



Global Fund Overview

The Global Fund is a partnership designed to accelerate the end of AIDS, tuberculosis and malaria as epidemics. As an international organization, the Global Fund mobilizes and invests more than US\$4 billion a year to support programs run by local experts in more than 100 countries. In partnership with governments, civil society, technical agencies, the private sector and people affected by the diseases, it is challenging barriers and embracing innovation.

In 2000, AIDS, TB and malaria appeared to be unstoppable. In many countries, AIDS devastated an entire generation, leaving countless orphans and shattered communities. Malaria killed young children and pregnant women unable to protect themselves from mosquitoes or access life-saving medicine. TB unfairly afflicted the poor, as it had for millennia. The world fought back. As a partnership of governments, civil society, technical agencies, the private sector and people affected by the diseases, the Global Fund pools the world's resources to invest strategically in programs to end AIDS, TB and malaria as epidemics.

The Global Fund partnership model is designed to promote innovative solutions to global health challenges. Countries take the lead in determining where and how to best fight AIDS, TB and malaria. Collectively, the Global Fund harnesses the best possible experience, insights and innovation in the public and private sectors to respond to diseases and build resilient and sustainable systems for health.

History of the Global Fund

The Global Fund to Fight AIDS, Tuberculosis and Malaria was created in 2002 to raise, manage and invest the world's money to respond to three of the deadliest infectious diseases the world has ever known. The mission of the Global Fund is to invest the world's money to defeat these three diseases.

The idea for the Global Fund arose from a wellspring of grass-roots political advocacy coming face-to-face with the imperatives of global leadership. AIDS, TB and malaria are all preventable and treatable – but solving this problem requires the commitment not only of world leaders and decision-makers but also of those working on the ground to help the men, women and children living with these diseases.

The idea was discussed at a G8 summit in Okinawa, Japan, in 2000. The real commitment began to coalesce at the African Union summit in April 2001, continued at the United Nations General Assembly Special Session in June of that year, and was finally endorsed by the G8 at their summit in Genoa, Italy, in July 2001. A Transitional Working Group was established to determine the principles and working modalities of the new organization, and the Global Fund came into being in January 2002.



How Global Fund works

1. **Raising the money:** The Global Fund raises and invests more than US\$4 billion a year to support programs run by local experts in more than 100 countries. The money comes 93% from donor governments and 7% from the private sector and foundations.
2. **Countries Make investment decisions:** A Country Coordinating Mechanism made up of representatives of people whose lives are affected by the three diseases, medical experts, government and civil society meets and develops a plan to fight the diseases in their community.
3. **Review and Approve:** An independent panel of experts reviews the plan to determine if it will achieve results. The panel may request changes to the plan. Once finalized, it goes to the Global Fund's Board for approval.
4. **Local Experts Implements:** Local experts and partners use grant money to deliver programs. Impact is continuously monitored and evaluated.
5. **Oversight in Action:** Local Fund Agents in each country monitor implementation of grants. The Global Fund's Office of Inspector General conducts audits and investigations.

Results that matter

Working together, smart effective health investments through the Global Fund have saved 32 million lives and provided prevention, treatment and care services to hundreds of millions of people, helping to revitalize entire communities, strengthen local health systems and improve economies.

Scientific advances, innovative ideas and private sector savvy are unlocking improvements in disease prevention, treatment and care. Millions of people are now on antiretroviral therapy and spared the death sentence that used to come with HIV. The number of people dying of malaria, most of them young children, has been cut in half. New diagnostics systems are speeding up the testing and treatment of people with TB.

Principles of The Global Fund

1. **Partnership:** The only way to end AIDS, TB and malaria as epidemics is by working together: Governments, civil society, communities affected by the diseases, technical partners, the private sector, faith-based organizations, and other funders. All those involved in the response to the diseases should be involved in the decision-making process.
2. **Country ownership:** People implementing programs on the ground know best how to respond to AIDS, TB and malaria in their local contexts. Country ownership means that people determine their own solutions to fighting these three diseases, and take full responsibility for them. Each country tailors its response to the political, cultural and epidemiological context.



3. **Performance-based funding:** Programs need to have proven, effective and time-bound results in order to receive continued funding. Local Fund Agents carefully monitor and verify program performance and results.
4. **Transparency:** The Global Fund operates with a high degree of transparency in all of its work, including applications for funding, funding decisions, grant performance, results, governance and oversight. All audits and investigations by the Office of the Inspector General are openly published. The Global Fund also fully supports and participates in the International Aid Transparency Initiative.

Strategy of Global Fund

Global Fund has prepared a new strategy for the period of 2017 to 2022. This strategy is focused on investing to end Epidemics. The core objectives of the Global Fund 2017-2022 Strategy are to:

1. **Maximize impact against HIV, TB and malaria:** Maximizing the impact of investments for HIV, TB and malaria requires differentiated approaches for diverse country contexts, increased alignment, and planning for sustainability of programs. Countries must be supported to implement and sustain impactful programs targeting the three diseases from both a programmatic and financial perspective over the longer term. Successful implementation of this strategy will contribute to progress in the fight against the three diseases aligned with the UNAIDS Fast Track Strategy, the End TB Strategy, and the Global Technical Strategy for Malaria; and to the achievement of the Sustainable Development Goals.
2. **Build Resilient and Sustainable Systems for Health:** Building resilient and sustainable systems for health are crucial to ensuring that people have access to effective, efficient, and accessible services through well-functioning and responsive health and community systems. The existence of strong systems for health is essential to making progress against HIV, TB and malaria, and to ensuring that countries can address the varied health challenges they face from reproductive, men's, women's, children's, and adolescent health, to global health security threats, to non-communicable diseases.
3. **Promote and Protect Human Rights and Gender Equality:** Human rights barriers, stigma and discrimination undermine an effective response to the three diseases. Promoting and protecting human rights is essential to ensure that countries can control their epidemics, scale up where needed, and sustain their gains. Addressing gender inequality is essential as it drives increases in infection rates, and contributes to differential access to health services for men, women and transgender people. Gender inequality reduces the ability of women and girls to protect and keep themselves healthy, and access social services like education.
4. **Mobilize Increased Resources:** Mobilizing increased resources is required for successful scale-up of the response to the three diseases. According to the global technical strategies against HIV, TB and malaria, the global health community must front load investments during the next strategy period to maintain the gains made to date and accelerate progress.



Successfully implementing the strategy depends on two additional and fundamental elements:

- Innovating and differentiating along the development continuum
- supporting mutually accountable partnerships.

Through implementation of its 2017-2022 Strategy, the Global Fund fully aligns with partner plans and with the Sustainable Development Goals adopted by all member states of the United Nations in September 2015. Through this strategy, the Global Fund will contribute to the 2030 agenda including the principle of shared responsibility, the approach of inclusive, multi-sectoral participation, and the priorities as outlined in the SDG goals. In particular, financing provided through the Global Fund will be a major contributor to enabling countries to meet Goal 3 and the associated target that seeks to end the epidemics of AIDS, TB, and malaria by 2030.

Structure of Global Fund

- 1 **Global Fund Board:** Global Fund's Board sets strategy, governs the institution and approves all funding decisions. It is also responsible for assessing organizational performance, overall risk management, partner engagement, resource mobilization and advocacy. The Board includes members from donor and implementer governments, non-governmental organizations, the private sector, private foundations and affected communities.
- 2 **Global Fund Secretariat:** To conduct day to day operations, Global Fund has its Secretariat in Geneva, Switzerland. It implements the decisions made by board and reviews the proposals from different nations to provide funding. It uses performance-based funding to disburse grants.
- 3 **Technical Group (TRP):** An independent body of health, development and finance experts, the Technical Review Panel evaluates the technical merit of all requests for funding.
- 4 **Local Fund Agent (LFA):** Local Fund Agents are independent consultants who assess implementation and data. As the Global Fund does not have offices in country, Local Fund Agents serve as eyes and ears on the ground.
- 5 **Principle Recipient (PR):** Principal Recipients are responsible for implementing grants, including coordination of other, smaller organizations, known as sub-recipients. Principal Recipients take on the financial as well as the programmatic responsibilities of the grant.
- 6 **Sub-Recipient (SR):** SRs are the grant implementing organization of Global Fund. It implements the interventions at community level. It is responsible to ensure the benefit reaches the target groups. Since, Global Fund operates under performance-based funding, it has major role to make the program effective.
- 7 **Country Coordinating Mechanism (CCM):** Each implementing country establishes a national committee, or Country Coordinating Mechanism, to submit requests for funding on behalf of the entire country, and to oversee implementation once the request has become a signed grant. Country Coordinating Mechanisms include representatives of every sector involved in the response to the diseases.
- 8 **Office of Inspector General (OIG):** Oversight and assurance are also provided by the



Office of the Inspector General, an independent body reporting directly to the Board that works to ensure that the Global Fund invests in the most effective way possible and to reduce the risk of misused funds.

Global Fund grant in Nepal

Nepal first received Global Fund grant in 2003 which was implemented during 2004-2008 period. Since then, Nepal has been continuously Global Fund grants to fight HIV, TB and Malaria program in Nepal. In the past, Global Fund grant fully contributed the procurement of HIV, TB and Malaria drugs and other health commodities apart from other targeted interventions. But from 2018 onwards, Government has increased its domestic resources in procurement of such live saving drugs and health commodities as part of Global Fund's co-financing requirements. Currently, Global Fund asked Nepal Government to allocate 15% of total Global Fund's allocation from Government investments in HIV, TB and Malaria program as part of co-financing requirements.

Global Fund partnership has saved millions of lives in Nepal from the beginning of its support to Nepal. Around 17,000 people living with HIV are receiving free HIV medicine from Government hospitals, more than 30,000 TB patients have been treated free-of-cost annually and approximately 650,000 Long-lasting-insecticide treated bed nets are distributed to prevent malaria transmission in the country last year from the Global Fund support. Global Fund has been major contributor now in HIV, TB and Malaria program in Nepal with more than 50% of total contribution to these three diseases.

Nepal Government was the Principal Recipient (PR) in earlier grants. There were several other PRs from non-government agencies in the past. However, due to problems managing grants, complex grant requirements and other bureaucratic issues, none of them were continued as PR. Save the Children was selected as the best PR among others and efficiently managing the grants in Nepal.

Current Global Fund Program in Nepal

Save the Children, as PR, has been receiving the Global Fund existing grants to Nepal. Save the Children implements the grants on behalf of Nepal Government to support its national strategies and plans for HIV, TB and Malaria program. The tri-partite agreement between Ministry of Health and Population, the Global Fund and Save the Children guides the implementation arrangement of the Global Fund grants in Nepal. Save the Children has followed two implementation approaches – implementing through Government system and NGO partners. The budget for the activities which will be implemented through Government system will be reflected in the Government red-book and Save the Children will directly disburse fund to NGO partners fulfilling the prevailing country rules and regulations. Save the Children has an MoU between Department of Health Services which will provide clear directions on how Save the Children support the government led HIV, TB and Malaria program.



Save the Children has good reputation managing the Global Fund grants with higher grant rating and good financial burn-rate. This is one of the reasons that Global Fund allocated more funds to Nepal compared to the last funding cycle. Global Fund is 'performance-based funding'. It means if the country performs well, they will receive more money.

New Country Allocation from the Global Fund

Global Fund has recently communicated to the Nepal CCM, Government and PR about its new allocation for HIV, TB and Malaria program for the period of March 2021 to July 2024. As per the allocation letter, Nepal will be receiving 26.9 million for HIV, 20.5 million for TB, 4.1 million for Malaria program and additional 1.1 million catalytic funding for human rights related activities for HIV program. Nepal Government has to allocate additional 15% to HIV, TB and Malaria as part of co-financing requirement and another 1.1 million as matching fund to receive 1.1 million catalytic funding to address human-rights related barriers to accessing HIV services. The CCM must submit the funding application along with other required documents by end of August 2020. Nepal CCM has already prepared their roadmap and preparatory works to submit the country application within given deadlines.

Ministry of Health and Populations role in Global Fund

Since Ministry of Health and Population (MoHP) chairs the CCM, it will be a prime responsibility of MoHP to make CCM functional, submit the country proposal on time, oversight the grants, harmonize the resources among different donors avoiding the duplication of resources and developing and endorsing the program specific policies and guidelines. MoHP will also be responsible for allocation of adequate resources for HIV, TB, Malaria program and strengthening overall health system in the country to enable all partners to contribute for impact producing HIV, TB and Malaria interventions which includes increased annual budget, co-financing requirements and matching fund. It will be one of the key roles of MoHP to support HIV, TB and Malaria program in timely procuring of life saving medicine and commodities and supply them to all service delivery sites to ensure zero stock out of commodities at all levels. It is MoHP's role to ensure adequate health personnel are positioned for quality health care including HIV, TB and Malaria.