



Investing in our future

The Global Fund

To Fight AIDS, Tuberculosis and Malaria

**Seventeenth Board Meeting
Geneva, 28 – 29 April 2008**

Affordable Medicines Facility for Malaria

Decision Point GF/B17/DP16:

The Board refers to its decision (GF/B16/DP14) and the decision of the Board of the Roll Back Malaria (“RBM”) Partnership at its meeting on 28-29 November 2007 inviting the Global Fund to take on full responsibility to host and manage the Affordable Medicine Facility – malaria (“AMFm”).

The Board agrees to have the Secretariat prepare to host and manage the AMFm as a business line within the Global Fund:

- based on the AMFm design and business plan set out in the Secretariat Report to the Policy and Strategy Committee (GF/PSC9/03); and
- subject to final approval at the Eighteenth Board Meeting of a policy framework and implementation plan that incorporates the principles set out in Annex 1 to this Decision Point and offers practical solutions, in consultation with technical partners, to remaining technical issues (including identification of strategies to maximize access to ACTs by the most vulnerable and poorest and ensuring patient safety).

The Board acknowledges the work and recommendations of the RBM Task Force on the AMFm design, as endorsed by the RBM Executive Committee, and joins the RBM Executive Committee in asking the RBM partnership and the AMFm Task Force to continue to contribute to the development of the AMFm and to pursue all options to maximize access (including targeting the poorest through free distribution of ACTs through public and NGO channels).

The Board requests that the Secretariat continue to work with the RBM Partnership, UNITAID, endemic countries, and other relevant stakeholders and develop and present to the Board at its Eighteenth Meeting for decision:

- i. The policy framework and implementation plan for managing the AMFm, including the calendar for phasing in the AMFm and monitoring and evaluation (M&E) arrangements;
- ii. Recommended arrangements for the ongoing governance of the AMFm;
- iii. A statement of the resources available for launching the initial phase of the AMFm;
- iv. The organizational and budgetary requirements for managing the AMFm in its initial phase of operation; and
- v. Any required technical changes to the AMFm design and business plan.

To oversee and guide the work by the Secretariat, the Board decides to establish an ad-hoc committee of the Board: the “AMFm Ad-hoc Committee”. The ad-hoc committee should include relevant partners, and potential donors, including UNITAID. The Board invites nominations for the members of the AMFm Ad-hoc Committee and requests the submission of nominations to the Board Chair and Vice Chair by no later than May 15, 2008. Membership of the AMFm Ad-hoc Committee shall not apply towards the two-committee limit set out in Section 23 of the Board Operating Procedures.

The Board requests the Finance and Audit Committee to work with the AMFm Ad-hoc Committee to review the AMFm design and business plan with regard to 1) the plan's policy and strategy issues relating to finance, 2) implications for the Fund's budget for Operating Expenses, and 3) the Fund fiscal management policies and processes. This review should particularly consider elements of the plan that would involve the Secretariat entering into contractual arrangements with implementers of the AMFm, any additional risk this may pose to the Fund, and how this plan will fit within the forthcoming risk management framework of the Fund and its model as a financing institution, not an implementing agency.

The Board calls upon the FAC and the PSC, as part of its ongoing work, to provide analysis on elements of the AMFm policy framework, implementation and business plan that may potentially change the Global Fund framework document and bylaws. In particular, the FAC and the PSC should further review how the various tasks induced by the management of the AMFm should be shared between the Global Fund and its partners. The Board notes the need for extensive consultation with Board members on any proposed substantive change to the Fund's Framework Document of Bylaws.

There are no budgetary implications to this decision point.

Signed: 29 April 2008

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Rapporteur

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Secretariat



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Annex 1 to Decision Point GF/B17/DP8:

Principles for AMFm Policy Framework, Implementation and Business Plan

- The timing of the AMFm-launch and implementation in endemic countries should be developed on the basis of the phase-in paper set out as Attachment 3 to the PSC Report (GF/B17/4), to include the following factors:
 - A phased launch starting with a first group of countries to be selected according to criteria developed by the Secretariat and agreed at the 18th Board Meeting;
 - Roll-out of the AMFm in these selected countries for an initial phase until a Board decision on full roll-out is reached;
 - Operational research and extensive M&E efforts carried out in these first countries accessing the AMFm to assess the extent to which the AMFm can meet its objectives and provide lessons learned about the design and implementation of the AMFm that would inform a subsequent Board decision on full roll-out;
 - An independent technical evaluation of the roll-out of the AMFm in the selected countries will be commissioned by the Global Fund Secretariat, under the guidance of the appropriate committee, using a set of pre-defined key indicators to be further elaborated and agreed at the Eighteenth Board Meeting to assess potential failures and shortcomings (“red flags”) in the AMFm;
 - At its first meeting in 2010, the Board will consider findings from this evaluation for a decision on whether to expand, accelerate, terminate or suspend the AMFm business line;
 - Expansion from the initial phase to a full roll-out in all eligible countries will occur within a year of launch unless clear failures (“red flags”) in the AMFm design are observed.

- The AMFm should be designed to increase access to ACTs by requiring national roll out plans/strategies that:
 - Emphasize reaching women, children and the poor,
 - Are fully financed, including sources of funding for supporting interventions to enable safe and broad access (notably among those who are currently unable to purchase ACTs because of their low income);
 - Include plans for training, supervision and monitoring of providers, especially to ensure patient safety;
 - Explain how the plan and its interventions link with national malaria control strategies and programs and how AMFm will be coordinated with supporting interventions.
 - Are reviewed and approved by an independent standing technical body that determines that the AMFm roll-out plan is technically sound, with a particular focus on assuring sufficient investment in necessary supporting interventions, prior to provision of co-payment funding

- The AMFm should pursue responsible negotiations and contracting with manufacturers:
 - Manufacturer sales prices for private sector buyers must not exceed the price available to public sector buyers (currently US\$1/dose);
 - Quality standards applied to drugs that qualify for the co-payment must, as a minimum, meet the quality standards outlined in the Global Fund’s Quality Assurance policies; and
 - The duration of copayment contracts should not extend beyond the duration of the first phase of roll-out so as to ensure continuation of market competition to reduce prices and encourage market entry of new participants.

- The AMFm should pursue a responsible funding policy and resource mobilization strategy:
 - The AMFm will not become operational until sufficient funds have been contributed to cover co-payment costs for the full first phase of roll-out;
 - Resources mobilized by the Global Fund Secretariat for the AMFm copayment should be additional to and separate from resources raised for ongoing Global Fund grant making and, must be held in a separate account with the Trustee;
 - Resource mobilization for supporting interventions will be part of ongoing resource mobilization for Global Fund grant making and should be integrated into the Global Fund resource mobilization strategy;
 - No funds can be transferred from the Global Fund’s “general” account with the Trustee to support AMFm co-payments;
 - The Global Fund will not make contractual commitments with manufacturers unless the necessary funds are available in the copayment account with the Trustee.

- The AMFm should work with partners to ensure that:
 - The process for country access, including the development and assessment of roll-out plans, is simple and well-supported;
 - Provider training and supervision emphasizes appropriate use of ACTs; and
 - AMFm implementation builds on consultation with the Private Sector in participating countries to ensure the co-payment is passed on through the supply chain.