AIDS, tuberculosis (TB) and malaria have a devastating global impact, causing nearly 6 million deaths a year, 10% of the world’s total. The Global Fund to Fight AIDS, Tuberculosis and Malaria is an independent public-private partnership working to increase funding to fight these three diseases of poverty and to provide rapid support to effective prevention and treatment programmes in countries with the greatest need. In April 2002, the Global Fund announced its first round of grants for programmes for the prevention and control of the three diseases in severely affected countries. A total of US$ 378 million over two years was awarded to 40 programmes in 31 countries. The Board also agreed to a fast-track process to approve an additional US$ 238 million for 18 proposals in 12 countries, plus three multicountry proposals, provided certain conditions are met. This would bring the total funding over the initial two years to US$ 616 million. Within the Western Pacific Region, out of a total of twenty-one proposals submitted, nine from five countries were approved.

WHO was intensively involved in supporting Member States during the preparation of proposals for the Global Fund and in facilitating the development of the Country Coordinating Mechanisms (CCM), which are responsible for submitting proposals to the Board on behalf of countries.

This report is presented for the information of the Regional Committee and for discussion at its fifty-third session.
1. CURRENT SITUATION

The Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) was established to improve and expand the worldwide response to the three diseases that are posing the greatest challenge to health sectors in developing countries – AIDS, tuberculosis (TB) and malaria. The idea of an international funding mechanism to fight these diseases emerged at the Okinawa G8 Summit in July 2000. At the request of the UN Secretary-General, Kofi Annan, and many national leaders, the concept of the Global Fund was unanimously endorsed at the UN General Assembly's Special Session on HIV/AIDS in June 2001.

The Global Fund is an independent, public-private partnership aimed at increasing global resources to combat these three diseases effectively; direct resources where they are needed most; and ensure that the resources are used appropriately. By the end of May 2002, the Global Fund had already raised over US$2 billion from governments in both industrialized and developing countries, businesses, foundations and individuals. It is important to note that the Global Fund is intended to supplement, not replace, existing national, bilateral, and multilateral support.

The Global Fund provides grants in support of technically sound and cost-effective interventions (including capacity building and health system strengthening), for the prevention, treatment, care and support of those infected and directly affected by these diseases. Eligibility criteria include: extent of disease burden; availability of resources; general propensity for the spread of the particular disease in question; political commitment; and the existence of a Country Coordinating Mechanism (CCM), usually the only body authorized to submit proposals to the Global Fund.

A CCM should include broad representation from government agencies, nongovernmental organizations (NGOs), community-based organizations and health-related private sector organizations (where they exist). It should preferably be based on an already existing body, but if no appropriate coordinating body exists, a new mechanism will need to be established. Proposals received by the Global Fund are submitted to the Technical Review Panel, an independent body of 17 experts selected from among 700 international nominees. Panel members serve in a personal capacity as experts in their field and not as representatives of their institutions or governments. This impartial team of experts makes recommendations to the Global Fund Board, and guarantees the integrity and consistency of the proposal review process.
The Board takes all final decisions regarding the awarding of grants. It seeks, in all cases, to reach a consensus. If after long deliberation, consensus cannot be reached, the Board employs a voting system based on a two-thirds majority from each of two major constituencies, donors (from both public and private sectors) on the one hand, and developing countries and NGOs on the other. Donor countries and developing countries each have seven seats on the Board, NGOs have two and private sector donors also have two. WHO and UNAIDS, representing the many UN agencies involved in the fight against these diseases, and the World Bank, as the Global Fund's trustee, have non-voting seats on the Board. From among Member States belonging to WHO's Western Pacific Region, Japan holds one of the seven donor country seats, while China holds one of the seven developing country seats.

The term of the Board members is two years, with each constituency responsible for selecting its representatives. However, the mechanisms for selection have not been formalized yet.

The Global Fund’s first grants were awarded at the conclusion of the second Board meeting in New York City on 22-24 April 2002. From over 300 proposals submitted, the Global Fund awarded a total of US$ 378 million over two years to 40 programmes in 31 countries. Seven of the successful proposals were from the Western Pacific Region: Cambodia (HIV/AIDS); China (malaria); China (TB); the Lao People’s Democratic Republic (malaria); the Lao People’s Democratic Republic (HIV/AIDS); Mongolia (TB); and Viet Nam (HIV/AIDS). The Board also agreed to fast track the approval of an additional US$ 218 million for 18 proposals in 12 countries and three multicountry proposals. These proposals included two from the Region: Cambodia (HIV/AIDS, through an NGO) and Viet Nam (TB).

Projects in the Western Pacific Region accounted for US$ 59.5 million of the US$ 616 million commitment for two years announced in April. The largest grant to the Region was over US$ 25.4 million over two years for the nationwide expansion of directly observed treatment, short-course (DOTS) for TB control in China. This was the seventh largest of the approved projects in the first round.

WHO was intensively involved in supporting Member States in the Western Pacific Region during the preparation of the Global Fund proposals. For the first round of proposals, WHO supported two related biregional meetings organized by Governments of Thailand and China, in conjunction with the South-East Asia Region, by sending staff and facilitating the attendance of representatives of Member States. For the second round of proposals, WHO organized an informal meeting at the Regional Office and co-sponsored a meeting with the Joint United Nations Programme
on AIDS (UNAIDS) in Fiji. In addition, WHO regularly disseminated the latest information on the Global Fund to Member States in the Region through its country offices. WHO provided technical support for the preparation of proposals, either through its country and Regional Office staff or by recruiting consultants at the request of Member States. Finally, the Regional Office and country offices took an active role in facilitating the development of CCMs.

2. ISSUES

A second round of Global Fund proposals will follow before the end of 2002, at which time both new and revised proposals will be considered. The deadline for submission of proposals for the second round is 27 September 2002. Meanwhile, those countries granted funds during the first round will require a coordinated response to implement their proposed activities. WHO's involvement in both preparing proposals and in supporting countries to implement activities will, therefore, continue and even increase.

The Global Fund was developed over a very short period of time, and this left many questions unanswered when the call for the first round of proposals was made. Considering this short time frame, countries did well to prepare proposals on time and to have nine approved. However, there is a need for more planned support for countries preparing proposals. In addition, more attention needs to be given to multicountry proposals.

Countries were forced to establish CCMs very quickly. Given these time constraints, organizing these bodies and making them functional was in itself an achievement. However, optimal representation may not have been achieved in all countries and in most there seems to be room for improved coordination among CCM members. In addition, the role of the CCM in the finalization of proposals, especially the technical review responsibility of the CCM, is not yet clear.

Countries whose proposals were approved will be expected to implement their plans of action in a timely and transparent way, in order to ensure that they receive continued funding when their activities are subjected to a mid-term review within the first two years. This review will require the submission of various pieces of information, including baseline data. It will be important for countries, therefore, to maintain and strengthen their capacity to implement the proposed activities, especially data collection and analysis.
The arrangements that need to be made by countries for the implementation of activities, including programme management, financial management and preparation for the mid-term review, still require further clarification and definition by the Global Fund.

3. ACTIONS PROPOSED

The following actions by Member States and WHO are proposed for consideration by the Regional Committee.

1. Improve channels of information between Member States and WHO so that accurate information can be shared in a timely manner.

2. Analyse the overall programme situation, including available financial resources and any funding gaps, and become familiar with eligibility criteria in order to develop attractive proposals.

3. Strengthen coordination among partners by facilitating regular interim meetings of the CCM and by working closely with members of the CCM to ensure that this mechanism is as effective as possible in preparing comprehensive proposals and implementing grants.

4. Strengthen capacity to develop proposals and to use technical support from WHO.

5. Give consideration to multicountry proposals, possibly supported by WHO through inter-country meetings.