

**Three Diseases Fund Board Meeting
23-24 August 2007
Nikko Hotel, Yangon**

Chair: Andrew Jacobs
Minutes: Mikko Lainejoki, 3DF

Board Members:
SIDA – Asa Anderson-Singh
Dr. Nwe Nwe Aye
EC – Anne Harmer
DFID – Michael O’Dwyer
Martin Smith
Dr. Mike Toole

MINUTES

AGENDA ITEM	INFORMATION/DISCUSSION	DECISION/ACTION
DAY 1. 23 AUG		
1. AGENDA OF THE MEETING	AJ called the meeting to order at 11.00hrs.	The proposed agenda was adopted with minor changes.
2. MINUTES OF THE PREVIOUS MEETING (MAY 2007)		The minutes of the May 2007 meeting were approved without amendments.
3. FOLLOW-UP POINTS FROM THE MAY MEETING	FM and FB will document lessons learned and recommendations for future proposal process. The Chair expressed FB’s satisfaction with the well performed study. FM had contracted a local Yangon based research company MMRD Research to survey Round I grants allocation process. The managing director of the company gave a presentation on preliminary findings which were based on interviews conducted among all stakeholders. While most of the respondents considered	Fund Manager will address the observations and recommendations in the study and will report back to the FB. FM will post the final report on 3DF web site as soon as it has been finalized.

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	<p>the results of the grants allocation process fair, some comments needed to be taken into account when preparing future calls. Areas still to be looked at include how to reach out to and engage with small national NGOs and how to build their capacity to respond to call for Expression of Interest and subsequent Request for Proposals.</p> <p>FM to hire a consultant to develop a GIS based mapping system based on work already done by UNAIDS and UNDP. FM will draft TOR and present budget for the work.</p> <p>FM had drafted TOR for the work. The proposed project is very comprehensive and will require a fair amount of resources, in terms of initial investment and on-going maintenance.</p> <p>OCHA is currently conducting a mapping exercise in Burma/Myanmar, and there may be a chance to join forces with this exercise.</p> <p>At this stage a pre-study on feasibility of FM launching and maintaining an extensive mapping system should be explored.</p> <p>Develop strategies to involve more LNGOs and CBOs in 3DF. FM may need to recruit external TA to assist in the process.</p> <p>FM has identified appropriate international candidates to conduct this assignment. The international consultant will be expected to appoint a counterpart national consultant to overcome the language barrier and to counterbalance prevailing travel restrictions.</p> <p>The FB Chair will inform the CB Chair about the purpose of the study</p>	<p>FM to further explore the possibility of conducting this study, ensuring compatibility with the OCHA study and existing mapping systems.</p> <p>FM to approach Coordination Body (CB) and present the overall concepts of the proposed study for support and full co-operation.</p> <p>FM to proceed with selection and appointment of international consultant.</p>
<p>4. RISK MANAGEMENT</p>	<p>FM has convened regular meetings with UNRC, and Yangon-based donor representatives, and presented FB with an updated report on risk management.</p> <p>Discussion focused on the following key areas:</p>	

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	<p>1. Resource mobilization and stakeholders' expectations</p> <p>TYPE OF RISK: IMPLEMENTATION LEVEL RISK Risk: Not achieving sufficient coverage and impact at scale to impact on three diseases. Probability Medium – Impact High</p> <p>The financial reports indicate that, taking into consideration current donor commitments, there will not be an annual increase available in resources to scale up activities (scope of services and/or geographical coverage). Current funding will only allow activities to continue at present level. Most of the Implementing Partners had envisaged and proposed 10-20% increase in their funding requirements for year 2 and 3.</p> <p>2. Fund Flow Management</p> <p>RISK TYPE: PROGRAMME DEVELOPMENT RISKS Risk: Constraints to the development of a programme approach to communicable diseases that is good enough to achieve the desired impact and sound enough to be capable of support by the Fund. Probability Medium – Impact Medium</p> <p>Fund and Commodity Flow Management are a challenge and existing systems need to be well monitored to ensure compatibility with 3DF principles</p>	<p>FB and FM to accelerate resource mobilization activities. Implementing Partners need to be clearly informed so as to avoid misperceptions on future funding levels.</p> <p>FM to monitor closely the Fund Flow Mechanism.</p>

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<p>5. POLICY DEVELOPMENT</p>	<p>a. Strategic Development Policy paper The revised Strategy Development document has been accepted by all donors and will be placed on 3DF web site.</p> <p>b. Gender Study & Policy paper, approval of the proposed consultant Chair of the CB (HE Minister of Health) should be requested to identify a focal point from MoH to be involved in the 3DF gender study. (Ownership of the report will remain with 3DF). The person should be trained in gender issues and will need to have a good understanding of broader development issues affecting both men and women. 3DF will not offer any financial incentive or honoraria to the selected person.</p> <p>The international consultant will also need to have a local consultant to support the study.</p> <p>c. Anti-corruption Policy paper The members of the board unanimously re-iterated 3DF's position of zero tolerance for fraud and corruption. There is a need to develop a one page statement on the issue in relation to humanitarian principles.</p>	<p>FM to place Strategic Development Policy on 3DF website.</p> <p>FB Chair to discuss identification of MoH focal person with CB Chair.</p> <p>FM to identify and recruit a suitable national expert to support the study.</p> <p>Yangon based donor representatives to draft a statement on fraud & corruption and circulate for comments. FM to develop guidelines on fraud and corruption.</p>

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6. FEEDBACK MECHANISM	<p>Richard Horsey, OCHA consultant and former ILO liaison officer to Burma/Myanmar, was invited to the meeting as a resource person to share his experience in developing a complaints mechanism for ILO.</p> <p>A feedback mechanism will be developed for 3DF. If linked closely to monitoring and evaluation, this mechanism should function as an early warning system and could potentially prevent misuse of resources.</p>	FM to finalize the TOR and contract a consultant to develop a community feedback mechanism.
7. COMMUNICATIONS – 3DF WEB SITE AND LOGO	<p>The Board expressed satisfaction with the re-worked 3DF website which has regular postings of new information and documents.</p> <p>The Board requested FM to re-examine the possibility of using a dedicated 3DF email address in all 3DF related correspondence and having 3DF name cards.</p>	FM to revise business cards and explore the possibility of having dedicated 3DF email addresses.
DAY 2. 24 AUG		
8. OPERATIONAL GUIDELINES	<p>The FM has now received feedback from all donor representatives and will finalize the document and share with all IPs (will be posted also on 3DF web site).</p> <p>The following were the last pending issues to be resolved:</p> <ol style="list-style-type: none"> a. Inputs of core staff of UN agencies and INGOs working on 3DF issues can be charged to 3DF budget according to time spent on 3DF-related activities. b. Agencies contracted by UNOPS to provide services for the 3DF are not eligible to receive administration cost overheads as a fixed percentage of project budgets. However, technical and management costs specifically incurred in relation to in-country implementation of the project can be included as a single budget heading under which expenditure should be itemised and 7% of 	FM to finalize the document and share with all stakeholders.

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	the total costs not exceeded.	
9. a) CONTRACT AWARDS AND CASH FLOW FORECAST; b) FB'S ROLE IN FINAL AGREEMENTS AND WORKPLANS	<p>a. The FM presented an updated status of contract awards and cash flow forecast, ref. Annexes 1 and 2.</p> <p>UN Financial Regulations and Rules necessitates the blocking of 100% of first year funds committed for approved proposals to the end of the contract period</p> <p>The FB requested that FM sign multi-year grant agreements with a clause limiting the financial commitment in line with the funds already received from donors.</p> <p>The Board enquired of viability of UNOPS importing condoms for IPs.</p> <p>b. FB confirmed that FM has full authority to manage IP contracts (amendments, changes) without a new approval from FB, provided that the scope of work is within the approved range of activities. The same applies to the wording of the MOAs.</p>	<p>FM to prepare a detailed quarterly cash flow projection for the first three years, including all anticipated contributions, operational payments and grants to IPs.</p> <p>FM manager to amend the contractual text as discussed and agreed upon with UNOPS Regional Office in Bangkok, and HQ in Copenhagen.</p> <p>FM to explore pros and cons of importing condoms for IPs.</p>
10. FM OFFICE STATUS	<p>The FM reported that the office in Yangon is fully operational; all the previously reported limitations and shortcomings have been rectified. The total number of staff is 23. For a staff list, see Annex 3.</p>	
11. a) CONTRACTUAL ISSUES; b) IP LOG FRAMES	<p>a. FM presented four issues for discussion:</p> <ol style="list-style-type: none"> 1) Changes to OGs and MOAs. 2) Employing core staff using 3DF resources. 3) Interest earned. <p>Points 1) and 2) have already been dealt with in earlier Agenda</p>	<p>a. 3) FB re-confirmed its earlier position of using the current clause and wording in the model agreement.</p>

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	<p>points, ref. points 8 and 9.</p> <p>b. FM presented an example of a Logframe expected from IPs.</p>	<p>b. M&E Officer, FM to review Logframes received from IPs to check that the presented outcomes are in line with the national strategies of the three diseases.</p>
12. BUDGET	<p>The latest budget (i.e. the last revision of end of June) had been shared with FB members; no further comments (copy attached) in Annex 4</p>	
13. COMMODITY TRACKING & MONITORING	<p>It has been acknowledged from the start of the project that commodity tracking will be one of the most important and difficult tasks in monitoring. It is essential to get all IPs to create and implement a rigorous monitoring system for commodity flows from the central to household level.</p> <p>The FB emphasized the need to explore all possible means to create a watertight mechanism for commodity flow. A possible solution could be to outsource the task to a private service provider.</p>	<p>FM to include commodity tracking as a standard agenda point in quarterly IP meetings.</p> <p>FM to explore possibilities of contracting a private sector company to manage commodity tracking. FM to report back to next FB meeting with a rough proposal on scope of work and possible costs.</p>

<p>14. TIME TABLE FOR THE NEXT COMPETITIVE GRANTS ALLOCATION PROCESS</p>	<p>The FM presented an overall time table with three alternative proposals for the Round II:</p> <ol style="list-style-type: none"> 1) Issue Round II early 2008 as initially planned. In order to be meaningful and credible this requires new additional financial resources. Unfortunately, this is not realistic within the given time frame and the current funding situation. 2) Round II based on possible savings and unutilized funds from Round I grants. It was recognized that the total amount, even in the best scenario, will not exceed \$5-6 million, and it may not be a good management practice to build on expected under-performance. Results wise it would be much better to do close monitoring and follow-up to increase the implementation rate, and to decrease possible carry over to the second year. 3) Issue a special Round II targeting national NGOs and CBOs. The expected funding level may allow issuance of a special Round II for small value contracts (total amount \$1.0-1.5 million with individual contracts below \$100,000). <p>In the discussion several issues were raised, for example the need to build CBOs' capacity to develop proposals, and how to measure in a transparent and objective manner if IPs have performed satisfactorily during the first year.</p>	<p>The final decision on launching Round II was deferred to the November meeting.</p>
<p>15. EXTERNAL REVIEW TEAM</p>	<p>The practical arrangements for selecting an external review team will go hand in hand with the decision on Round II.</p>	<p>The final decision on launching Round II was deferred to the November meeting.</p>

<p>16. REVIEW MEETING IN NOVEMBER</p>	<p>A programme for the first Annual Review Meeting of 3DF was outlined and FM was requested to start the detailed planning. All stakeholders including new potential donors will be invited to contribute to or participate in the review. It was also felt important and necessary to consult CB on the review issues.</p> <p>It was also decided that review meeting requires a captivating purpose statement to create visibility and interest.</p> <p>It was envisaged that the rough outline of ARM will include the following activities:</p> <ul style="list-style-type: none"> - presentation of a draft report on annual review of national response - session on INGO activities - session on UN activities - session on LNGO/CBO activities - open forum - visits to project sites in/around Yangon on Thursday 25 November - three groups of IPs will be requested to come up with innovative presentations on the three disease themes - market booths by IPs - reception for all stakeholders after Wednesday's sessions <p>The final programme will be worked out in close consultation with Yangon based stakeholders.</p> <p>A draft report will be completed on Thursday 25 November and then subsequently presented to FB and Donor Consortium (DC) meetings on Friday morning and afternoon respectively.</p> <p>A field trip to project sites outside of Yangon will be arranged for international donor visitors after the ARM.</p>	<p>The ARM will be held 27-28 November in Yangon.</p> <p>FM to work out program details by the 31 October.</p> <p>FB Chair to discuss with CB Chair at next meeting.</p>
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<p>17. FEEDBACK ON ICAAP</p>	<p>Feedback was given on ICAAP held in Colombo. UN Theme Group together with MOH had arranged a side meeting on HIV/AIDS in Myanmar in order to attract donors (some 70 people attended the meeting held after normal meeting hours).</p> <p>The encouraging but also debatable news was the fresh estimates for key indicators, for example:</p> <ul style="list-style-type: none"> - HIV prevalence rate down from 1.3 to 0.67 - number of people who need ART 73,000 <p>These estimates were worked out with assistance from reputable East-West Centre and based on 21 surveillance sites around the country.</p> <p>The meeting participants asked a couple of basic questions about 3DF, how it started, funding level, timing for Round II, etc.</p> <p>AZG Country Rep in his presentation made a very positive and strong point in favor of working in Myanmar.</p>	
<p>18. AOB</p>	<p>The frequency of the future meetings was discussed and it was agreed that the number of board meetings in 2008 will be three. The next board meetings will be:</p> <p>26 November (full day) and 30 November (morning only)</p> <p>02-03 April 2008 (tentative)</p> <p>27-28 August 2008 (tentative)</p> <p>10-11 December 2008 (tentative)</p>	
	<p>The meeting was adjourned at 16.15hrs on Friday 24 August.</p>	