

Global Fund to Fight AIDS, TB and Malaria—Common Questions

The Global Fund is a public-private partnership that attracts and disburses additional resources to prevent and treat AIDS, TB and Malaria. The Fund complements ongoing U.S. programs by leveraging and coordinating additional public and private sector contributions and delivering urgently needed funds to programs with a track-record of success on the ground.

What is the Fund's relationship to the United Nations?

There is no formal relationship between the Global Fund and the UN. The Fund is independent (formally a Swiss Foundation) and works with global stakeholders such as governments, international organizations, industry, academic institutions, foundations and other relevant civil society groups to ensure simplified procedures that are consistent with other activities and policies. The Board, chaired by US Secretary of Health and Human Services Tommy Thompson, includes an equal number of donor and developing country governments, with seven seats each. A lean staff of 70 individuals based in Geneva is employed by the Secretariat. The Fund is often wrongly assumed to be part of the UN because of the high-profile support the Fund receives from UN Secretary General Kofi Annan.

What are the Global Fund's overhead costs?

The maximum overhead costs for the Global Fund are approximately 5%, (compared to 9-14% for USAID). The Fund's 5% overhead cost is comprised of (a) 3% for Geneva-based operational costs of the Secretariat, Board and TRP and (b) 2% for the Local Fund Agents (LFAs) which ensure compliance with funding arrangements and verification of reported data.

What systems are in place to ensure accountability and transparency?

The Fund has a rigorous accountability mechanism, based initially on proposal review by an independent Technical Review Panel (TRP) which seeks technical best practice, i.e. that proven interventions are applied with commensurate scale up of human and physical infrastructure, and evidence of feasibility and additionality. Due to these standards, 60% of proposals have been rejected thus far based on technical merit. To maintain the integrity of the TRP, it is regularly renewed, a process which is underway currently.

Beyond proposal review, Local Fund Agents (LFAs), including PriceWaterhouseCoopers and KPMG, ensure ongoing oversight and audit of reported results, and upfront assessment of Principal Recipients (PRs). Nominated PRs must have minimum capacities and commit to annual audits, and 1 in 10 have been rejected. Payments to PRs follow quarterly reporting of results and disbursement requests. And all information on results, as well as approved proposals and prices paid for drugs, are transparently posted on the Fund's website.

The Fund is also working to ensure its own accountability—The U.S. General Accounting Office (GAO) completed a thorough review of the Fund and found it to be a ‘sound’ financing mechanism. In addition, Ernst and Young-audited financial statements for 2002 were included in the Fund’s first annual report.

Additionally, the Global AIDS Act would “require the establishment of an interagency technical review panel that will “shadow” the work of the Fund by analyzing proposals received by the Global Fund and providing recommendations to U.S. representatives on the committees, panels and executive board of the Global Fund. It requires the GAO to monitor and evaluate projects and report to Congress every 2 years the results of the monitoring and evaluation.”

How are grantees selected?

Proposals are prepared by national Country Coordinating Mechanisms (CCMs) that draw upon broad participation from governments, NGOs, private sector, people living with HIV/AIDS, TB or malaria, religious and faith-based groups, academics and international agencies. Those proposals that satisfy the guidelines and are within the funding mandate are reviewed by an independent Technical Review Panel which is appointed by the Board to critically examine applications for technical merit and feasibility. Members of TRP come from a wide array of expertise both scientific and programmatic with an extensive program experience, drawn from a larger, geographically diverse pool of reviewers, and from a broad range of organizations in both developing and developed countries. Members also include those having country experience and expertise on the role of Civil Society in the field of three diseases. The TRP screens for only the best applications—in fact, only 40% of applications ever make it past the TRP.

Subsequently, the Panel's recommendations are submitted to the Board, led by Chairman Tommy Thompson, which makes the funding decisions. The Fund gives priority to effective proposals from countries and regions with the greatest need, based on highest burden of disease and the least ability to bring financial resources to address the problems of AIDS, tuberculosis and malaria. Proposals from countries and regions with a high potential for risk are also considered.