

GFAN REPORT

GLOBAL FUND 47TH BOARD MEETING

The Global Fund's 47th Board meeting took place from the 10th to the 12th of May 2022. This report will share highlights from the meeting. It is impossible to capture the detailed level of rich, complex, and nuanced discussions that took place and developed throughout the meetings. This summary represents the GFAN Secretariat's experience and interpretation of the meetings and should not be considered an official or authorized accounting of events and positioning.

You can find some of the documents submitted to the Board by the Secretariat [here](#) (you need to click on the + sign under Board Meeting Documents to see the full list). The [complete list of decision points](#) has already been uploaded, but at the time of writing no other document is available on the website.

A de-brief call from the Board Meeting was held with the Communities and 2 NGO Delegations on May 25th and you can access the recording and materials from that call [here](#).

Acronyms:

C19RM	COVID-19 Response Mechanism
GAC	Grant Approval Committee
KPI	Key Performance Indicator
LIC	Low Income Country
MOPAN	Multilateral Organisation Performance Assessment Network
MIC	Middle Income Country
M&E	Monitoring and Evaluation
OIG	Office of the Inspector General
PPR	Pandemic Preparedness and Response
RSSH	Resilient and Sustainable Systems for Health
TRP	Technical Review Panel

The Board Meeting opened with a moving address from Andriy Klepikov, Alternate Board Member for the Developing Country NGO Delegation, expressing his shock at the attack of Russia against Ukraine. He talked of the devastation it was creating in its wake, both in his country and across the world.

REPORT OF THE EXECUTIVE DIRECTOR

Peter Sands, the Global Fund Executive Director, used his report to highlight the achievements of the Global Fund Partnership in 2021, and stress some of the challenges it faces in 2022. He talked

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in particular of the unprecedented scale of funding deployed by the Global Fund, in response to unprecedented need, all playing out against the backdrop of the 7th Replenishment campaign.

Country allocations rose by 20% since the last implementation cycle, and with the addition of C19RM funding the partnership disbursed over US\$5 billion in 2021; an unprecedented amount that will be even higher in 2022. C19RM funding was used to alleviate the direct and indirect impact of COVID-19 on the most vulnerable communities; without it, they would have faced much greater hardship. Yet, Peter Sands shared, the need was much greater and “2021 was a terrible year for the people we serve”.

Regarding C19RM, Peter Sands expressed his concern that the world now accepts death at a scale that would have been unthinkable before, and still holds onto the idea that COVID-19 will become milder, instead of committing to truly ending the pandemic for everyone. He worried that COVID-19 was soon to become another “ex-pandemic”, a diseases that hurts the poor and the marginalized, that feeds inequality, but that has fallen off the agenda of the powerful.

He expressed his shock and horror at the attack of Russia against Ukraine, and the impact it has had and will keep having on the lives of millions. The impact of the war on already high inflation levels also threatens the success of the 7th Replenishment, by reducing how much can be achieved with US\$18 billion; further increasing the importance of raising more than the minimum target at the Pledging Conference.

In response to his address, all Delegations expressed their solidarity with the people of Ukraine, and congratulated the Secretariat on the achievements of 2021.

The Canada-Australia-Switzerland Delegation shared concerns regarding the impression that only a limited amount of C19RM funding went to civil society and community organizations despite commitments to put communities at the center. They also expressed their renewed concerns that COVID-19 had impacted particularly severely people vulnerable to Tuberculosis, and that commitments made regarding additional resources to fight the diseases needed to be realized.

The Developed Country NGO Delegation commented on the rapid changes one could witness in the global health architecture, and welcomed further advocacy of the Global Fund Secretariat for greater involvement of implementing country partners, civil society and communities in these discussions. They also expressed their fear that HIV/AIDS, TB and Malaria were falling at the margin of the political agenda, threatening decades of efforts in poverty reduction and preserving lives.

The United States Delegation shared their conviction that there was no other scenario than US\$18 billion for the 7th Replenishment, that the world needed to come together to make this target a reality.

ELIGIBILITY

The Board was presented with two revisions to its eligibility policy. The eligibility policy of the Global Fund is intended to be data driven; it uses measures of economic capacity (specifically Gross National Income or GNI) to classify countries into income level groups (low income, middle income and upper middle income). All low income and middle income countries are eligible for Global Fund grants, but upper middle income countries are only eligible if they additionally are classified as having a high disease burden.. The two proposed revisions to the eligibility policy were: firstly, a slight change to the way malaria disease burden was calculated, which was not the topic of much comments, and secondly, that countries receiving transition funding during the current cycle be eligible to receive an additional allocation of transition funding for the next cycle, in light of the damage and on-going impact of COVID-19.

A number of Delegations raised the long-standing request to end the use of GNI as the sole economic indicator to establish eligibility; the Secretariat argued for the maintenance of the primacy of GNI, arguing that for all its flaws it captured enough of a country’s economic capacity, and was available for all countries.

The Communities Delegation expressed its disappointment at the refusal to reconsider the use of GNI, arguing that it did not accurately reflect inequalities within countries, nor the capacity of countries to levy taxes. The Developing Country NGO and Developed Country NGO Delegations, as well as the Latin America and Caribbean Delegations echoed this opinion.

The decision points passed meaning a new, slightly modified eligibility policy ensuring more countries will be eligible for further transition funding and a modified malaria burden calculation will be utilized in determining eligibility for funding in the post-Replenishment cycle.

ALLOCATION METHODOLOGY

The Board was presented with a decision point including two main “refinements” to the allocation methodology; it will remain overall unchanged for the next cycle, beside the change to the disease split approved during the last Global Fund Board Meeting in November 2021.

The two changes to the allocation methodology were regarding its scale-up and paced reduction components. Both components come into play after the Initial Calculated Amounts (ICA). The ICA is based on a country disease burden, economic capacity and external financing, and sets an initial country allocation, but can lead to rapid drop in level of fundings following rapid economic development or important reductions in disease burden, or capacity lag in the case of a rapidly growing epidemic or a free falling economy. The scale-up and paced reduction components are intended to allow the Secretariat to avoid both issues by making reductions in funding more progressive if their ICA drops, and allowing for countries to receive resources above their ICA to stay ahead of the three diseases.

The decision point would make it possible for the Secretariat to pace funding reductions even more, to limit situations where a country’s allocation would be reduced sharply at the same time

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as all other allocations would be increasing – as would be the case if more than US\$18 billion are raised. In addition, the decision point made it possible for up to 7.5% of all funds available for country allocation to be used for scale-up or pace reduction; previous language used a set number, 800 million, which was considered less appropriate than a percentage since available funding could sharply increase.

The Secretariat also emphasized that a holistic review of the allocation methodology would be held for the next cycle (2026-2028), and looked forward to the outcome.

The French Delegation advanced conversations through the pre-meetings that were ultimately not included in the decision point about guaranteeing a share of funds be allocated to RSSH. These discussions had received a lot of support from various delegations and prompted considerable discussion and reflections about how best to implement the strategic objectives related to RSSH at an operational level.

The Developing Country NGO Delegation commented that they were in favor of prioritizing RSSH within the broader strategy implementation rather than in the allocation methodology. They also highlighted the importance of Qualitative Adjustments to support communities and civil society and address the needs of Key Populations, and that they looked forward to the discussions that would take place ahead of the 48th Board Meeting.

The Developed Country NGO Delegation welcomed the discussions led by France on the integration of RSSH in the allocation methodology, and in that spirit urged the Board to further examine requirements for RSSH grants, to ensure that RSSH includes both formal and community health systems. It was noted that Qualitative Adjustments were presented as a remedy to the GNI-centric approach of the allocation methodology, but that considering that the same Qualitative Adjustments were intended to fill coverage gaps, encourage faster absorption and a number of other goal, whether they could meaningfully address these numerous issues remained to be seen.

Javier Bellocq from the Communities Delegation re-iterated the Communities Delegations long-standing position to object to policies and formulas that do not ensure that funding be allocated to address the needs of people living with the 3 diseases regardless of which country they live in or its economic status. Javier also challenged the room and attendees to reflect critically on the fact that “while we emphasize – as a Board, the GF Secretariat – that implementing countries be science- and evidence-based in their approaches, the donors represented in the partnership are usually driven by political priorities”.

The decision point with the minor modifications to the Allocation Methodology was passed.

CATALYTIC INVESTMENT

Catalytic Investments are funds set aside prior to applying the Allocation Formula after each Replenishment to be used to complement country allocations. It includes matching funds, a way

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for the Global Fund to incentivize investment of implementing countries in specific areas, funds for multicountry grants, to address specific regional or sub-regional issues like Artemisinin Resistance in the Greater Mekong, and strategic initiatives. Catalytic Investments are one key mechanism for the Global Fund to support Civil Society and Community advocacy in implementing countries.

Strategy Goal or Objective	Priority	Indicative Modality	US\$16 and Over	US\$15-16b	US\$14-15b	US\$13-14b	US\$12-13b
End AIDS	Prevention for key populations, AGYW and sexual partners	MF	\$107	\$87	\$78	\$73	\$24
	Implementation support for innovation, precision and scale in HIV prevention	SI	\$12	\$10	\$9	\$0	\$0
	Key populations sustainability and impact	MC	\$41	\$34	\$30	\$28	\$0
	HIV Incidence Reduction Total		\$160	\$131	\$117	\$101	\$24
End TB	Find and successfully treat the missing people with DS-TB and DR-TB	MF	\$179	\$161	\$152	\$123	\$82
	Scale up TB prevention	MF	\$54	\$48	\$45	\$37	\$0
	Country readiness for innovation and quality TB programming	MF	\$18	\$16	\$15	\$12	\$0
	Technical support to the TB matching funds	SI	\$16	\$13	\$12	\$11	\$0
	End TB: Accelerate progress to End TB by 2030 Total		\$267	\$238	\$224	\$183	\$82
End Malaria	Biologic threats in malaria case management in Africa	SI	\$20	\$16	\$14	\$13	\$0
	E2030: Drive towards elimination and facilitate prevention of reestablishment	SI	\$7	\$6	\$5	\$0	\$0
	Malaria Elimination in Southern Africa	MC, MF	\$13	\$11	\$10	\$10	\$0
	Resistance to Artemisinin Initiative (RAI)	MC	\$110	\$100	\$100	\$80	\$50
	Regional Coordination and targeted Technical Assistance (RCTA)	SI	\$9	\$7	\$7	\$0	\$0
	Addressing vector control threats and opportunities: supporting country readiness for an expanding toolbox	SI	\$16	\$13	\$12	\$11	\$0
	Malaria Total		\$175	\$153	\$148	\$114	\$50
Maximizing People-centered Integrated Systems for Health	Empowering regional reference laboratories and national diagnostic networks	SI, MC	\$33	\$27	\$24	\$0	\$0
	Data	SI	\$29	\$24	\$21	\$0	\$0
	Equitable access to quality health products through innovation, partnership, and promoting sustainable sourcing and supply chains at global, national and community levels (NextGen Market Shaping)	SI, MF	\$140	\$85	\$49	\$23	\$0
	Incentivizing RSSH quality and scale	MF	\$60	\$40	\$30	\$20	\$0
Maximizing Health Equity, Gender Equality and Human	Effective community systems & responses (CS&R) contributing to improved health outcomes, equitable access to integrated people-centered quality services	MF, SI	\$90	\$74	\$66	\$61	\$0
	Community engagement	SI	\$20	\$18	\$18	\$15	\$14
Mobilizing Increased Resources	Scaling up programs to remove human rights and gender related barriers	MF, SI	\$49	\$40	\$36	\$33	\$20
	Health Financing	SI	\$37	\$30	\$27	\$20	\$0
End AIDS, TB, Malaria	Emergency Fund	SI	\$40	\$40	\$40	\$30	\$10
	RSSH / Cross-Cutting Total		\$498	\$378	\$311	\$202	\$44
Amounts in US\$m	TOTAL		\$1,100	\$900	\$800	\$600	\$200

The decision point on catalytic investment presented before the Board included a list of twenty-two priority areas, each given a cost estimate, that will guide the Board in its allocation of funds – with different scenario depending on the success of the 7th Replenishment. It also included a cap for total Catalytic Investment at US\$1.1 billion in scenarios where the 7th Replenishment would raise over US\$18 billion, and allow the Secretariat to reallocate funds between priorities without Board approval as long as the changes represented less than 15% of the allocated amount.

The Communities Delegation expressed its concern at the fact that even though Community System Strengthening, Human Right and Gender programs have been elevated in the new strategy to Contributory Objectives, under both ‘Maximizing the Engagement and Leadership of Most Affected Communities to Leave No One Behind’ & ‘Maximizing Health Equity, Gender Equality and Human Rights’, the funds allocated to this priority in the proposed Catalytic Initiative breakdowns were limited.

The Developed Country NGO Delegation noted that during the last Board Meeting, promises were made that the limited increase in funding for TB in the disease split would be compensated through Catalytic Funding; but that the proposed budgets were not high enough to give the Global Fund the means to address the deep crisis of the fight against TB. They noted in particular that funding for the establishment and strengthening of country-level TB community networks has been identified as a particular challenge by advocates of people vulnerable to TB.

The Developing Country NGO Delegation noted concern with the decrease in funding allocated to Multicountry programs, which was deemed especially important for Civil Society and Community advocacy; they also noted that in lower funding scenarios, cuts to Catalytic Investment were severe and threatens the capacity of the Board to deliver on its ambitious strategy.

The comments nearly all Delegations expressed included concern at the lack of clarity regarding the process through which the Secretariat priorities for Catalytic Funding were established, noting a distinctive “laundry-list” effect with an unclear holistic vision, and looked forward to an in-depth review of the decision process in that regard ahead of the 8th Replenishment.

UPDATE ON STRATEGY DEVELOPMENT: M&E AND KPI 2023+ FRAMEWORK DEVELOPMENT

During an the last Global Fund Board Meeting in November 2021, the Board passed [the new strategic narrative framework](#), a document detailing the objectives and sub-objectives of the new strategy, as well as their rationale and capacity for impact. The next key step in the instrumentalization of the new strategy is the development of its Monitoring and Evaluation (M&E) framework, which includes in particular Key Performance Indicators (KPIs). The Board was updated on the development process, which is centered on a series of consultations with external experts to identify which metrics should be used as indicators for each objective and sub-objectives, and establish a framework for the evaluation other, non-KPI critical measures.

Consultations are taking place on eleven topics, each as a set of three workshops with external experts and one internal workshop. The Secretariat reported that the consultations were taking place on schedule. The team also reported on the progress of the Multi-Year Evaluation Calendar, a tool that will allow “live” monitoring, learning and accountability for the implementation of the new strategy.

Strategy Performance Consultations yield critical input into future Strategic Performance Reporting 1

Consultations focus on 11 topics

	End AIDS, TB and Malaria	Maximizing People centred Integrated Systems for Health to Deliver Impact, Resilience & Sustainability	Maximizing Health Equity, Gender Equality and Human Rights	Maximizing the Engagement & Leadership of most affected Communities to Leave No One Behind	Mobilizing Increased Resources for Health	Contribute to Pandemic Preparedness and Response
Measurement topics	1 HIV/AIDS	4 RSSH/ Integration / Community Systems Strengthening	7 Equity / Human Rights / Gender equality	8 Community Engagement & Leadership	9 Resource mobilization; Health financing; Value for Money	10 Pandemic Preparedness and Response
	2 Tuberculosis	5 Market shaping/Supply Chains / Procurement				
	3 Malaria	6 Data generation and use				
	11 Cross-cutting: Partnerships (see Slide 9 for information on approach)					

Leading to identification of:

- ▶ **Strategy Outcomes KPIs**, including metrics, cohorts, methodologies, and targets
- ▶ **Complementary insights**, to be given Board visibility based on need for decision-making, drawing from across the M&E Framework

With improved presentation:

- ▶ **Simpler, structured report**, organized along KPI layers (see previous slide) including KPI results and complementary insights
- ▶ **Board-level portal** in consideration, with KPI-related data downloads and eventually dashboards

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The comments from all most Delegations were focused on the risk of the process for the development of the M&E framework creating silos, through too many thematic conversations taking place in parallel. They expressed their difficulty at capturing a holistic view of the development process. The Communities and NGO Delegation further noted that Community, Rights and Gender objectives were not adequately mainstreamed across the theory of change, in particular entirely absent in TB. Katy Kydd Wright, Director of GFAN, is one of the external experts involved in the resource mobilization and health financing KPIs consultations.

Timeline for M&E & KPI Framework Development 1

2021				2022			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Develop approach		Identify and define measurement areas		Develop M&E framework			
<ul style="list-style-type: none"> • Develop vision and objectives for M&E Framework development (incl. KPI principles) based on lessons learned and benchmarking exercise 		<ul style="list-style-type: none"> • Organize technical consultations with >300 external technical experts across 11 key topics of the new Strategy to define appropriate measurement areas • Develop criteria for indicator selection (KPIs; MF; business process performance) and identify candidates for Strategy Outcome KPIs and MF 		<ul style="list-style-type: none"> • Conduct internal consultations with Framework leads and technical partners (as appropriate) to a) finalize MF and KPI indicators b) further develop other indicators • Draft M&E Framework, incorporating feedback from Committees 			
<p>B45 (May) Board endorsement of KPI principles</p>		<p>Extraordinary Board Meeting (July) Board approval of Strategy Framework</p>		<p>B46 (Nov) Board update on M&E Framework development</p>		<p>SC18, AFC18 (March) & B47 (May) Board update on M&E & KPI FW development</p>	
<p>SC17 (July) SC Update on M&E Framework development</p>				<p>A2F deadline (June) Modular framework indicators for NFM4 materials</p>		<p>SC19 & AFC19 (July) Committee discussion on Draft M&E and KPI Framework</p>	
						<p>B48 (Nov) Board approval of KPI Framework; M&E Framework and Multi-Year Evaluation Calendar</p>	

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RESOURCE MOBILIZATION

Françoise Vanni, Director of External Relations & Communications, provided the Board with an update on the state of resource mobilization – the update was rescheduled to the end of the Board Meeting, leaving limited room for discussion. She indicated that pledge conversions for the current cycle were on track, and that signed agreements over single or multi-year payment schedules already represented 91% of pledged contributions. With regard to C19RM, half of pledged funds had been paid as of December 2021, and additional pledges approved in March brought the overall C19RM pledges to from US\$4.1 billion to US\$4.64 billion.

Regarding the 7th Replenishment Campaign, the Secretariat noted the worrisome trend globally of downward pressure on Overseas Development Aid (ODA) budgets, and that rapidly increasing inflation was going to further lower the impact of the funds that will be raised for the 7th Replenishment. It also noted the compressed timeline compared to the 6th Replenishment campaign. The update focused on the Preparatory Conference and the Fight for What Counts campaign, and the Global Fund Secretariat noted throughout the report that Civil Society and Community advocates have rapidly and actively mobilized around the 7th Replenishment, noting in particular the contribution of GFAN Africa, GFAN AP, CS4ME and GFAN.

In their comments the Delegations praised the work for the Global Fund and stressed the crucial importance of a successful 7th Replenishment. The Developed Country NGO Delegation, recalled Peter Sands comments during his Day 1 update about that the normalization of death was not only true of the public's perception of COVID-19, but was indicative of a larger wave of apathy that threatened to further relegate HIV/AIDS, TB and Malaria down the global agenda at a time of unprecedented need. In this context, the Delegation added that the 7th Replenishment was perhaps the most important in the Global Funds history, as it would give us the power to fight back against this wave and offer a critical counter narrative to these new levels of public apathy.

OTHER BUSINESSES

The full agenda of the Board Meeting included the annual report of the ethics officer, and a report by the OIG, both noting that no major concerns had emerged over the past year but that there had been an increase in reported incidents, reflecting the scaling up of Global Fund operations to implement C19RM, and that they had faced no particular challenge in doing their work. A presentation was also given on risk management by the Chief Risk Officer, who noted that risk levels among most portfolios are high, reflecting a decision taken at the last Board to sanction an increase in risk tolerance, and that risks levels were now expected to come down, though the situation in Ukraine did pose challenges in that regard. Finally, a number of minor adjustments were made regarding the governance of the Secretariat and the rules governing committees.

Your communities and civil society Board Members, Alternates, Communications Focal Points and delegation members work hard at and between Board and Committee meetings to raise key concerns from our community of advocates and implementers and we thank them all for their

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dedication and commitment. In particular, the GFAN Secretariat wants to thank Robin Montgomery, who was attending her last Board Meeting as Board Member for the Developed Country NGO Delegations, for her dedication and contributions during her term. We also want to welcome Javier Bellocq who has started his term as Board Member for the Communities Delegation, and congratulate Developing Country NGO Board Member Carolyn Gomez for becoming Chair of the Strategy Committee.