

**Three Diseases Fund Board Meeting  
15-16 May 2007  
Nikko Hotel, Yangon**

**Board Members**

Chair: Andrew Jacobs (AJ)  
Minutes: Mikko Lainejoki, 3DF CEO (ML)

SIDA – Asa Anderson-Singh (AS)  
Dr. Nwe Nwe Aye (NNA)  
EC – Anne Harmer (AH)  
DFID – Michael O’Dwyer (MO’D)  
Martin Smith (MS)  
Dr. Mike Toole (MT)

**MINUTES**

AGENDA ITEM	INFORMATION/DISCUSSION	DECISION/ACTION
<b>DAY 1 –15 MAY</b>		
<b>1. AGENDA OF THE MEETING</b>	The meeting was called to order at 09.00hrs.	The proposed agenda was adopted with minor amendments.
<b>2. MINUTES FROM THE PREVIOUS MEETING (MARCH 2007)</b>	Minutes from the previous meeting were reviewed.	The minutes of the March 2007 meeting were approved.
<b>3. FOLLOW-UP POINTS FROM THE MARCH MEETING</b>	<p><b>b. FB will approach Canada, Denmark and France seeking additional contributions</b></p> <ul style="list-style-type: none"> <li>• FB members have had informal discussions with potential donors, and will continue doing so.</li> <li>• Bill and Melinda Gates Foundation has approached the fund with a request for information.</li> <li>• Need for full CVs versus bios on 3DF web site were discussed</li> </ul> <p><b>e. FM and FB will document lessons learned and recommendations for future proposal process</b></p> <ul style="list-style-type: none"> <li>• Possible ways of collecting feedback information on the first EOI round was discussed. It was noted that special attention has to be paid to reaching local NGOs and CBOs.</li> </ul> <p><b>h. FM will identify gaps in coverage for future round of proposals</b></p> <ul style="list-style-type: none"> <li>• The merits of having a forum to advocate involvement of small NGOs and CBOs was discussed. FB also stressed the need for the FM to engage in dialogue with TSGs to obtain information and to fully understand national programmes and systems. An open forum session will be part of the annual review process in November.</li> </ul> <p><b>h. 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</b></p>	<p>Contacts with Gates Foundation and Irish Aid will be followed up.</p> <p>FM will collect the bios of FB members, FM staff and review team members and will post them on the 3DF website by 30 June..</p> <p>FM to draft ToR for a consultant to review the proposal process (including a survey covering all stake holders). The report will be a discussion point in the August FB meeting. Deadline 15 August 2007.</p> <p>FM will involve TSGs in identifying gaps in coverage. FM to invite TSGs to make a presentation as part of the programme at the November Annual Review Meeting.</p> <p>The task is deferred to M&amp;E Officer to arrive in June. Preliminary discussions with UNAIDS and UNDP will go ahead in May</p>

	<p><b>h. FM will provide FM desired format for the logframe to be used by IPs. FM will ensure that logframes are finalised by IPs before second tranche of grants are released</b></p> <ul style="list-style-type: none"> <li>It was noted that FB did not intend to provide a desired logframe format but to offer guidance and to remind FM to ensure that all IP agreements include requirement for IPs to define how they contribute to indicators included in the National Programme Strategies.</li> </ul> <p><b>h. Develop strategies to involve more LNGOs and CBOs in 3DF. FM may need to recruit external TA to assist in the process</b></p> <ul style="list-style-type: none"> <li>It was mentioned that for the first round local NGOs were encouraged to develop partnerships/consortia rather than apply directly for grants due to the need to reduce administrative burden of FM. The importance of finding a mechanism to support small local NGOs and CBOs that have a MOU or are registered with the Government was emphasised. However, 3DF limited capacity was acknowledged in the light of questioning whether the capacity will exist to offer direct assistance to a large number of small LNGOs and/or CBOs. The agreed focus was on larger implementing partners, for example mandatory requirements for the first round proposals included MOU or registration with the government, and min. acceptable proposal of USD 100,000. It was further suggested that how to involve small CBOs or give them a voice should be included in the policy paper on inclusion.</li> </ul> <p><b>h. FM to discuss with procurement officer the practicality of displaying 3DF logo on drug packaging, medical equipment, etc.</b></p> <ul style="list-style-type: none"> <li>The merits of having a special logo on commodities provided by the 3DF were discussed. CEO explained that although this is possible it is not a practical option for primary packaging; delivery times will be longer and the scheme requires good forecasting, and early planning and ordering. It was also noted that 3DF logo on drug packaging may provide false assurance of quality; it is likely that fake 3DF labeled medicines will rapidly enter the market.</li> </ul> <p><b>m. 3DF M&amp;E Officer to develop framework consistent with national systems.</b></p> <p><b>n. FM to ensure that WHO Fund Flow Mechanism to include verification that 3DF purchased commodities, drugs and medical equipment reach intended destination.</b></p> <p><b>o. CEO will review and add comments before final approval of the Operational Guidelines</b></p> <ul style="list-style-type: none"> <li>Revised OG related to the competitive process, and procurement was provided to FB. The short version of the OG aimed at IPs currently shown on the 3DF web site will be removed. It was suggested that the main steps and time required for the full tender cycle be included in the OG.</li> </ul>	<p>FM to follow-up with IPs, ongoing</p> <p>Draft TOR to be prepared. Deadline 30 June.</p> <p>FM is not requested to pursue the possibility of having a special 3DF label or sticker on the primary packaging of medicines; secondary packaging (on cartons) will carry the 3DF logo.</p>
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	<p><b>h. 3DF M&amp;E Officer will look at programme monitoring and evaluation indicators for difficult to measure outcomes in areas such as equity, inclusion, and community cohesion</b></p> <ul style="list-style-type: none"> <li>FM to further develop draft logframes annexed in the TOR for the fund (Annex III Logframe: Three Diseases Fund for Myanmar, Annex IV i. Logframe: HIV/AIDS, Annex IV ii. Logframe: Malaria, Annex IV iii. Logframe: TB.</li> </ul> <p><b>h. FM will issue an annual newsletter updating 3DF activities</b></p> <ul style="list-style-type: none"> <li>FM was asked how it was intended to disseminate the newsletter to reach all stakeholders. It was suggested that while the newsletter should be bilingual (Burmese/English), a brief summary could be provided in some local languages.</li> </ul> <p><b>h. Strategic Development Policy paper</b></p> <p><b>h. FM will identify consultants for the other policy papers</b></p> <p><b>h. FM will obtain IP URLs for links to agency sites</b></p> <p><b>h. FB/FM to agree appropriate mechanism and procedures for comments/queries</b></p> <ul style="list-style-type: none"> <li>No website based mechanism was agreed upon. Opportunities for feedback on 3DF will be sought from IPs during the November review.</li> </ul>	<p>Deferred to M&amp;E Officer to arrive in June. Deadline end of August 2007.</p> <p>FM to ensure that relevant requirements are included in the grant agreement. Deadline 30 June.</p> <p>FM to email soft copies of the proposed amendments to FB members. Deadline 23 May.</p> <p>FM to informally share the OG with UNAIDS to obtain their comments/lessons learned as the fund manager of FHAM.</p> <p>Only one complete version will be used in the future, including a preamble and steps/timeline for tender process. This will be placed on the website. Action FM as soon as Donor Consortium (DC) has approved the OG.</p> <p>Deferred to M&amp;E Officer to arrive in June. Deadline end of August 2007.</p> <p>FM to look into various ways of disseminating the newsletter, for example through local Literature and Culture Associations. First newsletter to be issued in September 2007.</p> <p>Policy statements will be discussed at June Donor Consortium meeting.</p> <p>FB members will send the names of possible consultants to FM to proceed with selection and contracts.</p> <p>FM to contact UNAIDS on the gender study.</p> <p>FM to include all IP URLs on 3DF web site as soon as all agreements have been signed.</p> <p>This will be followed up once Communication Officer is in post.</p>
<p><b>4. FINANCIAL UPDATE</b></p>	<p>The CEO/FM presented a financial update on donor commitments, contributions, and cash flow planning. The total amount of donor funds made available as of 23 May was USD 18.2 million (excluding the USD 412,660 contribution from AusAid which is expected later in the month). After all commitments in May-August the balance will be USD 2.6 million. If the pledged contributions (AusAid, EC and Netherlands) come in as expected there should not be a shortfall for the first calendar year.</p> <p>Australian Government has confirmed that they will release their 2007/08 contributions, USD 412,660 and 2,475,960 earlier than expected, in May and July 2007 respectively.</p> <p>With regards to expected EC contribution in July/August it was reported that the agreement between UNOPS and EC was not signed yet. The</p>	

	<p>contract format for this is currently being finalized. The FM was asked if UNOPS had signed one year grant agreements or if it had been possible for framework agreements to be signed for up to three years, including a clause limiting the financial commitment in line with the funds already received from donors. Ref. clauses in the FHAM agreements.</p> <p>FM raised the issue of IPs returning the interest earned from funds granted by the Fund. Current text in the agreements:</p> <p><i>Any interest earned from funds granted under this Agreement shall be returned to the Fund or used with the formal written agreement of UNOPS for purposes as set forth in the approved work plan.</i></p> <p>FM can negotiate with grantees the same maximum administration overhead for procurement activities as for program activities, i.e. 7%. This must however be included as an itemised direct cost in the project budget.</p> <p>FM is not authorized to exceed the FB approved grant amount without prior approval by the FB.</p> <p>Financial update, please see Annex 1.</p>	<p>CEO to check and follow up with UNOPS Bangkok to ensure appropriate and flexible clauses in the agreement (without compromising financial rules and regulations).</p> <p>FB instructed FM to use the current clause.</p>
<p><b>5. CONTRACT AWARDS</b></p>	<p>CEO/FM presented the summary of contract awards to FB. The first phase (May 2007) covers agreements up to USD 11,466,813 while the total value of September awards is USD 9,609,301. A total of agreements with 26 IPs are being signed as a result of Round 1 proposals.</p> <p>For summary of contract awards, please see Annex 2.</p>	<p>FM to place the information on 3DF website. Deadline 30 June.</p>
<p><b>6. STATUS OF FM'S OFFICE</b></p>	<p>CEO/FM presented the current status of Fund Management office (FMO) and the main challenges.</p> <p>All international staff members have been recruited; one public health officer started 10 May and remaining five experts will report to duty by 15 June, 2007. The recruitment of locally hired staff members is still underway, interviews for admin and finance positions, i.e. admin asst., finance asst., procurement asst., asst. to CEO, receptionist, and drivers' positions (x 4), have been completed and the staff are expected to start by end of June 2007. National health officers and M&amp;E officer, and operations assistants (x 3) to support technical teams are being interviewed. They are all expected to start by mid July</p> <p>Security, cleaning, and handyman services will be outsourced to local service providers; these positions have been deleted from the office structure.</p> <p>For more details, see Annex 3.</p> <p>Communication remains the biggest challenge. At present the FMO has two land-lines which are not sufficient. The internet connection is dial up via UNOPS web mail which is extremely slow and offers this possibility only to two staff members. FM has requested three more lines but it will take some time before relevant permits can be obtained from the Government. The cost of each additional land line is very high, US\$1,500.</p> <p>A permanent internet connection has been ordered through UNDP, the</p>	<p>The FB agreed to the revised office structure, and advised FM to continue recruitment of national staff members accordingly.</p> <p>The FM is exploring alternative solutions to provide Internet connection to FM staff.</p>

	<p>antenna will be installed on the week of 21 May, but the crucial wireless cards to enable internet connection will only be in the country mid/end of June.</p> <p>The FM Office requires some renovation work which is only partly budgeted for.</p> <p>All IT equipment has been ordered and will arrive in Yangon by the end of May. Purchase orders for three Landcruisers were placed mid April and the vehicles will arrive first week of June (x 1) and end July (x 2). The fourth vehicle, sedan type Toyota Camry is expected in September.</p> <p>For more details of the office management, please see Annex 4.</p>	<p>FM will work out the additional costs for the renovation work and will present to FB.</p>
<b>7. FM'S OPERATIONAL BUDGET</b>	<p>CEO/FM presented the revised HR budget.</p>	<p>FM will further revise the FM's budget and present it to FB for approval by first week of June, 2007.</p>
<b>8. OPERATIONAL GUIDELINES</b>	<p>Ref. follow-up point 2. j. above.</p> <p>FM will share additional comments/suggestions with the FB and make subsequent changes to the OG.</p>	<p>FM will circulate additional comments/suggestion with FB by 23 May.</p> <p>FB will take the OG to the Donor Consortium for final approval.</p>
<b>9. TENDER FOR 2008 GRANT AWARDS</b>	<p>The timing of the next competitive tender will be decided at the August FB meeting, once 2008 donor commitments have been confirmed and existing commitments taken into consideration. Prior to that, FM will consult TSGs to identify gaps in programme coverage, new priorities and opportunities for scale-up. Also, possibilities for the need to negotiate direct grants will be explored.</p>	<p>FM will present a draft time table at the next FB meeting in August.</p>
<b>10. TENDER FOR THE NEXT REVIEW TEAM</b>	<p>The need for an external team of experts to review received proposals was discussed.</p> <p>It was mentioned that the initial intention was that the two public health officers in the FM's team would review proposals. The first review team was formed to quickly evaluate the EOLs received; there was no alternative as the FMO was not yet functional.</p> <p>After considering all pros and cons, the consensus of the FB members was to engage the services of an external review team. This will ensure an impartial and unbiased quick review process and provide the best possible advice for the FB to make final decisions on grant allocation.</p>	<p>FM to share with FB the TOR for the first review team.</p> <p>FM to confirm required budget for an external review team.</p>
<b>11. RISK MANAGEMENT</b>	<p>The risk assessment paper developed a year ago was considered to still be a valid and good reference document. FB emphasized the importance of FM moving from risk assessment to active risk management and creating a network of risk experts.</p>	<p>FM was requested to convene regular meetings with UNRC, and Yangon based donor representatives, and present FB a brief report on risk management at every board meeting.</p>
<b>DAY 2. 16 MAY</b>		
<b>12. POLICY DEVELOPMENT</b>	<p>Ref. Agenda point 3. above.</p>	<p>Policy papers will be discussed at the DC meeting in June.</p>
<b>13.</b>		

<p><b>3DF WEB SITE &amp; LOGO</b></p>	<p>The FM explained that the maintenance of the 3DF website had recently been transferred from Bangkok to Yangon, and that in the future the responsibility over the web site would lie with Communication Officer in the FM office.</p> <p>It was noted that the 3DF website requires further work.</p> <p>The need to ensure editorial consistency was emphasized.</p> <p>CEO/FM presented the new logo and logo handbook received from UNOPS regional office in Bangkok.</p> <p><u>More details on the logo, please see Annex 5.</u></p>	<p>FM to place spreadsheet of the grant allocations on the 3DF web site, with linkages to proposals of individual IPs</p> <p>FB asked FM to proceed with the approved logo design, and make a gate sign with 3DF logo and text "FUND MANAGEMENT OFFICE" only.</p>
<p><b>14. FUTURE PLANS</b></p>	<p>a) Resource mobilization</p> <p>The meeting discussed the recent suggestion from UNAIDS for 3DF to submit a non-CCM proposal to the Global Fund (GF).</p> <p>The Board was informed that ASEAN intends to submit a regional proposal although it was not sure whether and how Burma/Myanmar should be included.</p> <p>b) Indicators</p> <p>3DF is established to support partners operating in Burma/ Myanmar to have an impact on the three diseases. Hence, it is important to define appropriate indicators that contribute to national programme indicators, and to synchronize IPs reporting requirements to support donors' own reporting responsibilities to their constituencies.</p> <p>FM will report to the Donor Consortium through the FB with six-monthly technical progress and financial reports. The first report is due end of August 2007.</p> <p>c) Annual review of 3DF operation and subsequent indicators</p> <p>Review of 3DF will take place in November back to back with FB meeting. The review will evaluate FM's operation and will focus on assessing whether 3DF has systems in place to ensure that funds are used effectively and efficiently in a transparent manner.</p> <p>Ref. also 3.b. and 16.c.</p>	<p>Some FB members to attend a special meeting called by UNAIDS to discuss possibility of GFATM Round 7 admission.</p> <p>FM (M&amp;E Officer) will facilitate the dialogue between TSGs, IPs, FB and FM on indicators</p> <p>FM will prepare a 6 months work plan based on the logframe in the "Description of the Action".</p>
<p><b>15. FORMAL OPENING OF THE FM'S OFFICE</b></p>	<p>It was agreed that there will be no formal opening of the FM's office. However, IPs, donor community, key Government partners and other stake holders will be invited to visit the office.</p>	
<p><b>16. AOB</b></p>	<p>a) Role of Yangon based donor representatives.</p> <p>The importance of having local representation in the meeting, especially in relation to risk management issues, was recognised. The position of FB Chair will be available from Nov 2007.</p> <p>b) DFID meeting in London</p> <p>A briefing was provided on the DFID organized Consultative Roundtable for NGOs/CBOs on assistance to Burma/Myanmar. The meeting was chaired by the DFID deputy minister and attended by Yangon based donor, UN and NGO reps. NGO attendees included: Burma Campaign, World Vision, MSI, CARE, PSI, Prospect Burma, and Christian Aid.</p>	<p>FB will invite Yangon based 3DF donor representatives to risk management, policy development, and communication related sessions as observers with right to speak.</p>

	<p>FB representative reviewed the principles behind 3DF and presented recent progress. Issues raised included:</p> <ul style="list-style-type: none"> <li>• scale of 3DF's operation in Burma/Myanmar and resources available,</li> <li>• monitoring and reporting requirements</li> </ul> <p>It was reported that the general feeling of the meeting was very positive and that lots of goodwill and support were offered. It is evident how important it is for 3DF to inform/share our policies, plans and results with the public. A follow-up meeting will be organized next year.</p> <p>c) Meeting schedule</p> <p>Dates of the next FB meeting will remain as agreed 23-24 August, with a back-up plan for 24-25 August provided that ICAAP will take place 19-23 August in Colombo.</p> <p>November FB meeting will be 28-29 November back-to-back with first annual review of 3DF (26-27 November to include open forum with TSGs and IPs)</p> <p>Possible field visits will be arranged for overseas donor representatives.</p>	<p>FM to prepare a draft agenda for August FB meeting.</p>
	<p>The meeting was adjourned at 12.00hrs on Wednesday 16 May</p>	
<p><b>17. VISIT TO FM'S OFFICE</b></p>	<p>After the formal board meeting the FB members paid a visit to FM's office.</p>	