

**gfan** report:

# 42<sup>nd</sup> Global Fund Board Meeting

14-15 November 2019

Geneva, Switzerland



## Introduction

This document provides an overview of the 42nd Global Fund Board meeting and side meetings, held in Geneva, Switzerland on 14-15 November 2019.

What follows below is a summary that identifies some of the most relevant issues that were discussed, remarks made by the civil society and other delegations and some key issues that need continued monitoring and discussion. Previous GFAN Board Meeting reports included an overview of the Board meeting process, that and other links to documents of interest can be found in Box 1.

Key issues that were on the agenda for this Board Meeting included (among many other things):

- Executive Director's Report
- Key Reports
  - Replenishment and Resource Mobilization Report
  - Technical Review Panel (TRP) Report
- Allocation/Sources and Uses of Funds
  - Absorption
  - Technical Assistance
  - Register of Unfunded Quality Demand
- CCM Evolution
- CSS and Community Led Monitoring

The Global Fund Secretariat always issues a report with all Decision Points right after the meeting ([and made available on their website](#)) and the Board Meeting report is made available before the next Board where it needs to be approved.

*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.*

- GFAN's [Global Fund Board Guide](#): Includes more detailed information on the process of board meetings and the work of delegations.
- Documents for the [Global Fund's 42nd Board Meeting](#). Please note that these documents will be posted by the Global Fund and may not be up immediately.
- [Developing Country Delegation Board Meeting Statement](#)
- Photos, videos and updates that were posted through out the meeting are posted on the [Communities Delegation Facebook](#).

Box 1: Where to find More Information

## Executive Director's Report

The Board meeting began with the Executive Director, Peter Sand's report to the Board. Sands highlighted many of his key reflections, including comments on the goals he set for 2019 and shared his goals for 2020.

From the ED's report and his comments during the Board meeting there are few key highlights outlined below. If you wish to read the full report, [it is available here](#).

### Key Highlights:

The Secretariat will do a proper "lessons learned" review of the 6th Replenishment campaign through the Audit and Finance Committee (AFC). Sand's personal, early reflection on why the Replenishment was so successful and raised its minimum target, (and the largest amount ever raised for a health initiative) was because of the:

- Investment Case
- mobilization of the whole Global Fund partnership (including communities and civil society as well as youth engagement)
- and successful track record in delivering results as no public relations or marketing can disguise the opposite.

In reflecting on progress made, Sands argued that the important next step in the short term is to continue to drive increases in impact we:

- are undoubtedly saving new lives every year but must cut the rate of new infections.
- must find more of the missing TB cases and while we are doing well in some areas on malaria, in too many others we are on the "knife's edge."

To drive impact, we need to step up the pace, improving efficiencies and effectiveness in many areas including Resilient and Sustainable Systems for Health (RSSH), human rights, and gender inequalities. It is also critical to strengthen Country Coordinating Mechanisms (CCM's) and ensure they step up and submit quality applications.

- **Thanks and congratulations to the Global Fund Secretariat for their efforts for the 6th Replenishment which succeeded in meeting the minimum target in the Investment case ([you can read the statement GFAN and the 3 delegations made after Lyon here](#))**
- **The need to pivot quickly to further resource mobilization alongside early plans for the 7th Replenishment**
- **Appreciation for the ED's initiative to create a Youth Council to work directly with him on key issues**

Box 2: Key Points in response to the ED's report raised by the Communities and Developed and Developing NGO constituencies

# qfan report:

Looking ahead to 2020 Sands was very clear that he wants to ensure that money is invested to secure maximum impact while launching the new grant cycle. He came back to the Replenishment hashtag (#stepupthefight) and said we now need to “turn that hashtag into real impact” by taking the opportunity to do things differently by:

- investing massively in programs that address adolescent girls and young women (AGYW)
- improving vector control in malaria
- step up finding missing TB cases (which he reminded us of [some early key results you can read here](#))

2020 will also be a significant year in preparing for the next Global Fund strategy for which Sands envisions a series of partner forums to incorporate a wide range of perspectives and in particular the need to better include youth who are the focus of a large share of the Global Fund’s interventions.



Peter Sands on screen at the 42nd Board Meeting.  
Photo Credit: Lesley Odendal, Developing Country  
NGO Delegation

Sands also expressed the need to step up our game on:

- domestic resource mobilization which is mission critical
- a transformational change in how data is captured and utilized

He expressed personal commitment to find ways to proactively provide guidance and incentivize the fuller use of country allocations (as country allocation letters will soon be prepared). Sands also called on all partners, especially those with Technical Assistance funds, to not delay in supporting CCMs in their grant preparation processes as its expected that 70% of grant agreements will be signed by the end of 2020.

Sands emphasized that the next Investment Case for the 7th Replenishment will largely be based on results that will be achieved in 2020 so its really important to quickly move to optimize impact.

# 42<sup>nd</sup> Global Fund Board Meeting

## Key Reports

### Replenishment and Resource Mobilization Report

This report contains early reflections on the 6th Replenishment and early input from the Audit and Finance Committee. The role of communities, civil society and GFAN members broadly was recognized within the report as one of the success factors for the results of the 6th Replenishment. The paper also notes that a proper evaluation and reflection about the 6th Replenishment will be conducted.

### TRP Report – Technical Review Panel’s Observations on the 2017-2019 Allocation Cycle

This [paper provides a number of reflections](#) from the TRP<sup>1</sup> which suggests a number of areas where GF implementing countries should be focusing their work on grants. This report will be part of the documentation that is shared with eligible countries when they receive their 2020-2022 allocation letters in the coming months.



Peter Piot joined the Board meeting to share reflections on the Global Fund and SDG3. Photo Credit: Rachel Ong, Communities Delegation

## Allocation/Sources and Uses of Funds

Discussions at the Board Meeting were to arrive at a Decision Point (DP) approving the Sources and Uses of Funds. The DP was unanimously adopted.

As Replenishment took place in October the Global Fund Secretariat came forward with a [Sources and Uses of Funds paper](#) which shows how the 14.02 billion raised in Lyon to show how it would be allocated. Figure 1 is quite helpful to see the allocation breakdown.

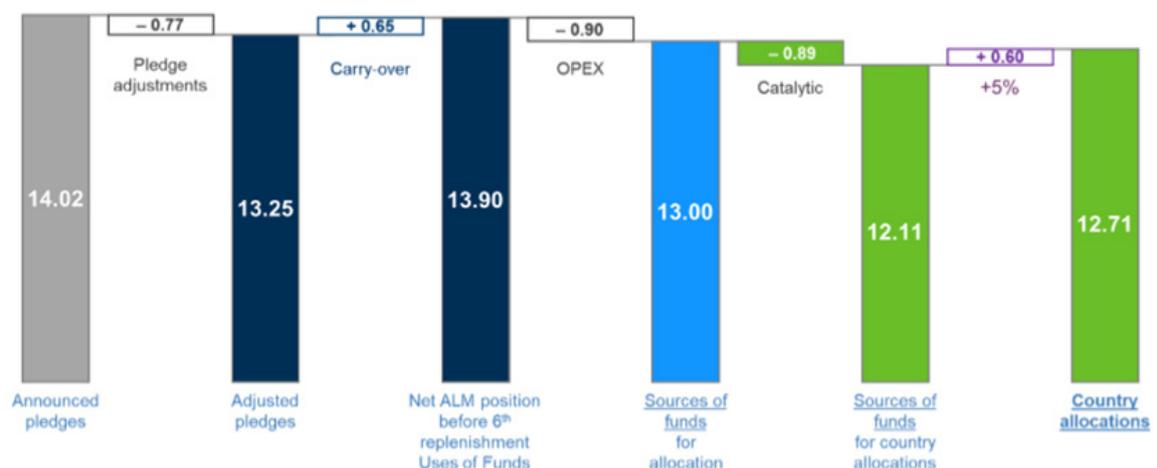


Figure 1: Ultimately, this bar graph explains how the final number – how much money will be available for country allocations – is derived.

### Explaining the numbers:

- Pledge adjustments: 0.77 billion of what was announced is removed from the total as these are various “hold-backs” which include Technical Assistance (TA) which is coordinated directly by those donors who made TA commitments
- There was a 0.65 billion carry-over that is added into the full amount
- 900 million is reserved for Operating Costs (OPEX) of the Global Fund Secretariat (for the full 3 years) – there has been a cap (of 900 million) on OPEX for several cycles
- The Catalytic Funding Initiative is virtually fully financed based on the priorities as set by the Strategy Committee and decided – the only cut from the “full” scenario is to the Innovative Financing Strategic Initiative (SI) in the final category (see Figure 2 on the following page)
- For the first time, the amount available for country allocations reflects a 5% increase from funding that is actually available

# 42<sup>nd</sup> Global Fund Board Meeting

A little more on the 5% increase to Country Allocations (the final column in Figure 1):

- Absorptive capacity and portfolio optimization are two descriptions that are often used in the Global Fund context to refer to the ability of countries to spend the money that is allocated to them.
- Over the portfolio, the Global Fund has said it already reaches about 90% absorption (meaning about 90% of funds allocated are spent). This is actually quite good but obviously 10% of billions of dollars is a lot of money that could be spent on critical programming but is not.

## Catalytic Investments for the Next Grant Cycle

Priority	Illustrative Modality	Cost (\$M)
<b>HIV</b>		<b>\$201</b>
Adolescent Girls and Young Women	Matching Funds	\$56
Scaling Up Community-Led Key Population Programs for Sustainable Impact	Matching Funds	\$50
Key Populations and Sustainability Multi-Country Approaches	Multi-Country	\$50
Differentiated HIV Service Delivery	Strategic Initiative	\$15
TB Preventive Treatment for PLHIV	Strategic Initiative	\$15
Condom Programming	Strategic Initiative	\$15
<b>TB</b>		<b>\$204</b>
Finding Missing People with TB, including Drug-Resistant TB and Preventive Treatment	Matching Funds	\$150
Targeted Technical Assistance for Innovative Approaches to Finding Missing People with TB	Strategic Initiative	\$14
TB Multi-Country Approaches	Multi-Country	\$40
<b>Malaria</b>		<b>\$216</b>
Addressing Drug Resistance in the Greater Mekong Sub-region	Multi-Country	\$120
Addressing Insecticide Resistance through Accelerated Introduction of New Nets	Strategic Initiative	\$50
Malaria Elimination in Southern Africa	Multi-Country	\$20
Regional Coordination and Targeted Technical Assistance for Implementation and Elimination	Strategic Initiative	\$10
Malaria E-2025 Initiative	Strategic Initiative	\$8
Malaria RTS,S/AS01 Vaccine	Strategic Initiative	\$8
<b>RSSH &amp; Cross-cutting</b>		<b>\$269</b>
Data	Strategic Initiative	\$35
Community, Rights and Gender	Strategic Initiative	\$16
Human Rights	Matching Funds + Strategic Initiative	\$46
Emergency Fund	Strategic Initiative	\$20
TERG Independent Evaluation	Strategic Initiative	\$22
Sustainability, Transition and Efficiency	Strategic Initiative	\$18
PSM Transformation (Continuation of PSM Diagnostics)	Strategic Initiative	\$20
Service Delivery Innovations	Strategic Initiative	\$47
Accelerated Introduction of Innovations	Strategic Initiative	\$10
CCM Evolution	Strategic Initiative	\$15
Innovative Finance	Strategic Initiative	\$20
<b>Total</b>		<b>\$890</b>

Figure 2: Catalytic investments for the next grant cycle (\$ millions)

In effect though, what this actually does is allocate more money than the Global Fund currently has to allocate.

## So why do this?

- Programmatically, the rationale assumes that there will still be money that will be left un-spent as grant recipients very rarely spend all their funds as they know that they cannot “go over”. By providing a notional bump up of 5%, this assumes that we will get higher than 90% absorption of “real” funds available. Meaning more programmes funded.
- In order to ensure that countries feel secure in investing in some of those key investments that require more time and don’t, for e.g. simply purchase commodities with money that is not otherwise allocated, this 5% increase in allocation figures is seen as a way of creating more fiscal space within the grants to make room for these interventions.

## Absorption

The Global Fund’s CFO (Jacques Le Pape) underscored the significant challenge absorption of funds represent. Total resources for the 5th Replenishment for allocations was 10.3 billion and there was an addition 1.3 billion (still approximate as the cycle has not fully wrapped) that has not been absorbed.

With the funds raised for the 6th Replenishment, we now have over 12 billion to absorb (a minimum increase of 1.8 billion in country allocations from the 5th to the 6th Replenishment). To some extent adding in the 5% now is simply adding in what would otherwise be a carry-over earlier in the process.

In his comments, Peter Sands expressed that absorption is a means to impact and get the maximum value of money raised in Replenishment by putting as much of it to good use as we can.

During the discussions on this, questions were raised about the risk that could be related to absorption. The Executive Director, the Chief Financial Officer and the Risk Officer for the Global Fund were very clear that they feel that this is consistent with the Global Fund’s policies and that they now have enough information after two full cycles of this model to come up with a reasonable figure for this step.

# 42<sup>nd</sup> Global Fund Board Meeting

## Technical Assistance (TA)

There was no formal discussion at the Board meeting on technical assistance, but the need to ensure more collaboration, coordination and quick and flexible movement by those countries who have pledged TA was raised throughout the Board meeting during several sessions and in side sessions and bilateral meetings between various constituencies.

The key concern being raised by your Civil Society and Communities delegations (and others) is that there is no real transparency around the planning and coordination for the TA that are “set-asides” from allocations (i.e. the step down from the first to the second bar Figure 1).

As mentioned earlier in this report, in order to assist the majority of grants being designed and signed this year, Peter Sands urged TA donors to act quickly to support more fully the grant development process. Those donors involved with TA set-asides as part of their pledges were urged to bring a more transparent plan forward to the Strategy Committee that would include how collaboration is being done and how collaboration is made “real” on the ground for CCM’s and other partners involved in grant writing.

## Register of Unfunded Quality Demand (UQD)

UQD was created to be a repository for good, quality programmes/investments that the Technical Review Panel found to be technically sound but for which there was no funding in country allocations amounts.

Nearly 4 billion of technically sound projects were placed on the UQD this current cycle: about 1.5 billion has been funded. While donors can “pick and choose” particular projects, portfolio optimization has also been used to fund some programmes on the UQD.

Understanding that there is nearly 2 billion more for allocations in the next cycle and therefore that many initiatives that might otherwise have been on the UQD may be funded through programming from allocations, there is likely to still be significant, technically sound programming and services placed on the register of UQD.

With less portfolio optimization available, there will be less for the UQD. The good news is it should mean more quality programming and services should be delivered, but what becomes of the UQD and how resources are mobilized to address what gets put on the UQD if fewer resources are available to fund the UQD is an important question to consider.

## CCM Evolution<sup>2</sup>

There was a Board Decision in 2017 to begin a process meant to strengthen CCM's. After the May 2018 Board meeting, we first shared an update on the initial phase of this work ([you can read that here beginning on page 9](#)) to involve 18 countries between May 2018 and December 2019 to work with and evaluate CCM's work: we reported on some of the initial assessments in actuality there was about 10 months of implementation for a number of reasons.

During the pre-day of briefings and updates for this Board meeting (42nd), several countries and key Global Fund staff provided an update and reflections on findings from the recently concluded second phase of the CCM Evolution Pilot.



Peter Sands, ED of the Global Fund with Board Leadership. Photo Credit: Lesley Odendal, Developing Country NGO Delegation

Some key findings and insights on core principles of an evolved model for CCMs:

- “CCMs have the potential to drive not only more effective development and oversight of grants across the diseases and RSSH, but also improvements in the mechanisms of broader health governance within countries to sustain disease and health responses”.
- There were 18 countries with ten months of implementation of activities meant to “evolve” and strengthen the CCM's in this phase. The objectives for this phase were to sustainably increase maturity of CCM performance in four areas:
  1. Overseeing grants (oversight)
  2. Ensuring linkages with national structures (linkages)
  3. Engaging key stakeholders (engagement)
  4. Strengthening how CCMs function (functioning)
- In the first 3 areas – promising results were observed but there was no progress through the pilot in the 4th area, functioning.
- The promising results became clearer after timelines were accelerated due to the project's slow start.

# 42<sup>nd</sup> Global Fund Board Meeting

The following were some of the **lessons and challenges** that were observed through the latest phase and highlighted in a report that was distributed to attendees:

- Lesson: keep it simple.
- Challenges: “Too many metrics for assessment, too many consultants, and overlapping visits made it difficult for CCMs to implement” and “need to streamline the evolution approach, strengthen central coordination and simplify how to evaluate CCMs”
- Lesson: create systematic improvement through CCM Secretariat.
- Challenges: “The introduction of well-qualified Oversight Officers into the CCM Secretariats demonstrated that effective CCM Secretariats could be a sustainable way to create systemic improvements in CCM maturity (vs. fly in/fly out technical assistance)”; Equipping CCMs with the right interventions and incentives; Differentiating CCMs; “CCMs will not mature in the same way so flexibility is critical”

The very tight timeline of the pilot really limited the ability to fully develop results as it captured only 10 months of implementation. Ensuring that we equip CCM’s with the right interventions and incentives while also understanding that there is a lot of differentiation for CCMs who will not mature in the same meaning flexibility is critical.



Communities Delegation to the Global Fund Board. Photo courtesy of Rachel Ong, Communities Delegation

**Starting in 2020, the goal is to launch in 90 countries (30 added each year) and provide discrete activities defined in partnership with pilot CCMs, per the original pilot design and budget. With the Replenishment outcome, this plan can move forward.**

## Interventions

Many interventions during the pre-board session focused on ensuring that there would be fully transparent ways to incorporate feedback and learnings from the pilot and support differentiation of interventions across 115 CCMs globally in the next phases.

Other interventions were to make sure that while we should look to decrease reliance on Technical Assistance, it is still necessary. Compliance may be difficult under some circumstances and it may not be being done most effectively right now; for example, we cannot expect a CCM to provide oversight if it does not have an oversight plan.

Other interventions from communities and civil society delegations under-scored the need to ensure:

- community and civil society participation in all CCM processes,
- CCM's are properly funded
- oversight and evaluation are regular but for e.g. allow sufficient time for CCM's to implement changes through the CCM Evolution project.

## CSS and Community Led Monitoring<sup>3</sup>

While not a formal session, one of the key items that was being discussed during the meetings was around supporting Community Systems Strengthening (CSS) and Community Led Monitoring (CLM). **Developed NGO, Developing NGO and Communities delegations also hosted a lunch-time meeting focused on how to rapidly increase the Global Fund's investments and focus in CSS and CLM.**

Community-led interventions are not simply activities that take place in communities. A definition developed earlier this year by a number of organizations attending a consultation on Defining HIV Community-Led responses and is as follows: *"Actions and strategies that seek to improve the health and human rights of their constituencies, that are specifically informed and implemented by and for communities themselves and the organizations, groups, and networks that represent them. Community-led responses are determined by and respond to the needs and aspirations of their constituents."*

# 42<sup>nd</sup> Global Fund Board Meeting

Community-led monitoring is not just about seeing what is happening on the ground and gathering information or data about them. The interventions as defined in Box 3 are meant to be part of a complete feedback loop that is carried out by directly affected communities who are trained, supported, equipped and paid (see Figure 3).

The focus of CLM would be on ensuring the quality and accessibility of health services. This would include the full biomedical, behavioral and structural interventions within health service provision - through gathering evidence and information, documenting and analyzing it and advocating for change; in other words, fully supported community level watchdogging and advocacy.

There are some great cases of quality CLM affecting positive changes, however generally speaking, current CLM efforts are very ad hoc and small-scale and the delegations hoped to generate a conversation and a swell of support for financing CLM initiatives to scale them up for greater impact.

The rationale for the 3 delegations in raising this issue at the Board Meeting is linked to their long-standing work to ensure more impact for the funds raised for the Global Fund and the need to support and fund communities and civil society.

For the Global Fund, the following definitions are used:

**Community System Strengthening:** “Interventions that support the development and reinforcement of informed, capable, coordinated and sustainable structures, mechanisms, processes and actors through which community members, organizations and groups interact, coordinate and deliver their responses to the challenges and needs affecting their communities.”

**Community-led Monitoring:** “Community-based mechanisms by which service users and/or local communities gather, analyze and use information on an ongoing basis to improve access to, quality and impact of services, and to hold service providers and decision makers to account.”

Box 3: Global Fund Definitions

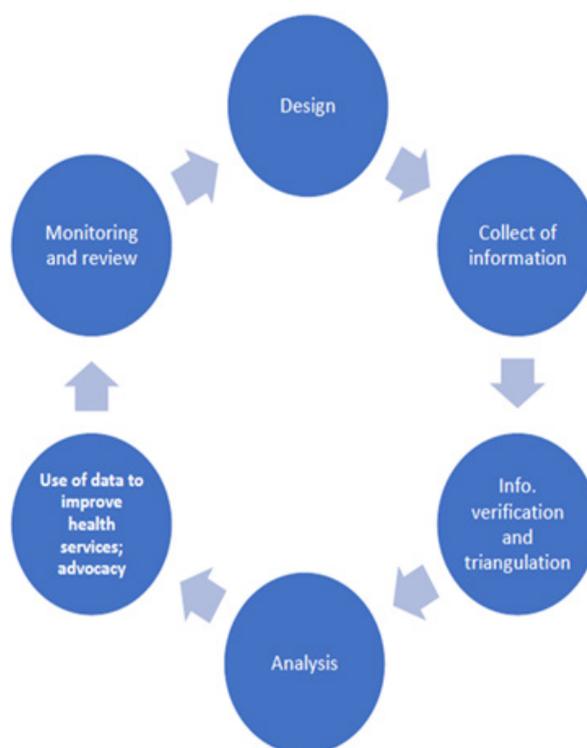


Figure 3: Diagram: Community-led monitoring feedback loop

It is also to address some of the critical issues across the Global Fund portfolio and in the 3 diseases including:

- difficulty retaining patients
- human rights violations
- commodity stock-outs
- and a lack of responsiveness from health systems

Throughout their interventions, and those of some other supportive delegations, they also raised at different points during the Board Meeting the need to increase funding in the GF portfolio to CLM, so that CLM becomes routine and sufficiently resourced. Questions were also asked around what the GF can do to support transparency of information and data at country level so that communities can monitor effectively.



Three Civil Society Delegations leadership meeting ahead of the Board Meeting. Photo Credit: Lesley Odendal, Developing Country NGO Delegation

While this was not a formal part of the Board Meeting agenda, it was a joint effort by the 3 delegations at this board meeting and will likely remain a theme of their interventions at various Global Fund bodies (such as committees) including future Board Meetings.

## Endnotes

1 The Global Fund's Technical Review Panel (TRP) reviews the strategic focus, technical soundness and potential impact of funding requests to ensure that resources are best utilized to achieve the Global Fund 's objectives for ending the HIV, Tuberculosis (TB) and malaria epidemics

2 As this item was on the pre-Board day there was no Decision Point as such and was for information only.

3 Please note that most of the information for this section was presented as part of a presentation during the lunch held by the Developed and Developing NGO and Communities delegations during the Board Meeting.



Raoul Fransen and Katy Kydd Wright at the 42<sup>nd</sup> Global Fund Board Meeting. Photo Credit: Rachel Ong, Communities Delegation



Web: [www.globalfundadvocatesnetwork.org](http://www.globalfundadvocatesnetwork.org)

Twitter & Facebook: @GFAdvocates

YouTube: [www.youtube.com/user/HereIAmCampaign](http://www.youtube.com/user/HereIAmCampaign)