appropriateness of the Global Fund to these countries, given the years of effort put in by governments and donors to operationalising the SWAp. This response had been reinforced by early country experiences in applying for Fund support and the rising burden of multiple GHIs. Despite some misgivings, bilateral and multilateral agencies supported government decisions and country efforts to secure Global Fund support through succeeding application rounds.

Country experiences in applying to the Global Fund across Rounds 1 to 4 illustrate the rapid and remarkable evolution of the Fund over its first two and a half years. The country case studies also illustrated how proposal writing approaches and country decisions around funding channels resulted in the establishment and rolling out of different Global Fund models across these four countries. Country experiences of proposal preparation also changed as Global Fund proposal guidelines and requests for information evolved across the rounds.

The Round 1 application, while rushed (six weeks from proposal invitation to submission in March 2002), was seen as simpler than later rounds. Rounds 2 and 3 included requests from the Global Fund to Country Coordinating Mechanisms (CCMs) for more detailed information, e.g. on procurement and taxation, which contributed to the complexity and workload of proposal preparation. Countries successful in Round 1, such as Zambia, resented having to revisit earlier approved proposals to respond to additional requests for information.

Respondents acknowledged that the Fund was learning on its feet and adapting its processes and they recognised the urgency of the need – especially around AIDS – which required a rapid if not fully worked out response. However, the Global Fund's evolutionary approach caused difficulties for countries, both during proposal preparation and subsequently when they were trying to respond to the Fund's information needs, which were milestones for receiving funds (see *Disbursement delays*).

In launching new global initiatives for developing countries, a difficult balance needs to be struck between first establishing clear systems and ensuring country-level buy-in versus moving quickly, learning and applying lessons to improve new systems.

Mozambique, Tanzania, Uganda and Zambia used a range of strategies in proposal preparation, which evolved over successive rounds, especially in countries that were asked to revise and resubmit proposals. Although guidelines and format were clearer by Round 4, countries were still trying to second guess what the Fund was looking for and sought guidance.² Some consultants that advised on proposal preparation were reported to be not up-to-date with rapidly evolving Global Fund conditions and as providing misinformation, albeit unintentionally. Working on the basis of out-of-date information subsequently became a bigger problem for countries in meeting disbursement milestones (see *Country Setup*).

² Aidsplan, an independent organisation, has been at the forefront in supporting the Global Fund and providing guidance to countries applying for Global Fund support, including: *Garmaise D. The Aidsplan Guide to Round 5 Applications to the Global Fund* (27 March 2005).

Countries viewed applications to the Global Fund as a competitive process, even if it was not intended as such, which may partly explain why recipient countries have been constrained from sharing lessons and learning from other countries' experiences. (Lack of support and incentives to promote such cross-country learning is probably a more fundamental reason). However, this perception that the application round system was a competitive process had some positive effects.

The opportunity (and therefore the responsibility) was on countries to apply for funds and submit proposals that would merit funding. This was in contrast to the more traditional, passive approach where donors were perceived to be determining priorities and then entering into discussion with government to agree funding levels for these priority areas. The preparation of proposals on HIV/AIDS, especially on treatment, highlighted the absence and helped to stimulate the development of such country policies. A negative effect of the competitive application process was that CCMs became focused on trying to identify what the Global Fund was likely to fund, which was not necessarily what the countries needed.

The most effective strategy in proposal preparation appeared to be the use of long-term donor-funded country-based technical assistance (TA), as used in Zambia in Rounds 1 and 4, in Tanzania's Round 1 malaria proposal, in Mozambique in Rounds 1 and 2; and in Uganda's Rounds 2 and 4 malaria proposals. In Zambia and Mozambique, CCM technical groups were composed of a mix of senior MoH staff and long-term country-based consultants.

A variant used latterly in Tanzania was to employ a donor-funded, long-term external consultant who took the lead in responding to Global Fund requests for clarification following Round 3 and in coordinating proposal preparation in Round 4. Long-term TA consultants are likely to be more familiar than short term consultants with country systems and how new funds can be integrated into them. Offering government, on a draw-down supply-driven basis, a dedicated external consultant who is familiar with the operations of new GHIs such as the Global Fund, could both strengthen capacity and relieve pressure on governments.

There would be value in offering suitably experienced long term TA support to countries, who could support and act as contact points for countries in liaising with multiple GHIs. Senior government staff are less likely to be *au fait* with the workings of new global initiatives, which can also distract them from core priority activities.

An alternative approach, used by Tanzania in Round 2 and in Uganda in Rounds 3 and 4 was to contract out proposal preparation to external consultants. Opportunity costs for key senior government staff, rather than lack of country capacity, were cited by donors as the main reason for this strategy. In Uganda, this decision was to a great extent a response to the rejection of its initial Round 1 cross-cutting proposal, where the costs of diverting senior MoH staff from other activities were not seen as justified by the benefits, even if revised and resubmitted proposals were ultimately approved in Rounds 1 and 2.

Accepting external consultancy input or contracting out proposal preparation had some negative effects: proposals were developed in parallel to routine planning processes; may not have been well adapted to country systems; and, overall, appeared to reduce country ownership of the Global Fund process. Some country respondents were critical of external consultants in Mozambique, though this was not the case in Tanzania or Uganda. In Tanzania, their participatory approach to involving a

wide range of NGOs in Round 2 was highly appreciated. However, lack of MoH involvement in Round 2 meant that MoH staff struggled to modify and resubmit the proposal in Round 3.

Most of the relevant senior ministry staff and their development partners in Uganda and Tanzania only became involved in proposal development close to the deadline for the Round 3 submission. This resulted in CCM members perceiving the CCM to be little more than a ‘signing ceremony’ group. Contracting out complex HIV/AIDS proposal preparation to consultants who would not be responsible for implementing them could detract from co-ordination, contribute to a disconnect between planning and implementation, and thereby contribute to implementation delays.

Uganda’s early experience differed considerably from the other three countries. When its systems-focused Round 1 proposal was not approved, it reverted to disease-specific proposals that lacked the strong systems-strengthening dimension for which Global Fund support was initially requested. Its subsequent establishment of a parallel management system – the Project Monitoring Unit (PMU) – was probably more a result of the intense debate in Uganda on the macro-economic effects of external aid and budget ceilings (see *Country setup*). However, the setting up of the PMU, which did not appear to be a request of the Global Fund, was consistent with Uganda’s interpretation of the early signals associated with the Round 1 proposal rejection: reversion to a vertical management structure was the best mechanism for managing new GHI funds.

Uganda’s subsequent submission of disease-specific proposals was based on the belief that these were more likely to be funded. A long history of external aid for projects and programmes had shown that donors looked for direct accountability for funds used, expected to see output and (hopefully) impact indicators; and donors had attribution needs – the ‘prove it’ part of the Global Fund’s ‘raise it, spend it, prove it’ mantra. Given this perspective, as well as the compromise of accepting additional donor funds by raising budget ceilings on health expenditure, as a temporary measure for circumventing externally imposed macroeconomic constraints, a stand-alone management structure would be best suited for what was likely to be a time-limited project.

Uganda’s misfortune, as many saw it, was that it was too far ahead of the Global Fund in Round 1. The regret, from the perspective of some commentators, was that Uganda’s Round 1 approach might well have been successful in later rounds, given the growing flexibility of the Fund and increasing ‘systems awareness’ of its Technical Review Panel (TRP).³ A view expressed in Zambia about the Global Fund – and new donor initiatives more generally – was that GHIs come with top-down blueprints and gradually learn to be flexible and adapt to country systems.

Proposals, under discussion at the global level in 2004,⁴ for a continuing and simplified funding process in place of the current Global Fund application round system could go a long way to addressing one of the major concerns around the Global Fund in these recipient countries. The proposal to allow applicant countries submit national strategic plans to the Fund with requests for funding gaps to be filled, closely mirrors suggestions made by key donor and government informants interviewed in all four countries in the Tracking Study.

³ The Global Fund’s Fifth Call for Proposals (March 2005) invited a specific health system strengthening component “addressing a comprehensive response to at least two of the three diseases focusing on system-wide approaches and cross cutting responses to strengthen health systems”.

⁴ Options for moving from project to program support were discussed in the Global Fund Futures Project (*) and at a Board member retreat, convened after the Arusha Global Fund 9th Board meeting, November 2004.

A bottom-up approach, where comprehensive country systems analyses are a pre-requisite to obtaining major new global funding, could enable new funds to be incorporated and used in a complementary and more coherent way, taking into account the current strengths and weaknesses of country systems. Governments, the main donors and global financing initiatives would need to agree on a single, coordinated assessment process.

An inevitably less standardised application system would reduce the burden on countries although it might make it more difficult for the Global Fund to assess and make comparative judgements about the merits of proposals. Given that funds at the global level are finite – government respondents questioned the long-term future and sustainability of the Fund itself – there can be pressure on economically impoverished countries to submit overly ambitious proposals to secure new funds, without sufficient attention to – and sometimes distracting from – implementation.

An inherent weakness in the Global Fund's approach has been that it has not been well placed to assess the strengths and weaknesses of individual country systems. In the Tracking Study countries, Local Fund Agents (LFAs), which were meant to be the Fund's 'eyes and ears' in country, generally had less technical expertise and insight into countries' health systems than had long-standing country-based multilateral and bilateral agency representatives.⁵

The often marginal role played by long standing bilateral and multilateral donors in Global Fund application and setting up processes was probably detrimental to a coordinated country strategic planning process.⁶ It was not clear whether this was due to competing priorities, to their sometimes being sidelined by government, to donor scepticism about the Fund, or in some cases to concern that Global Fund activities would compete with and displace existing donor programmes; or a combination of these factors. A donor perception that the Global Fund had belittled previous donor assistance mechanisms and performance, implied in the mantra 'not business as usual', may have contributed to a lukewarm attitude among some country donors.^{7 8}

⁵ A similar view was reported by Bezanson (2005a) in Bezanson K. *Replenishing the Global Fund: An Independent Assessment*, February 2005 (pp 23).

⁶ Global Fund efforts to coordinate with and learn from pre-existing bilateral and multilateral donor agencies accelerated in late 2004, including development of an 'early warning system' where the Fund would alert its partners, which have a country presence, to emerging problems in country roll-out.

⁷ This view was reflected in a comment from an anonymous contributor to the Health and Development Network eForum discussion (15/04/2004): "The GF cannot continue to free-ride on the backs of the organizations it was trying initially to by-pass and who have kept the GF alive". The eForum has been a rich source of real-time experiences of the Global Fund from the field: www.hdnet.org

⁸ Institutional obstacles to mobilising multilateral agency technical support to Global Fund CCMs and PRs persist, in that WHO and UNAIDS – the latter despite augmentation of its country capacity – both report a lack of funds for the provision of technical support (see Bezanson K. *The Global Fund. Strategic Situational Analysis: Preliminary Annotated Outline*, July 2005. and GAO. *Global Health, The Global Fund to Fight AIDS, TB and Malaria is Responding to Challenges but Needs Better Information and Documentation for Performance Based Funding*, June 2005. Bezanson (2005b) reports: "It is clear that without either new funds from WHO member countries for this technical assistance purpose or new forms of partnership agreements between WHO and the Global Fund, WHO will not be able to keep up with the massive need for technical assistance associated with Global Fund grants" (p.8).

Given the Global Fund's lack of a country presence it needs to have effective communication lines with, and make optimal use of, country-based bilateral and multilateral agencies for identifying key systems weaknesses and ensuring appropriate capacity strengthening at the country level.

Complexity of donor architecture and associated costs at the country level

There has been speculation around the transaction and opportunity costs for countries in applying for and negotiating funds from new global financing initiatives, previously raised in the context of GAVI.⁹ In countries operating a SWAp, application and negotiation processes for securing new global initiative funds are additional to existing annual or biennial partnership meetings to negotiate contributions to the health sector. In some countries, there is also a separate and parallel set of negotiation processes around securing direct budget support from donors and around Poverty Reduction Strategies for securing Heavily Indebted Poor Country (HIPC) Initiative funds.

The Tracking Study attempted, with only limited success, to shed light on the costs for countries of applying for Global Fund support. Financial transaction costs, where these were estimated (e.g. in Tanzania), were modest – notably the cost of consultants' time, running workshops and some purchasing of additional computer equipment – and were covered by bilateral and multilateral agencies. Questions about opportunity costs generated heat but not much light. In some cases, e.g. Uganda in Round 1, much of the time of a small number of key senior government staff was diverted over several months from other activities to work on Global Fund proposal preparation. Subsequently, senior officials across the four countries were called upon to spend time attempting to overcome obstacles to disbursement.

Difficulties in quantifying opportunity costs did not mean that these costs were low – donors reckoned they were often high. However, what respondents and the study could not report was whether or not the time of senior MoH and other government staff, and their development partners, would have been more (or less) productively spent if the Global Fund did not exist. In Zambia, perceptions around opportunity costs fluctuated – seen as justified when the Round 1 proposal was approved and less so when the arrival of funds was delayed. It was expected that they would be viewed positively, at least by fund recipients, when funds arrived and were disbursed to implementing agencies, as was happening in mid 2004.

Contracting out proposal preparation – or part of it – to external consultants probably reduced some of the burden and associated opportunity costs on government. A contrasting perspective from some commentators was that delays in implementation at the country level were partly due to lack of engagement of sections of government, notably Finance and other line ministries. Failure to engage with Finance became a major obstacle to disbursement in Tanzania (see *Country Setup*). Failure to get other line ministries on-board across the four countries was seen as a lost opportunity to promote HIV/AIDS mainstreaming. From this perspective, as reported by one respondent, opportunity costs could be considered to have been too little.

An inherent conflict for senior government staff is that engagement in planning for donor initiatives – and other line ministries have priorities other than health and HIV/AIDS, often determined by donors – is necessarily time intensive. The cost of too little engagement in new financing GHIs, especially by MoH, can result in fragmented planning and poorly co-ordinated activities. Across all four

⁹ Brugha R, Starling M, Walt G. GAVI, the first steps – lessons for the Global Fund. *Lancet* 2002; 359: 435-8.

countries, governments at a senior level – apart from ministries of health, sporadically – were not focusing effectively on the Global Fund, given its size and potential to resource and support (or disrupt) country disease control efforts; and the urgent need for a multisectoral response to HIV/AIDS. At the heart of the problem was that governments and their partners were partially engaging with many (old and new) financing initiatives, in place of systematic and effective engagement with fewer initiatives and funding agencies, which was the perverse effect of too many poorly coordinated parallel financing mechanisms.

Additional funds are essential, but not sufficient, in resource-starved developing country health systems. Is the time and energy senior government staff put into applying to GHIs for new funds at the expense of coordinated planning and of overseeing and ensuring implementation of activities?

Tanzania applied to the Global Fund in all four rounds, despite delays in disbursement of its Round 1 fast-tracked proposal, approved November 2002, which persisted into 2004. The advice given by a multilateral agency representative on the CCM, which was contrary to the advice from some bilateral donors, was to proceed with a Round 4 proposal that included a large antiretroviral treatment (ART) component, even if Round 1 implementation had not started. Mozambique, following its successful September 2002 Round 2 proposal, decided not to apply again in the short to medium term. Government officials reported that the country first wanted to demonstrate progress with the funds it had been promised.

In all four countries, senior policy maker and technical staff time was being taken up in negotiating with several HIV/AIDS financing initiatives in 2003-04, including the World Bank's Multi-Country AIDS Programme (MAP), the US President Emergency Programme for AIDS Relief (PEPFAR), and the Clinton Foundation; the latter in Tanzania and Mozambique. Within less than a year, between 2003 and 2004, the donor aid architecture at the country level had radically changed with the arrival of PEPFAR. The nature of PEPFAR's impact on senior government staff was not yet clear, in that it was expected that much of its funds would flow directly to non-government sectors. The consequences for government stewardship and overall coordination of HIV/AIDS control if PEPFAR was to bypass government channels were a major concern to government and donors.

There was no evidence from country level field work in 2003-04 that these global initiatives were trying to promote a co-ordinated approach to the financing, planning and monitoring of HIV/AIDS control at the country level.¹⁰ In Tanzania in 2004 there was much talk among donors of the need for harmonisation, indicating an awareness of the problem. Much effort in 2003 had gone into developing a national AIDS care and treatment plan, which could be supported by funds from different sources. A visit by a large team of consultants from WHO in late 2003, who came to advise on ART scale up, was not seen in Tanzania as having added substantively to the national plan.

Resource-starved countries, understandably, do not feel they can ignore the possibility of new funds. Given the increasingly complex donor architecture, it would be useful to have a better understanding

¹⁰ Following a series of consultations, Global Fund, PEPFAR, WHO, UNAIDS and World Bank met in November 2004 to jointly analyze their data on coverage of services supported through programmes of the different partners, which led to a joint launch of updated ARV coverage figures in Davos during the World Economic Forum. (Global Fund Secretariat feedback, 1 February 2005, on an earlier draft of the Cross-country analysis). Reports from the Davos meeting that PEPFAR was attributing to itself ARV coverage funded by other donors illustrate how donor expectations/needs for attribution undermine coordination at the global level.

of the effects and demands of these initiatives on senior government staff; and to critically evaluate the balance of time and effort devoted by senior government staff and their development partners to soliciting funds, strategic planning, management and M&E activities. A co-ordinated approach to planning and resource inputs, which the major funders can buy into – likely to be more complex in some of the poorer sub-Saharan African countries – should be seen as one hallmark of good donor practice.¹¹

It should not be assumed that governments will necessarily favour such co-ordination, nor that all new financing instruments will initially recognise its importance. Global incentive systems reinforce a ‘turf control’ mentality at the country level, as evidenced by competitive tensions between national AIDS councils and MoH in Uganda and Tanzania. Parallel funding channels at the country level allow a distribution of roles and opportunities to different organisations, government bodies and individuals, contributing to competition for resources and fragmented health systems’ responses.

Donor co-ordination and harmonisation need to be both top-down and bottom-up, driven from the global and country levels. A multiplicity of funding channels may have perverse incentive effects at the country level, due to within country competition for scarce resources, detracting from coordinated and integrated health systems’ responses.

Only in Mozambique was the need for harmonisation strongly articulated by government respondents. Elsewhere, the attitude appeared to be: ‘let’s first secure the funds and we’ll harmonise later’.¹² There was, however, some evidence (from Tanzania and Zambia) of efforts to co-ordinate the different GHIs at the country level; and signs that the Global Fund was becoming more flexible and seeking to adapt its conditions to fit with existing country systems. In Mozambique, in 2004, communication between country-based donors and the Global Fund Secretariat had started to improve. What was not apparent, in the four countries in early 2004, was evidence of lesson-learning across the different GHIs and the application of lessons at the country level¹³

¹¹ Two major donor harmonisation initiatives in 2005 have been:

(1) the establishment of a High Level Forum Working Group on Global Health Partnerships (GHPs) “to review available evidence on the role, impact, operation and aid effectiveness of Global Health Partnerships ... (and) consider proposals for the development of GHP standards of good practice and systems for monitoring their practice” (High Level Forum on the Health MDG, Advisory Group Meeting, 27th April 2005). The Working Group, which first met 25-26 April 2005, was established as a recommendation following the ‘Paris Declaration on Aid Effectiveness, Ownership, Harmonisation, Alignment, Results and Mutual Accountability’, March 2005, necessary because GHPs have been operating outside of the DAC OECD harmonisation framework.

(2) The Global Task Team, formed following a March 2005 meeting of a wide range of stakeholders – including UNAIDS, World Bank and Global Fund – made recommendations in June 2005 for “strengthening coordination, alignment and harmonization in the context of the ‘Three Ones’ principles, UN reform, the Millennium Development Goals, and the OECD/DAC Paris Declaration on Aid Effectiveness ... for rapid scale-up of the AIDS response” (*Global Task Team on Improving AIDS Coordination Among Multilateral Institutions and International Donors, Final Report* 14 June 2005).

¹² Bezanson (2005a) makes a similar observation about the characteristics of the Global Fund’s founding Framework document, that it is “... based on ‘let’s just get on and do it and sort out the details later’ ”.

¹³ Bezanson (2005a) reports similar concerns: “ ‘The talk is about harmonization, but the action is towards fragmentation’ . Concerns were raised over fragmentation of efforts, mostly with regard to HIV/AIDS and with a tendency to center on the programs of the Global Fund, the World Bank’s Multi-Country HIV/AIDS Program (MAP) for Africa, and the President’s Emergency Plan for AIDS Relief (PEPFAR). In this regard, one interviewee stated that: ‘These three programs are all converging in countries with weak institutions and limited

Country co-ordination mechanisms

CCMs took shape and evolved in different ways across the four countries, although quite similar issues and problems emerged over time. The CCM was seen by some respondents (government and donor) as a Global Fund imposition on the country, although the Global Fund Framework document had stipulated that it was preferable for countries to use an existing body than to set up a new one.¹⁴ Overlapping roles and the uneasy ‘fit’ of the CCM with national AIDS councils (NACs) continued to be problematic into 2004 for several reasons:

- The focus on three diseases, especially the inclusion of malaria alongside HIV/AIDS, meant that the pre-existing NACs could not easily take on the role of the CCM.
- NACs were longer established and usually had greater national legitimacy, being underpinned by legislation and/or reporting to the prime minister or president’s office.
- The Global Fund offered the potential of much greater levels of resources than had been available to NACs, which contributed to an atmosphere of competition between the NAC and MoH, which often permeated working relationships, as both were potential recipients of funds.

Problems encountered in attempting to operationalise CCM partnerships – bringing together different government ministries, donors, civil society groups and the private sector – were partly due to the absence of pre-existing well-functioning partnership models. NACs were themselves often considered to be dysfunctional, ineffective or just poorly resourced. The CCM provided a forum to operationalise the partnership concept, which was revealing tensions between government bodies and between government and civil society over the distribution and use of new funds for HIV/AIDS control. The clear impression was that these tensions were not caused by (and had preceded) the Fund, but were exposed and heightened by the Global Fund process.

The multiplicity of donors and aid instruments, increasingly working through large NGOs, makes it difficult for governments to have an overview of HIV/AIDS control activities. National AIDS councils for the most part lack the capacity and resources for co-ordination and need to be supported to take on this role.

CCMs encountered quite similar problems across the four countries: ineffective representation and participation of some constituencies and uncertainties around the function and appropriate composition of CCMs, as countries moved from proposal preparation to implementation. CCM composition reflected the political nature of the Global Fund process in-country, with high level government line ministry representation – though more in theory than in practice.

Problems encountered included: line ministry representation at CCM meetings was at a lower level than was needed to ensure intersectoral momentum and mainstreaming of HIV prevention; and CCMs were not always technically equipped to contribute to strategic planning. Gaps in expertise were likely to undermine CCMs’ programmatic oversight role (see *Country Oversight*). In addition, competing priorities, especially the multiplicity of lengthy meetings that busy senior government and donor staff had to attend, appeared to detract from their engaging in CCMs in a more pro-active way.

delivery capacities ... coordination at the country level is simply not happening and is not going to happen unless these programs first get their act together’ (pp 14-15).”

¹⁴ Global Fund Framework Document – www.theglobafund.org/en/files/publicdoc/frameworkuk.pdf.

A new GHI such as the Global Fund does not cause but reveals and can exacerbate underlying country systems weaknesses, including an over-abundance of poorly coordinated partnerships that overlap and sometimes compete for attention and resources.

Mozambique in 2002-03 appeared to be operationalising the umbrella body concept well, in that NGO members on the CCM were seen to be fulfilling a constituency representative function effectively. Uganda and Tanzania used a similar though somewhat different strategy to address complaints about under-representation on CCMs from civil society groups – NGOs and people living with AIDS (PLWHAs), which was to incorporate more representatives from these constituencies, which was the main reason for a doubling in the size of CCMs between 2002 and 2003. Expanding CCM size did not prove to be an effective strategy in that meetings became unwieldy. Complaints (notably from NGOs and the for-profit private sector) about lack of representation and conflicts of interest of CCM members persisted.¹⁵

By 2004, some civil society respondents were quite critical of government and (to an extent) the Global Fund – in Mozambique as they had been since 2003 in Uganda – in that government bodies, as the only nominated principal recipients (PRs), were seen to be the principle beneficiaries of Global Fund resources. Where civil society was most vocal and critical of government, e.g. Uganda, this was seen by some as a healthy response to the AIDS crisis and a demand from civil society organizations to be better resourced to tackle it.

Contention between government and civil society reflects previous failures to operationalise a partnership model. The promise of significant resources from the Global Fund – not available to national AIDS councils – was stimulating countries to address this failure.

In Zambia, in contrast, the appointments of a NGO and a faith-based body as PRs were seen as addressing a more fundamental concern than CCM structure and meeting processes, which was the wish to see a significant proportion of Global Fund resources channeled through non-government bodies, in keeping with the spirit of the Global Fund approach. Overt criticism of government was also seen as less acceptable in Zambia and Tanzania, in contrast to Uganda.

Where the Global Fund was sometimes criticised by government representatives for imposing the CCM blueprint on countries, it was subject to the opposite and more vocal criticism by civil society representatives for its excessively light touch and for not imposing guidelines on countries around the composition and distribution of responsibilities on CCMs, which illustrates what has been a difficult balancing act for the Fund. Underlying these tensions are conflicting values: the need for greater community participation and for civil society to be facilitated to enter partnership with government – especially important for HIV/AIDS control, which came into conflict in all four countries (though less so in Zambia) with government's perception of its own pre-eminence, duty of accountability and overall leadership role.

Conflicting views around the meaning of partnership reflect fundamental ideological differences around legitimacy and the role of government, mirrored in new global public private partnerships at

¹⁵ Similar findings were reported in the Global Fund's (April 2004) synthesis and analysis of findings from studies of CCMs from 17 countries, which included interim findings from the Tracking Study. Contributions to the Global Fund Partnership eForum <www.hdnet.org> also reflect similar findings.

the global level as well as at the country level, not just about the relative importance of plurality versus coordinated stewardship. Given their contested legitimacy, CCMs could be seen as informal fora for engaging in strategic planning, negotiation and conflict resolution between country stakeholders, and performance oversight, pending their legitimization as formal structures with defined responsibilities, such as national AIDS councils.

The rapid establishment of CCMs, with control or influence over significant levels of resources, has brought countries into uncharted waters. They bring the potential of a much broader society-wide response, especially to HIV/AIDS control, but also have the potential to undermine governments' stewardship roles and responsibilities.

Guidance and guidelines to CCMs from the Global Fund often came late, when problems had erupted and ill-will was festering, most openly so in Uganda. For example, CCM guidelines were issued in mid 2003 and guidance on public private partnerships (PPPs) in mid 2004, based on feedback from countries.¹⁶ Other advantages and disadvantages of the 'learning as we go' model, adopted by the Fund, are considered under the section on *Country Setup*. CCM guidelines, drafted in Uganda¹⁷ and discussed in Tanzania, were not based on an adequate analysis of the power dynamics and causes of government-civil society tensions; nor were there processes for brokering agreement among the different stakeholders on their respective roles and responsibilities.

Some preparatory steps would be needed to strengthen the case for civil society to be treated as full partners on CCMs and major channels for new global funds; and more broadly as agents in shaping national HIV policy and control strategies. Steps include drafting guidelines and developing systems to address potential and actual conflicts of interest of civil society representatives; capacity-building and resourcing of civil society groups to enable them to undertake constituency representation functions; setting up and/or strengthening of umbrella bodies and governance training to represent these complex and diverse constituencies; and technical and financial management training as a prerequisite to receiving funds.

Were donors to address these obstacles, the advantages would go beyond the Global Fund to the wider issue of a coherent involvement of civil society in HIV/AIDS control, given the different financing instruments (Global Fund, PEPFAR and World Bank MAP) that are seeking to work with and through NGOs, faith-based groups, community groups and the private sector (see *Implementation*).

Country level donors could do more to support government and civil society to forge partnerships, through resourcing and building capacity on both sides for these new roles.

¹⁶ The Global Fund Secretariat implemented other measures to address problems that had emerged including a series of regional CCM workshops and development of a CCM self-assessment tool, which was being piloted in early 2005.

¹⁷ National Coordination Committee Operating Procedures, The Republic of Uganda (draft 6 May 2004).

Country setup

The Global Fund blueprint, including principles and proposed country level entities – CCM, PR and LFA, was outlined in its January 2002 Framework document.¹⁸ A range of factors influenced the pace and particular forms whereby Global Fund systems were established and rolled out in these four sub-Saharan African countries. Common experiences across the four countries, for example of changing information requests from Geneva, pointed to factors operating at the central level. Country differences, for example in the number and type of PRs selected, pointed to contextual factors, where countries adapted the Global Fund blueprint and developed different disbursement and management models.

PR selection and macroeconomic constraints

The types of bodies selected to be PRs, the selection process and the time take to approval varied across the four countries. Zambia, when its Round 1 application was approved, opted for four PRs, including two from civil society. While a complex model, it was in keeping with the spirit of the Global Fund approach and would enable funds to be channelled directly to civil society implementers through organisations belonging to or representing their respective constituencies.

Capacity-building of the NGO PR in Zambia addressed earlier concerns about the PR's ability to receive, account for and disburse funds. This was one example where a country-based donor facilitated Global Fund implementation, through capacity-building. Otherwise, the Fund's initial approach and early messages – 'not business as usual' implied its superiority over earlier donor models – were not designed to encourage active collaboration and support from in-country donors, given that the Global Fund, which lacked a country presence, was not well placed to undertake this function.

During the setting-up period, the Global Fund and donor headquarters (bilateral and multilateral) were not sufficiently strategic in involving country-based donors to overcome Global Fund implementation obstacles.

In 2004, a new mechanism for channeling funds directly to NGOs and CBOs was seen by donor and civil society constituencies as a potentially important systemwide effect of the Fund. In early 2004, it was still too soon to observe in these four countries if disbursement through civil society PRs to implementing agencies on the ground would be smoother and quicker than disbursement through government PRs, although this was a finding reported from other countries.¹⁹

The most contentious PR selection process was in Tanzania where the Global Fund was reported to be dissatisfied with the selection of the Ministry of Finance (MoF) as the PR. The main reason for the Fund's position, according to senior government officials in Tanzania, was that this would slow down disbursement. Whether justified or not, the Global Fund's position appeared to reflect its unfamiliarity with legislative constraints in Tanzania – by law only MoF could receive donor funds – which were the result of global policy prescriptions that Tanzania had been required to take on-board. The CCM itself was apparently also unaware of this law.

¹⁸ Global Fund Framework Document – www.theglobafund.org/en/files/publicdoc/frameworkuk.pdf

¹⁹ *A force for change, the Global Fund at 30 months*. (undated but disseminated in mid 2004). The Global Fund to Fight AIDS, Tuberculosis and Malaria: Geneva (p. 26). Anecdotal reports, subsequent to Tracking Study fieldwork, suggest that disbursement through civil society PRs in Zambia has been comparatively quicker.

The opinion of some well-placed informants in Tanzania was that subsequent delays in putting the necessary conditions in place to enable disbursement to the MoH to occur were partly because the MoF was irritated at being required to overrule its systems, which had been put in place at the instigation of external, global actors. Tanzania's attempt to adhere to a system that would facilitate macroeconomic planning, using MoF as a conduit for all external funds to government, appeared to conflict with the Global Fund's promise of rapid financing. Tanzania selected the MoF as PR in subsequent rounds, which some saw as a tactical decision by the CCM to recognise MoF's pre-eminent role in macroeconomic decision-making.

The selection of PR in Uganda was also influenced by the macroeconomic policy environment, which dictated that the MoF be the PR. The policy implications for Global Fund setup in Uganda were somewhat different in that there was an ongoing debate on the effect of (and how to incorporate) additional donor funds, in light of budget ceilings. The compromise strategy, whereby additional funds could be received if they were not included within the government's budget envelope, was probably the main factor accounting for the vertical project management system put in place in Uganda. The most contentious PR issue in Uganda, from the perspective of civil society, was that Global Fund funds were to be channeled only through government.

Similar issues arose in Mozambique, where there was considerable debate around which government body could receive external funding: both MoH and the national AIDS council were selected, the former to receive the bulk of the funds for three components and the latter for one component. Various delays in the process of approving the PR and disbursing funds to Mozambique led to increasing frustration among country constituencies in 2004 (see *Disbursement delays*).

Country experiences around PR selection show the effect of country systems on Global Fund roll-out:

- Zambia's selection of two civil society PRs was seen as a vote of confidence and a mechanism for other donors to channel funds to NGOs and faith-based facilities
- In selecting the MoH as the PR, the Global Fund and CCM were either unaware of, or underestimated, the policy constraints in Tanzania, due to global macro-economic policy prescriptions.
- Uganda's vocal civil society, notably people living with HIV/AIDS, meant that the decision not to appoint a PR for civil society was highly contentious. Global prescriptions also meant that the MoF would be the conduit for external assistance
- Mozambique selected the MoH and NAC as PRs. Considerable time and energy was spent working out how to receive and channel funds, given the delay in setting up the Common Fund.

Disbursement Delays

Across all four countries, a perception of slow disbursement appeared to be based on earlier raised expectations that funds would arrive and be spent more quickly than had so far occurred, rather than on a belief that the Global Fund was slower than other financing instruments. What was termed a 'crisis of expectation' in countries reflected urgency; and in Uganda and Zambia a suspicion among civil society around the whereabouts of funds, fuelled by rumours and media speculation. What had been heralded as a rapid financing mechanism had led to a frustrated expectation of rapid implementation.

No one reason accounted for delays in each setting, although some common experiences were reported across countries, such as changing information requests from the Global Fund and delays in completing PR and sub-recipient assessments. In some cases, bodies selected to manage disbursement and oversee activity implementation, such as the President's Office for Regional and Local Government (PORALG) in Tanzania, were reported to lack the experience or capacity to undertake the new roles assigned to it.

Zambia, whose large Round 1 proposal had been approved, moved quickly to put systems in place to receive funds and experienced various delays, which generated widespread frustration across constituencies. A similar picture with regard to attempts to reach early milestones was reported in Uganda. Countries were spending time producing work plans, monitoring and evaluation plans, and reports on initial disbursements, which took them time to get to grips with; only to find, when they submitted them, that the Global Fund's information needs and guidance had changed.

Some respondents were aware of and were frustrated about the opportunity costs to senior government staff of time spent producing reports for the Global Fund at a level of detail that turned out not to be required. A view in Uganda and Mozambique, and widespread in Zambia, was that the Global Fund in Geneva was engaging in goalpost shifting, partly because its own capacity was over-stretched.²⁰ An additional problem was the complicated reporting chain: PR reports, which had to be forwarded from PRs in Zambia to Geneva through the LFA, reportedly went astray in late 2003.

Delays and interruptions in disbursement often reflected inherent systems weaknesses, as well as Global Fund conditions, which had to be addressed before countries could proceed to the next stage. Various assessments, including ones on the PR and on procurement, had not been satisfactorily completed across the four countries. A decision by the Global Fund to agree to the request of government and donors in Mozambique that Global Fund resources be disbursed through the Common Fund showed the Global Fund's growing willingness to work through existing systems. However, delays in establishing the Common Fund rebounded on Global Fund disbursement. The Global Fund was not responsible for underlying systems weaknesses in Mozambique, which constrained its ability to move quickly. However, an inherent weakness in the Global Fund's 'learn as you go' approach, was that countries were not aware of the Fund's growing flexibility and relaxation of earlier conditions, which was also seen as goalpost shifting.

Delays in Uganda were compounded by its decision to establish a stand-alone Project Monitoring Unit (PMU) to manage Global Fund resources. A number of reasons appeared to account for this model: it was a mechanism for circumventing macroeconomic policy constraints associated with government budget ceilings; it kept Global Fund disbursement and implementation outside of public sector bureaucracy and accountability systems; and it was a model that had worked for earlier World Bank project loans. This new parallel structure, which was staffed by officials who had not been involved in earlier negotiations and were not familiar with the Global Fund, caused considerable unease among different country partners; and it contributed to delays in disbursement.

The complexity and contradictions in the policy context were illustrated in Tanzania, where a decade or more of public sector reforms had put in place legislation that proved to be an obstacle to rapid financing and implementation. The Government of Tanzania, at the instigation of global policy makers, had put in place a system for issuing and screening tenders before government contracts could be awarded. This was aimed to increase transparency and reduce the risk of corruption, but was

²⁰ Bezanson (2005a) comments: "Even allowing for these supplementary contractual arrangements, the administrative staff to program ratios of the Global Fund (secretariat) are exceedingly low". (p.11).

also leading to delays. Taxes on imported commodities, so as to raise revenue in Tanzania, were understandably not acceptable to the Global Fund if they were to be applied to insecticides imported for treating bednets. Further delays were likely before these impasses could be overcome.

A lack of coherence at the global level is evident in the contradictory policy pressures put on aid-recipient countries – pressure on the social sector ministries to apply for and receive additional donor funds conflicts with global macroeconomic policy prescriptions on ministries of finance to maintain fiscal discipline.

Establishing a new financing and disbursement system in diverse country settings is likely to be time-consuming, if a donor chooses not to ride rough-shod over existing systems:

- bilateral donors had spent many years establishing systems for disbursing funds to governments, which were not always embedded and sometimes not even functioning
- systems put in place to strengthen financial probity and raise revenue in countries, underpinned by legislation, conflicted with Global Fund efforts to ensure rapid financing.

A more general concern across the four countries was that sub-recipients and implementing agencies in receipt of Fund resources would be even less well equipped than PRs for managing Global Fund reporting and accountability conditions. This was attributed as much to low financial management capacity, especially among small NGOs and community based organizations, as to Global Fund reporting requirements. A damming back effect, in a performance-based disbursement systems, could in-time become a threat to the Global Fund's leverage for raising and replenishing its funds.

Country oversight

Country Co-ordination Mechanisms (CCMs)

Lack of clarity or uncertainty around the evolving functions of CCMs continued into 2004 in Mozambique, Tanzania, Uganda and Zambia, despite the dissemination of guidelines from the Global Fund in mid 2003. Likely reasons for this were overwork, due to the multiplicity of partnership forums and associated meetings – a typical comment being: “I may have seen such guidelines but I don't recall”; and because countries needed to but had not yet drafted their own guidelines. There was a gradually developing understanding of the importance of the CCM's role in implementation, but little evidence that that was being translated into a review of the appropriateness of the CCM's composition.

Zambia – being further down the road to implementation by April 2004 – was paying more attention to the CCM's role; although its decision to remove the PRs from the CCM, because of the potential for conflicts of interest, might undermine the CCM's oversight function. Tanzania was in the process of reviewing the role and drafting guidelines for its CCM at this time; an option being considered was to bring all HIV/AIDS control planning under the auspices of the CCM.

Despite efforts by the Global Fund in 2003 and again in 2004 to inform countries about the multiple roles of the CCM – responsibility for proposal preparation *and* oversight of implementation - countries were still not familiar with this new entity and CCMs were not well placed or equipped to undertake this oversight role

Likely to be of greatest concern to donors was Uganda, where the CCM had become sidelined by early 2004. The new PMU was reporting to the MoH at a senior level, but not to the CCM, making it difficult for the CCM to have an overview of implementation. Some longstanding development partners and major funders of Uganda's health and social sectors had more questions than reliable information on the status of Global Fund implementation. Key informants had major concerns around the accountability of the PMU and about giving it responsibility for procurement, as well as more general concerns around the likely impact on coordination.

The Global Fund management model adopted by the Uganda MoH – a stand-alone Project Monitoring Unit (PMU) – shows how easily a country can revert to a 'vertical' and potentially poorly integrated system for using new funds, given the confluence of global policy constraints and country-level political factors.

There was much discussion at the global level in 2003 and 2004 on the need to agree co-ordinated systems for monitoring and evaluating outcomes and impact of donor aid, both a more general need of global and country policy makers and a specific need of the Global Fund so as to be able to demonstrate value for money. Much of the focus was on agreeing core sets of indicators and was not highlighting or addressing what were more immediate difficulties for recipient countries: how to cope with diverse planning, financial management and reporting cycles and frequencies; and different conditions and information needs of donors, e.g. around procurement. In Zambia, the principal of making separate reports for individual donors was seen at the district level as less of a problem than were differences between the donors in reporting cycles and reporting frequency.²¹

Local Fund Agents (LFAs)

An area where the Tracking Study provided only limited insights was on the functioning of LFAs, both in individual countries and more generally as a model. LFA representatives were interviewed in Phase 1 (2003) but not in Phase 2 (2004).²² In the second phase, there were criticisms by some respondents of LFA performance, reporting that they lacked specific expertise or up-to-date knowledge of Global Fund processes; and in some cases had contributed to delays through failing to process and send reports to Geneva. Alleged failures were not explored through follow-up interviews with LFA representatives. The LFA not being always up-to-date with evolving Global Fund processes and procedures appeared to reflect what was a general problem for country-level stakeholders.

Even though the LFA was not a major bone of contention among country-level respondents (LFA costs were being covered by Geneva rather than from country Global Fund budgets), there was also no evidence and little to no support for the belief that this parallel financial monitoring system was necessary. Most respondents, who expressed a view, observed that it would have been more beneficial to use existing common financial oversight systems; or to co-ordinate with other donors in establishing robust systems, where they did not exist. In two countries, there was perceived to be the

²¹ In late 2004, an email exchange between the Global Fund Secretariat and donors in Mozambique indicated that the Global Fund was taking into account country feedback and was intending to harmonise its reporting requirements and cycles with established country procedures.

²² The Global Fund Secretariat facilitated interviews with LFAs in the four countries, covering the cost of the LFA's time input.

potential for conflict of interest, in that the organizations selected as LFAs were employed by governments to audit government systems.²³

Dropping the LFA model, which reportedly accounts for half of the Global Fund's global operational budget, might be an unnecessarily radical and disruptive option, three years after the launch of the Fund. A more pragmatic response could be a review of the LFA's role in individual countries, which might conclude that it performs a necessary role in some countries, but not in other where robust financial management and oversight systems already exist.²⁴

Moving from a standardised to a more country-tailored financial management and oversight system would be a similar development to the proposed move from standardised to more flexible systems for countries to apply for Global Fund support.

Implementation

It was planned that Phase 2 of the Tracking Study in the four countries would extend the description and analysis of Global Fund rollout to the district level. Two factors constrained this. First, Global Fund rollout was even slower than the study team anticipated. Disbursement from the Global Fund to countries had started; however, in early 2004, there had been little or no disbursement to implementing agencies at the district level. Hence, there was less to be gained than was hoped for from district visits.

Secondly, follow-up national level interviews in 2004 were generally more difficult than in 2003. In Zambia and Uganda, field workers were struck by how less receptive national level informants were to answering questions in 2004, compared to 2003. The impressions were that: (1) the intensity of the demands on national level stakeholders, government and donor alike, were even greater in 2004 (see *Complexity of donor architecture*); (2) the Tracking Study, which asked busy senior government and donor respondents to take time to answer questions, was also an 'opportunity cost'; and (3) questions asked about how (and how well) money would be spent had become more sensitive as money was beginning to arrive.

Field workers made visits to at least one district or municipal service delivery site and held interviews with government staff responsible for procurement in three of the four countries (Mozambique excepted). A prevailing concern across the countries was about lack of consultation and lack of involvement of districts; the pressure of the Global Fund application round process was forcing countries to revert towards top-down planning, reversing years of effort to develop bottom-up needs-based planning.^{25, 26} In Uganda the need for mapping of district level HIV/AIDS control activities

²³ The Global Fund commissioned an external review of the LFA system in mid 2004.

²⁴ Increasingly, commentators are calling on the Global Fund to relax its 'one-size-fits-all' business model approach and learn to adapt to circumstances and country systems in a systematic and strategic, rather than an ad hoc, way (see Bezanson 2005b and Radelet S. *The Global Fund to Fight AIDS, Tuberculosis and Malaria: Progress, Potential and Challenges for the Future*, May 2004..

²⁵ Findings from a mid 2005 2-country rapid assessment pilot study, funded by the Gates Foundation and conducted by the McKinsey Corporation under the auspices of the HLF Working Group on GHPs, makes important related points: "Countries frequently have (an) annual planning process with direction given to districts early in (the) process and it is difficult to add money/activities later. ... Districts (DMO) are not aware of all of the flow of money into district(s) especially the money that comes in via NGOs directly".

was beginning to be recognized. There was no evidence of lesson-learning from earlier initiatives, such as the World Bank MAP, which was also attempting to put in place a system for disbursing funds to civil society and community-based organisations.

On a positive note, there was some evidence that districts – if informed and involved in planning – could use additional resources to overcome obstacles to scaling-up disease control activities. In Zambia, where district managers were aware of the imminent arrival of these new funds, they were hoping that there would be flexibility in how they could use such funds to address shortages of human resources to implement activities. They talked of the need to use funds to incentivise and motivate staff and retain them in the public sector system; and even to contract-in staff to deliver the services and commodities that new GHI funds were promising.

The biggest constraint to using Global Fund and other new GHI funds across all four countries was expected to be the shortage of trained human resources. In 2003, NGOs in Mozambique had reported that they were being expected to promise not to ‘poach’ staff from the public sector. By 2004, with the launch and rapid roll-out of PEPFAR across the four countries, country level respondents including civil society representatives anticipated that such new GHIs would compete for the small number of capable NGOs and faith-based bodies, creating a competitive market where the piper who paid the most would call the tune. There was also an expectation that, in some cases, inexperienced and technically challenged NGOs would be receiving funds. Restrictions on public sector staffing levels and remuneration would exacerbate public sector staff shortages, already aggravated by attrition due to HIV/AIDS, accelerating staff leakage to non-government employment.²⁷

The onus would be on national AIDS control programmes (also TB and malaria), which had had little or no direct input into Global Fund proposals in Uganda and Tanzania, to co-ordinate these different funds and implementing agencies so as to ensure a coherent and co-ordinated scaling-up of disease control activities.

Human resources are *the* key to the success of the Global Fund and other GHIs. If retention levels are not improved, morale and motivation raised, funds could be mis-used and wasted. Competition for scarce human resources may exacerbate existing geographical and social group inequalities. Creative policies on incentives and staff retention need urgent coordinated discussion between global and national policymakers.

Conclusion

The Global Fund, alongside other new GHIs such as GAVI and PEPFAR, has radically changed the development aid landscape at the global and country levels since the early 2000s. Despite the enunciation of principles around additionality – that Global Fund financing would have to be additional to existing levels of aid to countries – there was general scepticism about donor intentions and about how to measure additionality and assess adherence to it (both additionality in donor aid and in government expenditure), in the short-term. Country level stakeholders, like their global

²⁶ An important ‘system-wide effect’ of the Global Fund and GHIs more generally, which was not captured in the Tracking Study, is their effects on non-focal disease priorities. The McKinsey pilot study reported: “GHP shift of focus may have hurt access to treatment for specific diseases (e.g. maternal and child health)”.

²⁷ In mid 2005, the McKinsey study reported that “GHPs have caused a migration of talent to more-funded areas in a talent-scarce environment”.

counterparts, recognised the new realities and were seeking to work towards policy goals – both for specific diseases and the broader millennium development goals – using a new financial mechanism in what had become a much more complex donor and development landscape.

The Global Fund Tracking Study evolved during 2003-04, in response to the changing country-level donor environment and country concerns that systems were not being strengthened, coordination was being undermined and new mechanisms to involve civil society were, for the most part, not yet functioning. We believe, and our research collaborators and others commenting on draft country reports corroborate, that the Study findings are an accurate and balanced reflection of Global Fund and wider GHIs processes in Mozambique, Uganda, Tanzania and Zambia in 2003-04. The findings are broadly consistent with other reports from similar sub-Saharan African countries; and their ongoing relevance has been corroborated by more recent reports.

Because of the rapid evolution and shifts in country policy contexts, the Study gave most effort to tracking and describing these changes. Its purpose was primarily to reflect country experiences back to countries, to assist them in articulating a bottom-up perspective in their negotiations with traditional and new donors. This Discussion Paper has extrapolated from those findings to meet the request from some global commentators to provide some general lessons that inform wider policy debates; and to highlight generic country-level issues which need to be tackled in order to ensure that much needed funds now flowing to countries are used effectively to strengthen systems and mobilize society-wide responses to overcome the ravages of AIDS, TB and Malaria, especially in the poorest countries of sub-Saharan Africa.

An unprecedented level of international consensus was achieved in 2001, which led to the remarkably rapid establishment of what was a radically new global entity to finance the control of these diseases world-wide, in the shape of the Global Fund. As Bezanson (2005a) states: "... if ever there was a major learn-by-doing initiative in international development, this was it! Indeed it is highly probable that there was no precedent or parallel for this kind of risk-taking, for this daring – even reckless – approach. It needs to be underscored that such daring was what the international community was demanding with the formation of the Global Fund."²⁸

Inevitably, there were early mistakes, but lessons have also been learned and there have been important achievements, not least in the Global Fund's significant contribution to the 700,000 people on ARVs in developing countries – a 75% increase in one year. 2005 is another pivotal year in global efforts to scale up disease control: "An exceptional window of opportunity has opened to finance and to achieve effective coordination in the scale up of the global effort against the three pandemics"²⁹, following the June 2005 G8 commitment of \$48 billion in additional aid by 2010. The forthcoming (September 2005) replenishment meeting will decide how large and how long-term a role the Global Fund will play in the global response. Clearly, strategic thinking is needed, and not just by the Global Fund, on how donors and recipient countries work together to best tackle the three diseases the Fund has highlighted, which will include strengthening health systems more generally. Such thinking needs to be accompanied by in-depth studies that track implementation in countries, sharing and exchanging the lessons learned in the process.

²⁸ Bezanson K.(2005a) *Replenishing the Global Fund: An Independent Assessment*, February 2005 (p 8).

²⁹ Bezanson K.(2005b) *The Global Fund. Strategic Situational Analysis: Preliminary Annotated Outline*, July 2005 (p 2).