

GRANTS MANAGEMENT UNIT CONCEPT PAPER

UN-COMMITTED FUNDS FROM NON-GRANT STREAMS OF THE RESPONSE FUND

1. Introduction

The Pacific Islands HIV and STI Response Fund (also referred to as the Response Fund or RF) is a multi-donor pooled funding mechanism, with contributions from the Government of Australia and New Zealand. The RF aims to support the implementation of national and regional HIV and STI strategic plans. The Pacific Regional HIV and STI Strategic goal is to reduce the spread and impact of HIV and other STIs, while embracing people infected and affected by HIV in Pacific communities. The 22 Pacific Countries and Territories (PICTs) are intended beneficiaries of the RF.

The Secretariat of the Pacific Community (SPC) administers the RF under agreement with AusAID and the New Zealand Aid Programme. The RF is governed by the Pacific Response Fund Committee (PRFC). The RF is one of a number of regional funding mechanisms supporting PRSIP II in 2010, which also included the Pacific Regional HIV/AIDS Project (PRHP), the Asian Development Bank Grant 21 and the Global Fund Multi-Western Pacific Round 7 grant (GF). Implementation of the RF commenced in 2009, following hard on the heels of the commencement of Phase I funding under the GF.

2. The Operating Environment

SPC is currently managing regional grants with funding for HIV and STIs coming from two funding mechanisms: the GF Round 7 and the RF. The two funding mechanisms are huge on their own and all target more or less the same PICTs, with GF targeting 11 PICTs, whilst the RF is targeting 22 PICTs for grants and technical assistance.

2.1. Competing Funding Mechanisms

Whilst there has been mention of the GF and the RF availing huge sums of funds for the Pacific region, the PICTs prioritise implementation of the GF over the RF. Thus the RF tends to be relegated to the second position from the GF. This is surprising from the viewpoint that the RF is more flexible in terms of its requirements and the overall grant management issues pertaining to reporting. However, when compared to the more stringent requirements of the GF and the potential for a reduction in funding as a penalty for slow implementation/utilization of GF resources, it is understandable that PICTs have until today placed a higher priority on the GF.

2.2. Response Fund Financial Data

A projection of the expenditures for the non-grant streams during the period 2011 – 2013, as given in the table below indicates that the non grant stream will have accumulated a balance of AUD2.9million in un-committed funds by 2013. The accumulated balance is the

un-allocated fund which needs to be utilised before 2013 in the absence of any decision for a no-cost extension to the RF. Section 4 of this paper gives a number of recommendations on the utilisation of the un-committed funds short-term/urgent and mid-term implementation. The decision of the PRFC on the recommendations will also impact on the final amount available as un-committed. There will be reduction in the figure of AUD2.9 million should the PRFC opt for a No Cost Extension as the program will incur costs for salaries and technical assistance during the period of the no-cost-extension.

Summary Budget:Non-Grant (Streams 6, 8, 9, 10)				
	Total 2011-2013	2011	2012	2013
Income	12,801,726			
Budgeted Expense	9,825,689	3,205,043	3,269,887	3,350,759
Variance	\$ 2,976,037			

The total expenditure for 2010 is AUD4.5 million comprising AUD3.13 million in grant streams and AUD1.38 million in non-grant streams. The overall 2010 workplan allocation for the RF was AUD7.8 million. The most significant area of underspend was in stream V, with just under AUD1.0 million underspent due to some grantees not accessing funds that were approved in 2009 due to the complexities of negotiating standard Letters of Agreement with grantees that are unable to accept standard clauses relating to reporting and audits, or delayed finalization of the work-plans.

2.3. Status of the Response Fund

The RF continues to grow in terms of implementation and grant management. As an initiative seeking to provide a simplified and flexible way of grant funding to the PICTs, the RF has enjoyed some successes and faced some challenges from 2009 to date. As highlighted in the 2010 Annual Report to the PRFC, the challenges to the RF can be broadly categorized as follows;

- 2.3.1. **Design Challenges;** The design of the RF resulted in 10 individual grant and non-grant streams being established, each of them targeting organisations at the national or regional level with widely differing capacities, each stream having a different purpose in mind. During implementation, the 10 streams converted into around 120 individual grants, representing a significant workload even compared to that of the GF grants, especially given that capacity building of organisations was an important component of the RF grant. Thus, compared to other grants under management, the RF is more resource intensive and requires robust systems to be in place in order to manage and implement.
- 2.3.2. **Implementation Challenges:** The call for, and subsequent approval of proposals for funding rests with the PRFC. The development of proposals was rightly intended to be less resource intensive and detailed than that of the GF. This

approach resulted in a significant number of grants being approved which had unclear workplans and budgets, and a general lack of targets or (in some instances) a lack of clear links to PRSIP II.

The RF committed to using national government systems as explicitly stated in the RF Design Document to adhere to the Paris and Accra Declarations. In doing so, the associated bureaucracy has created significant delays in finalizing LOAs, in releasing funds to those departments responsible for implementing the grants and in reporting against funds disbursed.

During 2010, SPC's own absorptive capacity has been challenged by a shortage of mid-level management staff to manage the RF both within GMU and the PHD, compounded by the migration overseas of two senior level staff that 'graduated' across to SPC from the PRHP, resulting in the loss of critical institutional memory. This has been further exacerbated in the short term through embarking on a resource intensive internal review on how the RF is being implemented within the PHD with a view to resolving some of the inherent challenges associated with the design and early implementation of the RF.

- 2.3.3. **Country Absorptive Challenges:** The RF commenced operations at a time when there was other large funds already available at country and regional level including the PRHP, ADB Grant 21 and the Global Fund Round 7 grant. A crude analysis indicates the possibility that during this period, the cumulative amount of funding available exceeded the regional and national capacity to implement. Indeed, the predecessor grant to the RF (PRHP) was still being spent at national level throughout much of 2010. The Risk Assessment Framework in the RF design document identified the risk that Human resource and organizational capacities of national governments constrain implementation rates as being the risk most likely to occur, and having the highest consequential impact. The RF is competing with other funding programs for limited human resources at country level to plan, manage and implement activities. With the closure of the ADB Grant 21, together with the closure of PRHP grants in December 2010, it is anticipated that country capacity to implement RF grants will improve during 2011.

SPC has acknowledged these challenges and has implemented a number of strategic initiatives that should reflect positively on the implementation of the RF grant during 2011 and beyond. These were highlighted in the 2010 Annual Report to the PRFC. In going through these challenges and what has been put in place to address them, it is important that the PRFC reflects on these with a view to better provide guidance to SPC and the GMU.

3. Status of Funding beyond the end of 2013 for maintaining the fight against HIV and STIs in the Pacific region

Government budget allocations for HIV and STIs remain limited compared to the incidence rate of STIs. Thus, PICTs are highly reliant on project funding to maintain the fight against HIV and STIs in the region. The GF round 7 grant has an end date of 30th June 2013, followed a few months later by the RF (31st December 2013). There is no possibility of any time extension for the current GF round, irrespective of whether unspent funds remain or not.

The region, therefore, currently faces the potential of going from being reasonably well resourced to being totally dependent on very limited (or no) national budgets at the end of 2013. Virtually all of the regional technical assistance pool of resources, including WHO and SPC come from positions funded through the GF and RF funding streams.

The Global Fund board launched round 11 on 15th August 2011, with a submission date of March 2012 and a board decision made in end 2012 to early 2013. Most of the PICTs that are grant recipients of the GF round 7 multi-country grant have indicated their intention to submit a proposal for funding consideration in round 11. Limited financial resources of the Global Fund for round 11, and the high potential for round 11 to be 'over-subscribed' suggests that the prioritization policy will be invoked by the Board when determining which of the technical review panel recommended proposals actually receive funding. There is some possibility that even if the PICTs submit a technically sound, very quality proposal for round 11 that it may still not get funded due to the PICTs being low on the prioritization list due to a combination of low disease incidence and country income status. At best, it can be assumed that any new funding made available through Round 11 would become available around January 2014.

4. Conclusion and Recommendations:

The summation of the challenges experienced by the RF above, gives rise to the need for a new way of looking at implementation in view of the available time for implementation in consideration to the lifespan of the RF. There are lessons to be learned from the first two years of implementation and these have to be considered and assimilated by the PRFC prior to making substantive new investment decisions over the shorter term. Critical to note is the fact that the RF as highlighted earlier is operating in an environment with other funding partners, thus a holistic view of how to progress with the program must be made. In this regard, the following recommendations are made as a way to proffer the way-forward in the interest of the best implementation strategy going forward, program delivery and goal attainment for the RF.

4.1. Short-term Recommendations:

The short-term/urgent recommendations seek to address and utilize funds to address some immediate and urgent needs in grant management and implementation. These recommendations will utilise a small fraction of the unspent funds under the non-grant streams as follows:



- 4.1.1. Funding of around AUD60,000 to support the appointment of a consultant to assist PICTs in the putting together of the Round 11 proposal to the GF whilst TA support will be provided by SPC under the existing budget allocation.

Embedded in this concept note is document from the PIRMCCM, which outlines the strategic focus for Round 11 proposals and the submissions from the region to Global Fund.

- 4.1.2. Funding support AUD150,000 for PIAF for 2011 and 2012 to ensure the continued viability of the organization as the main representative and voice of the Pacific advocating for and on behalf of HIV + people.

Strategic Importance of PIAF - The establishment of the NGO Alliance for AIDS in the Pacific which is currently being led by the Pacific Islands AIDS Foundation (PIAF), thus provides a regional mechanism for coordination among the civil society organization. SPC coordinates with PICTs, through the MoH and Programme managers and other development partners. This provides an opportunity to establish or streamline coordination of both regional and national coordination of response to HIV and other STIs.

The PRSIP forms the roadmap of the HIV response in the Pacific Islands region. It reflects the collaboration of regional and national stakeholders and captures the desires of the multiple parties that form our society - government and inter-government institutions, agencies or departments, civil society, media and the private sector- to contribute to the HIV response.

The PRSIP Coordinating body is proposed to be made up of SPC, UNAIDS and PIAF. The role of SPC is to link in with the Ministries of Health and development partners; the role of UNAIDS is to link with the UN agencies; and the role of PIAF is to link with Civil Society Organisations.

However, within this framework, PIAF has also been required to take on the role of linking all these groups with the HIV Positive Community. PIAF has demonstrated its capacity to build common ground between the different interests and capacities of all stakeholders. The most significant evidence of this is PIAF's role in strengthening and sustaining the Pacific Alliance.

Since 2008, PIAF has become the official secretariat of a regional network of over 24 Civil Society and Faith-Based Organisations working at national level. Under PIAF's leadership, the Pacific Alliance benefited from funding support which allowed members to hold three regional forums, two Steering Committee meetings, develop a three-year action plan, and speak at regional and

international meetings. Under the influence of PIAF, members agreed to integrate PLHIV national representatives in the Alliance itself.

Within the PRSIP Coordinating Body, PIAF is also the lynchpin in the implementation of GIPA- the critical involvement of PLHIV in all levels of decision-making in all areas that impact on their well-being and survival. In at least 7 Pacific Island countries, PLHIV are members of National AIDS Councils/Committee and working within Ministries of Health or Civil Society Organisations to enhance prevention and awareness programmes as well as assisting with treatment, care and support for other HIV positive people.

Key Roles and Responsibilities:

The key roles and responsibilities of the tripartite coordination mechanism are as follows:

- ✓ Create a forum where coordination of regional and national responses to HIV are conducted between various stakeholders
- ✓ Coordination of reporting programme development between various partners
- ✓ Communication and information sharing to stakeholders
- ✓ Advocacy to leaders
- ✓ Contribute towards achieving the outputs and outcomes theme 6 of PRSIP II.

4.1.3. Funding support to the amount of AUD109,000 for AHD salaries in 2011. AHD is the competent authority dealing with adolescent sexual reproductive health issues in the ten PICTs, including support to AHD Clinics in the RMI, FSM, Kiribati, Solomons, and Vanuatu. The major focus of this work is to ensure the availability and on-going strengthening and development of youth-friendly services. Additional work is on-going in implementing the regionally endorsed Family Life Education Curriculum within the formal education sector, to complement the work done with civil society organizations and government agencies providing ARH/AHD services. Further, many of these organizations and projects are co-funded under the various RF streams, as well as provide support to national governments to report key performance targets under their GF R7 allocations (e.g. access to VCCT services via AHD Clinics). The unavailability of funds for

salaries due to a change in policy direction from UNFPA and UNICEF (and without prior warning) will affect many programs at regional and national level, but also in relation to the ability of these organizations to fully and effectively utilize their corresponding RF grants co-funding AHD-related activities

Embedded in this concept note is document addressing the Strategic Importance of AHD – despite existence of other regional agencies such as UNFPA, UNICEF, and IPPF, the country program implementation of the regional partners is not as comprehensive as the project executed by AHD PHD/SPC. Further, in support of several regional meetings calling for the Pacific to take on a more comprehensive approach to addressing HIV and STI prevention through linkages with RH, MCH and AHD, the strategic link between SPC AHD technical support to the continued implementation and support of RF and PRSIP II outputs and outcomes, is clear.¹ AHD is a recipient of grant funds under Stream 5 of the Response Fund. Coupled with funds availed by UNFPA for in-country program support, AHD will still be able to offer much needed services to the PICTs if funding for salaries is availed.



- 4.1.4. Support SPC GMU and Technical Team Suva office relocation to the 2nd floor of the Lotus Building to the amount of AUD60,000. With the current expansion of both technical and GMU support under the RF, the present locale of staff is both over-crowded and non-compliant with fire and safety codes as per a recent external review. These costs would support the relocation of about 20 staff members to another location within the Lotus building that is more spacious and conducive to a sound and productive working environment. The need for more office space is a necessity given the 'country approach' by the GMU, with more staff now going to be based in Suva such as the GMU Manager instead of Noumea and all the other GMU positions being moved to Suva.
- 4.1.5. Support for Laboratory Specialist to the amount of AUD72,000 for the period April 2012 to March 2013. The proposal submission to the GFATM R11 by the PICTs can best be described in probability, moreso when taking into accounting the reduced funding from GF to the grant recipients. Inherently the Response Fund becomes a significant source of funding for HIV & STI programme, hence the need to maintain a more focused and 'high-impact' interventions. The current R7 of the GFATM and the former ADB grant 21 has made some inroads in

¹ WHO (2009). Third Meeting Report of the Workshop on Expanding Linkages Between HIV/STI Services and Reproductive Health, Adolescent, Maternal, Newborn and Child Health Services, July 20-22, 2009 and SPC/WHO (2009). Meeting Report of the Meeting of the Focal Persons for the Prevention and Control of Sexually Transmitted Infections in the Pacific Island Countries and Areas, May 20-22.

terms of HIV testing and surveillance, however, these needs to be maintained or strengthened.

Of immediacy is the need to look at strengthening the laboratory capacity for testing and responding to other areas as outbreaks, surveillance and M&E. Currently, a longer term laboratory position is being supported under R7 however, this position only covers 11 PICs that are currently supported by the GFATM R7 multi-country HIV grant. The other position supported by CDC need more fund to ensure that this capacity is maintained within SPC beyond March 2012. Since the introduction of the new HIV testing algorithm for the Pacific, the laboratory component needs to be extended and strengthened, hence the need to maintain adequate TAs to support PICTs.

Collaboration with regional partners remains critical in providing the necessary tools and interventions in HIV & STI response in the Pacific. WHO/and PPTCT and FSMed through POLHN are providing training both theory and on-the-bench training through a Stream 5 grant. SPC in collaboration with NRL has been able to conduct HIV testing validation and implementation the HIV confirmation algorithm. VCCT or PITC are key entry points for both regional and national response to HIV and laboratory strengthening is critical to these. A lot of effort and work has gone into providing stronger synergies between PIHOA and SPC with regards to lab strengthening through certification of staff, Quality Assurance, development of protocols and safety policies, purchasing of equipment, on-going professional development via WHO/SPC/FSMed PPTC and POLHN initiative. Working with the US PICTs and other countries in the South, Guam has now been set up as a Level II referral laboratory as a result of the PIHOA/SPC support. SPC continues to explore ways and means of how best to negotiate and discuss cost-sharing agreements with our partners for common work. Currently, due to domestic policy issues in the US on having more stringent disease surveillance (and the fact that a number of CD index cases in the US are from the US PICTs + MDR TB in FSM and RMI, etc.) mechanisms, there is a strong push by CDC in the Northern Pacific region to 'beef' up laboratory-based surveillance and disease control. This present an opportune time to have discussions and negotiations with CDC, PIHOA, WHO and FSMed, to ensure the best value for money and impact is supported both in terms of SPC's technical capabilities and funding sources, but also taking best advantage of what technical capabilities and funding is available via our regional partners, and how then current and future 'reflections on RF' could best support and strengthen these synergies.

Embedded in this document is a concept paper for laboratory strengthening for your consideration.

The 5 requests for funding though small and urgent can be considered by the PRFC as 'out of session' or at the November meeting. They are urgent by the nature of their strategic importance to SPC and the Response Fund. The GMU hereby requests the PRFC to consider the 5 recommendations under 4.1, with expediency, thus any decision on these should be considered before the next PRFC meeting in November.

4.2. Mid-term Recommendations:

The mid-term recommendations seek to address the more strategic issues of the Response Fund in view of its important role in the PICTs inter-alia with other funding mechanisms and delivery of the Response Fund post June 2013. As a funding mechanism, the Response is still an infant when compared to similar mechanisms such as the Global Fund. A number of operational challenges, interventions and models have come out during the few years of the existence of the Response Fund, these should now be considered as tools in structuring the Response Fund going forward for coherence and better delivery of HIV & STI response in the PICTs. A number of reform processes have been put in place by SPC and these require more time for the outcomes and impact to be evident.

The following mid-term recommendations are meant to address the more strategic focus of the RF as a program. Thus, it is apparent that:

- 4.2.1. The PRFC should defer any decision in terms of total allocation of any anticipated surplus until
 - 4.2.1.1.1. It is known whether the PICTs managed to submit an eligible application to GF by the deadline of March 2012;
 - 4.2.1.1.2. The GF Board's decision regarding the success (or otherwise) of the multi-country proposal is known; and
 - 4.2.1.1.3. The mid-term review of the regional HIV & STI strategic plan has been completed and its findings considered by the PRFC.
- 4.2.2. consider a No-Cost Extension for 18-24months to allow effective programming of underspend, this is necessary in view of the need to seriously address various issues such as the implementation bottlenecks and other strategic issues such as a review of the RF methodology, as well as to consider and implement the recommendations emanating from the independent mid-term progress report of the RF.

- 4.2.2.1. During this period, it is anticipated that funding for new grant streams and further rounds of existing grant streams will be considered by the PRFC as part of its response to reflecting on the first two years of implementation.
- 4.2.2.2. Given the strategic nature of this recommendation and cognisant of the management capacity in the PICTs for grant management, it will be necessary for the PRFC and SPC to avail financial resources to build the capacity identified in the PICTs through provision of technical assistance for such. The technical assistance can be structured as resident in SPC or an external party consultancy. This will enable grantees and the PICTs to optimise absorptive capacity and effective implementation.

Within these recommendations consideration has been given to the need for ensuring that the program achieves its goal and a timeframe of 18-24 months is seen as ideal in ensuring that program can address some of the shortcomings and challenges identified during the past 2 years of implementation. However, should it become apparent that the Global Fund will not release more funds under Round 11, the PRFC should use some of the un-allocated funds under the Response Fund for critical HIV and STI work in the Pacific, which may require a variation in the implementation methodology and structure of the RF.

A recent decision by the Board of the Global Fund to extend the deadline of proposal submissions from countries to at least March 2012, entails that funding from Round 11 will only start flowing into successful grantees early 2014. During the discussion session for the 8th East Asia Pacific (8th EAP) meeting of the Global Fund, it was highlighted that funding for Round 11 will be lower due to funding constraints that the Global Fund is experiencing.

Key to the short term and long term recommendation cited above is the need to ensure that all stakeholders in HIV & STI response in the Pacific remain engaged through the Response Fund whilst seeking other funding sources. With the Global Fund Round 11 coming on board in 2014, the impact of the funding gap will be big and must be managed in a way that ensures some form of stability, so that the gains of the precursor programs such as the PRHP are not lost.

4.3. Undelying Assumptions to the Recommendations:

A number of underlying assumptions need to be taken into consideration in view of the role of the Response Fund in the Pacific region. The PRFC's request for a concept paper detailing how best to utilize the un-allocated funds is a welcome development as it seeks to engage the GMU on the utilization of the funds.

The following underlying factors have to be considered: -

- 4.3.1. Delayed decision – the GMU notes that there is sufficient justification for delaying a decision on the amount of funds available for a possible new round/reallocation especially given that not all of the information is on hand.

More detailed information on budgetary utilization will be available after the approval of the 2012 RF budget. The amount under section 2.2 above is budgetary figures and as such should be treated as indicative and providing guidance for decision making.

- 4.3.2. As highlighted under section 2.2, the un-utilised amount of AUD2.9million will be reduced by salary, operational and technical assistance costs should a no-cost-extension be accepted.
- 4.3.3. The budget for the grant streams should not be affected by any decision to be made from this concept paper, as the GMU has directed that all funds allocated to the various grant streams remain enforce until mid 2012, serve for terminated grants which a process of handling these was presented to the last PRFC meeting and endorsed.
- 4.3.4. During the last PRFC meeting the response from the donors on the draft budget and work-plan (particularly with respect to PRSIP Coordination) was that they would be receptive to looking at ways in which organizations (PIAF included) could be assisted given the strategic importance of them as a critical partner in the fight against HIV. Time is not necessarily on the side of PIAF and therefore it is critical that we can get some early responses to PRFC.
- 4.3.5. A critical funding source for HIV and STIs in the Pacific region is from the Global Fund, which funding based on current funding rounds is due to cease in June 2013. PICTs are currently looking at submitting a multi-country proposal by March 2012 deadline, with a GF Board's funding decision to be announced in early 2013.
- 4.3.6. It is also imperative that the PRFC in the deliberations will consider the countries absorptive capacity for effective implementation, thus capacity building and technical support will be needed in managing the implementation and outcome reporting as required by the Response Fund.
- 4.3.7. Novation potential of grants from Global Fund – MWP Round 7 grants from the Global Fund currently has a number of grants being implemented in the PICTs whose implementation is to a degree, leverage by the Response Fund. An indirect financial implication to the Response Fund will be evident should the PICTs fail to secure Round 11 funding. A number of employees contracted under the Global Fund are currently working in different ministries and departments in the PICTs, thus their withdrawal will also have a huge impact in terms of human resource capacity for the countries.
- 4.3.8. The attached concept paper from the PICTs on Round 11 highlights key areas in the PRSIP that long term sustainability is critical in response to the high prevalence of STIs and which if left unattended to will increase the vulnerability of HIV transmission 3-5 times.

- 4.3.9. A mid-term review of the Response Fund is planned towards the end of 2011, whilst there is a Gender Audit which provides some recommendations, and addressing gender is critical to HIV & STI prevention.
- 4.3.10. Above all, the recommendations made above seek to offer a holistic view of how to best utilize the un-committed funds in the non grant streams to achieve the goals of the Response Fund.

Thus recommendation 4.2.1 would then allow a more informed and strategic decision to be made by the PRFC in terms of allocation of surplus resources taking into account a known funding scenario for 2013 and in view of the outcome of the funding from Global Fund for Round 11. Recommendation 4.2.2 can also be easily managed in terms of time and structure once the overall funding position post 2013 is known.

4.4. Conclusions

In conclusion, the Response Fund as a funding mechanism has seen a significant investment in innovative models and systems in financial management, grant management and capacity building in 16 PICTs, thus also espouses regional co-operation and coordination as the cornerstone of the Response Fund. A no-cost-extension will ensure that the Response Fund will be able to operate fully utilising the systems developed for effectiveness and efficiency thus ensuring optimal performance.

With the aforementioned recommendations, it is of paramount importance that any decision to be taken by the PRFC builds on the gains and experiences of the programme to continue programme implementation for the attainment of goals for the Response Fund.

It is also hoped that the recommendations seek to address some of the issues pertaining to the design, implementation and country capacity challenges highlighted in the 2010 Annual Report to the PRFC.

It is important that the PRFC considers the recommendations under 4.1 with expediency, whilst the recommendations 4.2.1 and 4.2.2 can be further deliberated on during the PRFC meeting in November.

It is imperative that the PRFC considers the Response Fund as a funding mechanism has undergone a lot of challenges in performance which can be attributed to the general grant management by SPC and the limited absorptive capacity of the PICTs. As a funding mechanism the Response Fund continues to evolve, which evolution has witnessed a number of changes in view of the operational environment. The GMU at SPC has also experienced the teething problems of the Response Fund as a mechanism, which apparently seeks to remain essential in the Pacific by being more flexible against the backdrop of the more established programs in the region are rigidly structured. In the few years of

implementation, the GMU has also been revamping the operational modalities, which seeks to improve the implementation space for the Response Fund in the Pacific.

In spite of the challenges and the slow pace of implementation at country level, the challenges and the improvements made by SPC in implementing the Response Fund should be considered as levers for optimal implementation for goal attainment of the Response Fund. This concept paper therefore seeks to provide guidance on short-term and long-term recommendations to ensure that the Response Fund can provide continuous support to the Pacific through existing grantees for effective implementation whilst taking into account the effect of other funding mechanisms in the region.