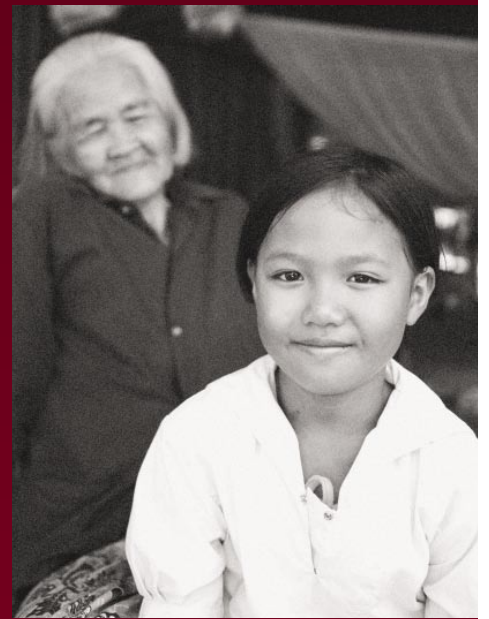
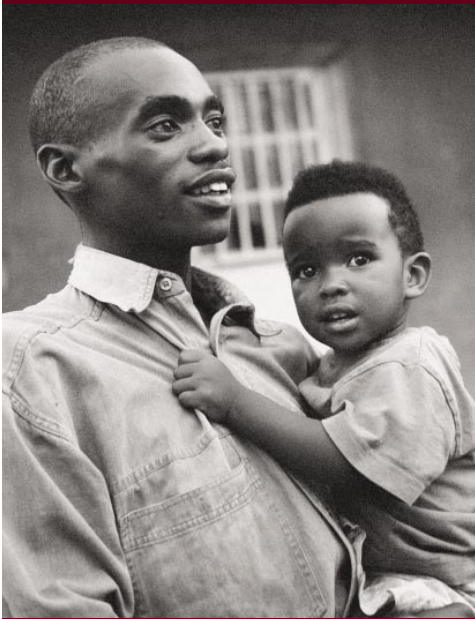


# THE GLOBAL FUND



who we are what we do



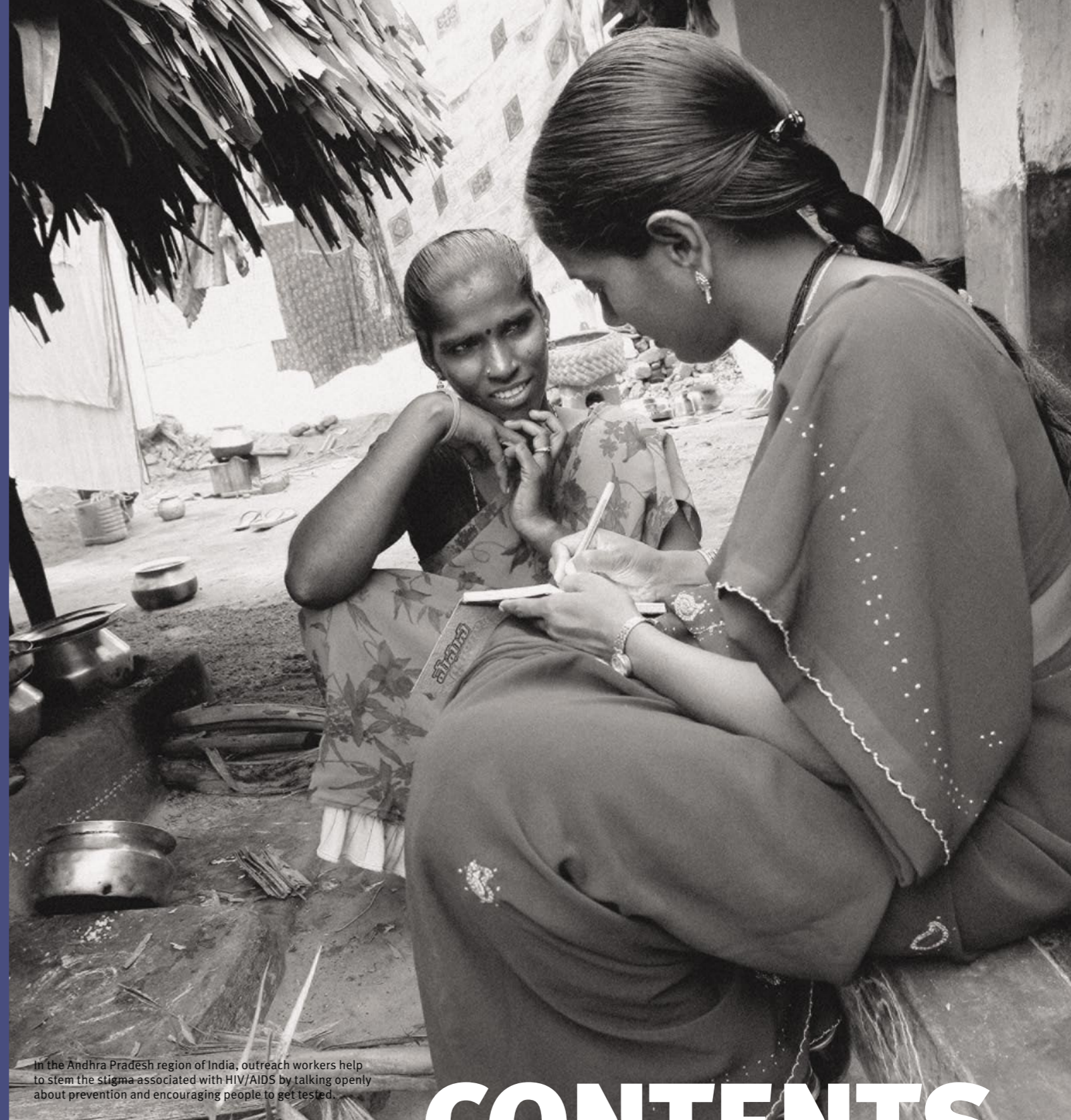
Investing in our future

**The Global Fund**

To Fight AIDS, Tuberculosis and Malaria

WE MUST CONTINUE TO SPEAK UP OPENLY ABOUT AIDS. NO PROGRESS WILL BE ACHIEVED BY BEING TIMID, REFUSING TO FACE UNPLEASANT FACTS, OR PREJUDGING OUR FELLOW HUMAN BEINGS. IN THE RUTHLESS WORLD OF AIDS, THERE IS NO US AND THEM... AND IN THAT WORLD, SILENCE IS DEATH.

– Kofi Annan,  
former UN Secretary-General



In the Andhra Pradesh region of India, outreach workers help to stem the stigma associated with HIV/AIDS by talking openly about prevention and encouraging people to get tested.

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**THE GLOBAL FUND IS ONE OF THE BEST AND KINDEST THINGS PEOPLE HAVE DONE FOR ONE ANOTHER. IT IS A FANTASTIC VEHICLE FOR SCALING UP THE TREATMENTS AND PREVENTIVE TOOLS WE HAVE TODAY – TO MAKE SURE THEY REACH THE PEOPLE WHO NEED THEM.**

# THE NEED FOR A GLOBAL FUND

To achieve a sustainable level of economic and social progress, developing countries must first be able to ensure access to basic health care for their people.

Perhaps more than anything else, three diseases stand as barriers to reaching basic health levels and an acceptable quality of life for the world's most disadvantaged. As problems with no respect for borders, AIDS, tuberculosis (TB) and malaria continue to spread despite efforts to scale up the fight against these diseases over the past few years, thereby threatening economic progress and potentially undermining the welfare of populations.

Despite the fact that these three diseases are both easily preventable and easily treatable, AIDS, tuberculosis and malaria cause six million deaths every year.

Beyond the devastating impact of millions of deaths, the burden of these diseases produces measurable economic loss, and in the worst-affected countries also increases the risk of social disintegration and political instability. Overall, the effect of the pandemics is thirty times greater in lower-income countries than in wealthy nations, raising the barriers to economic stability and sustainable



Global Fund support is allowing developing countries to quickly scale up treatment and prevention services aimed at stemming the spread of the diseases.

development. The Global Fund to Fight AIDS, Tuberculosis and Malaria was created in 2002 to provide significant amounts of new resources to allow these countries to respond forcefully to this formidable challenge.



## THE CREATION OF THE GLOBAL FUND

Over the past three decades, public health experts have identified a number of highly-effective interventions to prevent and treat AIDS, TB and malaria. If brought to scale, such efforts could change the course of these diseases. However, achieving this scale-up would require a substantial increase in resources. Leaders of G8 countries acknowledged this need for resources in their 2000 meeting in Okinawa, Japan, as did African leaders at a summit held in Abuja, Nigeria in April 2001. In Abuja, the United Nations' then-Secretary-General Kofi Annan called for the creation of a global fund to provide a new channel for such massive amounts of additional resources.

A United Nations General Assembly Special Session on AIDS in June 2001 concluded with a commitment to create such a fund, which the G8 endorsed and helped finance at their meeting in Genoa in July 2001. A permanent Secretariat was established in January 2002 and just three months later the Global Fund Board approved the first round of grants to 36 countries. Since then, five more rounds have been approved, bringing the total funding committed as of 1 May 2007 to US\$ 7.6 billion for 136 countries (including those grants which have been approved to receive funding for years three to five of their lifetime).

The guiding principle which underlies every aspect of grant funding is the concept of country ownership. Each country is responsible for determining its own needs and priorities, based on consultation with an empowered group of stakeholders which includes not only government, but also the private sector, nongovernmental organizations (NGOs), civil society and people living with or affected by the diseases. This multi-stakeholder approach is key to ensuring that monies reach those for whom it is intended: the men, women and children suffering from AIDS, tuberculosis or malaria.

## PERFORMANCE-BASED FUNDING

The Global Fund was created around the concept of "performance-based funding". Essentially this means that only those grant recipients who can demonstrate measurable and effective results from the monies received will be able to receive additional funding. In other words, initial funding is awarded solely on the basis of the technical quality of applications, but continued and renewed funding is dependent upon proven results and targets achieved.

In order to measure performance, the Global Fund has put in place a rigorous system of measurement and evaluation. This begins at the time of grant agreement signing, when targets and indicators are agreed upon between recipients and the Global Fund. Results are tracked at every point in the process, from disbursement requests to performance updates and on through requests for continued funding at the two-year point of the grant.

Many Global Fund grantees experience some challenges implementing their programs due to overtaxed health systems, weak infrastructure or other problems. To assist recipients in identifying problems in implementation and to facilitate the provision of an effective response both within the Global Fund and among its partners, the Global Fund has established and is promoting proactive engagement of partners through the Early Alert and Response System (EARS). More information about EARS is available on the Global Fund website. Together with a number of technical, civil society and donor partners, the Global Fund is also an active member of the Global Implementation Support Team (GIST).

Since targets are set according to the resource levels and ambitions of each country, the Global Fund's performance-based funding system provides a platform for grant recipients to demonstrate - and prove - their achievements.

## SHAPING THE GLOBAL FUND FOR THE FUTURE

The Global Fund was created to fill unmet needs and achieve substantial, measurable impact on the burden of disease in the countries it funds, thereby contributing to the achievement of the Millennium Development Goals (MDGs). In order to ensure that it lives up to this vision in a changing world, the Board of the Global Fund is engaging in a process of strategic development as a means of maximizing the effectiveness of the Global Fund in the coming years. This strategy will be completed during 2007.

## MILLENNIUM DEVELOPMENT GOALS

Adopted by the United Nations in 2000, the MDGs reflect a strong commitment on the part of world leaders to reducing global poverty. They reaffirmed this commitment at the World Summit held in New York in September 2005.

One of the eight goals calls for the halting of HIV/AIDS, malaria and other major diseases by 2015. Progress made on each goal will directly impact the others due to the direct relationships between the reduction of AIDS, tuberculosis and malaria and improvements in nutrition, access to education, gender equality and economic development.

**I BELIEVE IN THE GLOBAL FUND.  
I BELIEVE THAT IT HAS SHOWN  
GREAT PROGRESS, AND THAT  
WE MUST, IN TURN, COMMIT  
MORE SUPPORT TO ITS  
SUCCESS AND FUTURE.**

# GLOBAL FUND PRINCIPLES

The Global Fund was founded on a set of principles that guides everything it does, from governance to grant-making:

**1. Operate as a financial instrument, not as an implementing entity**

The Global Fund's purpose is to attract, manage and disburse resources to fight AIDS, TB and malaria. It does not implement programs directly, relying instead on the knowledge of local experts. As a financing mechanism, the Global Fund works closely with other multilateral and bilateral organizations involved in health and development issues to ensure that newly-funded programs are coordinated with existing ones. In many cases, these partners participate in local Country Coordinating Mechanisms (CCMs), providing important technical assistance during the development of proposals and the implementation of programs. The Global Fund is committed to relying on existing financial management, monitoring and reporting systems, where possible.

**2. Make available and leverage additional financial resources**

Since 2001, the Global Fund has attracted US\$ 10.4 billion in financing through 2008. Through its first six rounds of grant-making, it has committed US\$ 7.6 billion in funding (as of 1 May 2007) to support more than 450 grants in 136 countries worldwide. This substantial infusion of resources will enable many countries to scale up existing programs to a level commensurate with need. Still others will initiate new programs where none existed due to a critical shortage of funds. In future years, the Global Fund's ability to support the expansion of proven interventions will depend entirely on its ability to raise additional funding.



### 3. Support programs that evolve from national plans and priorities

The CCM model used by the Global Fund encourages new and innovative alliances among partners in recipient countries, drawing on the active participation of civil society as well as government, multilateral and bilateral partners and NGOs. This model has provided an opportunity for greater participation and collaboration between all sectors involved in the fight against the three diseases.



Mobile HIV/ AIDS video outreach and subsidized condom sales attract a large crowd in a village on the outskirts of Phnom Penh, Cambodia.

### 4. Operate in a balanced manner in terms of different regions, diseases and interventions

The Global Fund was created specifically to aid countries and regions with the greatest need – those classified as low-income or lower-middle income by the World Bank. In addition to these, the Global Fund also supports grants to countries whose income levels may be higher but whose rates of disease are growing rapidly or approaching epidemic levels, in an effort to prevent the further spread of the pandemics.

The Global Fund is financing programs in all regions of the world. However, 60 percent of funds approved in Rounds 1 to 6 go to programs in sub-Saharan Africa as a consequence of the disproportionate impact of these diseases on that continent. More than half of the funds approved in these rounds are for HIV/AIDS, with 26 percent allocated to fighting malaria and 14 percent to tuberculosis, respectively.

### 5. Pursue an integrated and balanced approach to prevention and treatment

The Global Fund takes a comprehensive approach to AIDS, TB and malaria, funding both prevention and treatment based on locally-determined needs. All HIV grants include prevention activities, most often focusing on young people (15- to 24-year-olds account for nearly half of all new infections worldwide). Grants for malaria will both expand access to insecticide-treated bed nets (ITNs) and give health officials the tools and training to identify, diagnose and treat people who are ill. In the case of TB, in particular, providing effective treatment has the added benefit of preventing the further spread of disease.

### 6. Evaluate proposals through independent review processes

The Global Fund's use of an independent Technical Review Panel (TRP) ensures that limited resources are targeted to technically-sound programs with the greatest chances of success. The 35-member panel includes disease experts as well as experts in the field of development who are able to assess how proposed programs complement ongoing health and poverty reduction efforts at the country level.

### 7. Operate with transparency and accountability

While the concept of performance-based grant-making is not new, the Global Fund is pioneering practical systems to implement this approach that balance the demand for accountability with the need for efficiency. This includes working with recipient countries to identify a small number of key indicators to be used to measure progress, and ensuring that, where possible, Global Fund reporting requirements rely on existing processes. The use of Local Fund Agents (LFAs) is another accountability mechanism designed to provide appropriate oversight while respecting local implementation.



Jamaica's grant to combat HIV/ AIDS includes a target of lowering HIV seroprevalence among 15 – 24 year olds from 1.2 percent to less than one percent. This will be accomplished in part through awareness-raising sessions conducted in schools.

The Global Fund's commitment to transparency is illustrated by the broad range of information available on the website. All approved proposals, signed grant agreements and grant performance reports are available for review in unedited form, as are documents discussed at Board meetings. The public is also able to track the progress of local programs by reviewing grantee reports.

Access to Global Fund information is further expanded through the website's use of six languages: Arabic, Chinese, English, French, Russian and Spanish.

# A PARTNERSHIP

# TO FIGHT AIDS, TUBERCULOSIS AND MALARIA

The Global Fund was created to dramatically increase resources to fight three of the world's most devastating diseases and to direct those resources to areas of greatest need.

The Global Fund provides large amounts of additional financing to support national strategies for the prevention, education, treatment and care of AIDS, tuberculosis and malaria. Because Global Fund financing should come in addition to - not instead of - amounts allocated from national budgets and other sources of aid, Global Fund grants enable countries to scale up interventions while continuing to develop their own health infrastructure.

Each country is responsible for deciding the strategies, priorities and programs it wishes to implement and requesting funding by submitting proposals in funding rounds.

These proposals and strategies are developed as the result of a close partnership between governments, civil society, the private sector and affected communities. Through its multisectoral engagement, the Global Fund represents an innovative approach to international health financing.

This approach is demonstrated through the unique contributions of its many stakeholders:

## BOARD

The international Board is made up of 20 voting members, which include representatives of donor and recipient governments, NGOs, the private sector (including business and foundations) and affected communities. In addition, there are four non-voting members, among whom are key international development partners such as the World Health Organization (WHO), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the World Bank (which serves as the Global Fund's trustee) and the government of Switzerland, given the Global Fund's status as a Swiss foundation.

The Board is responsible for overall governance of the Global Fund, for developing new policies, and for the approval of grants. The Chair and Vice-Chair of the Board each serve for a term of two years. Each position alternates between a donor constituency and a recipient delegation, so that both donors and recipients are equally represented in the Board leadership at all times. A change of Board leadership took place in April 2007.



## SECRETARIAT

The Global Fund's staff is responsible for day-to-day operations, including mobilizing resources from the public and private sectors, managing grants, providing financial, legal and administrative support, and reporting information on the Global Fund's activities to the Board and the public. The Global Fund aspires to be as lean as possible, with a staff of about 300 based in Geneva, Switzerland, and overhead costs consuming less than three percent of income. (The Global Fund has no country offices). Sir Richard Feachem served as the Global Fund's first Executive Director from July 2002 until April 2007. He has been succeeded by Prof Michel Kazatchkine.



To date, the Global Fund has approved grants to India worth more than US\$ 665 million to combat the three diseases.

## TECHNICAL REVIEW PANEL

To ensure that the Global Fund finances effective programs, the Board relies on an independent panel of health and development experts. The TRP reviews eligible grant proposals for technical merit and recommends high-quality proposals for funding by the Board. Through six rounds of proposals, the TRP has recommended funding for an overall average of approximately 40 percent of the proposals submitted.

## COUNTRY COORDINATING MECHANISMS

CCMs are country-level partnerships that develop and submit grant proposals to the Global Fund based on priority needs at the national level. After grant approval, they oversee progress during implementation. CCMs are central to the Global Fund's commitment to local ownership and participatory decision-making. They include representatives from both the public and private sectors, including governments, multilateral or bilateral agencies, NGOs, academic institutions, private businesses and people living with the diseases. To assist countries in ensuring that their CCM is effective, the Global Fund has implemented a number of guidelines:

- CCM members from the nongovernmental sector must be selected in a documented, transparent manner
- CCMs must provide evidence that they include representatives of communities living with the diseases
- CCMs must put in place a transparent and documented process soliciting submissions and ensuring the input of a broad range of stakeholders in the proposal development and grant oversight process
- CCMs must have a transparent, documented process for the nomination of the Principal Recipient (PR)
- CCMs must have a written plan in place to mitigate against conflict of interest in situations where the Chair or Vice-Chair of the CCM and the PR are from the same entity

## PRINCIPAL RECIPIENT

For each grant, the CCM nominates one or more public or private organizations to serve as PR. The PR is legally responsible for local implementation of the grant, including oversight of sub-recipients of grant funds and communications with the CCM on grant progress. The PR also works with the Global Fund Secretariat to develop a two-year grant agreement that sets program results to be achieved over time. Over the course of the grant agreement, the PR requests additional disbursements based on demonstrated progress towards these intended results. This performance-based system of grant-making is key to the Global Fund's commitment to results.

## LOCAL FUND AGENT

The Global Fund does not have a country-level presence outside its offices in Geneva. Instead, it relies on independent advice from local auditors referred to as LFAs. In the initial stage, an LFA assesses the capacity of a nominated PR to administer grant funds and be responsible for implementation. During the life of a grant, the LFA will also verify the PR's periodic disbursement requests and progress updates. They are in addition responsible for reviewing the PR's annual report, and advise the Global Fund on matters involving disbursements and other actions.

## PARTNERSHIP FORUM

Every two years, the Global Fund convenes a broad group of stakeholders in a Partnership Forum. In July 2004, the first of these Partnership Forums met in Bangkok, Thailand. The second Partnership Forum was held in Durban, South Africa, in July 2006 and was preceded by an online forum in four languages in the months leading up to the meeting itself.

During the meeting, stakeholders from a wide variety of constituencies came together to review the Global Fund's progress and to discuss current issues. Recommendations decided at that meeting were presented to the Board at its next meeting.

The Partnership Forum serves as an opportunity for the Global Fund to inform stakeholders of progress and challenges, but its most important function is to provide those who may not have a direct voice on the Board the opportunity to give valuable feedback and guidance. The next Partnership Forum will take place in 2008.



## DEVELOPMENT PARTNERS

As a financing mechanism, the Global Fund does not itself provide technical assistance and capacity-building support to current or potential grant recipients. Instead, the Global Fund relies on development partners to provide such support to grantees. These organizations – including UNAIDS, WHO, the World Bank and other UN and bilateral agencies as well as local organizations – work with CCMs to develop proposals, strengthen capacity and implement approved programs. The Global Fund recognizes that some countries may face difficulties in implementing grants and therefore encourages CCMs to include funds for technical assistance in their proposals.

An important step forward in this regard was the creation of the GIST. This group, which includes representatives from the Global Fund, the World Bank, and AIDS-related UN agencies, meets monthly to coordinate a response to implementation bottlenecks in HIV/AIDS grants. A similar initiative is underway to assist grants for malaria and tuberculosis.

One of the concerns shared by the various development partners is to improve coordination and harmonization between all parties involved in implementing public health efforts, while at the same time not placing an undue burden on the countries themselves. In relation to AIDS, the Global Fund - together with a number of other international partners and agencies - adopted three principles as the overarching framework to better coordinate the scale-up of national AIDS programs and related responses to the HIV/AIDS epidemic. These principles are referred to as the “Three Ones”:

- **ONE** agreed HIV/AIDS action framework that provides the basis for coordinating the work of all partners;
- **ONE** national AIDS coordinating authority, with a broad-based multisectoral mandate; and
- **ONE** agreed-upon country-level monitoring and evaluation system.

The next step will be to apply these principles to tuberculosis and malaria as well.

## PUBLIC/PRIVATE PARTNERSHIP

One of the most important innovations in the design of the Global Fund is the bringing together of the public and private sectors at all levels of the Global Fund’s and its recipients’ decision-making processes. From the Global Fund Board to the CCMs, from governance to program implementation, governments work closely with representatives of civil society, including faith-based organizations (FBOs), the private sector and communities living with the diseases.

In doing this, the Global Fund fosters a model where government and other parts of society together take responsibility for the planning, coordination and implementation of health programs.

Governance at the Board level means that representatives of the corporate sector, private foundations, NGOs from both the developing and the developed world and communities living with or affected by the three diseases hold equal decision-making power with representatives of donor governments.

Partnership in governance is also implemented at the country level. The CCM is a national consultative body which includes all stakeholders involved in the fight against the diseases. CCMs must meet certain requirements for membership in order for their proposals to be considered eligible.

Private sector partnerships also play an important role at the country level – not only in governance, such as through participation in the CCM, but also as implementers of Global Fund-supported programs. For example, in-country co-investments by private sector companies include a malaria prevention program by a large aluminum company in the Lubombo region of southern Africa which has reduced the rate of malaria infections by more than 80 percent.

The private sector also contributes through pro bono contributions such as consulting projects and staff secondments, which have played a fundamental role in supporting the Global Fund’s efficiency and effectiveness.

Marketing and fundraising campaigns play a critical role in raising public awareness of the work of the Global Fund by engaging large employee and consumer audiences around the world. A prime example of this type of campaign is PRODUCT<sup>(RED)</sup>, an initiative founded by Bono of the rock band U2 and the social entrepreneur Bobby Shriver, whereby global brands such as Apple, American Express, Armani, Converse, Gap and Motorola contribute a portion of the profits from (RED)-branded products to the Global Fund.

Civil society organizations have also played a crucial role in advocacy from the inception of the Global Fund, urging donor governments to allocate more funds to the organization. Different types of civil society organizations focus on different skills and areas of expertise.

FBOs have been at the forefront of grassroots efforts to prevent and control HIV/AIDS, tuberculosis and malaria for a long time. Because of their ability to work closely with communities, these organizations are often well placed to be on the front lines of prevention and care. Some five percent of all Global Fund monies are put to use through FBOs, often reaching remote rural areas that governmental structures cannot effectively service.

Organizations of people living with the diseases have been especially effective in advocacy efforts, putting pressure on governments and raising public awareness of the need to work together to defeat these pandemics. They also play a crucial role in devising programs in ways that fight stigma and meet the needs of the target population.

By encouraging both government and civil society organizations to utilize each of their comparative advantages, the Global Fund is in practice advocating a model which harnesses the skill and value of each sector, ensuring the effective design and implementation of quality programs which will have a greater impact on mitigating the global effects of AIDS, tuberculosis and malaria.



In part through Global Fund support, Cambodia aims to reduce malaria-related mortality and morbidity among the general population by 50 percent and 30 percent, respectively, within five years.





The Global Fund's work is guided by three major imperatives:

# RAISE IT

# SPEND IT

# PROVE IT

# THE GLOBAL FUND'S WORK

## RAISE IT

The Global Fund was created to dramatically increase resources to fight three of the world's most devastating diseases and therefore requires unprecedented financial commitments from all stakeholders. Since 2001, international donors – including 50 countries, major foundations and private donors – have pledged US\$ 10.4 billion. These early commitments are particularly important, since many of the early-round grants are used by countries to strengthen health care infrastructure so that new programs can be sustained and brought to scale.

However, although the resources of the Global Fund have already made a huge difference in many countries, the level of contributions will have to increase significantly if the Global Fund is to fulfill its mandate. The need for resources for all three diseases is still much higher than what is available today.

The Board of the Global Fund therefore decided to introduce a funding model based on periodic replenishments in order to reach out to donors more effectively and to forecast more accurately its available resources in the years ahead. In 2005 a series of three meetings were held to discuss resource requirements for the 2006–2007 time frame, with a further mid-term meeting in June 2006. There will be a

series of meetings in 2007 to discuss the second replenishment, which will cover the period 2008–2010. The replenishment process is chaired by former UN Secretary-General Kofi Annan.

As a universal public good, the Global Fund represents an investment in a future where diseases that impede development are overcome through collective effort. The magnitude of need means that the public sector in donor countries will continue to be the Global Fund's largest source of financing. However, other sources of funding are needed to supplement donor country contributions, including contributions from individuals, businesses and private foundations. Recipient countries must also increase their own health spending. These stakeholders have important roles to play in the Global Fund, both as donors and as partners.

Assisting the Global Fund in its wider outreach efforts are partner organizations whose task it is to increase the profile of and raise support for the Global Fund in their respective regions. These include Friends of the Global Fight in the United States, Les Amis du Fonds mondial in Europe, Friends of the Global Fund in Japan and Friends of the Global Fund in Africa. Other "Friends" organizations are planned in other parts of the world.



## SPEND IT

Through its first six rounds of grants, the Global Fund has committed US\$ 7.6 billion in financing for more than 450 programs worldwide (as of 1 May 2007). The 136 countries benefiting from these grants include those that are currently experiencing the most severe burden of disease and others at risk for future disaster. Sixty percent of this funding will go to sub-Saharan Africa, and more than 50 percent is for AIDS. Reflecting the breadth of Global Fund partners at the country level, almost two-thirds of the funds will be spent by governments, a third by NGOs and multilateral organizations and the remainder by FBOs, the private sector and communities affected by the diseases. In addition, almost half is for the purchase of medicines and commodities, a third will be used to strengthen infrastructure and expand training and the remainder will be allocated to monitoring and evaluation (M&E), administration and other expenses.



In Somaliland an elderly patient with TB receives DOTS treatment at home.

Approved programs include a wide variety of education, prevention, treatment and care programs through a number of different settings, both large-scale and community-based. From the mass distribution of ITNs to prevent malaria to the revitalization of neighborhood clinics to provide voluntary counseling and testing (VCT) for HIV/AIDS, countries are able to tailor solutions to their own particular cultures and needs. Complete descriptions of all the programs are available on the Global Fund website, which also regularly features individual country stories in its section entitled "Investing In Our Future".

## PROVE IT

Evaluation and accountability measures are incorporated into all aspects of the Global Fund's work. Through its performance-based approach to grant-making, the Global Fund invests in proven prevention and treatment strategies and decides whether or not to continue funding based on demonstrated progress. The TRP assesses the merit of proposed interventions to ensure that funded programs reflect current knowledge of what works best. The TRP also evaluates whether the proposed scale of programs is feasible. When a proposal is approved by the Board, funding is made available for the first two years of the proposal period only. LFAs next assess local capacity to implement programs. Specific and measurable projected results which are defined by the countries themselves (in collaboration with the Global Fund) are incorporated into grant agreements, and grant disbursements are tied to progress as reported and independently verified at regular intervals. At approximately 18 months, each grant submits a request for additional funding for the remaining three years of the proposal (known as Phase 2), with supporting documentation which has been verified by the LFA.

To ensure that grant funding goes where it is being managed and spent effectively, the Global Fund uses the Phase 2 process as a checkpoint. Only grants with satisfactory performance as measured against agreed targets continue to receive funding for their remaining years.

The Global Fund has also designed and implemented a four-tier measurement framework to assess operational performance, grant performance, system effects and impact on the three diseases. The progress of these measurement indicators is reported regularly. The Technical Evaluation Reference Group (TERG) is undertaking a comprehensive Five-Year Evaluation of the Global Fund, which will include the impact of the Global Fund's financing on the three diseases. This evaluation will be completed by the end of 2008.

In addition, a number of external studies of the work of the Global Fund have already been undertaken on such aspects as CCMS, NGO participation and system-wide effects. (Copies of these studies can be found on the Global Fund website).

## The devastation caused by AIDS, TB and malaria often leads to despair.

With a focus on demonstrating results, the Global Fund is committed to engaging public and private stakeholders towards a common goal, building on what works, and pursuing new, innovative solutions while remaining lean and light in its management and operations and operating with accountability and transparency

The collective work of the Global Fund and its many partners brings renewed hope that, together, we can change the course of these diseases, preventing millions of needless deaths and untold suffering.

There is no shortage of successful strategies to fight these pandemics; what is now required is a substantial increase in resources. The Global Fund is making an impact through supporting effective programs around the world. The challenge of raising new resources and efficiently matching those resources with proven remedies has begun.

## IN AWARDING GRANTS TO LOCALLY-DEVELOPED PROGRAMS, THE GLOBAL FUND:

- Focuses on best practices by funding proven interventions
- Strengthens and reflects high-level, sustained political involvement
- Supports the scale-up of programs within the health sector and across sectors
- Builds on, complements and coordinates with existing regional and national programs
- Focuses on performance
- Focuses on the creation and expansion of government/private/NGO partnerships
- Strengthens the participation of communities and people affected by these three diseases in the development of proposals
- Supports proposals that are consistent with international law and agreements
- Gives due priority to the most-affected countries and communities, and to those countries most at risk
- Aims to eliminate stigma and discrimination against those infected or affected by HIV/AIDS



**THE SCALE OF DEVASTATION CAUSED BY HIV/AIDS IS UNMATCHED, BUT I BELIEVE EVEN THE WORLD'S POOREST COUNTRIES ARE ON THE BRINK OF MAKING SUBSTANTIAL PROGRESS WITH QUALITY TREATMENT AND EFFECTIVE PREVENTION PROGRAMS – AND IT IS UP TO THE INTERNATIONAL COMMUNITY TO REDOUBLE OUR SUPPORT FOR THEIR EFFORTS.**

– Peter Piot,  
Executive Director UNAIDS

## FUNDING IN ACTION

By 1 May 2007, more than 1.8 million lives had been saved as the result of Global Fund-supported programs.

### **HIV/AIDS:**

more than 1 million people are receiving ARV treatment

### **TUBERCULOSIS:**

more than 2.8 million people have been treated under Directly Observed Treatment, Short-course (DOTS)

### **MALARIA:**

approximately 30 million ITNs have been distributed

Additional results in treatment, prevention and care include:

- 9.4 million people reached with HIV counseling and testing
- 23 million malaria treatments delivered
- 1.2 million orphans provided with basic care and support
- 23 million people reached with community outreach services
- 3.6 million people trained to deliver services

	RESULTS MID-YEAR 2006	RESULTS MID-YEAR 2007	INCREASE OVER ONE YEAR
HIV: PEOPLE ON ARV TREATMENT	544,000	1,100,000	100%
TB: TREATMENT UNDER DOTS	1,400,000	2,800,000	100%
MALARIA: ITNs DISTRIBUTED	11,300,000	30,000,000	165%

However, much more needs to be done to scale up these efforts in order to reach Global Fund targets and work towards achieving the Millennium Development Goals. The table below shows Global Fund targets for the top three indicators through 2009.

Global Fund Targets, 2004-2009*		2004	2005	2006	2007	2008	2009
HIV: ARV TREATMENT	Targets	125,000	350,000	600,000	875,000	1,200,000	1,600,000
	Results	130,000	384,000	770,000			
TB: TREATMENT UNDER DOTS	Targets	300,000	700,000	1,200,000	1,800,000	2,600,000	3,500,000
	Results	385,000	1,000,000	2,000,000			
MALARIA: ITNs DISTRIBUTED	Targets	2,000,000	5,000,000	15,000,000	30,000,000	60,000,000	100,000,000
	Results	1,350,000	7,700,000	18,000,000			

\* Figures shown reflect end-of-year results

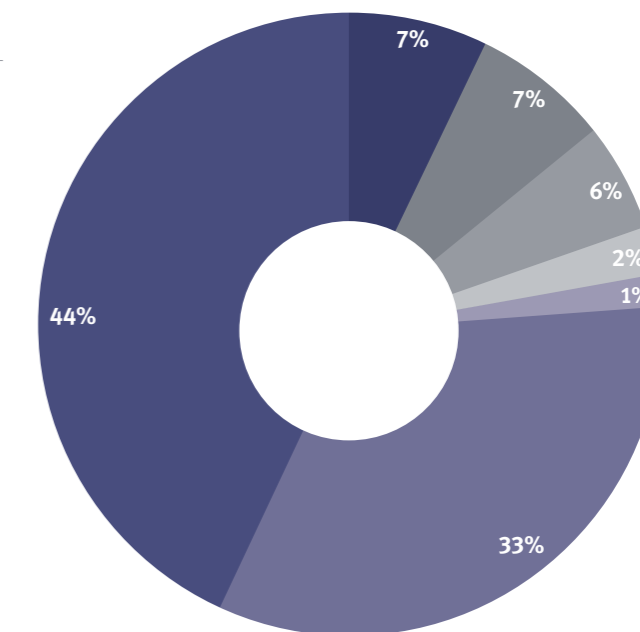
Country-by-country information and results are available in *Grant Performance Reports* and the *Grant Scorecards*, which are all available on the Global Fund website.

## DISTRIBUTION OF GLOBAL FUND GRANTS (Rounds 1-6)

### BUDGET CATEGORY \*

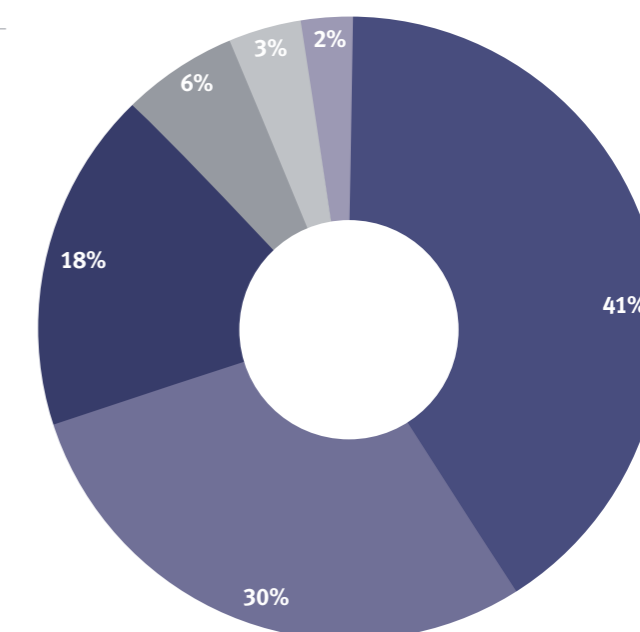
- Treatment
- Care & Support
- Program Management & Administrative Costs
- Health Systems Strengthening
- Other
- Monitoring & Evaluation
- Prevention

\* reflects expenditures in calendar year 2006



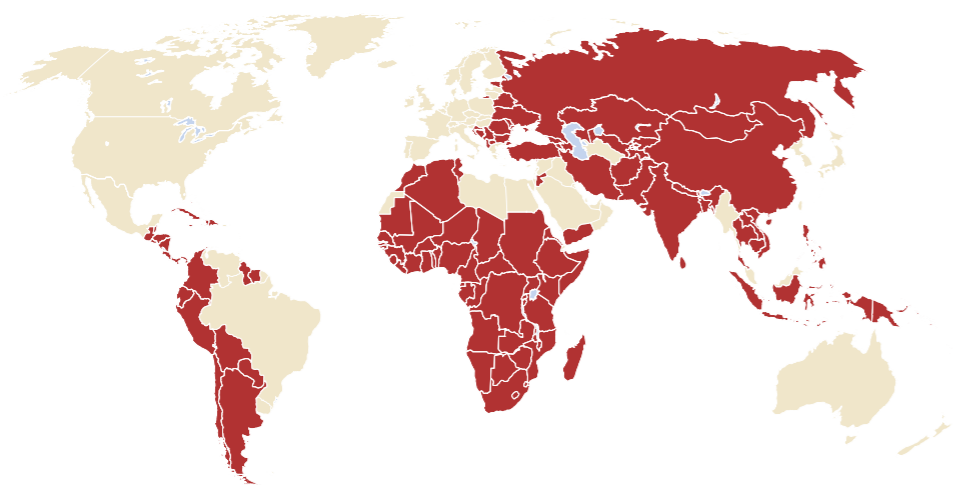
### IMPLEMENTING ENTITY

- Ministry of Health
- NGOs/FBOs/CBOs/Academic
- Other government departments
- UNDP
- Other Multilateral Organizations
- Private Sector





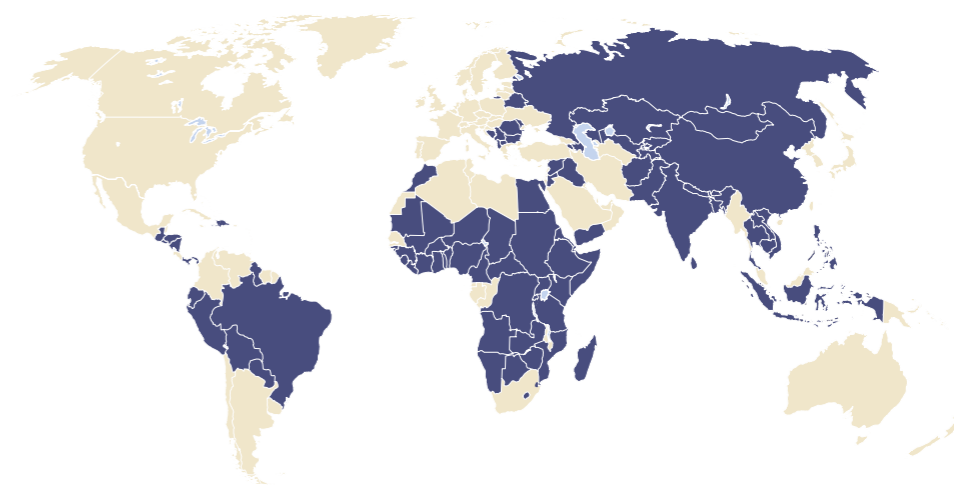
### Countries with approved grants for HIV/AIDS after six rounds of proposals



Afghanistan	Congo (Dem Rep)	Honduras	(CARICOM) <sup>3</sup>	Serbia & Montenegro
Algeria	Costa Rica	India	Multi-country	Sierra Leone
Angola	Côte d'Ivoire	Indonesia	Americas (OECS) <sup>6</sup>	Somalia
Argentina	Croatia	Iran	Multi-country	South Africa
Armenia	Cuba	Jamaica	Americas (CRN+) <sup>4</sup>	Sudan
Azerbaïdjan	Djibouti	Jordan	Multi-country	Suriname
Bangladesh	Dominican Rep.	Kazakhstan	Americas (MESO) <sup>5</sup>	Swaziland
Belarus	Ecuador	Kenya	Multi-country Western	Tajikistan
Belize	Egypt	Kyrgyzstan	Pacific <sup>7</sup>	Tanzania/Zanzibar
Benin	El Salvador	Lao PDR	Namibia	Thailand
Bolivia	Equatorial Guinea	Lesotho	Nepal	Togo
Botswana	Eritrea	Liberia	Nicaragua	Tunisia
Bulgaria	Estonia	Madagascar	Niger	Turkey
Burkina Faso	Ethiopia	Malawi	Nigeria	Uganda
Burundi	Gabon	Maldives	Pakistan	Ukraine
Cambodia	Gambia	Mali	Papua New Guinea	Uzbekistan
Cameroon	Georgia	Mauritania	Peru	Vietnam
Central African Rep	Ghana	Moldova	Philippines	Yemen
Chad	Guatemala	Mongolia	Romania	Zambia
Chile	Guinea	Morocco	Russian Federation	Zimbabwe
China	Guinea-Bissau	Mozambique	Rwanda	
Colombia	Guyana	Multi-country Americas	Sao Tome et Principe	
Comoros	Haiti		Senegal	

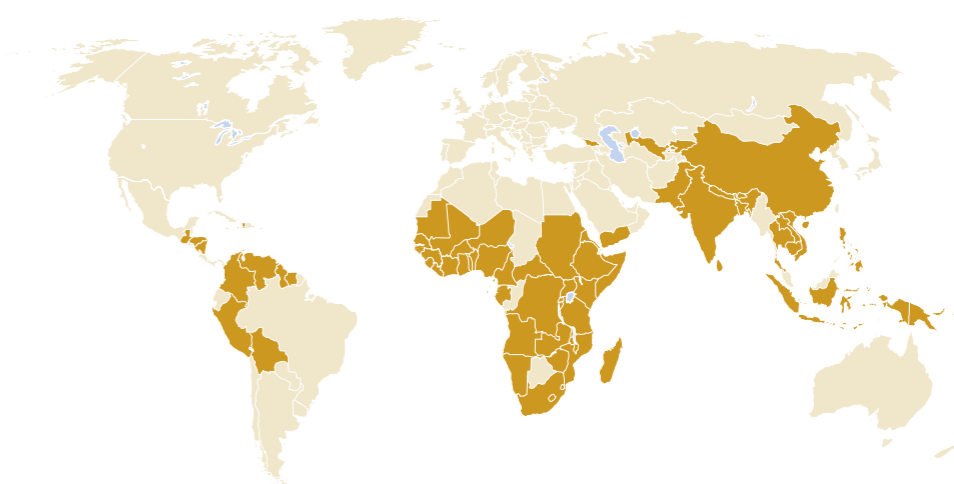
1. Mozambique, South Africa and Swaziland
2. Colombia, Ecuador, Peru and Venezuela
3. Antigua & Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St Kitts & Nevis, St Lucia, St Vincent & the Grenadines, Suriname, Trinidad & Tobago
4. Antigua & Barbuda, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St Kitts & Nevis, St Lucia, St Vincent & the Grenadines, Suriname and Trinidad & Tobago
5. Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
6. Antigua & Barbuda, Dominica, Grenada, St. Kitts & Nevis, St. Lucia and St. Vincent & the Grenadines
7. Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu

### Countries with approved grants for tuberculosis after six rounds of proposals



Afghanistan	Côte d'Ivoire	Iraq	Nicaragua	Syria
Angola	Dominican Republic	Kenya	Nigeria	Swaziland
Azerbaijan	Ecuador	Kyrgyzstan	Pakistan	Tajikistan
Bangladesh	Egypt	Lao PDR	Panama	Tanzania/Zanzibar
Benin	El Salvador	Lesotho	Paraguay	Thailand
Bhutan	Equatorial Guinea	Liberia	Peru	Timor Leste
Bolivia	Ethiopia	Madagascar	Philippines	Togo
Brazil	Georgia	Mali	Romania	Uganda
Burkina Faso	Ghana	Mauritania	Russian Federation	Uzbekistan
Burundi	Guinea	Moldova	Rwanda	Vietnam
Cambodia	Guinea-Bissau	Mongolia	Serbia & Montenegro	Yemen
Cameroon	Guyana	Mozambique	Sierra Leone	Zambia
Central African Rep	Haiti	Multi-country	Somalia	Zimbabwe
Chad	Honduras	Western Pacific <sup>7</sup>	South Africa	
China	India	Namibia	Sri Lanka	
Congo (Dem. Rep.)	Indonesia	Nepal	Sudan	

### Countries with approved grants for malaria after six rounds of proposals



Afghanistan	Ethiopia	Lao PDR	Namibia	Sudan
Angola	Gabon	Liberia	Nepal	Suriname
Benin	Gambia	Madagascar	Nicaragua	Swaziland
Bhutan	Georgia	Malawi	Niger	Tanzania/Zanzibar
Bolivia	Ghana	Mali	Nigeria	Thailand
Burkina Faso	Guatemala	Mauritania	Pakistan	Timor-Leste
Burundi	Guinea	Mozambique	Papua New Guinea	Togo
Cambodia	Guinea-Bissau	Multi-country Africa (RMCC) <sup>1</sup>	Philippines	Uganda
Cameroon	Guyana	Multi-country Americas (ANDEAN) <sup>2</sup>	Rwanda	Uzbekistan
Central African Republic	Haiti	Multi-country Western Pacific <sup>7</sup>	Sao Tome and Principe	Vietnam
China	Honduras		Senegal	Yemen
Comoros	India		Sierra Leone	Zambia
Congo (Dem. Rep.)	Indonesia		Somalia	Zimbabwe
Eritrea	Kenya		Sri Lanka	

MALARIA KILLS AND ITS MAIN VICTIMS ARE CHILDREN AND WOMEN. WE CAN STOP THIS SCOURGE SO PEOPLE CAN LIVE WITH DIGNITY AND GO TO WORK AND SCHOOL.



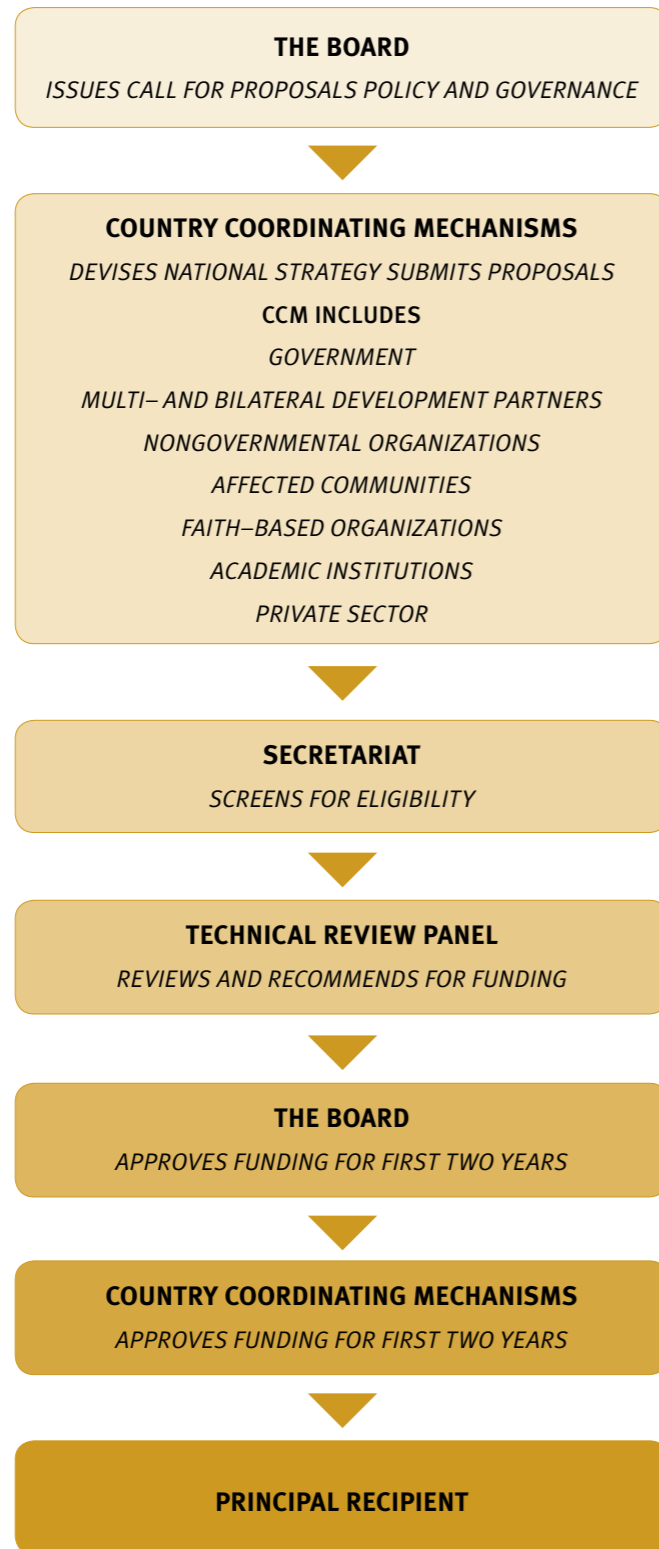
— Youssou N'Dour  
musician and activist

# THE GLOBAL FUND'S GRANT-MAKING PROCESS

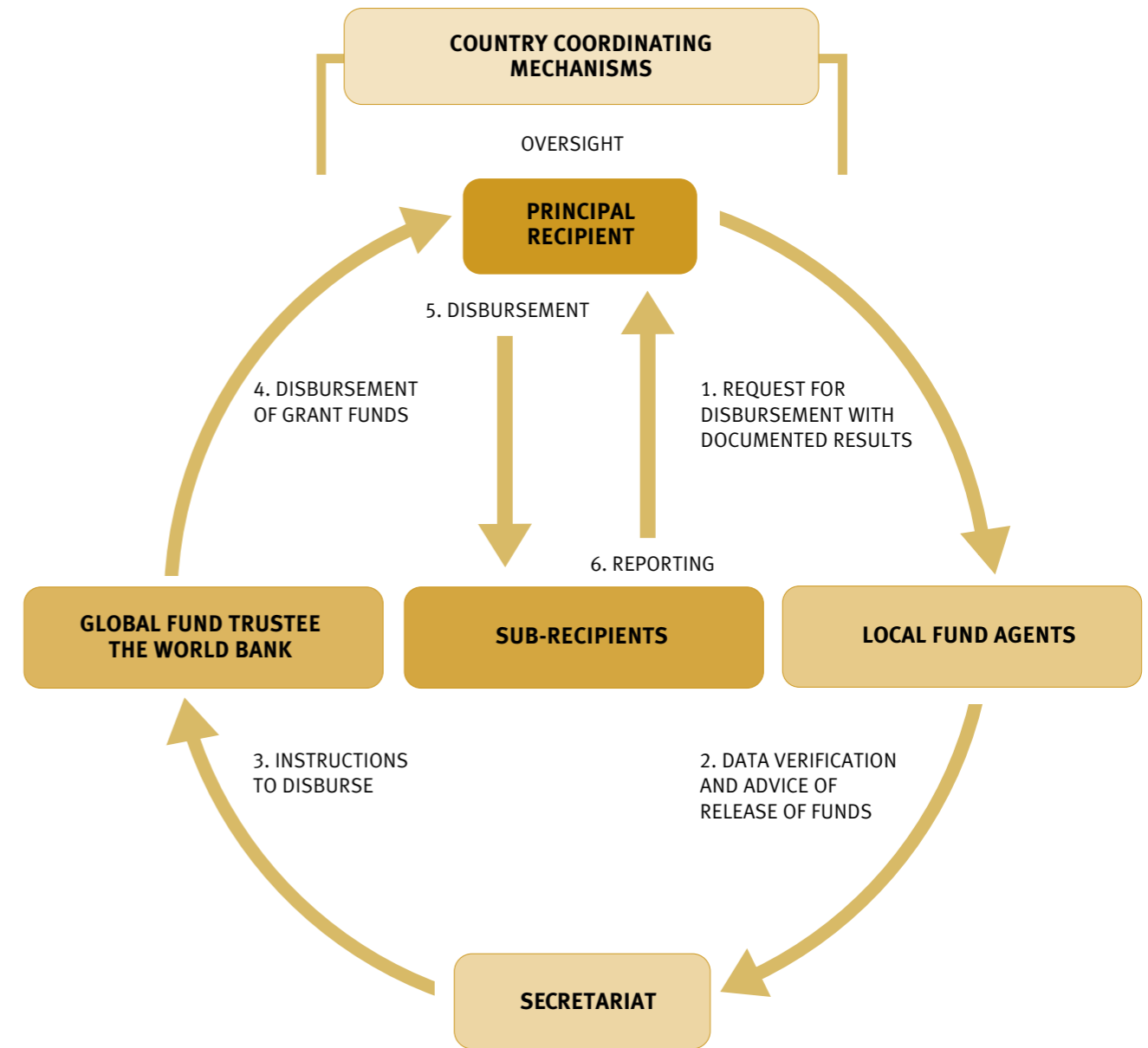
1. Global Fund Secretariat announces a "Call for Proposals". By decision of the Board in November 2006, calls will be issued once a year on approximately 1 March, with a deadline four months later.
2. CCM prepares proposal based on local needs and financing gaps. As part of the proposal, the CCM nominates one or more PRs. In many cases, development partners assist in the preparation of the proposal.
3. The Secretariat reviews proposals to ensure they meet eligibility criteria and forwards all eligible proposals to the TRP for consideration.
4. The TRP reviews all eligible proposals for technical merit and makes one of four recommendations to the Global Fund Board: (1) fund; (2) fund if certain conditions are met; (3) encourage resubmission; and (4) do not fund.
5. The Board approves grants based on technical merit and availability of funds.
6. The Secretariat contracts with one LFA per country. The LFA certifies the financial management and administrative capacity of the nominated PR(s). Based on the LFA assessment, the PR may require technical assistance to strengthen capacities. Development partners may provide or participate in such capacity-building activities. The strengthening of identified capacity gaps may be included as conditions precedent to disbursement of funds in the grant agreement between the Global Fund and the PR.
7. Secretariat and PR negotiate a grant agreement, which identifies specific, measurable results to be tracked using a set of key indicators.
8. The grant agreement is signed. Based on a request from the Secretariat, the World Bank makes initial disbursement to the PR. The PR makes disbursements to sub-recipients for implementation, as called for in the proposal.
9. Program and services begin. As the coordinating body at the country level, the CCM oversees and monitors progress during implementation.
10. The PR submits periodic disbursement requests with updates on programmatic and financial progress. The LFA verifies information submitted and recommends disbursements based on demonstrated progress. Lack of progress triggers request by Secretariat for corrective action.
11. The PR submits a fiscal year progress report and an annual audit of program financial statements to the Secretariat through the LFA.
12. Regular disbursement requests and program updates continue, with future disbursements tied to progress.
13. The CCM requests funding beyond the initially-approved two-year period. The Global Fund approves continued funding based on progress and availability of funds.



## GLOBAL FUND PROPOSALS PROCESS

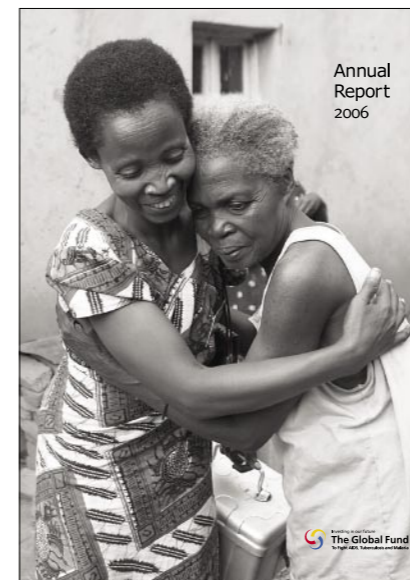


## GLOBAL FUND GRANT PROCESS

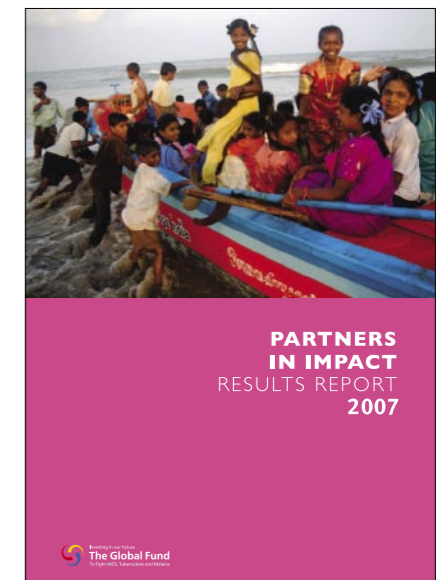


# INFORMATION RESOURCES

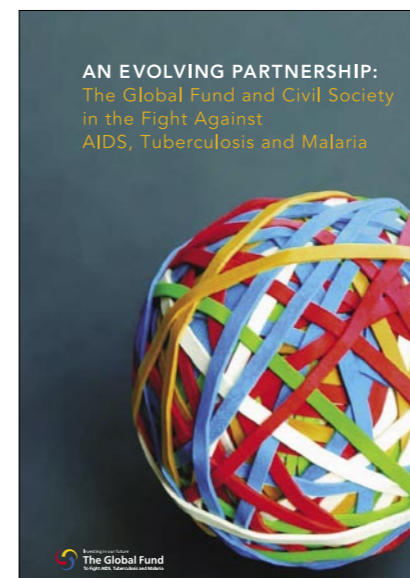
The following resource documents can be downloaded from the website at [www.theglobalfund.org](http://www.theglobalfund.org) or ordered directly from the Global Fund by sending an email to [info@theglobalfund.org](mailto:info@theglobalfund.org)



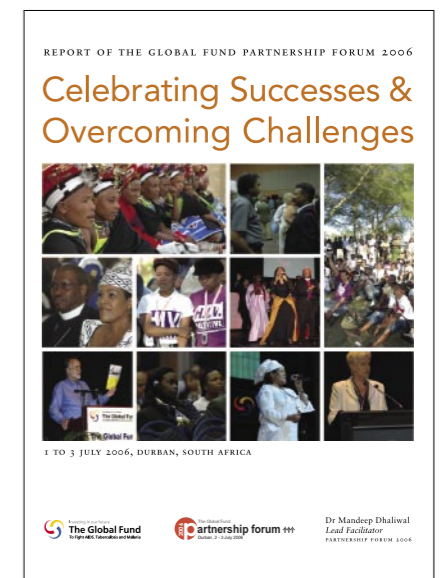
2006 Global Fund Annual Report  
*English*



Partners in Impact: Progress Report  
*English, French*



An Evolving Partnership: the Global Fund and Civil Society in the Fight Against AIDS, Tuberculosis and Malaria  
*English, French, Spanish, Russian*



Celebrating Successes & Overcoming Challenges: Report of the Global Fund Partnership Forum 2006  
*English*



# LIST OF TERMS AND ABBREVIATIONS USED

<b>CBO</b>	community-based organization	<b>M&amp;E</b>	monitoring and evaluation
<b>CCM</b>	Country Coordinating Mechanism	<b>NGO</b>	nongovernmental organization
<b>DOTS</b>	Directly Observed Treatment, Short-course	<b>PR</b>	Principal Recipient
<b>EARS</b>	Early Alert and Response System	<b>TB</b>	Tuberculosis
<b>FBO</b>	faith-based organization	<b>TERG</b>	Technical Evaluation Review Group
<b>GIST</b>	Global Implementation Support Team	<b>TRP</b>	Technical Review Panel
<b>ITN</b>	insecticide-treated bed net	<b>UNAIDS</b>	Joint United Nations Programme on HIV/AIDS
<b>LFA</b>	Local Fund Agent	<b>VCT</b>	voluntary counseling and testing
<b>MDGs</b>	Millennium Development Goals	<b>WHO</b>	World Health Organization

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