GFAN Report: 39th Global Fund Board Meeting
May 9th-10th
Skopje, Macedonia
Key Outcomes, Decision Points, Advocacy Opportunities, and Issues of Interest for GFAN Members from the Global Fund’s biannual Board Meeting
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**CONTEXT**

GFAN was invited as a Guest of the Board Leadership to the 39th Global Fund Board Meeting in Skopje (Macedonia) and to attend the meetings of the Developed Country NGO Delegation as a permanent observer. This document provides an overview of the Board Meeting process, key documents and important issues, and potential advocacy opportunities for civil society.

Key issues that were on the agenda for this Board Meeting included;

- CCM Evolution – discussion of final stage and recommendations
- Eligibility – discussion of final revised policy
- Community Rights and Gender Annual Report

**Highlights of the 39th Board Meeting**

Some of the main highlights of this Board Meeting included the brand new French Ambassador for Global Health (Stephanie Seydoux - confirmed in her position on the first day of the Board Meeting) announcing that Macron would be announcing hosting the 6th Replenishment Pledging Conference. Some of the discussions around key issues like CCM Evolution/Renewal and Eligibility Decision Points ensured many lengthy conversations and debates in meetings and in the hallways in the lead up to the deliberations during the Board Meeting.

The Macedonian Prime Minister and Minister of Health opened the Board Meeting and their remarks focused on the need for political will and involvement of communities and CSO’s in fighting the 2 diseases (HIV and TB as malaria is not endemic). This was an interesting and timely message to receive in a country that has transitioned out of Global Fund eligibility and where political will has been absolutely key to the continuity of programming that was once funded by the GF.

The Board also welcomed South Korea as the first country to be represented on the non-Voting New Donors seat who actively engaged during the Board Meeting. Additionally, observers from Qatar and the UAE attended the Board Meeting as well.

The final day of the Board Meeting also started with a tribute to Christoph Benn the outgoing Head of External Relations who started his formal involvement with the Global Fund as the first Board Member of the Developed Country NGO Delegation.

**The process**

For several days before the Board Meeting, all 3 civil society (CS) delegations (Developed Country NGO, Developing Country NGO and Communities) held separate as well as joint preparatory meetings and attended pre-briefings. For those who have never participated in a Board Meeting: the delegations meet – separately and jointly - ahead of time to determine what key interventions are needed: often they agree to take those forward jointly, sometimes not.
Following that, the CS delegations have a series of meetings together and separately with various officials and other delegations of the Board (such as the donors, implementing governments or constituencies such as Foundations and Private Sector) to raise and solicit support for the steps identified to address or move forward the key issues they have identified.

Sometimes, issues can be “resolved” through these series of meetings. Other times they are raised at various points during the Board Meetings. If the latter happens, the delegations can choose to put a Decision Point forward or amendments to DP’s that are tabled by the Committees or other delegations.

The documents
The agenda, official report, Board decisions, and all other relevant documents for the Board Meeting can be found on the Global Fund website. Hyperlinks to relevant documents related to items are provided throughout the document.

There were approximately 30 documents and presentations shared from the Global Fund Secretariat and the Committees of the Board (Audit and Finance Committee, Strategy Committee, Ethics and Governance Committee). In addition, as per the practice for a few meetings now, the Board requested that delegations submit “constituency statements” – short statements of key positions on the agenda items that were circulated in the days, and hours, leading up to the beginning of the Board Meeting. The intention was to allow presenters to speak to any major concerns and address them in their presentations wherever possible. We have created a folder here with as many statements as we received.

Understanding the issues
What follows below is a detailed summary that identifies some of the most relevant issues that have been discussed, comments made by the civil society and other delegations and some of the possible advocacy follow-up opportunities.

Please note: It is impossible to capture the detailed level of rich, complex and nuanced discussions that took place and developed throughout the week. This summary represents the GFAN Secretariat’s experience and interpretation of the meeting, and should not be considered an official or authorized accounting of events and positioning.
Recognizing civil society with critical roles at the Global Fund Board

Do you know who represents us as civil society and communities at the Global Fund Board?

**Communities Delegation:** Maurine Murenga (Board Member), Erika Castellanos (Alternate BM) and Rachel Ong (Communities Focal Point)

**Developing Country NGO Delegation:** Alan Maleche (Board Member), Edona Deva (Alternate BM) and Lesley Odetal (Communications Focal Point)

**Developed Country NGO Delegation:** Mike Podmore (Board Member), Robin Montgomery (Alternate BM), and Jack MacAllister (Communications Focal Point)

In addition to participating in delegations, civil society (including many GFAN members!) actively participate in Board structures like committees and Working Groups.

We also think it’s important to acknowledge the important contributions and advocacy around civil society and community issues in the various Board committees and working groups etceteras which is a significant, additional amount of work for these individuals and those who support them from their delegations. These outstanding contributions are being made by:

With Committee Membership up for decision, some new representatives on various committees:
- Maurine Murenga – Vice-Chair of the Implementers Group and Member of the Audit and Finance Committee
- Allan Maleche – Member of the Audit and Finance Committee
- Beatrijs Stikkers – Chair of the Audit and Finance Committee
- Mike Podmore – Member of the Strategy Committee

Additionally, a few were at their last Board Meeting in outgoing roles:
- Rico Gustav (Communities, Outgoing Board Member and Outgoing member of Strategy Committee), Jorge Saavedra (outgoing Member of Strategy Committee) Jason Wright (outgoing member of Ethics and Governance Committee) and Jomain McKenzie (Developing Country NGO, Outgoing Communications Focal Point)

**Thank you to all for the extraordinary efforts on delegations and committees on behalf of your colleagues from communities and in civil society!**
ISSUES

EXECUTIVE DIRECTOR’S REPORT

Background
Peter Sands was selected as the new Executive Director of the Global Fund during the November 2017 Board Meeting. He officially took up his position at the beginning of March. Unlike with previous Executive Director reports in recent years, there was no written report provided.

Of Note / Interest for GFAN Members
Mr Sands expressed his excitement to be working at the Global Fund and the opportunities to save millions of lives and achieve the Sustainable Development Goals (SDG’s). He said that the more he has learned, the more he believes it can be done but that it will require a massive contribution – both financial and effort. He added that while he felt the Strategy already in place was the right one and that he wasn’t planning a major restructuring at the Secretariat, that he is not confident that what we have done so far will get us there and that in fact, simply doing more of what we have done might not get us there (to reach the SDG’s).

Sands framed his comments around 3 areas:

1. Impression of where we are
2. How to make GF more effective
3. Early thoughts on replenishment cycle

Throughout, he emphasized a number of key themes which included human rights and the need for more finances. When discussing HIV/AIDS, he focused on adolescent girls and young women (AGYW) and was frank that the scale of the epidemic among AGYW and key populations globally was a bit of a shock to him and that consequently the Global Funds focus on human rights was “mission-critical”. He acknowledged inadequacies in a few places in the context of good efforts such as DREAMS and HER with their goals of achieving sharp reductions but that even if fully successful, they will still only make a small dent in what is needed.

On malaria he talked about the success achieved by the GF with partners to help drive reductions in deaths and infections but that progress is stalling, not on track to hit the targets. He also stated that there is a need for more efficient targeting, but that we cannot simply innovate our way to ending malaria: more money will be needed.

While he felt that HIV and malaria work had some parallels, he was quite frank that the story on TB is different: that we’ve had less impact and the he, personally, has less confidence we can end the disease according to SDG3. It was a frank assessment about the lack of resources, insufficient R&D, the millions of missing cases and that the biggest TB problems are in countries that the GF does not operate in (middle-income countries). He remained somewhat optimistic: about the Government of India’s recent announcements, about the TB HLM and the
ability to galvanize other political leaders but called 2018 a “make or break” year for TB and the HLM must be a game-changing moment.

In general terms, while his main focus on the need for more financial resources was on domestic sources, he both acknowledged that more donor money was essential and that some of the elements around domestic resource mobilization that are needed such as legal, policy and other changes needed to build tax bases to increase resources available to invest in health were not the purview of the Global Fund although they can be good partners on that.

Overall Peter Sands key message at his first Board Meeting was that he is confident that we can end the diseases by 2030 but that business as usual will not be enough.

**Eligibility: new policy decision**

**Background**

A very long process over much of the last two years, led do a decision point with a revised eligibility policy at this Board Meeting. There were many concerns raised at different points throughout the process including very polarized views from some delegations who wanted to see significant changes and others who did not want to see the eligibility policy “tinkered” with. That said, there was a reasonable amount of support for the decision point as it was proposed for consideration at this Board Meeting.

**Report on Issue**

NOTE: The Decision Point that came forward on this was also accompanied by a separate paper and decision point on non-eligible countries in crises and to some extent, these conversations were linked.

The new eligibility policy proposed made fairly modest but important changes around simplifying disease burden metrics, thresholds and categories. Some of these key changes included:

- Change to using TB and MDR-TB incidence
- Minor changes to malaria thresholds with a malaria resurgence mechanism to allow for Board-approved extraordinary responses to resurgence
- Clarification that if official data is not available or known to be unreliable, that the Secretariat could use alternative sources of data (potentially important to address among key populations in countries where governments are not willing)
- G20 rule was maintained but reduced
- OECD-DAC – maintained as is related to HIV and so is the NGO rule related to HIV
- While there were no substantive changes to eligibility for countries in transition there was an important inclusion of looking at HIV incidence to help determine whether a country is eligible for a 2nd transition grant
Outcome of Board Deliberations

There were many discussions in the lead up to the discussions on the agenda in the Board Meeting. Some of the key points that were raised by Communities, Developing and Developed NGO delegations included:

1. The need to clarify what “barriers” could be considered – it was important to clarify that not all barriers are not fully elaborated in laws, policies – sometimes barriers are more “in practice”
2. The continued use only of GNI per capita to determine economic measurement for eligibility – the 3 delegations referred back to the Global Fund’s own Equitable Access Initiative report that recommended examining the use of a multi-criteria framework for economic measurement – and that it is rarely an indication of ability or willingness to finance health expenditures domestically

All 3 delegations supported the revised decision point on Eligibility which was adopted by the Board.

Of Note / Interest for GFAN Members

In their statement provided to the Board, in addition to responding to the specific eligibility policy as proposed, the Communities delegation made the following points:

- Called for stronger investment on community-based and -led monitoring and data collection and analysis to complement existing country and technical partner efforts
- Recommended the exploration of “safety net processes” to protect the investments of the Global Fund in the case of failure of sustainable transitions
- Recommended exploring safety net processes for Key Population interventions now, rather than waiting for the effect of failures in post-transition countries

Relevant Documents

GF/BM/02 Revised Eligibility Policy

Communities Delegation Statement for the 39th Board Meeting

Decision Points

GF/BM/DP03 – Approval of Revised Eligibility Policy
CCM RENEWAL

Background

In 2017, the Secretariat embarked on a CCM Evolution project to 1) examine how to evolve the CCMs model to better deliver on the Global Fund’s Strategy 2017-2022 and 2) strengthen CCM ethics, primarily through the issuance and operationalization of the Code of Ethical Conduct for CCM Members. The CCM Evolution has had three phases. In Phases I and II, the Secretariat analyzed data around CCM functionality and performance. The analysis indicated the following:

1. CCM performance improves when the performance criteria are clear and measured, as demonstrated by the improvements in performance from 2014 to 2016
2. While CCM Performance improved, it still lags in civil society engagement and oversight
3. CCM performance has a small but positive correlation with grant performance (7.4%) and is correlated with several factors the Global Fund can influence (amount of CCM funding, turnover of CCM members and size of CCM)
4. There is a strong correlation between low performing CCMs and Challenging Operating Environments (COEs)

In Phase II, the Secretariat held stakeholder consultations through workshops, questionnaires, meetings (including five regional consultations), and document review eliciting feedback on CCM functionality and performance. The Secretariat received input from 264 partners and 84 CCMs.

The Secretariat consulted and updated the Committees on the CCM Evolution project at their June/July, October 2017, and March 2017 meetings and the Board at its November 2017 meeting. In Phase III, the Secretariat provided a final report and the Strategy Committee introduced two Decision Points to the Board at its May 2018 meeting.

The Secretariat has concluded that there are three main changes needed to evolve CCMs:

1. Differentiate CCMs into Standard CCMs, Transition Preparedness CCMs and CCMs in Challenging Contexts
2. Improve CCM performance in key areas, including the approval, introduction, and enforcement of a CCM Code of Conduct
3. Introduce three CCM maturity levels of Basic Governance, Oversight or Engagement, and Strategic

There were two Decision Points under consideration.

The first Decision Point:

• Approves CCM Code of Conduct
• Approves $1,219,700 over three years for implementation and enforcement of CCM Code of Conduct
• Replaces the CCM Guidelines and Requirements with CCM Policy
• Delegates authority to Strategy Committee (SC) to amend CCM Policy and requests Secretariat to operationalize CCM Policy and regularly report on its implementation to SC
There was broad support across the Committees and the Voting Groups on this Decision Point.

The second Decision Point approves a level of funding and activities for CCM Evolution roll-out based on one of the four options proposed by the Secretariat:

1. Status Quo
2. Moderate
3. Intermediate
4. Ambitious

The Ethic and Governance Committee (EGC) and SC endorsed Option 3. The Audit and Finance Committee (AFC) expressed concerns about value for money. The SC had virtual meetings before the Board meeting and in-person meetings at the Board meetings to address the concerns of the AFC. The SC asked the Secretariat to develop a phased approach. The phased approach would roll out the interventions and activities in Option 3 to 16 countries (as opposed to the 30-32 under Option 3) in 2018 and 2019. The activities would be in all improvement areas:
   - Reinforcing effective CCM functioning
   - Strengthening engagement of CCM constituencies (especially key populations and persons living with the diseases
   - Strengthening oversight
   - Enhancing linkages with national systems

The Secretariat would select CCMS from each differentiation category (Standard CCMs, Transition Preparedness CCMs, and CCMs in Challenging Contexts) and at different maturity levels (Basic Governance, Oversight or Engagement, and Strategic).

The Implementer Group preferred Option 4 but was willing to endorse Option 3 in light of financial constraints. There was a divide in the Donor Group with a blocking minority against Option 3 and France and Germany for Option 3.

Developed Country NGO, Developing Country NGO, and Communities worked with France and Germany to propose an amended Decision Point.

The final Decision Point:
   - Recognizes inherent value and essential function of CCMs in Global Fund architecture and acknowledges need to evolve CCMs to align with Global Fund Strategy 2017-2022 (amendment)
   - Provides $3.85 million in 2018 and 2019 for phased roll-out of CCM Evolution consistent with interventions and activities under Option 3
   - Requests Secretariat to develop set of draft indicators for operationalization of CCM Evolution (amendment)
   - Directs SC to discuss during development of allocation methodology for 2020-2022 level of funding needed to scale activities and number of CCMs (amendment)
   - Asks Board, Secretariat, and partners at country level to support effective implementation of CCM Evolution and in particular asks Secretariat to drive execution of CCM Evolution through consistent engagement of relevant parts of organization and with appropriate mix
of resources, both staff and financial, from both current and future allocations (amendment)

Of Note / Interest for GFAN Members
The interventions made at the BM indicated strong support for CCMs and clarified that the GF Secretariat intends to focus work on the RCMs as well. There was consistent focus on the need to engage communities, key populations and civil society and Communities and Developed NGO delegations made strong intervention to ensure the Board Members present understood that that will require long-term, meaningful engagement and financial support.

For reference, below are the Developed Country NGO talking points:

The CCM is the Global Fund governance body at the country level.

Global Fund core principles including country ownership, multisectoral partnership, inclusion, coordination, and transparency are at the heart of the CCM model.

While there is universal support around the Board for these core principles, there have been questions around how CCMs promote financial and programmatic accountability.

The “accountability moments” for CCMs include 1) development and submission of proposals, 2) nomination of Principal Recipients (PRs), 3) oversight of grant implementation, 4) approval of reprogramming requests, and 5) linkages and consistency between Global Fund-funded programs and other national health and development programs.

We must continue to focus on the engagement of civil society, key populations, and communities in and with CCMs as watchdogs of Global Fund grants.

We must go beyond tokenistic representation to strong voice to ensure we spend our precious resources for the right populations in the most efficient ways.

We have cited the (statistically significant) evidence – from regression analysis under Grant Management Solutions (GMS) 1 and 2 – that greater CCM oversight improves grant performance and allows us to get more bang for our buck.

We greatly appreciate the CCM technical support from France under the 5% Initiative and Germany and Switzerland under BACKUP Health.

It was encouraging to work with them across the Voting Groups to find a constructive way forward.
We appreciate that the revised Decision Point includes:

- A long-term commitment to CCMs with an expectation that CCM Evolution funding will be included in the next allocations in 2020-2022
- Performance indicators for CCM Evolution funding (more process and output in the shorter term and outcome and impact in the longer term)
- An expectation that Secretariat staff will increase their focus on CCMs

We are hopeful that after we demonstrate results and gain momentum under the phased approach, we will be able to increase our ambition and increase funding.

Relevant Documents

GF – BM39 – 04 CCM Evolution
GF – BM39 – Decision Points

**RESOURCE MOBILIZATION (AND INNOVATIVE FINANCING)**

**Background**

Building on the Action Plan for Resource Mobilization presented at the 37th Board Meeting (spring 2017) and a decision point made at the last Board Meeting (BM 38 - November 2017), the Secretariat presented an update on their Resource Mobilization efforts. At the last Board meeting a decision point was passed asking for a Framework for a Costed Action Plan to support replenishment efforts to be brought forward at this Board Meeting so that a final costed Action Plan could be ready for the July Audit and Finance Committee meetings to be included in the operating budget discussions/preparations.

**Report on Issue**

Disappointingly, no Framework was presented. The update provided little new information to what was shared at the last Board Meeting. Some of the newer content related to an iteration of an approach to China, a new (or renewed) approach in Latin America and further development of efforts as it related to the G-20.

All 3 delegations made interventions and used the opportunity to enforce the need for more donor resources: that innovative financing and optimization will simply not be enough and therefore why at the Board level a continued focus on resource mobilization is important.
Of Note / Interest for GFAN Members

It was at the beginning of this agenda item that the new Ambassador for Global Health from France – who was appointed the previous day – announced at the meeting that on the following Monday, French President Macron would be announcing his government’s intention to host the Global Fund Replenishment Meeting in 2019.

Most, if not all, delegations during their interventions on the agenda item expressed their thanks to outgoing Head of External Relations, Christoph Benn.

Relevant Documents

GF – BM39 – 24 Update on Resource Mobilization

COMMUNITY, RIGHTS AND GENDER ANNUAL REPORT

Background

This is the 4th annual report to the Board of the work to advance its strategic commitments in the CRG area. If you were to read only one report from this Board meeting, this would be the one as it shows extensive and growing collaborations internally and externally and it is really exciting to see the progress made in the last few years of the strategic initiative.

Report on Issue

Some of the key findings of the report include:

- Significant progress on targets related to AGYW: nearly all eligible countries in this allocation period that submitted funding requests had taken advantage of additional resources made available in terms of matching funds to scale up and strengthen programs “to reduce human rights-related barriers to accessing services and to address the needs of adolescent girls, young women and key populations”. The report also stated that data from grant documents to date show that countries are adopting comprehensive and novel approaches. The Global Fund also expended significant energy to “build political support and engage partners” in the 13 sub-Saharan African countries with the highest HIV disease burden.

- Significant new work and tools related to TB: in partnership with Stop TB, a new Action Plan for Community, Rights and Gender has been created to try and ensure more collaboration between the GF and its TB-related partners, to find and address data and “missing data” needs related to TB key populations and to more effectively address gender and human rights issues in TB programmes.

- The new Malaria Matchbox tool should help enable national malaria stakeholders to assess and address human rights-related barriers to malaria programming as well as which groups of women, men, girls and boys are particularly vulnerable or excluded from services.
- It also pointed to areas that still need work:
  o finding ways to help countries understand and use evidence-based planning even though the 2017 TERG thematic review of 8 GF supported countries found that the current GF guidance on addressing AGYW is still having an impact and is helping to “raise ambition of countries by promoting multi-sectoral approaches and targets to reduce HIV incidence.”
  o While the GF Secretariat scored relatively high in a recent ranking report on how organizations in global health are doing around gender responsiveness in programming and equality in the workplace, it did point out that the GF received a low score with regard to gender parity in senior management and on the Board itself. New staff induction and a gender assessment of the GF’s human resources policies, practices and approaches is planned for this year.

Of Note / Interest for GFAN Members

The CRG report was shared during the pre-Board Meeting briefing day. The delegations again made representations that the report should be included in the main agenda of the Board Meeting to ensure it gets the full attention and consideration needed.

Relevant Documents

GF-BM39-12 Annual Report on Community, Rights and Gender (Report)

INELIGIBLE COUNTRIES IN CRISIS

Background

The Global Fund has not had a policy on how it can or should intervene in countries in crisis. Over the last few Board Meetings, special briefings and sessions have been convened to discuss the situation in Venezuela where an economic collapse has led to a crisis where there is very real risk of significant resurgence of malaria and extreme difficulties for HIV+ people to access treatment and care among other serious humanitarian concerns.

The Communities and civil society delegations welcomed the draft policy and willingness to institute a new process to be able to assess and potentially respond to specific instances where non-eligible countries face public health emergencies.

Board deliberations

There were a number of issues related to the draft policy that the delegations – alongside other country delegations as well - sought to improve and worked with the Strategy Committee to include those within a revised policy for discussion. The main concerns were around when and who determines when a public health emergency is declared. It was important to ensure that while international standards for declaring emergencies needed to be respected, that those (such as the WHO) sometimes face restrictions or time delays that should not necessarily hamper the Fund’s ability to enter into a country. The revisions that
were accepted worked to get at ensuring that many different data sources could be used, that civil society and communities could support and input into an evaluation of whether a country was in crisis, that there did not need to be a declaration of a crisis by the government itself (as these declarations can be political and not evidence-based) and that response mechanisms through the Global Fund can include non-governmental mechanisms where a crisis is not acknowledged by the government.

**Outcome of Board Deliberations**

The revised policy was accepted and although some concerns remained, the delegations were pleased that a new policy was adopted.

**Relevant Documents**

- **GF/B39/03** Global Fund approach to Non-eligible countries in crisis

**Decision Point:**

- **GF/BM39/DP04** Potential Engagement with Non-eligible Countries in Crisis

### OPERATIONAL ISSUES DISCUSSED

A number of operational issues were on the agenda for the Board at this meeting. Chief among them were the Risk Framework, Committee membership Selection and the Annual report. Communities and civil society delegations contributed to the discussions.

**Relevant Documents**

- **2017 Annual Financial Report**

- **Risk Appetite Framework: Progress Update and Steps for Advancement**

- **Proposal for Strengthening the Board Leadership Selection Process**

**Decision Points:**

- **GF/B30/DP08** 2017 Statutory Financial Statements

- **GF/B39/DP11** Approval of Risk Appetite Framework

- **GF/B39/DP12** Strengthening the Board Leadership Selection Process
**Suspension of North Korea Grant**

Report on Issue

The issue of the suspension of the DPRK grant was discussed in an Executive Session of the Board (closed to Observers such as GFAN). In the Communique about the Board Meeting, the following was said about those discussions on the DPRK:

The Board discussed the decision announced by the Global Fund in February 2018 to not go ahead with new grants to the Democratic People’s Republic of Korea (DPRK), due to serious concerns arising from the unique operating environment that prevent the Global Fund from being able to provide the Board with the required level of assurance and risk management at this time.

The Board expressed continued concern for people affected by TB and malaria in DPRK, and appreciated that a responsible phasing out of current grants should help ensure provision of mosquito nets and medicines for 2018, and availability of sufficient TB drugs, plus a buffer stock, to allow patients enrolled on treatment during the current grant period to complete their treatment.

The Board remains committed to supporting the health of the people of the DPRK, and notes that DPRK remains eligible for Global Fund financing. The Global Fund hopes to re-engage with DPRK when the operating environment allows the access and oversight required.