

The Global Fund's systems for combating corruption include employee training programmes, a special internal audit unit, a whistle-blowing mechanism for reporting fraud and a policy of transparency with regard to internal audit reports. The Global Fund has also established procedures to protect its investments when irregularities are discovered.

In October 2010, the Global Fund's internal audit unit, the Office of the Inspector General (OIG), reported that financial irregularities had been detected in the Global Fund's programmes in three countries. The fraud had been committed by the recipient country's authorities. The OIG pointed to extensive weaknesses in the Global Fund's monitoring framework. This has led to even stronger focus on ongoing reforms and intensified controls. An independent commission has been appointed to review the Global Fund's policy and systems for preventing and identifying fraud and dealing with cases of suspected fraud. The commission is scheduled to complete its report in September 2011. Germany, Sweden and Denmark have notified the Global Fund that they will await the outcome of the review before making further disbursements to the Global Fund. In Norway's opinion, it is

not appropriate to make contributions subject to this type of conditionality. We are keeping close track of further efforts to address these issues. The Global Fund's external auditor is Ernst & Young.

The Global Fund is undergoing a comprehensive reform process that entails consolidation of support at country level for fewer and larger programmes based on the recipient countries' own plans, reorganisation of the Secretariat with a view to improving programme monitoring at country level, and increased focus on risk management and control. The Global Fund Secretariat has reported that several of the weaknesses in the control framework that were identified by the OIG have been remedied by measures initiated as part of the reform process. At a Global Fund Board meeting in May 2011, a Board-appointed working group proposed measures for inclusion in the reform process. These measures were endorsed by the Board. Work is in progress on drawing up a new strategy for 2012 - 2016, which will be finalised and presented to the Board in autumn 2011.

3. Norway's policy towards GFATM

Norway's National HIV strategy, "Acceptance and Coping", affirms that "Norway will continue to make solidary contributions to the funding of global HIV efforts", and support for the Global Fund is an important part of these contributions. In its participation in the Global Fund, Norway has attached importance to being a long-term, predictable donor. In the course of 2011, it is our intention to enter into an agreement for 2011 - 2013. We have sought to encourage the Global Fund to increase its efforts to improve maternal and child health, and this is now one of the principles incorporated in the preparation of the Global Fund's strategy for 2012 - 2016.

Through our work on the Global Fund Board, we will contribute to the ongoing reform processes in the Global Fund, while paying particular attention to the issues of the Global Fund's policy and systems for preventing and detecting fraud and dealing with cases of suspected fraud. The report to be submitted by the independent commission in September 2011 will provide important input.

GFATM

The Global Fund to Fight Aids, Tuberculosis and Malaria

1. Facts and figures

Type of organisation: Private foundation. Public-private partnership

Established in: 2002

Headquarters: Geneva

Number of country offices: None

Head of organisation: Executive Director Dr. Michel Kazatchkine (France)

Dates of Board meetings in 2011: 11-12 May (Geneva) and 21-22 November (Accra)

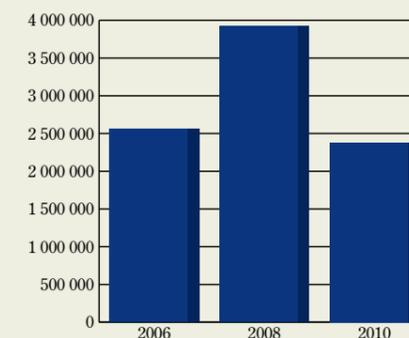
Norway's representation on Board: Part of a constituency that also includes Denmark, Ireland, Luxembourg, Netherlands and Sweden

Number of Norwegian staff: 1

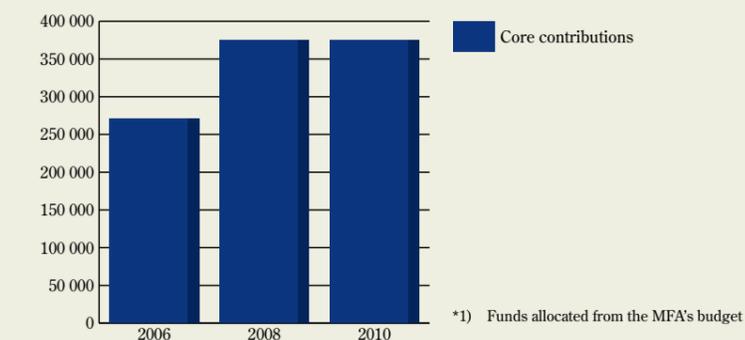
Responsible ministry: Norwegian Ministry of Foreign Affairs (MFA)

Website: www.theglobalfund.org

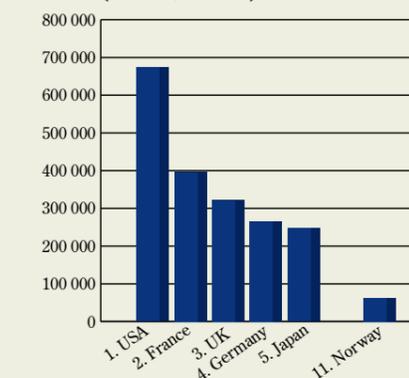
Total revenues (in US\$ 1000)



Norway's contributions^{*1)} (in NOK 1000)



The five largest donors, and Norway, in 2010 (in US\$ 1000)



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<http://www.regjeringen.no/en/dep/ud/selected-topics/un>.

Mandate and areas of activity

The Global Fund to Fight AIDS, Tuberculosis and Malaria was established in January 2002 to mobilise resources for financing efforts to achieve UN Millennium Development Goal 6 of combating AIDS, tuberculosis and malaria in the areas of the world where the needs are greatest.

Activities are carried out by the Global Fund's partners at country level. The Global Fund Board is comprised of representatives of the governments of donor and recipient countries, private foundations, civil society and the private sector, and communities living with and affected by one or more of the three diseases. There is emphasis on broad geographical representation. Norway is a member of the Point 7 Board constituency, along with Denmark, Sweden, the Netherlands, Ireland and Luxembourg. The seat on the Board is held on a rotation basis. Ireland assumed the seat in May 2011. Martin Dinham was elected Board chair for 2011-2013 biennium in May 2011. He resigned in August 2011 due to illness. The Board's deputy chair, Lesotjo's Minister of health Mphu Ramatlapeng, is the acting chair until a new chair is elected.

The Global Fund is the largest multilateral source of financing for efforts to achieve the health-related Millennium Development Goals. It provides 21 per cent of funding for programmes to combat HIV and AIDS, 65 per cent of funding for anti-tuberculosis measures in the 22 countries with the highest incidence rate, and 65 per cent of funding for anti-malaria efforts. Around 60 per cent of the Global Fund's resources target HIV and AIDS. The Global Fund's support is results-based. Most of its programmes can show good results.

Norway provided NOK 375 million in funding for the Global Fund in 2010. At the Global Fund's replenishment conference in 2010, donors pledged a total of USD 11.7 billion for the period 2011-2013.

Results achieved in 2010

From 2002 to the end of 2010, the Global Fund granted USD 21.7 billion to projects in 150 countries. A total of USD 13 billion had been disbursed at the end of 2010. Some 3 million people have been treated for HIV, 8 million have been diagnosed and treated for tuberculosis, and 160 million anti-malaria nets and 2.7 billion condoms have been distributed. This is in line with the Global Fund's own objectives, except for the

anti-malaria nets, where the goal was to distribute over 200 million nets¹. This support is crucial to achieving Millennium Development Goal 6 on combating communicable diseases. One result is that the 20 countries which receive the most support from the Global Fund are reporting a more rapid decline in new HIV infections. This, combined with increased access to antiretroviral therapy, has led to a 25 per cent reduction in HIV/AIDS mortality in these countries².

Efforts to attain Millennium Development Goal 6 are also helping to achieve the goals relating to maternal and child health. This is particularly the case in southern Africa, where HIV/AIDS, tuberculosis and malaria are responsible for 52 per cent of deaths among women of reproductive age, and where malaria alone causes 8 per cent of child deaths. A total of 44 per cent of the Global Fund's funding goes to activities targeting women and children and thus contribute towards achieving Millennium Development Goals 4 and 5.

The Global Fund has enabled a number of developing countries to strengthen their local health systems, thereby increasing their possibilities of preventing and treating HIV and AIDS, malaria and tuberculosis. The Global Fund is the largest financial mechanism for strengthening health systems, allocating 36 per cent of funds for training, infrastructure, medicines and distribution systems, planning and management.

Ensuring that women and men have equitable access to treatment and services is a fundamental principle. In 2008, the Board adopted guidelines for gender equality in programmes supported by the Global Fund. The guidelines were followed up in the Round 10 call for proposals for funding, which contained information on how to make programmes more women-oriented. The Global Fund also seeks to ensure a balanced gender composition in Country Coordinating Mechanisms and in its Secretariat in Geneva. In the work on the next strategy (2012 – 2016), strengthening the effect of Global Fund-supported programmes for women's health has been incorporated more generally as an important principle.

All in all, since its creation in 2002, the Global Fund has helped to save 6.5 million people from dying of AIDS, malaria and tuberculosis³.

¹ This is largely a result of the fact that Nigeria and Mozambique were unable to reach their national targets for distribution of anti-malaria nets.

² Cited in the Global Fund's 2010 Results Report and by the UN Programme on HIV/AIDS (UNAIDS).

³ Source: Making a Difference. Global Fund Results Report 2011. The data at output level (number of persons treated, number of nets distributed) were obtained from individual Global Fund recipients, and are quality-assured at both country and global level before publication. The method for using the output level to estimate the number of deaths that are prevented is described in detail in the Global Fund's Results Report, and is based on models that have been tested and recommended by independent experts.

Ghana has received USD 386 million divided between 12 different applications for funding. This support has helped to significantly strengthen HIV prevention and treatment. At the end of 2010, with support from the Global Fund, Ghana had distributed 4.8 million condoms, and carried out 1.6 million HIV tests. HIV testing is important. The percentage of women who underwent testing rose from 7 per cent in 2003 to 17 per cent in 2008. HIV incidence among sex workers declined from 34 per cent in 2006 to 25 per cent in 2009.

Reaching more remote areas of the country, particularly the eastern and western regions, to provide HIV testing and treatment services is still a challenge. Among pregnant women, it is more common for women with higher education to take the test. In order to reach rural areas and pregnant women with little or no education, Ghana has applied for and received Global Fund support to train more health workers and acquire more mobile health clinics.

Ghana is one of five pilot countries in a programme aimed at improving harmonisation of support with the countries' own plans and budgets. In 2010, Ghana's health plan underwent a common approval process, which means that in the Global Fund's next round of applications the country will be able to apply for funding for parts of its health plan. This approach is in line with the principles set out in the Paris Declaration on Aid Effectiveness. It will save both time and effort for the Ghanaian authorities, and make it easier to view funding in an overall context and use it where it is most needed.

2. Assessments: Results, effectiveness and monitoring

The Global Fund applies a results-based approach at all levels, and has adopted important tools both for measuring results and for ensuring that the results are utilised. One such tool is a set of key performance indicators (KPI). The KPI Framework covers the work done at the Secretariat in Geneva and at country level. The Global Fund Board receives results reports, which enables it to make ongoing adjustments as needed. The latest report to the Board in June 2011 showed good achievement of results, while identifying some weaknesses.

The Global Fund is committed to improving aid effectiveness, and has included compliance with the Paris Declaration on Aid Effectiveness among the key performance indicators. The Paris Declaration is followed up in practice through focus on harmonisation with other stakeholders, local ownership and alignment of support with recipient countries' own plans, focus on results, transparency and mutual accountability. As a result of the discovery of financial irregularities in recipient countries, disbursements have been withheld and additional visits have been made to countries. This has contributed to low performance in relation to the indicator for the Paris Declaration.

At country level, activities are carried out by cooperation partners. Project applications to the Global Fund are prepared by a Country Coordinating Mechanism (CCM) in which a variety of interests are represented, including government authorities and civil society. The CCM also has a monitoring function in connection with programme implementation. The recipient of Global Fund support should preferably be the recipient country authorities. In some cases, however, it is decided that a UN agency or non-governmental organisation at country level is to be the recipient, based on the assumption that the

authorities will be enabled to take over the programme in the long term. Furthermore, a special mechanism, Local Fund Agents (LFA), has been established to monitor implementation at country level. The LFA is selected on the basis of a tender and is often a well-reputed audit firm.

Increasing sustainability by enabling countries themselves to gradually assume the costs of Global Fund-supported projects is a goal. In May 2011, the Board decided that countries are to cover between 5 and 60 per cent of costs, depending on the individual country's ability to pay.

The Global Fund has established a Technical Reference Evaluation Group (TERG) tasked with preparing annual evaluation plans, assessing the Secretariat's evaluation activities, providing advice to the Board and the Secretariat on evaluations and submitting yearly reports to the Board on the implementation of the evaluation plan. A five-year evaluation of the Global Fund's activities presented in 2009 confirmed that the organisation had achieved good results during the period concerned. The evaluation report underscores the need to focus on the principle of mutual accountability in partnerships, and to review and reinforce the Global Fund's performance-based funding system to ensure its integrity, and to improve contributions to the fight against HIV/AIDS, tuberculosis and malaria through health systems strengthening.

Most of the countries that receive support from the Global Fund have poor governance systems. Many of the countries are plagued by corruption, which is a significant risk factor in the Global Fund's programmes. Working in these countries is a challenge and requires that the Global Fund protects its grant money as best possible.