The board of directors1 of the Global Fund to Fight AIDS, Tuberculosis, and Malaria is set to approve a framework for the organization’s next multiyear strategy2 at its upcoming meeting in November. The crises that have pervaded discussions over the past few years have helped generate wide support among board members for continuing the Fund’s current direction, which focuses on more active engagement with countries to ensure effective investment of resources. As a result, the changes under discussion are substantive but incremental. That makes sense. The Global Fund does not need any big course changes, and countries are pleading for stability and predictability.

Yet this is no time for complacency. In addition to its strategy work, the Global Fund is also engaging with its donors, who will be asked to make three-year pledges at an upcoming replenishment conference in early 2016. While there seems to be broad support for continued funding, it is unlikely the Global Fund will get the resources it needs to mount full-on efforts to push the three diseases into remission. That is unfortunate as there remains critical work to be done, as noted by executive director Mark Dybul in a recent release: “Many more lives are still at risk. We must embrace ambition and move faster to end HIV, TB and malaria as epidemics.”3

So even as the Global Fund emerges from several years of introspection and change, and is settling in with a new, transformative funding model that’s won wide support from donors, implementing countries, and technical partners, there’s a compelling need for improvements that can wring even more impact out of the resources available. Indeed, there is an exciting opportunity for Global Fund leadership to set a path for the future driven by smart analysis and reflection that can maximize performance from limited and overworked staff, improve the sustainability of its investments, deepen engagement with implementing countries, and sustain external support!

To provoke dialogue within the Global Fund’s governance system and with its partners, we offer three big ideas to address big challenges facing the Global Fund. While they do not suggest major direction change, these recommendations do offer a very different way of getting there.

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1 For more information about the Board of the Global Fund, please see http://www.theglobalfund.org/en/board/.
2 To learn more about the Global Fund’s multiyear strategy, please see http://www.theglobalfund.org/en/strategy/.
1. **Move funding for most countries to new regional master grants.** For the 2014–2016 allocation period, 125 low- and middle-income countries are eligible\(^4\) to receive multiple grants from the Global Fund. They range from tiny island nations to the world’s most populous countries; some have major generalized epidemics of all three diseases, while others have much smaller, highly concentrated micro-epidemics. The 125 gets multiplied several times since the $15 billion allocated under the new funding model is apportioned by disease into 282 separate three-year allocations, half of which are under $20 million (over three years) but representing only 10 percent of the funding.\(^5\)

It gets even more complicated. Under the Global Fund’s “dual track financing” approach that seeks to include both governmental and nongovernmental organizations (NGOs), there are typically two or more grantees per disease (called “principal recipients”). So for the 125 eligible countries, there are currently 461 active grants, and they range in size from $859,377 to over $670 million. Bhutan has five active grants, totaling about $13 million over three years; Nigeria has seven, totaling over $1 billion. Yet despite the obvious diversity between these and other countries, the Global Fund manages these grants using the same basic mechanism: concept notes, technical reviews, and three-year grant agreements. This creates a lot of work for a relatively small share of overall funding. In addition to sapping precious time and energy from both countries and the Global Fund secretariat, this system uses limited resources for bureaucracy rather than lifesaving programs. The secretariat has smartly deployed differentiated grant management approaches where larger and more complex grants get increased staff attention, but the basic process is still the same regardless of grant size or disease burden.

The solution: shift funding for most countries to regional master grants, using competitive tendering to identify the best organizations to take on oversight of grants and support for most countries (perhaps 100 of the 125 that are eligible). This would free up most of the grant management staff to focus on the 25 or so countries that carry an overwhelming share of global disease burden—in many cases, allowing them to work at subnational levels where progress can be accelerated. There are other advantages:

- Regional grant managers could be selected based on their capacity to engage politically and subsequently increase domestic financing, encourage attention to key populations, and generally improve the long-term sustainability of programs by decreasing country dependence on the Global Fund.

- Large emerging economies such as Brazil, Indonesia, and China might be enticed to overcome their resistance to participating in a global enterprise by supporting regional efforts both financially and technically.

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• Grants could be simplified, reducing the bureaucratic burden on both countries and the Global Fund, and allowing a greater percentage of funds to go into service delivery. This is especially true for countries where the issues are more political than technical, and where funding to strengthen civil society’s capacity to push for government action is likely the smartest investment. A lighter touch grant mechanism would allow more civil society organizations to receive funding without worrying that they will be swamped with excessive grant management responsibilities.

2. **Stop funding international NGOs for implementation.** Under its policy of “dual track financing,” the Global Fund has provided about 40 percent of its grants to nongovernmental entities. This has enabled an extraordinarily successful shift from the “government only” approach of the past to a more inclusive approach that has allowed NGOs and the private sector to join in the fight against the three diseases. It has also enabled larger international NGOs and UN organizations to receive grants, complementing or working around, national governments and indigenous NGOs that were limited in capacity (and sometimes commitment). While a smart response to three out-of-control epidemics over the longer term, it is unintentionally relieving governments of their responsibility to provide health services for all and slowing the development of indigenous, grassroots organizations. What was intended as a stopgap measure has, 15 years later, become an unhealthy dependency. It is time to decide what is to come from the continued excess reliance on big, international nongovernmental groups and UN organizations.

Governments certainly can and should utilize NGO and private-sector capacities to fill in gaps, especially with vulnerable and marginalized groups. And of course NGOs should advocate with governments to ensure that those services are high quality and delivered equitably. However, international NGOs and UN organizations have often focused their attention on sustaining their own programs, rather than working themselves out of the job of delivering health services. As a result, they have over time become too intertwined with the system.

The solution: By the end of the next three-year funding cycle (2017–2019), stop funding international NGOs and UN agencies for major program implementation and shift the focus to supporting local capacity-building efforts (except for those places where instability makes it necessary to continue using them). For indigenous NGOs, emphasis should be on outreach and advocacy, especially for marginalized populations, not on large-scale implementation. Most of the international NGO and UN leaders we know support this shift, but they make a strong case that it requires adequate planning and budget support—building capacity does not happen without real work and investment. Many are now funded only to deliver services, so the dependency continues. Of course, the Global Fund would need time to work this out with countries so that there is no gap in the delivery of services, but the shift is necessary. The Global Fund will not be funding programs forever, and most service delivery by NGOs is largely dependent on grant support from the Global Fund and other external donors, so all this capacity, and the people being served, are at risk until more durable solutions are put in place.
3. **Retire the Global Fund by 2030.** It is time to set an ambitious endgame target for the Global Fund. Fifteen years ago, the Fund was established to help countries fight three raging epidemics, and it has been hugely successful in that effort. Over 17 million lives have been saved, and it is still needed now more than ever. HIV remains incurable, and so those infected will require lifetime treatment until scientists find a way to extinguish the virus. Malaria cases are down dramatically, making real the probability of achieving elimination by 2030 (many countries have committed to this goal) and onward toward eradication, but resurgence remains a constant threat. And tuberculosis (TB) remains a stubborn opponent and benefits from being fully curable for most cases even though many still go undetected and untreated. TB elimination and eradication will be harder given that one-third of the world’s population has latent TB infection, but there is a strong argument that improved case detection, effective treatment, and prevention can reduce dramatically the number of new TB cases. So yes, we need the Global Fund. But by 2030, each of the three diseases will likely have moved to “chronic” status, and most countries now receiving Global Fund grants will be financing much of their own prevention and treatment efforts. That must be the goal, and so there should no longer be a need for a 600-person, $300-million per year secretariat.

The solution: Commit now to shutting the Global Fund down, both respectfully and with the awareness that some countries will continue to need aid through other channels. The biggest advantage is that it shifts the focus of discussions with countries away from maintaining grants from one three-year cycle to the next toward building sustainable, independent, domestically financed programs. It would also be the first time that an international entity of such global importance would set for itself the goal of going out of business; donors might be so shocked that they would forgo the three-year funding cycles and give the Global Fund a commitment to see itself through to 2030! Likewise, countries would know for certain that transition planning was necessary, removing the fiction that the Global Fund will always be there if governments do not step up.

There is a lot about the Global Fund that is worth preserving: it is innovative, adaptable, and uses a multi-stakeholder engagement model that should become the norm rather than the exception among international aid donors. But there is no reason why some of the work between now and closure could not be to integrate these approaches into other entities that will survive the Global Fund. Plant the seeds, and then let them grow. This could become an important part of the work of the Global Fund in its remaining years.

Each of these big ideas comes with lots of conditions and potential drawbacks. The point is not to argue that each is exactly right in every country, but these proposals and the challenges they seek to address certainly need serious discussion and debate. The Global Fund’s strategy development process would benefit by taking on some big-picture thinking, especially for an institution that has demonstrated an amazing ability to shift and change as needed.
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