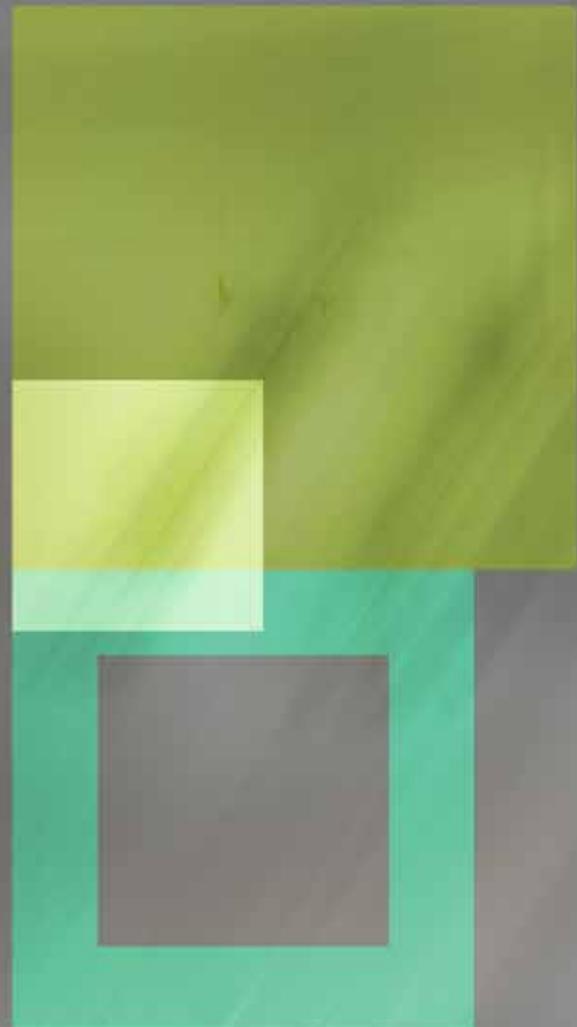
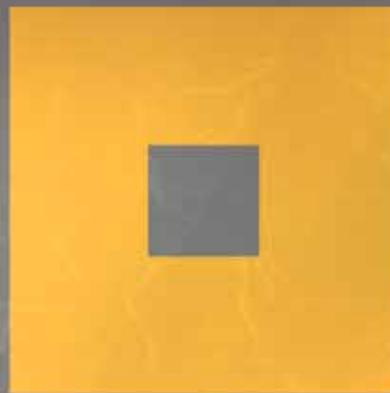


# The Global Fund's New Funding Model:

*Early Outcomes for Regional  
Civil Society Applicants*

March 2014



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## Early Outcomes for Regional Civil Society Applicants

### ACKNOWLEDGEMENTS

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### ABOUT ICASO

Our mission is to mobilize and support diverse communities for an effective response to end the AIDS pandemic. ICASO facilitates the inclusion and leadership of communities in the effort to bring about an end to the pandemic, recognizing the importance of promoting health and human rights as part of this undertaking.



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### Abbreviations

<b>AIDS</b>	Acquired Immunodeficiency Syndrome
<b>CCM</b>	Country Coordinating Mechanism
<b>CSS</b>	Community Systems Strengthening
<b>ECUO</b>	East Europe and Central Asia Union of People Living with HIV
<b>EECA</b>	Eastern Europe and Central Asia
<b>EHRN</b>	Eurasian Harm Reduction Network
<b>ENPUD</b>	Eurasian Network of People Who Use Drugs
<b>GAC</b>	Grant Approvals Committee
<b>GIZ</b>	German Society for International Cooperation
<b>Global Fund</b>	The Global Fund to Fight AIDS, Tuberculosis and Malaria
<b>HIV</b>	Human Immunodeficiency Virus
<b>HSS</b>	Health Systems Strengthening
<b>M&amp;E</b>	Monitoring and Evaluation
<b>NFM</b>	New Funding Model
<b>OC</b>	Oversight Committee
<b>OSF/IHRD</b>	Open Society Foundations / International Harm Reduction Development
<b>OST</b>	Opioid Substitution Therapy
<b>PR</b>	Principal Recipient
<b>PLWHIV</b>	People Living with HIV
<b>PWUD</b>	Person/People who use/s drugs
<b>RTAG</b>	Regional Technical Advisory Group
<b>EHRN SC</b>	EHRN Steering Committee
<b>SR</b>	Sub Recipient
<b>TERG</b>	Technical Evaluation Reference Group
<b>TRP</b>	Technical Review Panel
<b>UNAIDS</b>	Joint United Nations Programme on HIV/AIDS
<b>UNDP</b>	United Nations Development Programme
<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>WHO</b>	World Health Organisation

## Executive summary and recommendations

Eurasian Harm Reduction Network (EHRN) is the first civil society applicant invited to participate as a Principal Recipient (PR) to implement a regional proposal under the New Funding Model (NFM) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund). EHRN's regional program on HIV and harm reduction in Eastern Europe and Central Asia (EECA) is an ambitious three-year project using evidence based advocacy to win increased investment by national governments in life saving harm reduction services. The project will also build the capacity of civil society—particularly people who inject drugs and other community partners across the region—to demand for evidence based HIV and harm reduction services across the region.

Over just five months, EHRN and its partners built a consultative, robust regional dialogue process and prepared and submitted a concept note to the Global Fund that was considered to be a technically sound expression of demand by the Global Fund Technical Review Panel (TRP) and the Global Fund Grant Approvals Committee (GAC). Following concept note submission, EHRN selected grant implementers and undertook grantmaking with the Global Fund, responding to issues raised during the TRP and GAC reviews.

This report provides an assessment of the challenges and opportunities encountered by EHRN during the process of preparing, negotiating and beginning to implement a regional civil society application under the NFM as an early applicant. In order to ensure the NFM catalyzes regional applications from civil society, particularly those applications focused on civil society-led advocacy and mobilization for policy change, this report also provides recommendations to the Global Fund and relevant partners based on these experiences. In particular, this report explores the role, involvement and participation of civil society and key affected populations at each step in the process.



This report, prepared between December 2013 and January 2014, is the result of a review of EHRN's efforts at each step in the NFM early application process (up to January 2014), including the regional dialogue process, concept note development, selection of grant Sub Recipients (SRs), grant negotiation with the Global Fund Secretariat, and grant-making. The author completed a desk review of relevant documents provided by EHRN, the Global Fund Secretariat, and other stakeholders and conducted interviews with a range of participants who had engaged in different steps in the process, including EHRN staff, UN partner organizations, donor organizations, national and international civil society organizations, networks of people who use drugs, networks of people living with the diseases, consultants involved in the concept note drafting process, and Global Fund Secretariat staff.

During these processes, the practices and approaches of all participating partners have generated substantial successes and challenges. These are summarized below as *priority recommendations* corresponding with each of the four major stages of preparation of the Global Fund regional program.

## Stage 1 The regional dialogue process

**Use multiple platforms and ensure diverse and inclusive participation:** soliciting regional input and guidance can be more complex than national processes. Regional applicants should use multiple, complementary platforms (in all appropriate languages) such as face-to-face meetings, online consultations, and both in person and telephone meetings to execute a robust and truly inclusive dialogue process.

**Technical support:** Regional applicants will require a range of specialized short term and long term technical support. For example, identifying qualified facilitators for the regional dialogue process who understand the NFM and the parameters for regional applicants, will help ensure regional dialogues generate relevant feedback and actually shape concept notes in a meaningful way.

**Access to funding:** a robust regional dialogue process requires sufficient funding—for convening partners across multiple countries, translation, facilitation, dissemination of findings, and soliciting feedback and opinions. Donors, including UN technical partners, governments, foundations and others should work with the Global Fund and commit up front to funding regional dialogue processes so invited applicants can plan accordingly.

**Flexibility:** The dialogue process can generate new ideas and approaches that influence program design and implementation, for example regarding country selection processes in a regional program. The Global Fund should continue to show flexibility in response to smart new ideas as they arise.

**Ongoing engagement of the Global Fund Secretariat:** Open dialogue and supportive, collegial partnership with the Global Fund Secretariat during the regional dialogue process and beyond should become standard practice under the NFM. However, this will require additional capacity within the Global Fund as it requires relatively more time as well as a collaborative approach that might be new for some Secretariat staff.

**Early TRP engagement:** For “unusual” or atypical applications—whether regional approaches, or concept notes from new PRs with no experience working with the Global Fund, or applications from civil society focused on advocacy rather than service delivery—early engagement with the TRP helps an applicant ensure it is on the right track. Early TRP engagement should become a standard approach for such applicants. While it will require more time initially, it could prevent substantial amounts of time spent in completely re-formulating a technically unsound concept note.

**Minimum standards for communication and transparency:** Regional applicants should cohere with the same robust practices EHRN undertook to perform a transparent and participatory regional dialogue. Regional applicants should commit to regular and ongoing public communication and documentation throughout the regional program preparation and implementation process in order to increase accountability and strengthen engagement and ownership.

**Strengthening participation by marginalized and criminalized groups:** Applicants, particularly those whose grants are focused on overcoming harmful legal and policy barriers that undermine effective responses to the diseases, should ensure their dialogue process, governance structures and implementation strategies feature substantial and expanding participation by marginalized and criminalized groups, such as people who use drugs. Provision of technical support, including for community-based capacity building, should draw directly from the expertise of networks of people who use drugs, where applicable.

### **Funding levels and cost effectiveness:**

Executing these processes with rigor and commitment required extensive amounts of funding, EHRN staff time, and contribution of partner capacity, despite a relatively small absolute grant amount. Completing these steps was almost a project unto itself. The Global Fund should consider mechanisms for easy access to funding and support so that the Global Fund’s standards for engagement and inclusion are fully implemented by applicants.



## Stage 2 Concept note development

**Supporting capacity for planning and execution against tough deadlines:** The Global Fund should ensure regional applicants that (unlike EHRN) might lack sufficient capacity in planning against challenging deadlines—despite strong ability to develop and implement a concept note—receive strong technical support. Regional applicants require more capacity to juggle a range of complex inputs from across multiple countries and diverse partners. Ensuring smart, bold and high impact regional applications are part of the NFM will require additional support by the Global Fund and partners that is tailored to meet the needs of applicants.

**Technical support:** Applicants need a clearinghouse of quality technical support for applications focused on human rights, advocacy, harm reduction, community systems strengthening and related issues focusing on “critical enablers” to address harmful laws and policies. These are topics where country data are often unreliable or unavailable and examples of technically sound approaches and successes are often limited, potentially hindering such applications during the TRP and GAC review processes. For the NFM to succeed, expertise in these areas needs to be made widely available to regional as well as national applicants, particularly those that are working for the first time to request funding for such critical areas.

**Monitoring for success:** Building appropriate indicators and monitoring and evaluation (M&E) plans for concept notes focused on advocacy rather than service delivery is challenging. The Global Fund should ensure the NFM’s templates and an applicant’s performance framework and other tools for M&E reflect the needs of applicants whose concept notes do not easily cohere with typical quantitative performance indicators.

## Stage 3 Sub Recipient (SR) and country selection

**Balancing technical and contextual factors:** Regional proposals that focus on advocacy might face challenges in selecting and prioritizing countries and selecting SRs, because epidemiological or organizational capacity considerations alone are not sufficient—consideration also must be given to regional political dynamics in an overall assessment of the likelihood of success in achieving advocacy outcomes with a given set of countries. To the extent possible, these factors should be reflected in criteria at the start of the process. However, while not ideal, some flexibility might be required later in the process in order to accommodate such contextual considerations.

## Stage 4 Additional negotiation and grantmaking with the Global Fund

**Active engagement:** Productive partnership with the Global Fund Secretariat, particularly the regional team, helped ensure that the issues raised by the TRP and GAC in the Secretariat's communication to EHRN were addressed quickly and completely. This partnership meant subsequent stages of the process could proceed with fewer problems, delays and weaknesses.

**Timelines for TRP and GAC review:** Closing the time lag between TRP and GAC reviews would have helped EHRN respond more quickly to key issues raised by the Global Fund Secretariat following concept note submission.

**Funding support for regional coordination mechanisms:** Developing and implementing regional proposals can require relatively more resources than county proposals. The Global Fund currently calculates funding levels available as support for Country Coordination Mechanisms (CCMs) as a proportion of the overall grant. Regional applicants might be facing a different scale of coordination needs, as well as a smaller overall funding level (particularly for advocacy focused programs). The Global Fund should explore flexibilities so that regional programs receive appropriate funding levels for ongoing coordination support.

## Introduction

The Global Fund announced a pilot of its NFM on February 28, 2013, along with invitations to a small subset of countries and regions to submit early applications to the NFM.<sup>1</sup> The purpose of this pilot was to glean feedback from early implementation of the NFM that could help shape the full implementation of the NFM, scheduled one year later for March 2014.

Among these early applicants was the civil society organization EHRN, which was invited by the Global Fund to participate as a regional early applicant under the NFM, focusing on HIV and harm reduction in EECA. The amount of funding EHRN was asked to apply for was \$6 million over a three year period (2014-2016). On April 2, 2013, EHRN formally announced its acceptance of this invitation.<sup>2</sup>

This report provides an assessment of the challenges and opportunities encountered by EHRN during the process of preparing, negotiating and beginning to implement a regional civil society application under the NFM as an early applicant. In order to ensure the NFM catalyzes regional applications from civil society, particularly those applications focused on civil society-led advocacy and mobilization for policy change, this report also provides recommendations to the Global Fund and relevant partners based on these experiences. In particular, this report explores the role, involvement and participation of civil society and key affected populations at each step in the process.

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- 1 "Global Fund Launches New Funding Model," available at: [http://www.theglobalfund.org/en/mediacenter/newsreleases/2013-02-28\\_Global\\_Fund\\_Launches\\_New\\_Funding\\_Model/](http://www.theglobalfund.org/en/mediacenter/newsreleases/2013-02-28_Global_Fund_Launches_New_Funding_Model/)
  - 2 EHRN's press statement is available at: <http://www.harm-reduction.org/news/2350-eurasian-harm-reduction-network-accepted-the-invitation-to-become-an-early-applicant-within-the-global-fund-new-funding-model.html>

# The Global Fund's New Funding Model

At its 28th Board Meeting, the Global Fund approved a new approach to funding programs to fight the three diseases, designed to increase the strategic impact of its investments. The NFM replaced the Global Fund's "Rounds"-based system, where countries applied annually. Under the Rounds-based system, applications were reviewed by the Global Fund's TRP and those considered technically unsound were rejected, with applicants having to wait substantial periods of time before being able to apply again. Multiple repeated rejections of applications created substantial risk of program disruption. Even countries submitting grants that were approved for funding often had to wait long periods of time between Global Fund Board approval, grant signing, and the first disbursement of funding, due to protracted negotiations between the Principal Recipient (PR) and the Global Fund Secretariat.

The NFM is substantially different from this earlier approach.<sup>3</sup> (See the table representing steps in the NFM process, below, prepared by the Global Fund.) All eligible applicants have to complete a broad, inclusive multi-stakeholder national or regional dialogue process that generates a full expression of demand for treatment, prevention and care programs. This full expression of demand should build on a technically sound, up to date National Strategic Plan or HIV "investment case." Priority requests for Global Fund funding are captured in a

<sup>3</sup> More information about the New Funding Model is available at: <http://www.theglobalfund.org/en/activities/fundingmodel/>

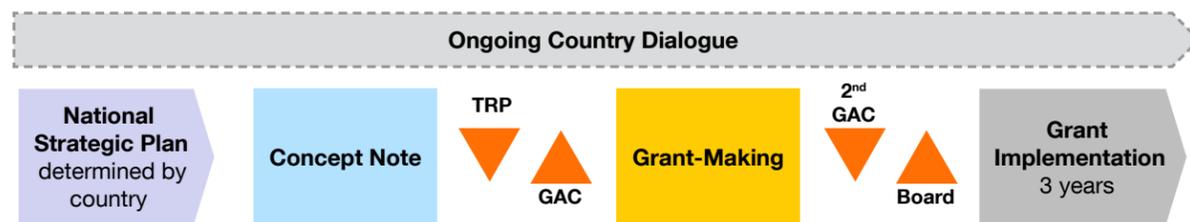
*At the time of publication, the Global Fund was also developing new ways to invite regional applicants under the full roll out of the NFM, based in part on lessons learned from EHRN's work as a pilot regional civil society applicant. This approach would focus on a two step process: first, submission of an expression of interest in response to a call for expressions of interest by the Global Fund Secretariat, and a second step where eligible applicants that have submitted what are considered "strategically focused" expressions of interest will be invited to submit a concept note. This process will use specific guidance and templates.*

"concept note," which is submitted to the Global Fund Secretariat for review by the TRP, and subsequent review by the GAC. If during this process the TRP and GAC have questions, timely and appropriate interaction is possible between the applicant and the Global Fund under the NFM.

Eligible applicants are also given by the Global Fund an estimated allocation calculated based on disease burden and income level with additional qualitative adjustments, called an "indicative" funding allocation. Applicants are also encouraged to compete for "incentive" funding, which provides an opportunity beyond indicative funding for the Global Fund to invest additional funding in programs that show a substantial potential to transform the trajectory of the diseases. Funding requests that are considered technically sound but which cannot be funded due to insufficient funding wait in a queue of "unfunded quality demand."

Finally, turning the concept note into a fully-fledged funding proposal actually starts *before* the Board of the Global Fund approves a funding recommendation made by the GAC. This means the time between Board approval and the first disbursement of funding is shortened substantially. During this entire process, it is now *expected* that the applicant will engage with the Global Fund in order to increase the strength and likelihood of success of the program being proposed.

Global Fund grants will most often be awarded to national applicants—similar to the pre-existing funding model. However, where regional approaches can show a strategic added value, the NFM will make it possible to invest regionally. Provisionally, the Global Fund has indicated support for setting aside funding specifically in order to support regional initiatives, so individual countries would not have to deduct funding from their indicative allocations in order to make funding available for a regional proposal.



## *EHRN's history*

EHRN is a regional network established in 1997 with a mission of promoting humane, evidence-based harm reduction approach to drug use, with the aim of improving health and protecting human rights at the individual, community, and societal level.<sup>4</sup> EHRN works with more than 400 organizations and individuals across 29 countries in the region of Eastern Europe and Central Asia. EHRN was the only civil society PR applicant invited by the Global Fund Secretariat to participate in the pilot of the NFM.

## *Methodology*

This report, prepared between December 2013 and January 2014, is the result of a review of EHRN's efforts at each step in the NFM early application process (to January 2014), including the regional dialogue process, concept note development, selection of grant Sub Recipients (SRs), grant negotiation with the Global Fund Secretariat, and grant-making. The author completed a desk review of relevant documents, provided by EHRN, the Global Fund Secretariat, and other stakeholders.

A questionnaire was developed by the author and used for interviews with a range of participants who had engaged during different steps in the process, including EHRN staff, UN partner organizations, donor organizations, national and international civil society organizations, networks of people who use drugs, networks of people living with the diseases, consultants involved in the concept note drafting process, and Global Fund Secretariat staff. The questionnaire was administered by the author in English either face-to-face, by telephone, or by e-mail. Russian translation was provided when needed.

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<sup>4</sup> See [www.harm-reduction.org](http://www.harm-reduction.org)

## **STAGE 1. EHRN's Regional Dialogue process**

The NFM includes several innovations, including the introduction of the "dialogue process." The Global Fund requires all applicants to undertake a broad, multi-stakeholder, consultative dialogue process in order to determine priorities for Global Fund funding requests, assess gaps in coverage, identify chronically under-prioritized interventions (including those needed by key affected populations such as people who use drug, sex workers, transgenders and men who have sex with men). Assessment of legal and policy barriers that undermine the response to the three diseases should also be part of the process.

EHRN formulated a three-step regional dialogue process, with a range of options for soliciting meaningful engagement by stakeholders and with each step in the process building on the findings from the preceding step. Importantly, EHRN had to identify financial support for the regional dialogue—while the dialogue process is required, the Global Fund does not provide funding for it.

After EHRN announced publicly on April 2, 2013 that it was accepting the Global Fund's invitation it then undertook preliminary outreach to partners through conference calls and face-to-face meetings. These discussions helped refine EHRN's thinking and approach regarding priority areas of focus for the regional dialogue.

EHRN then launched a series of online consultations framed around key questions, designed to solicit feedback about everything from views on priority investments to approaches to designing country selection criteria. 205 people from 24 countries participated in the online consultations.<sup>5</sup> The outcomes of the online consultations then helped structure the final stage in the regional dialogue process, a face-to-face consultation with partners in Vilnius, Lithuania from June 13-14 2013 with 76 participants. In particular, the online consultations indicated a strong view among participants that EHRN's regional proposal should prioritize high impact advocacy rather than service delivery.

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<sup>5</sup> 61% of participants in the online consultations represented national or local NGOs, 11% represented community-based organizations, 23% of participants were from UN agencies or international/regional organizations and 5% represented other sectors, including government.

The face-to-face consultation also provided an opportunity to establish consensus about how to select SRs and how to determine country eligibility for participation in the regional initiative. Specifically, participants determined that selecting participating countries up front, based on a set of inclusion criteria often based on imperfect data about a country's epidemic, had inherent weaknesses. They instead proposed an innovative approach—that basic country inclusion criteria be determined, but that SRs be selected as a result of a “bottom up,” competitive process, where a call for applications would be issued and countries would be selected based on the strongest proposals.

These and other recommendations from the consultation were thereafter ratified by the EHRN Steering Committee (EHRN SC), a pre-existing governance structure that acts as the regional coordinating mechanism for the initiative. Importantly, the regional dialogue process generated the goal and objectives for the regional initiative:

## GOAL:

*To strengthen advocacy by civil society, including people who use drugs, for sufficient, strategic and sustainable investments in harm reduction as HIV prevention in the region of Eastern Europe and Central Asia.*

**Objective 1:** To build an enabling environment for sufficient, strategic and sustainable public and donors' investments in harm reduction; and

**Objective 2:** To develop the capacity of the community of people who use drugs to advocate for availability and sustainability of harm reduction services that meet their needs.

Participants in the regional dialogue process (both the on-line consultations and the face-to-face meeting of partners) consistently described the efforts as well organized, well planned, and productive attempts to harmonize diverse and divergent views about the regional initiative. Organizing the face-to-face meeting directly after an international harm reduction conference was described as an efficient and cost effective way to ensure broad partner input. However, some respondents pointed out that the tight timelines meant opportunities for input were often focused around responding to proposals rather than more open ended questions. In addition, some interviewees thought that taking more time for discussion of regional threats and opportunities in implementing the regional program would have been useful, as well as linkages between country and regional activities.

Finally, EHRN began communicating with Country Coordinating Mechanisms (CCMs) in countries determined eligible in the EECA region during the regional dialogue process and continuing into the period of the concept note development process. EHRN shared a basic description of the regional program and the workplan and timeline. This outreach was designed to brief CCMs regarding the regional program and to communicate that formal CCM endorsement would be sought from CCMs once SRs were selected following a competitive process. Three CCMs had already endorsed the program at the time of concept note submission (Azerbaijan, Belarus and Moldova).

The Eurasian Network of People who Use Drugs (ENPUD) also completed a mapping of the role of people who use drugs in decision-making processes in six countries (Georgia, Moldova, Russia, Tajikistan, Ukraine, and Uzbekistan). The data, generated between July and August, helped better define the problem the regional program is confronting—a lack of meaningful representation by people who use drugs on relevant decision making bodies, and the impact of discrimination and criminalization on efforts by drug users to demand for investment in life saving harm reduction services by governments and fight for their human rights.

## Early interactions with the TRP

As a regional civil society application focused on advocacy and not service delivery, the EHRN regional application was virtually unique compared with more typical applications the Global Fund has assessed. EHRN sought very early feedback from the TRP by submitting, on June 21 2013, an initial description of the regional initiative's goal, objectives, and approach. Both the Global Fund Secretariat and EHRN staff reported that this early engagement provided questions and feedback from the TRP that were extremely helpful as EHRN made the transition between the regional dialogue process and concept note development.

## Regional initiative governance structures

Unlike national applications from a Country Coordinating Mechanism (CCM) to the Global Fund, EHRN had to establish relevant governance structures that would assume responsibility for all aspects of negotiation with the Global Fund and grant oversight and implementation, or assign appropriate roles to existing structures. So far, these structures include:

The **EHRN SC**, which has decision making power over matters such as country eligibility and SR selection. The EHRN SC functions as the regional coordinating mechanism and as the liaison between the regional initiative and CCMs in participating countries. A **Regional Technical Advisory Group (RTAG)** that is a multidisciplinary, consultative body including experts from the fields of harm reduction, human rights, advocacy, and clinical care, providing targeted guidance and recommendations to the EHRN SC on technical, programmatic and operational matters regarding the regional proposal (without decision making power). During the SR selection process, an **Expert Panel** was established to assess SR applications and make recommendations for SR selection to the EHRN SC. Currently, stand alone technical groups have been established to work on key thematic issues, such as establishing methodologies for SR assessment. In addition, a **Community Review Panel** is being established to assess applications for the regional initiative's small grant program.

## STAGE 2. The concept note development process

EHRN's development of the concept note began alongside the regional dialogue process—as soon as the goal, objectives and activities of the regional proposal were established based on the outcomes of the online and face-to-face consultations.

A concept note drafting team was established comprising of EHRN staff working alongside a team of consultants, contributing according to a detailed workplan. RTAG members provided detailed review and feedback to the draft concept note before submission September 6 2013—they met face-to-face in Vilnius, Lithuania July 29-30. An additional ad hoc expert team provided a final review of the draft during a face-to-face meeting August 28-29, also in Vilnius. The final concept note focuses on evidence generation, advocacy, communication, social mobilization, and capacity building (particularly of local community based organizations and networks of people who inject drugs), using an innovative regional advocacy campaign called “Harm Reduction Works—Fund It!”

Concept note drafting team members reported that the Global Fund Secretariat provided helpful feedback and constructive and proactive support as part of the drafting process on a range of issues, including use of the NFM modular template and budget tools, and monitoring and evaluation (M&E) requirements. Interviewees consistently expressed a desire that this type of partnership become routine under the NFM, but expressed concern that Secretariat staff might not have enough time to do so. Furthermore, consultants, EHRN staffers, and RTAG members interviewed reported that the very early feedback from the TRP was very helpful as an opportunity to send an early signal about the technical strength of the basic program approach.

In addition, several respondents indicated that the templates and application forms for regional applicants available from the Global Fund at the time of concept note preparation were difficult to complete when regional applicants were focused on advocacy and CSS efforts, rather than more traditional areas of investment such as service delivery. In addition, the Global Fund's framework on CSS was still being finalized when the concept note was under preparation, so the writing team did not benefit from the latest Global Fund Secretariat conceptualization of programmatic approaches regarding CSS as well as priorities for CSS funding. They also suggested the Global Fund's templates and performance frameworks be modified to relate more coherently to advocacy focused regional applications.

EHRN's final concept note was submitted on September 6, 2013 to the Global Fund, with expressions of support for implementation of the regional initiative from WHO, UNAIDS, UNDP and the European Commission included in the application materials.

## STAGE 3: SR selection

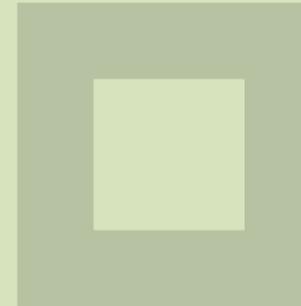
Following submission of the concept note, EHRN published, on September 19, a call for applications from prospective SRs in the ten countries already identified as eligible during the regional dialogue process. NGOs from nine out of ten of the eligible countries responded to the call with SR applications (all except for Azerbaijan).

The EHRN SC approved the terms of reference for and composition of an independent “Expert Panel” comprising of five members of the RTAG. This group was asked to evaluate the applications from prospective SRs and make recommendations for selection to the EHRN SC based on coherence with selection criteria, including a track record in advocacy, meaningful representation of people who use drugs, sufficient capacity for financial management and sufficient infrastructure, and existing partnerships with a range of national networks and groups from across sectors. The Expert Panel also reflected on additional considerations during the review process, such as crosscutting geopolitical issues that would impact the success of the program in achieving its overall goal. The review process included discussion among the team of each proposal, and scoring of applicants using an SR application evaluation. Materials were provided to the Expert Panel in advance of the face-to-face meeting, but it was not possible to translate English language SR application materials into Russian due to time constraints. Five SRs were recommended for inclusion in the regional initiative, along with recommendations of alternate applicants.

Those engaged in SR selection provided positive reports about the Expert Panel’s work—except that the timeline for SR application and selection was very ambitious, and Expert Panel members would have liked more time to discuss and debate the applicants’ proposals. Several respondents reported that the SR process was as inclusive as possible given limited resources, difficult timelines, and the ambition to cover a large region. One interviewee pointed out that as an advocacy focused proposal, the Expert Panel had to take into consideration factors such as the degree of government responsiveness to harm reduction. Balancing consideration of these contextual and political factors alongside other more traditional factors such as; the strength of the applicant’s community partnerships, its track record in working in harm reduction advocacy, or the technical strength of the proposal, was challenging according to participants. It was noted that the Global Fund Secretariat and the Expert Panel discussed SR selection before the Expert Panel assessed applications, particularly around the consideration of contextual factors in recommending SRs. One respondent suggested that it would have been better if the Global Fund had offered guidance in this area earlier, at the stage of development of eligibility criteria, rather than later in the process.

## STEP 4. Negotiation with the Global Fund Secretariat and grantmaking

The Global Fund Secretariat notified the EHRN SC Chair on November 17, 2013 that the TRP and the GAC had assessed the concept note and considered it to be technically sound based on an upper budget ceiling of EURO 4.561 million over three years. The Global Fund both notified the EHRN SC that it could proceed to grantmaking with the Global Fund and summarized GAC and TRP feedback regarding priority areas where further technical work was needed.



The TRP and GAC assessment was generally extremely favorable regarding the quality of the concept note and regarding the process that generated the concept note. Their feedback pointing out for example that EHRN’s approach to engaging key stakeholders in preparing the concept note was commendable, and noted that concerns raised during early engagement by the TRP—prior to submission of the concept note—were addressed in the final concept note. An example of technical issues raised included the need for the program to include a stronger focus on advocacy for harm reduction for people in detention, and on the need for a stronger framework for M&E. On January 15, 2014 the EHRN SC submitted formal responses to the issues raised by the TRP and GAC feedback, in a “Grantmaking Issues Documentation Form” that describes actions to be taken in response to each issue raised by the TRP or GAC. The final steps are Board approval of grant funding and the first disbursement, once the Global Fund Secretariat is satisfied that the issues raised have been sufficiently addressed. In addition to these responses, by January 15 the EHRN SC also submitted final related materials, such as an updated budget, workplan, M&E plan, manuals for managing selected SRs, and more.

Participants in this stage interviewed from EHRN staff and the Global Fund reported that this process was very smooth—except that EHRN had to wait some time for feedback from the GAC following the concept note review by the TRP. More than two months elapsed after submission by EHRN on September 6, which was mainly time elapsed following TRP review of the concept note.

## Conclusion and recommendations

EHRN's success in preparing, submitting and negotiating a technically sound concept note has shown how the NFM can be used by a regional civil society PR to invest in critically important, innovative and high impact advocacy priorities such as building civil society capacity to win expanding funding in harm reduction in EECA.

Partners interviewed congratulated EHRN for the quality of their work as a pilot applicant—from their strong commitment to collaboration with diverse partners; to their professionalism in planning and execution across multiple complex processes; to their willingness to work against extremely ambitious timelines. Importantly, partners interviewed considered the experience of EHRN in piloting the NFM as a regional civil society applicant to have been a “best case scenario”—applicants that have important potential to succeed but lack the capacity and skill set of a network such as EHRN will face greater risk of producing a concept note that is not technically sound, or of struggling during grant implementation. Below are priority recommendations based on these and other risks, related to each stage in the development and implementation of the regional program.

### STAGE 1: *The regional dialogue process*

**Access to funding:** a robust regional dialogue process requires sufficient funding—for convening partners across multiple countries, translation, facilitation, dissemination of findings, and soliciting feedback and opinions. Donors, including UN technical partners, governments, foundations and others should work with the Global Fund and commit up front to funding regional dialogue processes so invited applicants can plan accordingly.

**Use multiple platforms and ensure diverse and inclusive participation:** soliciting regional input and guidance can be more complex than national processes. Regional applicants should use multiple, complementary platforms (in all appropriate languages) such as face to face meetings, on line consultations, and telephone and in-person meetings to execute a robust and truly inclusive dialogue process.

**Technical support:** Regional applicants will require a range of specialized short term and long term technical support. For example, identifying qualified facilitators for the regional dialogue process who understand the NFM and the parameters for regional applicants will help ensure regional dialogues generate relevant feedback and actually shape concept notes in a meaningful way.

**Flexibility:** The dialogue process can generate new ideas and approaches that influence program design and implementation, for example regarding country selection processes in a regional program. The Global Fund should continue to show flexibility in response to smart new ideas as they arise.

**Ongoing engagement of the Global Fund Secretariat:** Open dialogue and supportive, collegial partnership with the Global Fund Secretariat during the regional dialogue process and beyond should become standard practice under the NFM. However, this will require additional capacity within the Global Fund as it requires relatively more time as well as a collaborative approach that might be new for some Secretariat staff.

**Early TRP engagement:** For “unusual” or atypical applications—whether regional approaches, or concept notes from new PRs with no experience working with the Global Fund, or applications from civil society focused on advocacy rather than service delivery—early engagement with the TRP helps an applicant ensure it is on the right track. Early TRP engagement should become a standard approach for such applicants. While it will require more time initially, it could prevent substantial amounts of time spent in completely re-formulating a technically unsound concept note.

**Minimum standards for communication and transparency:** Regional applicants should cohere with the same robust practices EHRN undertook to perform a transparent and participatory regional dialogue. Regional applicants should commit to regular and ongoing public communication and documentation throughout the regional program preparation and implementation process in order to increase accountability and strengthen engagement and ownership.



**Strengthening participation by marginalized and criminalized groups:** Applicants, particularly those whose grants are focused on overcoming harmful legal and policy barriers that undermine effective responses to the diseases, should ensure their dialogue process, governance structures and implementation strategies feature substantial and expanding participation by marginalized and criminalized groups, such as people who use drugs. Provision of technical support, including for community-based capacity building, should draw directly from the expertise of networks of people who use drugs, where applicable.

**Funding levels and cost effectiveness:** Executing these processes with rigor and commitment required extensive amounts of funding, EHRN staff time, and contribution of partner capacity, despite a relatively small absolute grant amount. Completing these steps was almost a project unto itself. The Global Fund should consider mechanisms for easy access to funding and support so that the Global Fund’s standards for engagement and inclusion are fully implemented by applicants.

## STAGE 2: Concept note development

**Technical support:** Applicants need a clearinghouse of quality technical support for applications focused on human rights, advocacy, harm reduction, community systems strengthening and related issues focusing on “critical enablers” to address harmful laws and policies. These are topics where country data are often unreliable or unavailable and examples of technically sound approaches and successes are often limited, potentially hindering such applications during the TRP and GAC review processes. For the NFM to succeed, expertise in these areas needs to be made widely available to regional as well as national applicants, particularly those that are working for the first time to request funding for such critical areas.

**Monitoring for success:** Building appropriate indicators and monitoring and evaluation (M&E) plans for concept notes focused on advocacy rather than service delivery is challenging. The Global Fund should ensure the NFM’s templates and an applicant’s performance framework and other tools for M&E reflect the needs of applicants whose concept notes do not easily cohere with typical quantitative performance indicators.

**Supporting capacity for planning and execution against tough deadlines:** The Global Fund should ensure regional applicants that (unlike EHRN) might lack sufficient capacity in planning against challenging deadlines—despite strong ability to develop and implement a concept note—receive strong technical support. Regional applicants require more capacity to juggle a range of complex inputs from across multiple countries and diverse partners. Ensuring that smart, bold and high impact regional applications are part of the NFM will require that additional support by the Global Fund and partners is available and tailored to meet the needs of applicants.



### *STAGE 3: Sub Recipient (SR) and country selection*

**Balancing technical and contextual factors:** Regional proposals that focus on advocacy might face challenges in selecting and prioritizing countries and selecting SRs, because epidemiological or organizational capacity considerations alone are not sufficient—consideration also must be given to regional political dynamics in an overall assessment of the likelihood of success in achieving advocacy outcomes with a given set of countries. To the extent possible, these factors should be reflected in criteria at the start of the process. However, while not ideal, some flexibility might be required later in the process in order to accommodate such contextual considerations.

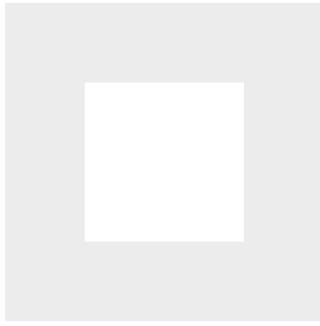


### *Stage 4: Additional negotiation and grantmaking with the Global Fund*

**Active engagement:** Productive partnership with the Global Fund Secretariat, particularly the regional team, helped ensure that the issues raised by the TRP and GAC in the Secretariat’s communication to EHRN were addressed quickly and completely. This partnership meant subsequent stages of the process could proceed with fewer problems, delays and weaknesses.

**Timelines for TRP and GAC review:** Closing the time lag between TRP and GAC reviews would have helped EHRN respond more quickly to key issues raised by the Global Fund Secretariat following concept note submission.

**Funding support for regional coordination mechanisms:** Developing and implementing regional proposals can require relatively more resources than county proposals. The Global Fund currently calculates funding levels available to support Country Coordinating Mechanisms (CCMs) as a proportion of the overall grant. Regional applicants might be facing a different scale of coordination needs, as well as a smaller overall funding level (particularly for advocacy focused programs). The Global Fund should explore flexibilities so that regional programs receive appropriate funding levels for ongoing coordination support.



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