

**Improving Coherence Among Multilateral
Institutions and International Donors to
Develop and Support Effective AIDS
Programmes**

Discussion Document

**‘Making the Money Work’
The Three Ones in Action**

London, United Kingdom, 9 March 2005

The global response to AIDS has reached a crucial stage. Awareness of the disease is at an all-time high and the availability of resources has increased significantly from \$300 million annually a decade ago to \$6.1 billion in 2004. However, the gap between the financial resources that are needed and the resources that are available has not been closed and the reality that these high levels of funding will have to be maintained for years and even increased in many countries has not been factored into country development frameworks. An even greater challenge is to close the gap between the funding that is available and the money that is actually being spent effectively, efficiently and transparently on the ground by implementing agencies in the public and private sectors and in civil society. It is therefore proposed that participants at the 9 March 2005 "Making the Money Work" in London -

- Agree to the formation of a Global Task Team, to be led by UNAIDS, to make recommendations on further coordination, particularly within the multilateral system, to resolve areas of duplication and gap in the global response to AIDS, and to include a review of our collective interests and capacity to provide financial and technical assistance to countries for agreement at the UNGASS high level review meeting on 2 June 2004.

Closing the "implementation gap" is the essence of the "Three Ones" at country level:

Background

The "Three Ones" principles were launched in Washington in April 2004 by UNAIDS in collaboration with national HIV-AIDS programs, bilateral donors (including the United Kingdom and the United States), multi-lateral donors (including the Global Fund and the World Bank) to provide a framework to reinforce international stakeholders' commitment to coordinate and harmonize the HIV-AIDS epidemic response. This, in turn, was aimed at achieving the most effective and efficient use of available resources and ensure rapid action and results-based management. The principles have since been endorsed in many ways by the main financial donors:

- At the African Union Summit in Abuja earlier this year, the African heads of states adopted the "Three Ones" as the frame work for AIDS action in their countries.
- The draft Round Five proposal guidelines of the Global Fund ask that "proposals addressing HIV -AIDS should indicate how these principles (The "Three Ones") are put into practice.
- Access criteria for Sub-Saharan African countries wishing to have second generation MAP projects funded by the World Bank require evidence of progress towards achieving the "Three Ones".
- All the main bilateral and financial donors signed the Paris Declaration of Aid Effectiveness on March 2, 2005.

- Twenty-Four African countries supported the “Three Ones” at a recent consultation workshop on the MAP in Addis Ababa.

While progress¹ has undoubtedly been made by countries and donors at country level to support one strategy, one authority and one monitoring and evaluation system, there has been no overall institutional mechanism which the providers of financial resources and technical expertise and key stakeholders in recipient countries could use to further the “Three Ones”, nor mechanisms of support and knowledge which countries could access on their own. Nor have the main financial donors established a mechanism by which they would work together in support of the “Three Ones”. Instead, in many countries, competing systems have consumed scarce financial and human resources, delayed program implementation and resulted in some programs being over-funded and other essential programs left without funding. There are now so many competing efforts on monitoring and evaluation of programs, for example, that few countries actually have an overall program Monitoring and Evaluation (M&E) system that is up and running. And many of the recommendations for improving the situation consist mostly of proposals to raise more money for individual agency efforts rather than to work together.²

The Current Challenge

The above points to the need for more concerted action.

First, agreement is needed among donors, but also among technical agencies on a more rational division of labour. Such agreement should encompass what needs to be done, who does what and when, and who pays for it.

Secondly, this agreement must translate into practical reality on the ground. A consensus needs to be reached on who does the monitoring and evaluation of the “Three Ones”, and who does the coordination and inevitable redesign in real time of “Three Ones” implementation as we learn what works and should be continued and scaled up and what does not and needs to be stopped or revised.

Fundamental to the success of the “Three Ones” is that the process must be country-led. This does not mean that the providers of financial resources and technical expertise should remain passive. In addition to finding ways of working that are cooperative rather than competitive, they need to actively support countries in developing and implementing the “Three Ones” principles.

¹ Among the successes are: (i) joint programs reviews by the major donors under country leadership in Kenya; (ii) the use of common implementation units by donors, as in Rwanda with the Global Fund and World Bank financing; (iii) pooling of funds by a number of donors in Malawi; (iv) gap filling, with one bilateral donor providing drugs for a multilateral-sponsored program in Vietnam; and (v) a common M&E system for Global Fund, PEPFAR and MAP in Ethiopia.

² While these activities may be needed at some point, they may now only cause more confusion unless there is an agreed framework of coordination and action.

Furthermore, the political and legal limitations on donors that inevitably result from their individual mandates are challenges that can be overcome at the country level, especially if the flexibility of the multi-lateral donors is used appropriately and the bilaterals increase the attention they pay to voluntary coordination where formal harmonization is not possible.

The focus of this note, therefore, is on what the external donors can do better. Ultimately, the “Three Ones” will only work when country governments create the enabling environment and lead the effort.

The key building blocks for the financial donors to put the “Three Ones” into reality include:

- Country government leadership and creating the environment for the “Three Ones” to be translated into action.
- An effective, simple and non-bureaucratic coordinating instrument at the global level to ensure that the major funders and providers of technical expertise are making visible progress on the ground including: (i) common decisions in areas where this is appropriate; (ii) exchanging information; (iii) cooperating and avoiding duplication; (iv) providing appropriate and coordinated country level support; and (v) learning common lessons in each of the “Three Ones” areas.
- Under the leadership of the national government, and in collaboration with donors, identify a coordinating mechanism and a lead coordinator for each of the “Three Ones” areas. These mechanisms to focus specifically on how donors relate to each of the principles.
- A programmatic approach to each of the “Three Ones” areas that will: (i) promote harmonization globally and at country level; and (ii) allow countries to have access to resources and knowledge to implement and maintain the essential ingredients of the “Three Ones”.
- A clear system of accountability and monitoring at both global and country levels to ensure the building blocks are put in place and operating so that results can be reviewed in twelve months.

To this end it is proposed that the following specific steps are taken

Establish a **Global Task Team**: major bilateral donors and multilateral organizations should each appoint a “Three Ones” focal point from among their senior managers who will work with a dedicated team in the UNAIDS Secretariat to establish within 80 days a detailed action program for global coordination, including specific areas for (i) coordination; and (ii) harmonization, based on the comparative advantages and policies and procedures of the various donors. In its modus operandi, the Global Task Team will ensure appropriate civil society participation.

As a first step, the Global Task Team would assemble a status report of “Three Ones” progress initially in a select number of countries using their country representatives as well as the UNAIDS Country Coordinators to provide information. This status report will form the basis for an action program to be submitted to the financial donors.

An important aspect of the Global Task Team will be to work with multi-lateral donors, especially the Global Fund and the World Bank, and multilateral agencies such as WHO and UNICEF to see how these institutions can support the “Three Ones” and to complement the assistance provided by the bilateral financial donors. Examples exist of coordination and harmonization at country level between implementing agencies of Global Fund and World Bank funding, such as the common implementation unit in Rwanda. This suggests that making progress in this area is an issue of implementation rather than of principle.

Furthermore, the preparation of the World Bank’s HIV-AIDS Action Plan later in 2005 will be an opportunity for HIV-AIDS stakeholders, including UNAIDS, the Global Fund and bilaterals, to make sure that World Bank funding and advisory services promote coordination and harmonization in general and the “Three Ones” framework in particular.

Country Level Technical Resources.

While funding for AIDS has been steadily increasing, there is a capacity gap between financing mechanism requirements and the ability of some countries to fulfill those requirements. This is affecting disbursements and therefore implementation of the national response. Technical support and capacity enhancement needs are also growing in most countries for scaling up HIV prevention, care and treatment, and mitigation programs. The existing lack of harmonization and clarity of roles affects the ability of multilateral agencies and international organisations to provide technical assistance to fill capacity gaps and avoid duplications.

In order to increase efficiency, roles and mandates must lend themselves to be more easily communicated and better related in order to reduce competition and duplication and release the full potential of each partner and their contribution. This is in line with the Paris Declaration, in which partners committed to integrating capacity strengthening objectives in national development strategies and external donors committed to harmonize their support for capacity development.

The Global Fund and agencies within the UN system have a unique opportunity to forge the kind of partnerships needed to speed up implementation in the short term as well create the basis for much more sustained and longer term effort. The additional impact and added value – when brought together - of each operating to its strength, focusing on its area of experience and expertise – can

be huge. Working together, they can overcome the technical and organizational blockages in the path of effective (broad-based and sustainable) efforts at country level.

A specific recommendation has been made to include this task in the mandate of the Global Task Team suggested above. The Team will recommend concrete ways of increasing collaboration between the UN family, the Global Fund and external donors in providing effective technical support to countries.

Programmatic Support for the “Three Ones”.

Countries need to create an enabling environment and they in turn need full support from donors to implement and translate the “Three Ones” in to action.

- **Developing one national strategy.** As we learn more about the AIDS pandemic at country level and within countries and vulnerable groups, AIDS strategies can be refined and revised for better and more comprehensive targeting. In addition, as it becomes clear that AIDS is a chronic challenge in many countries, it needs to be integrated better into macroeconomic programs, especially Poverty Reduction Strategy Papers (PRSPs) and Medium Term Expenditure Programs. The Global Task Force needs to develop a coordinated program to support countries in, inter alia: (i) revising their AIDS strategies; and (ii) improving their Poverty Reduction Strategy Papers and Medium Term Expenditure Frameworks. The Global Task Force could be tasked with developing action programs in these, and perhaps other, programmatic areas, as part of its 90 day work program.
- **One national authority.** There are at least two aspects of promoting this goal: (i) implementing specific measures to enhance one authority; and (ii) reducing competing authorities. More important than the theory of coordination, is its practice. Rather seeing single national authorities as rigid universal models, they need to adapt to the different conditions in different countries. Donors will need to find specific instruments of harmonization and coordination that enable them to support and strengthen the country response.

There should always be a range of options available to donors within which they can make positive contributions to the functioning of national coordinating authorities. **It is in the areas where formal harmonization is difficult that coordination needs to be especially emphasized.**

“Coordinated” implementation units, for example, can approximate the effectiveness of “common” implementation units. The Global Task Team should be tasked with making specific suggestions that can be reviewed at country level for removing barriers to having an effective national authority on AIDS.

- **One national monitoring and evaluation system (M&E)** Bilaterals, multi-laterals, UN agencies all provide support currently through resident advisers, consultant support teams on retainer, specialized consultants, training, etc for multiple monitoring and evaluation systems at country level. The current coordinating mechanisms need substantial improvement in most countries. The main providers of monitoring and evaluation support have recently agreed on a common framework and indicators at both global and country level that produces results. The rationalization of multiple M&E support would result in substantial savings, probably enough to operate the systems for many years. The Monitoring and Evaluation Resource Group (MERG), which operates under the UNAIDS umbrella, should be tasked with addressing with M&E coordination and harmonization issues as a matter of urgency.

A System of Accountability and Monitoring

The “Three Ones” were agreed with an implied but not a formally defined system of monitoring and accountability. While each financial donor has done its best to promote the “Three Ones”, we need to empower the UNAIDS Secretariat and its cosponsors to create a global system of monitoring and accountability that will be effective, efficient, non-bureaucratic and inexpensive and that will clear the way for real, even if it is incremental, progress at country level.