

Memorandum of Understanding
between the
Stop Tuberculosis Partnership Coordinating Board
and the
World Health Organization
on the
Administration, Operations, and Financing
of the
Global Tuberculosis Drug Facility

1. Introduction

- 1.1. The following is a memorandum of understanding (MOU) between the Stop TB Partnership Coordinating Board (STBCB) and the World Health Organization (WHO) concerning the establishment and functioning of the Global Tuberculosis Drug Facility (GDF).*
- 1.2. The GDF is a new initiative with the aim of increasing access to quality TB drugs worldwide. It is being established in response to a call from high-burden countries at the Amsterdam conference on TB and Sustainable Development in March 2000. It is intended that the GDF will mobilize funds for drug supply, review requests from countries for drugs through a Technical Review Committee (TRC), procure quality drugs via a competitive bidding process, and ensure monitoring and evaluation for proper use of GDF drugs.
- 1.3. WHO will carry out the functions of the GDF as generally described above and in accordance with the provisions of this MOU set forth below.
- 1.4. WHO will manage the GDF for an initial period of two years. WHO will be financially and otherwise responsible legally for the GDF, but will seek and pay due respect to the recommendations concerning the management of the GDF made to it by the STBCB, as an advisory body.
- 1.5. This MOU will be valid for the period from the date of signature by the parties concerned to 31 July 2003. Amendments to this Memorandum of Understanding may be proposed by WHO and the STBCB for consideration by both parties.

* The GDF will comprise a Secretariat and a Technical Review Committee (TRC), and will work in co-ordination with the STBCB and its Working Committee:

GDF Secretariat: The Secretariat is the administrative component of the GDF.

TRC: The TRC will be responsible for reviewing grant applications for the GDF. It will make recommendations on grants to the GDF Secretariat and the STBCB. Its members will be technical experts serving in their individual capacities.

STBCB: The STBCB represents and acts on behalf of the Stop TB Partnership. Its composition reflects both the major groupings and the diversity of the Stop TB Partnership.

Working Committee: The Working Committee is a sub-group of the STBCB that guides and evaluates the operations of the GDF Secretariat.

2. Administration

- 2.1. WHO will provide secretariat functions for the GDF, by forming a distinct unit called the "GDF Secretariat" to manage the GDF operations and by utilizing its administrative and technical services to otherwise implement, administer and support the activities of the GDF.
- 2.2. The STBCB will create a Working Committee from among its members to guide and evaluate management of the GDF. The GDF Secretariat will cooperate with the Working Committee to enable it to fulfil its functions effectively.
- 2.3. The GDF Secretariat will communicate on a regular basis with the Working Committee. The STBCB or the Working Committee may direct queries to the GDF Secretariat at any time, and will promptly receive an appropriate response. Any major changes or enhancements proposed in the mandate and management of the GDF will be agreed by WHO and the STBCB.
- 2.4. The Working Committee will collaborate with the GDF Secretariat in the preparation of an annual work plan, to be submitted for approval by the STBCB and WHO. The GDF Secretariat will be responsible for implementation of the plan.
- 2.5. The GDF Secretariat will make formal reports on its operations, including advocacy and fundraising, to the STBCB at each of the latter's biannual meetings. In addition, WHO will report, as necessary, on any related issues in managing the GDF.
- 2.6. WHO will establish a Technical Review Committee (TRC) composed of up to 15 experts to review applications for GDF support. Its detailed terms of reference will be drawn up in consultation with the STBCB. Recommendations of the TRC on GDF applications will be submitted to the Working Committee for consideration. The Working Committee will submit its recommendations to WHO. With the approval of both the Working Committee and WHO, the recommendations of the TRC on applications for GDF drug supply will be implemented by WHO through the GDF secretariat. Copies of the recommendations will be made available to the STBCB. The STBCB will provide comments or recommendations in the event of there being no unanimous recommendation on an application.
- 2.7. The STBCB will monitor and evaluate the performance of the GDF, including output, impact and process. The STBCB will organize an independent review of the GDF after two years of operation (by mid 2003). The STBCB will make recommendations to its constituent members, others in the Stop TB partnership and donor organizations on any proposed changes to the structure, management and location of the Global TB Drug Facility following the independent review.

3. Operations and staffing of the GDF Secretariat

- 3.1. WHO rules and regulations, in particular those for its administrative, financial and human resource management, will apply to the GDF Secretariat and its operations. There may, however, be a need to make adaptations to its rules and practices in order to meet particular needs of the GDF. WHO will consider justified requests for any such adaptations, provided they are consistent with its Financial and Staff Regulations and Rules and any other requirements established by its governing bodies. Any such adaptations or exceptions must be expressly approved by an authorized official of the WHO, and will be recorded by WHO in a "Log of Administrative adaptations for the GDF Secretariat."
- 3.2. WHO will develop terms of reference for the GDF Manager in consultation with the STBCB. After consultation with, and advice from the STBCB, WHO will appoint or assign a GDF Manager who will head the GDF Secretariat. WHO will also appoint or assign all other personnel of the GDF Secretariat. The GDF Manager will consult the STBCB, through its Working Committee, on terms of reference for any other senior (P5 or above) staff to be selected. All appointments and assignments of GDF personnel will be time limited until mid-2003, and made in accordance with the WHO's policies, regulations, rules and procedures. Nevertheless, staff may be seconded from other organizations to the GDF secretariat, subject to the conclusion in each case of an agreement covering the terms of secondment between such other organization and WHO.
- 3.3. Once appointed, the GDF Manager will report to the Director-General of WHO or to a senior manager chosen by the Director-General.
- 3.4. WHO will contract, in accordance with its rules, for procurement, quality control and monitoring/evaluation functions with suitably pre-qualified agencies based on an ongoing assessment of the most advantageous sources of supply.

4. Financing

- 4.1. The financing of GDF will be provided by donors and the funds received will be recorded as Trust Funds in WHO accounts. These funds will be administered in accordance with WHO Financial Regulations and Financial Rules, financial procedures and practices. They will be reported in the WHO's Financial Report and Audited Financial Statements; separate financial statements of income and expenditure will be provided.

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Chair
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