

**Country Coordinating Mechanism
Funding Policy¹**

¹ As approved by the Strategy Committee in September 2016 under decision point GF/SCo1/EDPo2 and set forth in Annex 1 to GF/SCo1/ERo3.

Country Coordinating Mechanism (CCM)¹ Funding Policy as of 2016

Overview of CCM Funding

1. The purpose of the CCM Funding Policy is to enable CCMs to meet their intended purpose and role as defined in the “Guidelines and Requirements for Country Coordinating Mechanisms.”²
2. The Global Fund recognizes the important role of CCMs in the Global Fund architecture (including their central role in proposal development and submission and grant oversight) as outlined in the Global Fund’s Framework Document. In order to fulfill their responsibilities, CCMs inevitably incur administrative costs and may not have the independent resources to cover these costs.
3. The Global Fund has established a separate pool of funds to finance CCM costs through a direct line item in the Secretariat’s budget. CCMs may not draw directly from approved grant funds to support CCM costs.
4. The CCM Funding Policy will be administered by the Secretariat under the oversight of the Strategy Committee.

Parameters for CCM Funding

5. CCMs (or other national bodies that meet the minimum CCM eligibility requirements and have taken on the role and function of the CCM) may receive funding as long as there is at least one active grant under implementation. A grant is considered active from the approval of a funding proposal through to the end of grant closure.
6. CCM funding requests will cover eligible costs for a three-year period. For amounts exceeding US\$ 300,000 per three-year period, the CCM must demonstrate that it has mobilized 20% of the amount exceeding US\$ 300,000 from sources other than the Global Fund for the same CCM budget period.
7. Funding requests may be submitted every three years. There is no limit to the number of times that a CCM may apply for funding.
8. The period covered by a new funding request shall not overlap with periods for which the Global Fund is already providing CCM funding support.

¹For the purposes of this policy, the term Country Coordinating Mechanisms or “CCMs” includes regional CCMs and sub-CCMs. Regional Coordinating Mechanisms (“RCMs”) and Sub-CCMs will be treated as separate from the CCM for the country or countries in which they operate for the purposes of applying for, receiving and using CCM funding.

² As approved under GF/B23/DP17, and subsequently updated by the Strategy, Investment and Impact Committee under GF/SHCo8/DPo4.

9. In reviewing a request for CCM funding, the Global Fund Secretariat will take into consideration whether the costs to be supported are consistent with national salary scales and local operating costs.
10. CCMs using the CCM funding policy must submit the following documents to the Secretariat:
 - a. As part of the CCM funding application:
 - i. A costed work plan outlining costs to be supported and planned expenditure as part of the application. Items must be classified by cost category, as well as by the following CCM functional areas: oversight, constituency engagement, alignment with country structures and processes, capacity building, other.
 - ii. A Performance Framework consistent with the work plan, and including defined activities and performance targets measurable using the CCM Eligibility Requirements and related Minimum Standards indicators provided by the Global Fund Secretariat.
 - iii. Supporting documentation for the funding request (including but not limited to proof of endorsement of the funding request application by all CCM members, CCM Secretariat staff terms of reference and recruitment procedures, and an updated list of CCM members in the Contacts Management System).
 - b. During implementation, and no later than one month after completion of each year of the funding period, the CCM is required to submit the following documents:
 - i. A progress update describing (1) results achieved against intended targets; (2) expenditures incurred (broken down by cost category)
 - ii. And a performance report including an analysis of any variance between budgeted and actual expenditures.
 - iii. Where applicable, a report on co-payment(s) showing evidence that the pledged amount has been made available to the CCM. Such evidence of co-payment will determine funding level by the Global Fund.
11. The Secretariat may request the CCM to complete the CCM Eligibility and Performance Self-Assessment as necessary.
12. Eligible costs may include the following items:
 - a. **Salary of CCM secretariat staff.** CCM funding shall not be used for the salary of CCM members.
 - b. **CCM consultancy fees.** Consultancy fees may be used for technical support for core CCM functions such as civil society participation, program oversight and alignment with other national bodies. CCM funding cannot be used for hiring consultants to write proposals for Global Fund financing. Terms of reference for consultants hired by the CCM must include a specific clause prohibiting the writing of proposals by the consultant hired.
 - c. **Office expenses** including rent, equipment and supplies, excluding vehicle purchase or long term lease.
 - d. **CCM meeting expenses**, including travel costs for members (and non-members invited by the CCM) to attend CCM meetings and/or oversight visits.

- e. **Communication and information dissemination** (e.g., call for proposals, periodic reports of implementation status, minutes of meetings, establishing and updating a website or newsletter and translation of key information).
- f. **Organization and facilitation of meetings** and workshops on CCM capacity building, or topics related to CCM core functions. This includes facilitation of constituency consultation (e.g. civil society) and processes to promote and improve the quality of stakeholder participation, including travel costs for civil society participation.

Application Process

- 13. A CCM that wishes to receive funding support may submit an application form for funding to the Secretariat at any time, supported by the documents listed in paragraphs 10 and 11 above, as applicable.
- 14. In order to ensure the transparency and accountability of funding flows to all stakeholders, all CCM constituencies should participate in the development of the performance framework and work plan and all members must sign off on the funding request. This sign-off will be considered demonstration that all stakeholders have had meaningful input into the budgetary needs of the CCM and to testify that they are in accord with how CCM funding streams will meet their needs. For added transparency, the Global Fund Secretariat will post the CCM disbursements performance framework on the Global Fund website.

Implementation, Reporting and Oversight

- 15. The Global Fund and the CCM will consult to identify a suitable disbursement arrangement that i) is accountable, transparent and verifiable, including by the LFA and ii) facilitates access to eligible CCM funding by civil society members of the CCM (as specified in paragraph 12).
- 16. CCMs must commit to use Global Fund funding solely for the purposes described in the funding request and in accordance with the approved budget. Material changes to the budget will require Global Fund approval.
- 17. In cases where the CCM is not an incorporated body or separate legal entity, the CCM should nominate another entity to provide the commitment referred to in paragraph 16 above, and to be accountable for the use of the CCM funding and the management of the funds as described in paragraph 15 above. This commitment will be documented in a short agreement and be signed by an authorized representative of the CCM.
- 18. Disbursement and activity reports of CCM funding (including reporting by the CCM on access to CCM funding by civil society and other NGO stakeholders) must be provided to the Global Fund on an agreed periodic basis as described in paragraph 10 and 11 above. These reports may be subject to LFA review and verification.
- 19. When necessary, CCM funding policy processes will be adapted by the Secretariat to facilitate implementation and simplify processes, while ensuring that the main concepts and principles of the policy are maintained.