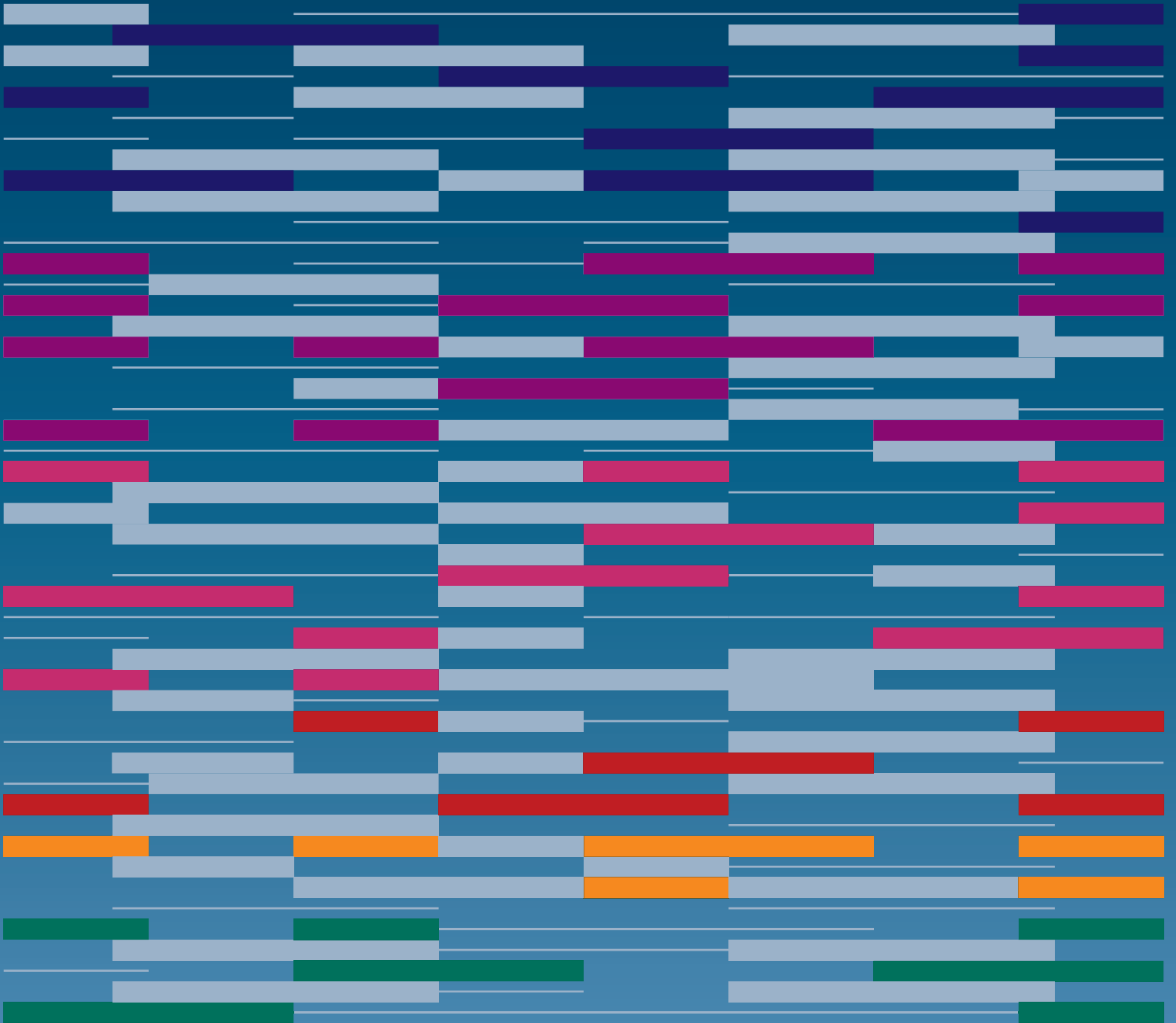LESSONS LEARNED IN THE FIELD
HEALTH FINANCING AND GOVERNANCE

A REPORT ON THE COUNTRY COORDINATING MECHANISM MODEL

Investing in our future
The Global Fund
To Fight AIDS, Tuberculosis and Malaria

CBO	Community-based organization
CCM	Country Coordinating Mechanism
DFID	UK Department for International Development
FBO	Faith-based organizations
LFA	Local Fund Agent
MAP	Multi-Country HIV/AIDS Program
M&E	Monitoring and evaluation
MoH	Ministry of health
NAC	National AIDS Committee
NGO	Nongovernmental organization
PEPFAR	President's Emergency Plan for AIDS Relief
PLWHA	People living with HIV/AIDS
PMI	President's Malaria Initiative
PR	Principal Recipient
SWAp	Sector-wide approach
TB	Tuberculosis
TNCM	Tanzania National Coordinating Mechanism
TRP	Technical Review Panel
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
WHO	World Health Organization

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RWANDA: The AIDS epidemic has orphaned millions of children around the world, leaving them to fend for themselves like this family of brothers, sisters and a cousin in Rwanda. By 1 June 2008, Global Fund-supported programs had provided basic care and support to 2.8 million orphans and vulnerable children around the world.

The Country Coordinating Mechanism (CCM) has been a cornerstone of the Global Fund architecture since the organization was created in 2001. CCMs embody the Global Fund's key principles of country ownership and partnership through multi-stakeholder collaboration.

Over the last seven years, the CCM model has steadily evolved, thanks to the invaluable contributions and hard work of thousands of CCM members worldwide as well as the generous support in time, resources and commitment from donors and other partners.

CCMs are responsible for mobilizing resources at the country level by organizing and submitting proposals to the Global Fund that reflect a gap analysis of national strategic plans. They also provide oversight to grant implementation to ensure successful outcomes. To fulfill these roles, a dynamic and genuine multi-stakeholder partnership is necessary. This report documents lessons learned about CCMs through 40 case studies across 20 countries. It covers eight thematic subjects and involved interviews with approximately 628 participants that were conducted in September and October 2007.

The case studies presented here show that while CCMs continue to face challenges, they have also raised the involvement of civil society organizations, people living with the diseases and the private sector to an institutional level for the very first time.

The openness and transparency of the CCM model helps to ensure that individuals and communities most affected by the three diseases play an active role with governments and other partners in shaping resource mobilization and distribution.

We hope that this summary of this important set of case studies contributes to understanding about the role of CCMs in the democratization of health and enables CCMs around the world to learn lessons from one another so that they can continue improving the lives of individuals and communities living with and affected by AIDS, tuberculosis (TB) and malaria.

Dr. Michel D. Kazatchkine
Executive Director

The Global Fund to Fight AIDS, Tuberculosis and Malaria was created in 2002 to finance aggressive interventions against the three diseases. So far, the organization has committed a total of US$ 10.7 billion to more than 550 programs in 136 countries (as of July 2008). The principles on which the Global Fund was founded include the establishment of a simplified and innovative process for allocating grants with efficient, effective and transparent disbursement mechanisms; support for programs that reflect national ownership and respect country-led formulation and implementation; and focus on performance by linking resources to the achievement of clear, measurable and sustainable results. Central to the Global Fund architecture is the CCM. The structure and the concept of the CCM are intended to reflect the principles of national ownership and participatory decision-making.

The CCM plays a crucial role in the country's success in accessing funds and in shaping the quality of program implementation. Countries have approached the operationalization of Global Fund principles for CCMs[1] in many different ways, with varying degrees of success. During the last few years, a number of interesting models and practices have emerged from the experience of building and managing CCMs. This report, which is based on 40 case studies in eight thematic areas covering 19 countries, describes a range of CCM models and experiences gained since the inception of the Global Fund. The report attempts to present a fair and balanced description of best case models, highlighting areas of continuing difficulty and concern.

Thematic areas

The report is divided into eight thematic areas: partnership and leadership; governance and civil society participation; CCM oversight practices; CCM secretariat; principal recipient (PR) and sub-recipient selection; conflicts of interest; CCM-PR-local fund agent (LFA) communication; and alignment and harmonization.

The **partnership and leadership** study suggests that the CCM partnership model has contributed to a redefinition of the relationship between government and civil society in the area of public health. The CCM platform brings together key stakeholders across the three diseases in a way that, in general, mediates competing interests and empowers civil society in those countries where government has learned to embrace multisectoral collaboration for the added value it brings. The greater the substantive participation of nongovernmental organizations (NGOs) in a CCM, the better the CCM performs. The voice of civil society in CCMs still needs strengthening, particularly where government dominates the public health arena and civil society is too weak to engage effectively.

Studies in the thematic area **governance and civil society participation** found key structural obstacles impeding civil society participation in CCMs. These include a lack of technical capacity among many civil society organizations, problems in accessing CCM-related information despite web-based availability, and difficulties interacting with civil society constituencies, especially in large countries such as India and Ethiopia. CCMs following predictable schedules and with clear governance structures, tools, and processes, function more smoothly than those relying on ad hoc processes and events. The case studies identified useful and replicable governance tools, including CCM terms of reference, new proposal technical review panels, sub-committees to handle oversight, a transparent PR selection process, a CCM website, and a technical review team meeting regularly to review the progress made by PRs. Civil society is often criticized for not having the requisite skills to contribute effectively; however, it is important for CCM leadership to create a culture of inclusion and mutual respect between government and civil society by actively seeking civil society input and opinion and welcoming different points of view.

The case studies on **CCM oversight practices** found that good oversight processes and procedures go hand in hand with good governance. Furthermore, effective oversight ultimately ensures that program implementation is on target. The oversight role expected of CCMs is still not sufficiently clear to many. It is expected that as the levels

of understanding improve, CCMs are likely to carry out their functions in this area more effectively than before. Better communication between CCM stakeholders, sound CCM meeting preparations and a strong, well-functioning CCM secretariats all contribute to better CCM oversight. The case studies identified good oversight practices, such as timely CCM meeting preparations and sharing of CCM meeting documents, regular field visits with clearly established objectives, and transparent mechanisms for PR and sub-recipient supervision.

The crucial role of a functional **CCM secretariat** in the performance of a CCM cannot be overstated. Case studies in this thematic area found that strong CCM secretariats make strong CCMs. Clearly defined and independent secretariats help CCMs fulfill their oversight responsibilities more effectively because of their enhanced ability to organize review materials and site visits. CCM secretariats operate better when they have "neutral" funding and office premises (i.e. not provided by CCM stakeholders), and when their terms of reference delineate them clearly from other CCM bodies. Strengthening CCM secretariats by providing, where possible, neutral and predictable multi-source funding as well as neutral locations are improvements that can significantly enhance overall CCM performance.

PR and sub-recipient selection has undergone a considerable transformation over the last few years from a haphazard, ad hoc appointment process to one which is much more organized, transparent, and objective. The case studies in this thematic area have found that greater transparency in PR and sub-recipient selection leads to better grant implementation. The use of objective and measurable selection criteria is a crucial part of a transparent selection procedure that lends credibility to the successful candidate(s) and diminishes suspicion of corruption. But despite the promising trend there is still progress to be made, particularly with respect to selection of sub-recipients.

As with similar organizational settings or institutions, **conflicts of interest** can occur within CCMs when, for example, a grant recipient may also be a voting member of the CCM–a state of affairs raising legitimate conflict of interest concerns. The case studies show that conflict of interest issues have not been adequately addressed. Where policies to mitigate conflicts of interest are in place, CCM members are often unaware of their contents and the policies are not sufficiently operational. Thus, better knowledge of conflict of interest issues and policies should be promoted among CCM members. In some limited cases, it might be beneficial for CCMs to request the support of external impartial organizations to handle their conflict of interest issues.

The **CCM-PR-LFA communication** case studies highlight the importance of the LFA role and the extent to which it is often misunderstood by CCMs and other stakeholders. Case study findings also suggest that working relations between the three entities would be significantly improved by the consistent application of the in-country *Communications Protocol* for LFAs. In addition, LFAs should bring greater programmatic expertise[2] so that they can more readily address their role in the Global Fund architecture, and they should routinely accept invitations to sit in on CCM meetings with observer status as a way of offering valuable opportunities to clarify their role to CCM members.

Global Fund principles for CCMs recommend that "wherever possible, CCMs should build on and be linked to existing mechanisms for planning at the national level". The **harmonization and alignment** case studies find that CCMs have responded with a variety of approaches. While Tanzania attempted to improve its alignment with existing national structures by expanding CCM functions, in Mozambique tight integration within other national health mechanisms has significantly reduced the CCM's independent functions. These two examples demonstrate the degree to which CCM alignment and harmonization is dependent on the specific national context and existing conditions and structures.

NICARAGUA: Many of the communities receiving Global Fund support are affected by simultaneous epidemics. Families living in a remote community in the Bluefields region of Nicaragua receive bed nets for the prevention of malaria and treatment for TB through programs supported by the Global Fund.

Since its creation in 2002, the Global Fund has become the dominant financier of programs to fight AIDS, TB and malaria, with approved funding of US$ 10.7 billion for more than 550 programs in 136 countries (as of July 2008). It finances programs that reflect national ownership, respect country partnership-led formulation and implementation, and complement and coordinate with existing efforts dealing with the three diseases. In addition to the principles of country ownership and alignment and harmonization of public health efforts, the Global Fund is committed to multi-stakeholder participation in all areas of the Global Fund architecture. This global public/private partnership recognizes that a multisectoral approach involving all relevant parties can have a significant impact on the reduction of infections, illness and death from AIDS, TB and malaria.

The Global Fund's main innovative features are its emphasis on the centrality of partnerships among all relevant sectors of society and on the concept of "performance-based funding", which makes the disbursement of funds dependent on the demonstration of measurable and effective results. While the concept of performance-based funding is not new, the Global Fund is pioneering practical systems to implement this approach, balancing the demand for accountability with the need for efficiency.

CCMs are a cornerstone of the Global Fund's architecture. As the country-level, public/private partnerships. They are central to the Global Fund's commitment to the principles of country ownership, participatory decision-making, inclusiveness and partnership-building with a particular emphasis on the role of civil society in the design, management and implementation of grants. In many countries, government, the private sector and civil society are collaborating to decide crucial programmatic issues. This has not only become a strong factor in the potential sustainability of a country's disease-fighting efforts but a catalyst for democratic processes whereby civil society, including vulnerable and marginalized groups, acquire a voice in national decision-making processes.[3]

With overall responsibility for the mobilization of Global Fund resources in recipient countries, CCMs coordinate the submission of grant proposals and requests for continued funding, select PRs, and provide oversight for all Global Fund grants. CCMs are also required to ensure linkages and consistency between Global Fund assistance and other development and health assistance programs in-country.

In 2004, the Global Fund issued the *Guidelines on the Purpose, Structure, Composition and Funding of Country Coordinating Mechanisms and Requirements for Grant Eligibility* (the CCM Guidelines), which are periodically revised to reflect policy changes. CCMs note varying degrees of success to put these guidelines

[3] Global Fund. *An Evolving Partnership: The Global Fund and Civil Society in the Fight Against AIDS, Tuberculosis and Malaria,* Geneva, 2007, 29.

into practice. During the last few years, a number of interesting models and systems have emerged globally as CCMs continue to evolve in their understanding of participatory processes and governance.

In September and October 2007, the Global Fund commissioned 42 country-level CCM case studies with the objective of documenting lessons learned both as to what is working and what is not in the operationalizing of CCM principles. Ultimately 40 case studies were conducted on eight thematic areas –partnership and leadership, governance and civil society participation, CCM oversight practices, CCM secretariat funding, PR and sub-recipient selection processes, CCM-PR-LFA communications, conflict of interest, and harmonization and alignment (as shown in Table 1 below).

This report summarizes these case studies and provides a panorama of the diverse CCM experiences since the Global Fund's inception.

Methodology

Twenty countries were identified to coincide, in part, with those selected for Study Area 2 ("Partnership Environment") of the Five-Year Evaluation of the Global Fund. The selection also took into account the Secretariat's experience and knowledge of developments in CCM practices and management across the eight Global Fund regions. Out of the planned 42 case studies in 20 countries, two were not done in Jordan because a consultant was not identified in time to conduct the case studies. Prior to the start of the case studies, four orientation workshops for consultants were held, one in each of the following cities: Frankfurt, Johannesburg, Kuala Lumpur and Washington. The purpose of the pre-case studies workshops was to familiarize consultants with the scopes of work, objectives and methodology to minimize variability in data collection and reporting. In addition, a guide with questions was developed for each theme and given to all consultants.

Data collection methods included, (i) a desk review of the relevant Global Fund literature pertaining to CCMs as well as country-specific documentation (grant proposals, minutes of meetings, governance instruments, selection tools, etc.); (ii) 628 in-depth interviews with key Global Fund stakeholders in-country, including CCM members, grant implementers and LFAs; and (iii) one focus group discussion in each country with some of the key CCM constituencies, (e.g. civil society and people living with/affected by HIV/AIDS). Data analysis of CCM and stakeholder interviews was done by summarization of topics across respondents in each thematic area.

Table 1 Case Study Matrix

STUDY THEME	COUNTRIES
CCM Oversight Practices	Bulgaria, CRN+, Ethiopia, Kenya, Peru, Tajikistan, Tanzania, Zambia
CCM Secretariat Funding	Cambodia, Honduras, Mali
CCM-PR-LFA Communications	Mali, Nigeria, Peru, Zambia
Conflict of Interest	Jamaica, Kenya, Zimbabwe
Governance and Civil Society Participation	Cambodia, Ethiopia, Honduras, India, Kenya, Romania, Tajikistan, Tanzania
Harmonization and Alignment	Cambodia, Mozambique, Nigeria, Tanzania
Partnerships and Leadership	Honduras, Malawi, Nigeria, Peru, Zambia
PR and Sub-recipient Selection Processes	Ethiopia, Kenya, Romania, Sri Lanka, Tanzania

The rationale for broad CCM membership is based on aspirations for comprehensive ownership, holistic approaches to programming and a results-oriented work ethic. Success is understood to hinge upon the ability of members to act as equal partners within the workings of the CCM and contribute to leadership. To explore experience with partnership and leadership within CCMs, case studies were conducted in **Honduras**, **Malawi**, **Nigeria**, **Peru** and **Zambia**.

The case studies focused on how partnerships and leadership within the CCM are contributing toward the scaling-up of the global response to HIV/AIDS, TB and malaria. Emphasis was placed on the roles and interplay between the different CCM stakeholders–in particular between civil society, government and the private sector –and the benefits and challenges of their participation. The case studies identified characteristics of CCM leadership that facilitate good management of CCM governance processes and the active involvement of all members in decision-making. Lessons learned were identified in the following areas:

- Importance of establishing good governing processes related to decision
- Transparent selection process for CCM leadership
- Changes in CCM leadership
- The CCM as a public/private partnership
- CCM processes as reflective of the principle of national ownership

For a better understanding of the issues under this thematic area, it is useful to list here the Global Fund's core principles relating to CCMs:[4] In summary, CCMs shall:

- Reflect national ownership.
- Respect country partnership-led formulation and implementation processes that build on, complement and coordinate with existing regional and national programs in support of national policies, priorities and partnerships.
- Build on and link, where possible, to existing planning mechanisms at the national level.
- Be consistent with national strategic plans, and, for example, build on national programs for the specific diseases and national health strategies, and link to broader national coordination efforts including poverty reduction strategies and sector-wide approaches.
- Broadly represent a variety of stakeholders, each representing an active constituency with an interest in fighting one or more of the three diseases.
- Represent a gender perspective.

Redefining the relationship between government and civil society in the area of public health

Overall, the case studies found that the CCM partnership model, with its requirement for multi-stakeholder membership and responsibility to treat all members as equal partners, is a successful one. The mandatory inclusion of individuals and communi-

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[4] Global Fund. *Revised Guidelines on the Purpose, Structure and Composition of Country Coordinating Mechanisms and Requirements for Grant Eligibility,* Geneva, 2005.

ties affected by or living with the three diseases in the proposal development and grant oversight process has improved the functioning of health programs by bringing to bear the experiences and expertise of those most directly involved with program services.

The guideline principles and recommendations for CCMs bring together the key stakeholders across the three diseases in a way that generally mediates competing interests successfully.[5] However, in some countries, the CCM model has achieved something still more profound, i.e. a redefinition of the relationship between government and civil society. Through its status as an equal partner within the CCM, civil society is acquiring more and more of a key voice in national level decision-making. Government, on the other hand, is learning to recognize civil society as an equal partner and multisectoral collaboration as bringing added value in the area of public health.

True partnerships

While the case studies clearly indicate that government is learning to accept civil society as an equal partner, they are silent as to what civil society has learned from the CCM experience. One can assume, however, that civil society has at the very least been able to add to their understanding how government functions and realize that each sector has an indispensable role in the response to the three diseases. The nongovernmental sector alone cannot meet the challenges of the three diseases. In general, it seems

that relationships in the CCMs have evolved in many countries from a mandated "marriage of convenience" into real partnerships with increased mutual appreciation. As such, they not only satisfy Global Fund requirements but ensure that the comparative advantage of all partners is brought to solving problems in the three diseases.

Honduras and **Peru** provide examples of the evolution of relations between sectors to produce successful cooperation and government recognition of civil society as an equal partner. The National Multisectoral Coordinator in Health (CONAMUSA) is the CCM for Peru. It comprises representatives of the public sector, NGOs, people affected by the three diseases, religious groups, academic institutions and bilateral and multilateral development agencies. The private sector, however, is not represented, as is the case with many other CCMs. Civil society represents 41 percent of CONAMUSA membership, thus meeting the minimum 40 percent representation from non-governmental sectors recommended by the Global Fund. Over time, the strong leadership and outreach demonstrated by the Peruvian Ministry of Health (MoH) produced a broad partnership between the public sector, international organizations and a cross-section of civil society, including NGOs and representatives of diverse groups of people living with AIDS and TB. The MoH took a proactive approach to engaging other ministries, NGOs, and key affected populations. In a subsequent phase of

CCM development, however, the MoH greatly reduced its active role in the CCM. This created space for civil society members to step in and essentially assume leadership, eventually enabling them to provide oversight to program implementation.

In Peru, the collaboration between government and civil society has contributed to the creation of a new working relationship between these two sectors. Through the CCM model of partnership, the MoH came to understand that there are clear benefits to a multisectoral approach and learned to take a more collaborative approach with other sectors, especially civil society. The MoH's outreach to other sectors and sharing of responsibilities within the CCM was an important move away from a top-down approach to managing the health sector in that country.

Similarly, in Honduras, positive changes were observed in the relationship between civil society and the government through their collaboration in the CCM. Working together as equal partners with the government had an empowering effect on civil society. Reportedly, civil society organizations gradually gained strength due to the activities financed by Global Fund grants in the country. Today they have greater political space and power. An additional positive development was the active participation in the CCM of organizations representing people living with HIV. The Honduras case study found that due to their repre-

[5] See *Malawi,* 22.

sentation in the CCM, the HIV/AIDS activities financed by the Global Fund were of better quality than they would have been otherwise. It seems that in Honduras, civil society organizations benefited both from their participation in the CCM and from Global Fund-supported interventions. Even though the voice of civil society is heard more than ever before in Honduras, it is still in need of strengthening.

In **Romania**, the broad-based multi-sectoral approach to decision-making is perceived as truly ground-breaking for a country in which the central leadership role of governmental agencies has traditionally been very strong. Under the auspices of the CCM, top-ranking politicians, governmental officials, academics, representatives of international organizations, donors and civil society representatives came together for the first time to discuss both strategic and operational issues. Through the CCM, Romania adopted a truly innovative approach to pursuing the common good. The challenge of fighting such epidemics as HIV/AIDS and TB is greatly mitigated by coordinating activities, and sharing decision-making and responsibility for results with all stakeholders.

It is noteworthy that in many countries the CCM has evolved from a government-majority grouping to a more equitable partnership mechanism producing a more even-handed collaboration between government and civil society, e.g. in **Sri Lanka**[6] and **Honduras**. Honduras provides a clear indication

The added value of CCMs

Case study findings indicate that the benefits of the CCM model lay in the following areas:

• Encompassing the comparative advantage of all stakeholders in combating the three diseases by providing a mechanism to bring them together as equal partners.

• Strengthening the voice of civil society, and enhancing its visibility and technical capacity in the three disease areas.

• Improving government performance in the three disease areas by including civil society as "watchdogs" and motivators of good performance and thereby enhancing oversight

that the more civil society participates in the CCM, the better the CCM performs. The Honduras case study also suggests that the functioning of the CCM improved significantly with the improved quality of civil society representation and participation.

Importance of strong and transparent leadership

When positive leadership is described in the CCM context, it is often called "transparent", "consistent", "inclusive" or "democratic". A good example of what is meant by transparency in CCM leadership is provided by **Nigeria**, where decisions are taken collectively and democratically by CCM members, and minutes are made available to members in time before the next meeting – at which time they are approved by the participants.

CCM leadership characteristics in Nigeria include:

• Ability and willingness to listen to and respect the views of members;
• Encouragement of active participation by all at CCM meetings;
• Responsiveness to members' needs for advice and assistance where possible;
• Communicating a clear understanding of the roles and responsibilities of CCM members.

[6] See also *Sri Lanka, PR & SR selection processes*, IV, 15.

Positive and negative leadership characteristics

The case studies in this thematic area identified certain characteristics or qualities that make for strong or weak CCM leadership.

The case studies were unanimous in identifying which qualities were considered the most important for those who provide leadership to the CCM, especially the Chair: openness, transparency and responsiveness. In addition, the CCM Chair needs to be a proficient communicator and enabler of information flows and mechanisms. This applies regardless of whether the leader is drawn from government, civil society or from international collaborators.

Negative leadership characteristics identified by the case studies are as follows:

- Does not manage participation and work within multidisciplinary teams, e.g. does not ensure sufficient civil society participation
- Is not clear about CCM responsibilities or those to be performed by PR, sub-recipient and LFA
- Does not competently handle strategic processes
- Does not lead with much enthusiasm or motivation[7]
- Misses CCM meetings, frequently prioritizing government responsibilities over CCM responsibilities [applies to public-sector Chairs only]
- Dominates meetings, often insisting on own "agenda" rather than facilitating consensus

Zambia is one of 36 CCMs chaired by a civil society representative and not, as in most cases, by a government representative. This is a positive factor helping to balance multi-stakeholder interests and power relations within the CCM. On the other hand, the Zambian case study identifies the CCM Chair's lack of access to government as a disadvantage, given the importance of staying abreast of any developments within government that may impact issues relating to the three diseases. It is therefore recommended that a civil society Chair should always foster excellent relationships with the

Positive leadership characteristics for CCM Chairs

- Experienced facilitator and promoter of change
- Enjoys CCM members' respect and has a longstanding relationship with the mechanism
- Sound conflict resolution skills and able to mediate between different stakeholders
- Enjoys a high measure of respect and acceptance by the government
- Accountable and transparent
- Ability to galvanize mobilize and enthuse CCM partners
- Displays a high level of commitment to the fight against AIDS, TB and malaria[8]
- Excellent communication skills
- Results-oriented approach
- Solid meeting management skills
- Well organized (ensures minutes and documents distributed on time, handles agenda well, prioritizes)
- Ability to work under pressure
- Keeps information flowing between CCM members

[7] See Zambia, 15, for an illustration of the leadership characteristics listed thus far.
[8] See Honduras, 13-14.

government and ensure that CCM members are kept informed of any new agreements, commitments or other changes instituted by political and administrative leaders relating to public health issues. Notwithstanding the Zambia case study findings, it should be noted that a civil society Chair does not preclude a direct line to developments within the public sector via other government CCM members and their connections with their constituency.

Overall, the personal qualities of the CCM Chair play a crucial role in the effective functioning of the body. Transparency, openness, strong facilitation skills, commitment, and a high level of respect are all valued traits of a CCM Chair. It is generally less important which constituency the Chair represents; it is his or her personal qualities that are essential to ensuring a well-functioning CCM.

Managing CCM leadership change and the need for leadership support

The case studies indicate that it is important for CCMs to change leadership when a problem is identified with the current leadership or, more often, when a term limit comes to expire. In the case of **Malawi**, the former Chair (Principal Secretary MoH) was also the PR for malaria and TB grants. Recognizing that this dual role constituted a conflict of interest and compromised his ability to carry out his responsibilities in a disinterested manner, the former Chair was instrumental in bring-

ing about the transition to new leadership, and a senior government official from the Treasury was voted in democratically as the new Chair. In **Nigeria**, the CCM leadership encountered problems owing to misunderstandings regarding its roles and responsibilities and a conflict with one of the PRs. A change in leadership in June 2006 received broad support, confidence and goodwill. The current leadership is described as open, transparent, focused, efficient and responsive, and has contributed significantly to the better functioning of the CCM.

In general, the case studies find that the immensely complex and highly interpersonal role of the CCM leader is seen as requiring more support and has the potential for improvement. There is a call for greater investment in CCM leadership development, which should go beyond the needs of the CCM Chair. All representatives that serve on the CCM are leaders of their constituencies and could benefit from guidance in balancing CCM imperatives with the needs and expectations of their constituencies, as well as from capacity development to improve their leadership skills. Also, malaria and TB stakeholders tend to be overshadowed by HIV/AIDS interests. This needs to be addressed from a leadership perspective. CCM leadership training could share and transfer effective leadership skills from other leaders through trainings and mentoring programs.

SUMMARY

Strong civil society participation, combined with the assumption that all CCM members are equal partners, makes the innovative public/private partnership of the CCM a successful one. The CCM manages to bring together key stakeholders across the three diseases in a way that, in general, balances competing interests. It lives up to its principles of broad and inclusive participation. The case studies suggest that this has brought about a new definition of government/civil society relations in the area of public health. Through the CCM platform, civil society has gained strength in those countries where the government has learned to embrace multisectoral collaboration as a valuable model. However, despite this positive trend, civil society still needs strengthening in the many countries where government dominates the public health arena to the exclusion of a civil society too weak to engage effectively. The role of leadership is crucial for CCM functioning; it can make or break it. For example, by actively encouraging civil society participation and expression of opinion during CCM meetings, a leader can enhance the civil society presence in the CCM. CCM leadership could be significantly supported by the establishment of leadership development budgets – possibly as part of the CCM secretariat funding – or by promoting capacity development by skills transfer such as online peer coaching between CCM leaders from different countries.

MAIN RECOMMENDATIONS

- Empower civil society to improve its CCM participation by making funds available for capacity building, e.g. in the areas of project management and implementation, monitoring and evaluation (M&E), financial management and building local leadership.

- Support better civil society consultation with their constituencies by making funds available for such consultations

- Find creative ways of supporting leadership learning and skills transfer (e.g. by online peer coaching), highlighting successful examples of leadership through documentation and dissemination, or making leadership training modules available to the CCM

- Review of CCM leadership performance and, if necessary, changing the leadership to a more open, inclusive and responsive one

- Continue to encourage expanding sector representation in CCMs (e.g. the private sector, key affected populations, women, trade unions, etc.)

In a manner analogous to the Global Fund's own Board, CCM members are responsible for governing Global Fund investments within countries. Eight case studies were conducted in Cambodia, Ethiopia, Honduras, India, Kenya, Romania, Tajikistan, and Tanzania to examine factors which impact upon governance and civil society participation in particular.

Weak civil society voice in CCMs

In many countries, the voice of civil society in CCMs is perceived as weak and in need of strengthening. The case studies in this thematic area report concerns about the sector's level of "meaningful participation". In **Malawi**, for instance, civil society representatives tend to be more descriptive than analytical in their contributions at meetings (i.e. they report on what is happening in the field rather than provide substantive inputs on technical, policy, and strategy matters).[9]

In addition, there is the impression that civil society leadership is often not well informed about the latest developments, and that many cannot negotiate the gap between the requirements of implementation on the one hand and policy and strategy on the other.

In **Sri Lanka**, where government is still perceived as the driving force on the CCM, there are concerns as to how real civil society opportunities for meaningful participation may be. As one case study respondent states: "The CCM is moving towards a more ideal model and has made progress over the last year. More NGOs are engaged…. but there is still a need for leadership … to get more participation."

In response to the perceived and/or identified weaknesses of civil society participation in CCMs, there is a call for civil society capacity building to produce effective engagement in CCMs and program implementation.

AREAS FOR CIVIL SOCIETY CAPACITY BUILDING PROPOSED IN THE CASE STUDIES

- Project management and implementation, including reporting

- Data management and utilization

- Monitoring and evaluation (M&E) processes

- Financial management

- Building local leadership

- Policy and strategy matters

- Developing a deeper understanding of the economics of the three epidemics and other technical matters

- Understanding Global Fund principles and processes relating to CCMs and PRs; technical assistance for proposal writing and planning[10]

- Presentation and advocacy skills

In **India**, respondents complained that "all the key CCM information is with the government and most NGOs are poorly informed". Civil society representatives are obliged to seek information proactively in order to optimize their input to CCM deliberations and decision-making.

Poor CCM organization in **Kenya** negatively affects the participation and performance of civil society. Poor communication and information sharing in combination with less-than-satisfactory reporting, by delaying disbursements, are the main challenges identified by CCM members as affecting civil society participation in the CCM.

In **Tanzania**, the capacity of most civil society organizations - especially those located in rural areas - to submit technically sound proposals is limited, which in turn impedes their participation in Global Fund grant implementation and ultimately challenges the need for program scalability and sustainability. The requirements of performance-based grant-making, which are fundamental to the Global Fund principle of accountability, are difficult for some civil society organizations to comply with. In addition, rural civil society organizations are disadvantaged by their isolation and Tanzania's poor communications infrastructure, which limits their access to information on Global Fund grants via the internet. Challenges to communications between civil society representatives on CCMs and their constituencies were reported in all

In addition to the areas mentioned above, the Sri Lankan CCM proffered suggestions to develop umbrella organizations and networks, and to make funds available to allow for regular constituency communications.

Structural obstacles to strengthened civil society participation

- *Technical Capacity,*
  The capacity of civil society organizations – particularly those in isolated or rural areas - to develop technically sound proposals is quite limited, as compared with government or international civil society organizations.

- *Access to information*
  Civil society organizations often find it difficult to access critical information.

- *Difficulties interacting with constituencies*
  Civil society organizations, especially in countries covering large areas and/or with underdeveloped communications and transportation infrastructures, often face serious challenges to interactions with their constituencies.

- *Poor CCM organization*
  Poor information sharing –a responsibility of CCM leadership– often disadvantages civil society members by not allowing enough time for the review of documents critical to an upcoming meeting when they are circulated at the last minute.

[10] *Zambia,* 21; *Sri Lanka, PR Selection,* 17.

40 countries where case studies were carried out.

In **India**, the limited communication between civil society CCM representatives and their constituencies was noted as a "key challenge that prevents civil society organizations' effective participation" in the CCM. India is a vast country with thousands of NGOs. Because of the sheer quantity of NGOs, it is a formidable challenge to reach out to all the constituencies civil society CCM members represent with information about key CCM decisions. In the areas of HIV and TB alone, there are more than 3,000 NGOs working in India. Gathering constituency information to feed into the process of CCM decision-making is equally challenging. Resource constraints were highlighted as one of the critical reasons why mechanisms for constituency interaction have not been established.

Similarly, in **Ethiopia**, it is reported that constituency feedback and communication happens on an ad hoc basis and mainly with civil society organization boards of directors only, and not with their membership. In order to bring the CCM closer to the civil society constituencies it represents, the Ethiopian case study recommends the creation of regional sub-CCM mechanisms to complement the work of the federal-level CCM.

India's selection process to determine membership of NGO constituencies provides a sound example of a well-designed web-based mechanism. However, it is also an example of how a process can exclude many civil society organizations from participating when they have limited or no web connectivity. Though the advertisement for enrollment into NGO constituencies was published in all leading newspapers and on the CCM website and other listserves, it proved impossible to reach the huge numbers of organizations that have no access to the internet. The fact that only 284 organizations attempted registration shows that either the vast majority of NGOs missed the advertisement or the predefined selection criteria were too stringent and exclusionary (e.g. a minimum financial turnover of US$ 125,000 was required, which is very high for NGOs in India). This automatically eliminated many grass-roots NGOs from being part of the constituency. While this selection process provides an example of transparency and impartiality, it also demonstrates that inappropriate criteria that "set the bar too high" can exclude important stakeholders from CCM participation.

Another factor hindering more effective NGO participation in **India** is that the NGOs themselves are often dependent on the government funding. The case study identifies a somewhat unhealthy "contractor–provider" relationship between the government and civil society. Many respondents expressed the view that this relationship negatively influences the effective participation of civil society in the CCM. It was felt that civil society representatives on the CCM are unlikely to express opinions that may jeopardize their working relationship with the government, thus compromising their role as advocates of community interests. Even though it is common for civil society organizations to be funded by governments, the potential issues raised in the India case study may well affect civil society organizations in other countries. (In the interval between the completion of the case study and the writing of this report, the selection criteria were relaxed).

CCM representation across the three diseases

People living with or affected by HIV/AIDS are well represented in the CCMs; however, this is not always the case for the communities living with or affected by TB and malaria. The reason for this is that associations representing these communities do not exist in many countries. This distinction between the communities is in part due to the high degrees of stigma and discrimination still associated with HIV/AIDS, which bring people together to protect their rights and seek representation.

The example of **India** demonstrates that there is still a long way to go with regard to women's representation in CCMs. Of the 32 members, only nine are women, i.e. just 28 percent of CCM membership. The India case study recommends the provision of specific guidelines on the representation and participation of women in the CCM.

Useful CCM governance tools and protocols

- Governance manual: basic document describing procedures for member selection, rotation, norms of conduct for meetings, quorum, attendance, alternates, etc. (Sometimes referred to as terms of reference.)

- Country-level review panel: a CCM sub-committee composed of technical experts from the three disease areas who screen and review proposals and make recommendations to the CCM.

- Sub-committees on various issues, such as M&E and finance

- Codified PR selection processes

- Voting methods: show of hands for simple decisions; secret ballot for sensitive decisions requiring confidentiality; members with a declared interest to abstain from voting on that issue and leave the room.

- Alternates system: each CCM member can nominate an alternate, who attends meetings in their absence and can vote on behalf of the member she or he replaces. It is the duty of the CCM member to brief the alternate.

- CCM retreats

- CCM website

- CCM secretariat

- Oversight tools (this list is not exhaustive):

  - Regular CCM meetings with standard agenda items for oral reporting on grant implementation progress;

  - Quarterly review team: mechanism meeting quarterly to review PR progress;

  - Quarterly monitoring meetings with written reports submitted by PRs to the CCM on grant progress;

  - Special oversight reporting from technical working groups/task forces and interested non-CCM members;

  - Field monitoring visits undertaken on a regular basis by teams composed of CCM and non-CCM members.

CCM governance tools

The existence of governance tools and protocols clearly facilitates the work of the CCMs.

Terms of reference

Governance manuals, also known as terms of reference, are critical to the functioning of the CCM. In all the countries where case studies were conducted, CCM terms of reference were in place. Terms of reference lay down, among other things, the roles and responsibilities of CCM members; selection processes and rules for constituency representation; guidelines on the election of the Chair and Vice-Chair; and rules guiding the decision-making process. The governance manual is the basic document that guides the functioning of the CCM. Many countries have reported a significant improvement in the functioning of CCMs following the drawing up and operationalization of the terms of reference. Once terms of reference have been developed, it is important to ensure adequate sensitization and training of CCM members regarding its content.

In the case of **Tanzania**, though a detailed guideline exists for the Tanzania National Coordinating Mechanism (TNCM), "they [i.e. the terms of reference] are little known and even less put into use". The reason cited is the "lack of ownership" among CCM members due to the process of developing them, suggesting the need for a fully consultative development process with all key stakeholders. In several countries, the governing manuals were finalized with the help of ad hoc committees formed for this purpose and ratified in CCM meetings.

System of alternates

The system of alternates is a useful means of ensuring adequate representation and a quorum. It is an arrangement by which a constituency selects an alternate to stand in for the primary representative at those meetings she or he is unable to attend. Alternates are also allowed to vote on behalf of the CCM members they replace. It is the duty of the CCM member to brief the alternate. The system of alternates is reported in three country case studies – **Cambodia**, **India** and **Tanzania**. The system is found to be effective in all three countries and should be highlighted as a successful and replicable practice (for which India and Cambodia have developed clear guidelines). The use of alternates underlines the importance of CCM meeting attendance and delivers the message that members are there on behalf of their constituencies and not their own personal interests.

Use of the internet for CCM operations

The use of the internet is becoming more and more important in dealing with development challenges. CCMs are also increasingly using it as a tool to support their tasks. In **Romania**, the most important formal communication channel for the CCM – CCM meetings aside - is the internet. The Romanian CCM has an informative, user-friendly web page in Romanian and English,[11] kept continuously updated by the CCM secretariat. It provides information on recent developments, grant implementation, and PR and sub-recipient activities. The website also provides a channel for feedback to the CCM secretariat on current issues. In addition, all civil society CCM members have their own internet sites where they post information regarding their work and Global Fund grant implementation.

In **India,** the internet has been used since August 2006 to select civil society representatives. The CCM website hosts an online enrolment and polling mechanism, supported by nationwide newspaper and internet announcements. As a result of this online process, 121 organizations were selected for registration. The final results were posted on the India CCM website and formal communications were sent to the elected organizations. Despite the shortcomings of the selection criteria (see above, under "Structural obstacles to strengthened civil society participation"), this is a solid example of a useful web-based CCM tool.

Ignorance of governance tools: the importance of a consultative development process

Even where governance tools are in place, case studies report widespread unawareness of their contents. Many CCM members have never received a copy of their terms of reference. In **Tanzania**, for example, detailed CCM guidelines have been created. However, they are neither adequately known

[11] Available at http://www.ccmromania-gfatm.com/index.php?lang=en.

among CCM members nor operationalized. One explanation could be that the development process did not include all CCM stakeholders; another, membership turnover and insufficient training of the new CCM members. The CCM governance instruments in Tanzania, which are relatively new, have the potential to support capacity building among civil society members and strengthen their participation, and to contribute to implementing the Global Fund principle of transparency. However, first they must be applied and understood and actively promoted among CCM members.

Clearly, it is important to involve the end users in the development of all CCM governance tools. This leads to better ownership, understanding and adherence to its processes and procedures.

To achieve better knowledge of CCM governance and the tools used to enhance better functioning, the case studies recommend educating new CCM members, where the tools could be presented and discussed. This would in turn facilitate better participation in CCM proceedings and meetings. The lack of knowledge regarding governance tools is also relevant to the thematic area of conflict of interest.

Actual use of governance tools by CCMs

The case studies found that the extent to which CCMs use governance tools in their day-to-day operations was not entirely evident. What seemed clear

was that there are variations between countries in the approach to developing such tools and their use. While some, such as **Ethiopia**, actively use their governance tools, other countries have been less successful in institutionalizing them. There is a dire need to promote their use across all CCMs. The Global Fund Secretariat posts several examples of governing documents on its website; however, not many respondents knew of their availability. CCMs should therefore be encouraged to regularly visit the Global Fund website.

CCM communication strategies to improve CCM governance

Given the nature and extent of CCM responsibilities, communication is a cross-cutting issue. A communication strategy would be a very helpful tool to improve CCM operations and forms one of the recommendations in the CCM Guidelines. There is a need for better information flow between CCM members and their constituencies as well as various key stakeholders in the country. Strong communications channels could also be helpful in improving oversight and interactions with other key Global Fund players such as the PR, LFA, sub-recipients and other coordination mechanisms within the country. A communications strategy could include but not be limited to CCM meeting preparations and follow-up, induction of new CCM members, information on CCM governance tools and the CCM's oversight arrangements, constituency consultations and feedback.

Summary

While CCM governance can be greatly enhanced through the development and application of governance tools, it is obviously necessary to equally promote their knowledge and use among CCM members. A CCM communications strategy would greatly improve CCM functioning and could include, (among other things) improved meeting preparations, disseminating information on governance tools, and developing a practical CCM website. In addition, capacity building of civil society representatives would be helpful in strengthening civil society participation in the CCM.

Main recommendations

- CCMs should consider communications strategies to improve information flow and ensure that governance tools are understood among its members and constituencies.

- Ensure participation of all relevant stakeholders in the development of CCM governance tools to achieve better ownership, adherence to and use of the tools.

- Educate new CCM members about their roles and responsibilities, governance tools and expectations of CCM member participation.

- Increase knowledge of governance tools by:

  - including them on CCM websites (see last recommendation below);

  - proactively fostering a climate of inclusion and openness to ensure that the voice of civil society is heard;

  - guaranteeing open and timely flow of CCM-related information to civil society members;

  - increasing the membership of people living with the three diseases, women and other vulnerable groups as civil society representatives; and

  - encouraging the active participation of civil society representatives in CCM meetings by solicitating their input and opinions.

- Establish, where feasible, a CCM website which should, at a minimum, contain the following information: CCM membership, terms of reference and other governance tools including Global Fund governance documents; CCM meeting schedule and agendas; CCM decisions; information on CCM member organizations and representatives; and information about grant implementation as well as PR and sub-recipient activities.

Overseeing grant implementation is a core responsibility of the CCM. The case studies explore how CCMs are addressing their oversight role and identify useful oversight tools being used by CCMs around the world. Specifically, the case studies look at whether CCMs are fulfilling their oversight responsibilities and, if not, what obstacles are preventing them from doing so. Best practices were identified to help struggling CCMs improve their oversight functions.

CCM oversight role

Providing oversight to proposal development, grant negotiation and grant implementation is an essential function and responsibility of the CCM. The CCM Guidelines specify that CCMs should have an oversight plan in place. Without such a plan, the CCM might be ineligible for funding. Oversight is also a key function of CCM governance. Its purpose is to ensure that program activities are implemented as outlined in the grant agreement by:
- providing strategic direction to the PRs;
- checking adherence to Global Fund policies and procedures; instituting financial controls (including independent audits); and
- following up on key recommendations.

The core principle of oversight is to ensure that resources – financial and human – are used efficiently for the benefit of the country. The CCM oversight role is proving a challenge because the CCM architecture of

responsibility is still new and relatively untried, as compared with traditional funding agencies and health financing.

Lack of understanding of the oversight role

Of all CCM roles and responsibilities, oversight is probably the least well understood. For the majority of CCM members, it is a new concept. The case studies found that there were misunderstandings as well as low levels of awareness on the CCM's oversight role and responsibility.

The **Kenya** case study, for instance, reports serious oversight-related shortcomings. While the governance manual clearly defines the roles and responsibilities of its membership, it is virtually silent on the CCM's oversight role. The manual focuses on the management of governing processes but lacks emphasis on oversight. There is a lack of understanding within the CCM regarding its oversight role. According to the Kenya case study, the CCM is mostly focused on day-to-day management of grant implementation, which is the role of the PR but not of the CCM. Oversight should focus rather on long-term grant performance.

In **Tajikistan**, one of the key issues identified by case study respondents was a lack of understanding as to what is expected of CCM members, i.e. what they can and cannot do in oversight and to what extent they can influence the course of existing Global Fund projects. CCM members expressed a desire to better understand

the CCM oversight role in decisions regarding Global Fund activities. They also wanted clarity on how far they can influence allocation and reallocation of funds within existing projects. This query indicates a general misunderstanding of the CCM oversight role: the allocation and reallocation of funds within budget line items is a responsibility of the PR and not the CCM. However, in cases where significant budgetary changes are deemed necessary - for example, reallocating funds from one strategic objective to another - the PR must perform a careful analysis of the possible impacts of such a reallocation and get the agreement of the CCM.

Communication and logistical problems

Where do these gaps in understanding stem from? Many case studies report a range of communication and logistical problems that led to difficulties in operationalizing the CCM's oversight function. In **Tajikistan**, for instance, CCM stakeholders criticize the short notice given for CCM meetings, which allows little time to read and respond to the meeting documentation. Case study respondents noted that CCM agendas and discussion papers were often sent just one day before the meeting or even on the day itself.

In **Tanzania**, CCM members reported that "too much information" is presented to the CCM with some members describing the reports as "too bulky" to review for members

who have full-time engagements elsewhere. The information, in most cases, is also deemed "too technical". Case study respondents stated that they would find it helpful if the key information they needed for decision-making could be analyzed and summarized, with issues requiring action clearly identified. In addition, there are issues between the CCM, PR and sub-recipient concerning lines of communication. While CCM recommendations should be communicated to the PR (and to all constituencies represented in the CCM through their CCM members), the PR should communicate to the sub-recipient. This chain of communication, however, is sometimes interrupted. Communication from the CCM to the PR is often affected by the weak capacity of the CCM secretariat, while communication from CCM representatives to their constituencies varies.

In **Kenya**, there are some relationship challenges between the CCM and the PR which have the potential to impact negatively on the implementation of grants in the country. The Kenyan PR, sub-recipient and even sub-sub-recipients regularly communicate directly with the Global Fund Secretariat in Geneva, thereby leaving the CCM feeling "sidelined". CCM members consider that this is contrary to procedure as codified for communications in the CCM governance manual.[12] Unfortunately, this is not the only communication issue between key grant actors in Kenya which affect the CCM's oversight function. CCM mem-

bers interviewed complained that the CCM secretariat "withholds information", using it "to its advantage" only. All members interviewed believed that the CCM secretariat has the capacity to disseminate information to all. They see the poor communication as an attempt to "hide" important information from them, which compromises their ability to actively participate in debates and decision-making. Some members stated that they do not receive meeting invitations. When they do receive an invitation, it is mostly too late to allow the necessary time to review the agenda and the meeting documents. Some case study respondents noted that there are signs of improvement, with effective attempts to address the situation between the CCM and the PR.

The experience described in Kenya is by no means uncommon. These challenges highlight the need for a solid understanding and clarification of roles and responsibilities. CCM-PR "retreats" could help foster good working relations for the sake of improving grant implementation processes and performance.

CCMs: slowly maturing into their oversight roles?

Inadequate meeting preparations, then, are just one example among several common communication issues which hamper a CCM members' ability to fulfil her or his oversight functions. There are, however, larger issues that come into play. It seems that many CCMs have not yet become fully comfortable with the oversight role assigned

to them. While the leading role of the CCM in oversight is stated quite clearly in Global Fund guidance documents, the vast majority of CCMs have focused their energies on developing proposals to secure resources, while "making the money work" has come as something of an afterthought. A lack of oversight tools has contributed to the difficulties some CCMs have experienced, as has the overly dominant position many PRs have exercised within the CCM architecture, which left little room for the CCMs to assert themselves in their oversight roles. With the evolution of emerging CCM oversight models, more and more CCMs will probably grow into their oversight roles and better assume the responsibilities placed on them. The essential elements of this model could be described as follows:

- Having a well-structured oversight plan with strong civil society participation
- A strong and fully functioning secretariat to support the CCM;
- Good CCM–PR communication and reporting protocols (e.g. quarterly reports)

Oversight tools and good practices

One good practice in communication comes from **Tajikistan**, where CCM meetings are announced and their documentation circulated well ahead of time. In addition, CCM members receive summarized reports with items requiring CCM action or decisions clearly identified. This assistance makes their participation in meetings much more active and effective.

Useful oversight tools and processes developed by the CCM in **Ethiopia** include:

- Monthly CCM meetings with standard agenda items for oral reporting on grant implementation progress.
- Quarterly monitoring meetings with reports written by the PR on grant progress.
- Special oversight reporting from technical working groups/task forces and interested non-CCM members.
- Field monitoring visits undertaken by teams consisting of CCM members and non-CCM members every six months.

Ethiopia's field visits set the following six objectives:

1. Review progress first hand.
2. Discuss grant performance with government authorities, other stakeholders and sub-recipients to obtain an accurate overview of current status.
3. Review managerial and technical capacities of the public sector, partners and implementers to identify strengths and weaknesses.
4. Verify awareness and commitment of decision-makers, implementers and civil society groups at regional and district levels.
5. Identify opportunities for improving quality and timeliness of progress updates to accelerate disbursement.
6. Recommend/take actions based on the findings of the field visits.

The Ethiopian CCM has also developed a checklist for field/on-site monitoring visits that includes objectives of the visits, methodology, frequency and team composition for each region.

These tools and processes provide the CCM with the framework to identify and resolve operational problems encountered by PRs and sub-recipients in a timely manner. In addition, the CCM is comprised of high-level and experienced members from multi-stakeholder constituencies who can contribute to problem-solving through their expertise in a variety of areas.

To improve its oversight function, the CCM in **Zambia** established sub-committees, at the end of 2006, one for finance and audit and the other for M&E. These sub-committees serve to deepen the oversight function of the CCM in two major areas. At least two weeks before the CCM meeting, the PR submits written reports to both sub-committees, which meet at least a week before the CCM to review documents and produce reports for submission to the CCM Chair. Any proposed changes in implementation plans by the PR have to be submitted first to the sub-committees for approval. This process has resulted in many CCM members now feeling more involved in the PR–LFA-Global Fund reporting relationship. The sub-committees also conduct site visits. In addition, the Zambian CCM has initiated PR reporting at every CCM meeting to supplement the ad hoc compilation of highly-complex matrix reports

necessitated by the large number of grant components and PRs. The LFA is also now attending CCM meetings more frequently. Reporting at CCM meetings is also supplemented by the sub-committee site visits, reviewing of indicator reports and detailed discussions with PRs and sub-recipients.

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A good example of sound and transparent PR oversight is provided by **Bulgaria**. At each quarterly CCM meeting the PR:

- Presents the activities performed in the previous quarter, including a report on program and financial implementation; progress on procurement; selection of sub-recipients; and any other business relevant to grant implementation;
- Submits a copy of quarterly progress updates and annual performance reports, highlighting results achieved and the reasons for any discrepancies; and
- Outlines its workplan for the following quarter.

This oversight model is designed to identify potential implementation bottlenecks and to enhance transparency with regard to grant implementation.

A noteworthy example of sound sub-recipient oversight comes from **Peru**. This model includes monthly and quarterly feedback meetings and a web-based M&E system.[13] The automated M&E reporting system can be accessed and updated online by the sub-recipients. The PR has also automated most of the accounting and finance processes related to grant performance which facilitates financial monitoring of the sub-recipients. This web-based management system has proven satisfactory to meet the demands of a performance-based funding system. In addition, the PR has developed grant performance and outcome indicators to monitor and evaluate sub-recipients. The indicators are updated annually with input from a variety of partners. The CCM and PR have created and implemented an impressive accountability mechanism to monitor performance throughout implementation.[14]

The **Tanzania** case study reports an innovative oversight tool for enhancing CCM decision-making which is still in the early stages of development. The "Executive Dashboard" is a summary report that shows the PR's key programmatic activities and results, e.g. achievements against performance indicators, financial management and program management. It uses color coding for instant readability to flag both good results (marked in green) and problems requiring special attention (marked in yellow and red). This tool converts mountains of M&E data into manageable information to facilitate informed decision-making. Its user-friendliness also promotes the participation of all constituencies in the CCM, providing stakeholders with easy access to information either directly through the CCM website or by e-mailing the report to CCM constituencies and other stakeholders in country.

The dashboard concept was developed by Grant Management Solutions (GMS), a division of Management Sciences for Health, and represents just one example of the enormously important support given by a wide range of partners to CCMs.

It is not clear from the Tanzanian case study whether the dashboard is already fully functional and contributing to better information flow. It might be that the information processed is still too bulky or that CCM members do not yet fully understand how to use the dashboard. Either way, this tool is worthy of further investigation and development, especially in view of the interest expressed by other CCMs for this model.

Contribution of a strong CCM secretariat to oversight

The importance of a strong CCM secretariat cannot be overstated. It could be called the single most important "tool" for CCM oversight. The **Tajikistan** CCM offers a good illustration. The improvement and expansion of its oversight capacity are largely related to the establishment of a full-time CCM secretariat. When the secretariat took over responsibility for organizing CCM meetings, circulating reports and supporting communications in the periods between meetings, CCM members started to receive meeting agendas and other relevant documentation in a timely manner, and overall understanding of CCM work substantially improved. Since March 2006, the Tajik CCM secretariat has organized

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[13] The PR in Nicaragua also uses a web-based M&E system.
[14] *Peru,* 10, 19-20..

five meetings of the CCM, four Tajik Global Fund partner fora[15] and assisted in 12 conferences and workshops related to the three diseases. All these events, to various extents, focused on the oversight of national responses to HIV/AIDS, TB and malaria and were used as mechanisms for sharing experiences and best practices between different partners.

The important role of a strong CCM secretariat in supporting the CCM's oversight function highlights the interdependent nature of CCM functions. By facilitating oversight activities, a secretariat can also positively effect CCM governance. A functional secretariat can provide support in developing and disseminating governance tools and thus contribute to a better understanding of the CCM's oversight function.

[15] The partner forum is a mechanism developed by the CCM Tajikistan for consultations with the wider community working in the area of HIV/AIDS, TB and malaria. This consultation platform involves 50 to 70 stakeholders and provides an opportunity for non-CCM members to share information and experiences and contribute to the decisions of the CCM.

Summary

Good oversight processes and procedures go hand-in-hand with good governance to ultimately ensure that program implementation is on target. These case studies identify a range of issues that need improving, from inadequate CCM meeting preparations and misunderstanding of roles and responsiblities to serious obstacles in communications between various CCM stakeholders. The oversight role expected of CCMs is still not sufficiently clear to many and CCMs are, it seems, by and large not yet fully comfortable with the oversight role assigned to them. As the CCMs mature, they will slowly but surely assert their oversight roles more fully. However, a range of replicable good practices and practical models are emerging. They include timely CCM meeting preparations and sharing of CCM meeting documents; regular field visits with clearly established objectives; transparent mechanisms for PR/sub-recipient oversight, such as regular sub-recipient reporting at CCM meetings of activities performed in the previous quarter; quarterly progress updates and annual performance reports and outlines of sub-recipient workplans for the following quarter.

Main recommendations

- Disseminate policy guidance clarifying lines of communication between CCM/ PR/sub-recipient and highlighting good practices and tools in the area of CCM oversight based on successful examples laid out in this report

- Strengthen CCM secretariats to support CCM oversight functions

- Share CCM documents with all members in a timely fashion

- CCM secretariats should produce and distribute summary resports of key information that CCM members can digest quickly and easily.

- Replicate CCM Bulgaria oversight practice (i.e. PR presents the activities performed in the previous quarter, including a report on program and financial implementation; progress on procurement; selection of sub-recipients and any other business relevant to grant implementation at each quarterly CCM meeting)

- The Global Fund Secretariat should continue to support the development of innovative oversight tools (e.g. CCM Executive Dashboard) and support replication by other CCMs if appropriate

This section examines the contribution of CCM secretariats to the performance of the CCM. Specifically, this section examines the functions and benefits of a well-functioning secretariat, the ingredients of a successful secretariat, how secretariat operations can be further professionalized, and what kind of funding would best guarantee the independent functioning of the secretariat.

Background of CCM secretariats

CCM secretariats have been put in place in most countries to provide an administrative and support structure to facilitate the effective execution of CCM roles and responsibilities. CCMs have developed a variety of arrangements for providing CCM secretariat services. In some countries, usually those with smaller grant portfolios and limited institutional capacities, PRs often act as the CCM secretariat. In other countries, MoHs, National AIDS Councils, development partners and NGOs provide CCM secretariat services. In countries where the CCM was able to secure its own funding to cover administrative costs before the Global Fund made such funds available, independent secretariats were established reporting to the CCM and responsible for coordinating activities and following up on all decisions.

At the beginning of the Global Fund, principles of national ownership and additionality guided policies that restricted CCM financing. CCMs were expected to consolidate resources in ways that would facilitate mainstreaming programs and structures; in-country donor partners and national governments were expected to cover CCM administrative costs. However, it became apparent that CCMs required assistance on a scale that was rarely forthcoming, and that resource deficits jeopardized their intended role in governance and oversight. As a result, the Global Fund changed policy on two occasions: Following Round 5, CCMs were permitted to apply for a non-renewable lump sum for two years providing they indicated a plan for seeking finances thereafter.

Allocations took into account the size and number of grant components to be overseen within ranges set by the Secretariat (from US$ 25,000 to US$ 50,000). As it became clear that many CCMs remained under-funded, the Global Fund Board decided during its Sixteenth Meeting (November 2007) that CCMs could apply for a maximum of US$ 43,000 *on an annual basis*.[16] (The figure was based on global averages from two different CCM studies.) Historically, PRs frequently came forward to support the work of CCMs, particularly in countries with smaller grants and limited institutional capacities. Elsewhere, MoHs, National AIDS Committees, or other development partners (e.g. the United Nations Development Programme (UNDP)), acted in the same capacity. But in general, where CCMs were able to secure funding, the trend was to establish secretariats exclusively dedicated to its work - for reasons of both efficiency and independence.

These CCM case studies were commissioned and completed prior to the approval of the new CCM funding policy.

[16] The case studies predate this policy change.

Functions of the Cambodian CCM secretariat

- Support CCM and sub-committee preparations of a coordinated national proposal, including managing the processes of proposal submission, review and revision by review committees and coordination prior to submission to the Global Fund.

- Assist in improving governance and management of CCM and sub-committee meetings, including communication with external stakeholders.

- Read, analyze and summarize information and disseminate among CCM and sub-committee members in a timely manner to facilitate well-informed, evidence-based decision-making in the CCM and its committees.

- Draft summaries of key documents for translation into Khmer.

- Arrange for simultaneous interpretation of discussions into Khmer.

- Coordinate meeting agendas.

- Ensure that minutes adequately reflect the discussions and decisions of the meetings.

- Track attendance and participation in CCM and sub-committee meetings.

- Liaise with CCM members and facilitate their participation in meetings.

- Serve as main focal point of communication between the Fund Portfolio Manager (FPM) and the CCM.

- Provide expert input on all Global Fund procedures and guidelines.

- Ensure all activities fall within Global Fund norms and guidelines and report any anomalies.

Clear benefits of functional CCM secretariats

Findings of case studies across the thematic areas testify to the crucial importance of a well-funded, well-functioning and "neutral"[17] CCM secretariat to administer the operational needs of a CCM. All case studies noted the specific added value of strong CCM secretariats or highlighted how CCM performance improved after strengthening the CCM secretariat.

CCM Secretariats have wide-ranging functions

In order to understand the wide-ranging effects of a weak or a strong CCM secretariat, an appreciation of the scope of secretariat functions is necessary.

Strong CCM secretariat, strong CCM

The three case studies confirm that well-functioning CCM secretariats contribute significantly to the performance of the CCMs. In **Cambodia**, for instance, all case study respondents felt that there had been improvements in the functioning of the CCM after a fully-funded secretariat had been put into place. In **Mali**, the case study reported some improvement in communication following the establishment of a secretariat, with CCM meeting documentation transmitted to CCM members and stakeholders on time, although the work load proved to be too heavy for just one staff member.

Effects of weak CCM secretariats

Correspondingly, case study findings indicate that a weak CCM secretariat has a negative impact on a CCM. In **India**, for example, with just one member of staff, the CCM secretariat is underresourced and unable to provide adequate CCM coordination support. Areas

affected by this are the dissemination of information and documentation relating to CCM meetings and analysis of information regarding grant oversight. Good functioning in these areas would require appropriately qualified personnel as well as additional funding.

In **Mali**, a weak CCM secretariat led to serious shortcomings in the functioning of the CCM. The one and only staff member is housed in the Statistical and Planning Department of the MoH. With no access to an operating budget, he performs all CCM support tasks single-handedly, functioning as secretary and messenger as well as organizing and coordinating all CCM meetings. When the secretariat eventually hired a driver, the Permanent Secretary paid the salary from his own pocket. Inevitably, some tasks – such as the typing of letters and office management – fell by the wayside when the Permanent Secretary was on a field visit and the office remained closed. In short, the availability of information both to CCM members and country stakeholders was severely affected due to the underresourced CCM secretariat.

In **Cambodia**, case study respondents stated that CCM functioning was significantly affected by the absence of a secretariat. Inadequate CCM meeting preparations required CCM members, all of whom are senior representatives of their respective organizations, to invest more time than should have been necessary in order to prepare themselves. At times the PR circulated voluminous documents to the CCM immediately prior to a CCM meeting, leaving little or

no time for adequate review. The size of the documents would discourage some members from reading them through, thus compromising informed decision-making. In addition, the absence of a secretariat made it difficult for members to seek clarifications on decisions made in previous CCM meetings.

Importance of a "neutral" CCM secretariat

All case studies emphasize the importance of a "neutral" or "independent" CCM secretariat to support the functions of the CCM. Some case study respondents considered that the secretariat's impartiality is called into question when its funding comes from a particular donor, government, or other CCM stakeholder. To function properly, the CCM should be perceived as neutral and not beholden to any one CCM member. In this context, it was suggested that the CCM secretariat's funding should come with "no strings attached", in other words, from sources that do not derive any direct benefit from Global Fund resources in country. If the funding or an offer to house the CCM secretariat comes from a CCM member or other stakeholder, (e.g. an institution serving as PR or sub-recipient), it could potentially bias the actions of the CCM secretariat in favor of the donor. In cases where the amounts concerned are moderate, CCMs should acknowledge this potential conflict of interest and work to mitigate it as they should with all other conflicts of interest

For many CCMs, however, the idea of "independent" or "neutral" sources

of funding is a luxury concept in resource-constrained environments. Obviously these concepts need to be balanced with the amount of funding being asked for and the willingness of donor partners to contribute – either financially or with in-kind contributions.

In **Kenya**, the CCM secretariat is housed in the MoH, which also provides its funding and single staff member – on secondment. Other resources, such as office equipment and office utilities, are also provided by the MoH. While this can be seen as demonstrating government commitment to the success of grant implementation, it may also be perceived as compromising the independence and impartiality of the CCM secretariat. This example demonstrates the dilemma faced here by a number of CCMs. It is, after all, a good thing to have country institutions, especially MoHs, providing support to the CCM through the provision of resources, both material and financial. This should not be discouraged. On the other hand, it is important that such support should not be used to gain an upper hand or dictate the manner in which the CCM functions. CCM members and stakeholders need to be aware of potential conflicts of interest and manage them appropriately as they arise.

As it is doubtful that one reliable neutral source of funding and office premises would be able to cover costs entirely in most countries, other solutions need to be found. The key to a neutral secretariat might not be a single appropriate source of funding. Instead, it would be

preferable, when possible, to spread the financial burden among several partners – the Global Fund itself, development partners, government and other local sources. To encourage a wider basis of funding would bring several advantages: it would make the CCM secretariat less beholden to specific interests, real or perceived; it could potentially encourage the continued involvement of in-country stakeholders in Global Fund activities and make funding more reliable. If one funder decided to terminate their funding, for example, others would still be in place.

Making CCM secretariats more organized and accountable

CCM secretariats need to become more organized and accountable. First the roles, tasks, levels of effort and capacities required by secretariat operations should be clearly articulated. Annual CCM budgets and workplans with clearly-defined measurable outputs should be formulated and used as the basis for writing proposals to potential funding sources. For effective resource mobilization, CCMs should map all available and potential sources – whether of funds or in-kind donations - and consider how they can most effectively be matched to the activities or expenditures identified in the workplan. The requirement for resource-mobilization skills should be anticipated before hiring secretariat staff. Also, CCM members themselves should be engaged for fundraising efforts. Secondly, CCMs need to account for the financial support they receive which may entail capacity building. Thirdly, a separate account for operational funds

on which the secretariat can draw would help avoid the delays that frequently occur when funds are routed through government systems or PRs. This further professionalization of CCM secretariats will go a long way toward improving their autonomy - in particular, by enhancing their ability to attract dependable funding from multiple sources.

Ingredients of a successful CCM secretariat

In **Cambodia**, the CCM – the Country Coordinating Committee (CCC) – recognized early on the advantages of a strong CCM secretariat. Though initially weak, the CCM went on to develop a number of principles and approaches for the secretariat that have proven to work and which might be instructive for other countries wanting to build strong CCM secretariats.

- *Recognition of the need for a strong and functional secretariat*
  The CCC realized early on the critical nature of the secretariat's role of coordinating CCM administrative activities and ensuring the CCM stays focused on its key deliverables. The CCC reasoned that if the country is accountable for the efficient use of large amounts of Global Fund resources, then it was legitimate and necessary to optimize the performance of those grants by investing a small percentage of the total in administrative and support functions. This rationale forms the basis for the CCC's approach to donors for secretariat funding.
- *Value of neutral, i.e. non-CCM stakeholder or multisource funding for the CCM secretariat*

A number of the CCC members, (e.g. the PRs or sub-recipients) could have covered the mechanism's costs between them but the CCC opted for an external financer in recognition of the value of funding from a source without a stake in the CCM's affairs or Global Fund grants. Funds were made available by GTZ, a technical development partner with no direct interest in Global Fund resources. The neutrality of the secretariat's funding is critical given its implication in the administration of most CCM functions, not excluding PR selection, although it is recognized that PRs can provide secretariat services to good effect in countries with limited institutional capacities and few partners in country.

- *Advantage of a neutral physical location for the CCM secretariat*
  It is preferable that the secretariat's office premises, as with its funding, should not be provided by a CCM stakeholder lest the secretariat's neutrality be perceived as compromised.
- *Need to clearly define the work of the CCM secretariat*
  Confusion can arise over the responsibilities of the various CCM bodies, e.g. between the roles of CCM subcommittees and the secretariat. The Cambodian experience described in this subsection shows that it is important to clearly delineate the roles.
- *Multisource funding by bilateral and multilaterals*
  The role of bilateral and multilateral development agencies is crucial. In

Cambodia, many partners provided support for the CCM secretariat, which was a key reason for its success. The support came in different forms – direct funding support (GTZ), technical support through consultants, provision of additional staff, funding of specific events and consultancies, etc. All these contributions played an invaluable role.

Portfolio size and CCM secretariats

The case studies have shown that in most countries CCM secretariats are either nonexistent, not fully operational or considerably understaffed. This is especially the case in large countries with big Global Fund portfolios. **India** provides a good case in point: with just one staff member, the CCM secretariat is unable to provide adequate CCM coordination support. The situation is similar in **Ethiopia.** CCM secretariat funding should most likely be proportionate to the size of the country's grant portfolio and its associated administrative workload. Recognizing that CCMs inevitably incur administrative costs and may not have the independent resources to cover these costs, the Global Fund's Board issued a revised policy for CCM funding in 2007. CCMs can now apply for up to US$ 43,000 annually to cover administrative and other support costs, including salaries for secretariat staff. This is an evolving policy that will most likely change in 2009 as a result of a functional assessment of fixed and variable costs related to CCM workload.

Summary

Case studies across the range of the thematic areas show that the lack of a strong and adequately-funded CCM secretariat may significantly compromise the administration and coordination of the CCMs. A weak CCM secretariat has a negative impact on overall CCM performance. As well as as sub-optimal CCM meeting preparations, a weak CCM secretariat can also lead to uninformed decision-making or weakened CCM oversight capacity. In addition, funding and/or office premises for the CCM secretariat supplied by a CCM member or stakeholder may call into question the impartiality of the secretariat. Strengthening CCM secretariats by providing them with core, predictable multisource funding and neutral locations are improvements that could go a long way toward enhancing the CCM's overall performance.

Main recommendations

- Donor partners should assist CCM secretariats to develop detailed budgets and business plans with clearly defined outputs. The roles, tasks, levels of effort and capacities required for the operation of each CCM secretariat should be clearly articulated and budgeted.

- Encourage multisource funding of CCM secretariats by building their resource mobilization skills – either by training existing staff or by hiring appropriately skilled new staff.

- Utilize the fundraising expertise of CCM members to support the diversification of CCM secretariat funding.

- CCM secretariats should map potential and available sources – whether of funds or in-kind donations, in-country or international – of funding.

- Educate new CCM members (see section 3.2) on the role and functioning of CCM secretariats, the importance of dependable secretariat funding and how individual CCM members can support CCM secretariat fundraising efforts.

PR and sub-recipient selection processes have undergone considerable transformation since the Global Fund's inception in 2002. Early accounts of informal "behind the scenes" and often nepotistic selection processes led to the Board decision in 2005 that "CCMs are required to put in place and maintain a transparent, documented process to nominate the Principal Recipient(s) and oversee program implementation." The mechanisms employed to select PRs and sub-recipients and their implications for grant management were investigated in **Ethiopia**, **Kenya**, **Sri Lanka** and **Tanzania**.

In addition, they looked for any impacts the selection processes may have had on grant administration and management.

Background
PRs are country-based organizations legally responsible for the programmatic results and financial accountability of Global Fund grants. Sub-recipients are organizations sub-contracted by the PR to deliver program-related services.. In April 2005, the Global Fund Board approved a revision of the CCM Guidelines requiring, among other changes, that CCMs nominate PRs using transparent and documented processes as a condition of funding eligibility. This requirement was intended to increase the transparency of selection processes and widen the field of qualified institutions that could implement grants. Many CCMs are translat-

ing the requirements for "open" and "transparent" nomination processes into more competitive, criteria-based practices for choosing the most qualified institutions.

Due in large part to this change in CCM requirements, a substantial evolution has taken place in the area of PR and sub-recipient selection since the establishment of the CCMs. From an amorphous process often lacking transparency, it has become more formalized, more inclusive and, with the use of objective selection criteria, more transparent. But while the requirement has instigated a more robust criteria-based process, it is still a "work in progress".

"Early days": no standardized PR/sub-recipient selection procedures
In **Sri Lanka**, the creation of the CCM as well as the subsequent PR selection was government-initiated and led. As was the case in many countries, the Sri Lankan CCM was established hastily in March 2002 to coordinate the development of the Round 1 proposal. The CCM was mainly appointed by the MoH, which selected a number of large, established NGOs – the majority of whom had a history of cooperation with the MoH on health development activities. There was little, if any, discussion about the decision to appoint the MoH as the main PR.[18] It was assumed by all government and most non-governmental stakeholders that as the national authority on health policy and implementation, the MoH

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[18] From the outset, the CCM Sri Lanka adopted a policy of dual PRs. Under this system, "PR1" is the government department responsible for the disease, while "PR2" is from the non-government sector, and manages the implementation of community-based activities by NGOs (*Sri Lanka,* 8).

would necessarily play the key role in any initiatives related to health systems strengthening and service provision. As one case study respondent puts it: "Since the MoH is the authority on health, they are automatically the PR. The Secretary [of the MoH] is also the CCM Chair, so nobody can object. But they [MoH] have adequate capacity. They are responsible for health activities in the country."

In **Tanzania,** the main criterion for PR and sub-recipient selection in the early rounds was having a

comparative advantage in managing and implementing Global Fund grants, albeit against an unknown – or at least unpublished – checklist of qualifications or selection criteria. Similarly, in **Ethiopia** the PRs were nominated unanimously by the CCM due to their "mandate, duties and responsibilities vested in the institutions in the planning, executing and monitoring of interventions related to the three diseases." The PR responsible for the HIV/AIDS component – the Ethiopian HIV/AIDS Prevention and Control

Office – was nominated because "its institutional mandate…is to coordinate, monitor and mobilize resources for the national response to HIV/AIDS." And, in **Romania** there were no formal procedures in place for the nomination of the PR for the Round 2 national proposal.

More formalized procedures in place today

Today, the PR and sub-recipient selection process in each of the case study countries has evolved considerably. In **Sri Lanka**[19], for instance, the

Multi-stakeholder inclusiveness

The Global Fund's Six Minimum Requirements for Grant Eligibility for CCMs were issued in the spirit of ensuring multi-stakeholder inclusiveness, and allow for the fair participation of non-governmental stakeholders. Civil society is usually at a disadvantage compared to government, even though NGOs implement the bulk of community-based interventions. Case study findings demonstrate that in order to ensure the broadest possible participation by civil society in grant management and implementation, the selection processes and criteria for PRs and sub-recipients must take into account the diversity of potential implementing partners and the different strengths they bring to a national response to the three diseases. The necessary conditions for this would include:

- A process designed to attract applications from the widest possible pool of implementers (CCMs need to consider the use of appropriate media and languages).

- Minimum requirements for potential PRs and sub-recipients which do not automatically disqualify stakeholders who should be involved, particularly those working directly with people living with HIV and other populations that may otherwise be insufficiently represented. This may involve revisiting the eligibility criteria stipulated by both the CCM and the Global Fund to find ways to allow smaller or less established organizations to participate.

- Capacity building for organizations with potential as PRs or sub-recipients that fail to meet the minimum capacity requirements could be considered as a means of drawing a broader range of participants into the process.

[19] *Sri Lanka* 10.

process of selecting a second PR-a non-governmental PR in the Round 4 proposal-was more open, with the placement of newspaper announcements in the country's three main languages calling for "expressions of interest" from NGOs. A CCM sub-committee evaluated the applicants according to a few basic criteria such as geographical coverage, organizational structure, and experience of project management/implementation in the fields concerned.

Based on this evaluation, the CCM nominated one organization as the second PR and five more as sub-recipients. As of Round 6, the PR selection process broadly followed the following procedures:

1. Appointment of selection sub-committees for each disease;
2. Call for expressions of interest in proposal development and/ or project implementation via newspaper advertisements in the country's three main languages (as at Round 4, the advertisement does not specify whether applications are being sought from potential PRs, sub-recipients or both);
3. Questionnaire sent to applicants to assess their capacity to act as PR or sub-recipient;
4. Completed questionnaires rated by sub-committee;
5. Selection of organization with highest scores.

The questionnaire was designed to elicit details of the applicant's finan-

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Global fund observation

Several countries use the "request for proposals" model (or RFP, also known as "call for expressions of interest") as a means both to solicit input to the national proposal and to identify the best candidates for program management and implementation. Too often, however, the full benefits of this useful and transparent method are lost for want of feedback. Unsuccessful applicants asked to resubmit for a subsequent round without any follow-up from the previous one feel their efforts just go to waste.

CCMs could profitably use the RFP as a golden opportunity to identify those organizations with the potential to become sub-recipients or even PRs in future rounds with some assistance, and thus contribute to the global effort to scale up the response to the three diseases.

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cial management capacities and track record on project implementation, plus their geographical coverage and experience in the three diseases. Each response was assessed and given a numerical score, (e.g. points were awarded for each year of operation, each functional branch office at district level, having fully-qualified accountants, duration and value of projects implemented, etc.). While this selection tool provides the basis for a more competitive selection process, it favors older and larger organizations, possibly to the exclusion of smaller yet equally capable institutions.

Concerning sub-recipient selection in Sri Lanka, Round 1 appointments were made with little, if any, input from the NGO sector, although the PR was ultimately responsible for their performance. Serious issues regarding funds and accountability with

one of the "imposed" sub-recipients eventually prompted the resignation of the second PR. Learning from this experience, the CCM subsequently established a more participatory and consultative approach for sub-recipient selection. As with the PR selection process, the selection of sub-recipients was closely linked to proposal development. Potential sub-recipients for the Round 6 and 7 proposals were identified through calls for expressions of interest in proposal formulation and project implementation placed in the national press, and selection sub-committees were appointed for each disease. Those expressing interest in proposal development were invited to a proposal development workshop. Interested parties were then requested to submit sub-proposals for inclusion in the country proposal. The sub-committees screened the NGO submissions

tees screened the NGO submissions and those that qualified were included in the final proposal.

In order to ensure inclusiveness, the calls for expressions of interest were published in Sri Lanka's three main languages.[20]

Overall, the Sri Lankan selection process has progressed towards the establishment of standardized, transparent and documented processes. But it is still evolving and while it has opened the door to greater multi-stakeholder participation in both proposal development and implementation, strengthened oversight by the CCM would ensure greater fairness and transparency. With the exception of those who had served on the selection sub-committees, most of the Sri Lankan case study respondents expressed uncertainty regarding the procedures for the selection of sub-recipients. As one respondent puts it: "I'm not sure how they selected the sub-recipients. People respond to the newspaper advertisements, but after that I'm not sure what the procedure is."

Evolving patterns of PR selection

The processes for PR selection can be grouped into the following categories:
- *Direct nomination by CCM (Romania Round 2, Kenya Round 1, Ethiopia Rounds 1-6, Sri Lanka Rounds 1-7 for PR1)* This method was typically used in the early proposal rounds when CCM structures were not yet fully

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functional in many cases. It has also been used where a government ministry or agency is selected as a PR by law, or by virtue of its mandate to coordinate the national response to one or more of the three diseases or to channel external funds.
- *Open/restricted RFPs with criteria-based evaluation (Kenya Round 7, Sri Lanka Rounds 6 and 7, Romania Round 6)* CCMs develop a set of criteria, drafted either by the CCM collectively or by a sub-committee or task force assigned for this purpose. Once the criteria are agreed, an RFP is announced through the print media, on the CCM and/or PR websites, through sector networks or at public meetings. Where the call has been restricted to CCM members, or to certain sectors or organizations, the justification most frequently offered is time pressure (inviting applications from qualified organizations only reduces the time

needed for screening).
- *Open, public calls to participate in proposal development or be considered as PR or SR (Tanzania Round 6, Sri Lanka Round 4)* Calls for expressions of interest in proposal development and/or grant implementation are placed in relevant media (national press, CCM website, sector/network websites, etc.) and respondents are invited to take part in a workshop or series of workshops.
- *Evaluation of expressions of interest based on a set of criteria without clear definition of the processes for soliciting and/or evaluating proposals, or of the criteria themselves (Ethiopia; Tanzania Rounds 1, 3 and 4)* Scenarios where the CCM has developed specific criteria for the selection of the PR but the processes for either soliciting or evaluating applications were unclear to the majority of respondents in

Advantages of transparent PR selection processes

Where the criteria for PR selection have been developed in a transparent manner, were agreed by all CCM members and consistently applied, the process is likely to be perceived as fair. These conditions are best fulfilled by an open call for applications, which are then evaluated transparently on the basis of agreed criteria. Case study respondents noted that where there is a transparent selection process, it is clear to all stakeholders that the PR selected is the best qualified for the job, which in turn invests the PR with greater legitimacy and credibility. Respondents also pointed out that a PR selected through such a process is likely to have a stronger commitment to deliver than a directly-appointed organization. Working through a transparent selection process can also afford the stakeholders, particularly the CCM, a better understanding of the respective roles and comparative advantages of government and non-governmental sectors in responding to the three diseases – which, in turn, can help to ensure a more effective division of labour.

With regard to civil society participation, it seems clear that a transparent

Example of criteria used for PR selection

The selection criteria used in **Ethiopia** cover the minimum capacities in the four areas defined by the Global Fund (i.e. financial management and systems, institutional and programmatic arrangements, procurement and supply chain management systems and M&E arrangements) and require in addition that applicants should have:

- The legal status to be able to enter into an agreement with the Global Fund;

- Effective organizational leadership and management, transparent decision-making and accountability systems;

- Adequate infrastructure and information systems to support proposal implementation, including performance monitoring for sub-recipients and entities to whom work is outsourced in a timely and accountable manner;

- Satisfactory health and cross-functional expertise covering HIV, TB and malaria;

- Ability to procure and distribute health products in accordance with Global Fund procurement policies;

- Ability to collect and record programmatic data with appropriate quality control measures;

- Familiarity with Global Fund grant agreements, Fiduciary Arrangements for Grant Recipients and related policies;

- Sound knowledge of the objectives, activities, implementation arrangements and context of the approved proposal;

- Ability to list and present to the CCM records for previous and current donor-financed projects;

- Ability to identify capacity gaps that may require support from the Global Fund to obviate risk, and propose strengthening measures.[21]

and open selection process must offer the opportunity for fair participation in grant management. However, the case studies found that both the evaluation criteria developed by the CCMs and the minimum capacity requirements for PRs specified by the Global Fund tend to place larger, established NGOs at a considerable advantage. Consideration should therefore be given to ways and means of counteracting this bias to ensure the engagement of emerging organizations in the selection process.

Evolving patterns of sub-recipient selection

The processes for sub-recipient selection can be grouped into the following two categories:

- *Call for expressions of interest/ sub-proposals*
  Organizations that respond to a public call for expressions of interest are invited to submit a sub-proposal for incorporation into the country proposal. In most cases they are also required to submit an organizational profile. The priority areas for sub-proposals may be specified in the application guidelines or announced at proposal development workshops held for interested organizations. Such workshops would typically involve an introduction to the Global Fund and the CCM, a presentation on the goals, objectives and framework of the country proposal, and guidance on developing sub-proposals. Proposals are then screened and evaluated by a CCM sub-committee. Organizations whose proposals fulfill the criteria are

then nominated as sub-recipients if they meet the required standards for organizational capacity, where this is being assessed.

- *Restricted call for sub-proposals following approval of the country proposal*
  This approach was used for the TB and malaria components of **Ethiopia**'s Round 7 proposal, for which sub-proposals were also solicited during the proposal development phase (see above). Submissions were invited only from organizations pre-selected by the PR and were evaluated by an independent review panel set up by the CCM. A similar procedure was followed to solicit sub-recipient proposals for the HIV component but these were reviewed by the regional offices of the PR (the HIV/AIDS Prevention and Control Office) with no input from the CCM.

Where the proposal solicitation and evaluation processes were agreed on, well defined and stringently applied,

there was general satisfaction that the sub-recipient selection process was fair and competitive. However, the case study findings suggest that informing unsuccessful applicants of the reasons for the rejection of their proposals would make the process even more transparent. This would also clearly benefit their institutional development and perhaps help to encourage their cooperation and/ or participation in the wider context of the national response to the three diseases.

A number of case study respondents remarked on the need to ensure that the sub-recipient as well as PR selection criteria are broad enough to include all potentially effective NGOs. Many of the NGOs doing valuable work with vulnerable populations may not qualify under current requirements regarding size, reach and experience. Respondents noted the time saved by restricting RFPs to pre-selected organizations with known capacity and

Use of sub-recipient proposal development workshops

Proposal development workshops provide an opportunity for potential implementers to learn about the Global Fund, the way it functions, and the overall aims and objectives of the activities for which funding is being sought. They also provide capacity building, particularly useful for less-established NGOs that may lack experience in proposal development. In addition, such workshops provide opportunities for CCMs to manage expectations regarding the evaluation of proposals and the roles and obligations of the organizations selected as sub-recipients.

proven experience in grant implementation. However, this advantage must be measured against the potential exclusion of effective implementers.

Although Global Fund guidelines do not explicitly state whether the CCM or the PR should be responsible for selecting the sub-recipients, the case studies found that in practice the process is generally led by the CCM, especially when conducted prior to submission of a national proposal. However the PR, as CCM member,[22] would usually have at least some input into the development of the selection criteria and the evaluation of applicants. The importance of the PR's involvement was highlighted by **Sri Lanka**'s experience in Round 1 when the sub-recipients were assigned by the government-led CCM with little apparent consultation with the PR.

The only recorded case of PR selection of sub-recipients with neither input nor oversight from the CCM was for the HIV/AIDS component in **Ethiopia**. Case study respondents there implicitly acknowledged that this might have given rise to problems but expressed confidence that the process had been conducted fairly and transparently. However, they noted that the CCM should – at a minimum – have input into the development of mechanisms to ensure openness and transparency.

A clearly defined and transparent process for sub-recipient selection

In **Kenya**, a call for expressions of interest in proposal development was placed in national newspapers and on the CCM website, and announced via civil society networks. Interested organizations were invited to submit a project proposal based on specified priority areas, together with an organizational capacity profile. A capacity assessment questionnaire, a project proposal template and workplan and budget formats, as well as guidelines for their completion were provided. The CCM then set up an independent review panel to assess the expressions of interest based on criteria previously developed. This was a four-stage process:

1. Screening applications for admissibility (compliance with application guidelines);
2. Assessment of organizational capacity based on agreed criteria;
3. Evaluation of project proposal, workplan and budget;
4. Assessment of comparative advantages of organizations in addressing specific issues or reaching specific vulnerable groups.

Of the 412 organizations that expressed interest, 34 submitted proposals that were deemed eligible for inclusion in the country proposal and were nominated as sub-recipients.[23]

Sub-recipient selection during proposal development or afterwards?

Global Fund guidelines do not prescribe whether sub-recipients should be selected as part of the Global Fund grant proposal development process or after proposal approval. However, with the ever-increasing number of grants per CCM – at least four on average – the Global Fund needs to understand more clearly the overall capacity of sub-recipients as a key input into the review of a proposal for its feasibility for scale-up."[24]

Ethiopia provides a key illustration of the pros and cons of sub-recipient selection both pre- and post-proposal submission. In preparing the Round 7 proposal, the CCM invited interested institutions to submit proposals for inclusion into an integrated national proposal. Advertisements were placed in The Ethiopian Herald, the country's leading newspaper. The RFP was also announced at CCM meetings, United Nations theme group meetings, CCM constituency member meetings and other fora. CCM members expressed the view that one of the advantages of sub-recipient selection prior to pro-

[22] "If a proposed PR is not already a member of the CCM, it is expected to become so." Global Fund. F*iduciary Arrangements for Grant Recipients.* Fifth Board Meeting, Geneva, 5-6 June 2003, 4.
[23] Kenya, xx.
[24] Global Fund. Guidelines for Proposals – Round 8, Geneva, 2008.

posal submission is that it promotes a sense of ownership or partnership in the integrated proposal and its goals and activities. The only disadvantage noted by CCM members was that sometimes short deadlines did not allow sufficient time for all relevant institutions to apply. This problem will most likely be resolved with the predictability inherent in yearly rounds on a fixed schedule.

For both the TB and malaria components, sub-recipients were selected after proposal approval. Firstly, the PR sent out an RFP to institutions pre-selected (by technical and program staff members of the PR) on the grounds of their known expertise and reputation in the areas specified by the RFP. The submissions were reviewed by an independent review panel appointed by the CCM. Ethiopian CCM members noted the advantage of not having to screen for organizational capacity. The obvious downside to this selection method is the exclusion of some potentially good implementers. The PR is aware of this limitation and has proposed issuing an unrestricted RFP for future rounds.

In exceptional cases, the nomination of the PR is made directly by the Global Fund Secretariat in consultation with the CCM and other development partners. Suitable entities include but are not restricted to multilaterals, bilaterals and NGOs. Where the CCM concludes that there is no local stakeholder qualified to be a PR, the Global Fund may agree to an arrange-

ment whereby the local office of a multilateral organization assumes PR responsibilities (e.g. UNDP is PR in 26 Global Fund recipient countries), subject to the same minimum capacity requirements all PRs are required to meet. The Global Fund expects this arrangement to be of a temporary nature, until local entities can eventually be phased-in as PR(s) once their capacities had been strengthened.

Greater transparency in PR/ sub-recipient selection leads to better grant implementation

Increased clarity and transparency seem to have had a positive effect on grant implementation. In both **Romania** and **Sri Lanka**, unclear selection criteria and procedures in early rounds led to difficulties with grant implementation. In Sri Lanka, the resignation of a PR was due, in part, to difficulties between a PR and sub-recipients relationship following a less than transparent selection process. In Romania, unclear sub-recipient selection procedures led to grant implementation delays. These difficulties were not reported in subsequent rounds once a more transparent process had been instituted.

Summary

There has been a clear evolution in the process for selecting PRs and sub-recipient. In the first few funding rounds, most CCMs did not have a standardized or transparent process for nominating their PRs or sub-recipients. In subsequent rounds, however, the selection process has become more structured and transparent. It is not entirely clear if this was solely in reaction to requirements for funding eligibility imposed by the Global Fund, but it seems that CCMs are beginning to discover for themselves the merits of an open and transparent approach to PR and sub-recipient selection. The use of measurable and objective selection criteria is a crucial part of a transparent selection procedure and should be strongly encouraged and replicated in all CCMs. This progress toward greater transparency, however, still has some way to go and more can be done to improve consistency. The development, formal adoption, and regular application of selection tools and procedures lead to greater inclusiveness and eventually improve grant performance. The clear and transparent procedures and selection criteria developed by **Ethiopia** and **Romania** may serve as a model for countries that have yet to establish them.

Main recommendations

- Establish transparent PR/sub-recipient selection processes and tools sanctioned by all CCM members to attract applications from as many qualified institutions as possible. The selection tools should include but need not be limited to the following elements:

  - Detailed PR/sub-recipient application processes

  - Methodology for reviewing PR/sub-recipient applications

  - Objective selection criteria

  - Checklist to document whether a prospective PR/sub-recipient meets or fails to meet the criteria

  - for selection and hence the basis for nomination

- Formulate and use selection criteria inclusive enough to accommodate the diversity of NGOs by:

  - Designing a process that attracts the widest possible pool of implementers using, for example, appropriate media and languages;

  - Ensuring that the minimum requirements for potential PRs and sub-recipients do not automatically disqualify stakeholders who should be involved, particularly those working directly with people living with HIV and other populations that may otherwise be insufficiently represented. This may involve revisiting the eligibility criteria stipulated by both the CCM and the Global Fund to find ways to allow smaller or less-established organizations to participate.

  - Offering capacity building for organizations with potential as PRs or sub-recipients that fail to meet the organizational capacity requirements could be considered as a means of drawing a broader range of participants into the process

CCMs are tasked with multiple roles, from developing proposals and allocating substantial funds to providing oversight for implementation. The potential for conflict of interest is considerable, particularly since many, if not most, CCM members are increasingly also recipients of funds and responsible for implementation. To examine this area further, case studies were commissioned to look at policies and procedures to mitigate conflict of interest within the CCMs of **Jamaica**, **Kenya** and **Zimbabwe**.

Background

The CCM is a multi-stakeholder partnership, which both mobilizes significant resources and determines who should distribute them. Considering these combined tasks, it is to be expected that conflicts of interest will arise in the course of executing CCM roles and responsibilities. A key challenge for all CCMs is to mitigate conflicts of interest in a reasonable and transparent way that protects the integrity of their operations and builds trust and confidence among all stakeholders that they can administer funds professionally without undue influence.

Areas of potential conflict of interest raised in the case studies include the following:
• Leaders/members also being grant recipients
• CCM voting
• CCM secretariat and ethics committees

Non-CCM members are able to fully participate in all meetings and may still unduly influence decision-making when the institutions they represent stand to profit from discussions they attempt to influence.

Conflict of interest is a poorly understood concept, especially in the public health field where publicly-funded, government-led programs have predominated. The CCM model challenges this status quo with its public/private partnerships, and the Global Fund anticipates a learning curve over time while conflict of interest policies and practices are progressively put in place and applied to all CCM members to reduce opportunities for malfeasance.

CCM members and stakeholders in **Kenya** and **Zimbabwe** cited multiple areas where conflicts of interest exist. The following description is an example of a situation where inherent conflict of interest exists in Kenya:
• The Permanent Secretary in the MoH is the Chair of the CCM and the Director of Medical Services (government entity) is the Chair of the Sub-Committee on Procurement and also a member of the CCM. In addition, the MoH is a lead sub-recipient and also responsible for the procurement of large amounts of pharmaceutical products and services.
• The CCM secretariat, comprising an executive secretary and an assistant (both of whom are employees of the MoH), is funded by and located in the MoH.

- Some CCM members are employed by organizations which are also sub-recipients.
- Development partners including the United Nations agency member(s) of the CCM "push" agendas close to their areas of interest/mandate,

In **Zimbabwe**, the CCM Chair is the Minister of Health and Child Welfare. The ministry is also one of the largest recipients of Global Fund monies as a sub-recipient as well as being a PR for Round 1 and 5 grants. This is an example where the individual's position may result in a direct financial benefit, presenting difficulties in objective monitoring and/or oversight. While CCM formal guidelines and measures to mitigate conflicts of interest exist in all countries studied, the guidelines are mostly unknown to the CCM membership. As the case study for Zimbabwe states:

> The majority of the Zimbabwe CCM membership is not aware of the existence of governance instruments or policy documents on conflicts of interest. A small fraction admitted to being aware, but lacked familiarity or knowledge of such documents. There evidently exists a huge information and communication gap within the CCM and among stakeholders of the Global Fund program in Zimbabwe.[25]

Zimbabwe has an Ethics and Conflict of Interest Policy in place which was drafted in 2005 and widely circulated for CCM member input. It seems, however, that only five or six CCM members out of twenty participated in its development and were subsequently familiar with its contents. This means that there maybe a low level of ownership of the conflict of interest policy among CCM members, which in turn narrows the probability of reporting or dealing with conflict of interest issues.

While the Ethics and Conflict of Interest Policy for the Zimbabwe, CCM proposes a sound process for mitigating such conflicts, it appears that the policy has not been put into practice. Steps to mitigate conflicts of interest, and procedures recommended in the policy, have yet to be implemented. As of the time of the interviews (September 2007) no "Declaration of Interest" forms had been completed. There is no membership list available for the Ethics and Conflict of Interest Committee, and CCM meeting minutes show no evidence of deliberations on conflicts of interest. Training on the conflict of interest policies and procedures is required for all CCM members.

Jamaica, the third case study in this thematic area, has strong PR and sub-recipient selection processes in place which are more transparent and better defined than either Kenya or Zimbabwe, where questions have arisen about their impartiality.

Global Fund observation

In the majority of CCMs, i.e. roughly 60 percent worldwide, the CCM Chair represents a government ministry and is simultaneously the PR. While this presents an inherent conflict of interest, it is not necessarily wrong or unmanageable. In fact, in many cases this arrangement is both necessary and desirable. Regardless, putting systems in place to mitigate inherent conflicts of interest are essential to protect the integrity of grant resources (and those who implement them).

Across the three case studies, CCM members were found to have connections with organizations serving as grant recipients - a situation with a potential for compromising the CCM's overall oversight function. Some general recommendations have emerged from the case-study analysis that may prove useful, provided they are adapted for individual country contexts:
- Ensure the impartiality of support structures like CCM secretariats and oversight/ethics committees.
- Institute regular in-service training on conflicts of interest for CCM members, secretariats

[25] *Zimbabwe*, 25.

and committees, PRs and sub-recipients.
- Elicit technical support from other organizations to help operationalize the conflict of interest mitigation policies.

Jamaica: an example of a fully operational conflict of interest management plan

Jamaica has a fully operational conflict of interest management plan, developed with the participation and input of all stakeholders and CCM members. The Joint United Nations Programme on HIV/AIDS (UNAIDS) Jamaica Country Office led the development of the plan, the major components of which include:
- The establishment of an oversight monitoring committee;
- The requirement that all CCM members complete a disclosure

of conflict of interest form at the first annual meeting for review and evaluation by the entire CCM membership at the following meeting

The committee's responsibilities are to:
- Monitor conflict of interest concerns i.e. those situations in which personal, occupational or financial considerations may affect the ability of CCM members to be fair and objective during the decision-making process;
- Review any conflicts of interest that have been disclosed and determine what action, if any, is required;
- Receive and investigate complaints regarding proposals submitted for funding and review proposal appeals;
- Investigate complaints regarding implementation issues;
- Resolve any conflicts concerning

stakeholders' (PR or sub-recipient) participation in discussions on issues in which they have an interest.

The Jamaican oversight monitoring committee is composed of five CCM members. CCM members also serving as PRs or sub-recipients are not eligible. At least one committee member should have technical knowledge of HIV/AIDS issues. Members of the committee may be non-members of the CCM but the committee chair must be a CCM member and the committee membership is subject to annual approval by the CCM. Prior to a candidate's appointment, the CCM assesses whether any existing conflict of interest is unacceptable or can be appropriately managed. The committee is responsible for reporting to the CCM any instances of conflict of interest, whether real or perceived, in the following areas:
- Decision-making regarding the PR's financing of sub-recipient proposals;
- Decision-making regarding the PR's financing of activities to be implemented by the PR;
- Contracting for consulting arrangements from which representatives of the PR or sub-recipient would benefit financially or professionally.

External support?

It is clear from the case studies that CCMs are struggling with conflicts of interest. Situations where voting members are also representing recipient institutions have the potential to compromise the integrity of the CCM's

Management strategies to handle conflicts of interest concerns in Jamaica

- Full disclosure of any conflicts of interest, either orally or in writing
- Recusal of the member from chairing a decision-making process
- Recusal of the member from final decision-making
- Inclusion of a disinterested committee member in decision-making
- Transfer or reassignment of the member's duties and responsibilities to a non-conflicting function
- Recommendation of specific sanctions consistent with the failure to disclose interest

oversight function by calling into question the impartiality of decision-making. It is critical for CCM credibility that it be seen to deal correctly, consistently and proactively with conflict of interest issues. One option is to request the support of an impartial institution to help resolve CCM conflicts of interest. An external organization with demonstrated expertise in this area could assist the CCM to draft conflict of interest policies and support their execution by assuming responsibility for reviewing and adjudicating conflicts of interest. Suitable organizations could include international development agencies such as the UNAIDS Country Offices, and local or international NGOs.

SUMMARY

It is expected that all CCMs will and do face conflicts of interest. Whenever a grant recipient is also a voting member of the CCM, legitimate concerns about impartiality are raised. So far, conflict of interest issues have not, in general, been adequately addressed. Where policies to mitigate conflicts of interest are in place, CCM members are often unaware of their contents and the policies are not sufficiently operational. **Jamaica**'s Conflict of Interest Management Plan, which includes practices and tools for oversight and enforcement, could serve as a model not only of a sound conflict of interest policy but also for a sound development approach involving the participation and input of all stakeholders.

MAIN RECOMMENDATIONS

- Develop conflict of interest policies which include clear processes for addressing the conflict and which apply to all members at all times.

- Provide training for CCM members on conflicts of interest and disseminate information on conflict of interest policies in order to raise member awareness of the issue.

- Consider outside support in the development of CCM conflict of interest policies, including the outside party resolution of conflicts.

- CCMs should provide their secretariats with neutral housing and funding where possible.

The Global Fund's model for performance-based management requires appropriate and timely communications between the CCM, PRs and the LFA. In theory, the CCM obtains reports from the PR and other sources in order to exercise its role in governance and oversight. In parallel, the Global Fund Secretariat monitors progress based upon objectives verified by the LFA, who in turn, liaises regularly with the PRs and other partners. These communication channels are intended to mutually reinforce one another towards early recognition and resolution of problems. Under ideal circumstances, outstanding concerns would be known to all parties and would be taken up by the Global Fund Secretariat with the PR and CCM to address appropriately. To review experience in this critical area of communications, case studies were conducted in **Nigeria**, **Peru** and **Zambia**.

The case studies analyzed communications between the CCM, the LFA, the PRs and, to a lesser degree, among other Global Fund partners. Particular attention was placed on identifying patterns of communication between the CCM and the LFA, the LFA and the PR and the CCM and the PR, and ways in which these patterns can be improved and to identify good communication practices.

Background: role of the LFA

Following its core principles of ensuring country ownership of programs and maintaining a lean and efficient Secretariat, the Global Fund does not have offices outside of Geneva, Switzerland. This is a significant departure from traditional donor arrangements, especially considering the substantial sums involved. Instead the Secretariat relies on LFAs, which are selected through a competitive bidding process to assess implementation capacities and verify grant implementation progress at the country level. LFA responsibilities include the following:

• Assess the PR's capacity to implement approved proposals by reviewing budgets and work plans and otherwise assisting the Global Fund in grant negotiations;

• Independently oversee program performance and the accountable use of funds (known as Verification of Implementation). This includes reviewing the PR's periodic requests for funds, undertaking site visits to verify results and reviewing the PR's annual audit report;

• Review grant performance as it approaches Phase 2;

• Assist with grant closure;

• Conduct ad hoc assignments at the request of the Global Fund, such as investigations related to the suspected misuse of funds.

The LFA is not the Global Fund's representative in-country nor does it speak on behalf of the Global Fund unless expressly authorized to do so on a case-by-case basis. It is not empowered to make decisions on grants - the LFA recommends and the Global Fund decides. Neither does it participate in the design or implementation of a Global Fund proposal, nor provide technical support to grantees.[26]

Effective communication between LFAs, PRs, CCMs and other in-country stakeholders, in particular the development community, is crucial to ensure the accountability and effectiveness of Global Fund grants. The case studies found that much of the miscommunication between LFAs and other grant actors in country is due to a poor understanding of the LFA's role and responsibilities by CCMs and PRs. LFAs are contracted by the Global Fund and report to the Secretariat. They do not report to the PR, CCM or other Global Fund stakeholders. To preserve LFA independence and impartiality, all interactions with CCMs, PRs and other stakeholders in country should be conducted in accordance with the in-country *Communications Protocol* issued by the Global Fund[27], which provides a mechanism to systematize the sharing of LFA findings and to provide feedback and recommendations to the PRs.

Weak communication links

A major area of concern identified by the case studies is the poor quality of communications between the LFA, PR and CCM. A degree of general distrust between all parties was expressed, exacerbated by a lack of clarity about respective roles and responsibilities. In **Peru**, an initial lack of feedback from the LFA to the PR and the CCM led to suspicions that the PR was not being informed about issues of concern to grant performance. Communication between the CCM and the LFA was reportedly "nonexistent", and "one way only". Additionally, CCM members complained that the Global Fund communicates directly with the LFA but does not share its communications with the CCM.

The communication between the PR and CCM is also sub-optimal. CCM members perceive the PR as the communications hub, controlling the communication channels with both the Global Fund and the LFA. This situation has created a perception of information asymmetries in Peru, where the PR was seen as the repository of information which it used to gain advantages in the decision-making process and subsequent allocation and management of financial resources.

In **Nigeria**, while there are frequent, open and supportive communications between the CCM and the PRs, communications between these entities and the LFA were reported to be "truncated". Some CCM members felt that the LFA's consistent declining of all invitations to attend CCM meetings as an observer adversely affected the flow of information.

The **Zambia** case study reports allegations that the LFA and CCM only communicate during proposal development or during the run-up to grant renewals when the LFA identifies implementation challenges and is on hand to explain contracting issues. The LFA does not share feedback with the CCM on its performance review of the PRs, who themselves acknowledged receiving feedback but perceived it as insufficient on the grounds that it withheld "needed guidance and communication". The situation improved when the LFA began to give better feedback to civil society PRs, allowing them to preview performance review reports and discuss them before submission to the Global Fund Secretariat. According to the case study, grant performance problems had been exacerbated by the lack of communication between the LFA and the government PRs, who are accustomed to receiving any official communication in writing. The LFA orally debriefs government as well as civil society PRs before submission of a performance review to the Secretariat, in accordance with the in-country *Communications Protocol*.

The **Zambia** government PR's reservation about LFA communication is due to a misunderstanding of LFA responsibilities. Similarly, the criticism voiced by civil society PRs, that the LFA "withheld needed guidance and communication," stems from their belief that the LFA should build capacity and help partners meet reporting requirements. Global Fund guidelines clearly state, however, that the LFA should not provide either capacity building or technical assistance to the PRs.

Clarification of communication needs and building trust

A brief examination of some of the communication needs and/or expectations of the CCM, PR and LFA may help in understanding the communication dynamics between these entities.

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26 See *Local Fund Agents* available at http://www.theglobalfund.org/en/about/structures/lfa
27 Available at http://www.theglobalfund.org/en/about/structures/lfa/background/GFPolicy/

For effective grant oversight, the CCM needs information from PR(s) on the progress of grant implementation, so that it can respond and mobilize appropriate support. The Global Fund policy document *Fiduciary Arrangements for Grant Recipients* stipulates that PRs must ensure that effective arrangements are put in place for reporting on programmatic results and financial accountability to the CCM as well as to the Global Fund.[28]

While the importance of good communications in this triangular relationship is apparent, it is not necessary that each should be in constant communication with the other. Rather, the three entities have distinct communication responsibilities. As we have seen, it is the primary responsibility of the PR to keep the CCM updated on grant progress. The role of the LFA as "the eyes and ears" of the Global Fund at the country level is to provide the Global Fund Secretariat with an independent and objective view of grant implementation. Any requests the LFA receives from the CCM to share updates on grant implementation or review recommendations should be referred to the PR and the Geneva-based FPM. The FPM will follow up with the PR and the CCM on any issues relating to the PR's management role and the CCM's oversight role. It seems that in this triangular relationship- CCM, PR and LFA -the problem maybe due to the lack of trust and misunderstandings of the communication protocols between the different actors. Good practices described

below will contribute to building this trust. It will be particularly critical that the CCMs learn to place more trust in the work of the LFAs as independent agents.

Good practices in PR-LFA communication

The case studies identified examples of good LFA-CCM-PR communication or collaboration. In **Peru**, for example, there is tripartite participation of all three entities during FPM visits to the country. All parties perceive this to be a positive and effective communication mechanism. There are also "effective and fluid communication links" between the LFA-PR management teams, mostly through formal monthly feedback meetings between the PR and the LFA. These links have facilitated daily peer-to-peer communication channels via e-mail, cellular phones and file-sharing between the PR and LFA staff. The LFA also participates in quarterly feedback meetings between the PR and the sub-recipients.[29]

In **Zambia**, the LFA has provided consistent feedback to the civil society PRs, allowing them to preview their performance review and discuss it before the LFA submits it to the Global Fund Secretariat (*ibid.,* 11). This practice supports the Global Fund's in-country *Communications Protocol,* which requires the LFA to undertake a verbal debrief to the PRs to give them "an opportunity to comment on any discrepancies or inaccuracies in the LFA's findings" prior to sending the final report to the FPM.

In addition, the case studies all reached a similar conclusion: the LFA should, at a minimum, regularly attend CCM meetings as an observer and use their attendance as an opportunity to clarify their role and functions to CCM members and PRs. This would go a long way toward fostering trust between the three entities. The in-country *Communications Protocol* specifies that "The LFA should be available to regularly attend CCM meetings" and that they "should explain their roles and responsibilities to PRs, CCMs and other in-country stakeholders" as and when appropriate.

LFAs with limited programmatic oversight capacity?

Some CCMs and PRs complain that LFAs lack the technical skills to monitor and understand programmatic aspects of grant implementation as opposed to focusing on purely financial issues. The PRs in **Nigeria** believe, for instance, that the LFA is only interested in regulating accounts and is neither interested in nor capable of understanding the programmatic issues which they regard as equally important and relevant to the LFA's scope of work. The LFA in Nigeria concedes that its programmatic expertise is unequal to its financial expertise. However, it reportedly did address program issues as well, often through detailed discussions with and probing questions to the PRs. Members of the **Zambia** CCM perceive that the LFA lacks the skills to properly monitor and evaluate the technical aspects of the program.

[28] Global Fund. *Fiduciary Arrangements for Grant Recipients.* Geneva, 2003, 4.
[29] Available at http://www.theglobalfund.org/en/about/structures/lfa/background/GFPolicy under GF-LFA_Communications_Protocol.

The LFA in Zambia, on the other hand, does not focus on the quality of programming but instead on quantitative indicators found in reporting formats.

The *Communications Protocol Guiding the Relationship between the Global Fund and its Local Fund Agents*[30] specifies "A clear and realistic understanding of the impact and consequences of the three diseases … is an essential component of the work performed by the LFAs. This serves to streamline and facilitate discussions on programmatic aspects of the grants." It should be noted that the Global Fund has already started to address the issue of identifying LFAs with greater health programmatic expertise through a new global tendering process that emphasizes the selection of organizations who possess a mix of skills – specifically in the areas of finance, programmatic health, procurement and supply management, and M&E.

Summary

Striking a balance between the independence of the LFAs on the one hand and the CCM/PR desire to receive better feedback about grant performance on the other is a delicate matter. Clearly, communications between the three entities are in need of improvement. In particular, there is a need for a better understanding of the LFA role within the Global Fund architecture, especially among CCM members and PRs. Small changes and a more constructive collaboration, such as regular LFA participation in CCM meetings or more regular communications between LFAs and PRs, could make a significant difference. It is also important for LFAs to strengthen their programmatic health expertise where they might be in question.

Main recommendations

- The LFAs should regularly accept invitations to attend CCM meetings as observers while still maintaining their independence.

- LFAs should implement the requirement set out in the in-country Communications Protocol that they share key findings with the PRs before sending the final grant performance report to the FPM.

- Good practices, such as tripartite participation in FPM country visits and formal monthly feedback meetings between the PR and the LFA, should be replicated by other countries.

- CCMs and PRs should familiarize themselves with the in-country *Communications Protocol*.

- LFAs should strengthen their technical program auditing skills in programmatic health, procurement and supply management and M&E.

[30] Available at http://www.theglobalfund.org/en/about/structures/lfa/background/GFPolicy under GF-LFA_Communications_Protocol.

Harmonization and alignment of investments in health is a challenge that predates the Global Fund, where countries have been encumbered by vertical programs for diseases, a confusion of players, difficulties in coordination, and duplication of resources. At the inception of the Global Fund, it was understood that its substantial finances could affect national processes and systems in a variety of direct and indirect ways. The Global Fund, whose Board represents a full breadth of donor and recipient partners, has always advocated complementing national programs, and that countries take the opportunity to contribute to health systems strengthening. To examine the extent to which this had occurred, case studies were conducted in **Cambodia**, **Mozambique**, **Nigeria**, and **Tanzania**.

Background

Harmonization and alignment are two of the five principles of the Paris Declaration, signed by more than 100 countries, to promote mutual accountability. Both donor and recipient countries share the responsibility for ensuring that aid to countries is used effectively.[31] Alignment requires that donors base their overall support on partner countries' national development strategies; they should aim to harmonize funding objectives in order to be less burdensome in the way they deliver aid. As set out in the *CCM Guidelines*, its core principles encourage harmonization and alignment:

the Global Fund finances programs that reflect national ownership and respect country partnership-led formulation and implementation processes that build on, complement and coordinate with existing regional and national programs in support of national policies, priorities and partnerships. Wherever possible, CCMs should build on and be linked to existing mechanisms for planning at the national level and be consistent with national strategic plans.

The Global Fund Framework Document specifies that the coordination mechanism "should preferably be an *already-existing* body." Only where no appropriate body exists should a CCM be established. In practice, however, few Global Fund recipient countries have used pre-existing structures and, where they have, the case studies in this thematic area found that the degree and forms of integration vary significantly. On the other hand, the case studies found indications that some countries with established CCMs are now considering the possibility of integrating them with other national mechanisms where this can be done without compromising Global Fund principles.

CCMs also exemplify the principle of harmonization in their composition. The Global Fund expects that CCMs should be broadly representative of all national stakeholders in the fight against the three diseases, including all relevant donor and development partners. By providing a mechanism to bring stakeholders together who both raise and distribute resouces, the CCM contributes to building collaboration between

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[31] OECD/DAC (2005): Paris Declaration on Aid Effectiveness available at http://www.oecd.org/dataoecd/11/41/34428351.pdf

in-country development partners. Common funding mechanisms are pooled resources that promote aid effectiveness via the harmonization of partner efforts. These mechanisms supply the funding source to support larger (i.e. national), program-based approaches, where the country's response to disease/health is managed through a common strategy supported by all partners. Common funding mechanisms are defined as any arrangement between multiple partners (domestic sources and external donors) in which they contribute funding through a unified approach using joint planning, budgeting, M&E, and common rules for reporting and accountability.[32] The Global Fund supports program-based approaches.[33] However, not all countries are adopting common funding mechanisms, and the Global Fund is currently contributing to two in **Mozambique**. The Mozambique case study reviewed the CCM's experiences and found that there have been a number of challenges to integrating Global Fund requirements on program oversight with joint M&E arrangements. Case study findings suggest that the Global Fund should explore more options for synchronizing grant disbursements and reporting cycles with that of the funding mechanism, although it has already exercised flexibility in this regard. The case study also confirms that LFA verification and CCM oversight offer a level of security on investments that donor partners might consider for their pooled funds.

Tanzania: enlarged CCM

In **Tanzania**, the CCM was estab-

lished in response to the call for proposals in Round 1, in February 2002. The Tanzania Commission for AIDS (TACAIDS) acted as the CCM secretariat. A document defining the CCM structure, functions, membership and modus operandi was developed in 2003 and endorsed in March 2004. In response to the revision of the CCM Guidelines in 2005, Tanzania modified its CCM and renamed it the Tanzania National Coordination Mechanism (TNCM). The TNCM was designed to facilitate and coordinate Global Fund grants as well as all other funds from external sources for the fight against HIV/AIDS, TB and malaria, in addition to other health programs requiring intersectoral planning, coordination and oversight. The expanded remit of the TNCM was motivated by the need to coordinate all resources in the country to fight epidemics and speaks to the success of the initial CCM in developing fundable proposals and distributing resources wisely.

The TNCM guidelines detail the tasks it should carry out to promote harmonization and alignment in Tanzania. These include establishing and maintaining strong coordination across public and private sectors, civil society, bilateral and multilateral agencies working in the three disease areas; guiding harmonization of the Global Fund, the United States' President's Emergency Plan for AIDS Relief (PEPFAR), the President's Malaria Initiative (PMI), and the World Bank Multi-Country HIV/AIDS Program (MAP), among others; it ensures Global Fund grants are captured in the Me-

dium Term Expenditure Framework (MTEF), a mechanism that organizes all resources available for health programs in Tanzania. There are mixed results to the ways in which the TNCM has carried out these tasks, for which further detail is supplied below:

- **Establish strong coordination**
  The TNCM provides a forum for sharing information on national programs for most development partners, including PEPFAR, PMI, Mkapa Foundation and Great Lakes Initiative against AIDS. A review of the TNCM minutes shows that these programs report to the TNCM and the information shared enables partners to minimize duplication and reinforce synergies. Currently, all HIV/AIDS, TB and malaria programs operating in the country report to the TNCM. The reports do not contain an analysis of program performance.
- **Guide the harmonization of the Global Fund, PEPFAR, PMI and MAP**
  No significant results have been achieved in this second task of the TNCM. PEPFAR and PMI develop their own programs and plans. MAP provides budget support to the fight against HIV/AIDS. The TNCM focuses on providing oversight to the performance of Global Fund grants. This has not yet been extended to other programs. While harmonization and alignment are described as desirable outcomes, there is limited evidence of the TNCM seeking joint reviews, joint technical missions and national gap analysis.[35] Some aspects of harmonization take place at a programmatic

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[32] Global Fund. *Guidelines for Proposals.* Ibid.
[33] Global Fund. *Fiduciary Arrangements for Grant Recipients,* 11.
[34] The Global Fund requires that CCMs "identify priority needs and funding gaps at the national level for existing efforts against the three diseases".
See *Fiduciary Arrangements for Grant Recipients,* 3.

level but not as a result of deliberate attempts on the part of the TNCM.

- **Ensuring Global Fund grants are reflected in the MTEF**
  The TNCM guidelines and supplementary procedures include an elaborate process for recording Global Fund grants in the MTEF. This process has not yet been put into practice. Efforts are underway at the program level to capture all resources in the MTEF but not as a direct result of the process described in the TNCM procedures.

Joint reviews, technical missions and national gap analysis are examples of practices contributing to effective harmonization. In 2006, a joint review of HIV/AIDS programs was led by TACAIDS. TNCM, however, has not developed any guidelines for joint program reviews which hampers its ability to participate in them. A planned joint effort to develop a national gap analysis has also not been realized. An attempt to carry out a gap analysis for the Round 7 proposal was poorly conceptualized and the analysis was not used.

Issues impeding efforts to align grant oversight to other national processes include the lack of functional national M&E systems and formal processes and communication links between the CCM and other national coordinating structures, such as the Tanzanian health SWAp.[35]

In summary, the TNCM was established to harmonize and align funding for HIV, TB, malaria and other health programs

in Tanzania. However, few procedures have been developed and none implemented to put this function into practice. A few suggestions have emerged from the country case study to improve the TNCM's role in harmonization and alignment in Tanzania:

- Develop policy and operational guidelines for all stakeholders, particularly non-governmental partners, on how to participate in ongoing harmonization processes and mainstream coordination in their work.
- Develop clear policy guidelines on joint reviews, technical missions, and national gap analysis.
- Train and sensitize all TNCM members on harmonization and alignment. This would enhance the quality of participation and commitment to the harmonization processes.
- Develop formal communication channels with other coordinating structures, especially those at the SWAp level.
- Strengthen the TNCM secretariat and its technical working groups. These are the structures which analyse the technical challenges to harmonization and alignment and present the issues to the TNCM for decision-making and direction.

Mozambique: a "streamlined" CCM

In **Mozambique**, the country case study found evidence of a very different approach to CCM integration with other national efforts. At the time of the first Mozambique Global Fund application in 2002, the establishment of a health SWAp and a common fund

for HIV/AIDS was well underway and sector coordination mechanisms were in place. Initially, the CCM was created as a stand-alone mechanism as a result of a misunderstanding of Global Fund requirements. It would be fair to note that there has been some tension and miscommunication between the Global Fund and some in-country partners regarding the integration of the Global Fund's performance-based model of funding with the Paris Declaration on harmonization and alignment. Today, however, the Mozambican CCM is generally integrated into the health SWAp and the common fund for HIV/AIDS, together with their systems for coordination, management and monitoring of sectors. The utilization of Global Fund resources is now overseen by the health SWAp and HIV/AIDS common fund coordination mechanisms. The CCM meets as a separate body only to coordinate the preparation of Global Fund proposals, and requests for continued funding; to resolve grant-related issues and to respond to specific requests from the Global Fund Secretariat. It meets on an ad hoc basis while the other bodies that define national strategies and oversight mechanisms meet more formally and regularly. Most CCM members now have a seat on the health SWAp and HIV/AIDS common fund coordination mechanisms. This integration has had the positive side effect that civil society and the private sector are now formally members of the health SWAp. The Mozambican CCM is an example of how the CCM can be very closely integrated with existing national sector coordination mechanisms.

[35] "Sector-wide approaches are a specific type of program-based approach that operate only at whole sector level, e.g., health,and not at a disease-specific level." *Guidelines for Proposals Round 8,* 20.

There is a need, though, for both the Global Fund and Mozambique to strengthen integration of performance-based funding into the common funding mechanisms.

Innovative partnership with DFID
To facilitate linkages with the existing structures in Mozambique, the Global Fund began a partnership with the UK's Department for International Development (DFID), whereby a DFID official acts as an in-country

Global Fund liaison to the Mozambican health SWAp and the HIV/AIDS common fund. This partnership is an innovative example of harmonization among donor agencies. It has led to a reduction in the number of separate Global Fund missions to Mozambique.

Harmonization and alignment efforts in other countries
Cambodia is an example of how donors, government, and civil society are making efforts to harmonize the

work of different actors via the creation of a common platform for policy-making and for the implementation of health programs. Even before the CCM was constituted in Cambodia, technical working groups were in existence – one on health and one on HIV – in which the three constituents would meet to deliberate on annual and multi-year plans and attempt to coordinate their activities. Most of the country's major donors now have a seat on the CCM. In addition, the Technical Working Group on Health includes all donors in the health sector and the Technical Working Group on HIV includes all major stakeholders in the area of HIV/AIDS. The representatives of these two groups contribute to the government's health-sector support program. All donors have agreed to support the government's decision to merge into one government-led and government-managed common framework and have agreed on management arrangements which, however, will not include pooling funds.

In **Nigeria** respondents stated that the CCM was instrumental in bringing together multilateral and bilateral development partners, the local community and in particular the communities living with or affected by the diseases. Together they set priorities, plan and make decisions on the funding and implementation of programs, and development partners collaborate over joint reviews and M&E. Representatives from these constituencies form the various CCM committees and task teams.
In September and October 2007, 26

Global Fund observation: National AIDS Councils and Country Coordinating Mechanisms

In general, National AIDS Councils (NACs), set policies and develop national strategies only for HIV, while a CCM translates funding gaps for existing efforts against the three diseases into proposals and provides oversight for grant implementation. This is particularly important in countries where there is a significant health burden from all three diseases. Most CCMs operate independently from NACs to avoid confusion over governance roles and responsibilities. Increasingly, NACs serve as technical committees for CCMs providing support in
HIV proposal development and HIV program oversight.

This evolving relationship between the NACs and CCMs can be very beneficial, especially when the NAC focuses on high-level policy formation and national strategic planning while the CCM focuses on specific proposal development and grant implementation issues.

More often than not, the CCM brings together multiple partners in ways that national planning bodies for single diseases have not been able to do. This broad stakeholder involvement provides heightened opportunities for scalability and impact by bringing the unique perspectives and resources of all donors, development agencies, and national stakeholders into developing a national gap analysis and providing oversight to grant implementation.

Summary

Two different approaches to CCM alignment and harmonization are demonstrated by **Mozambique** and **Tanzania**. While in Tanzania the CCM has attempted to improve its alignment with existing national structures by expanding its functions, Mozambique sought to curtail CCM functions by integrating them more tightly with national health mechanisms. Those two examples demonstrate the degree to which CCM efforts at alignment and harmonization are dependent on the specific national context and pre-existing conditions and structures. The Tanzanian example also demonstrates the importance of developing appropriate policies and procedures if the CCM is to be successfully integrated with national structures.

An examination into the reasons why most countries chose to form separate CCMs as opposed to building upon pre-existing structures could prove to be instructive. Anecdotal evidence suggests that many countries created CCMs as distinct entities because this is what they thought the new donor required. However, some case study respondents stated that there were no viable or appropriate pre-existing structures that could have effectively raised and managed resources in order to address all three diseases. While HIV/AIDS-related institutions such as NACs were well established as multi-stakeholder partnerships in theory, in practice they were government-led and dominated and not very inclusive of civil society and other non-governmental partners.

Main Recommendations

- Re-examine CCM governance tools to enable the CCM to better align its activities with other existing coordination mechanisms.

- Educate new CCM members about the importance of of these issues.

- Align Global Fund grant agreement start dates to existing national planning and reporting cycles.

- The Global Fund and its partners should finds ways to strengthen the integration of a performance-based funding model within common funding mechanisms to improve alignment and harmonization.

NAMIBIA: In the Oshana region of Namibia, a mother reminds her daughter to take her antiretroviral (ARV) medication for the treatment of HIV at the same time each day. By 1 June 2008, programs supported by the Global Fund had provided ARV treatment to 1.75 million people worldwide.

consultants interviewed approximately 628 stakeholders in 20 countries to learn from their experiences how the Global Fund model of CCM is functioning. Their responses teach us that the CCM experience has been rich and diverse; CCMs have developed a wide range of best practice models that put into operation the core funding principles of country ownership, participatory decision-making, inclusiveness, and partnership-building. They have also stumbled along the way, and from these challenges we are grateful for their honesty and insight in how to improve collective efforts to manage the scale-up of a global response to three diseases of HIV, TB, and malaria.

In the early days of the Global Fund, CCMs performed many of their functions in an ad hoc way. The last few years have seen a major transition to more standardized, transparent processes. The case studies show that CCMs perform better when they have clearly-defined governance structures, management tools and procedures that they can apply to their day-to-day operations. The presence of an adequately staffed and equipped administrative secretariat was found to make a significant contribution to overall CCM performance, as do various CCM committees. Clear terms of reference delineating each of the CCM bodies are crucial to their effectiveness. These governance practices should be encouraged but also mediated with the need to retain local flexibility and a low level of bureaucracy.

The CCM partnership model with its requirement for nongovernmental sector membership and responsibility to treat all members as equal partners has contributed to a redefinition of the relationship between government and civil society in the health sector. The CCM platform brings together key stakeholders across the three diseases in a way that helps mediate and balance competing interests. Unlike any other global forum, the CCM's multi-stakeholder partnership is both responsible for raising significant resources and for deciding how they will be distributed within national programs. This demands tremendous responsibility to ensure that resources are disbursed wisely; it also compels governments and civil society alike to address conflicts of interest in unprecedented ways.

In countries where the government has learned to accommodate multi-stakeholder collaboration and participation, civil society engagement has improved tremendously. In addition, good leadership skills enhance the effective participation of all stakeholders in CCM deliberations and decision-making processes. However, there is always room for improvement and there is still a need to further address structural obstacles such as poor communications between civil society CCM representatives and their constituencies.

As CCMs continue to evolve and become more "established," it is important for the Global Fund and its partners to monitor its impact on health development financing in addressing HIV, TB, and malaria. These case studies demonstrate that the CCM has become a formidable mechnaism of the country-owned model for health financing. Its genuine inclusiveness of those most affected by the three diseases is an inspiration for many, but an evolving partnership that needs nurturing and vigilance. The CCM has many challenges ahead, the least of which is to find better ways to harmonize and align its functions with other national mechanisms.

All in all, these case studies provide a great resource for learning about CCM practices, and it is the Secretariat's hope that others will review these studies and draw their own conclusions. This is certainly not the definitive answer on CCMs but an evolving set of lessons learned. It is hoped that others will supplement these studies with further investigations and analysis. All case studies and subsequent reports are posted on the Global Fund website for easy access and reference.

Acknowledgements

Any large global report involves a cast of dozens if not hundreds. There are many individuals responsible for making this report possible, most of whom we can only thank collectively: the interview respondents. We thank all 628 of you for taking the time out of your very busy day to talk with the consultants who conducted these studies. You have provided us with invaluable information on how to improve the functioning of CCMs and the Global Fund is grateful for your input.

The CCM Team would also like to thank the seven contractors and twenty-seven consultants who worked on this project and drafted the country-specific studies:

Contractors

EPOS Health Consultants

Sanigest International

TSF Eastern Africa

TSF South East Asia

TSF Southern Africa

TSF West and Central Africa

University Research Corporation

Consultants

Oxana Abovskaya

Luca Brusati

Angela Chauduri

Sharon & Peter Claesson

Jack Galloway

Alberto Gonima

Anna Gorter

Gondo Hesbon Olum

Joseph Julien

Workeneh Kassie

Alexander M. Kireria

Shiv Kumar

Juliet le Breton

Richard Matikanya

Tom Mogeni

Judith Morrain-Webb

Emelda Mundawarara

Greg Munro

Margaret Philomena Price

Shaun Samuels

Dorothy Southern

Notburga Timmermans

Elena Tkatchenko-Schmidt

Bamba Vadro

Sally Wellesley

Pat Youri

VIET NAM: *With Global Fund support, 3.9 million TB patients have received treatment under DOTS, the international protocol for the treatment of TB.*