ZIMBABWE CCM RESPONDING TO

HIV & AIDS, TUBERCULOSIS AND MALARIA

THE EXPERIENCE OF ZIMBABWE WITH THE GLOBAL FUND'S NEW FUNDING MODEL

JUNE 2013

PRIMARY HEALTH CARE
A HEALTHY NATION
MINISTRY OF HEALTH & CHILD WELFARE
ZIMBABWE

Foreword

Based on the Zimbabwe National AIDS Strategy Plan 2011-2015, our national response to fighting HIV reflects the sustained, high level political commitment characterized by multisectoral approach. The Global Fund has become the main multilateral funder in global health and has approved a total of over $565 million since 2003 for Zimbabwe. Programs supported by the Global Fund have made an increasingly significant contribution to key service delivery areas such as the provision of antiretroviral therapy for people living with HIV, TB treatment under direct observed treatment (DOT), contribution to the retention of professional health workers and insecticide-treated nets to prevent the transmission of Malaria. Since the beginning of the Global Fund grants in our country, numerous deaths have been averted as a result of the supported interventions.

Zimbabwe is one of the first six countries selected to pilot the New Funding Model (NFM). This report documents our experience as an early applicant highlighting several milestones accomplished between March and June 2013. In this report, we share the chronology of events from the time we received the news from the Head of the Global Fund – High Impact Africa 2 in Geneva, on the evening of Friday 1 March, on being selected as an early applicant up until we submitted the concept note on 2 April 2013. Besides describing the actions taken, achievements and challenges experienced during the writing process, this report also highlights practical lessons learnt for both the applicants and the GF.

Our experience in the application of the NFM, was a result of concerted effort of the various partners in the Country Coordinating Mechanism (CCM) and other funding and technical partners including WHO, CDC/ PEPFAR, USAID, UNAIDS, UNDP, NGOs, civil society groups as well as independent consultants. Long hours were spent developing the concept note and such commitment is highly commendable in an effort to continue fighting the pandemic. I sincerely hope the report will be of reference to future Global Fund applicants, to ensure even greater global success in the years to come.

I would like to acknowledge the affirmative guidance provided by the Global Fund Zimbabwe Country Team from Geneva during the writing process. The UNDP's effort in commissioning the documentation of our experience is laudable. Collective experience, gained through immense commitment, hard work and teamwork, is evidenced throughout this report.

On behalf of the Government of Zimbabwe, may I congratulate all those who have made Zimbabwe's entry into the New Funding Model possible. Our grant performance ratings so far represent the tremendous efforts we are making in reducing human suffering and we should be encouraged to redouble our efforts. I call upon the CCM and all other stakeholders for continued commitment and concerted efforts to enable us to build on the momentum and success achieved so far.

Dr. Henry Madzorera
Minister of Health and Child Welfare Zimbabwe
Chairman: Zimbabwe Country Coordinating Mechanism

The experience of Zimbabwe with the Global Fund's New Funding Model

Contents

This is a report of the Country Coordinating Mechanism and the Ministry of Health and Child Welfare in Zimbabwe, with support provided by the United Nations Development Programme. The report is based on interviews with a wide range of key stakeholders in Zimbabwe.

1. Executive Summary

The implementation of the New Funding Model (NFM) and the timely finalization of the HIV grant in Zimbabwe were a resounding success. In less than a month, Zimbabwe mobilized an impressively consultative country dialogue, submitted a high quality concept note, engaged effectively with the Technical Review Panel (TRP) in incorporating its feedback and, in record time, finalized the grant application that was approved by the TRP.

This accomplishment is a tribute to the leadership and coordination of the Ministry of Health, the National AIDS Council and the Country Coordinating Mechanism; the effective support provided by the Global Fund Secretariat and key technical partners; and the commitment and hard work of the many people who were involved.

The experience of Zimbabwe as an early applicant in the transition phase of the Global Fund NFM validates the direction and aspirations of this new approach and highlights a number of its strengths. Important innovations that were welcomed in Zimbabwe included the improved predictability of financing, closer engagement by the Global Fund Secretariat in the funding application process, opportunities for increased stakeholder participation in national dialogue, a constructive process of preliminary engagement with the TRP, and the opportunity for alignment with national processes and strategic planning.

Zimbabwe's experience highlights a number of **'success factors'** for the NFM that are of importance to other countries that will soon embark on the same process. These included:

- A strong, existing national strategic plan, developed in a consultative manner and with clear objectives, indicators, costing of priorities, and based on sound technical analysis;
- The rapid mobilization of a participatory and inclusive consultative process, planning and decision-making, attributable to the culture of consultation that exists in Zimbabwe;
- Strong motivation and commitment to the process by the national health authorities;
- Consistently high performance of the existing Global Fund grants in the last few years;
- Strong national capacity, including a technically skilled and highly committed Writing Team;
- Coordinated and cohesive support by UNAIDS and its co-sponsors, as well as the many other technical partners involved;
- Effective support by UNDP as the Principal Recipient in providing technical advice and input, especially during the grant making stage;
- Timely support and guidance provided by the Global Fund Secretariat through a highly professional and service-oriented Country Team; and
- Constructive feedback from the TRP and capacity of the CCM and the Writing Team to respond and revise the submission.

At the same time, a number of **lessons were learned** through Zimbabwe's experience that are of importance to other countries and to the Global Fund Board and Secretariat as they work to refine and further develop the NFM. One of the main concerns expressed by stakeholders was the short timeframe for the process. However, Zimbabwe participated as an early applicant with the understanding that timelines in the pilot stage of the NFM would be compressed. As other countries begin to access funding through the NFM, it is not anticipated that these tight timelines will be the norm.

Other key lessons identified and suggestions for improving the NFM made by those interviewed for this report include:

- Improved clarity and guidance on the expected nature, scope, elements and outputs of the country dialogue could be useful for applicant countries.
- The distinction between 'incentive funding' and 'full expression of demand' was not clear and will need special attention by the Global Fund.
- Further consideration could be given to how the national strategy might 'stand on its merits', so that the need for countries to re articulate the strategy in the NFM application process is minimized.
- The concept note could and should be a shorter and higher-level document that focuses on investments, results and impact, and that significantly simplifies the requirements. The related web tools need to be simplified and made fit for purpose.
- Further guidance for countries on 'strategic investment approaches' is needed, with flexibility in their choice of such approaches.
- Community needs risk being lost within a health and community systems strengthening paradigm.
- The Global Fund should address issues for key populations through the NFM in the context of country-specific political, legal and social environments and explore innovative approaches and additional flexibilities.
- The role of the Country Coordinating Mechanism (CCM) in the NFM process could be further elaborated.
- Opportunities to link the NFM with other donor processes in countries will need further attention in the full rollout of the NFM.

Zimbabwe appreciates the opportunity to share its experience as an early applicant in the NFM and is very willing to contribute to its future development so that the NFM can become the genuinely flexible and innovative funding window that the Global Fund and stakeholders - including implementing countries - wish it to be.

2. Introduction

In 2013 the Global Fund is launching its New Funding Model (NFM) in six countries, known as 'early applicant' countries.[1] This report describes the experience of Zimbabwe in applying for HIV funding through the NFM from March to June 2013; important background information leading up to the development of the funding proposal is also described. The aim of the report is to provide feedback to the Global Fund and its stakeholders about lessons learned from Zimbabwe's experience in the transition phase of the NFM with a view to inform its further design and roll-out to other countries in 2014.

This is a report of the Country Coordinating Mechanism and the Ministry of Health and Child Welfare in Zimbabwe. Its production was supported by the United Nations Development Programme. The report reflects the experience and views of stakeholders in Zimbabwe, rather than an external analysis.

Information for the report was gathered through a review of documents relating to the NFM and a country visit in April 2013, including interviews with 12 individuals and organizations closely involved in the development of the Zimbabwe NFM concept note. The people interviewed for the report included senior staff from the Ministry of Health and Child Welfare and the National AIDS Council, members of the CCM, the CCM Secretariat, members of the concept note Writing Team, NGOs and civil society groups. Fact-checking was undertaken with local stakeholders. Individuals interviewed for the report, members of the Zimbabwe CCM and other key stakeholders reviewed and provided comments on a draft report.

The report provides the following:

- an overview of the HIV epidemic in Zimbabwe;
- an overview of HIV funding in Zimbabwe;
- a description of the Zimbabwe National AIDS Strategic Plan 2011–15 and related processes;
- an overview of the key elements of the Global Fund's new funding model;
- a chronology of events related to Zimbabwe's participation in the NFM;
- an analysis of key lessons learned from the pilot of the NFM in Zimbabwe; and
- issues for consideration by the Global Fund as it refines and rolls out the NFM, based on Zimbabwe's experience.

3. HIV in Zimbabwe and the national response[2]

The Republic of Zimbabwe has a population of about 13 million people. With an estimated HIV prevalence among adults aged 49 years of around 14 percent, it is among the countries in sub-Saharan Africa worst affected by the HIV epidemic. Around 1.2 million adults and children were living with HIV in 2012, nearly 660,000 of whom were eligible for antiretroviral therapy (ART). Zimbabwe is also one of the countries with the highest burden for tuberculosis (TB): an estimated 80 percent of TB patients are co-infected with HIV.

Zimbabwe has made significant progress in responding to HIV; its severe epidemic has contracted faster than any other in southern and eastern Africa. The decline in adult HIV prevalence from a peak of 26.5 percent in 1997 has been the result of successful prevention strategies including behavior change, high rates of condom use and reduction of multiple sexual partners, as well as high early mortality due to low ART coverage. The annual number of new HIV infections — around 50,000 in 2011 — is at the lowest level since the mid-1980s, with incidence falling from a peak of around 5.5 percent in 1992 to below 1 percent in the last few years.

HIV-related mortality is also showing a decreasing trend, dropping from around 120,000 deaths in 2006 to around 60,000 in 2011. The ART programme was launched in 2004 and scaled up rapidly after 2008, achieving coverage of around 86 percent (around 565,000 people on treatment) by December 2012. Universal access to prevention

1 El Salvador, Myanmar, Kazakhstan, The Democratic Republic of the Congo, The Philippines and Zimbabwe.

2 Sources for this section include the Zimbabwe NFM concept note; Report of New Funding Model Gap Analysis Workshop, Zimbabwe CCM, March 2013; National HIV Estimates, Zimbabwe Ministry of Health and Child Welfare, 2011; Global AIDS Response Progress Report, Zimbabwe Ministry of Health and Child Welfare, 2012.

of mother-to-child transmission (PMTCT) prophylaxis was achieved in 2010 and 2011; recent data show that the number of new HIV infections in children has slowly begun to decline. However, coverage of pediatric ART is currently just above 40 percent.

Zimbabwe's progress reflects sustained, high-level political commitment to fighting HIV, beginning with an Emergency Short Term Plan in 1987 and followed by the first National Policy on HIV and AIDS in 1999, the creation of the National AIDS Council in 2000 and successive national AIDS strategic plans. Zimbabwe's response is multisectoral and characterized by the broad and active involvement of civil society.

Current major challenges in Zimbabwe include making further progress in HIV prevention, notably among people in serodiscordant relationships, who account for more than half of all new infections, and increasing uptake of voluntary male medical circumcision, which remains low. Targeted prevention for vulnerable populations is hampered by poor data, the criminalization of sex work and homosexuality, high levels of stigma, and the challenges of reaching mobile and migrant populations. The success of ART to date, continued HIV transmission, expanding ART eligibility criteria and population growth mean that both the number of people living with HIV and demand for ART remain persistently high. Challenges to achieving universal access to ART include high staff attrition and human resource shortages, weak laboratory infrastructure, increasing drug costs (including the transition from D4T to tenofovir) and the need for improved integration of HIV and TB programming.

4. HIV funding in Zimbabwe

4.1 Overview

In 1999, Zimbabwe introduced a 3 percent AIDS Levy on personal and corporate income that is collected in a National AIDS Trust Fund (NATF) and directed to the National AIDS Council. The NATF is the major contributor of domestic funding to the national HIV response. Recent annual NATF contributions towards HIV programmes have ranged from more than US$5 million in 2009 to more than $30 million in 2012. About 50 percent of NATF funds have been used to purchase antiretroviral drugs (ARVs).

The major sources of international funding for HIV programming in Zimbabwe have been the Global Fund; UN agencies; bilaterals, including the US government (PEPFAR); the Expanded Support Programme (a grouping of CIDA, DfID, Norwegian Aid, Irish Aid and SIDA); the Programme of Support for orphans and vulnerable children (a grouping of Australia, the European Union, Germany, Netherlands, New Zealand, Sweden and the UK); international NGOs including the Elizabeth Glaser Pediatric AIDS Foundation, Clinton Health Access Initiative, Médecins sans Frontières and Population Services International; and other multilaterals.

Between 2009 and 2012 these donors together provided more than $310 million to support all aspects of the national HIV response, including prevention, treatment, care, support, supply chain management, health worker retention and NGO capacity-building.

In 2012 Zimbabwe received an estimated $255.1 million in external financial support for its national HIV response. Of this amount, 38 percent was provided by the Global Fund, 36 percent by PEPFAR and 26 percent by other bilaterals (notably the UK, Sweden and Ireland), multilaterals, foundations and international NGOs. PEPFAR expects to increase its contribution from just over $91 million in 2012 to around $95 million in 2013.

4.2 Global Fund support

Since 2003 the Global Fund has approved a total of $565 million for Zimbabwe for the three diseases, and signed grant agreements for the following amounts: $335 million for HIV, $58 million for TB, and $172 million for malaria (including health and community systems strengthening (HCSS)). By June 2013, a total of $487 million had been disbursed: $283 million (85 percent) of HIV funding, $49 million (84 percent) of TB funding, and $155 million (90 percent) of funds approved for malaria and HCSS.

Zimbabwe received Global Fund HIV funding in Zimbabwe in Rounds 1, 5 and 8. The Round 1 grant of $11 million ended in 2009, and the Round 5 grant of $57 million ended in 2010. The Round 8 grant of $204 million commenced in 2010 and is due to run until 2014. The three HIV grants have contributed to the scale-up of prevention and treatment from an initial 12 districts to all 62 districts in the country.

The Global Fund was financing ART for around 38 percent of those receiving it in 2013, or 223,500 people, and nearly 70 percent of the Round 8 Phase II budget was allocated to ARV procurement and delivery. In 2012 the Global Fund agreed to reallocate an amount of $38 million budgeted for 2014 to achieve an ambitious increase in ART coverage targets in the new National AIDS Strategic Plan in 2012 and 2013, including ensuring an adequate buffer stock of ARVs. As a result of this budget reallocation, the country faces a significant funding gap for ARV procurement in 2014. Securing funding to cover this anticipated shortfall and to fully implement the other goals of the National AIDS Strategic Plan is a high priority for the country.

Global Fund investments for impact

Global Fund grants managed by the UNDP in Zimbabwe are being used to improve access to voluntary counseling and testing services; support HIV/AIDS prevention through behavior change communication; expand PMTCT services; strengthen provision of community-and home-based care services for people living with HIV and achieve universal access to HIV treatment.

Treatment

- From 2007 to 2011, ART coverage in Zimbabwe has doubled, and the country is on track to achieve universal coverage.
- The percentage of adults and children in Zimbabwe known to be on ARV therapy and surviving after 6, 12 and 24 months is 91 percent, 78 percent and 69 percent, respectively.
- Some 565,000 people in Zimbabwe are currently accessing ART (as of end-2012) through Global Fund grants managed by UNDP, together with support from PEPFAR and other partners.

Prevention

- Zimbabwe has achieved one of the sharpest declines in HIV prevalence in southern Africa, from 27 percent in 1997 to below 15 percent in 2011.
- Ninety percent of sex workers in Zimbabwe received an HIV test in the past 12 months, and 67 percent of both female and male sex workers reported using a condom with their most recent sexual partner.
- Global Fund grants managed by UNDP have contributed to some 4,130,653 people in Zimbabwe receiving HIV counselling and testing.
- Community groups have reached 11,051,486 people with behavior change communication outreach and peer education services through contribution from EU/ESP and the Global Fund grants managed by UNDP.

PMTCT

- High-quality, comprehensive PMTCT services are currently provided in 95 percent of health facilities in Zimbabwe, and 85 percent of infants are receiving ARV prophylaxis.
- PMTCT services have reached 107,706 HIV-positive pregnant women through support from Global Fund grants managed by the UNDP and other partners.

Care and support

- Forty-eight percent of people living with HIV in Zimbabwe are receiving home-based care and support.
- Some 109,277 people living with HIV benefited from home-based care with contribution from Global Fund grants managed by the UNDP.

4.3 The role of UNDP

UNDP is a key partner of the Global Fund. In the wake of Zimbabwe's economic crisis in 2009, UNDP was appointed as Principal Recipient (PR) for all Global Fund grants in the country, and additional safeguards were applied to these grants under the Global Fund's Additional Safeguards Policy. UNDP is the nominated PR for funding under the NFM. As PR, UNDP supports national partners in the implementation of the grants and the development of national capacity and strengthening of national systems. UNDP implements the grants through a wide range of sub-recipients (SRs) including government (Ministry of Health and Child Welfare and National AIDS Council), civil society organizations and UN agencies. Activities are implemented using national systems under the programmatic leadership of the National Aids Council, which coordinates the national response to the disease, and the Ministry of Health and Child Welfare. Procurement is done through international commercial long-term agreements and partnerships with UNICEF and UNFPA.

Capacity development is an integral part of the partnership, with UNDP providing an essential service to current SRs and prospective national PRs to strengthen their capacity to implement Global Fund grants. This work is highly specialized and tailored to Global Fund requirements, as well as to the unique challenges of health systems strengthening and drug procurement and supply chain management. A fully costed national capacity-building plan is being implemented in Zimbabwe as part of the HIV grant, including support for the Ministry of Health and Child Welfare in financial management, overall programme management, and procurement and management of commodities. In the period that UNDP has served as PR, grant performance has consistently been rated as strong.

5. The Zimbabwe National AIDS Strategic Plan 2011–15

5.1 Overview

Zimbabwe's current national response to HIV is based on the Zimbabwe National AIDS Strategic Plan 2011–15. The plan is a product of the long-standing process of multi-stakeholder participation in planning and implementing the national HIV response in Zimbabwe that encompasses the efforts of a wide range of stakeholders including government, civil society, the private sector, academia, faith groups, local communities and international agencies and development partners. The plan includes a number of more detailed sub-plans that relate to specific programming areas, such as ART, PMTCT and HIV testing.

The plan's two main strategic priorities are to **halve HIV incidence** and to **reduce HIV-and AIDS-related mortality by 38 percent by 2015**. The strategy identifies priority, high-impact interventions in three areas: prevention, treatment care and support, and coordination, management and systems strengthening. The prevention targets aim to further reduce multiple sexual partners and increase condom use, dramatically scale-up medical male circumcision to 80 percent of men aged 15–49 years, and reduce HIV transmission from 30 percent to 5 percent of infants born to HIV-positive women. The treatment target aims to achieve 81 percent and 85 percent adult ART coverage by 2013 and 2015, respectively. Full implementation of the plan has been costed at nearly $1 billion.

The current plan is based on a comprehensive analysis of the previous National AIDS Strategic Plan 2006–2010, ANC sentinel surveys, national HIV estimates, Zimbabwe UNGASS reporting, gap analyses undertaken for Zimbabwe's Round 10 proposal, Modes of Transmission modelling and a Know Your Epidemic/Know Your Response review. The process of developing the strategy — led by the National AIDS Council with support from an oversight committee drawn from the Ministry of Health and Child Welfare, UNAIDS, development partners, civil society organizations and networks of people living with HIV — included the following key steps:

- a stakeholder consultation involving 100 participants representing government, development and financing partners, civil society organizations and networks of people living with HIV;
- a series of multi-stakeholder strategy development workshops;
- a further stakeholder consultation to review and validate the draft strategy; and
- peer review, led by the World Bank.

The consultation process included innovative outreach efforts in the country, such as advertisements on the radio to solicit input.

5.2 Ongoing national processes

Zimbabwe has a range of participatory processes in place for ongoing dialogue about the national HIV response and implementation of the National Strategic Plan. These include monthly CCM meetings and quarterly Partnership Forums convened by the National AIDS Council that focus on the elimination of mother-to-child HIV transmission, laboratory services and care for HIV and TB. These activities are complemented by broader health systems committees and processes that address issues such as maternal, newborn and child health, the health system pillars, sexual and reproductive health rights and gender-based violence.

A Mid-Term Review (MTR) of the National AIDS Strategic Plan is scheduled for June 2013. Detailed reviews of key elements of the national HIV programme, including ART programming, are undertaken to inform the MTR process; these reviews were underway by February 2013 and were expected to address important emerging issues not contemplated in the national plan, including a potential move to 'Option B+' for PMTCT, 'treatment as prevention' and a potential change in WHO ART eligibility criteria later in the year. Zimbabwe has also begun work with the support of UNAIDS to develop an 'investment case for AIDS' based on the UNAIDS Investment Framework and its related national tools.

Zimbabwe had anticipated that these ongoing processes would thoroughly prepare the country to pursue new funding opportunities — including through the Global Fund — either later in 2013 or in 2014. However, neither the MTR process nor the work on developing an investment case for AIDS had been finalized by the time Zimbabwe was selected to participate in the NFM in early March 2013.

6. Global Fund New Funding Model[3]

6.1 Overview

The Global Fund Board decided that, in 2013, the NFM would initially be open to a limited, invited group of 'early applicant' countries who would participate in the full process of the NFM, including communication by the Global Fund of an 'indicative amount' of funding for the country, followed by a 'country dialogue', submission of a 'concept note', review of the concept note by the TRP, Board approval and the creation of a new, three-year grant. Early applicant countries would be able to access a total of $364 million in new funding during the transition to the new model and $536 million over three years. They could also apply for additional 'incentive funds' intended to reward ambitious, high-impact investments and co-financing.

A further group of 47 countries would be eligible to apply as 'interim applicants' for a pool of $1.5 billion in funding to renew, extend or redesign existing grants. The NFM would be fully implemented and available to all other eligible countries ('standard applicants') after the completion of the Global Fund's forthcoming replenishment process.

6.2 Criteria for participation

The Global Fund Board determined that the selection of early applicant countries would be based on the following criteria:

- programmes that are positioned to achieve rapid impact;
- countries with the highest disease burden and lowest ability to pay for their own programmes;
- countries in which programmes are at risk of service interruptions;
- countries that are currently receiving less than they would under the NFM's allocation principles; and
- ensuring diversity in the size, geography and capacity of the group of selected countries.

Zimbabwe is categorized by the Global Fund as a low-income country and was, therefore, considered eligible to be invited to participate as an early applicant under the NFM for all three diseases, as well as for standalone, cross-cutting HCSS. It also has an extreme burden of HIV disease.[4]

3 Documents referenced in this section may be found at www.theglobalfund.org/en/activities/fundingmodel/
4 Eligibility list for new funding in the transition, Global Fund, 2013.

6.3 Features and advantages

Various documents prepared by the Global Fund describe the following new features and advantages of the NFM:

- **Flexible timelines**: Eligible countries may apply whenever desired during the three-year allocation period so that funding can be more in line with national budgeting cycles and country-specific demands.
- **Simplicity**: A more streamlined concept note begins the process of applying for a grant.
- **Predictability**: All eligible countries receive an indicative funding amount to provide more predictability. The Global Fund Secretariat adjusts these amounts to account for implementers' circumstances.
- **Focus on high disease burden and low resources**: The new model allows the Global Fund to focus on countries with the highest disease burden and least ability to pay.
- **Enhanced engagement**: The Global Fund Secretariat engages more proactively in ongoing country-level dialogue and provides early feedback before the Board approves grants. This iterative process should lead to the support of high-impact investments and ensure disbursements can take place as soon as grants are signed.
- **Improved grant management**: Grant management in the NFM is more responsive and proactive, and oversight differs based on implementers' risk level. In contrast to the previous funding model, the Global Fund Secretariat begins grant negotiations before the grant is approved by the Board.
- **'Unfunded quality demand'**: Parts of concept notes reviewed by the TRP and considered technically sound, but for which financing from the Global Fund is not possible immediately, will be registered for possible funding by the Global Fund or other donors when, and if, new resources become available.

6.4 Three key elements of the NFM

Various documents prepared by the Global Fund have emphasized the following three key elements of the NFM:

Support is based on a National Strategic Plan

The NFM is designed to strongly encourage countries to base funding requests on quality national strategic plans and through national systems. For the purposes of developing a funding request to the Global Fund, national strategic plans should be developed using an inclusive, multi-stakeholder process. Ideally, these plans will be jointly assessed through a credible, independent, multi-stakeholder process that uses internationally agreed frameworks.

Where a country does not have a national strategic plan or where one is no longer current, then an 'investment case' may be presented in the concept note in support of the funding request. However, the Global Fund expects the majority of countries to have robust and costed national disease strategies, aligned with national health sector strategies, by the next replenishment period.

The country dialogue

Concept notes are envisaged as an output of an inclusive, iterative multi-stakeholder country dialogue process that ensures "alignment of the Global Fund process to existing country dialogue"[5] processes and the national strategy.

The country dialogue is described by the Global Fund as a process that is country-owned and led, "forming part of and building upon existing coordination mechanisms in health and development that are already taking place in many countries between governments, donors, technical partners, civil society, and key affected and most-at-risk populations". The Global Fund recognizes that "work on national strategies and resource-mobilization should be ongoing and form the basis of this country dialogue to identify a country's prioritized needs and ultimately prepare the submission of concept notes." While CCMs could take a leading role in coordinating these discussions, the country dialogue is "not a Global Fund-specific process, and includes not only the CCM, but also key stakeholders such as governments, donors, partners and civil society".

5 Transition Manual for the New Funding Model of the Global Fund, undated.

The Global Fund has also stated that "though it is not a Global Fund-specific process, [the country dialogue] is a prerequisite to an application to the Global Fund. It should include the Country Coordinating Mechanism (CCM), implementers, partners, donors, governments, civil society, key populations and vulnerable groups, and the Global Fund."

The role envisaged for the Global Fund Secretariat in the country dialogue is to "support, participate and provide guidance where appropriate" as part of its enhanced engagement with countries during the NFM application process.

At the start of the country dialogue, the Global Fund communicates to CCMs the indicative amount of funds for the diseases for which they may expect financing from the Global Fund during the three-year allocation period. Stakeholders should then discuss how to split the indicative funding allocation between the eligible diseases and cross-cutting HCSS during the transition. The Global Fund communicates an indicative split, as well as the historic split of past financing among the diseases, when it informs each CCM of its funding allocation. The indicative split is based on the burden of HIV, TB and malaria as measured in the allocation formula, as well as sources of other external funding. From these discussions with the Global Fund, the country should:

- decide on the funding amount to be requested for each eligible disease programme within the current three-year allocation period;
- estimate the 'full expression of demand' that the country has for the eligible diseases and HCSS;
- define the programmatic objectives of the concept note(s);
- identify the operational issues or improvements; and
- have a view of the overall funding landscape and related funding gaps.

Information materials prepared by the Global Fund refer applicants to an 'Information Note on Country Dialogue' for more information about the dialogue process, but this could not be located during the research for this report, and was not available to Zimbabwe during the NFM application process.

Concept note and modular template

Concept notes replace previous Global Fund proposal documents and are the principal means to request and access funding under the NFM. Concept notes build on fully costed and prioritized national strategic plans, making a solid investment case. The concept note captures: 1) a country's disease context and its current response including a description of the national plan; 2) a request to the Global Fund, which consists of prioritized needs/interventions to be financed from the indicative funding amount; and 3) the full expression of demand, which is the total amount of funding needed to finance a technically appropriate response to the disease and including additional interventions or programme elements beyond the requested amount that could be covered by available incentive funding or if additional resources become available.

The Global Fund provided early applicant countries with a 10-page, editable template for writing the concept note, together with a 39-page instruction guide that contained links to numerous other technical guidance documents and information materials, including strategic investment guidance from partners, a Transition Manual, the Global Fund gender equity and sexual orientation and gender identities (SOGI) strategies, the eligibility and counterpart financing policy and various Global Fund information notes.

Applicants were required to include the following attachments to the concept note: a signed CCM endorsement from, a Programmatic Gap Analysis, a Financial Gap Analysis, a list of acronyms and abbreviations used, the latest national disease-specific and health-sector strategic plans and a list of any other annexed materials.

In addition to the concept note, applicants were required to complete — as an integral part of the proposal — an online 'modular template'. This is described in the information guide as a "high-level, costed activity plan linked to indicators…which replaces the need to submit at the application stage a Performance Framework and detailed work plan and budget. The modular template replaces the use of service delivery areas (SDAs) with interventions and activities."

The concept note instruction guide stated that applicants could submit application materials either through an online 'NFM portal' or by email. In the transition phase, however, no offline version of the modular template was available, and applicants were required to submit the completed concept note and complete the modular template using the online portal. Applicants were also informed that the concept note would be revised based on learning during the transition, prior to the full implementation of the NFM in 2014.

7. Chronology of the NFM application process in Zimbabwe

This section provides a timeline and description of the key steps and events that took place during the NFM application and preliminary TRP review process in Zimbabwe in March and April 2013. An analysis of these events and the key issues that arose during the process appears in Section 8. The events described in this section should be considered in the context of longer, pre-existing planning and budgeting processes underway in the country, as described earlier in this report.

1 March: Zimbabwe invited to participate as early applicant in NFM

On the evening of Friday, 1 March, the Global Fund Department Head for High Impact Africa 2 sent an email to the Zimbabwe CCM Chair, Dr. Henry Madzorera, Minister of Health and Child Welfare, informing him that Zimbabwe had been selected as an early applicant to the NFM. The email informed the CCM Chair that a Global Fund team would be in Zimbabwe the following week "to go through this process in greater detail and agree on an action plan". It attached a letter dated 28 February from the Head of the Global Fund's Grant Management Division advising that an indicative funding amount of $245 million had been set for Zimbabwe, including $38 million in relation to service interruptions.[6] The letter stated that the Global Fund Zimbabwe Country Team would schedule a follow-up teleconference and requested that Zimbabwe confirm its participation in this part of the NFM by 15 March.

5 March: CCM Meeting

The CCM HIV/AIDS Committee met to prepare for the visit of the Global Fund Zimbabwe Country Team.

6–8 March: Visit of Global Fund Country Team

The Global Fund Country Team visited Zimbabwe to present the NFM to the CCM, participate in planning meetings (including on the country dialogue process), determine the support that the country might need from the Global Fund Secretariat in the following weeks, describe resource materials available for early applicants, and meet with a range of stakeholders. The team sought to verify data contained in its 'Performance and Impact Profile' (PIP) on Zimbabwe and collected information for a 'CCM Assessment' and 'Pre-assessment' of the country. These are tools created by the Global Fund for use by early applicants to assist in concept note development and the country dialogue and for use by the Global Fund Secretariat and the TRP during the review process. The PIP provides "a consolidated view of each country's epidemiological information, the latest disease burden, coverage, outcome and impact data, an analysis of the current funding landscape, and assessment of risk, and an assessment of the performance of existing PRs within the portfolio". A range of reference documents to support the further development of the PIP was sent to the Global Fund before the preparation of the concept note.

During the visit, the Global Fund advised the Zimbabwe CCM that, should Zimbabwe wish to apply for funding under the New Funding Model at this stage as an early applicant, the deadline for submission of the concept note to the TRP would be 31 March (less than four weeks away), with TRP review in mid-April, the grant-making process in April and May and approval of the grant anticipated at the Global Fund Board meeting in June. The Global Fund Country Team proposed that it make a second visit to Zimbabwe to provide additional support during the concept note development phase later in March.

6 Zimbabwe was also selected to participate as an 'interim applicant' for TB with an indicative amount of $5 million. According to the Global Fund, these funds were to be sought and approved through a separate, 'light' process that involves renewal, extension or redesign of the existing Round 8 TB grant. This part of the NFM process is not discussed in this report.

11 March: CCM Meeting

The CCM convened a meeting to plan the stakeholder consultation process and establish the Writing Team for the concept note.

By 12 March: Establishment of concept note Writing Team

By the second week of March, the CCM had established a concept note Writing Team and determined its guiding principles, the roles and responsibilities of its members and the team's technical support needs.[7] The Writing Team met on 12 March to develop a road map for its work in the coming weeks, including for receiving inputs from the planned consultations.

The Writing Team was led jointly by senior representatives of the Ministry of Health and Child Welfare and the National AIDS Council. The Director of the National AIDS and TB Programme and a representative of the CCM, who was also the UNAIDS Country Coordinator, provided additional oversight of the process.

The Writing Team consisted of a core writing group and a wider group mainly working on gap analysis, the specific funding request and consultation with stakeholders during the writing process. Writing Team members included staff from the Ministry of Health and Child Welfare, the National AIDS Council, National Microbiology Reference Laboratory, the Health Professions Authority of Zimbabwe, WHO, CDC/PEPFAR, USAID, UNAIDS, NGOs and civil society groups (ZNNP+ and the Zimbabwe HIV/AIDS Activists Union). WHO, UNAIDS, UNDP and independent consultants were to provide technical assistance. The CCM Secretariat was responsible for logistical aspects and coordination of the writing process, interface with the Global Fund Secretariat on behalf of the CCM and the Writing Team and compilation of all annexes required for the concept note.

Writing Team members were asked to sign a Declaration of Interest Form by which they agreed to act in the best interests of Zimbabwe's HIV response, rather than representing their respective organizations.

13–15 March: Intensive consultation phase

Consultations on the development of the concept note were organized at short notice due to the very tight NFM timelines. To the extent possible, consultations 'piggybacked' on meetings that had already been scheduled in March. This included a meeting of Provincial Medical Directors, city health officials and central hospitals convened by the National AIDS Council on 13 March, the agenda for which was adapted to accommodate a half-day consultation on the NFM, including a presentation by the CCM and breakout group discussions on priority areas for the concept note.

Also on 13 March, the National AIDS Council and ZNNP+ hosted a consultation meeting on the concept note for key population groups, attended mainly by HIV-positive women. Members of the Writing Team also met with sex workers at a pre-planned meeting on 15 March hosted by UNFPA.

The major consultation meeting related to the NFM was convened by the CCM on 14 March and brought together in Harare more than 85 participants representing the Ministry of Health and Child Welfare and other government agencies, UN and development partners, the private sector, NGOs and civil society organizations including women's organizations, the gay and lesbian network, youth groups and people living with HIV. The focus of the day-long meeting was to develop inputs through small group work for a programmatic 'gap analysis' — i.e. to identify priority areas for which the concept note should seek funding. The participants recommended that the concept note should focus on: 1) ART, including Option B+ and serodiscordant couples; 2) HIV/TB; 3) PMTCT; 4) male circumcision; 5) condom programming; and 6) general sexual and behavior change communication.[8]

7 Roles and responsibilities for writing Zimbabwe's concept note to GFATM, Zimbabwe Concept Note Writing Team, 2013.
8 Report of New Funding Model Gap Analysis Workshop, Zimbabwe CCM, March 2013.

15–17 March: Zero draft

Based on the inputs received at these consultations, a 'zero draft' concept note was developed and internally reviewed by members of the Writing Team over the weekend in advance of a five-day concept note writing retreat the following week.

18–22 March: Writing Team retreat; second visit of Global Fund Country Team

To ensure seclusion, the writing retreat was held at a hotel in Masvingo, 300km south of Harare. Approximately 40 people participated, including members of the Writing Team, technical advisers, resource people and Global Fund staff. The retreat was guided by a detailed agenda that was updated daily and included inputs to be made to the concept note each day. While it was anticipated that the number of people required to work full-time on the concept note would diminish over the course of the week, all participants stayed until the end of the week and worked from 8am until at least 11pm on each of the five days. The final objective was to circulate a first draft of the concept note to the CCM, the Global Fund TRP and several independent reviewers by the end of the final day.

On the second day of the retreat, 19 March, the Global Fund Country Team commenced its second visit to Zimbabwe and joined the writing retreat to review progress and provide support and guidance, including by uploading information into the modular template. The Country Team stayed for the remainder of the week.

During the retreat, on 20 March, the Global Fund's Fund Portfolio Manager (FPM) for Zimbabwe wrote to the Chair of the CCM to inform him of the Fund's decision to increase the indicative amount available to Zimbabwe by $33 million to $278 million in light of Zimbabwe's domestic HIV contribution made through the National AIDS Trust Fund in 2012, consistent with the Global Fund's Counterpart Funding Policy. The Global Fund further advised that "since the new grant will be consolidated with the current Round 8 grant from January 2014 onwards, the total amount available for the new grant is therefore $311,176,138, which includes the indicative amount plus the $32,296,138 which is part of the current Round 8 Phase II 2014 approved budget. The consolidation will therefore allow the country to re-program the $32 million towards high impact interventions." The message attached "the formal pre-assessment by the country team which outlines areas that the concept note should take into account and show how they will be addressed". The FPM also encouraged the CCM to consider relevant issues arising from the "draft audit report of the Inspector General shared by the CCM".

22 March: Completion and submission of first draft of concept note

The concept note and its annexes comprised a total of around 170 pages before formatting. The first full draft of the concept note was circulated to the CCM, the Global Fund TRP and a small number of external reviewers at the end of the writing retreat. Interviewees for this report noted that time constraints did not permit an 'in-person consultation' on the draft concept note or the usual process of peer review.

Table 1: Summary of funds requested in 2013 Zimbabwe concept note for the NFM

Period	A: Existing Round 8 funds to be carried forward to new NFM grant	B: Indicative funding request	C: Funding requested above indicative amount	A+B: Existing and total indicative funding request	Full request ('full expression of demand')
Years 1–3 (2014–2016)	$32,296,138	$278,879,103	$244,365,388	$311,175,241	$555,540,629

The funding requested in the concept note is shown in Table 1. Of the $278 million indicative funding request, 70 percent was for ART, 15 percent for prevention and other activities, and 15 percent for HCSS.

The concept note included the following:

- a strong emphasis that the request was based on funding priority areas of and achieving coverage and impact targets in the National AIDS Strategic Plan 2011–15, specifically ART, PMTCT, HIV testing and counseling, male circumcision, behavior change communications, HCSS, health workforce and monitoring and evaluation;
- a strong emphasis on the inclusive processes of developing and evaluating the national strategic plan and identifying the priority areas in the concept note; and
- a Financial Gap Analysis showing the total estimated cost of implementing the national plan of nearly $1 billion. The indicative funding amount of $278 million plus the $32 million from Round 8 sought to maintain and modestly scale up existing programming in identified priority areas, with a significant expansion of male circumcision; the funding of $244 million sought beyond the indicative amount would enable Zimbabwe to make further progress against key targets in the national strategic plan and to implement several new approaches, including elements of the anticipated 2013 WHO ART guidelines, including new ART initiation criteria and viral load testing.

25 March: Initial TRP comments received

The TRP provided seven pages of initial comments on the draft concept note. The TRP emphasized the following issues:

- The concept note represented a strong effort on the part of Zimbabwe given the short timelines involved.
- More attention was needed to explaining how prevention programming would reach and achieve impact among serodiscordant couples and young women, and in different geographic regions.
- More effort was needed to explain how the interventions selected for funding had been prioritized.
- More attention was needed to explaining data and programming gaps for key populations, particularly men who have sex with men (MSM) and injecting drug users (IDU), and to addressing the enabling environment for most-at-risk populations (MARPs).
- More attention was needed to explaining aspects of the national strategic plan, including its ongoing relevance, current stage of implementation, and the main findings of recent programme reviews.
- A stronger assessment was needed of the feasibility of achieving ambitious scale-up targets, including for testing, behavior change and male circumcision.
- The description of how health systems barriers would be addressed needed improvement.
- The description of the complementarity of Global Fund financing with that of other donors needed improvement.
- A number of other evidence gaps needed to be addressed, and more detailed information provided about SRs.

Overall, the TRP found that sufficient documentation had been provided to enable it to engage early in a first review. The TRP found it especially helpful to have received from the Secretariat a number of materials before the concept note was submitted. These included the ‘pre-assessment’ and PIP developed by the Global Fund Country Team, as well as the national strategic plan, the Global Fund grant scorecard and other documents.

25–27 March: Further revision of concept note

The concept note was revised in light of the TRP’s comments and comments received from CCM members and external reviewers.

27 March: CCM meeting to review and endorse concept note

The concept note and initial TRP comments were presented to and discussed by the CCM. The CCM endorsed the concept note, delegating minor adjustments in the budget request to the Writing Team.

2 April: Final concept note submitted

As the Easter holiday took place from Friday, 29 March to Monday, 1 April, the final concept note could not be submitted to the Global Fund until Tuesday, 2 April.

Subsequent steps

Because this report was finalized at the end of May 2013, the report does not address subsequent steps in the NFM process in detail. At the time of writing, both the TRP and the Global Fund Grant Approval Committee had formally approved the Zimbabwe concept note (in late April and mid-May, respectively), and grant negotiations were well advanced.

8. Discussion and analysis

8.1 Overview and ingredients for success

The opportunity to participate as an early applicant in the pilot phase of the NFM was deeply appreciated and warmly welcomed in Zimbabwe. The country viewed its selection as recognition by the Global Fund of its strong past performance and its significant preparedness and capacity to seek and implement new resources.

The NFM was also seen as a crucial opportunity to address three major challenges: the end of Zimbabwe's Round 8 HIV grant (including the looming funding gap for ART from 2014), the need to make further progress against the targets of the current National AIDS Strategic Plan, and the need to address other emerging priorities.

The NFM application process was nevertheless extremely demanding. Zimbabwe was required to balance the aspirations of the NFM as a more flexible and simple process, and its implementation in the transition phase.

The country's ability to effectively navigate the new process in a very short time frame was attributed by the national stakeholders interviewed for this report to:

- the fact that Zimbabwe had in place a sound national strategic plan and a participatory and inclusive culture of consultation, planning and decision-making;
- strong motivation and government commitment to the process as a result of the country being provided with an indicative amount of funding on which to base its application;
- recognition by the Global Fund of the country's past performance including the Fund's decision to adjust the indicative amount communicated earlier based on a number of qualitative criteria, in effect 'matching' Zimbabwe's domestic contribution to the national AIDS response;
- strong national capacity, including a technically skilled and highly committed Writing Team;
- access to technical support from strongly engaged UN partners; and
- the support and guidance provided by the Global Fund Secretariat through a strong Country Team and the TRP.

Despite the challenges experienced in preparing its NFM application, Zimbabwe understood that the NFM was being developed as it was being rolled out, and that the process would be further refined based on the experiences of early applicants. The country is eager to share lessons learned and assist the Global Fund in the further development and wider rollout of the new funding approach.

Reflections on Zimbabwe's selection to participate in the NFM[9]

"This was a great match between capacity and opportunity. If there is any country that can take $300 million and make it work for people, it is Zimbabwe. And this is a country that would really prefer to do the job itself."

"We are a relatively sensitive country… our health system had virtually collapsed, and we faced a severe shortage of health workers. It is good that the Global Fund has stuck with us."

"The NFM invitation has come as a welcome relief given the treatment gap we were facing in 2014. We needed the money, and we had the capacity to respond to the NFM quickly. The key things were a focused and well-prioritized NSP and lots of consultations put together quickly."

8.2 The NFM timelines and alignment with national processes

In little more than three weeks, Zimbabwe mobilized all its national stakeholders and developed what amounted to a 'full-blown' funding proposal, a process that in the past has usually taken around three months (for example, for the Round 8 HIV grant). One interviewee compared the NFM process to the Global Fund's very first funding round: *"In many respects, the urgency and improvisation of the NFM process brought back memories of when we applied in Round 1."*

One of the main concerns expressed by stakeholders was the short timeframe for the process. However, Zimbabwe participated as one of the early applicants with the understanding that timelines would be compressed. As other countries start applying for funding through the NFM, it is not anticipated that such tight timelines will be the norm.

In light of the short timeframe given to Zimbabwe as an early applicant, it was not possible to align the NFM process to the national processes that were underway in Zimbabwe at the time it was invited to participate. The country had yet to complete a number of processes that it had commenced in anticipation of forthcoming funding opportunities, including several programme reviews, the mid-term review of its national AIDS plan, and work to develop an AIDS investment case. Data collection was incomplete, including the 2013 national HIV estimates. The timelines also did not offer Zimbabwe a flexible opportunity to apply 'whenever desired' during the three-year funding period, as Global Fund materials indicate will be a key feature of the NFM.

To some extent, initial work and discussions that had already occurred on emerging priorities — such as Option B+ and the implications of possible changes to WHO treatment guidelines — were able to be fed into the NFM process.

9 Quotes in this report are not attributed to particular individuals but, except where noted, reflect a general consensus among the people who were interviewed.

Reflections on the timeline to develop the concept note

"All our in-country processes were leading up to an application later this year. We would have really struggled to do this without there being money on the table."

"There was no time to do a thorough peer review. Everything — including sending to the TRP for comment — was done at the same time."

"If the concept note had been something shorter or simpler, it would have helped."

"We didn't have time to follow all the instructions to the letter or to introduce a lot of innovative thinking. We hope there are opportunities to make adjustments."

"We really had a week to write it. Our aim was to put something together that was reviewable."

"The ideal time frame is probably two or three months. We certainly needed more time, and we're advising our TB team to start now."

The demands on people tasked with arranging consultations at short notice and writing the concept note were significant. Zimbabwe was able to take advantage of a number of existing consultative processes, and the CCM arranged a major country dialogue meeting in just a few days. A large Writing Team of around 40 people frequently worked late into the night. The fact that the Easter break — an important family holiday in Zimbabwe — occurred in the last four days of the NFM time frame added significant additional pressure, and work continued through the holiday.

The compressed timelines for developing the funding proposal were seen to have had some advantages. Interviewees noted less contention between stakeholder groups and fewer attempts to reignite old debates: *"With other rounds there were competing agendas. If there was an upside to the compressed time line, it was that it required us to put individual agendas aside and work to a national agenda. It focused our minds on the task, but at some cost to everyone involved."*

8.3 Indicative funding and Global Fund co-investment

The introduction of an indicative funding amount on which Zimbabwe was expected to base its funding application was universally seen as the major positive innovation in the NFM. The fact that a specific sum was 'on the table' in advance of developing the funding proposal was seen to greatly increase the predictability of Global Fund financing and served as a significant source of motivation to meet the challenging deadline. Zimbabwe was able to identify its priorities and shape its proposal based on the indicative amount, compared with the 'sky's the limit' approach followed by many applicants under the former rounds-based system.

The size of the indicative funding amount — initially $245 million, subsequently increased to $278 million – was also very warmly welcomed. Zimbabwe recognized that its indicative amount comprised almost half of the funds available to the six early applicants, and perceived this a strong expression of confidence in the country and a realistic recognition of its current needs. The country also welcomed the fact that that the indicative amount set under the NFM exceeded what it had been able to achieve in previous rounds-based HIV grants. At the same time, the indicative amount elevated the country's expectations of a successful outcome and increased the potential for disappointment if the proposal were not to be accepted.

Reflections on the indicative funding amount

"The indicative amount was a major plus. It changed the tone of our writing from pleading and aspirational to more pragmatic and based on what we really expect to do."

"It provided us with a piece of cloth from which to cut something."

"This has heightened our expectations. We pray that we won't get a disappointment at the end."

The Global Fund's decision to adjust the initial indicative amount based on qualitative criteria and in effect match Zimbabwe's domestic contribution of $38 million with a corresponding increase in the indicative amount was also very warmly welcomed. This approach was seen as a strong motivator for countries to increase domestic funding and as a validation of the national AIDS Levy in Zimbabwe: *"This was a very good decision, and we wish this had been recognized before.*

8.4 Incentive funding and 'full expression of demand'

Zimbabwe was informed that, in addition to the indicative amount provided to each early applicant country, early NFM applicants would be able to compete for a separate pool of 'incentive funding'.

According to materials prepared by the Global Fund, "incentive funding is a separate reserve of funding that rewards well-performing programmes with a potential for increased, quantifiable impact, and encourages ambitious requests. It is made available, on a competitive basis, to applicants whose requests are based on sound national strategies or a full expression of prioritized demand for strategic interventions, based on a programme review. The Grants Approval Committee determines final funding amounts and whether or not a country will be awarded additional incentive funding. In such cases, a country is awarded both funds at the same time."[10] Elsewhere, the Global Fund describes incentive funding as "a separate reserve of funding which will reward high impact, well-performing programmes, and encourage ambitious but feasible requests making a particularly strong case for investment".[11]

At the same time, NFM early applicants were encouraged to include in the concept note a 'full expression of demand', defined by the Global Fund as "the total amount of funding that is needed to finance a technically appropriate, focused, cost-effective and efficient response that aims to achieve maximum impact against the diseases within a given country context".[12]

There was some lack of clarity in Zimbabwe with regard to the difference between 'incentive funding' and 'full expression of demand'. The country was initially told by the Global Fund that the full amount of incentive funding available to all early applicants was $87 million and that the amount awarded would be based on needs and impact. It was later informed that there was 'no cap' on the incentive funding and that because Zimbabwe's needs were higher than the indicative amount, the country should focus on making a full expression of demand. Additional guidance on the distinction between these concepts may be warranted in the future. Zimbabwe's final concept note stated that "the total amount of this request is USD 555,540,629 of which USD 311,175,241 is the indicative funding amount and USD 244,365,388 is for additional gains beyond additional funding."

10 The New Funding Model, Global Fund, undated.
11 Global Fund Information Note: Strategic investments for HIV programmes, March 2013.
12 Global Fund Information Note: Strategic investments for HIV programmes, March 2013.

Reflections on the difference between incentive funding and full expression of demand

"Explanations for the incentive funding came in bits and pieces, so there was some confusion about it, and about the size of the pool. Then it became more about making a full expression of demand, so the difference is still really not clear."

"We had a hard time understanding the incentive funding and how it fits into the modular tool."

8.5 Country dialogue

The country dialogue concept promoted under the NFM was understood by different stakeholders in Zimbabwe to have a number of potential meanings.

First, it was interpreted to refer to the existing and ongoing dialogue that takes places within the country in a range of forums with regard to the national HIV response, including in the development, implementation and evaluation of the national AIDS plan. Zimbabwe feels that it has such a well-established culture of participatory and inclusive consultation and dialogue, and this was described in the NFM concept note.

Second, the country dialogue was interpreted as an additional process that needed to be specifically undertaken "as a prerequisite to an application to the Global Fund".[13] The country dialogue that took place in Zimbabwe focused on prioritizing interventions and activities for which funding should be sought in the concept note, notably at the large 'Gap Analysis' meeting on 14 March.

It is worth emphasizing that because the Global Fund defined a country dialogue as being a 'prerequisite' to funding, Zimbabwe understood that an additional and Global Fund-specific process was required. However, another document on the NFM prepared by the Global Fund states that the country dialogue is "not a Global Fund process" and refers to the "alignment of the Global Fund's processes to existing country dialogue".[14] This language could be interpreted as meaning that adequate documentation of existing dialogue processes could be sufficient for the purposes of the NFM. Some clarification of this issue in future guidance may be warranted.

While parts of the Zimbabwe dialogue — such as the large 14 March meeting — were led by the CCM or CCM members, the dialogue extended beyond CCM members and included all relevant stakeholders in the country. The National AIDS Council also played an important role in convening meetings on the concept note. The Global Fund's encouragement of 'broader involvement' in the country dialogue beyond the CCM was seen by some interviewees as a welcome innovation, while others felt that it simply reflected the usual practice in Zimbabwe.

Reflections on the country dialogue

"We had a very consultative, very nationally-owned process, and because of the NFM there was a real feeling of excitement, momentum and commitment."

"We had a marathon of meetings."

"It was really hurried, but the new funding model talks of dialogue, so we needed to take advantage of processes going on, like the UNAIDS investment case meeting and assorted meetings, to ensure that the voices of women, sex workers and MSM were heard."

13 The New Funding Model, Global Fund, undated.
14 Transition Manual for the New Funding Model of the Global Fund, undated.

Finally, the country dialogue concept was also understood by some people to refer to the dialogue that is anticipated to take place between the country and the Global Fund Secretariat/TRP during the process of developing the NFM concept note. This is also referred to as the 'iterative' process of proposal development under the NFM. Aspects of this iterative process are discussed in Section 7.8 (Guidance, support and tools provided by the Global Fund) and Section 7.12 (Feedback from the TRP).

8.6 Concept note

There was a universal expectation in Zimbabwe that the term 'concept note' meant that countries would be able to submit a significantly shorter funding application under the NFM than under the previous rounds-based system.

This expectation was based on experience with other donors who use the term 'concept note', and was reinforced by Global Fund documentation promoting 'simplicity' and stating that "a more streamlined concept note begins the process of applying for a grant."[15] There was some lack of clarity in Global Fund documentation about whether the concept note would need to be followed by a more detailed proposal; however, given the eventual length of the concept note, this was not an issue and was not requested by the Global Fund.

Zimbabwe's experience was that the length and level of detail required in the NFM concept note and the required annexes differed little from the rounds-based proposal form. As one interviewee said, "*it looked simple, but it wasn't, because it required the same detailed inputs in terms of targets, budgets, unit costs and so on, as in the past.*" The major difference noted with past rounds was that there was no requirement to submit a Procurement and Supply Management (PSM) plan with the concept note, although the TRP requested additional information on this subject in its preliminary feedback. Interviewees noted that Zimbabwe's submission grew further in volume after the country had made adjustments based on the initial TRP comments.

Reflections on the format of the concept note

"A 'concept note' sounds broad, but it's a misnomer. It was more or less the same as a full proposal."

"The only difference between the NFM and past processes is that we knew the amount we would be getting."

"The shorter timelines suggest simplicity, but the concept note did not reflect that."

"A 'concept note' sounded simpler… but it still needed gap analysis, indicators, various write ups… We thought the intention was to keep it at a higher level."

"If the concept note is intended to be preliminary, it should be preliminary as part of the dialogue, rather than a full-blown proposal with all these specific commitments."

"The style and language of the concept note were quite similar to the old proposal, but there was still quite a lot of repetition."

"The focus of the concept note was not always clear. In some places the form asks for a high level perspective, investment and impact thinking, and in others a lot of detail was requested."

"It could be a challenge to roll out the NFM more broadly with this large format and short time line."

15 The New Funding Model, Global Fund, undated.

Suggestions about the scope of the concept note

Interviewees expressed a range of views about what they regarded as the 'ideal' length and content of a concept note. All agreed that a concept note should be a shorter document than the one that was submitted for the NFM. At one end of the range, it was suggested that *"what is needed is a five-page summary showing where the epidemic is, where the needed investments are, the programmatic and financial gaps and anticipated results and impact. Indicative proportions for investment could be shown, such as the percentage for ART, the percentage for health worker retention, and so on."* At the other end of the range, the European Commission's 30-page concept note format was seen as appropriate: *"We are talking $300 million, so there has to be some detail, but we think this could be further simplified. Our impression is that the Global Fund wants to simplify it."*

Issues encountered by the Writing Team

Zimbabwe had anticipated that it would be able to manage the writing process with a relatively small core team of writers supported by a larger team providing sporadic, additional inputs and technical support. Ultimately, the larger group of around 40 people found itself fully occupied for the three-week writing period, placing considerable strain on national capacity.

The country experienced some challenges in applying 'investment thinking' to the concept note, noting that this was a new approach for the country and that its work on understanding and applying investment approaches to the national context had begun but was incomplete. While the Global Fund had provided some guidance on 'strategic investments for HIV programmes' under the NFM,[16] one interviewee felt that this was focused on interventions for which impact is readily measurable over short time frames, and that countries should be given additional flexibility to focus on interventions that have impact in the longer term, including prevention and laboratory infrastructure.

Another interviewee noted that the 15 percent cap on HCSS funding established by the Global Fund Board seemed somewhat arbitrary, and that conflating 'health' and 'community' systems was not necessarily ideal. In the case of Zimbabwe, with its ongoing health worker shortage, most of the HCSS request in the concept note related to health worker salary support, while the need to invest in infrastructure and strengthen community systems could not be fully accommodated in the proposal. It was suggested that a minimum threshold in proposals for community systems funding should be considered.

Reflections on the concept note writing process

"The Writing Team had a good sense of what to do, and strong composition, reflecting the way the Zimbabwe response is organized."

"I've never seen such commitment by a writing team."

"Not everything could be fitted into the NFM proposal, but the country was able to tease out priority issues and move forward."

8.7 Modular tool

Completion of the online modular tool or template, also known as an 'access to funding tool', was an additional, new requirement under the NFM. Zimbabwe's experience was that the purpose of the modular tool for the funding request was not clear, that the tool was difficult to use and that completing it significantly increased — one interviewee said 'doubled' — the workload, compared to the previous Global Fund application process.

16 Global Fund Information Note: Strategic Investments for HIV programmes, March 2013.

A major challenge experienced in Zimbabwe was that the need to enter detailed targets, activities and financial and budget inputs into the template felt disconnected from the country dialogue process and inconsistent with the stated aims of the NFM to promote high-level impact and strategic investment thinking. Interviewees were strongly of the view that this level of detail would be appropriate at a later stage of the NFM process, such as grant negotiation and management, rather than for the purpose of the concept note. As one interviewee said, "*It is not possible to pack everything into one week.*"

A particular challenge was encountered when attempting to translate the national AIDS plan into the detailed modules contained in the tool, described by one interviewee as *"an exercise in fitting a square peg into a round hole".* The tool assumed that national plans are generic and contain a significant level of detail, rather than being impact-focused. Estimating detailed financial inputs three years in advance (and beyond the term of the Zimbabwe national plan), as required by the tool, was seen as a particular challenge. Accounting for cross-cutting issues, such as CSS, was also difficult, as these did not fit easily into the tool's 'compartmentalized', modular format.

The country also experienced difficulties in understanding how the incentive funding component should be expressed or entered into the modular tool.

In general, the tool was seen as responding more to the needs of the Global Fund than to the context of the applicant country, reflecting what one interviewee described as *"a disconnect between the people who developed the tool, on the one hand, and Global Fund people who know about countries and those of us who run national programmes, on the other".*

Reflections on the modular tool

"Our response is synergistic, integrated and holistic. The tool needs to reflect that and incorporate a way to reflect impact."

"These modules may make sense with multiple PRs and SRs, but it did not make sense for a national product."

"We thought it was a concept note with high-level budgeting, and the Global Fund team was saying that we shouldn't go into details. But we had to provide both a high-level budget and these micro details as well."

"The process was much more intensive and heavier because of this tool. It meant we had to do a lot of work in addition to the concept note and the gap analysis."

Technical issues

A number of technical challenges were experienced with the online NFM portal. These included not being able to print out any of the inputs into the modular template in a log frame that could be referred to, reviewed and shared during or after the application process: *"A major challenge was that everything was online and we couldn't readily retrieve the information that we entered."* It was also a challenge to find where to input the full amount being requested in the application, and to know what to enter in a number of 'blank cells' in the modular tool.

While the concept note instructions did not refer to page limits, writers nevertheless encountered strict 'character limits' in the online version of the concept note form. This resulted in significant challenges when attempting to upload the concept note, which had been written offline: *"We couldn't fit in many of our sections. In the end, we asked the Global Fund to remove the online character limits, which they did."* A number of other bugs were experienced, including at the time of uploading information into the modular tool, and at the final, crucial stage of attempting to submit the full concept note online.

Some interviewees suggested that a web-based portal may not be ideal in certain country contexts, and that the options of submitting 'hard copies' of application materials should be retained. However, Zimbabwe also recognized that as part of the NFM pilot, the Global Fund was seeking to test the online portal.

8.8 Guidance, support and tools provided by the Global Fund

The Global Fund manages grants in Zimbabwe within its High-Impact Africa 2 department and has a strong and well-resourced Country Team for Zimbabwe. The strong engagement and presence in the country of this team during the NFM application process were seen as highly positive, both in terms of the support provided to Zimbabwe and the Global Fund's increased understanding of the country's processes. Overall, the Global Fund Secretariat tried hard to communicate expectations, encouraged the country to be ambitious and provided better guidance than in the past. As one interviewee said, "*It felt more like a partnership between the Global Fund and the country."*

The Global Fund Secretariat was also ready to listen and to acknowledge the improvisational nature of the NFM in the pilot phase, including areas that needed to be improved, such as the concept note, modular tool and online portal. On its second visit, the Country Team included people involved in developing the online tools who were able to make a number of on-the-spot adjustments to them at the country's request. However, the limitations of the tools remained evident: *"They* [the Global Fund Country Team] *tried their absolute best, but to be honest, you can't turn a washing machine into a helicopter."*

Zimbabwe emphasized that it would welcome the opportunity to assist the developers of the portal and modular tool as they work to further refine these products, and suggested that it may be beneficial for some of this work to take place in one of the early applicant countries.

At times, writers found the instructions for completing the concept note rather dense. Some requirements, such as the need for a technical assistance plan, were 'buried' in the instructions and only encountered relatively late in the writing process. It was felt that the Global Fund could provide additional guidance in the form of 'translational pieces, algorithms or recipes' that explain in a more step-by-step fashion how to fill out the concept note and tools. These would promote a more sequential and logical flow between the various steps and pieces required in the application process.

The concept note instructions included numerous links to Global Fund information notes and other resources. While considerable effort was made by the writers to refer to these materials, they found them voluminous and, at times, difficult to download. Making these materials available on CD-ROM or memory stick may be helpful.

The Global Fund also piloted an 'online platform' for messaging and document sharing that was made available to the country. Because of time constraints, the platform was not used very much in Zimbabwe. It was suggested in interviews that its utility could be further discussed with countries and that additional training on the use of the platform could be helpful.

It was not possible to ascertain for this report how useful the PIP and 'pre-assessment' prepared by the Country Team were to the Writing Team as they prepared the concept note. This issue, and the extent to which these products may result in some duplication of effort by the Global Fund and/or the country, may warrant further consideration.

8.9 Relevance of the national strategic plan

Zimbabwe welcomed the Global Fund's increased emphasis on funding national strategies under the NFM and regarded its strong national AIDS plan as a major asset during the NFM application process. The national plan served as a critical tool for determining funding priorities and as a reflection of the country's highly participatory processes.

There were, nevertheless, several instances during the NFM process when the country felt that it was required to 'rearticulate' its national plan — for example, in two sections of the concept note that were seen to have some overlap — or to 'plug it in' to suit Global Fund requirements, as in the case of the modular tool. The Global Fund may wish to consider further how and to what extent national strategies can stand 'on their own merits' — for example, through a type of joint assessment approach that is referred to in NFM-related documents and was developed for the Global Fund's National Strategy Application pilot process, but which has not featured practically in the NFM process to date. It is noted that the TRP received copies of the Zimbabwe national plan from both the Secretariat and the applicant country.

One interviewee noted that the NFM funding period of 2014–2016 is not aligned with Zimbabwe's national plan, which ends in 2015. While it was anticipated in the country that funding approved under the NFM could provide something of a 'buffer year' for Zimbabwe in 2016, this could not be easily accounted for in the NFM application process due to lack of available forecasts in Zimbabwe beyond the period of its current national plan.

One interviewee was of the view that the national plan should not be the only document that the TRP reviews, due to the risk in some countries that the plan may not adequately capture the interests of civil society.

8.10 The role of the CCM

The NFM process in Zimbabwe differed from past proposal development processes in which the CCM would place advertisements and invite different sectors to apply for funding, and the HIV/AIDS Sub-Committee of the CCM would determine the funding priorities. There was a general consensus that the NFM process in Zimbabwe had remained appropriately CCM-led, but that the NFM had enabled — and the Global Fund had encouraged — broader national participation in the process of determining priorities, notably through the country dialogue.

The CCM was also seen to have had appropriate leadership in the process of writing the concept note, being responsible for its overall coordination but sharing responsibility with the Ministry of Health and Child Welfare and the National AIDS Council and involving a range of other stakeholders, including civil society.

One interviewee noted the lack of participation by the private sector in the concept note writing process.

A very small minority of interviewees felt that the process has been substantially driven by the Global Fund Country Team, rather than by the CCM, and suggested that the specific role of the CCM in the various steps of the NFM process needed to be made more explicit.

While it was generally felt that the Zimbabwe CCM had performed well, concerns were expressed that other CCMs with less capacity may struggle to oversee the rather demanding NFM process, increasing the potential for governments or international partners to dominate. Additional investments in CCM capacity-building may be needed as the NFM is rolled out more widely.

8.11 Civil society and key populations

Civil society participation

Civil society participation in the NFM process, including in the country dialogue and the Writing Team, was seen as adequate, given the time constraints. Treatment activists, in particular, felt that they had more active and meaningful participation than in the past, mirroring their greater engagement in the CCM, as well as the broader country dialogue that occurred and their participation in the Writing Team. A number of interviewees looked forward to increased civil society leadership of future funding application processes as a result of this experience.

Content issues

Views about the extent to which civil society participation in the process was reflected in the content of the concept note were mixed. Civil society participants felt that they lacked data with which to make their case for investment, and expressed some concern about the extent to which the national strategy prioritized their interests, a reflection of the very challenging legal and political environment for sex workers and MSM in Zimbabwe. Several interviewees mentioned that most of the effort of civil society participants on the Writing Team was focused on the HCSS component of the concept note, much of which relates to service delivery and health workforce issues, rather than on issues such as targeted prevention programming, community infrastructure and enabling environment. It was also felt that the Global Fund's CSS framework, developed in 2010, was not well reflected in the NFM's modular tool.

Addressing issues for key populations

The concept note instructions and the initial feedback from the TRP to Zimbabwe placed considerable emphasis on the need to comprehensively address issues for key populations. Zimbabwe fully understands this emphasis but, given its legal and political environment, faces considerable challenges in explicitly addressing issues for these groups. These challenges include criminalization and a lack of data on key populations and their needs. There are also differing points of view in the country about how to strike a balance between responding to a large, generalized epidemic and achieving increased impact among key population groups.

Civil society networks in Zimbabwe are closely engaged with key population groups, and a significant effort was made to include sex workers and MSM in the country dialogue, even though their organizations largely exist underground in Zimbabwe. The dialogue provided a further opportunity for these groups to express their views, including to present some new data on HIV prevalence among sex workers and to describe unmet needs, such as lubricant gel for MSM as part of condom programming. However, because the legal and political environment severely limits the country's ability to fully discuss and address such issues, the NFM process did not bring them closer to resolution.

While interviewees to a very large extent welcomed the NFM's emphasis on human rights, they also emphasized the importance of the TRP reviewing proposals with an appreciation of the country's particular political and social context. It was specifically suggested that TRP members may wish to visit the country, and that the Global Fund could explore additional flexibility in its funding arrangements, including the option of using alternative language that may allow issues for key populations to be addressed more implicitly. As one interviewee stated, *"We are trying to do more for sex workers, but MSM remain a big challenge. Before we can fund something like an MSM clinic, we need to do more to create a conducive environment, sensitize health workers, promote the idea of user-friendly services and increase understanding of how these all contribute to public health."*

8.12 Feedback from the TRP

The initial feedback provided by the TRP on a first draft of the concept note was considered a very helpful innovation in the NFM. The TRP comments were described as 'comprehensive', 'extensive', 'useful' and 'timely', and Zimbabwe perceived the feedback as similar to a quality assurance process. The TRP provided its comments within three days of submission of the draft concept note. It was evident from the TRP's comments that it had done a significant amount of pre-reading and was very familiar with the Zimbabwe national AIDS plan: *"They had done their homework."*

Some challenges were encountered in responding to the TRP feedback. As noted above, the TRP strongly emphasized the need to address key populations in the concept note, without recognizing the country's constraints in doing so.

In some cases, the country was not sure about which part(s) of the proposal should be adjusted in response to the TRP comments. More specific guidance in this regard may be useful. The country also noted that some of the TRP comments related to areas that had not been clearly identified or requested in the concept note instructions, or where the online version of the concept note had not allowed for the issue to be addressed in adequate detail.

Interviews for this report were conducted between the time of final submission of the concept note in early April and the formal TRP review later that month. The country was not sure during this period what the implications of the formal TRP review would be — for example, whether another opportunity would be provided to make adjustments based on further TRP feedback, whether the TRP would simply reject or approve the proposal and/or whether another funding window would be provided in the event of a TRP rejection or request for major revisions. More information about what to expect during this part of the NFM process may be helpful to countries in the future.

8.13 Involvement of technical partners and other donors

UN agencies, notably UNAIDS and WHO, were very closely involved at all stages of the NFM process and provided invaluable assistance and support. UN Women provided input on the concept note. USAID and PEPFAR were also actively involved. There was however, limited opportunity during the preparation of this report to assess or discuss whether and how the NFM could be more closely aligned with other donor processes in the country, such as biannual meetings for the UNDAF process. This issue may warrant further consideration in future efforts to evaluate the NFM's alignment with country processes and its potential contribution to improved donor coordination.

8.14 Materials produced by Zimbabwe

Zimbabwe produced a number of materials during its NFM application process that may be of interest to other countries. These include its report on the stakeholder gap analysis meeting as part of the country dialogue, and detailed roles and responsibilities for the concept note Writing Team. The Global Fund may wish to consider making these and other materials produced by early applicant countries available to future applicants.

9. Lessons learned and suggestions from Zimbabwe

The experience of Zimbabwe as an early applicant in the pilot phase of the Global Fund NFM was both rewarding and challenging. The country was well positioned to participate as an early applicant due to its status as a low-income, high HIV burden country, strong national capacity, a culture of participatory processes, strong grant performance, comprehensive national AIDS plan and a high demand for new resources to sustain the national response.

The Zimbabwe experience as an early applicant validates the direction and aspirations of the NFM and highlights a number of its strengths. Important innovations that were welcomed in the country include improved predictability of financing, closer engagement by the Global Fund Secretariat in the funding application process, opportunities for increased stakeholder participation in national dialogue and a constructive process of preliminary TRP feedback.

At the same time, a number of important lessons were learned in the process. The stakeholders interviewed for this report made the following specific suggestions for the Global Fund to consider as it works to refine the NFM:

- There is a need to better align the NFM with existing national processes and cycles, including through longer, more flexible timelines to prepare proposals, for example, by providing one or more negotiated "funding windows" of several months.
- Consideration could be given to whether the country dialogue is necessarily an additional national process for the purposes of the NFM, or whether documentation of existing processes, or other processes, could suffice in some cases.

- Improved or more detailed guidance on the required elements and outputs of the country dialogue could be useful for applicant countries.
- Improved guidance is needed on the distinction between incentive funding and full expression of demand.
- Further consideration could be given to how the national strategy might stand on its merits, so that the need for countries to rearticulate the strategy in the NFM application process is minimized. Guidance for countries on the future role in the NFM of joint assessment of national strategies may also be valuable.
- The initial concept note could and should be a shorter and higher-level document that focuses on investments, results and impact.
- The concept note instructions can be strengthened, for example, by including step-by-step translational pieces, recipes and algorithms for completing the concept note template, and clearer explanation of the attachments that are required, so that key requirements are not buried in the text of the instructions. Consideration should be given to providing information notes and other resource materials for completing the concept note on a CD-ROM or memory stick, rather than just online.
- Further work may be needed to develop guidance on strategic investment approaches for countries, and to provide countries with flexibility in their choice of such approaches.
- There is some potential for community needs to be lost within an HCSS paradigm. A potential minimum threshold for CSS funding in the NFM could be explored. There is also a need to explore and explain the relevance to the NFM of the 2010 Global Fund framework on community systems strengthening.
- Additional capacity building may be required to support the broader involvement of civil society in the NFM process.
- The Global Fund should explore how applicant countries with challenging political, legal and social environments could be further supported or provided with greater flexibility to address issues for key populations through the NFM.
- Improvements to the online modular tool or template are needed to clarify its purpose and timing in the application process, increase its consistency with impact and investment approaches, reduce the level of detail, and enable cross-cutting issues, indicative funding and incentive funding to be appropriately addressed.
- A number of significant technical issues and bugs in the online portal and its related tools and forms need to be resolved.
- Countries may prefer to retain the option of submitting proposals and related information by hard copy or email.
- The Global Fund should explore opportunities to work at country-level when refining the online portal and its related tools and forms.
- The utility of the online information-sharing platform and the potential need for training in its use need to be explored.
- The role of the CCM in the NFM process could be further elaborated. CCMs may require additional capacity building to lead and manage NFM processes.
- Countries may welcome increased recognition by the TRP of the political, legal and social context in which proposals are developed, for example, through TRP visits to the country during the NFM application process.
- Preliminary TRP feedback is a welcome innovation, but could also be improved, for example, by specific guidance from the TRP on how proposals should be adjusted to accommodate the feedback.
- Exploring the duplication of information that is provided to the TRP in advance by the Secretariat and that is also requested in the proposal (e.g. Performance and Impact Profile, national strategy) may help to reduce the burden on countries.
- Countries may benefit from additional information about the process that the Global Fund follows after final submission of the concept note to the TRP, including the role of the new Grants Approval Committee.
- Opportunities to link the NFM with other donor processes in countries should be further explored.
- The Global Fund should consider how useful materials developed by early applicant countries could be shared more broadly as part of the NFM rollout.

Zimbabwe appreciates the opportunity to share its experience as an early applicant in the NFM and is very willing to contribute to its future development so that the NFM can become the genuinely flexible and innovative funding window that the Global Fund, its donors and implementing countries wish it to be.

Final reflections

"Zimbabwe greatly appreciated the chance to participate in the NFM, the changes in thinking and the concept of simplification. We fully agree that the country should dialogue on gaps and priorities before developing a full proposal. We also value the idea of a sophisticated costing tool. And we are very willing to help the Global Fund to refine these, based on our experience."

"We feel we are making history, and we hope others can learn from it."

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