



THE GLOBAL FUND

to Fight AIDS, Tuberculosis and Malaria

Country Coordination Mechanism of Ukraine

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The consultant, Prof. Luca Brusati, accepts sole responsibility for this Ukraine CCM case study documentation undertaken from 26th October to 4th November 2003 on behalf of the Global Fund to fight Aids, Tuberculosis and Malaria. The selection and interpretation of the findings as presented in this documentation are solely those of the consultant and do not necessarily reflect the views of The Global Fund.

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Executive summary

This report describes the Country Coordinating Mechanism (CCM) in Ukraine. It is based on a review of the composition and functioning of the CCM in Ukraine. The purpose of this review was to document the lessons learned in what has worked and not worked in operationalising the Principles on public-private partnership of the Global Fund to Fight AIDS, TB and Malaria.

Ukraine was one of the few countries from the East European Region to submit an application to the Global Fund in the Spring of 2002. In Round One it was awarded a 25 million USD grant to fight HIV/AIDS for the first two years of the programme, the total amount of the grant being 93 million USD for five years. The experience of the Ukrainian CCM, therefore, is of special interest both to the Secretariat of the Global Fund and to the other countries in the Region.

The first eighteen months of the CCM's operations have been far from ideal. Having been a "first mover" carries a cost, since the Ukrainian CCM was established at a time when the Global Fund had just defined the very concept of the Country Coordination Mechanism. Major issues, according to some stakeholders, are that the CCM is cumbersome due to its size; non-governmental organizations are under-represented; it does not meet often enough; communication and information flows are fragmented; decision-making is not participative enough.

There major limitations to the working patterns currently adopted. The broad-based, multi-sectoral approach to decision-making envisaged by the Global Fund is truly revolutionary for a country such as Ukraine, where the leadership role of governmental agencies has been and still is pivotal. The CCM is already proving an important testing ground: for the first time top-ranking politicians, governmental officials, academics and representatives of international organizations and donors sit in the same room and discuss both strategic and operational issues with different stakeholders, first among them the people most directly affected by the problem. Thanks to the CCM, Ukraine is experimenting with an innovative approach to the pursuit of the common good, based on the acknowledgement that governments ultimately carry the political responsibility for results, but cannot be expected to sort out complex problems single-handedly. The challenge of fighting epidemics such as HIV/AIDS and TB requires joint decision-making across different quarters of society as a precondition for pursuing coordination in implementation, and assuming shared responsibility for overall results; the CCM provides a forum suitable to make this kind of decision-making possible.

Both recent dynamics within the CCM itself and the intrinsic challenges of grant implementation are likely to highlight the benefits associated to more effective cooperation, and consequently foster a more "pro-active" role for the body responsible for overall coordination and oversight. For this to happen, though, it is not enough for each player to learn the lessons of experience: the CCM itself must evolve over time to match the dynamic in the issues it is meant to tackle, and the evolution in the tasks it is meant to perform. The different constituencies represented in the CCM realize that the way the CCM works need to be reconsidered; they are now engaged in the process of brokering multi-party agreements suitable to ensure that both the membership and the governance patterns of the CCM build on the achievements of the past, but at the same time develop over time to face the challenges of the future. Only if these conditions are met the "Country Coordination Mechanism" will really serve the purpose envisaged in its name.

Abbreviations used

AIDS	Acquired Immune Deficiency Syndrome
AMS	Academy of Medical Science
ARV	Anti-RetroViral
CCM	Country Coordination Mechanism
DOTS	Directly Observed Treatment, Short course
EU	European Union
GIDO	Group of International Donors and Organizations
GF / GFATM	Global Fund to Fight AIDS, Tuberculosis and Malaria
HIV	Human Immunodeficiency Virus
ILO	International Labour Organization
JSC	Joint Stock Company
LFA	Local Fund Agent
M&E	Monitoring & Evaluation
MoE	Ministry of Education
MoH	Ministry of Health
NGO	Non Governmental Organization
OSI	Open Society Institute
PLHA	People Living with HIV/AIDS
PR	Principal Recipient
PWC	PriceWaterhouseCoopers
TB	Tuberculosis
TRP	Technical Review Panel
UN	United Nations
UNAIDS	United Nations Secretariat for the Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WHO	World Health Organization

Introduction

Scope and purpose

The purpose of this report is to present an in-depth assessment of the composition and functioning of the “Country Coordination Mechanism” (CCM) established in Ukraine. The objective of assessment is to document the lessons learned in what has worked and what has not worked in translating the principles of the Global Fund into practice. Together with similar assessments of the composition and functioning of CCMs in other countries, it is meant to contribute to:

- understand of how CCMs function in practice;
- identify ways how the principles and guidelines of the Fund can be made real;
- document strategies that work;
- highlight areas for improvement to reach the goal of a public-private partnership fully engaged in the planning and implementation of Global Fund grants.

The lessons learnt are meant to be shared among the members of CCMs in other countries, especially those which are in the process of establishing themselves.

This report explores the establishment process and the evolution of structure, roles and responsibilities within the Ukrainian CCM, the challenges of broad multi-sectoral ownership, and how the CCM worked to ensure equal participation of stakeholders, particularly of non-government actors. In addition, the report analyses both the facilitating factors as well as the impediments to this equal participation. The extent to which the CCM is able to fulfil all required responsibilities, not only in proposal development but equally in implementation oversight, monitoring and evaluation is reviewed. Eventually, recommendations are made on how to strengthen the capacity of the Ukrainian CCM to fulfil its mandate.

Design and method

This assessment for the case study documentation of the CCM is based on a rapid qualitative review comprising of discussions with Global Fund Secretariat staff, analysis of existing background information, guidelines, and completed and on-going studies at country level, followed by a field visit to Ukraine.

During the eight-day country visit from October 26th to November 4th, 2003, documents were reviewed, and individual interviews and focus group discussions with relevant stakeholders and CCM members were conducted. The purpose of these interviews and discussions was to gather the broadest possible insights into the functioning of the CCM. Interviewees were selected so as to receive feedback from the entire spectrum of organizations represented within the CCM, ranging from line ministries to specialized governmental agencies, from the associations of PLHA to local NGOs, from bilateral and multilateral donors to implementing agencies and representatives of the private sector. A special attention was paid to the insights of those stakeholders who share the concern for effective grant implementation, but are not formally members of the CCM. The list of interviewees is featured in Annex 1, whereas a list of additional sources is featured in Annex 2.

A debriefing meeting took place in Kyiv on November 3rd, 2003 with the double purpose (a) to ensure the validation of the findings emerging from the interviews, and (b) to get a feedback about preliminary recommendations to be implemented for the strengthening of the CCM. The list of participants in this meeting is featured in Annex 16.

§ 1. – Establishment and membership.

1.1. – *Legal status.*

The “Country Coordination Mechanism” of Ukraine (CCM) is established as a working group supporting the activity of the Governmental Commission to Fight HIV/AIDS.

The Governmental Commission to Fight HIV/AIDS was formally established on February 7th, 2001 by Directive of the Cabinet of Ministers No. 116, and is currently regulated by Directive of the Council of Ministers No. 1401, issued on October 26th, 2001 (Annex 3). Among other tasks, the Governmental Commission is responsible for international relations in the field of HIV/AIDS. The grant application submitted to the Global Fund by Ukraine for funding in Round One identified the Governmental Commission “in partnership with PLHA, civil society, the private sector, the UN and other international organizations” as the designated Country Coordination Mechanism.¹

Following the grant application, the Governmental Commission has been formally designated as the body responsible for the interaction between the Government of Ukraine and the Global Fund.² Based on Item 5 of the Regulations of the Governmental Commission (Annex 4), “the Commission is entitled (...) if need be, to set up expert panels (working groups) to develop proposals and recommendations, provide expertise and carry out research in HIV/AIDS issues, involving leading scientists, experts of research and development institutes, higher educational establishments, and other organizations”. The CCM was established as one of these expert panels during the third meeting of the Governmental Commission on June 29th, 2002, which also counts as the first meeting of the CCM itself.

This legal set-up, apparently complex, has an important advantage: it allows the CCM to work in two different capacities, depending on the specific needs. When a formal decision is in order, the Governmental Commission serves as the official interface between the Global Fund and the Government of Ukraine; when informal discussions and decisions must take place, the forum for debate is represented instead by the CCM.³

1.2. – *Composition.*

The size and membership of the CCM had been defined in the spring of 2002, together with the grant application to the Global Fund, in such a way to ensure multi-sectoral representation. The application refers to a CCM including forty-five members, with the following distribution of seats:

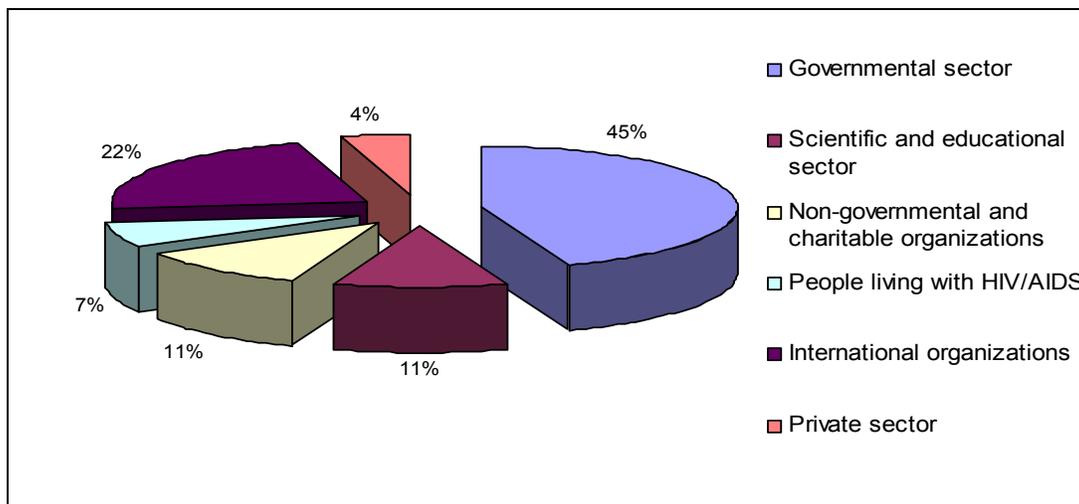
Governmental sector	20	(44.4%)
Scientific and educational sector	5	(11.1%)
Non-governmental and charitable organizations	5	(11.1%)

¹ The grant application was signed by the Vice Prime Minister, as Chair of the CCM, as well as by the representatives of the Ministry of Health, the Ministry of Education and Science, the Ministry of Finance, the Ministry of Economy and European Integration, the Ministry of Foreign Affairs, the State Committee on Family and Youth Issues, the State Committee on Information Policy, Television and Broadcasting, the State Department for Execution of Punishments, the Academy of Medical Science, the Ukrainian National AIDS Centre, the Red Cross Society, the UN Representation, UNAIDS, the World Bank, the All-Ukrainian Network of PLHA, USAID, Medecins Sans Frontieres, the International HIV/AIDS Alliance, the British Council, the Substance Abuse and AIDS Prevention Foundation, and the joint stock company “DIAPROFEMED”.

² Directive of the Cabinet of Ministers No. 568 of April 26th, 2002 added the following paragraph to Item 1 of Directive No. 1401/2001: “The above Governmental Commission is the coordinator of the interaction between the Government of Ukraine with the Global Fund to Fight AIDS, Tuberculosis and Malaria”.

³ The representative of a bilateral donor pointed out that, whereas she is authorized to serve as a component of multilateral working groups, to participate as a member to the meetings of any official body established by the Government of Ukraine would be incompatible with her tasks and responsibilities.

People living with HIV/AIDS	3	(6.7%)
International organizations	10	(22.2%)
Private sector	2	(4.4%)



During the meeting of the Governmental Commission held on June 29th, 2002, when the CCM was formally established, the exact membership of the CCM was officially announced. Since that date, the institutions represented within the CCM have remained the same; changes have occurred inasmuch different people have occupied certain posts, especially as a consequence of a major Cabinet reshuffle in December 2002. The membership on the date of the latest full meeting (October 9th, 2003) is featured in Annex 5. In practice CCM members are authorized to delegate the responsibility to take part in meetings to other staff members within their organization, although this practice so far does not seem to be explicitly stated anywhere.

No record seems to be available to clarify how the size of the CCM was determined, how the number of representatives for each sector was defined, or how individual members were selected. Based on the interviews, there is consensus on the fact that both overall size and the number of seats for each constituency were among the issues decided under a tight deadline when the grant application to the Global Fund was drafted. Individual membership was decided at a later stage, reportedly in such a way to acknowledge the role played by those “outsiders” who supported the members of the Governmental Commission in preparing the original grant application.

The issue of CCM membership has been subject to much discussion. The overall size, reportedly second only to the CCM of China, and the distribution of representatives for each sector have also been criticized. Based on the feedback received during the interviews, though, they have never been really challenged, probably due to the fact that the corresponding figures are considered non-modifiable, since they are featured in the grant application approved by the Global Fund.

Criticism by both insiders and outsiders has been levelled primarily to the lack of transparency of the process through which the current CCM members have been identified. At least five organizations have officially submitted a request to be included into the membership of the CCM, i.e. the EU Delegation, the Autonomous Republic of Crimea, the AIDS Foundation East-West, the Ukrainian Association for Family Planning and the Association for Harm Reduction (Minutes of the CCM Meeting held on May 14th, 2003, as reported in the NGO Secretariat Bulletin No. 5). Also as a consequence of these applications, discussion has focused heavily (especially within the fora set up to co-ordinate international organizations and NGOs) on the possible criteria through which the representatives for each sector should be selected.

PLHA, other NGOs and international organizations have all now agreed to the principle of rotation, either through formal elections or based on consensus. The debate did not extend to the private sector, whose representation is largely perceived as token (*infra*, § 3.4.). During the latest meeting

of the CCM, though, the adoption of formal bylaws for the CCM has been identified as a precondition for rotation (Minutes of the CCM Meeting held on October 9th, 2003). Also the latest Presidium meeting discussed the issue of rotation, especially with reference to an NGO which is unwilling to be “rotated out” from the CCM (*infra*, note 13).

§ 2. – Governance patterns.

2.1. – Functioning of the CCM.

The issue of CCM membership seems to have attracted so far much more attention and debate than the working patterns of the CCM itself. Somehow ironically, a number of players seem keen to become members of an expert panel which up until now served more to ratify decisions taken elsewhere, rather than as a real forum for debate.

As stated in the grant application to the Global Fund, the CCM is chaired by the Vice Prime Minister, who pursuant to Directive No. 1401/2001 is at the same time Chair of the Governmental Commission to Fight HIV/AIDS. Two Co-Chairs were appointed once the CCM was formally established on June 29th, 2002, i.e. the Minister of Health and the UNDP Resident Representative. Again, no record seems to be available about the rationale for these appointments. Reportedly, they are justified by the fact that the Ministry of Health is responsible for the co-ordination of all HIV/AIDS-related work in the country (and as such is responsible for both Deputy Chairs in the Governmental Commission), and the UNDP Resident Representative is at the same time coordinator of the UN House. Nevertheless, these appointments raise concerns in terms of conflicts of interest, taking into account that the Ministry of Health and UNDP represent two out of three Principal Recipients (and the representative of the third Principal Recipient, the Ukrainian Fund to Fight HIV/AIDS, served as CCM Secretary until his resignation on October 9th, 2003).⁴ A few interviewees suggested to introduce the principle of rotation also for Co-Chairs, so as to give other constituencies the opportunity to take on the Chairmanship. This proposal does not have a high priority status, though, since the debate about the functioning of the CCM so far took place primarily within, rather than across constituencies.

An early exercise meant to define the possible working mechanisms of the CCM was carried out by PriceWaterhouseCoopers in the Spring of 2002 (i.e., before they were selected as the Local Fund Agent) upon a mandate by the UNDP. The proposals by PriceWaterhouseCoopers did not address the membership issue, but did include detailed recommendations about agenda formulation, minutes taking, decision-making principles, the role and functioning of a “Secretariat” (actually a body performing the functions of the “Presidium”; *infra*, § 2.2.), advisory groups, and the management of tenders by Principal Recipients (Annex 6). These proposals were distributed as a basis for discussion to the attendees of the meeting on June 29th, 2002 when the CCM was officially established, but basically none of the recommendations they featured have been picked up in the provisions currently regulating the functioning of the CCM.

The responsibilities and working mechanisms of the CCM are spelt out in the “Provisions on CCM Operation to Support Cooperation with the Global Fund to Fight AIDS, Tuberculosis and Malaria” (Annex 7). The legal foundations of these Provisions seem shaky, since they were approved on September 24th, 2002 during the first meeting of the CCM Presidium, a body established on the basis of these very provisions. Item 4 in particular identifies five “major CCM objectives”, i.e.:

⁴ The documents governing the activities of the CCM make no reference to the resolution of conflicts of interest, nor do the suggestions formulated by the Group of International Organizations and Donors (Annex 9) or by the representatives of the NGO sector (Annex 12). Based on the information provided by interviewees the GIDO debated the issue on different occasions, but without reaching an agreement on how to tackle it. A representative of the NGO community mentioned that as a matter of principle conflict of interest is an issue, but in her view the only way to solve it would be to ban CCM members to apply for grant money.

- *“To define and approve the major lines of activities in the framework of implementing the Project components;*
- *To approve annual reports and plans for further grant disbursement;*
- *To control activities’ implementation within the Project components framework as well as targeted use of grant funds;*
- *To coordinate activities of institutions and organizations involved in the Project implementation;*
- *To inform the international community and the population of Ukraine on the Project objectives and the status of Project implementation”.*

These objectives correspond broadly to the tasks entrusted to the CCM by the Global Fund principles, but with two major differences, i.e. the lack of any reference to the responsibility of the CCM in the selection of Principal Recipients (entrusted instead to the Presidium; *infra*, § 2.2.), and a much stronger emphasis on a “coordinating” role of the CCM.⁵

In terms of decision-making procedures, the above-mentioned Provisions reaffirm some of the principles about the functioning of the CCM decided during the Governmental Commission meeting on June 29th, 2002, and basically extend to the CCM the same standards applied to the Commission itself, spelling out in Item 5 that CCM sessions should be valid with the participation of at least two thirds of its members, should vote using simple majority and should be held “as the need arises but not less than twice a year”. Although no special provision is stated in this respect, up until now the decision to call meetings has been a prerogative of the Co-Chairs (and in particular of the Deputy Prime Minister and the Minister of Health).

2.2. – Functioning of the “Presidium” and ad hoc working groups.

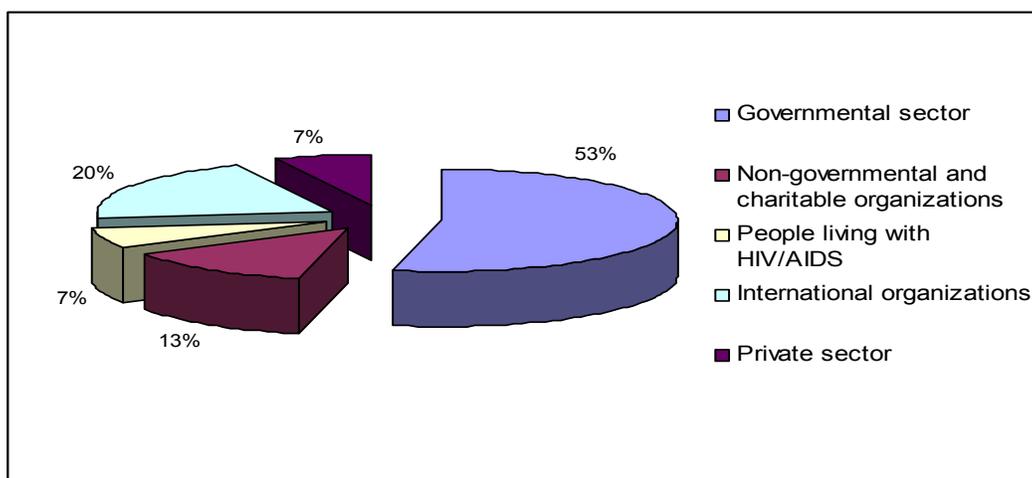
The same “Provisions on CCM Operation” acknowledge indirectly the impossibility for the CCM to work because of its size, and envisage in Item 6 that “to provide execution of the main tasks, the CCM shall elect a Presidium of 15 members”. Item 8 spells out a series of crucial objectives for the Presidium, largely meant to turn into practice the coordinating role entrusted to the CCM, i.e.:

- *“Examination and approval of the Action Plans in the framework of Project implementation;*
- *examination and endorsement of provisions, guidelines, technical assignments as well as other normative documents of the Project to enhance its implementation efficiency;*
- *organization of the expert, analytical and informational background for the implementation of Project activities;*
- *analysis and approval of the results of the review of applications by institutions and organizations willing to receive a share of the grant funds provided by the Global Fund according to Project components, decision on selection and further financing according to activity planning within Project implementation framework;*
- *determination of the procedure for conducting examination of Project implementation status as well as of targeted use of grant funds;*
- *inter-sectoral and inter-departmental coordination in implementing measures stipulated by the main Project components.”*

⁵ Also the establishment of linkages between Global Fund assistance and other development and health assistance programmes is not featured among the objectives of the CCM. The coordination of different international partners’ inputs, though, is listed among the responsibilities of the Governmental Commission to Fight HIV/AIDS (Annex 4).

Based on Item 8 of the Provisions, “Presidium decisions shall be binding for all Project participants”; membership of the Presidium is therefore crucial. Based on Item 6 of the Provisions, “the CCM Presidium shall be composed on the basis of the following quotas:”

CCM Co-Chairs	3		
Governmental sector	6	+2	(53,3%)
International and donor organizations	2	+1	(20 %)
People living with HIV/AIDS	1		(6,7%)
NGOs and charitable organizations	2		(13,3%)
Private sector	1		(6,7%)



The current membership of the Presidium is reported in Annex 8. Once more, there seems to be no record about how the number of representatives for each constituency was determined, or how individual members were actually selected (notwithstanding a reference to an “election” in Item 6 of the Provisions, reported above).⁶ It is worth highlighting that, since two Co-Chairs out of three are representatives of the governmental sector, the latter has automatically an absolute majority of votes in the Presidium, sufficient to take decisions. Such a majority is even stronger taking into account that one of the two NGO representatives is the Ukrainian Red Cross Society, which for historical, cultural and legal reasons is much closer to a governmental agency working with volunteers than to a real NGO.

Notwithstanding these limitations, the reactions to the establishment of a Presidium have been favourable, since in principle it does provide a forum where real debate could take place.⁷ The main concern voiced by interviewees is the fact that, up until very recently, the Presidium met too rarely. A major reason for this is that it is difficult for all three Co-Chairs holding important

⁶ The consultant was presented with a Presidium membership list with no reference to the formal occasion when such a document had been officially approved. Actually the list features only fourteen members; it proved troublesome for interviewees to spot who was missing, and the name suggested was the wrong one.

⁷ In reality CCM meetings do not involve only the forty-five official members, but are open to observers and to the media. The meeting held on May 14th, 2003 reportedly had an all-time high attendance of eighty people, since many participants in the GFATM Regional Meeting which took place at the same time in Kyiv had expressed the desire to observe the proceedings of the CCM meeting (Bulletin No. 5 of the NGO Secretariat). Whereas this practice is laudable in terms of external accountability and democratic control, on the other hand it limits the opportunities for conflict to surface and be effectively dealt with in case different standpoints are on the table. The intense debate about the selection of regions by UNDP which took place during the Presidium meeting on November 6th, 2003 illustrates vividly this point (Bulletin No. 13 of the NGO Secretariat).

positions, i.e. the Vice Prime Minister, the Minister of Health and the UNDP Resident Representative, to be available at the same time for a meeting.⁸

During the latest full meeting of the CCM a working group to address the issue of taxation was set up, and the establishment of a second working group dealing with the licensing of NGOs providing support to PLHA receiving ARV therapy was discussed. The establishment of *ad hoc* working groups under the aegis of the CCM is allowed by Item 5 of the Regulations of the Governmental Commission (Annex 4), i.e. the same principle upon which the existence of the CCM is based. Working groups are common in the CCMs of other countries and could work well in principle, as many topics do not require the involvement of the full CCM, or might require the involvement of stakeholders who are not CCM members.⁹ So far, though, the two meetings of the working group on taxation were fruitless, since the key people with the power to influence decision-making in this respect, i.e. the representatives of the Ministry of Finance and the Ministry of Economics, did not show up. This example highlights that, for working groups to support effectively the functioning of the CCM, clearer accountability mechanisms must be devised.

2.3. – Functioning of the CCM Secretariat.

Items 9 and 10 of the “Provisions on CCM Operation” clarify the responsibility of the Secretariat to provide “organizational and technical support” to both the CCM and the Presidium. Additionally, Item 9 states that the Secretariat should be funded “with drawn funds and resources of CCM partners”, and Item 10 requires that “the Executive Secretary shall be appointed CCM member”. The former provision is ambiguous, and the latter is by no means obvious. As many interviewees pointed out, as long as the Secretariat is just facilitating the smooth functioning of the CCM it seems inappropriate to blur accountability lines and to increase the risk of conflicts of interest by appointing the Executive Secretary as a member of the body he or she is meant to support. The recent appointment of a new Executive Secretary has not been followed by his inclusion in the membership of the CCM, thus explicitly contradicting the above-mentioned Provisions.

The lack of clarity about the role and responsibilities of the Secretariat has been highlighted by many interviewees as one of the key weaknesses of the CCM. Up until October 2003 the responsibility to manage the Secretariat has been entrusted to the Ukrainian Fund to Fight HIV/AIDS (i.e., the entity envisaged in the original grant application as the only Principal Recipient in the country); the Chair of the Ukrainian Fund served as CCM Executive Secretary. Apparently this decision was taken on the basis of Item E.1.b. of the Program Grant Agreement, which mandates that “the Principal Recipient shall actively assist the Country Coordinating Mechanism to meet regularly to discuss plans, share information and communicate on Global Fund issues”.¹⁰

The fact that the Ukrainian Fund was a brand new institution, with no independent premises and extremely limited staffing limits its ability to perform effectively the functions of the CCM

⁸ Interestingly, a Presidium meeting had been scheduled during the visit of the consultant, on October 30th at 4:00 pm. About two hours before the starting time, the newly-appointed Head of the CCM Secretariat was informed that the meeting had been postponed to November 4th. On November 3rd the news came that the meeting had been postponed further to November 5th. The meeting took place eventually on November 6th, but neither the Vice Prime Minister nor the UNDP Resident Representative were in attendance (Bulletin No. 13 of the NGO Secretariat).

⁹ An example is HIV/AIDS prevention in the workplace: the Ministry of Labour and Social Policy of Ukraine is due to work on a large ILO project designed to deal with this issue, but neither the Ministry nor ILO are represented in the CCM, although the former is a full member of the Governmental Commission.

¹⁰ Pursuant Item 10 of Directive No. 1401/2001 (Annex 4), the Ministry of Health has the responsibility to provide organizational and technical support for the activities of the Governmental Commission to Fight HIV/AIDS. Inasmuch as the CCM is a working group supporting the Governmental Commission, this Item would imply that the Ministry of Health is responsible for supporting the CCM Secretariat as well. In practice it has been performing this role informally, in an unregulated coordination with the Ukrainian Fund.

Secretariat.¹¹ The requirement that Global Fund grant money be spent exclusively for activities directly targeted to fighting the diseases represented an additional hurdle: reportedly, equipment and office space for the CCM Secretariat up until October 2003 were provided by DIAPROFMED, the private company managed by the CCM Executive Secretary.

It is worth pointing out that USAID, the EU Delegation and the International “Renaissance” Foundation (OSI / Soros Foundation) all highlighted in different occasions their availability to fund the CCM Secretariat, but their offers so far have not been accepted. The task of drafting the “Provisions on the CCM Secretariat” envisaged by Item 9 of the “Provisions on CCM Operation” has been eventually entrusted to the new Executive Secretary during the latest CCM meeting.

The status of the CCM Secretariat was especially delicate at the time of the consultant’s visit. The resignation of the previous Executive Secretary was formalized during the CCM meeting held on October 9th, 2003, and on the same day a new Executive Secretary was appointed, but not employed, nor provided with equipment or office space. Therefore, most paper and electronic files were still with the previous Executive Secretary, making it difficult to collect suitably documented information. During the Presidium meeting held on November 6th, 2003 the USAID representative confirmed her availability to fund the CCM Secretariat for a first spell of six months, and requested the Executive Secretary to prepare a budget in this respect (NGO Secretariat Bulletin No. 13).

2.4. –Challenges for strengthening CCM functioning.

Partly as a consequence of the limitations of the Secretariat, the CCM has been criticised for its lack of transparency and accountability.

As a rule, CCM and Presidium meetings are announced only one or two days in advance, usually through phone calls; the practice of defining the date and timing of the following meeting at the end of the previous one does not seem to have been considered. CCM members receive the agenda once the meeting starts, and there is no clarity about who sets it and how. Though this is an important issue, only one of the interviewees referred to agenda setting as a problem.

Some CCM members reported that they receive minutes rather regularly, others only on demand, and others again that they get them only when attending the following meeting. Additionally, minutes are rather sketchy, and drafts are not submitted for approval by attendees before circulation. Only a few members of the international community, though, voiced some concern in this respect. The possibility to post the minutes of CCM and Presidium meetings on the web site of the Ministry of Health should also be considered, so as to increase accountability to those players who are not CCM members, but are willing to be informed about the issues addressed and the decisions taken.¹²

The governance patterns within the CCM, together with the related issue of relationships among the CCM and Principal Recipients, the Local Fund Agent and the Global Fund Secretariat do not seem to have received sufficient attention so far, as the focus of the debate has been rather on CCM membership. A revised version of the “Provisions on CCM Operations” has been drafted and circulated earlier in 2003, although not formally approved (Annex 9): the only additional element in comparison to the regulations approved on September 24th, 2002 is a new item regulating the rotation of CCM members.

¹¹ The Ukrainian Fund to Fight HIV/AIDS was established by Directive of the Cabinet of Ministers No. 1620 of November 29th, 2001, “On Establishment of the Ukrainian Fund to Fight HIV/AIDS”, as a “governmental NGO” reporting to the Cabinet of Ministers. Based on the financial management and systems assessment carried out by the LFA, in January 2003 it had only two staff members working on a full-time basis.

¹² In the absence of institutional communication by the CCM Secretariat, the main information sources about the Global Fund grant implementation are the web site of the Ministry of Health, the Bulletin of the NGO Secretariat (*infra*, § 3.2.) and the dedicated web site and the monthly information sheet issued by UNDP.

The need to strengthen CCM governance has been pointed out early on by the international community. The “Group of International Organizations and Donors” (GIDO) wrote in this respect to the Chair of the CCM in October 2002 (Annexes 10 and 11) and then again in February 2003 (Annex 12), following the reshuffle in the Cabinet of Ministers and the appointment of a new Deputy Prime Minister. Reportedly, though, none of these letters ever got a reply.

More recently, a letter submitted to the Chair of the CCM by a few leading NGOs (Annex 13) seems to have achieved a stronger impact, since allegedly it led to the latest full CCM meeting on October 9th, 2003. This meeting signalled a renewed interest for more effective internal governance, which translated into a number of relevant initiatives, including the decisions to:

- translate into practice the important responsibilities entrusted to the Presidium, and arrange meetings on a regular monthly basis;
- increase the flexibility of the CCM by entrusting specific tasks (e.g., analysis of how to prevent taxation of the goods and services purchased with GFATM money) to internal working groups;
- invest the new Executive Secretary with the responsibility to develop draft regulations for the CCM itself, for the Presidium and for the Secretariat (Minutes of the CCM Meeting held on October 9th, 2003).

Greater clarity about the tasks and responsibilities of the CCM, better communication and more transparent mechanisms for accountability and representation are likely to help shift the debate from the issue of who is sitting on the CCM to how well the CCM performs *vis-à-vis* its tasks. Some interviewees voiced their regret for the fact that the Global Fund Secretariat did not provide more detailed guidelines for the functioning of the CCM. No one (including the representatives of the LFA) seemed to be aware of the existence of the Global Fund’s “Guidelines on the Purpose, Structure and Composition of Country Coordinating Mechanisms” issued on June 4th, 2003. Much appreciated was also the chapter of the Global Fund’s *Annual Report 2002/2003* devoted to the experience of CCMs worldwide, which brought many interviewees to underline the importance of sharing best practices among Global Fund grantees.

§ 3. – Level and scope of participation.

3.1. – Governmental sector (including scientific and educational establishment).

According to a time-honoured Ukrainian tradition, brides who lost their father are accompanied to their wedding by a retired serviceman, who may well be not related to the bride but nevertheless takes part in the entire ritual. The expression “wedding generals”, as these people are known, was used by one of the interviewees to describe the attitude of a significant share of CCM members from the governmental sector, who do take part in meetings as requested, but do not seem to be really interested in its proceedings.

Such a limited interest depends at least in part on the fact that some governmental agencies represented in the CCM, such as the Ministry of Culture and Arts or the National Academy of Science, have very tenuous links to the issues the CCM is meant to tackle. Many representatives of the governmental sector, moreover, such as the Ministry of Education, or the State Committee for Information Policy, Television and Radio, play (or can play) an important role as far as prevention is concerned, and for this reason are members of the Governmental Commission to Fight HIV/AIDS; but they are likely to share a limited interest for the topics linked to treatment. Taking this issue into account, the empowerment of the Presidium and the possibility to rely more on *ad hoc* working groups appear as effective answers to the need to concentrate the efforts of CCM members on their specific areas of expertise.

An additional matter of concern is the fact that TB-related expertise in the CCM is extremely limited. Since the CCM has been established on the basis of the first grant application submitted

by Ukraine in 2002, the competencies represented are primarily linked to HIV/AIDS prevention and treatment; only one member sits in the CCM because of specific expertise in a field different from HIV/AIDS. This set-up creates obvious imbalances in terms of participation of the CCM in performing its tasks in other areas, as highlighted by the experience with the TB grant application earlier in 2003 (*infra*, § 4.).

3.2. – NGO sector and people living with HIV/AIDS.

Certain constituencies, particularly the NGOs, make no mystery of the fact that they feel inadequately represented. Matters are made worse by the fact that two NGOs out of five sitting in the CCM, i.e. the Red Cross Society of Ukraine and the National Fund on Social Protection of Mothers and Children “Ukraine to Children”, are NGOs from the legal standpoint, but very close to governmental organizations in practice. This is illustrated by the fact that the Red Cross Society is a member of the Governmental Commission to Fight HIV/AIDS, and that the National Fund “Ukraine to Children” is chaired by Mrs. Kuchma, the wife of the President of Ukraine.¹³

Nevertheless, the overall feeling among the NGO community towards the CCM and the Global Fund in general is positive. An important factor in this respect has been the establishment of the “NGO Secretariat on cooperation with the Global Fund in Ukraine”, which serves as the catalyst of information for both the associations of PLHA and the service-oriented NGOs, as well as a number of other stakeholders. The NGO Secretariat is funded by the International HIV/AIDS Alliance, which provides facilities, equipment and salaries for two people, appointed respectively by PLHA and by service-oriented NGOs. Its most important deliverable is the electronic Bulletin (in Russian), distributed for free at least once a month to all interested parties (currently about fifty addressees). In the absence of institutional communication by the CCM Secretariat, this Bulletin is acknowledged as the timeliest and most comprehensive source of information about the contents and decisions of all key meetings linked to the country-level activities of the Global Fund. The NGO Secretariat is available to reply to the queries of all the NGOs willing to receive specific information about Global Fund activities, but the staff reported that so far it engaged primarily in one-way communication.

The NGO Secretariat also carried out a poll in early May 2003. Although the NGO Secretariat acknowledges that this poll is not statistically significant, it provides an interesting picture of the expectations and the concerns of the NGO community *vis-à-vis* the Global Fund and the different players involved in grant implementation (Annex 14). Based on the feedback by interviewees, in the months since the poll was taken the overall perception about the Global Fund and the activities it is sponsoring has further improved. Concerns seem to focus on the tight deadlines for tenders and the very short term nature of the contracts awarded by Principal Recipients, which in some cases is reportedly as short as three or four months.

Additionally, the NGO Secretariat was instrumental in arranging a full meeting of the NGOs interested in the implementation of the Global Fund grant on June 3rd – 4th, 2003 (Annex 15). During this meeting, among other issues, PLHA and service-oriented NGOs agreed upon the procedures for the appointment of their new representatives in the CCM, actually selected over the summer the candidates who stood for elections .

¹³ The Red Cross Society is also one of the two representatives of the NGO sector in the CCM Presidium. Also of some interest is the fact that the newly-established Ukrainian Fund to Fight HIV/AIDS, which has a legal status very similar to the National Fund “Ukraine to Children”, is counted among the governmental agencies both in the CCM and in the Presidium. Incidentally, following the refusal by the Red Cross Society to be “rotated out” as a consequence of the recent elections of the new NGO representatives in the CCM, it has been suggested by the NGO sector that the Red Cross Society be considered a “governmental NGO”, with the same status of the Ukrainian Fund to Fight HIV/AIDS, and keep sitting in the CCM as one of the twenty representatives of the governmental sector (Minutes of the Presidium meeting held on November 6th, 2003, as featured in the Bulletin No. 13 of the NGO Secretariat).

Ukraine can benefit from the significant experience of the local NGO community in cooperation with international donors to fight the HIV/AIDS epidemics. A number of interviewees proudly pointed out that NGOs started serving the needs of high-risk groups and PLHA long before the Ministry of Health took any serious step to deal systematically with the disease; some of the leading Ukrainian NGOs, for instance, have been working in the area of HIV/AIDS without interruption since the mid Nineties.

Partly as a consequence of this long-standing track record, the governmental sector, and the Ministry of Health in particular, acknowledge the need to work closely with NGOs and benefit from their expertise. Interviewees report that plans to involve the non-governmental sector in the functioning of the Governmental Commission were formulated before the establishment of the Global Fund. The representatives of the Ministry of Health, in particular, have a strong stake in better coordination among NGOs, since it would facilitate their cooperation with governmental bodies. The Ministry, therefore, favours the establishment of some form of “coalition” among NGOs, which would lead the latter to identify their priorities, spell out their needs and divide up their tasks. At the same time, though, the representatives of the Ministry of Health are well aware of the desire for independence of the non-governmental sector, and realize that showing a strong support for the establishment of such a “coalition” could backfire, as NGOs might perceive it as a way for the government to control or influence their activities.

3.3. – International organizations.

International organizations enjoy a broad representation in the CCM, with ten seats out of forty-five, i.e., the same number as PLHA, NGOs and private sector representatives together. In the Presidium, two of the fifteen members represent international organizations, and so does one of the three Co-Chairs. Despite this broad representation, some tensions were voiced by international organizations concerning decision-making within the CCM, and more broadly the relationship with the Global Fund. Some important players, notably the EU, are currently not represented in the CCM, and others hold different views and play different roles *vis-à-vis* the activities funded by the Global Fund grant. A forum labelled “Group of International Organizations and Donors” (GIDO) has been established to sort out these different perspectives. This objective is complicated by the fact that “international organizations” in the CCM currently include not only bilateral and multilateral donors, but also implementing agencies, such as the British Council, as well as international NGOs operating in Ukraine through a local NGO, such as the International HIV/AIDS Foundation and the International “Renaissance” Foundation (OSI – Soros Foundation).

The GIDO managed to come to an agreement concerning rotation, and it is envisaged that the EU Delegation will join both the CCM and the Presidium. This decision has been made on the basis that only real donors can be expected to be above the suspect of conflict of interests, since they do not compete for grant allocation. Nevertheless some tensions can be expected to remain.¹⁴

3.4. – Private sector.

The participation of the private sector is largely a matter of tokenism. The private sector in the CCM is represented by the Director General of Paradise Pictures Studio Limited and the President of Joint Stock Company DIAPROFMED. As mentioned already (q.v. *supra*, § 1.), there is no clarity about how CCM members were selected, and this lack of transparency applies also to the representatives of the private sector. It is worth mentioning that DIAPROFMED is the only manufacturer of HIV diagnostic kits in the country, and that it is actually represented twice in the

¹⁴ The representative of a UN agency, for instance, claimed that the insights and standpoints of the agency he represents cannot be fully represented by another UN agency, and that the opposite would also be true.

CCM, since the Chair of the Ukrainian Fund to Fight HIV/AIDS, and former CCM Secretary, kept his job as its Chairman. Both the Director General of Paradise Pictures Studio Limited and the Chair of the Ukrainian Fund to Fight HIV/AIDS are also members of the Presidium, on behalf of the private sector and of the governmental sector respectively.

The identification of more transparent mechanisms for representation is troublesome, though. Except for companies in the pharmaceutical and medical equipment industries, obviously willing to serve as suppliers, the rest of the private sector does not see HIV/AIDS as an issue, the private sectors should be directly concerned with, and as a consequence does not see a point in playing a role in the coordination of the activities sponsored by the Global Fund. Worse still, it seems difficult to identify an association of Ukrainian firms which might be considered truly representative of the broader interests of the private sector: a spate of “Chambers of Commerce” has been established in the last few years, but primarily in order to establish fora for trade with specific countries, rather than to represent the interests of the private sector as such. None of the interviewees reported any challenge to the right of Paradise Pictures Studio and DIAPROFMED to represent the private sector in the CCM.

§ 4. – Country partnership-led formulation and implementation process.

The participatory, multi-sectoral approach to decision-making envisaged by the Global Fund is truly revolutionary for a country such as Ukraine, where the leadership role of governmental agencies has been and still is pivotal. This is the first time in Ukraine that top-ranking politicians, government officials, academics, representatives of international organizations and donors sit in the same room and discuss both strategic and operational issues with the representatives of civil society and the people most directly affected by the diseases. Thanks to the NGO Secretariat, detailed proceedings of these meetings are swiftly distributed to all interested stakeholders.

Even among CCM members there is a mixed feeling about entrusting the responsibility for overall co-ordination of grant implementation to an entity such as the CCM. The representative of one NGO, for instance, reported that originally many feared a handful of powerbrokers would take all decisions, but now instead there is a shared feeling that civil society can have a role in shaping decisions, and is not part of the picture only for “cosmetic” purposes. But the president of another NGO with strong links to the public sector clearly expressed his belief that government agencies, due to more transparent accountability mechanisms, are in a better position to identify priorities and to spell out how best they should be achieved.

Some of the interviewees expressed their discomfort with the management style of the CCM Chair, which in practice does little to facilitate participation. Reportedly, in a number of occasions true debate was stalled by questions expressed in a way which made it difficult to express a different view (“Who disagrees?”); in other cases, instead, delicate issues (such as the rotation of CCM members) were set aside and not addressed.

According to many interviewees, the principle of “country partnership” which provides the underlying rationale for the CCM worked at its best before the official establishment of the CCM itself, i.e. during the preparation of the HIV/AIDS grant application to the Global Fund in the Spring of 2002. The feeling of sharing a common goal, compounded by a very tight deadline, facilitated swift coordination and trust in partners.

The selection of Principal Recipients proved much less transparent, and was basically decided outside the CCM.¹⁵ The original idea to channel all Global Fund money through the Ukrainian Fund to Fight HIV/AIDS featured in the original grant application was not received favourably by

¹⁵ Based on the “Provisions on CCM Operation”, the CCM is not entrusted with this responsibility, which pertains instead to the Presidium; the Presidium, though, reportedly did not meet from the date of its establishment in September 29th, 2002 up to November 6th, 2003 (*supra*, §§ 2.1. and 2.2.).

the Global Fund, due to the undeniable institutional weaknesses of a brand new institution such as the Ukrainian Fund. Based on information provided by interviewees, support for the Ukrainian Fund vanished following the reshuffle in the Cabinet of Ministers towards the end of 2002. UNDP then emerged as a Principal Recipient together with the Ministry of Health, despite objections from the Global Fund, which follows the principle that Principal Recipients should be national entities rather than international organizations. In December 2002 the Global Fund agreed to identify the Ministry of Health and UNDP, together with the Ukrainian Fund to Fight HIV/AIDS, “*as the entity anticipated to be responsible and accountable for a grant from WHO/Global Fund*”¹⁶. Programme grant agreements between the Global Fund and the Principal Recipients were signed between January and March 2003, following the financial management and system assessment by the Local Fund Agent, but the same agreements were ratified by the Cabinet of Ministers of Ukraine only in June 2003.

Early signals point to the fact that the CCM is poised to play a more proactive role in overall supervision of grant implementation. The latest full meeting of the CCM on October 9th, 2003 decided that all Principal Recipients should submit their biennial work plans to the Presidium for approval, and that their reports should be circulated on a regular basis, and posted on the web site of the Ministry of Health. The debate about the work plan submitted by UNDP during the Presidium meeting held on November 6th, 2003 hopefully signals that the supervisory role of the CCM goes beyond providing the formal stamp of approval, and aims to ensure real “country coordination”.

The relationships between the CCM and the LFA so far have been limited. Although an LFA representative usually attends CCM meetings as an observer, interviewees representing the LFA are keen to point out that they are accountable to the Secretariat of the Global Fund, and not to the CCM. On the other hand no CCM member referred to the LFA during the interviews, unless specifically asked, and few seemed to have a good understanding of the role and responsibilities of the LFA. The CCM and the LFA seem to look at grant implementation in different perspectives, and tend to speak different languages. Mechanisms to ensure that the expertise and the activities of the LFA are fed into the decision-making process by the CCM are still to be developed. It is conceivable, though, that more effective links are established once implementation picks up steam and the responsibility for oversight in monitoring and evaluation translates into practice.

§ 5. – Coordination with existing fora, policies and programmes.

The broad membership and the institutional set-up of the CCM, conceived as a working group supporting the activity of the Governmental Commission to Fight HIV/AIDS, ensure that the HIV/AIDS project supported by the Global Fund dovetails effectively with other HIV/AIDS programmes in the country, both nationally and internationally funded.

As requested in the Global Fund principles and procedures, the original grant application established clear links between the activities envisaged in the project proposal and all the related national programmes, i.e. the Programme for HIV/AIDS Prevention for 2001-2003; the National Programme for Reproductive Health for 2001-2005; the Programme on Development of the Donation of Blood and its Components for 2002-2007; the Comprehensive Programme for Implementation of Poverty Alleviation for 2002-2009; and the multi-sectoral comprehensive programme “The Nation’s Health” for 2002-2011. Reference is also made to the impact envisaged for the World Bank loan dealing with HIV/AIDS.

In practice, coordination so far has been assured primarily by the Principal Recipients, rather than by the CCM. The Ministry of Health is the leading agency for most national programmes, and

¹⁶ Attachment 1 to the contract between WHO, acting in support of the GFATM, and Pricewaterhouse-Coopers

UNDP is a key player within the United Nations Country Team, which developed the UN Strategic Framework to Support Implementation of Ukraine's National Strategy on HIV/AIDS. The large number of subcontractors is unlikely to play in favour of effective coordination. The involvement in HIV/AIDS-related work of agencies not represented in the CCM creates additional problems, as exemplified by the project involving the ILO and the Ministry of Labour in HIV prevention in the workplace. As mentioned in the previous paragraphs, though, the heated debates which took place during the latest meetings of both the CCM and the Presidium suggest that the CCM is likely to play more of a real coordinating function in the future.

A forum partly similar to the CCM in terms of membership is the UN Theme Group, which in its "extended" version includes also international NGOs and top-ranking representatives of the Ministry of Health. Interviewees consistently pointed out that the UN Theme Group should be seen as complementary rather than overlapping with the CCM, though, since it addresses broader coordination issues, rather than the specific requirements linked to the Global Fund grant implementation. The fact that the international community felt the need to set up the GIDO to discuss its own priorities in CCM meetings confirms indirectly that the UN Theme Group is addressing different needs.

The coordination of the TB programme requires more attention. The CCM, as a working group formally established to support the Governmental Commission to Fight HIV/AIDS, was originally designed to support the application for and the management of a HIV/AIDS-related grant. Being the official channel for all Global Fund applications, though, the CCM is also responsible for TB-related grants. TB specialists for obvious reasons are not represented in the Governmental Commission, and are only represented in the CCM by the Director of the "F.H. Yanovsky" TB and Pulmonology Institute of the Ukrainian Academy of Medical Science. The representatives of some international organizations and donors, such as WHO and the World Bank, have a strong interest for TB-related activities, but no NGO dealing with TB in Ukraine is represented in the CCM. No TB specialist, moreover, is represented in the CCM Presidium.

As a consequence, and contrary to the requirements of the Global Fund, the development of the TB grant application took place almost entirely outside of the CCM: reportedly the process was largely monopolized by the strong national TB service, with limited input provided by WHO specialists. The CCM was only involved at the very end, when in February 2003 its members were gathered in a hurry to sign a document they had never seen before. This request raised obvious criticisms, especially taking into account that most CCM members, being specialists about HIV/AIDS, would have needed an expert assessment to evaluate the quality of the grant application they were requested to sign. Most, though, bowed to the pressure of time and signed. The Ukrainian CCM thus submitted to the Global Fund a grant application not based on DOTS, the approach to TB acknowledged internationally as the most cost-effective, but rather on a more traditional approach to TB eventually judged outdated by the TRP.

§ 6. -Recommendations.

As with most other CCMs, the Ukrainian CCM was established in a hurry to meet the Global Fund grant application criteria. Though progress towards operationalising the principles of the Global Fund has been slow, steps are being taken to make it more participatory and to meet the roles and responsibilities entrusted to the CCM. Both the recent developments within the CCM itself and the very dynamics of grant implementation are likely to create an internal push for better coordination, and consequently a more "pro-active" role in overall coordination and oversight. In

order to further strengthen its role, it is recommended that the CCM should consider the following:¹⁷

6.1. –Towards more inclusive participation.

True multi-stakeholder decision-making process in the CCM has not yet been fully developed. At least in a few critical phases, such as the identification of Principal Recipients, the NGO community, and especially people living with the diseases have not been fully and transparently involved. This practice is not only contrary to principles of the Global Fund, but also detrimental to the chances of successful and sustainable grant implementation.

1. **Decentralised representation.** In addition to representation from the capital city, it is recommended to ensure that the needs of those from both urban and rural areas are addressed. The new CCM members recently elected among NGOs and PLHA will increase the representation of organizations based outside of Kyiv from one to three. It is also suggested to consider the inclusion of representatives from sub-national levels of government, ideally including both a delegate of the regions and a delegate of municipalities (selected for instance by the Mayors' Association). In large countries such as Ukraine, country-wide representation and coordination could also be pursued by setting up sub-national CCMs, modelled along the same guiding principles adopted for national CCMs. These innovations would ensure that the real needs of the country as a whole are being met, and not only those perceived by representatives from the capital city. Interviewees reported that the regions have established multi-sectoral bodies representing different branches of government, and that at least in two regions they seem to be working well.
2. **Rotation of members.** Even in case the distribution of seats is left untouched, there are good grounds to suggest that some flexibility in CCM membership should be envisaged over the grant life, to ensure that suitably qualified people perform the requested tasks. "Rotation" should be transparent and not too frequent (e.g., eighteen months or two year terms); it should also allow reappointment, so as not to exclude those who were clearly an asset during the previous term and are available to stand again. Ideally "rotation" should apply to all CCM members, including the representatives of the private sector, of the governmental sector and of the scientific and educational establishment. Taking into account the strong imbalance towards individuals and organizations concerned primarily or exclusively with HIV/AIDS in the current membership of the CCM, a broader representation of the stakeholders linked to the fight with TB is also strongly advisable.
3. **Alternates.** The practice of delegating an alternate for participation in CCM and Presidium meetings should be safeguarded, in order to facilitate attendance to meetings (especially in case it proves impossible to plan them further ahead). Principles for delegation of responsibility must be clarified, though, especially once the meetings move from the simple review of issues to real decision-making. In order to ensure accountability and coherence over time in presenting the views and needs of the constituency being represented, it is also important to guarantee that comprehensive feedback and consultation mechanisms have been established with all relevant stakeholders.
4. **External communication.** An effective communication strategy is key to ensure openness and transparency of all CCM processes and decisions. The NGO Secretariat, thanks to the funding by the International HIV/AIDS Alliance, with its electronic bulletin has initiated this process of sharing meeting minutes and additional information. But it should be responsibility of the CCM itself, through its Secretariat, to formalize and sustain a

¹⁷ As far as the Ukrainian CCM is concerned, the assumption so far has been that the existing distribution of seats cannot be modified. The same assumption is made here, although there are good grounds to argue that the representation of different stakeholders in both the CCM and the Presidium is not well balanced.

communication strategy, not only as a matter of transparency but also to ensure inclusive participation of all stakeholders.

6.2. –Towards strengthening governance and coordination.

1. **CCM Presidium:** The CCM Presidium, similarly to the CCM itself, is set to perform two complementary functions, i.e. first to ensure high-level political commitment for the entire process, and secondly to facilitate multi-stakeholder input for proposal design, grant implementation and linkages to other initiatives. In practice, though, the two roles are incompatible, because top-level political representatives have limited interest for the meetings meant to discuss operational issues, and technical specialists have a limited role to play in the demonstration of political commitment. In practice the current overlap slows down the decision-making process, especially because of the very busy agendas of top-level political representatives, such as the Deputy Prime Minister and the Minister of Health. As pointed out earlier, moreover, it tends to reduce the openness of the debate, because of the difference in status of meeting attendees. A possible remedy would be to divide up the current CCM Presidium in two groups, each of them responsible for a specific function. For example, a “Chairing Council” could be responsible for overall strategy formulation and decision-making, whereas an “Executive Committee” could be responsible for discussing alternatives and coming up with practical solutions (if needed with separate majority and minority reports), submitted to the “Chairing Council” for final approval. The advantage would be to have more flexibility, and the opportunity for conflict to be addressed constructively and hopefully dealt with, without large-scale change in the set-up of the CCM, since the two groups together would still correspond to the current size, membership and functions of the CCM Presidium.
2. **Flexible and participatory agenda setting for meetings.** According to the current practice, CCM and Presidium meetings are called and agendas are decided based on an agreement among the Co-Chairs, and more specifically between the Deputy Prime Minister and the Minister of Health. This practice reinforces the perception of the CCM as a body instrumental, if not subordinated, to the needs of the Ministry of Health, rather than effectively *super partes*. A simple way to redress the imbalance, and ensure a better responsiveness by the CCM to the needs perceived by different constituencies, is to envisage the right for a given percentage of members (e.g., one third) to call a meeting or to add an item to the agenda. The same principle could be extended to the Presidium.
3. **CCM Secretariat.** The establishment of an effective Secretariat has been highlighted as a top priority by most interviewees. A well-functioning Secretariat would ensure timely circulation of draft agendas (e.g., at least two weeks before a meeting). This is necessary to garner enough support to have additional items included in the agenda, in case the principle suggested under 6.2.2. above is acknowledged. CCM members based outside of Kyiv would benefit from getting advance notice of meeting dates, in order to make timely travel plans. A very important additional benefit would be the possibility to get feedback on the items in the agenda from the CCM’s constituencies and other stakeholders not yet in the CCM, so as to enhance the role of CCM members as representatives of a broader constituency, rather than simply of the organization they belong to.
4. **Meeting minutes.** The official minutes have so far been very sketchy, and their distribution irregular. The NGO Secretariat has undertaken the responsibility to document what issues were raised and what decisions were taken during CCM and Presidium meetings, and to disseminate this information widely. This task should ideally be carried out by the CCM Secretariat. To ensure that minutes present a fair account of the debate and the conclusions, it is suggested that draft minutes are circulated to attendees within a set deadline (e.g., one week after the meeting), and that attendees are given a time limit to

submit their comments (e.g., one more week); after such a procedure, minutes would be considered final and distributed to all interested stakeholders.

5. **Mechanism to meet operational costs.** Transparent funding patterns are important to ensure a balanced representation and coordination of different interests. In particular, the increase in the number of CCM members not based in Kyiv increases the problem of funding travel and accommodation. The travel expenses of the only current CCM member based outside of the capital were covered twice by the Ministry of Health, and twice by the Renaissance Foundation (OSI / Soros Foundation). Although their contribution is certainly welcome, it seems necessary to identify independent, reliable sources of funding for the future. If the financing of travel expenses cannot be assured, then participation at CCM meetings can only be guaranteed for those organizations based in Kyiv, or with a solid financial footing, thus leading to the exclusion of the weakest stakeholders, mainly representing the NGO community (or, in the future, local governments). Such an imbalance is obviously detrimental to equitable representation: there are reasons to imagine that potential candidates for CCM membership self-excluded themselves from the competition because of the inability of the organization they work for to bear the costs of travel expenses, in addition to contributing the time of a staff member. It is suggested that the funding of the CCM Secretariat should include an allocation for travel and accommodation of CCM members, since both these items are operating expenses needed for the smooth functioning of the CCM. The solution Ukraine is embarking upon, i.e. to have the cost of the CCM Secretariat sponsored by a bilateral donor acknowledged to be neutral by most stakeholders, is certainly an option; in principle, though, such a solution is not necessarily sustainable. Earmarking a share of the grant by the Global Fund for the financing of the body responsible for the coordination of different constituencies involved in grant implementation would address both these concerns, although suitable accounting standards should be introduced to ensure the “ring-fencing” of the funds required for the proper functioning of the CCM Secretariat.

7. – Technical needs assessment.

Documental analysis, individual interviews and focus group discussions, as well as the debriefing session held on November 3rd, were also geared to identify the technical needs which, if met, would facilitate the functioning of the CCM. A special attention was paid to the needs of those players who are direct stakeholders in CCM operations, although not sitting in the CCM as members, since their inputs are acknowledged as critical to allow the CCM to perform its role.

A formal tool was developed (Annex 17) with the goal of collecting systematically the perceived needs of both the individuals sampled and the organizations they represent. Utilizing such a tool as envisaged proved troublesome. Some of the interviewees pointed out that in many cases they are not aware of their own needs, especially concerning knowledge and skills that CCM operations so far have not required yet. Others expressed the view that the overall exercise of needs assessment could be misplaced, since the best experts had been gathered on purpose in the CCM to guarantee effective decision-making.

NGOs, in particular, proved very interested in the opportunity to receive technical assistance, but on the other hand found it difficult to articulate specific needs better. A recurrent request was to receive more information about the Global Fund and about the practices and standards adopted for implementation of the Global Fund grant in Ukraine, pointing one more time to the need to establish a CCM Secretariat, rather than to the provision of *ad hoc* technical assistance.

So far technical assistance has concentrated on the needs of PLHA. The International HIV/AIDS Alliance, in particular, is undertaking the training of a group of staff members of the All-Ukrainian Network of People Living with HIV/AIDS in the area of administration skills. As mentioned above (*supra*, § 3.2.), the International HIV/AIDS is also directly supporting the functioning of the NGO

Secretariat, which serves in turn as an important source of information for both associations of PLHA and service-oriented NGOs.

In comparison to other countries, the Ukrainian NGO community has better skills due to a long standing experience of co-operation with foreign donors. Additional competencies in the areas of proposal preparation and project management would definitely be welcome, but Ukraine is definitely beyond the phase of “basic literacy” in this area: different NGOs use e-mail regularly and maintain their own web site, a register of NGOs working in the area of HIV/AIDS is published on a regular basis, etc.

It is felt that specific technical assistance should be targeted to the improved functioning of the CCM itself. In this phase the CCM is rather clearly in a state of flux, and (most importantly) is perceived as such by its members: there is a growing awareness that multi-party decision-making is necessary, but the way it worked up until now should be improved in the future. Areas where capacity building would seem appropriate include the development of skills such as:

- conflict resolution;
- strategic planning and control (including sensitivity analysis);
- design and implementation of accountability mechanisms;
- monitoring and evaluation.

Capacity building should be targeted both to strengthen the CCM as such and the relationships among CCM members and the constituencies whose views they are expected to represent; and it would be even more effective if it were to progress in parallel with the redefinition of formal governance mechanisms.

§ 8. – Concluding remarks: lessons learnt and future challenges.

Thanks to the CCM, Ukraine is experimenting with an innovative approach to the pursuit of the common good, often labelled “public governance” or “joined-up governance” in academic circles. The underlying assumption of public governance is that governments ultimately carry the political responsibility for results, but cannot be expected to sort out complex problems single-handedly. Challenges such as the fight with the HIV/AIDS and TB epidemics require joint decision-making across various sectors of society as a precondition for pursuing coordination in implementation, and assuming shared responsibility for overall results.

The CCM is already proving to be an important testing ground for Ukraine. The big picture is that for the first time top-ranking politicians, governmental officials and academics sit in the same room and discuss both strategic and operational issues with different stakeholders, first among them the people most directly affected by the problem. This involvement of a broad variety of partners creates a virtuous circle, as each player gets a better understanding of the interests and concerns of the others, thus leading both to higher degrees of mutual trust, better decision-making and smoother implementation.

The experience of the first months of CCM operations also highlighted the importance of keeping all the partners involved and informed. Notwithstanding the lack of an effective CCM Secretariat, the electronic Bulletin issued by the NGO Secretariat and the comprehensive website managed by the Ministry of Health were often cited by interviewees as positive examples, contributing directly to the feeling of “ownership” of the process.

Transparency, in particular, emerges as a major requirement in order to manage effectively multi-party agreements, as it contributes powerfully to credibility and consensus. The involvement of NGOs and PLHA is leading to a good degree of empowerment, which brings them to express their dissatisfaction towards practices they consider inappropriate or undemocratic, even formally at times (Annex 14). On the other hand, demonstrations of openness lead to a renewed

commitment, that can be capitalized upon. In perspective, taking into account the current emphasis by donors on “good governance”, transparency and openness are likely to emerge as a key asset in allowing Ukraine to attract new grants, not only from the Global Fund but from other donors as well.

But learning opportunities abound for all the players involved in the process:

1. For governmental institutions, the challenge is to develop new, more inclusive patterns of decision-making and implementation. The stakes are high, because this approach implies relinquishing some degree of control over the process. On the other hand, shared decision-making facilitates the undertaking of joint responsibilities, thus increasing in turn the chances to have a real impact on the ground, and ultimately outlines a modern model of government, where consensus is based on the ability to meet the real needs of society.
2. For the NGO community and PLHA, the challenge is to match enthusiasm and good will with the political skills needed to set a common agenda and to push it forward. Ukrainian NGOs have a long experience in the tough battle against HIV/AIDS, but on the other hand they often have difficulties in identifying shared objectives, and many seem keen to safeguard what they regard as their own “breathing space”. The recent establishment of an NGO Secretariat is definitely an important move towards more cooperation; so far it serves primarily as a forum for information exchange, but joint advocacy campaigns are a likely next step.
3. For the private sector, the challenge is twofold. On the one hand, for obvious historical reasons the culture of “corporate social responsibility” should still need be nurtured in Ukraine. On the other hand, suitable fora for dynamic, independent, across-the-board representation of the interest of private businesses are largely still to come; Ukraine so far cannot list a single association corresponding to this description.
4. For international organizations and bilateral partners, the challenge is to sort out differences in foci and working mechanisms, and move from the rhetoric to the practice of cooperation, placing a renewed attention to whether individual programmes dovetail, and thus really pursue the utmost advantage of the beneficiary. This approach has been already experimented with success in Ukraine; the new element brought forward by participation in the CCM is the need to pursue this strategy on a broader and more diversified playing field.

A better balance among the stakes of different constituencies cannot and should not be pursued in a static perspective, though. The difficult challenge, for Ukraine as well as for other countries, is to find the middle ground between formalization and flexibility. On the one hand, flexibility is needed to support transparent decision-making and accountability. The CCM of Ukraine is still relatively weak in this respect: issues such as agenda setting or the distribution of minutes have been raised as early as the spring of 2002, but have not been addressed convincingly yet. On the other hand, it is unrealistic to expect the same standards to apply over time with the same degrees of effectiveness: the process of grant implementation brings about different challenges in different phases, and the “rules of the game” should be changed over time accordingly. In the case of Ukraine, most of the principles agreed upon when the CCM was established are still in place, even when their limitations have been strikingly demonstrated (e.g., poor representation of the constituencies engaged in the fight with TB).

The only way to match effectively formalization and flexibility is to agree on the formal principles to follow in order to redefine the rules. This is a major step, which the stakeholders represented in and around the CCM have not addressed yet. Interesting results have been achieved within specific constituencies, though (e.g., the definition of mechanisms for decision-making within the GIDO, or the elections among PLHA and service-oriented NGOs); and these achievements bode well for the future. If they succeed, the “Country Coordination Mechanism” stands very good chances of serving to the full the purpose envisaged in its name.

In brief, the CCM should be considered as more than simply an instrument required by the Global Fund to manage a much welcome grant against HIV/AIDS; it is actually an opportunity for Ukraine

to practice with a participatory approach to the pursuit of the public interest. In their latest meeting in October, all the members agreed to review internal working mechanisms in such a way to strengthen the effectiveness of the CCM. Let's observe its development, and wish them the best of success.

Annex 1 – List of people interviewed.

Monday – October 20th, 2003 (Geneva)

- Doris D’Cruz-Grote – CCM Coordinator, The Global Fund
- Valery Chernyavskiy – Fund Portfolio Manager, The Global Fund
- Purnima Mane – Chief Fund Portfolio Director, The Global Fund
- Hilary Hughes – Monitoring & Evaluation Manager, The Global Fund

Sunday – October 26th, 2003

- Vladimir Romaniv – Executive Secretary, CCM Secretariat

Monday – October 27th, 2003

- Valery Khmarskiy – Deputy Director, Ukrainian Centre for AIDS Prevention
- Vladimir Zhovtyak* – Head of the Coordination Council, All-Ukrainian Network of People Living with HIV/AIDS
- Sergei Filippovich* – Director, Programme Implementation Unit
- Denis Poltavets* – Public Health Programme Manager, International Renaissance Foundation
- Natalya Pidlisna* – Executive Director, Substance Abuse and AIDS Prevention Foundation
- Svitlana Gurevych – Project Manager, Substance Abuse and AIDS Prevention Foundation

Tuesday – October 28th, 2003

- Oleksandr Shevchuk* – Chairman, Ukrainian Fund to Fight HIV/AIDS and Head of the Board, DIAPROFMED
- Olga Lapushenko* – First Deputy Minister of Health and Chief State Sanitary Physician of Ukraine, Ministry of Health
- Douglas Gardner* – Resident Representative, United Nations Development Programme
- Helen Petrozzola – Project Manager, United Nations Development Programme
- Yulia Burmistenko – Programme Resource Centre Coordinator, United Nations Development Programme
- Anja Nitzsche-Bell – Health and Social Sector Project Manager, EU Delegation
- Veena Lakhumalani* – HIV and Human Rights Adviser, British Council Ukraine
- Irina Sukhinina – Junior specialist, British Council Ukraine

Wednesday – October 29th, 2003

- Yury Subbotin* – Liaison Officer, World Health Organization
- Ivan Usichenko* – President, Ukrainian Red Cross Society

- Alla Khabarova – Executive Director, Ukrainian Red Cross Society
- Valery Sergonovskiy – Head of the International Department, Ukrainian Red Cross Society
- Zhanna Tsenilova – Head of the External Relations Department, Ministry of Health
- Nancy Godfrey* – Director of the Office of Health and Social Transition, USAID
- Oleksandr Cherkas – Mission Environmental Officer, USAID

Thursday – October 30th, 2003

- Gerry Parfitt – Senior Partner, PricewaterhouseCoopers
- Elena Tokar – Manager, PricewaterhouseCoopers
- William Wickham – General Director, Delta Medical
- Vyacheslav Menshikov – Key Project Manager, Delta Medical
- Andriy Klepikov* – Director, International HIV/AIDS Alliance / Ukraine

Friday – October 31st, 2003

- Eliot Pearlman – Head of the Board, International HIV/AIDS Institute
- Olena Davis – Executive Director, International HIV/AIDS Institute
- Anastasiya Marchuk – Coordinator, NGO Secretariat
- Liliya Duma – Staff member, NGO Secretariat

Saturday – November 1st, 2003

- Tatyana Semikor* – President, Association “Faith, Hope, Love”

Monday – November 3rd, 2003

- Andriy Pidaev* – Minister of Health
- Alla Shcherbinska* – Director, Ukrainian Centre for AIDS Prevention
- Vitaly Panok* – Director, Ukrainian Scientific Methodological Centre of Applied Psychology and Social Work
- Oleg Semeryk – Technical Advisor for Reproductive Health / HIV, The Policy Project / Futures Group International

Tuesday – November 4th, 2003

- Zahedul Mohammed Islam – Head of Mission, Médecins sans Frontières
- Anja Teltschik – Head of Mission, AIDS Foundation East West
- Yury Sarankov – Harm Reduction Programme Coordinator, AIDS Foundation East West

A star (*) indicates a member of the Country Coordination Mechanism.

Annex 2 – List of documents and additional sources consulted.

On top of the documents reported in Annexes 3 to 15, this report benefited from the consultation of the following documents:

- Application Form submitted by Ukraine for the Project “Overcoming HIV/AIDS Epidemics in Ukraine”
- Contract between the World Health Organization acting in support of the Global Fund to Fight AIDS, Tuberculosis and Malaria and PricewaterhouseCoopers
- Principal Recipient Financial Management and System Assessment
- Program Grant Agreement between the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Ministry of Health of the Government of Ukraine
- Final Report of the Regional Meeting for Eastern Europe and Central Asia – Round One and Two Countries, held in Kyiv on May 14th – 16th, 2003
- Presentation by Andriy Klepikov (International HIV/AIDS Alliance / Ukraine) delivered during the GFATM Regional Meeting on “NGO Representation in CCMs: Lessons from Ukraine”
- Minutes of the CCM meeting held on May 14th, 2003 (in Ukrainian)
- Minutes of the CCM meeting held on October 9th, 2003
- Agenda of the Presidium meeting scheduled for October 31st, 2003 (in Ukrainian)
- Global Fund’s “Guidelines on the Purpose, Structure and Composition of Country Coordination Mechanisms” (June 4th, 2003)
- “ACT NOW. UN Strategic Framework to Support Implementation of Ukraine’s National Strategy on HIV/AIDS” (UN Country Team, 2002)
- “USAID/Ukraine Country Strategic Plan for 2003-2007”
- Issues No. 1, 2, 3 and 4 of the Bulletin “UNDP Partnership with the Global Fund”
- Issues No. 5, 7, 8, 9, 10, 11, 12, 13, 14 and 15 of the NGO Secretariat Bulletin (in Russian)

Annex 3 – Directive of the Cabinet of Ministers of Ukraine No. 1401 (October 26th, 2001).

Cabinet of Ministers of Ukraine

Directive No. 1401 of October 26th, 2001

Kyiv

Some issues of the Governmental Commission for HIV/AIDS Prevention

(with changes made pursuant to Cabinet's Directive No. 568 (568-2002-n) of April 26th, 2002)

The Cabinet of Ministers of Ukraine decrees as follows:

1. Rename the Governmental Commission for HIV/AIDS Prevention as the Governmental Commission to Fight HIV/AIDS.

The above Governmental Commission is the coordinator of the interaction between the Government of Ukraine with the Global Fund to Fight AIDS, Tuberculosis and Malaria. *(This paragraph has been added to Item 1 pursuant Cabinet's Directive No. 568 (568-2002-n) of April 26th, 2002)*

2. In accordance with partial change in Item 1 of the Cabinet's Directive (of February 7th, 2001) No. 116 (116-2001-n) "On the creation of the Governmental Commission for HIV/AIDS Prevention" (Official Bulletin of Ukraine, 2001, No. 6, p. 234) establish that the Governmental Commission to Fight HIV/AIDS is to include Vice Prime Minister of Ukraine (Chair of the Commission), Minister of Health (Deputy Chair of the Commission), Chief State Sanitary Physician of Ukraine (Deputy Chair of the Commission), Minister of Education and Science, Minister of Finance, Minister for emergencies and for the protection of population against the consequences of the Chernobyl accident, First Deputy State Secretary of the Cabinet of Ministers of Ukraine, State Secretary of the Ministry of Economics and European Integration, State Secretary of the Ministry of Culture and Arts, State Secretary of the Ministry of Labour and Social Policy, State Secretary of the Ministry of Defence, State Secretary of the Ministry of Internal Affairs, Deputy State Secretary of the Ministry of Justice, Deputy State Secretary of the Ministry of Foreign Affairs, Head of the State Committee for Youth Policy, Sports and Tourism, Head of the State Committee for Information Policy, Television and Radio, First Head of the Security Service, First Deputy Head of State Department for Correctional Facilities, President of the National Academy of Sciences, President of the Academy of Medical Sciences, Director of the Ukrainian AIDS Prevention and Control Centre of the Ministry of Health, Head of the AIDS Prevention and Treatment Unit of the Ministry of Health Department for the Prevention of Socially Dangerous Diseases, AIDS and Healthy Lifestyle Promotion (responsible secretary of the Commission), and also (by consent) Deputy Head of the Verkhovna Rada of Ukraine, Deputy Head of the Presidential Administration – Head of the Main Department for Domestic Policy, Head of the Verkhovna Rada Committee for healthcare, motherhood and childhood, President of the Red Cross Society of Ukraine.

3. Approve the Regulations on the Governmental Commission to Fight HIV/AIDS, which is given below.

4. Recognize the Regulations on the Governmental Commission for HIV/AIDS Prevention, approved with the Cabinet's directive No. 116 (116-2001-n) of February 7th, 2001 "On the creation of the Governmental Commission for HIV/AIDS Prevention", as invalid.

Prime Minister of Ukraine

A. Kinah

Annex 4 – Regulations on the Governmental Commission to Fight HIV/AIDS.

APPROVED

with the Cabinet's Directive No. 1401 on October 26th, 2001

Regulations on the Governmental Commission to Fight HIV/AIDS

1. The Governmental Commission to Fight HIV/AIDS (hereinafter referred to as the Commission) has been set up in order to pursue the state policy in this sphere.

2. In its activity the Commission is guided by the Constitution (254к/96-вр), Ukraine's laws "On preventing the acquired immunodeficiency syndrome (AIDS) and social protection of the population" (1972-12), other laws of Ukraine, acts issued by the President of Ukraine and the Cabinet of Ministers, and the present regulations.

3. The Commission's main objectives are as follows:

- identify priority areas of prevention, diagnostics, treatment and fundamental research on issues of HIV/AIDS;
- develop a package of strategic activities and programs to fight HIV/AIDS in Ukraine, and ensure the implementation of these activities and programs;
- coordinate the activity of central and local executive authorities, enterprises, institutions and organizations related to fighting HIV/AIDS;
- inform the President of Ukraine, the Verkhovna Rada of Ukraine, the Cabinet of Ministers, the international community and the population of Ukraine about the HIV/AIDS situation in Ukraine and the fight against this disease.

4. According to the objectives the Commission:

- prepares proposals based on international treaties concerning the involvement of Ukraine's representatives in conferences, symposiums, seminars and other anti-HIV/AIDS activities, and the facilitation of collaboration with international organizations and appropriate bodies of foreign countries in order to launch joint efforts and study their experience in these issues;
- helps adapt the national regulatory and legal base on issues of HIV/AIDS to international norms;
- organizes scientific, expert-analytical and informational provision for the implementation of anti-HIV/AIDS activities and programs;
- takes measures to attract investments for HIV/AIDS activities;
- helps improve the social, psychological and medical care delivery for HIV positive people and AIDS patients;
- oversees the state monitoring of the spread of HIV;
- formulates proposals to the Cabinet as regards addressing urgent HIV/AIDS problems, and a mechanism of interaction of executive authorities of all levels in fighting HIV/AIDS, and also as regards the distribution of funds and material-technical resources aimed at fighting HIV/AIDS;
- oversees that ministries and other central executive authorities meet Ukraine's commitments under international treaties in the area of HIV/AIDS.

5. The Commission is entitled to:

- if need be, set up expert panels (working groups) to develop proposals and recommendations, provide expertise and carry out research in HIV/AIDS issues, involving leading scientists, experts of research and development institutes, higher educational establishments, and other organizations (with permission from their directors);
- make proposals to the Cabinet of Ministers as regards applying to appropriate governmental and non-governmental organizations from foreign countries to establish bilateral collaboration, hold conferences, symposiums and seminars on HIV/AIDS issues;
- receive information necessary for achieving its objectives from ministries, other central executive authorities, the Council of Ministers of the Autonomous Republic of Crimea, regions, Kyiv and Sevastopol city state administrations, enterprises, institutions and organizations on a free of charge basis.

6. The composition of the Commission is approved by its Head after being submitted to the Ministry of Health.

7. The Commission collaborates with national and foreign institutions and organizations, among which it identifies partners for joint implementation of HIV/AIDS activities and programs.

8. The Commission itself established an order of its activity. The Commission holds its meetings if it is necessary, but at least once per quarter.

The Commission can invite officials from executive authorities and local governments, enterprises, institutions and organizations to take part in its sessions.

The Commission has the right to pass resolutions if at least two thirds of its membership are present at a meeting.

Decisions are passed by a majority of votes of those attending the session.

9. Decisions are recorded in the minutes, which are signed by its Head, and in case of his/her absence by the Deputy Head.

The decisions of the Commission are mandatory for execution by central and local executive authorities, enterprises, institutions and organizations.

10. The Ministry of Health ensures organizational-technical provision for the Commission's activities.

11. The Commission has a form with its name on it.

Annex 5 – Membership of the CCM (as of October 9th, 2003).

TABACHNYK Dmytro Volodymyrovych	Vice Prime Minister of Ukraine, CCM Chair
PIDAEV Andriy Volodymyrovych	Minister of Health, CCM Co-Chair
GARDNER Douglas	UN Resident Coordinator / UNDP Resident Representative, CCM Co-Chair
LAPUSHENKO Olha Vasylivna	Chief State Sanitary Physician
DOVZHENKO Valentyna Ivanivna	Chair of the State Committee of Family and Youth Affairs
<i>NAME NOT AVAILABLE</i>	First Deputy Minister of Justice
ZEMLYANSKY Vuriy Volodymyrovych	First Deputy Head of the Security Service
KREMEN' Vasyl Hryhorovych	Minister of Education and Science
YAROSHENKO Fedir Oleksiyovich	First Deputy Minister of Finance
MOTSYK Oleksandr Fedorovich	Deputy Minister of Foreign Affairs
OLIYNYK Oleksandr Mykolayovich	First Deputy Minister of Defence
PERSHYN Volodymyr Leonidovich	First Deputy Minister of Economy and Issues of European Integration
PTASHYNSKY Oleksandr Borysovych	First Deputy Head of the State Department for Correctional Facilities
REVA Hryhoriy Vasylyovych	Minister for Emergency Situations and for the Protection of Population from Chernobyl Accident Consequences
<i>NAME NOT AVAILABLE</i>	State Secretary of the Ministry of Internal Affairs *
ANDRIANOV Victor Mykhailovych	First Deputy Minister of Culture and Arts
FILIPOVYCH Serhiy Anatoliyovych	Deputy Head of the Department for the Prevention of Socially Dangerous Infectious Diseases, Ministry of Health
CHYZH Ivan Serhiyovych	Chair of the State Committee for Television and Radio Broadcasting
SHEVCHUK Oleksandr Anatoliyovych	Chairman of the Board of the Ukrainian Fund to Fight HIV/AIDS
SHNYPKO Oleksandr Serhiyovich	Deputy Minister of the Cabinet of Ministers
SHCHERBINSKA Alla Mikhailivna	Director of the Ukrainian Centre for AIDS Prevention
PATON Borys Evhenovych	President of the National Academy of Science
VOZIANOV Oleksandr Fedorovych	President of the Academy of Medical Science
FESHCHENKO Yuriy Ivanovych	Director of the TB and Pulmonology Institute of the Academy of Medical Science
SELNIKOVA Olha Petrivna	Director of the Epidemiology and Infectious Diseases Institute of the Academy of Medical Science

* The representative of the Ministry of Internal Affairs was added based on available information, including previous lists, but is not mentioned in the latest CCM membership list, which actually includes forty-four instead of forty-five names.

PANOK Vitaliy Hryhorovych	Director of the Ukrainian Scientific Methodological Centre of Applied Psychology and Social Work
USICHENKO Ivan Hnatovych	President of the Ukrainian Red Cross Society
AVRAMENKO Volodymyr Ivanovych	Director of the National Fund for Social Protection of Mothers and Children “Ukraine to Children”
PIDLISNA Natalia Borysivna	Director of the Substance Abuse and AIDS Prevention Foundation
RUDNIV Oleksandr Serhiyovych	President of the Association for Health Protection of Ukrainian Population
SEMIKOR Tetyana Evheniyvna	President of the Association “Faith, Hope, Love”
ZHOVTYAK Volodymyr Olehovych	Head of the Coordination Council of the All-Ukrainian Network of People Living with HIV/AIDS
BORUSHEK Iryna Oleksiyvna	Member of the Coordination Council of the All-Ukrainian Network of People Living with HIV/AIDS
BONDARENKO Anatoliy Matviyovych	President of the All-Ukrainian Charitable Organization “Lifetime Plus”
JACOBI Justine	UNAIDS Representative in Ukraine
FADEEVA Olena Heorhiyvna	Manager of the Social Sector Project, World Bank Representative Office in Ukraine
HARTLEY Jeremy	Head, UNICEF Representative Office in Ukraine
SUBBOTIN Yuriy Vasylyovych	WHO Liaison Officer in Ukraine
VORNYK Borys Mykhailovych	Coordinator of UNFPA Projects
GODFREY Nancy	Director of the Office of Health and Social Transition, USAID Mission in Ukraine
LAKHUMALANI Veena	HIV and Human Rights Adviser, British Council Ukraine
KLEPIKOV Andriy Oleksandrovych	Country Programme Director of International HIV/AIDS Alliance
POLTAVETS Denys Volodymyrovych	Public Health Programme Manager of the International “Renaissance” Foundation
HURAL Anatoliy Leontiyovych	President of the Joint Stock Company “DIAPROFMED”
KALYUZHNY Oleksandr Yuriyovich	General Director of Paradise Pictures Studio Limited Liability Company

Annex 6 – Proposals by PriceWaterhouseCoopers on the functioning of the CCM.

**Provisions on Activities of the Country Coordination Mechanism
on the Use of Funds of the Global Fund to Fight AIDS, Tuberculosis and Malaria**

The Country Coordination Mechanism shall be created by Ukrainian state authorities, non-governmental organizations and international organizations for the purpose of coordination of use of funds granted by the Global Fund to Fight AIDS in Ukraine.

I. Country Coordination Mechanism (CCM) structure.

The Country Coordination Mechanism shall consist of the Head of CCM and the Secretary appointed by the Government of the state and members of the CCM that represent the Governmental Commission on Struggle against AIDS, leading national and international non-governmental organizations. Within the period between meetings of the CCM the Secretariat of the CCM shall perform its functions. A group of experts shall operate at the Secretariat.

II. Meetings of the Country Coordination Mechanism (CCM).

- 1.1. Members of the CCM or their authorized representatives shall participate in the CCM meetings. The Chairman of the CCM ensures calling and holding of the CCM meetings and heads them. The Secretary of the CCM ensures keeping of minutes of the Meeting that are signed by the Chairman of the CCM and the Secretary.
- 1.2. The Chairman shall call meetings at least twice a year. Each member of the Board should be notified about the holding of the meeting and the notification shall indicate the place, date, time and agenda. The Chairman of the CCM shall be determine the venue of the meeting.
- 1.3. The notification about the regular meeting of the CCM should be sent by post, telephone, telegraph or facsimile not less than 30 (thirty) days before the date of holding of such Meeting. Upon this the CCM meeting can be held without any previous notification of the CCM member, and any member of the CCM may participate in the CCM meeting without receiving such notification, if he refuses in a written form from such notification.
- 1.4. The CCM meeting may consider and resolve only those issues that were included in agenda. Any of members of the CCM has the right to make its proposals in respect with agenda of the Meeting not less than 20 (twenty) days before calling of the meeting. Any of members of the CCM should be informed about changes in the agenda not less than 10 (ten) days before holding the meeting.
- 1.5. In case of necessity of urgent taking of decisions being in exclusive competence of the meeting, the Chairman of the CCM shall call an extraordinary meeting within a shorter term. An extraordinary meeting of the CCM should be called at the requirement of the Secretariat of the CCM or at the requirement of at least 2 (two) members of the Secretariat of the CCM. If the Chairman of the CCM did not fulfil the above requirement, members of the CCM Secretariat that initiated calling of the extraordinary meeting can independently call the CCM meeting.
- 1.6. The meeting is deemed to be competent if two thirds of members of the CCM are present. Each member of the CCM has one vote. All resolutions shall be taken by two thirds of votes of members of the CCM that participate in the meeting.
- 1.7. The following matters are within the competence of the CCM:
 - 1) Determination of the main directions of use of funds at the Grant Program;

- 2) Election and removal of Members of the CCM Secretariat;
- 3) Approval of annual plans of activity of the CCM Secretariat and reports on their fulfilment.
- 4) Control over use of funds of the Grant Program by the Principal Recipient (Recipients);
- 5) Approval of the provision on the tender procedure on selection of sub-recipients for implementation of some components of the Grant Program;
- 6) Approval of the list of expert groups for a year term that shall act at the CCM Secretariat;
- 7) Annual approval of an audit firm that will audit the Principal Recipient(s) and approval of fee to be paid for audit.

III. The Secretariat of the CCM.

- 2.1. The Secretariat of the CCM shall operate within the period between holding of the CCM meetings. The Secretariat shall consist of 9 (nine) persons: the Chairman of the CCM and 8 (eight) members elected by the CCM Meeting in accordance with the following quotas:
 - 1) 3 (three) members of the Secretariat are elected from the members of the CCM – representatives of the government of Ukraine.
 - 2) 3 (three) members of the Secretariat are elected from members of the CCM – international organizations and/or their representatives in Ukraine.
 - 3) 2 (two) members of the Secretariat are elected from the members of the CCM – Ukrainian public and/or charity organizations.
- 2.2. Members of the Secretariat shall be elected by the Meeting of the CCM for one year term by way of open voting in pro rata to the above quotes.
- 2.3. The following matters are within the competence of the CCM Secretariat:
 - 1) At the submission of the Principal Recipient (Recipients) approval of the annual plan and the budget for implementation of the Grant Programs for the current year;
 - 2) Taking of resolution on payment of funds of the current tranche for implementation of the Grant Program;
 - 3) At the submission of the Principal Recipient (Recipients) approval of the winner or winners of the tender (sub-recipients) on implementation of some components of the Grant Program;
 - 4) Provision of publication of results of the tender on selection of sub-recipients on implementation of some components of the Grant Program via mass media, Internet, etc.;
 - 5) Coordination of the terms of agreement between the Principal Recipient (Recipients) and sub-recipients – winners of the tender on implementation of some components of the Grant Program;
 - 6) Approval of scope and terms for financing of some components of the Grant Program within the annual budget;
 - 7) Approval of quarter reports of the Principal Recipient (Recipients) on use of funds at the Grant Program;
 - 8) Approval of the form of quarter report and annual report at the submission of the Principal Recipient (Recipients);
 - 9) Determination of functions and authorities of the group of experts, consideration of their recommendations and notes on use of funds at the Grant Program.
- 2.4. The Resolutions of the Secretariat shall be taken at their meetings. As a rule, the Secretariat meetings shall be held on a quarterly basis and called by the Chairman of the

- CCM. If necessary, meetings of the Secretariat can be called by any member of the Secretariat.
- 2.5. Each member of the Secretariat should be notified about the meeting of the Secretariat (the notification should indicate agenda, the place, date, time of its holding) by post, telephone, telegraph or facsimile not less than 10 (ten) working days before the date of such meeting.
 - 2.6. The meeting of the Secretariat can be held by way of a telephone conference on condition that members of the Secretariat participating in such conference can hear each other and communicate between themselves. The resolution taken by such way should be signed by all members of the Secretariat by way of exchange with letters.
 - 2.7. The Secretariat resolution can be also taken without the meeting by way of receiving the relevant written consent from each member with the suggested resolution. Resolutions taken by such way should be signed by the Chairman of the CCM.
 - 2.8. The presence of 7 (seven) members of the Secretariat constitute quorum. Each member of the Secretariat has one vote. The resolutions of the Secretariat at all issues shall be taken, if no less than 7 members of the Secretariat voted for such resolution.
 - 2.9. Resolutions taken at the Secretariat meeting shall be executed as a minutes of the meeting which is signed by all members of the Secretariat. The Secretary of the CCM shall keep such minutes of the meeting.
 - 2.10. An expert group of 10-12 experts shall operate at the Secretariat. Such expert group shall be elected for a year term and its composition is approved by the meeting of the CCM. The Secretariat of the CCM shall determine functions and authorities of the expert group.

The Principal Recipient (Recipients).

The Principal Recipient (PR) is a part of the Country Coordination Mechanism (CCM) and operates under general management and on behalf of the CCM. PR shall report and subordinate to the Global Fund (GF). The key requirement to the PR is availability and scope of developed structures that would allow the PR bear responsibility for financial management and implementation of the program. PR should have transparent systems and the relevant legal status that would allow it to receive, use, share and keep the relevant accounting of received funds and use them for purposes of the Grant Program, including for purchase of equipment, materials, etc.

Funds granted by the Global Fund at the Grant Agreement are transferred by the World Bank to the PR account. Then the PR shall ensure transfer of funds to Final Recipients for fulfilment of some components of the Grant Program at four main directions.

In our opinion the PR shall prepare the draft of annual budget and quarterly plan of its fulfilment which should be agreed with the CCM Secretariat. The PR shall submit to the Board of Global Fund the annual budget and quarterly plan of its fulfilment agreed with the CCM Secretariat at least two months before the beginning of the financial year.

We also consider that sub-recipients should report every month about their activity to PR with whom they concluded the relevant agreement. In its turn, the PR shall review and approve financial and technical reports of Final Recipients. Based on these reports PR shall prepare the aggregated quarterly report that it submits for consideration and approval of the CCM. The quarterly report of the PR should be also submitted to the Local Agent of the Global Fund to be reviewed. As we understand, the quarter report of the PR approved by the Global Fund is the basis for granting funds of the next tranche.

In accordance with Global Fund requirements Final Recipients shall be determined based on open tenders. The PR shall organize and conduct such tender. As we understand the PR shall develop terms and procedure for conducting the open tender. In our opinion the Provision on the tender procedure on selection of sub-recipients should be approved by the CCM. We also

consider it is reasonable that the CCM Secretariat shall approve the final winners of the tender at the submission of the PR, whereas the PR shall select the preliminary winners of the tender.

In our opinion the provision on the tender procedure on selection of sub-recipients should include:

1) Qualification requirements to pretenders.

The list of qualification requirements should be developed by PR and approved by the CCM. Such requirements may include:

- experience of work of a pretender for Final Recipient in the sphere of struggle against AIDS, in particular, in projects and programs similar to this one for which a pretender sent a bid;
- information about the financial situation of a pretender (for example, audit conclusion for the previous year, etc.);
- statutory documents of a pretender confirming the possibility for conducting of activities that corresponds to purposes of the program;
- availability of an organized system of reporting and accounting of financial funds;
- recommendations (resume) from third persons with a good reputation;
- other qualification requirements that will be developed by the PR.

2) Creation of the commission for tender selection and its authorities.

We consider it is reasonable that several members of the CCM Secretariat were included in the composition of the tender commission, and at least one of them should be a representative of non-governmental or international organizations. The following matters are in competence of the commission:

- development of the announcement about tender and its publishing,
- development of criteria for evaluation of tender proposals from pretenders and determination of preliminary winners of the tender;
- recognition of pretenders as participants of the tender at results of consideration of the documents submitted;
- determination of preliminary winners of the tender and their further consideration and approval by the Secretariat of the CCM;
- keeping of minutes of all meetings of the commission and their submission to be approved by the CCM secretariat;
- etc.

3) Procedure for preparation of the tender.

For this state the PR should approve the standard form of a bid for participation in the tender, prepare the package of tender documentation, as well as the draft of tender announcement.

4) Announcement of the tender.

PR should provide a publication about tender at least in one official printed publication, and also in local mass media. We also consider it is reasonable to place the announcement about tender on the web-site of the PR.

5) Procedure for filing of tender proposals.

In this chapter the marginal term for filing of tender proposals should be determined, as well as the established procedure for registration of tender proposals.

6) Procedure for consideration of tender proposals and determining of the preliminary winner.

The PR should provide the open and passionless consideration of tender proposals. It is also reasonable to establish the term for consideration of tender proposals by the tender commission.

Preliminary winners of the tender should be determined based on criteria for determining of tender winners approved by the CCM Secretariat. A resolution on determining of the preliminary winner of the tender shall be executed by the protocol of the tender commission that should be signed by all members of the tender commission.

7) Approval of the winner of tender and conclusion of agreement.

The PR shall submit the protocol of determining of the preliminary winners of the tender for the CCM Secretariat approval. The protocol of determining of the preliminary winners of the tender shall be the ground for conclusion of the agreement between the PR and winner of the tender who acquires a sub-recipient status for the purposes of the Grant Program.

We do not exclude the possibility if there are several Principal Recipients, then each of them may conduct a separate selection of sub-recipients on a tender basis. At the same time we are sure that the procedure for conducting a tender on selection of sub-recipients should be unified for all Principal Recipients and be approved by the CCM.

Annex 7 – Provisions on CCM Operation to Support Cooperation with the Global Fund to Fight AIDS, Tuberculosis and Malaria.

APPROVED

by the decision of the CCM Presidium session

(Minutes of the CCM Presidium session no. 1 – September 24, 2002)

PROVISIONS

On Country Coordination Mechanism Operation to Support Cooperation with the Global Fund to Fight AIDS, TB and Malaria

1. The Country Cooperation Mechanism on Cooperation with the Global Fund to Fight AIDS, TB and Malaria (hereinafter – the CCM) shall be established under the Governmental Commission to Fight HIV/AIDS (hereinafter – the Governmental Commission) for the purpose of ensuring the efficient use of grant funds provided by the Global Fund to Fight AIDS, TB and Malaria (hereinafter – the Global Fund) to implement the project “Overcoming HIV/AIDS Epidemic in Ukraine” (hereinafter – the Project) and to coordinate activities of organizations and institutions involved in its implementation.
2. The CCM should be made up of members of the Governmental Commission as well as partners of the Governmental Commission: international organizations, donors, non-governmental organizations, charitable organizations, the private sector and the network of people living with HIV/AIDS.
3. Three Co-Chairs shall head the CCM: the Vice Prime Minister of Ukraine, who is the Chair of the Governmental Commission, the Minister of Health of Ukraine and the UN Resident Coordinator in Ukraine.
4. The following shall be the major CCM objectives:
 - to define and approve the major lines of activities in the framework of implementing the Project components;
 - to approve annual reports and plans for further grant disbursement;
 - to control activities’ implementation within the Project components framework as well as targeted use of grant funds;
 - to coordinate activities of institutions and organizations involved in the Project implementation;
 - to inform the international community and the population of Ukraine on the Project objectives and the status of Project implementation.
5. The CCM shall independently define its operational procedures. The organizational form of CCM operation shall be the session where strategic issues of Project implementation are to be considered.

CCM sessions shall be held as the need arises but not less than twice a year. A CCM session shall be valid with participation of two thirds of CCM members. The decisions shall be adopted by simple majority of votes and documented in the minutes signed by the Co-Chairs.
6. To provide execution of the main tasks, the CCM shall elect a Presidium of 15 members. The CCM presidium shall be composed on the basis of the following quotas:
 - CCM Co-Chairs – 3 votes;

- Governmental sector – 6 votes;
 - International and donor organizations – 2 votes;
 - People living with HIV/AIDS – 1 vote;
 - NGOs and charitable organizations – 2 votes;
 - Private sector – 1 vote.
7. The Presidium is headed by the CCM Co-Chairs.
8. The main objectives of the CCM Presidium are:
- examination and approval of the Action Plans in the framework of Project implementation;
 - examination and endorsement of provisions, guidelines, technical assignments as well as other normative documents of the Project to enhance its implementation efficiency;
 - organization of the expert, analytical and informational background for the implementation of Project activities;
 - analysis and approval of the results of the review of applications by institutions and organizations willing to receive a share of the grant funds provided by the Global Fund according to Project components, decision on selection and further financing according to activity planning within Project implementation framework;
 - determination of the procedure for conducting examination of Project implementation status as well as of targeted use of grant funds;
 - inter-sectoral and inter-departmental coordination in implementing measures stipulated by the main Project components.

The operation form of the CCM Presidium work shall be sessions. A session of the CCM Presidium shall be valid with the participation of two thirds of CCM Presidium members.

The CCM Presidium shall determine the frequency of sessions.

The Presidium shall pass its decisions by simple majority of votes and document them in the minutes signed by the Co-Chairs. CCM Presidium decisions shall be binding for all Project participants.

9. To ensure organizational and technical support for the operations of the CCM and the CCM Presidium a Secretariat shall be formed. The Secretariat shall operate in compliance with the Provisions on the CCM Secretariat.

The financing of the CCM Secretariat shall be made with drawn funds and resources of CCM partners.

10. An Executive Secretary shall head the CCM Secretariat. The Executive Secretary shall be appointed CCM member.

Annex 8 – Membership of the CCM Presidium.

TABACHNYK Dmytro Volodymyrovych	Vice Prime Minister of Ukraine, CCM Chair
PIDAEV Andriy Volodymyrovych	Minister of Health, CCM Co-Chair
LAPUSHENKO Olha Vasylivna	Chief State Sanitary Physician
ZEMLYANSKY Vuriy Volodymyrovych	First Deputy Head of the Security Service
KREMEN' Vasyl Hryhorovych	Minister of Education and Science
PTASHYNSKY Oleksandr Borysovych	First Deputy Head of the State Department for Correctional Facilities
CHYZH Ivan Serhiyovych	Chair of the State Committee for Television and Radio Broadcasting
SHEVCHUK Oleksandr Anatoliyovich	Chairman of the Board of the Ukrainian Fund to Fight HIV/AIDS
GARDNER Douglas	UN Resident Coordinator / UNDP Resident Representative, CCM Co-Chair **
VORNYK Borys Mykhailovych	Coordinator of UNFPA Projects
GODFREY Nancy	Director of the Office of Health and Social Transition, USAID Mission in Ukraine
USICHENKO Ivan Hnatovych	President of the Ukrainian Red Cross Society
PIDLISNA Natalia Borysivna	Director of the Substance Abuse and AIDS Prevention Foundation
ZHOVTYAK Volodymyr Olehovych	Head of the Coordination Council of the All-Ukrainian Network of People Living with HIV/AIDS
KALYUZHNY Oleksandr Yuriyovich	General Director of Paradise Pictures Studio Limited Liability Company

** The UN Resident Coordinator was added based on available documents regulating the functioning of the Presidium, but is not mentioned in the CCM Presidium membership list, which actually includes fourteen instead of fifteen names.

PROVISIONS

On Country Coordination Mechanism Operation to Support Cooperation with the Global Fund to Fight AIDS, TB and Malaria

11. The Country Cooperation Mechanism on Cooperation with the Global Fund to Fight AIDS, TB and Malaria (hereinafter – the CCM) shall be established under the Government Commission to Fight HIV/AIDS (hereinafter – the Governmental Commission) for the purpose of coordination of submission of proposals from Ukraine to the Global Fund to Fight AIDS, TB and Malaria (hereinafter – the Global Fund) and to control implementation of measures within the framework of the approved project “Overcoming HIV/AIDS Epidemic in Ukraine” (hereinafter – the Project).
12. The CCM should be made up of members of the Governmental Commission as well as partners of the Governmental Commission: international organizations, donors, non-governmental organizations, charitable organizations, the private sector and the network of people living with HIV/AIDS as well as representatives of the principal recipients of Global Fund funds, totalling 45 persons. Partners’ representation shall be determined by the following quotas:
 - People living with HIV/AIDS – 3 representatives;
 - Non-governmental organizations and charities – 5 representatives;
 - Private sector – 2 representatives;
 - Academic / educational sector – 5 representatives;
 - Governmental sector – 20 representatives;
 - International organizations – 10 representatives.
13. Three Co-Chairs shall head the CCM: the Vice Prime Minister of Ukraine, who is the Chair of the Governmental Commission, the Minister of Health of Ukraine and the UN Resident Coordinator in Ukraine.
14. The governmental sector of the CCM shall consist of the members of the Governmental Commission. The membership of the Governmental Commission shall be approved by its Chair (the Vice Prime Minister of Ukraine) upon submission of the Ministry of Health of Ukraine. The membership of the governmental sector will be changed simultaneously with changes in the Governmental Commission. CCM composition shall be changed among the representatives of the international and community organizations, private sector, academic / educational sector and representatives of people living with HIV/AIDS by annual rotation of not less than one third of the representatives of the corresponding sector. The rotation shall be performed upon submission of the corresponding sectors. The representatives of the organizations serving as Principal Recipients of funds under the Global Fund grant are not subject to rotation during the implementation of their project under the grant and shall not be excluded from CCM membership. The Principal Recipients of funds shall act in accordance with the Provisions on Principal Recipients of the Global Fund funds and with the Program Grant Agreements with the Global Fund.
15. The following shall be the major CCM objectives:
 - to define and approve the major lines of activities in the framework of implementing the Project components;
 - to approve annual reports and plans for further grant disbursement;

- to control activities' implementation within the Project components framework as well as targeted use of grant funds;
- to coordinate activities of institutions and organizations involved in the Project implementation;
- to provide information support for implementation of the Project activities by means of mass media.

The CCM shall independently define its operational procedures. The organizational form of CCM operation shall be the session where strategic issues of Project implementation are to be considered.

CCM sessions shall be held as the need arises but not less than twice a year. A CCM session shall be valid with participation of two thirds of CCM members. The decisions shall be adopted by simple majority of votes and documented in the minutes signed by the Co-Chairs.

16. To provide execution of the main tasks, the CCM shall elect a Presidium of 15 members. The CCM presidium shall be composed on the basis of the following quotas:

- CCM Co-Chairs – 3 votes;
- Governmental sector – 6 votes;
- International and donor organizations – 2 votes;
- People living with HIV/AIDS – 1 vote;
- NGOs and charitable organizations – 2 votes;
- Private sector – 1 vote.

17. The Presidium is headed by the CCM Co-Chairs.

18. The main objectives of the CCM Presidium are:

- examination and approval of the Action Plans in the framework of Project implementation;
- examination and endorsement of provisions, guidelines, technical assignments as well as other normative documents of the Project to enhance its implementation efficiency;
- organization of the expert, analytical and informational background for the implementation of Project activities;
- analysis and approval of the results of the review of applications by institutions and organizations willing to receive a share of the grant funds provided by the Global Fund according to Project components, decision on selection and further financing according to activity planning within Project implementation framework;
- determination of the procedure for conducting examination of Project implementation status as well as of targeted use of grant funds;
- inter-sectoral and inter-departmental coordination in implementing measures stipulated by the main Project components.

The operation form of the CCM Presidium work shall be sessions. A session of the CCM Presidium shall be valid with the participation of two thirds of CCM Presidium members.

The CCM Presidium shall determine the frequency of sessions.

The Presidium shall pass its decisions by simple majority of votes and document them in the minutes signed by the Co-Chairs. CCM Presidium decisions shall be binding for all Project participants.

19. To ensure organizational and technical support for the operations of the CCM and the CCM Presidium a Secretariat shall be formed. The Secretariat shall operate in compliance with the Provisions on the CCM Secretariat.
20. The financing of the CCM Secretariat shall be made with drawn funds and resources of CCM partners.
21. An Executive Secretary shall head the CCM Secretariat. The Executive Secretary shall be appointed CCM member.

Annex 10 – Proposals by the Group of International Organizations and Donors.

The Country Coordinating Mechanism (CCM) is the primary decision-making body to ensure that the purpose of the Project is achieved within the framework and spirit of all international human rights conventions. *The purpose of the Project is to prevent the spread of HIV in Ukraine and to mitigate its social and economic impact.* The CCM will provide overall management, and all other partners will report to it. Its roles will be to:

- Establish policies and management procedures to govern the implementation of the Global Fund Project in Ukraine. Policies and procedures will need to reflect not only Ukrainian laws and practices but also those accepted internationally as well as standards and guidelines established by the Global Fund.
- Determine criteria for, and approve membership on, the CCM, as well as defining the rights and responsibilities of member organizations.
- Nominate Principal Recipients for Ukraine to the Global Fund, monitor their performance, and approve changes as required.
- Monitor the work of the Principal Recipients to ensure that Project funds are utilized efficiently and effectively.
- Approve work plans, and financial and programmatic reports of the Principal Recipients, and forward comments as needed to the Global Fund.
- Approve members of expert technical working groups proposed by Principal Recipients through the CCM Presidium.
- Approve grants proposed by the Principal Recipients that exceed \$100,000.
- Represent the Global Fund Project in Ukraine to the public and other interested parties through its Chair and Co-Chairs.

The CCM will be supported by a Presidium to whom it shall delegate some decision making powers, as membership on the Presidium will incorporate representatives of all key groups having membership on the CCM. The roles of the Presidium will be to:

- Propose policies and management processes and procedures for consideration and approval by the CCM.
- Make preparations for actions and decisions to be taken by the CCM.
- Review and comment on proposed members of expert technical working groups proposed by Principal Recipients for approval by the CCM.
- Review and comment on quarterly reports from the Principal Recipients.
- Advise the CCM of issues arising and proposals for actions to be taken.

The CCM will be supported by a Secretariat whose primary role is to provide administrative support to the CCM and its Presidium. While members of the CCM can support the functioning of the Secretariat, the Secretariat should be a body independent of the six key in-country Project partners listed above. Specific roles of the Secretariat will be to:

- Support the organization and preparation of CCM and Presidium sessions by issuing invitations, drafting agendas, forwarding information and reference materials, collecting comments and proposed amendments/changes, ensuring suitable venues, etc.
- Provide translation during CCM and Presidium meetings as well as of Project documentation.

- Administrative support to the Chair and Co-Chairs in representing the Project to the Public and other interested parties as requested by the CCM or its Presidium.
- Facilitate communications between the CCM, the Presidium, the Principal Recipients, and the Global Fund Secretariat.
- Ensure the availability and flow of information between all Project partners, those in-country and the Global Fund Secretariat.
- Provide information on the Project or its management to CCM members.

The Principal Recipients carry out grant management functions. As such, Principal Recipients should not, in principle, be grantees; exceptions shall be considered on a case by case basis by the CCM. As outlined by the Executive Director of the Global Fund, Principal Recipients “will be responsible and answerable to the CCM, and accountable for results to the Global Fund.” The roles of Principal Recipients will be to:

- Ensure that Project funds are used for activities in support of Project Objectives, in other words either to provide treatment, care and support, to provide information and education, or to introduce measures on a reduction of risk.
- Formulate annual work plans and prepare quarterly reports on financial management and programmatic progress for review and approval by the CCM and the Global Fund Secretariat.
- Propose members of expert technical working groups through the Presidium to the CCM for approval.
- Subsequently, establish and support expert technical working groups to review competitive tenders and responsive bids.
- Report in writing the results of all competitive tenders and responsive bids to the CCM.
- Distribute to, and monitor the use of funds by, grantees to ensure that Project funds are utilized efficiently and effectively to achieve Project Objectives.

The role of the Local Fund Agent (LFA) is being established by the Global Fund to take primary responsibility for monitoring the use of Project funds. The LFA will report directly to the Global Fund Secretariat.

Annex 11 – Letter by GIDO to Vice Prime Minister Seminozhenko (October 15th, 2002).

The Group of International Organizations and Donors
Country Coordinating Mechanism
Project for Overcoming HIV/AIDS Epidemic in Ukraine

October 15th, 2002

Mr. V. Seminozhenko, Vice Prime Minister
Chair, Country Coordinating Mechanism
Project for Overcoming HIV/AIDS Epidemic in Ukraine

Dear Honourable Vice Prime Minister and Chair,

Members of the International Organizations and Donors participating in the Country Coordinating Mechanism (CCM) for the Project “Overcoming HIV/AIDS Epidemic in Ukraine” (Project) have met several times over the past two weeks to consider all of the documents proposing a management structure for this Project. We have come to a consensus, and we would like to take this opportunity to outline the outcomes of our deliberations and our proposals for consideration by the Presidium.

We would like to propose that the next meeting of the Presidium defer discussion of individual documents on each body within the management structure. Instead, **we would like to propose that the next meeting of the Presidium be devoted exclusively to consideration of an overview of the roles and responsibilities of each body within the Project Management structure, their relationships to each other, and core principles to minimize and manage potential conflicts of interest.** We believe that once these fundamental issues have been considered and agreed, detailed documents on each organization can then be finalized very quickly.

In proposing the following principles for consideration, we believe that they address issues of the highest priority in establishing a management structure for Global Fund support to the Ukraine. In formulating these principles, we drew upon all documents that have been prepared to date on the proposed Project management structure, and we took into account the first meeting of the Presidium. We also reviewed documents issued by the Global Fund Secretariat, and we incorporated feedback our organizations have received from the recent meeting of the Global Fund Board. We have taken into consideration the roles of the Global Fund Secretariat and the World Bank as Trustee in our proposals, but our primary focus is on the six (6) key in-country partners for the Ukraine Project. These six partners include first the Country Coordinating Mechanism, its Presidium and Secretariat, second the Principal Recipients and their grantees, and last the Local Fund Agent.

As representatives of International Organizations and Donors committed to support the work of the Global Fund, we believe that timely agreement on these principles and the management

structure they outline will place Ukraine in a somewhat unique position to become one of the first recipients of the Global Fund. Representatives of our group would be pleased to prepare a brief presentation of our recommendations for the next Presidium meeting, if this would facilitate discussion. We look forward to working in close collaboration with members of the Presidium and CCM to agree on a management structure and procedures, and offer these proposals as further support of our interest and commitment to the Ukraine Project.

Yours sincerely,

Members of the Group of International Organizations and Donors

Cc: CCM Co-Chairs,
Dr. V. Moskalenko, Minister of Health
Mr. D. Gardner, UN Resident Representative
Principal Recipients,
Dr. V. Moskalenko, Minister of Health
Mr. D. Gardner, UN Resident Representative
Director, Ukrainian HIV/AIDS Fund
Executive Secretary CCM, Mr. V. Shevchuk
Members of the Presidium

Annex 12 – Letter by GIDO to Vice Prime Minister Tabachnik (February 12th, 2003).

February 12th, 2003

Mr. D. Tabachnik, Vice Prime Minister
Chair, Country Coordinating Mechanism
Project for Overcoming HIV/AIDS Epidemic in Ukraine

Dear Honourable Vice Prime Minister and Chair,

As International and Donor Organizations of the Country Coordination Mechanism (CCM) on the Grant to Ukraine from the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, we wish to congratulate you on the assumption of the office of Vice Prime Minister and wish you every success in your work. We would like to take this opportunity to draw your attention to our letter of 15 October outlining our proposals for provisions that give an overview of the roles and responsibilities of each body within the Project Management structure, their relationships to each other, and core principles to minimize and manage potential conflicts of interests.

We asked that this proposal be tabled for discussion at the next meeting of the Presidium. We believe that these fundamental principles and roles must be considered and agreed as they address issues of the highest priority in establishing a management structure for Global Fund support to Ukraine. We have offered to prepare a brief presentation of our proposals.

We respectfully ask that our proposals be tabled for consideration at a next meeting of the Presidium for further discussion and approval by the CCM. Our proposals reflect our concern that the roles and responsibilities of the CCM must be more clearly defined and agreed immediately, and they also reflect our concerns about appropriate involvement of civil society within the CCM and its Presidium as well as within the choice of Principal Recipients, especially those working at the grass root level and independently of government. We believe that the project would benefit from a wider representation from Ukrainian civil society as well as from the regions both within government and civil society. In recent months, the Ministry of Health and Ukrainian Fund have made impressive efforts to involve a wide range of stakeholders in working groups for each grant agreement. We would like to see these efforts institutionalised and strengthened within the CCM and Presidium. In light of the complexity of many of these issues and the need to address them within the coming six months, we feel that the meeting of the Presidium is required to allow for adequate discussion and consensus on ways forward before the full CCM is convened.

International Organizations and Donors look forward to working closely with you and other new members of the CCM to ensure that the Global Funds are used to slow the spread of the epidemic in Ukraine and to begin to mitigate the many consequences for Ukrainian society. We look forward to working together to achieve the best possible results in the fight with HIV/AIDS.

We appreciate your commitment to the issues of HIV/AIDS and look forward to working closely with you and other members of the CCM.

Yours sincerely,

Veena Lakhmalani, the British Council
Andrey Klepikov, International HIV/AIDS Alliance
Anja Nitzsche, the European Union
Denis Poltavets, the Renaissance Foundation
Yelena Fadeeva, the World Bank
Natalia Gordiyenko, UNDP
Jeremy Hartley, UNICEF
Yury Sarankov, Foundation East-West
Yury Subbotin, WHO
Nancy Godfrey, USAID

Cc: Principal Recipients,
Dr. A. Pidayev, Minister of Health
Mr. D. Gardner, UNDP Country Representative
Mr. V. Shevchuk, Director, Ukrainian HIV/AIDS Fund
Members of the Presidium

Annex 13 – Letter by NGOs to Vice Prime Minister Tabachnik (September 2003).

Dear Mister Vice Prime Minister,

On behalf of the numerous group of non-governmental organizations (further NGOs), that have wide experience in counteracting HIV/AIDS expansion in Ukraine, we are authorized to inform you about the decision to create NGO coalition.

Coalition will support NGO members who represent its interests in the Country Coordination Mechanism (CCM).

CCM members will be appointed and chosen by the majority of NGOs that are dealing in the given field of activity. This important decision was taken during the meeting of NGOs that work in HIV/AIDS prophylaxis branch that was held in Kiev on June 3 – 4, 2003.

With this letter we inform you about our concern with the unsatisfactory situation concerning Ukraine/GF project in the past as well as at present, and we inform you about our intention to work aiming at improvement of the situation. Our efforts with full transparency will be directed at activities maintenance connected to the answer on HIV/AIDS epidemics and changes I politics of Ukraine/GF project management. These efforts will coordinate the present situation with the mentioned below goals and procedure norms of GF worldwide operations.

In general, we are concerned about the following:

- Lack of proportional balance for NGO members in CCM;
- Lack of transparency in the processes that are held by main recipients, in particular: planning, implementation and evaluation of GF Project in Ukraine;
- Halt in CCM Presidium work that was and should be working group for decision of quick and urgent project problems.
- Lack of mechanism for monitoring of the main recipients concerning planning and preparation processes.
- Ignoring of NGOs in planning, preparation and GF financed project realization processes in Ukraine, especially in treatment organization in accordance with world standards.
- Lack of CCM Secretariat.

Our proposals are the following:

- To strengthen NGO role in planning, preparation, realization, monitoring and evaluation processes on all components of the GF project in Ukraine by means of enlarging NGO representatives among CCM members and acknowledging their personal role in the above-mentioned project;
- To ensure that NGOs, chosen to CCM, represent as wide as possible spectre of interests and are recognized as NGOs that correspond to international standards;

- To create mechanism that will ensure full participation of NGOs in GF Project realization through improvement and systematisation of the work of the Presidium, to increase the number of NGOs in the Presidium;
- To ensure transparency by means of information and coverage of all events through quarterly reporting of the main recipients to the public concerning GF project maintenance, providing information for NGO Secretariat.
- To organize the work of CCM Secretariat on the basis of NGO Secretariat.
- To ensure ARV treatment that would correspond to world standards and would include social accompaniment.

Concerning proposals we hope that you will actively support our efforts directed at work improvement of all GF/Ukraine system in the direction of its goal orientation and efficacy.

On behalf of 31 NGOs,

CCM members ...

Annex 14 – Results of the poll by the NGO Secretariat on “NGO Awareness on Implementation of GF Project in Ukraine”.

Date of conducting the poll – May 2003

The poll was conducted for HIV-servicing organizations working in Ukraine with more than one year's experience in the field by e-mail questioning. The questionnaire was distributed among organizations from NGO Secretariat database.

The aim of the poll was to get a qualitative picture of NGOs' vision of GF project implementation processes in Ukraine.

The poll is not a representative one, as only ten NGOs sent back the filled questionnaires. This number of respondents doesn't allow us to identify the results with the opinion of all HIV/AIDS-servicing NGOs.

The results will be taken into consideration in the work of NGO Secretariat, and also presented at the meeting of 12 countries of Eastern Europe and Central Asia for Principal Recipients. The information is generalized. To ensure confidentiality no respondents' data are indicated.

In general NGOs are aware about the GF project structure, but the majority of participated in the poll does not know the Local Agent, although all of them received the NGO Secretariat bulletins with the detailed scheme of all project participants. Apparently, «Price Waterhouse Coopers», GF Local Agent in Ukraine, is not enough frequently mentioned with regard to the project.

NGOs admitted lack of transparency in the project: *“decision-making process is not transparent, local state authorities hide information”*. Organizations have tendency to express their confidence not to structures or organizations in general, but to certain people who quite effectively advocate for NGOs. Almost all NGOs have fears about the distribution of financial resources: *“We are afraid that GF money will be stolen...”*.

Among positive trends in NGO participation the following was noted: *“practice of joint discussions and on-going provision of information to NGO initiated by GF for the last several months. It gives hope and credibility”*.

All participated NGOs agreed with the priorities defined in Ukraine's application and were familiar with project working plan. A lot of NGOs answered that they got such information through NGO Secretariat bulletins.

According to NGOs, GF differs from other donors, first of all, with *“levels of funding”, “global financing”* and *“coverage of target groups”*. But, on the other hand, *“considerable level of bureaucracy”* and *“less efficiency”* were mentioned. Besides, some delay in project implementation was noted: *“The process was prolonged”*.

NGOs were quite optimistic concerning the project's perspectives in Ukraine: *“the activity of this Fund is vitally important for the life and health of our population”, “the work of the GF is very much needed in Ukraine, perspectives are very favourable”*.

Some fears arose concerning organization of activities in regions (*“The work should be neatly organized in regions”*), and possible lack of understanding from local authorities.

All the NGOs have plans to apply for funding within the frame of GF project by components: informational-educating campaigns; reduction of HIV infecting in vulnerable groups; treatment, care and support for AIDS victims. Possible problem in project design is too short preparation term: *“we got information about the nearest competition on May 5th, and the deadline is May 24th. It's too hard to prepare a good application in such a term”*. At the same time, NGOs highly evaluated their chances for funding *“if selection criteria are fair”*.

NGOs mentioned minimal participation of NGOs in the decision-making process, and in the majority cases it is equivalent to zero: *"We are not aware of any decision concerning GF project in which Ukrainian NGOs took part"*. Nevertheless, NGOs consider that effective advocacy is possible through CCM members from NGOs and PLHA, plus NGO Secretariat.

Ukrainian NGOs expressed a lot of interest in establishing contacts and experience exchanges with NGOs from other countries.

NGOs that participated in the poll put the following questions to GF Secretariat in Geneva, Principal Recipients, CCM, GF Local Agent, NGO Secretariat:

- When will the funding start?
- Are there provisions for prevention programs?
- Will the experience of local NGOs be taken into account?
- Why is it not possible to allocate funds for NGOs separately, so that state authorities will not be able to decide to which NGO provide funds and how many?
- Why is it not possible to give NGOs credit to handle their share in the project independently of PRs? Why then do we need NGO representation in CCM, Secretariat, etc.?
- Are there provisions for support of ethnical minorities?
- Where to send applications? What is the mechanism of their consideration?
- Who will review the projects (members of commissions)?
- What are the activities at the moment and how could we participate in them?
- Who will be the GF official representative in Ukraine?
- What NGOs have got grants?
- What competitions are announced by GF for NGOs?

NGOs expressed their desire to get more information on PRs, CCM, GF activities. The majority considers that it is necessary to organize a meeting for NGOs in order to extend NGOs' participation in the implementation of GF project in Ukraine.

NGO Secretariat on cooperation with GF in Ukraine

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Annex 15 – Consensus statement of participants in the meeting “NGO participation in the implementation of the components of the national programmes on reproductive health and HIV/AIDS prevention and of the GF Project”.

Kiev, June 3rd – 4th, 2003

We, participants in the meeting “NGO participation in the implementation of the components of the national programmes on reproductive health and HIV/AIDS prevention and of the GF Project”, in representation of the non-governmental organizations working in the field of HIV/AIDS,

- confirming the existence of problems in the answer to the HIV/AIDS epidemics in Ukraine,
- considering the worsening epidemiological situation in Ukraine, leading to a deterioration in the socio-economic preconditions necessary to preserve and improve the health of the country,
- taking into account the experience gathered by the NGO community in taking action against the epidemic over the last five years,
- paying due attention to the decisions taken during previous all-Ukrainian conferences of the organizations working in the field of HIV/AIDS,
- understanding that the participation of the third sector to the fight against the epidemic contributes to the process of democratisation of society,
- taking into account the contemporary trend to broaden the possibilities of civil society in reply to the epidemic,
- being convinced of the necessity to broaden the participation of NGOs and PLHA in the planning, implementation, monitoring and evaluation of the components of the National Programme “Reproductive Health 2001-2005”, of the Programme of HIV Prevention and Support and Treatment for HIV-positive and AIDS patients for 2004-2008, of the Global Fund Project and of other programmes in reproductive health/HIV/AIDS,
- acknowledging the successful functioning of the NGO Secretariat and the need to further develop effective interaction patterns among NGOs;

express their concern about:

- the lack of transparency in the planning, preparation and implementation of the Global Fund Project in Ukraine,
- the lack of real equality of powers among the members of the Country Coordination Mechanism,
- the lack of procedures suitable to exercise an influence on Principal Recipients,
- the lack of a proportional representation of NGOs working in the field of HIV/AIDS in the Country Coordination Mechanism,
- the lack of attention paid to the opinions of NGOs in the process of planning, preparation and implementation of the Global Fund Project in Ukraine,
- the poor coordination of activities among NGOs,
- the limited involvement of the Network of PLHA in the decisions concerning the purchase of drugs for highly active anti-retroviral therapy,
- the lack in the country of substitution therapy, which reduces the effectiveness of ARV therapy;

underline the need:

- to take urgent measures to strengthen the role of NGOs in the planning, preparation, implementation, monitoring and evaluation of the components of the Global Fund Project in Ukraine,
- to ensure the transparency of all the processes linked to the planning, implementation and evaluation of the Global Fund Project in Ukraine,
- to entrust full powers to the members of the Country Coordination Mechanism selected among the NGOs working in the field of HIV/AIDS;
- to increase the number of NGOs working in the field of HIV/AIDS in the Country Coordination Mechanism,
- to establish a procedure suitable to exercise an influence on Principal Recipients, in order to ensure a fully-fledged participation of NGOs in the implementation of the Global Fund Project in Ukraine,
- to establish a Coalition among the NGOs working in the field of HIV/AIDS, with the responsibility to take into account the interests of all the NGOs providing HIV-related services,
- to ensure the coordination between the NGO Secretariat and the Coalition, in order to ensure the provision of full and comprehensive information to the NGO and the collection and analysis of the opinions of the NGOs;

and approve the following decisions and recommendations:

1. approach the Country Coordination Mechanism and its Co-Chairs with the request
 - to include in the membership of the Country Coordination Mechanism more than five selected NGOs providing HIV-related services,
 - to resume regular meetings of the CCM Presidium, as the working group established to solve quickly any urgent problem of the Global Fund Project in Ukraine and to ensure the monitoring of the actions of Principal Recipients,
 - to establish as a matter of urgency the CCM Secretariat, using as a basis the NGO Secretariat, using for this purpose the money earmarked for this activity by the Principal Recipient responsible for Component 1 (Ukrainian Fund to Fight HIV/AIDS);
2. approach the Principal Recipients with the request
 - to ensure transparency in carrying out project tenders,
 - to enlist selected members of the NGOs included in the CCM and in the working group of the NGO Coalition for compulsory reviews about the planning and the evaluation of the Global Fund Project in Ukraine,
 - to take into account, in the planning phase, the needs by all the regions of Ukraine for the implementation of the Global Fund Project in Ukraine, especially as far as drug-related harm reduction measures are concerned,
 - to ensure the balance in the distribution of resources across the sectors of the economy envisaged in the grant application,
 - to provide a detailed report to the population at large at the end of each quarter, supplying all necessary information to the NGO Secretariat, and to prepare open short accounts for publication in the Ukrainian-language press;
3. approach the Board of the Global Fund and the Local Fund Agent with the plea
 - to support the lawful requests of the NGOs to take part in planning, implementation and evaluation of the Project,

- to take urgent actions for the prevention of conflicts of interest,
 - to ensure suitable control and monitoring of the development of the Project and to include in this process a selected working group of the NGOs providing HIV-related services;
4. approach the NGO Secretariat on cooperation with the Global Fund in Ukraine with the recommendation
- to carry out elections for the group of NGOs providing HIV-related services, taking into account the need for rotation,
 - to ensure coordination with the selected group of NGOs providing HIV-related services,
 - to work out a proposal for the establishment of the CCM Secretariat on the basis of the NGO Secretariat.

In order to turn into practice the decisions undertaken, meeting participants agreed:

1. to establish the Coalition of the NGOs providing HIV-related services,
2. to entrust the original working group with the responsibility to
 - take part in the activities and programmes of the Global Fund Project in Ukraine,
 - represent the interests of all the organizations providing HIV-related services in the CCM,
 - to work out a project for advocacy activity, making provisions for the representation of the interests of NGOs providing HIV-related services in the implementation of the Global Fund Project in Ukraine,
 - to inform all the delegates about its activities,
 - to take part in the work of the Country Coordination Mechanism.

Meeting participants take upon themselves the commitment to participate actively in the implementation of the Global Fund Project in Ukraine, of the components of the National Programme "Reproductive Health 2001-2005" and of the Programme of HIV Prevention and Support and Treatment for HIV-positive and AIDS patients for 2004-2008, in such a way to stop the HIV/AIDS epidemic in Ukraine and to ensure the prevention of its consequences.

Annex 16 – Draft invitation letter and agenda of the brainstorming session held on November 3rd, 2003.

Brainstorming meeting

STRENGTHENING OF THE ADMINISTRATIVE CAPACITY OF THE COUNTRY COORDINATION MECHANISM

Kiev – Ministry of Health

Monday November 3rd, 2003; h. 10:00 – 17:00

In the week from October 27th to November 2nd, 2003 the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (GFATM) organized a mission to Kiev for a consultant, Prof. Luca Brusati, in order to assess the effectiveness of the Country Coordination Mechanism and the options for its further development. This mission to Ukraine is part of a global exercise meant to review the coordination and implementation mechanisms adopted worldwide by the Global Fund itself.

This assessment is very timely, in view of the recent decision by the CCM to establish more explicit internal rules for administration. For this reason it has been agreed to arrange a one-day brainstorming meeting with the consultant appointed by the Global Fund, in order to share the information he collected during the previous week, to provide feedback and to ensure the validation of the proposals he came up with.

Based on this discussion, the meeting will also serve to pinpoint the needs perceived by all the members or by specific subgroups within the CCM. This is a natural complement to a better specification of task and responsibilities within the CCM, as the new organizational arrangements are likely to highlight the needs for new skills and competencies.

The expected outcomes of the meeting are therefore twofold:

- A shared definition of the strengths and weaknesses of the existing CCM, together with an opportunity to discuss possible approaches to the strengthening of its potential;
- A list of recommended actions to meet the needs perceived by CCM members, suitable for submission to potential donors willing to contribute to the effectiveness of the CCM.

Taking into account that representation of and accountability to different interests are crucial to legitimise the activities and decisions of the CCM, it has been agreed that participation in the meeting will not be reserved to CCM members only, but will be open to a selected number of representatives of other organizations sharing a direct interest in the effectiveness of the work of the CCM.

The preliminary schedule for the day is as follows:

- 10:00 – 10:30 Opening of the brainstorming meeting and presentations
- 10:30 – 11:15 Preliminary feedback by Prof. Luca Brusati and plenary discussion
- 11:15 – 11:30 Coffee break
- 11:30 – 13:00 Work in groups (1): implications of the redesign of CCM administrative mechanisms
- 13:00 – 14:00 Lunch
- 14:00 – 14:30 Plenary session: implications of the redesign of CCM administrative principles
- 14:30 – 16:00 Work in groups (2): emerging needs and possible ways to meet them
- 16:00 – 16:15 Coffee break

16:15 – 16:45 Plenary session: emerging needs and possible ways to meet them

16:45 – 17:00 Wrap-up and closing

An active contribution by all participants throughout the day is obviously an important prerequisite for the success of the meeting.

Please confirm your attendance by contacting

Annex 18 – List of participants in the debriefing session held on November 3rd, 2003.

- Zhanna Tsenilova – Head of the External Relations Department, Ministry of Health
- Tetyana Aleksandrina– Head of the Department for the Prevention of Socially Dangerous Infectious Diseases, Ministry of Health
- Sergiy Filippovich– Director, Programme Implementation Unit
- Nancy Godfrey– Director of the Office of Health and Social Transition, USAID
- Oleksandr Cherkas – Mission Environmental Officer, USAID
- Veena Lakhumalani – HIV and Human Rights Adviser, British Council Ukraine
- Irina Sukhinina – Junior specialist, British Council Ukraine
- Natalya Pidlisna – Executive Director, Substance Abuse and AIDS Prevention Foundation
- Anastasiya Marchuk – Coordinator, NGO Secretariat
- Olena Semenova – Specialist, All-Ukrainian Network of People Living with HIV/AIDS
- Liliya Duma – Staff member, NGO Secretariat
- Helen Petrozzola – Project Manager, United Nations Development Programme
- Viktoriya Dzyuba – Specialist, United Nations Development Programme
- Oleksandr Shevchuk – Chairman, Ukrainian Fund to Fight HIV/AIDS
- Tetyana Mosendz – Consultant, Ukrainian Fund to Fight HIV/AIDS
- Natalya Merzheva – Consultant, Ukrainian Fund to Fight HIV/AIDS
- Denis Poltavets – Public Health Programme Manager, International Renaissance Foundation
- Oleg Semeryk – Technical Advisor for Reproductive Health / HIV, The Policy Project / Futures Group International
- Valery Khmarskiy – Deputy Director, Ukrainian Centre for AIDS Prevention
- Vladimir Romaniv – Executive Secretary, CCM Secretariat

Annex 19 – Minutes of the debriefing session held on November 3rd, 2003.

From October 28th to November 4th the Global Fund expert-consultant Prof. Luca Brusati worked in Ukraine to evaluate CCM work and to develop recommendations for the future. During the time Prof. Brusati was here he had many meetings, practically with all GF Project acting agents in Ukraine: Principal Recipients (PR), CCM members, sub-recipients, CCM Secretariat and NGO Secretariat.

As a result of his visit, on November 3rd Prof. Brusati held at the MOH a workshop on the issues concerning CCM work in Ukraine. Workshop participants included representatives of the Principal Recipients, CCM members, NGOs, CCM Executive Secretary and representatives of other interested organizations.

The workshop aimed at discussing the ways to improve the functioning of the CCM. Prof. Brusati expressed his point of view on problematic aspects of CCM work that he formulated based on the information he had received from CCM members. Workshop participants discussed whether, from their point of view, the opinion of the GF consultant coincided with the real situation and discussed his preliminary recommendations concerning possibilities for CCM work improvement.

Luca Brusati had preliminary meetings with CCM members within the framework of GF evaluation to find out whether the inner mechanisms of the CCM are functioning well, this being a new form of partnership and Project management organization. The GF is also interested to know whether the functioning of the CCM corresponds to the standards developed by the GF itself concerning CCM membership and activities.

The standpoint of the GF is that the CCM in Ukraine should become a model for handing over some power from the state to Project partners and for ensuring feedback from partners to governmental representatives. In particular, the GF is interested in CCM signing application on TB that would be the demonstration of a decision made by the country, and not by a separate group.

Luca Brusati pointed out that during individual meetings CCM members expressed different opinions on CCM activities, defined different priorities and needs that may not always be solved through a compromise.

Workshop participants examined the list of CCM objectives defined by GF standards. In particular the following were highlighted: development of the applications to the GF, selection of the Principal Recipients, project realization and monitoring, final evaluation of PR's activities.

Luca Brusati reminded that at the moment when the CCM was established there were not many standards concerning the CCM defined by the GF:

- it should demonstrate political support at country level;
- it should work as an executive Committee;
- it should work as a network of specialists addressing the different issues of the Project.

Luca Brusati pointed out that CCM work effectiveness depends on the following components:

- organization structures (membership, rotation);
- internal working mechanisms (procedures, patterns of interaction among CCM members);
- CCM management style.

Taking the information received from CCM members as a basis, Prof. Brusati highlighted the following problems in CCM work:

- broad membership of CCM that might be difficult to change at present;
- some CCM members are not much interested in solving HIV/AIDS-related issues. On the other hand, NGOs express high-level interest but they do not have that much power and accountability in front of society as governmental organizations do;

- passive attitude during meetings by Project participants to the issues concerning components they are not directly involved with;
- impossibility to gather all CCM and CCM Presidium members when necessary because of the very busy agenda of some of its members, in particular CCM Co-Chairs;
- limited information featured in the minutes of CCM meetings, which additionally are not provided to CCM members in time;
- short-term decision taking on the dates of important meetings that does not give participants the possibility to plan their work schedule.

As a response for the mentioned problems there should be an improvement in the organization of CCM members' meetings. It is necessary to provide information about the meeting not within 24 hours; this would be most critical after rotation, since as a result of it regional organizations representatives may also become CCM members.

It is necessary to provide minutes of meetings to all CCM members in time to ensure transparency of the process.

Prof. Brusati proposed to workshop participants to consider the possibility to establish two separate bodies within the CCM, instead of the Presidium:

- a Council of CCM Co-Chairs (MOH, UNDP, Governmental Commission). The Council of Co-Chairs would ensure political support for the Project, by providing its final approval to the decision taken by the Executive Committee. Under this set-up, taking into account the busy agenda of Council members, they would not be obliged to attend all meetings of the Executive Committee. The Council of Co-Chairs defines part of the topics discussed at CCM meetings.
- an Executive Committee with a limited number of members for the solution of the tactical issues concerning the Project. A draft of the minutes of its meetings should be circulated to all members of the Executive Committee, the other CCM members would receive the minutes in their final version.

It was proposed to discuss the strategic issues of Project implementation during the joint meeting of CCM members. In this way the Executive Committee would be under political control both from the Council of Co-Chairs and from CCM meetings.

It was proposed during the workshop that one third of all CCM members may initiate CCM meetings, may propose to change the date of a meeting and suggest part of the agenda for CCM meetings through the CCM Secretariat at least two weeks before the meeting.

Prof. Brusati highlighted the importance of involving the representatives of local authorities from the regions into the membership of the CCM (within the quota for 20 places reserved to governmental agencies).

During the seminar it was suggested that PriceWaterhouseCoopers (the GF local agent) should provide information on the examinations performed to the CCM; this requirement would have to be included in the contract between GF and PriceWaterhouseCoopers.

During the workshop it was planned to discuss the needs of CCM members in terms of increased competence level concerning GF Project management (computer programmes provision, analysis of CCM work experience in other countries, organization of ad-hoc seminars). Drafting such a list of needs is expected to help the GF organize activities suitable to meet the needs. As the result of a preliminary brainstorming, workshop participants identified the following needs:

1. provision of more information from the GF, in order to understand its policy better;
2. exchange of e with other CCMs;
3. strengthening of the working patterns of the CCM Secretariat.

Luca Brusati suggested to consider the possibility to finance the functioning of the CCM (administrative expenses, coverage of travel expenses for CCM members from the regions, payment for their accommodation in a hotel, business trip payments) through the money made available by the GF, for instance by earmarking for this purpose an amount equivalent to 0.1% of the grant. In his opinion, the expenses connected to the functioning of the CCM should be accounted for in advance and this item should be featured explicitly in the budget. This proposal raised debate, since some of the attendees expressed the view that the financing of CCM activities should be ensured by local donors.

Luca Brusati pointed out that the analysis of the experience of Ukraine is important for the adjustment of CCM working patterns in other countries.

(Minutes featured as Item 2 in the Electronic Bulletin No. 13 of the NGO Secretariat – November 2003; unofficial translation from Russian)