

## Editorial

*It is with great pleasure as the new publisher of the GFA Newsletter that I would like to draw readers' attention to some of GFA's major achievements in the health sector.*

*Despite substantial progress in the prevention and treatment of AIDS, tuberculosis and malaria mortality remains high. Often, a lack of access to health services limits survival. Weak data quality inhibits the proper targeting of donor supported health care interventions, and the introduction of health financing schemes for the poor.*

*The Global Fund is a unique global public-private partnership dedicated to attracting and disbursing additional resources to prevent and treat HIV/AIDS, tuberculosis and malaria. This strategic alliance of governments, civil society, the private sector and affected communities represents a new approach to international health financing.*

*GFA Consulting Group currently is the only German consulting firm contracted by the Global Fund to implement Data Quality Audits worldwide.*

*The first article of this newsletter illustrates how improved and verified data quality helps to implement innovative health care financing instruments which, in turn, hold a significant impact on the efficiency and effectiveness of donor support. The second article introduces Output-Based Aid as a proper financing instrument to increase access to health services for the poor.*



Klaus Alteimeier

Managing Director  
GFA Consulting Group

## Data Quality Audits for Performance-Based Funding

**GFA Medica recently completed first assignments in a special indefinite quantity contract for Data Quality Audits with the Global Fund to Fight AIDS, Tuberculosis and Malaria (GF). GFA conducted three Data Quality Audits to assess the performance of national monitoring systems for the implementation of large GF grants related to malaria control.**

The Global Fund is a private-public partnership to prevent and treat AIDS, tuberculosis and malaria. Working in close cooperation with other bilateral and multilateral organizations, GF has become the main source of finance for more than 550 programs in 136 countries. Since its establishment in 2002, Global Fund grants enable countries to strengthen national health systems by making improvements to infrastructure, providing training, and purchasing medicines, equipment and consumables for example. Approved funding for those grants stands tall at a total of US Dollar 11.4 billion.

Initiatives supported by the Global Fund are much more driven by stakeholders in a specific country than many other multi- and bilateral support programs. Funding is based on contracts whereby countries undertake to produce clearly described

outputs, e.g. number of people treated, number of bed nets distributed, number of diagnoses conducted etc. Grant recipients report outputs quarterly or semi-annually and are continuously verified by trustees of the Global Fund, so called Local Fund Agents (LFAs). The Global Fund provides clear instructions for the functionality of the country monitoring systems, and LFAs verify the appropriateness of monitoring systems in place.



*Malaria control in Vietnam*

Funds are released based on recipients' reports demonstrating progress in implementation as agreed upon in the grant contract. Reports have to be confirmed by LFAs. With this type of performance-based funding model the Global Fund intends to focus on results and timely implementation.



*Fighting tuberculosis in Kazakhstan*

## Data Quality Audits for Performance-Based Funding (continued from page 1)

### Data Quality Audit

In an additional effort to verify country performance, the Global Fund in cooperation with several other global health donors jointly developed the Data Quality Audit (DQA). This audit is a management tool to verify the progress of implementation reported to GF. The tool is administered by external monitoring and evaluation, and disease control experts. The DQA provides a systematic analysis of the strengths and weaknesses of national reporting systems and helps to look into data quality and reporting procedures in depth. The recommendations of the DQA are discussed with both, the recipient's grant managers and the Global Fund. Usually, this leads to crucial improvements in the reporting systems and in data quality.

The Global Fund defines quality in seven dimensions: Accuracy, reliability, precision, completeness, timeliness, integrity and confidentiality. Each of these dimensions is clearly defined and considered in the evaluation of data. Based on these dimensions of data quality, the DQA comprises two components: the assessment of data management and reporting systems, and the verification of reported data at randomly selected sites. The audit of the DQA is supported by Excel-based software tools that are administered at each level of the data collection and reporting system.



*Monitoring data quality for malaria control in Peru*

### GFA Cooperation with the Global Fund

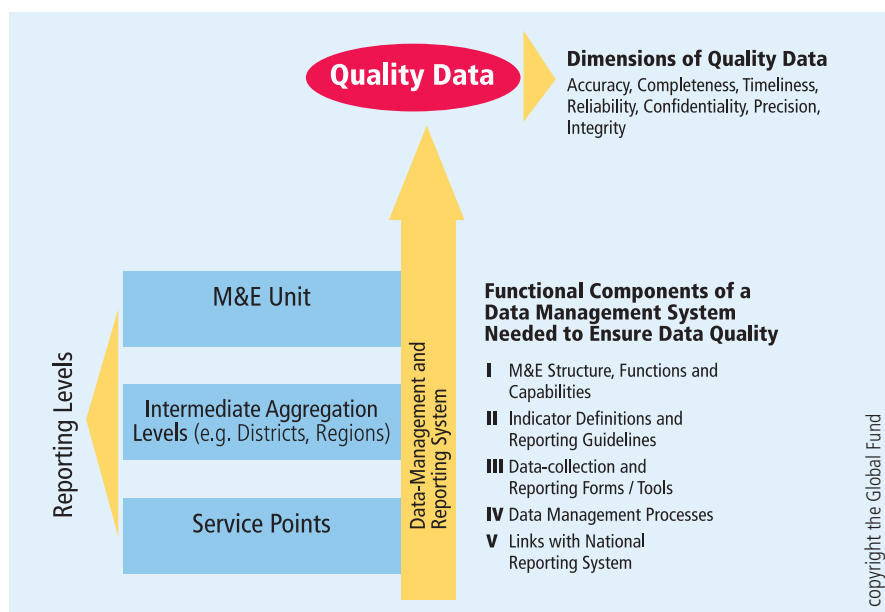
In November 2008, three teams of GFA experts were in Rwanda, China, Venezuela, Ecuador, Peru and Colombia, verifying data management systems of national health services and hundreds of disease specific reports at national, regional and service provider level. The GFA assessment teams concluded with a classification of results: The highest rating con-

firms high data quality while the DQA team proposes corrective measures for minor quality issues. Major quality issues are considered potentially serious and could eventually lead to the suspension of funds. As a follow-up to the DQA, recipients have to report to GF on the implementation of the proposed improvements.

Also, GFA has been contracted by the Global Fund to provide services as Local Fund Agent in Angola. The GFA team, in a consortium with Grant Thornton (USA) and Charles Kendall and Partners (UK), oversees the performance of GF-financed programs continuously.

GFA Consulting Group is the only German consulting firm that the Global Fund has trusted with an indefinite quantity contract to implement Data Quality Audits worldwide. Currently, the Global Fund uses independent DQA rather selectively. Particular attention is paid to very large grants or indications that progress reports do not entirely reflect reality. The objective is to check about 5% of all grants issued or 20 grants per year. Consequently, the GFA Medica assignment offers great and sustained potential for years to come.

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*Conceptual framework of the Data Quality Audit*



## Output-Based Aid – Improving Health Services for the Poor

**A healthy population is a key factor for the successful development of any society. Even though significant funding is available for the fight against specific diseases, the health sector is underfinanced in most developing countries. Particularly in least developed countries, the poorest segment of the population tends to reap few benefits from existing health services.**

Due to a lack of social security systems, poverty prevents millions of people from seeking and receiving health services they actually need. Many of those who do seek and pay for health services often face further impoverishment. Hence, one of the challenges in health service delivery is the poor's access to health services despite their very limited financial capacity. But supply side approaches to health financing often fail targeting the poor. Moreover, there are few incentives for quality improvements of health services because payments to service providers rarely relate to their actual performance.

providers. Another OBA advantage is the improvement of cost-effectiveness and productivity as funds are channelled to service providers that perform best.

### **OBA at Work with GFA**

Most births in rural Cambodia take place at home and are not conducted by qualified attendants. Hence, maternal mortality and morbidity are very high. There is a huge demand for reproductive health services but 34% of the population are poor and can ill afford to pay for such services. A team of GFA Medica and IGES consultants newly developed an appropriate concept for the implementation of a voucher scheme for safe deliveries. The subsidized vouchers will enable the identified poor to get access to service providers of their own choice. This will stimulate competition for better services among the providers.

The EC-funded program in the Democratic Republic of Congo (DRC) is imple-



*Peer group sex education*

in each province certifying and contracting service providers and managing the funds. The health facilities are paid based on their quantitative and qualitative output. The FHs and the Ministry of Public Health developed a catalogue of health services and fixed prices for each service. Due to armed conflict situations in some provinces, payments are made by providing medicine sold to clients at a reduced price. Revenues are used for maintaining the operation of health centres and salary payments for local health staff. This is meant to help the regional health system attracting and maintaining qualified health personnel. Additionally, NGOs are funded to provide technical assistance or help provincial outlets of the Ministry of Health with external monitoring and evaluation as far as the supervision and verification of the quality of services is concerned.

Even though there is still limited experience with OBA approaches in health, the best practices of GFA Medica outlined above illustrate how OBA helps stimulate service providers improving the health of the poor. The voucher scheme in Cambodia will ultimately pave the way for comprehensive health insurance schemes by strengthening capacities for the accreditation of health service providers. Also, quality assurance and claims processing systems required for this purpose and the overall targeting of entitled groups will be enhanced. The program in DRC widely contributes to the diversification and quality improvement of health service providers, and to the maintenance of regional health systems.



*Pharmacy in rural Cambodia*

Therefore, Output-Based Aid (OBA) has gained weight in the health sector. OBA is a strategy that explicitly uses performance-based funding by measuring the quantity and quality of services. Also, OBA may complement or even replace user fees by means of subsidized vouchers distributed to beneficiaries entitled to receive a predefined service package in accredited health facilities. Thus, OBA safeguards the poor's access to health services while benchmarking quality standards through the accreditation of service

providers. Another OBA advantage is the improvement of cost-effectiveness and productivity as funds are channelled to service providers that perform best. OBA at Work with GFA Most births in rural Cambodia take place at home and are not conducted by qualified attendants. Hence, maternal mortality and morbidity are very high. There is a huge demand for reproductive health services but 34% of the population are poor and can ill afford to pay for such services. A team of GFA Medica and IGES consultants newly developed an appropriate concept for the implementation of a voucher scheme for safe deliveries. The subsidized vouchers will enable the identified poor to get access to service providers of their own choice. This will stimulate competition for better services among the providers. The EC-funded program in the Democratic Republic of Congo (DRC) is imple-

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## International Green Week 2009

During the Forum International Green Week 2009 in Berlin, GFA Consulting Group in cooperation with the German Ministry of Food, Agriculture and Consumer Protection (BMELV) and the Committee on Eastern European Relations organized a panel discussion on "Practice-Oriented Cooperation Projects – Contributing to Worldwide Food Security". In his opening statement, Parliamentary State Secretary of BMELV, Dr. Gerd Müller, emphasized "Food security is one of the most important future challenges of mankind! Investments in people's minds are crucial as to change structures and procedures, and to focus on new technologies and innovations". Dr. Klaus Altemeier, Managing Director of GFA Consulting Group, moderated a panel discussion attended by more than 200 international participants.

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## Celebrating Success in Syria

More than 350 delegates witnessed a final assessment of achievements of the Modernisation of Vocational Education and Training Programme (MVET) during a seminar in Damascus, Syria in November 2008. The overall objective of the EC-funded program that GFA implemented since 2005 was to improve the efficiency and effectiveness of vocational education and training (VET). The project successfully matched the needs of employers and the labor market, and strengthened the services of the Ministry of Social Affairs

and Labor. EC Delegation representative Juana Mera Cabello expressed to be "...very proud of the achievements of the MVET program" while Dr. Tayseer al Radawi, Head of the State Planning Commission in Syria, was full of praise that the program is "...clear proof that the social dialogue in VET is very much alive and has become a part of how VET is modernized". Dr. Klaus Altemeier, Managing Director of GFA, confirmed this success story both, in terms of changing of mind-sets as well as tangible results. He stated that Syria can build on the achievements of the program and look at the future optimistically. The accomplishment of the program comprised a wide range of training modules, and training needs analyses completed for more than 30 companies. Occupational skills standards were introduced and more than 100 training modules were developed, including trainer and learner guides. The GFA team also elaborated tools for the management of an apprenticeship program, a draft strategic plan for the future of VET as well as employment services and the registration of job seekers and vacancies in Syria. Finally, career guidance policies and a labor market information system model were pioneered.

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## Financing Social Health Protection

In October 2008, more than 50 international experts took up GFA's invitation to discuss the concepts and share experiences of Social Health Protection in Africa and

Asia in the context of a workshop held in Hamburg. The creation of sustainable financing mechanisms plays a key role in achieving the Millennium Development Goals. The workshop dealt with health financing from different perspectives: Concepts and tools were presented, different financing mechanisms were elaborated, speakers shared valuable experiences from six different countries and reflected on the strengths and limitations of their strategies. The role of the private sector was also discussed. Last but not least, the bilateral and multilateral donors presented their views on the global architecture in social health protection.

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## A New Era at GFA

GFA Consulting Group's Christmas party in December 2008 turned into a special affair when staff said goodbye to three distinguished colleagues who contributed significantly to GFA's development and achievements over more than two decades: Günter Schmidt, Financial Director of GFA since 2000 and former director of the GFA liaison office with BMELV in Bonn, Maria Lagemann, Head of the GFA Recruiting Department since the early days of the company, and Johannes Lagemann, the founder and CEO of GFA since 1982. At the same time, the three managing directors now at the helm of GFA were inaugurated: Dr. Klaus Altemeier, Dr. Hans-Christoph Schaefer-Kehnert, and Dr. Heiko Weißleder.

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**GFA Consulting Group** is a growing consulting organization active in economic development. The main sectors of the company comprise agriculture and rural development, natural resources management, environmental investment, water supply and sanitation, private sector development, decentralization and public sector management, financial systems development and health. GFA Consulting Group presently works in more than 70 countries and collaborates with selected, specialized partner companies both, nationally and internationally.

**GFA vision** – to be the partner of choice for clients in our core service areas.

**GFA mission** – to improve the livelihood of beneficiaries through our professional services.

**GFA core values** – to offer high performance in service delivery, technical excellence in our main sectors, innovative approaches and products, and credibility with our clients when putting projects into practice.